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PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

SENATE—*Wednesday, June 26, 1985*

The Senate met at 9 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, reveal Thyself to the Senate today. Manifest Thy wisdom, grace, and power. Help the Senators to work their way through these customary prerecess frustrations. Help them not to make idols of issues. Help them not to allow disagreement to become discord and discord become divisive. Help them to find a consensus. Resolve rancor or bitterness or vindictiveness before they can control actions. Let respect and love prevail and lead us into a profitable recess which will bless Senators, families, and staffs, and the people. Let Thy work be done, Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, it is my hope today that we can stay on H.R. 2745, the imputed interest bill. It is my understanding that there are a number of amendments—four, five or six—and I have discussed the procedure with the chairman of the committee [Mr. PACKWOOD]. He would like to complete action on the bill today if that is possible. Obviously, if there are some areas that cannot be resolved, that may not be possible. But it is my hope we can complete action on this bill today.

In addition, we have a number of other matters we hope we can dispose of, including a number of nominations, if not today, tomorrow. In the event we cannot resolve some of the differences, the outstanding cloture motion will be filed today. The vote on the cloture motion will come on Friday.

I suggest if we can resolve some of the outstanding matters that some Members have concerns about, then we shall be able to complete action today, complete action on a few other bills early tomorrow, and probably then go into recess.

I reserve the remainder of my time, Mr. President.

RESERVATION OF MINORITY LEADER'S TIME

Mr. DOLE. Mr. President, I reserve the remainder of the time for the distinguished minority leader.

THE JOURNAL

Mr. DOLE. Mr. President, I ask that the Journal be read.

The PRESIDING OFFICER (Mr. D'AMATO). Is there objection?

Mr. METZENBAUM. Mr. President, to reserving the time of the majority leader?

Mr. DOLE. Yes, Mr. President.

Mr. METZENBAUM. I have no objection to that.

The PRESIDING OFFICER. Is there any objection to the reserving of the time of the minority leader?

Mr. METZENBAUM. I have no objection to that, with the understanding that the minority leader has assigned his time to me, if the majority leader has no objection to that.

The PRESIDING OFFICER. Without objection, all time is reserved.

Mr. METZENBAUM addressed the Chair.

Mr. DOLE. The clerk will read the Journal.

Mr. METZENBAUM addressed the Chair.

Mr. DOLE. Mr. President, as I understand it, it is now in order to read the Journal, is that correct?

The PRESIDING OFFICER. That is the next item.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 2475, the imputed interest bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause, and insert the following:

SECTION 1. SIMPLIFICATION OF GENERAL IMPUTED INTEREST RULES.

(a) REDUCTION OF IMPUTATION RATE FROM 120 TO 100 PERCENT; ELIMINATION OF SEPARATE TESTING RATE.—

(1) AMENDMENTS OF SECTION 1274.—

(A) Subparagraph (B) of section 1274(b)(2) of the Internal Revenue Code of 1954 (defining imputed principal amount) is amended by striking out "120 percent of".

(B) Clause (ii) of section 1274(c)(1)(A) of such Code is amended to read as follows:

"(ii) in any other case, the imputed principal amount of such debt instrument determined under subsection (b), and".

(C) Paragraph (2) of section 1274(c) of such Code is amended by striking out "the testing amount" and inserting in lieu therof "the imputed principal amount of such debt instrument determined under subsection (b)".

(D) Subsection (c) of section 1274 of such Code is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(2) AMENDMENTS OF SECTION 483.—

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

(A) The last sentence of section 483(b) of such Code (defining total unstated interest) is amended by striking out "120 percent of".

(B) Subparagraph (B) of section 483(c)(1) of such Code is amended to read as follows:

"(B) under which there is total unstated interest."

(b) INTEREST RATES REDETERMINED EACH MONTH.—

(1) IN GENERAL.—Paragraph (1) of section 1274(d) of such Code (defining applicable Federal rate) is amended by striking out subparagraphs (B), (C), and (D) and inserting in lieu thereof the following:

"(B) DETERMINATION OF RATES.—During each calendar month, the Secretary shall determine the Federal short-term rate, mid-term rate, and long-term rate which shall apply during the following calendar month.

"(C) FEDERAL RATE FOR ANY CALENDAR MONTH.—For purposes of this paragraph—

"(i) FEDERAL SHORT-TERM RATE.—The Federal short-term rate shall be the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in the calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 years or less.

"(ii) FEDERAL MID-TERM AND LONG-TERM RATES.—The Federal mid-term and long-term rate shall be determined in accordance with the principles of clause (i).

"(D) LOWER RATE PERMITTED IN CERTAIN CASES.—The Secretary may by regulations permit a rate to be used with respect to any debt instrument which is lower than the applicable Federal rate if the taxpayer establishes to the satisfaction of the Secretary that such lower rate is based on the same principles as the applicable Federal rate and is appropriate for the term of such instrument."

(2) RATE APPLICABLE TO ANY SALE OR EXCHANGE.—Paragraph (2) of section 1274(d) of such Code (relating to rate applicable to any sale or exchange) is amended to read as follows:

"(2) LOWEST 3-MONTH RATE APPLICABLE TO ANY SALE OR EXCHANGE.—

"(A) IN GENERAL.—In the case of any sale or exchange, the applicable Federal rate shall be the lowest 3-month rate.

"(B) LOWEST 3-MONTH RATE.—For purposes of subparagraph (A), the term 'lowest 3-month rate' means the lowest of the applicable Federal rates in effect for any month in the 3-calendar-month period ending with the 1st calendar month in which there is a binding contract in writing for such sale or exchange."

(c) LIMITATION ON DISCOUNT RATE WHEN APPLICABLE FEDERAL RATE EXCEEDS 12 PERCENT.—Section 1274 of such Code (relating to determination of issue price in the case of certain debt instruments issued for property) is amended by adding at the end thereof the following new subsection:

"(e) LOWER DISCOUNT RATE WHEN APPLICABLE FEDERAL RATE EXCEEDS 12 PERCENT.—

"(1) IN GENERAL.—In the case of any debt instrument to which this subsection applies, if the applicable Federal rate exceeds 12 percent, the discount rate used under subsection (b)(2)(B) or section 483(b) shall be equal to the sum of—

"(A) 12 percent, plus

"(B) ⅓ of the excess of the applicable Federal rate over 12 percent.

"(2) DEBT INSTRUMENTS TO WHICH THIS SUBSECTION APPLIES.—Subject to the provisions of paragraph (3), this subsection shall apply to—

"(A) SALES AND EXCHANGES OF DEPRECIABLE PROPERTY.—Any debt instrument given in consideration for the sale or exchange of any property which, in the hands of the purchaser, is of a character which is subject to an allowance for depreciation or amortization if—

"(i) the stated principal amount of such debt instrument does not exceed 50 percent of the total sales price,

"(ii) the term of such debt instrument (determined with regard to any extension or renewal) is not greater than ⅔ of the statutory recovery period for such property, and

"(iii) the terms of such debt instrument require the unconditional payment at fixed periodic intervals of 1 year or less of at least 80 percent of the total interest allocable to the period to which the payment relates.

"(B) SALES AND EXCHANGES OF NONDEPRECIABLE PROPERTY.—Any debt instrument given in consideration for the sale or exchange of any property which, in the hands of the purchaser, is of a character which is not subject to an allowance for depreciation or amortization.

"(3) SPECIAL RULES FOR APPLICATION OF PARAGRAPH (2).—For purposes of paragraph (2)—

"(A) SEPARATE APPLICATION TO EACH PROPERTY.—Except as provided in regulations—

"(i) IN GENERAL.—In the case of a debt instrument given in consideration for more than 1 property, paragraph (2) shall be applied separately to each property.

"(ii) SPECIAL RULE FOR REAL PROPERTY.—In the case of a transaction which involves the sale or exchange of any 15-year, 18-year, or 19-year real property, and the sale or exchange of any land on which such property is located or any incidental personal property associated with the use of such real property—

"(I) the requirements of paragraph (2)(A) must be met for all debt instruments given in consideration for such real property, land, and personal property, and

"(II) the statutory recovery period for such land and personal property shall, for purposes of paragraph (2)(A), be treated as being equal to the statutory recovery period for such real property.

"(B) SPECIAL RULE FOR SALES OF STOCK AND PARTNERSHIP INTERESTS.—Except to the extent provided in regulations, any debt instrument given in consideration for the sale or exchange of—

"(i) any stock in a corporation if such sale or exchange is part of a transaction or series of transactions in which the purchaser acquires control (within the meaning of section 304(c)), or

"(ii) any interest in a partnership,

shall be treated as given in consideration for the assets of such corporation or partnership (rather than such stock or partnership interest).

"(C) COORDINATION WITH SECTION 1274A.—This subsection shall not apply to any debt instrument to which section 1274A applies.

"(D) STATUTORY RECOVERY PERIOD.—The term 'statutory recovery period' means—

"(i) in the case of property with respect to which a deduction is allowable under section 168, the recovery period under section 168, and

"(ii) in the case of any other property, the period for which the deduction for depreciation or amortization is allowable under this chapter.

"(4) TERMINATION.—This subsection shall not apply to any sale or exchange after June 30, 1988.".

SEC. 2. LOWER DISCOUNT RATE IN CASE OF CERTAIN SALES WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $4,000,000.

(a) GENERAL RULE.—Subpart A of part V of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to original issue discount) is amended by inserting after section 1274 the following new section:

"SEC. 1274A. SPECIAL RULES FOR CERTAIN TRANSACTIONS WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $4,000,000.

"(a) LOWER DISCOUNT RATE.—In the case of any qualified debt instrument—

"(1) if the stated principal amount of such instrument does not exceed $2,000,000, the discount rate used for purposes of sections 483 and 1274 shall not exceed 9 percent, compounded semiannually, and

"(2) if the stated principal amount of such instrument exceeds $2,000,000, the discount rate used for purposes of sections 483 and 1274 shall not exceed the blended rate determined under subsection (c), compounded semiannually.

"(b) QUALIFIED DEBT INSTRUMENT DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified debt instrument' means any debt instrument given in consideration for the sale or exchange of property (other than new section 38 property) if the stated principal amount of such instrument does not exceed $4,000,000.

"(2) NEW SECTION 38 PROPERTY.—The term 'new section 38 property' has the meaning given such term by section 48(b).

"(c) BLENDED RATE.—For purposes of this section—

"(1) IN GENERAL.—The blended rate determined under this subsection with respect to any qualified debt instrument is the weighted average of—

"(A) 9 percent with respect to the qualified amount of such debt instrument, and

"(B) the applicable Federal rate determined under section 1274(d) with respect to the stated principal amount in excess of the qualified amount.

In the case of any debt instrument described in section 1274(e)(2) (determined without regard to section 1274(e)(3)(C)), the discount rate under section 1274 shall be substituted for the applicable Federal rate for purposes of subparagraph (B).

"(2) QUALIFIED AMOUNT.—The term 'qualified amount' means $2,000,000 reduced by the excess of the stated principal amount over $2,000,000.

"(d) ELECTION TO USE CASH METHOD WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $2,000,000.—

"(1) IN GENERAL.—In the case of any cash method debt instrument—

"(A) section 1274 shall not apply, and

"(B) interest on such debt instrument shall be taken into account by both the borrower and the lender under the cash receipts and disbursements method of accounting.

"(2) CASH METHOD DEBT INSTRUMENT.—For purposes of paragraph (1), the term 'cash method debt instrument' means any qualified debt instrument if—

"(A) the stated principal amount does not exceed $2,000,000,

"(B) the lender does not use an accrual method of accounting and is not a dealer with respect to the property sold or exchanged,

"(C) section 1274 would have applied to such instrument but for an election under this subsection, and

"(D) an election under this subsection is jointly made with respect to such debt instrument by the borrower and lender.

"(3) SUCCESSORS BOUND BY ELECTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall apply to any successor to the borrower or lender with respect to a cash method debt instrument.

"(B) EXCEPTION WHERE LENDER TRANSFERS DEBT INSTRUMENT TO ACCRUAL METHOD TAXPAYER.—If the lender (or any successor) transfers any cash method debt instrument to a taxpayer who uses an accrual method of accounting, this paragraph shall not apply with respect to such instrument for periods after such transfer.

"(4) FAIR MARKET VALUE RULE IN POTENTIALLY ABUSIVE SITUATIONS.—In the case of any cash method debt instrument, section 483 shall be applied as if it included provisions similar to the provisions of section 1274(b)(3).

"(e) Other Special Rules.—

"(1) AGGREGATION RULES.—For purposes of this section—

"(A) all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as 1 sale or exchange, and

"(B) all debt instruments arising from the same transaction (or a series of related transactions) shall be treated as 1 debt instrument.

"(2) INFLATION ADJUSTMENTS.—

"(A) IN GENERAL.—In the case of any debt instrument arising out of a sale or exchange during any calendar year after 1988, each dollar amount contained in the preceding provisions of this section shall be increased by the inflation adjustment for such calendar year. Any increase under the preceding sentence shall be rounded to the nearest multiple of $100 (or, if such increase is a multiple of $50, such increase shall be increased to the nearest multiple of $100).

"(B) INFLATION ADJUSTMENT.—For purposes of subparagraph (A), the inflation adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year exceeds

"(ii) the CPI for calendar year 1987. For purposes of the preceding sentence, the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

"(1) regulations coordinating the provisions of this section with other provisions of this title,

"(2) regulations necessary to prevent the avoidance of tax through the abuse of the provisions of subsection (d), and

"(3) regulations relating to the treatment of transfers of cash method debt instruments."

(b) EXCEPTION FOR ASSUMPTIONS.—Subsection (c) of section 1274 of such Code is amended by adding at the end thereof the following new paragraph:

"(4) EXCEPTION FOR ASSUMPTIONS.—If any person—

"(A) in connection with the sale or exchange or property, assumes any debt instrument, or

"(B) acquires any property subject to any debt instrument,

this section and section 483 shall not apply to such debt instrument by reason of such assumption (or such acquisition) unless the terms and conditions of such debt instrument are modified (or the nature of the transaction is changed) in connection with the assumption (or acquisition)."

(c) TECHNICAL AMENDMENTS.—

(1) Section 483 of such Code is amended by striking out subsection (e) and by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively.

(2) Paragraph (1) of section 483(e) of such Code (as redesignated by paragraph (1)) is amended by striking out "7 percent" and inserting in lieu thereof "6 percent".

(3) Subsection (g) of section 483 of such Code (as redesignated by paragraph (1)) is amended to read as follows:

"(g) CROSS REFERENCES.—

"(1) For treatment of assumptions, see section 1274(c)(4).

"(2) For special rules for certain transactions where stated principal amount does not exceed $4,000,000, see section 1274A.

"(3) For special rules in case of the borrower under certain loans for personal use, see section 1275(b).

"(4) For lower discount rate for certain instruments, see section 1274(e)."

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part V of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1274 the following new item:

"Sec. 1274A. Special rules for certain transactions where stated principal amount does not exceed $4,000,000."

SEC. 3. RECOVERY PERIOD FOR 18-YEAR REAL PROPERTY EXTENDED TO 19 YEARS.

(a) IN GENERAL.—Clause (i) of section 168(b)(2)(A) of the Internal Revenue Code of 1954 (relating to amount of deduction for 18-year recovery period" and inserting in lieu thereof "19-year recovery period".

(b) TECHNICAL AMENDMENTS.—

(1) The following provisions of the Internal Revenue Code of 1954 are amended by striking out "18-year real property" each place it appears in the text and headings thereof and inserting in lieu thereof "19-year real property":

(A) Section 168 (relating to accelerated cost recovery system).

(B) Section 57(a)(12) (relating to preference for accelerated cost recovery deduction).

(C) Section 312(k)(3)(A) (relating to earnings and profits).

(D) Subparagraphs (A), (B), and (C) of section 1245(a)(5) (relating to gain from dispositions of certain depreciable property).

(2) The table contained in subparagraph (A) of section 168(b)(3) of such Code (relating to election of different recovery percentage) is amended by striking out "18, 35, or 45" and inserting in lieu thereof "19, 35, or 45 years".

(3)(A) Subparagraph (B) of section 168(f)(1) of such Code (relating to components of section 1250 class property) is amended by redesignating clause (iii) as clause (iv) and by inserting after clause (ii) the following new clause:

"(iii) BUILDINGS PLACED IN SERVICE BEFORE MAY 9, 1985.—In the case of any building placed in service by the taxpayer before May 9, 1985, for purposes of applying subparagraph (A) to components of such buildings placed in service after May 8, 1985, the deduction allowable under subsection (a) with respect to such components shall be computed in the same manner as the deduction allowable with respect to the first component placed in service after May 8, 1985."

(B) Clause (ii) of section 168(f)(1)(B) of such Code is amended by striking out "March 15, 1984, the" and inserting in lieu thereof "March 15, 1984, and before May 9, 1985, the".

(C) Clause (iv) of section 168(f)(1)(B) of such Code, as redesignated by subparagraph (A), is amended by striking out "or (ii)" and inserting in lieu thereof ", (ii), or (iii)".

(4) Clause (ii) of section 168(f)(12)(B) of such Code (relating to limitations for property financed with tax-exempt bonds) is amended—

(A) by striking out "15-year real property" each place it appears in the heading and the text and inserting in lieu thereof "19-year real property", and

(B) by striking out "15 years" and inserting in lieu thereof "19 years".

(5) Paragraph (2) of section 48(g) of such Code (relating to special rules for qualified rehabilitated buildings) is amended by striking out "18" in subparagraphs (A)(i) and (B)(v) thereof and inserting in lieu thereof "19".

(6) The table contained in subparagraph (B) of section 47(a)(5) of such Code (relating to special rules for recovery property) is amended by striking out "For 15-year, 10-year, and 5-year property" and inserting in lieu thereof For property other than 3-year property".

(7) Clause (i) of section 57(a)(12)(B) of such Code (relating to real property and low-income housing) is amended by striking out "18 years" and inserting in lieu thereof "19 years".

SEC. 4. CERTAIN LOANS TO QUALIFIED CONTINUING CARE FACILITIES EXEMPT FROM BELOW-MARKET INTEREST RATE RULES.

(a) IN GENERAL.—Section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below market interest rates) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) EXCEPTION FOR CERTAIN LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—

"(1) IN GENERAL.—This section shall not apply for any calendar year to any below-market loan made by a lender to a qualified continuing care facility pursuant to a continuing care contract if the lender has attained the age of 65 before the close of such year.

"(2) $90,000 LIMIT.—Paragraph (1) shall apply only to the extent that the aggregate outstanding amount of any loan to which such paragraph applies (determined without regard to this paragraph), when added to the aggregate outstanding amount of all other previous loans between the lender (or if married, the lender and the lender's spouse) and any qualified continuing care facility to which paragraph (1) applies, does not exceed $90,000.

"(3) CONTINUING CARE CONTRACT.—For purposes of this section, the term 'continuing care contract' means a written contract between an individual and a qualified continuing care facility under which—

"(A) the individual or individual's spouse may use a qualified continuing care facility for their life or lives,

"(B) the individual or individual's spouse—

"(i) will first—

"(I) reside in a separate, independent living unit with facilities available for the providing of meals and other personal care, and

"(II) not require care other than the care referred to in subclause (I), and

"(ii) then will be provided long-term and skilled nursing care as the health of such individual or individual's spouse requires, and

"(C) no additional substantial payment is required if such individual or individual's spouse requires increased personal care services or long-term and skilled nursing care.

"(4) QUALIFIED CONTINUING CARE FACILITY.—

"(A) IN GENERAL.—For purposes of this section, the term 'qualified continuing care facility' means 1 or more facilities—

"(i) which are designed to provide services under continuing care contracts, and

"(ii) substantially all of the residents of which have entered into continuing care contracts.

"(B) SUBSTANTIALLY ALL FACILITIES MUST BE OWNED AND OPERATED BY BORROWER.—A facility shall not be treated as a qualified continuing care facility unless substantially all facilities which are used to provide services which are required to be provided under a continuing care contract are owned or operated by the borrower.

"(C) NURSING HOMES EXCLUDED.—The term 'qualified continuing care facility' shall not include any facility which is of a type which is traditionally considered a nursing home.

"(5) SPECIAL RULES.—

"(A) CONTINUING CARE CONTRACT BY MARRIED LENDER.—If—

"(i) a married lender makes a loan to a qualified continuing care facility pursuant to a continuing care contract which provides for the use of such facility by the lender or lender's spouse, and

"(ii) one spouse satisfies the age requirement of paragraph (1) with respect to such loan,

then both spouses shall be treated as satisfying the age requirement of paragraph (1) with respect to such loan.

"(B) ADJUSTMENT OF LIMIT FOR INFLATION.—

"(i) IN GENERAL.—In the case of any loan made during any calendar year after 1986 to which paragraph (1) applies, the dollar amount in paragraph (2) shall be increased by the inflation adjustment for such calendar year. Any increase under the preceding sentence shall be rounded to the nearest multiple of $100 (or, if such increase is a multiple of $50, such increase shall be increased to the nearest multiple of $100).

"(ii) INFLATION ADJUSTMENT.—For purposes of clause (i), the inflation adjustment for any calendar year is the percentage (if any) by which—

"(I) the CPI for the preceding calendar year exceeds

"(II) the CPI for calendar year 1985.

For purposes of the preceding sentence, the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year."

(b) CLARIFICATION OF APPLICATION OF BELOW-MARKET INTEREST RATE RULES TO LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—Paragraph (1) of section 7872(c) of such Code (relating to below-market loans to which section applies) is amended by adding at the end thereof the following new subparagraph:

"(F) LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—Any loan to any qualified continuing care facility pursuant to a continuing care contract."

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 7872(c) of such Code is amended by inserting "and subsection (g)" after "subsection".

(2) Subparagraph (E) of section 7872(c)(1) of such Code is amended by striking out "or (C)" and inserting in lieu thereof "(C), or (F)".

SEC. 5. TIME FOR DETERMINING RATE APPLICABLE TO EMPLOYEE RELOCATION LOANS.

Subsection (f) of section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below-market interest rates) is amended by adding at the end thereof the following new paragraph:

"(11) TIME FOR DETERMINING RATE APPLICABLE TO EMPLOYEE RELOCATION LOANS.—

"(A) IN GENERAL.—In the case of any term loan made by an employer to an employee the proceeds of which are used by the employee to purchase a principal residence (within the meaning of section 1034), the determination of the applicable Federal rate shall be made as of the date the written contract to purchase such residence was entered into.

"(B) PARAGRAPH ONLY TO APPLY TO CASES TO WHICH SECTION 217 APPLIES.—Subparagraph (A) shall only apply to the purchase of a principal residence in connection with the commencement of work by an employee or a change in the principal place of work of an employee to which section 217 applies."

SEC. 6. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in this section, the amendments made by this Act shall apply to sales and exchanges after June 30, 1985, in taxable years ending after such date.

(b) REGULATORY AUTHORITY TO ESTABLISH LOWER RATE.—Section 1274(d)(1)(D) of the Internal Revenue Code of 1954, as added by section 1(b), shall apply as if included in the amendments made by section 41 of the Tax Reform Act of 1984.

(c) SECTION 3.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by section 3 shall apply with respect to property placed in service by the taxpayer after May 8, 1985.

(2) EXCEPTION.—The amendments made by section 3 shall not apply to property placed in service by the taxpayer before January 1, 1987, if—

(A) the taxpayer or a qualified person entered into a binding contract to purchase or construct such property before May 9, 1985, or

(B) construction of such property was commenced by or for the taxpayer or a qualified person before May 9, 1985.

For purposes of this paragraph, the term "qualified person" means any person who transfers his rights in such a contract or such property to the taxpayer, but only if such property is not placed in service by such person before such rights are transferred to the taxpayer.

(3) SPECIAL RULE FOR COMPONENTS.—For purposes of applying section 168(f)(1)(B) of the Internal Revenue Code of 1954 (as amended by section 3) to components placed in service after December 31, 1986, property to which paragraph (2) of this subsection applies shall be treated as placed in service by the taxpayer before May 9, 1985.

(4) TECHNICAL CORRECTION.—The amendment made by paragraph (6) of section 3(b) shall apply as if included in the amendments made by section 111 of the Tax Reform Act of 1984.

(5) SPECIAL RULE FOR LEASING OF QUALIFIED REHABILITATED BUILDINGS.—The amendment made by paragraph (5) of section 3(b) to section 48(g)(2)(B)(v) of the Internal Revenue Code of 1954 shall not apply to leases entered into before May 22, 1985, but only if the lessee signed the lease before May 17, 1985.

(d) SECTION 4.—

(1) IN GENERAL.—The amendments made by section 4 shall apply with respect to loans made after the date of enactment of this Act.

(2) SECTION 7872 NOT TO APPLY TO CERTAIN LOANS.—Section 7872 of the Internal Revenue Code of 1954 shall not apply to loans made on or before the date of the enactment of this Act to any qualified continuing care facility pursuant to a continuing care contract. For purposes of this paragraph, the terms "qualified continuing care facility" and "continuing care contract" have the meanings given such terms by section 7872(g) of such Code (as added by section 4).

(e) SECTION 5.—The amendment made by section 5 shall apply to contracts entered into after June 30, 1985, in taxable years ending after such date.

Mr. PACKWOOD. Mr. President, for the benefit of those who are listening, this will be the procedure we will follow momentarily. The first amendment will be an amendment offered by Senator CHAFEE to strike a provision in the bill that was offered by Senator HEINZ in committee relating to life care. It was a close vote in committee, and I expect it will be a spirited debate on the floor. There will be no time agreement on that amendment, although I know of no one on either side who has any desire to filibuster this particular amendment. So I think we will have whatever debate it takes, and an up-or-down vote on the Chafee amendment. If the Chafee amendment passes, there are some other amendments relating to life care that will then be relevant.

Senator DANFORTH has one. Senator HEINZ has some to his own amendment. There is no point in worrying about these amendments right now until we see how the Chafee effort to strike the Heinz amendment is disposed of. Once we have that behind us, I suppose the debate on that will take an hour or so, and there will be a rollcall vote. We hope to have agreements on a number of other provisions that have been holding up the bill to date. I think we will be working on those agreements while we are debating the Chafee effort to strike the Heinz amendment.

I believe there is nothing else to be said right now. I have phoned both Senator CHAFEE and Senator HEINZ. They are on their way to the floor. I expect we will be on the Chafee amendment within 5 or 10 minutes.

So for the moment, I suggest the absence of a quorum until the Senators arrive.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, today I offer for Senate consideration H.R. 2475, a bill to simplify the so-called imputed interest rules for seller financed transactions. This issue has been difficult to resolve. When we tried to limit the tax advantages of low interest seller financing in the Tax Reform Act of 1984, we inadvertently hampered legitimate transactions. We now have a permanent solution.

IMPUTED INTEREST PROVISIONS

I want to emphasize four major points about the imputed interest portions of the bill.

First, this bill is a compromise. Its basic structure was the result of long and difficult discussions between the real estate industry and the House Ways and Means Committee. Then the Finance Committee took a good hard look at what the House did, and added some improvements to the bill. No one is completely satisfied—but that is the nature of compromise. We now have a permanent, workable solution to a very difficult problem.

Second, the bill is revenue neutral over 5 years. We all have gone through the painful process of budget cutting. We all have concerns about the growing deficit. This bill, over a 5-year period, includes provisions that liberalize the current law's imputed interest rules and, to pay for those changes, extends the recovery period for real property from 18 to 19 years.

Third, the bill protects the use of seller financing. When interest rates are high, making the cost of third-party borrowing prohibitive, seller financing is necessary to aid the transfer of property. Our bill meets the need to protect the use of seller financing at such times by putting a statutory limit on the rate at which interest rates must be imputed when interest rates go above 12 percent.

Finally, we need quick action. The temporary legislation expires this July 1. I for one sympathize with any industry that tries to conduct a business with temporary rules. I do not think it is good for business, and it is not good for Congress. Every time we revisit this area we have to worry about transition rules and rules governing transactions that take place over a period of time that is covered by two pieces of temporary legislation. We have here a solid, long-term, permanent solution. I urge my colleagues to pass this bill so we can turn our attention to other issues.

LIFE-CARE PROVISIONS

I want to address one other issue covered by this bill that was not dealt with in the House. This is the rule we have established for so-called continuing care facilities. As you may recall, last year there was some concern that entry fees paid to continuing care facilities would be subject to the low-interest loan rules of the Tax Reform Act. Thus, residents of the facilities would be deemed to have made a loan to the facility and would be taxed on the purported interest that they would have received if the transaction were an actual loan. We have attempted to resolve that issue in a limited manner in this bill.

First, our committee report makes it clear that entry fees that were not loans under prior law are not subject to the low-interest loan rules. Second, the bill provides that even if certain entry fees are loans, the first $90,000 of such fees paid to a continuing care facility is exempt from the low-interest loan rules.

We provide this exemption because continuing care facilities provide an important residential, social, and health services to the elderly. The life-care facilities, with their emphasis on preventative health care, are an important factor in reducing the governmental health costs of Medicare and Medicaid.

The exemption here was designed carefully to fulfill these important goals and to have a minimal revenue impact, and I urge its support.

I ask unanimous consent that a summary of the bill's provisions be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF THE PROVISIONS OF H.R. 2475 AS REPORTED BY THE SENATE COMMITTEE ON FINANCE

A. SIMPLIFICATION AND REDUCTION OF MINIMUM INTEREST RATES

1. Test rates for small transactions. When the amount of seller financing is less than $2 million, the test rate is the lesser of—a. 9 percent, or b. 100 percent of the applicable Federal rate ("AFR").

2. Test rate for large transactions. When the amount of seller financing is more than $4 million, the test rate is 100 percent of the AFR.

3. Limited test rate if AFR exceeds 12 percent. For a three-year period, the test rate of 100 percent of the applicable Federal rate (AFR) that is applied to certain transactions above $2 million is moderated by a "governor" when the AFR exceeds 12 percent. If the AFR is above 12 percent, the test rate is 12 percent plus one-third of the difference between the AFR and 12 percent. A transaction is entitled to use this governor if it meets either of the following two tests. a. the property is not depreciable by the purchaser, or b. all three of the following criteria are met.

1. the term of the loan does not exceed ⅔ of the property's depreciable life,

2. at least 80 percent of the interest is paid annually and

3. not more than 50 percent of the purchase price is financed by the seller.

4. Blending. When the amount of seller financing is between $2-$4 million, the test rate is blended between the rates in 1 and 2 above. The amount of seller financing that can use the test rate for small transactions is reduced by one dollar for each dollar that the amount of seller financing exceeds $2 million.

5. Indexing. The dollar amounts provided in 1 and 2 are indexed beginning after 1988.

6. Elimination of penalty rates. The dual test rate/imputation rate structure from pre-1984 and 1984 law is repealed.

7. Inapplicability to new investment tax credit property. As in the stopgap legislation enacted in October, 1984, the 9 percent test rate does not apply to new investment tax credit property.

8. Monthly interest determination for large seller financing transactions. H.R. 2475 eliminates the six months AFR computation rules from the 1984 Act, and adopts the substance of temporary Treasury regulations, which—a. provide for monthly determinations of the applicable federal rate, and b. allow the taxpayer to use the monthly rate for that month and the two following months.

9. Lower interest rates in appropriate circumstances. The Treasury Department is authorized to issue regulations under which taxpayers may show that in appropriate circumstances an interest rate less than 100 percent of the AFR may be used. Such authority will be effective as if included in the Tax Reform Act of 1984.

10. Aggregation rules. To prevent use of the small transactions rule in inappropriate cases, Treasury is given authority to issue regulations providing for aggregation of notes that are essentially part of a single transaction.

B. EXEMPTION OF ASSUMPTIONS FROM IMPUTED INTEREST RULES

Assumptions are exempted from the imputed interest rules. Issuance of wrap-around debt is not to be treated as an assumption, pending resolution of this issue for purposes of the installment sales rules.

C. ACCOUNTING FOR INTEREST IN SELLER FINANCING

1. Small transactions. For seller financing up to $2 million, the parties may elect cash accounting for interest on the note.

2. Limitations. This election is not available if the seller is—a. a dealer in the property, or b. an accrual method taxpayer.

3. Subsequent Transfers or Assumptions of the Note. Rules are provided to assure consistent accounting treatment by persons who assume obligations under a "cash-cash" note, and to authorize Treasury to issue anti-abuse regulations.

D. CONTINUING CARE FACILITIES

1. Refundable Entry Fees. The portion of a refundable entry fee paid by persons 65 or older to a continuing care facility that does not exceed $90,000 is not subject to the rules governing low interest loans.

2. Effective Date. The bill applies to loans made on or after the date of enactment. All loans made on or before the date of enactment are excepted from the below market loan rules.

E. EMPLOYEE RELOCATION LOANS

1. Loan rules. Home loans made by an employer or his agent pursuant to an employee relocation loan are tested by using the applicable Federal rate at the time the purchase contract for the employee's home is entered into.

2. Effective date. The provision applies to loans made pursuant to purchase contracts entered into after June 30, 1985.

F. REVENUE OFFSET—CAPITAL RECOVERY ALLOWANCES FOR REAL PROPERTY

1. Recovery period for real property. To offset the revenue loss resulting from simplification of the imputed interest rules, the recovery period for real property is raised from 18 to 19 years.

2. Effective date. This change generally applies to property placed in service after May 8, 1985. The requirement that real property have a remaining term of at least 19 years (instead of 18 under current law) to qualify under the rehabilitation tax credit rules applies to leases executed after May 21, if signed by the lessee before May 17.

3. Low income housing. H.R. 2475 does not raise the recovery period for low income housing from its current 15 years.

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, the chairman of the committee has ably described the committee bill. I believe the bill represents a workable, permanent solution to the difficulties created by the original imputed interest legislation.

Under current law, special relief provisions for seller financing transactions under $2 million will expire June 30. The committee bill would provide permanent relief for these small transactions, and would also provide more workable and flexible rules for all seller financing transactions. The committee bill would, however, still retain tough and effective rules to prevent tax abuses.

I believe the committee bill provides a significant improvement in the tax laws, and I urge my colleagues to support the bill as reported.

● Mr. QUAYLE. Mr. President, I am pleased that the Senate is now addressing the imputed interest legislation after a delay that has been much too long. As you know, the Deficit Reduction Act of 1984 provided that the seller of a home, farm, or small business, be required to finance the sale at rate equivalent to 110 percent of a Treasury bill of similar maturity. I believe this to be an exaggerated response to perceived tax abuses in seller financed transactions and an unnecessary and ruinous regulatory intrusion in the marketplace.

At the close of the 98th Congress, we enacted legislation to delay under certain situations the effective date of these rules, until July 1, 1985, 6 days from today's date. Once again we are faced with this question on imputed interest rules, which clearly points toward the need to adopt a permanent solution which is mutually agreeable among all parties involved.

Seller financing is critical to the sale of many homes, farms, and small businesses. This type of financing proved a safety valve during recessionary periods when institutional interest rates became virtually prohibitive to real estate sales. In the case of small business, seller financing becomes an efficient economic mechanism that allows an entrepreneur to purchase a small business and enjoy a profit that permits him or her to continue to operate. The seller of such a business gains nothing from a default on the part of the purchaser where the property reverts back to the seller. Seller financing allows the buyer and seller to reach agreeable terms that reflect the true economic value of the risk involved for both parties.

Mr. President, as a cosponsor of S. 729, a bill which repeals the imputed interest penalty for transactions under $4 million, I urge my colleagues today to adopt a measure which allows a reasonable threshold under which no imputed interest penalty would be assesed in the sale of real estate.●

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Montana.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk resumed the call of the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I want to thank my good friend from Montana. He had an amendment to offer, but was not aware that we had reached an agreement for Mr. CHAFEE to proceed with his amendment first. The Senator from Montana indicated that he would withhold his amendment at this time. We appreciate that very much.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 423

(Purpose: To remove provisions relating to loans to qualified continuing care facilities)

Mr. CHAFEE. I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] proposes an amendment numbered 423.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, beginning with line 3, strike out all through page 39, line 6.

On page 39, line 7, strike out "SEC. 5." and insert in lieu thereof "SEC. 4.".

On page 40, line 5, strike out "SEC. 6." and insert in lieu thereof "SEC. 5.".

On page 42, strike out lines 3 through 15.

On page 42, strike out line 16, and insert in lieu thereof the following:

(e) SEC. 4.—The amendment made by section 4

Mr. CHAFEE. Mr. President, I understand we are not operating under a time agreement. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. Mr. President, what this amendment deals with is the so-called Heinz amendent which is better described as the Marriott Corporation Relief Act of 1985, which was inserted in the imputed interest bill that we dealt with in the Finance Committee last month. The Heinz amendment was adopted by a vote of 8 to 7. It had no hearings and, indeed, when the hearings were held on imputed interest, nobody came forward to testify from this industry that is affected by the Heinz amendment.

Now, what are we talking about? What is the Marriott Corp. relief bill of 1985 that we are discussing and that I wish to eliminate from the existing language of the bill? We are talking about the following situation: The Marriott Corp. establishes a series of continuing care facilities. There is no limit on the elaborateness of these facilities. They can have 18-hole golf courses, tennis courts, you name it. The only requirement under the legislation is that it provides personal care services designed to prolong the ability of retired persons to live independently as well as an insurance-like arrangement providing for the possible need for long-term nursing care.

Now, what I want to make clear, Mr. President, is that these facilities can be extremely elaborate. Indeed, a nursing home as we understand it cannot qualify for the type of break that is provided under the Heinz amendment.

Now, what does his amendment do? His amendment provides that if you deposit up to $90,000 with the Marriott Corp., which you can withdraw at your will, the interest earned on that deposit is not taxable. Now, how is that for an arrangement?

You can have an arrangement with the Marriott Corp. under this language that exists in the legislation where the requirement is you deposit $200,000 and you have to pay $1,000 a month for maintenance. Of that $200,000—it could be more—the interest on that $90,000 is not taxable to

the person who deposits it, even though the person can withdraw it any time that person wishes.

Now, furthermore, under the arrangement the income from that goes to the Marriott Corp. and the Marriott Corp. does not have to use that to reduce the expenses of the costs in any respect. They can use it to pay off their obligations, so they can go on and build another one.

Now, this is unique. Take two people side by side. One person does not have a lot of money, does not have enough to qualify for the Marriott Corp. Say that person has $50,000, is living in a rental apartment and deposits the $50,000 in some kind of interest bearing obligation, money market certificate, whatever it is. He has to pay income taxes on the income. The other person goes to the Marriott arrangement, deposits his or her money, and a lot more if he so chooses. That money is tax free, no income tax liability on the person.

Now, the question is, Is that fair? And furthermore, as you can easily see, Mr. President, this is an arrangement that benefits the person with the higher income more than the person with the lower income. You take the person who has a million dollars. He deposits $200,000 with the Marriott Corp. and pays $1,000 a month—$90,000 of that is tax free. Some other person, who is in the lower income bracket and does not have the outside income of that nature, obviously does not get anywhere near the benefit of the person with the large income who deposits the $90,000 tax free.

Now, Mr. President, this is a patently unfair arrangement. As you know, just a year ago, we dealt with this whole matter when we got into imputed interest. At that time it was pointed out that some people had these arrangements—it might be with a nonprofit organization—and so we grandfathered in those people. We said, "OK, it may be unfair but, nevertheless, you are grandfathered in." As of June 6, 1984, everybody who had those kinds of arrangements was grandfathered in. But, mind you, the Heinz amendment, which, as I say, was adopted with no hearings by an 8-to-7 vote, does not apply to nonprofit institutions only.

Clearly, it applies to the profit institutions, and indeed the Marriott Corp. is going to get into these types of arrangements.

Now, Mr. President, it may be that down the line sometime it will be in the interest of the United States in caring for the elderly in some fashion to permit them to put up these deposits with the income nontaxable in a limited amount. Perhaps we will go to that. But certainly it ought to be clearly defined. All the people ought to be able to enjoy the break. And indeed, in the Finance Committee, when this amendment was adopted 8 to 7, I moved that anybody who has a deposit of $90,000 in an institution, in the local bank, lives at hope, lives in rental quarters, lives with their children, is over 65, should get the same kind of benefit. And everybody backed away: "Oh, no, we can't get into anything like that. All that does is help everybody and we can't have that." And indeed it was extremely costly to the Federal Government. I think I got two votes.

However, Mr. President, if we are going to do something for the elderly, let us treat them all the same. Let us treat the person who does not have the amount to put into Marriott Corp., does not have that kind of money, cannot pay the monthly charges that go along with these arrangements—let that person have the same break. Have his or her deposit in the savings bank tax free. But let us not have it just for one group.

As I pointed out earlier, this does not apply to the average person in a nursing home. It has to be someplace where the personal care services are designed to prolong the ability of retired persons to live independently.

In other words, there seems to be a suggestion that you have to have an 18-hole golf course there in order to qualify. That may be reading something into it, but clearly that is a possibility. That helps the person live independently. I think golfers will all testify that it prolongs the ability of the retired person to live independently, to have an 18-hole golf course there, and perhaps some tennis courts as well.

So I hope that my colleagues will support the elimination of this amendment, which was barely adopted in the Finance Committee by a vote of 8 to 7, with no hearings, which is clearly designed to favor certain profit institutions which could well pay for them.

Let us take a look at it. We will have hearings, go into the whole situation, and see if we can devise something that will truly care for the elderly on an impartial basis, not just the rich who can go one of these establishments, but for all.

Mr. HEINZ. Mr. President, I rise in opposition to the Chafee amendment. Mr. President, life-care communities, also known as continuing care facilities, are residential communities which provide long-term housing accommodations, health-care, and other services to people of retirement age in a noninstitutional setting. Life-care communities have become increasingly popular because they offer services that permit older persons to live active, independent lives for as long as they are able, while assuring that health-care services will be provided for them if needed.

Mr. President, the provision for life-care facilities we are considering today became necessary because, under the imputed interest rules enacted in the Deficit Reduction Act of 1984, entrance fees paid by elderly persons to life-care communities in some cases, would have been treated as interest-free loans, and taxed accordingly. The unintended result would have been to work a severe hardship on many elderly Americans, as well as on the life-care communities already in existence, and on future facilities as well.

The purpose of this amendment is to correct this unfair result, and to ensure that life-care communities remain a viable option for the thousands of middle-income, elderly Americans who wish to take advantage of them. The vast majority of people living in life-care communities are not wealthy people, Mr. President, they are members of the middle class—retired teachers, social workers, and nurses—living on pensions. Their average income is $17,000 to $20,000 per year. The average age of all life-care residents is 80.

There are close to 500 life-care facilities in existence today in this country. Two types of fees are charged by all life-care facilities: a lump-sum endowment or entry fee paid upon entering the facility, and a monthly service fee.

The payment of an entry fee has long been considered a prepayment for services; not as a loan. The majority of communities in existence today have entry fees that are not refundable. In recent years, however, the trend has been to offer entry fees that remain refundable to residents if they leave the facility, or to their estates upon their death. This provision is designed to clarify the below-market loan provisions of section 7872 of the Internal Revenue Code and to exempt those facilities that meet certain strict guidelines.

As is spelled out in the committee report accompanying this bill, this amendment only applies to fully refundable entry fees determined to be loans by the Internal Revenue Service. It does not apply to those fee arrangements not considered to be loans where the balance of the entry fee which may be returned to the resident declines over a number of years due to consumer protection concerns, or to comply with requirements of State law. The majority of life-care communities use these declining fees, where the intent is that there will be no refund. For these facilities, the entry fee is not considered to be a loan and it, therefore, is not subject to the below market loan provisions of the code.

Also, the definition regarding continuing care contained in the statute will only apply to those refundable fee arrangements determined to be loans

by the IRS that are seeking the $90,000 exclusion, and those fee arrangements determined not to be loans would not be subject to those same requirements.

Mr. President, life-care is, and must continue to be, a viable retirement option for America's aging population. As chairman of the Special Committee on Aging, I urge support of this amendment to protect and assist older Americans who choose life-care communities to help them provide for a healthier, more secure future. I am grateful to my distinguished colleague from Oregon, the chairman of the Finance Committee, for his assistance in providing clarification on this important issue.

Mr. President, I oppose the amendment of the Senator from Rhode Island, and I do so because I should like to suggest to our colleagues that this amendment, which was adopted by the Finance Committee, could never have been adopted by the Finance Committee if it were in even one-tenth part accurately described by what the Senator from Rhode Island has said.

I wonder if the Senator from Rhode Island will respond to a couple of questions? Will he be willing to do so?

Mr. CHAFEE. Naturally.

Mr. HEINZ. Can the Senator from Rhode Island, who, as I recall, mentioned the Marriott Corp. about 387 times in his statement, tell me how many life-care facilities the Marriott Corp. owns or operates?

Mr. CHAFEE. The Marriott Corp. is getting into this business.

Mr. HEINZ. Will the Senator answer my question? How many do they now own or operate?

Mr. CHAFEE. I will respond to the question. Is this amendment of the Senator from Pennsylvania limited? Does it expire at the end of the year?

Mr. HEINZ. It is the amendment of the Senator from Rhode Island that I am opposing.

Mr. CHAFEE. The Heinz amendment, which was adopted in the committee, has an indefinite termination. It does not expire at the end of the year.

Mr. HEINZ. No.

Mr. CHAFEE. So we are talking about an indefinite future, not about today or tomorrow.

Mr. HEINZ. But I——

Mr. CHAFEE. I am answering the Senator's question.

Mr. HEINZ. Not yet.

Mr. CHAFEE. It is my hope that when we deal with legislation on this floor, we do not say, "It is now 10:34 on June 26, and therefore we will legislate for today." I believe we like to think of what is going to take place in the future.

Mr. HEINZ. There is no doubt about that.

Mr. CHAFEE. The Marriott Corp. has no facilities extant at the moment, but they are getting into this business, and they are cheered on by the Heinz language which was adopted in the committee, and I do not blame them.

For that reason, I call the amendment, which was adopted in the committee, the Marriott Corp. relief bill of 1985.

Mr. HEINZ. Does the Senator plan to answer my question, or does he plan to evade it for the rest of the day?

Mr. CHAFEE. Would the Senator like me to enter into the RECORD "The Art of Life Care, Marriott Life Care Retirement Communities"?

Mr. HEINZ. The Senator can speak as long on his amendment as he wishes, but I am asking a question.

Mr. CHAFEE. "An important new venture for Marriott Corporation."

Mr. HEINZ. Mr. President, the Senator from Rhode Island is not about to answer the question. He is talking all around it. My question is very simple, and I yielded to him for the purpose of responding to a specific question.

I understand why he wants to slip and slide all over the place on this, and he cannot deny it. The reason why he is talking around the issue is that the Marriott Corp. does not own and does not operate even one life-care facility—not one.

Mr. METZENBAUM. Mr. President, will the Senator——

Mr. HEINZ. No, the Senator is not going to yield at this point.

To the best of this Senator's knowledge, the Marriott Corp. plans at some future time to open a life-care facility, and it is my understanding that it is a rather interesting life-care facility which is aimed at assisting retired people from the military. It is for retired Army officers and their families. It will not open until 1987, and the ground has not even been broken yet.

However, the Senator from Rhode Island wants to ignore the fact that there are some 400 life-care facilities that now operate, 95 percent of which are nonprofit, and the vast majority of that nonprofit group, some 370 or 380, are actually sponsored by religious institutions. The Senator from Rhode Island wants to have you believe, I guess, that the Presbyterians, the Episcopalians, the Baptists, and the Methodists are all in league with the Marriott Corp.

Mr. President, I think we ought to have a factual discussion of this issue, and I want to point out to people exactly what the problem is with the amendment and the legislation it addresses.

The legislation that we have in the bill, which the Finance Committee adopted, is aimed at trying to solve a serious problem for the provision of life-care to senior citizens.

The problem is this: There are some organizations that believe that it is prudent to offer senior citizens who enroll in life-care facilities the opportunity to get a refund of their deposit—the average deposit is a good deal less than $90,000 limitation in the amendment—individuals should be entitled to a refund should they choose to leave the facility for whatever reasons. I find it ironic that what to this Senator's view is a consumer protection issue is characterized as something other than by its opponents. I guess the opponents of this amendment may not realize that life-care facilities require a deposit. The life-care facility takes that deposit and, in many instances, it does not have to be refunded.

What happens if, the resident of that life-care facility, after signing a contract, finds that it isn't what he expected, for some reason and then he or she cannot get their money back? We are talking about retired schoolteachers, we are not talking about wealthy people. Eighty and ninety percent of all the people in these life-care facilities are middle income people, and what we are saying to them, if we agree to Senator CHAFEE's amendment, is that no, it does not make any difference if the life-care facility did not really live up to expectations, we want them to lose thier money.

Mr. President, that does not make any sense. Why should we lock the door on people who are putting up their life savings so they can enter a life-care facility and say if something does not work out, too bad, they are out of luck?

I do not think that makes good policy sense, let alone meets the test of being good consumer protection. It does not make good policy sense to me because one of the things we ought to be doing is encouraging people to seek out this option which provides a variety of long-term-care services to people. We do not have any long-term-care policy in this country, and this could be very useful in encouraging such initiatives.

I guess it has been alleged that somehow this amendment is unfair because the ability to get your deposit back somehow gives a break to those who are in life-care communities and discriminates against those who are not.

I think the amendment obviously makes it fair to people who are in life-care facilities by allowing them consumer protection.

Right now, if you are over 55 years of age and own your own home, you can sell that home tax free. We do not tax the capital gains on a home. Now, I think that is a good policy. But it sure discriminates against renters. By the argument I have heard here today, we should repeal the capital gains exclusion on homes because that is unfair to renters. That is what the Senator from Rhode Island is really saying, as I understand him.

Any older persons who own a home can sell it if they wish. They can also move into a life-care facility, so there is no discrimination against those not currently in such facilities. If they sell their home and choose to move in with a son or daughter instead, they can receive up to $125,000 tax free under current law to invest as they wish. By contrast, the fees paid by residents of life-care communities are for services and they are not for investment purposes and do not entitle the residents to a share of the facility. This is not some kind of speculation, given the fact that most of these organizations are nonprofit and religious. I think the characterization that somehow this is some kind of special-interest amendment just defeats my ability to rationalize the facts with the characterizations.

I said earlier that life-care communities are for middle-income people. I think we ought to have a few additional facts on the record, Mr. President. The average entry fee as of 1981 for a life-care facility is in the range of $38,000. I suspect that is somewhat higher now. The average income of residents of life-care facilities, it is in the $17,000 to $20,000 range. The majority of people living in life-care communities are people such as retired teachers, social workers, nurses, and the like, living on pensions. The downpayment that we are talking about, that $38,000 entry fee, is usually raised by the selling of one's home: Finally, the average age of the residents in life-care communities is about 80.

So, one way of looking at the legislation is to think of it as simply allowing someone who owns a home and who we have already told, "Look, it is all right if you own that home, we are not going to tax you on the appreciation of that home, we are not going to impute interest to the value of that home and tax you on that," is to allow them to take the proceeds from the sale of that house and move into a continuing care facility. A facility that provides a living environment that is more appropriate for them than living in the house that has become too big for their needs, is no longer located as conveniently as it was when they could easily get around. They can move into a facility that is better designed for people in their seventies and eighties. What we are really doing conceptually is continuing the policy that I think most of us in the Senate and House of Representatives thought was good policy which is to encourage first home ownership based on the principle that you want to give people a good choice of where to live.

And that is what I think we are really talking about here.

We are not talking, by the way, Mr. President, about just a few people here. There are over 100,000 people who are living in life-care communities today, 8,000 of them in Pennsylvania, several times that many in the State of Florida, and the number of life-care communities in the country is expected to double in the next 10 years.

I really worry, though, that none of the developments in life care that ought to take place will take place if we do not retain the language in this legislation that will allow people this kind of consumer protection. It will allow refundable deposits which gives people the ability to get their money back if there is a problem, that is what this amendment allows.

I hope, Mr. President, that the sponsors of this motion to strike the language in the bill will understand, after listening to the debate, that their position is in error and that they will withdraw their amendment.

Mr. CHAFEE. Mr. President, the Senator from Pennsylvania has laid great stress on the fact that we are talking about nonprofit homes. He brought in the Methodists, the Presbyterians, the Episcopalians, the Catholics. I do not know whom he missed.

But his amendment does not do that. The language of the bill does not do that. It applies to profit homes, and let me ask the Senator since that is what he is concerned with—indeed he said 95 percent of them are nonprofit—would he be prepared to accept an amendment that would make it for nonprofit homes only?

Mr. PACKWOOD. May I ask a question while the Senator from Pennsylvania is interrupted? I want to make sure I understand the amendment. The bill, as written, and the amendment in the committee, as I understand it, applies to profit or nonprofit now.

Mr. CHAFEE. That is right.

Mr. PACKWOOD. You would not need an amendment to have it apply to profit or nonprofit.

Mr. CHAFEE. He would have to accept an amendment to strike the for-profit coverage that the language currently provides.

Mr. PACKWOOD. The Senator wants it to apply only to nonprofit?

Mr. CHAFEE. That is right.

Mr. HEINZ. Is the Senator saying he would find the legislation acceptable if it only applied to nonprofit?

Mr. CHAFEE. I would say that that would make the language more attractive. It sure would. I am not saying that I withdraw my objection.

Mr. METZENBAUM. Will the Senator yield?

Mr. HEINZ. The Senator from Rhode Island has the floor.

Mr. METZENBAUM. Will the Senator from Rhode Island yield for a question?

Mr. CHAFEE. Yes.

Mr. METZENBAUM. As the Senator from Rhode Island knows, I support the thrust of his amendment. In fact, I support his amendment. The question he is now propounding has to do with separating the profits from nonprofits. I can understand that amendment and find that acceptable.

My concern, however, relates to the certainty that such an amendment would cover the situation of an owner separately, an operator separately, or an owner-operator so that you would not have a situation where you provide the right to make a contribution of $90,000 to the nonprofit but that is worked out, as it is now done in some housing bills, by a promoter who then winds up in the operating position.

I am wondering whether or not the amendment that the Senator from Rhode Island is contemplating would cover all of that aspect of the question.

Mr. CHAFEE. I must say I had not gotten into that thought. I take it what the Senator is suggesting is you could have a situation where a Presbyterian home was owned by the Presbyterians but the operation of it was under a for-profit establishment of some type and the Senator is concerned about that.

Mr. METZENBAUM. The Senator from Rhode Island is correct. I never underestimate the conceptual expertise of the lawyers who practice in areas of this kind. I think the Senator from Rhode Island would agree that many of the housing deals that have been structured, so-called, for nonprofits over the years have wound up really being to the utilization of nonprofit for appearances sake but with the private developers getting all the advantages.

I support the direction of the question the Senator from Rhode Island propounded to the Senator from Pennsylvania. But I just want to be sure that the Senator from Rhode Island would anticipate covering the whole gamut.

Mr. CHAFEE. I do not know how complex that gets. Why do we not probe the Senator from Pennsylvania a little more to see if he is amenable to the suggestion. If he is not, we can keep going. If he is, we can have a quorum call and discuss it.

Mr. PACKWOOD. Mr. President, will my good friend respond to a question, because now I am confused. The bill applies to profit and nonprofit.

Mr. CHAFEE. Correct.

Mr. PACKWOOD. My good friend from Rhode Island was making the argument in his opening comments about this being an unfair situation, when one has his money in a saving account and receives interest and pays taxes. Now he is saying if they give the money to the Methodists, which I understand might be acceptable, that is all right.

Mr. CHAFEE. I am thinking about it.

Mr. PACKWOOD. But if they give it to the Marriott's, it will be ipso facto not all right.

For the life of me, I do not understand the objection. If the purpose of the amendment of the Senator from Pennsylvania—I should not say the amendment, it is in the bill; he offered it in committee—is to provide adequate, permanent life care, what difference does it make whether it is provided publicly or privately, for profit or nonprofit, if it meets the test of the bill?

Mr. CHAFEE. Well, because if it is a nonprofit, under the way this works, as you know, let us say you have a $90,000 deposit and $9,000 of income. The $9,000 goes directly to the institution, be it the Marriott Corp. or be it the Presbyterian home for the aged, whatever it is.

If it is going to the Presbyterian home, it is a nonprofit organization and you have some belief—perhaps not totally accurate—that that money is used to reduce the charges of the person there; in other words, reduce the amount that the person will have to pay in the monthly fee. In most of these arrangements, you pay your deposit, then you pay x dollars per month.

So there is a suggestion, in a nonprofit organization, that that is going to reduce the cost of the food, the cost of the services, the cost of the medical facilities, whatever it is; whereas, in a profit, there is no such incentive at all. It could well be that that money was being used to pay off the mortgage so they could go on and buy another one.

Mr. PACKWOOD. Could be.

Mr. CHAFEE. Could be.

Mr. PACKWOOD. In that case, they would not be able to offer the services as cheaply as the Methodists and the Baptists.

Mr. CHAFEE. That is probably quite true. They might offer far more elaborate ones.

Mr. PACKWOOD. Assuming equal advantages, whether you are a profit or a nonprofit, clearly those who are going to buy life care facilities, if they look into it, they are going to go where they get the best deal. If a nonprofit is offering the best deal, I do not know why my good friend would be worried about the profit organizations. They simply would not be able to compete.

Mr. CHAFEE. I am not in complete agreement with that.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. CHAFEE. Yes.

Mr. METZENBAUM. In connection with the question of the distinguished chairman of the Finance Committee, is it not a fact that this is a two-sided sword? One side of the sword has to do with the fact that there is a tax revenue loss when that individual who puts up his or her $90,000, instead of putting it in a bank and drawing interest—and you are addressing yourself to that aspect of it—that is one side. The second side has to do with the fact that, under the Heinz proposal, the Marriott Corp., or whomsoever is a profit corporation, receives $90,000 tax free for a period of years and there is no direct loss of income on that taxable income that otherwise they would have to pay. Without the amendment, the Marriott Corp. would have to report that $90,000 as income, or else, if they took it as a loan, they would have to have the imputed interest as a part of their income to the seller or the resident or to themselves.

Mr. CHAFEE. You have to recall we are dealing solely with the tax on the individual. Marriott Corp.'s tax situation is left out of this. It is the individual that escapes the tax. In other words, the individual puts up the $90,000 and the individual, in the Heinz language in the legislation, if he is in a continuing care facility, he pays no tax on it. If he is living with a son and the money is down at the local bank, the $90,000, he pays a tax on it.

If he has managed to hang onto his or her home, and the money is in a money market certificate, he or she pays the tax on it. But if it is in one of these arrangements that the Senator from Pennsylvania has carved out here, that indeed includes the Marriott Corp.

At the top of his lungs he can declaim it has nothing to do with the Marriott Corp. But, here is the brochure. And the person puts up the money and goes into this and pays no income tax on his or her money. The point is, it is unfair.

Mr. HEINZ. Will the Senator yield so we can clarify the way it works? I think the Senator has gone through an interesting recitation and he is right in many respects, but I think he is missing a small part of the picture.

The Senator has said if somebody has $90,000 and they have it in the money market account, they are going to pay taxes. Assuming they get income on which they will be taxed, but they will only pay taxes, if they receive income. If someone takes the $90,000, they put it in the stock market, if they are lucky they will get dividends, and they will pay taxes on the dividends. If they put it in the bank, they will get income in the form of interest, and they will pay their share of taxes somewhere between zero to 50 percent, depending on their tax bracket, on that interest. There is a very big difference, however, when the deposit is made to a life-care facility they do not receive any income at all. In the Deficit Reduction Act of 1984, we said we were going to impute income to them, even though they do not receive any money. Now the question is the $90,000, and it normally would be earning interest. What is happening to it? Is somebody getting the use of that money and not paying any taxes on it? The answer is, in the case of for-profits, no. The Marriott Corp., if they ever get into this business, or any for-profit entity is going to invest that money. They are not going to let it sit and gather dust. They are going to earn income on it. Guess what? The Federal Government is going to make the for-profits pay tax. They are going to pay taxes to the Federal Government on the earning from that $90,000, or $50,000 or $36,000.

If the Senator succeeds in his amendment—is not the effect to tax that $90,000 twice? It will be taxed once because of the income stream to the Marriott Corp. That money goes to Marriott, and then under the imputed interest rules the resident will have interest imputed to him at some rate, 10, 12, 14 percent, and will have to pay taxes on that? So you get the earning stream from that deposit to a for-profit taxed not once but twice. Is not that going to be the effect of the Senator's amendment? I am not trying to be cute. I am being deadly serious about this.

Mr. CHAFEE. That is like saying that when you have a deposit in the bank, your interest is credited, and you pay tax on it, and then you go buy some groceries, that the grocer is taxed on it, and, therefore, there is double taxation.

Mr. HEINZ. No. In all due respect to my friend from Rhode Island——

Mr. CHAFEE. Can the Senator let me proceed without interrupting?

Mr. HEINZ. I am happy to.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. CHAFEE. The arrangement here is that a person puts up a deposit which the person can withdraw. It is refundable. The Senator from his presentation gave a long dissertation about how my amendment would disturb the nonrefundability and upset these arrangements. Not at all. What the Senator has done in this amendment that was narrowly adopted is provide a different arrangement for two people who are in similar circumstances. One puts up $90,000, and that money is used tax-free, and is used to pay the groceries, the heat, the light, the golf course fees, and a whole series of things for that individual. In other words, the living expenses of that person are based on pretax dollars. Another person who is living with his or her children, or struggling along at home, or in an apartment, wherever it might be, his or her only asset is $90,000 and living on the income from that, that person lives on the after-tax income. There is the difference. That is the inequity of the proposal that the Senator worked into the legislation.

That is why we are here saying perhaps in some way, someday we should have a special arrangement, but let us have it for everybody over 65, not just for this group in these homes requiring deposits that residents can get back. It has nothing to do with nonrefundability. The Senator gave a long dissertation on this, indicating this is a consumer rights issue. It has nothing to do with consumer rights. We are solely dealing with the refundable money. If it is nonrefundable, then there is no question that there is no income tax on it. That is not a loan. But if it is refundable, then the people should be treated equally. At least we ought to have some hearings on the issue, and determine what we are getting into here. The Senator keeps score on the Marriott. The Marriott is not any little picayune corporation. As a matter of fact, they say here as a real estate developer, Marriott annually develops properties with a value exceeding $1 billion. This is not some mythical thing they might get into. Here is a picture of one they are building. The Fairfax at Fort Belvoir, VA, is Marriott's first life-care community. Yes. It has been specifically designed for retired Army officers and their families. It is an attractive deal. On and on it goes. They would not put out a brochure like this signed by J.W. Marriott, Jr., unless, as they say, "over the next 40 years as many as 50 million Americans will be making choices about their retirement years. With this in mind, Marriott carefully studied the needs and preferences of older people by asking them what they want," and so forth and so on. Now they are going into it.

I think before we give one group a tremendous advantage over another in this society of ours, we ought to figure what we are doing. Let us have some equity here. Let us not say the person who has $200,000 and can put up $90,000 in one of these places or $200,000, and have interest on the first $90,000 tax free. That is not a fair deal. So for those reasons, Mr. President, I think the language in the bill that was adopted so narrowly is extremely unfair. I hope we can prevail on removing that language. That is what my amendment does.

Mr. HEINZ. Mr. President, will the Senator yield for a question?

Mr. CHAFEE. Surely.

Mr. HEINZ. As the Senator knows, the effect of the current law, were the Senator's amendment to prevail would be that if you made a $90,000 deposit to the Marriott or to the Baptist life-care facility, either way, if that deposit was not refundable that would be fine. There would be no imputed interest to him or her. Does the Senator from Rhode Island support that policy? Is that correct?

Mr. CHAFEE. That is the existing law.

Mr. HEINZ. And the Senator supports that policy?

Mr. CHAFEE. I do.

Mr. HEINZ. Can the Senator explain why refundable and nonrefundable fees should be treated differently? I do not understand why the Senator looks at refundability as some terrible thing. It is all right according to the way I understand the Senator for people to pay nonrefundable entry fees, yet if the money is refundable they should be taxed. What is the big difference between those two situations other than that it seems to make at least to my mind some sense for people to have at least some leverage over the life-care community?

Mr. CHAFEE. If the Senator has difficulty seeing the difference between putting your money someplace and never getting it back, and putting your money someplace and being entitled to get it at any time you want, then we have real problems on this floor.

Mr. HEINZ. If the Senator will bear with me a second, I can see the Senator's objection very clearly if it was possible for the individual to get their money back with interest. It would be a huge IRA. It would be a $90,000 IRA.

But it is not an IRA. It is simply the return of money without any payment for it over a substantial period of time. I am not quite sure I understand the problem.

Mr. CHAFEE. We will go through it slowly.

Mr. HEINZ. OK.

(Mr. McCONNELL assumed the Chair.)

Mr. CHAFEE. What the money is doing there is providing the care for the individual. It is not just some money that is sitting there that is not reflected in any way on the care the person gets. The amount a person pays in the monthly charge is nowhere near equal to the total cost to the person there.

Mr. HEINZ. That is true whether it is refundable or not.

Mr. CHAFEE. Let me finish.

What you are dealing with is you have a person who has this arrangement where his money can be withdrawn at any time. Under the Heinz language in the bill, that money is tax free. It is a wonderful situation. There is no question about it. As the Senator from Pennsylvania [Mr. HEINZ] knows, I proposed in the committee that everybody over 65 have this arrangement and the Senator voted against it. I could never understand how he favors this.

The Senator was opposed to an arrangement that everybody gets this advantage. I do not know what was motivating him, but he said it is fine that if you are in one of these home care facilities with the 18-hole golf course and your money is there, and the money is used to care for your costs—I suppose no greens fees, it takes care of everything—that is fine. But the poor widow with arthritis who is living in a little cottage somewhere solely on the income from some deposit that she has made, barely able to hobble around, that income is taxable, and the Senator says, "Right, that is a good arrangement." And we had a vote on it and he voted against it.

Now we are talking equity here?

Mr. HEINZ. Will the Senator——

Mr. CHAFEE. Let me finish. I am not going to quit now.

[Laughter.]

Mr. CHAFEE. That is what they call equity. You go to the Marriott. They have great facilities at the Marriott. Two hundred acres, only one golf course. Wait until next year. [Laughter.]

Tax free. Come one, come all. You will like it.

But that poor little widow with arthritis, she has food stamps and everything, but tax her. That was the vote in the committee. We got two votes on the Chafee amendment to let everybody have the same advantage. There were two votes.

The Senator from Pennsylvania said, "No, we cannot have that. That is a bad deal."

Mr. LONG. If the Senator will yield, the Senator from Louisiana was absent that day. I have heard the Senator's argument, and if he will offer his amendment again, he will get at least three votes.

[Laughter.]

Mr. HEINZ. Will the Senator yield at this point?

Mr. CHAFEE. I will be glad to.

Mr. HEINZ. The Senator knows that the amendment that the Senator from Pennsylvania offered had the benefit of some hearings held by the Senate Committee on Aging. With no prejudice to the excellent idea of the Senator from Rhode Island, I think he should pursue that amendment, hold hearings on it, and, who knows, he might be a hero to everybody, including those crippled widows with arthritis. It may be a good idea. I wish he would introduce legislation so we could have hearings on it.

Mr. CHAFEE. You voted against it once. Are you changing now?

Mr. HEINZ. I am keeping an open mind. But I think you could get more than three votes. Who knows?

Mr. President, I thank my colleague for yielding. I heard everything he had to say, but I am not sure it answered the question I asked about why it is all right for somebody to make a nonrefundable deposit, and it is not all right to make a refundable deposit? I am reminded that if somebody makes a deposit in a money market fund that invests in municipal bonds, that money is not taxable. There are mutual funds that specialize in munic-

ipal bonds, tax free. What we are really saying with the Chafee amendment is it is OK to buy municipal bonds, if you have enough money to do it, and you will not get taxed on it. But if you need a life-care facility, we are going to tax you though you do not get interest on it. That is the sum and substance.

I suspect most minds are made up one way or the other.

I would suggest that the provisions of the bill have the support of the American Association of Retired Persons. They are strongly opposed to the Chafee amendment.

I do not think that some 15-million members of the American Association of Retired Persons are out to feather the Marriott's nest or anybody else's nest. They are looking out for what is best for senior citizens.

I would hope that people will vote this on the real issues as they confront this question and we can dispose of the amendment one way or the other. I hope it is defeated and defeated thoroughly.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield the floor?

Mr. CHAFEE. I do not have the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Let us put this in perspective, if we can, going back to the distinction that the Senator from Rhode Island was making at one time as to profit and nonprofit organizations and paying the $90,000. There is a $90,000 cap. Somebody cannot pay $200,000 or $300,000. It is limited in the hopes of making sure that people can provide for basic life-care amenities without providing for exquisite, several hundred thousand dollar life-care accommodations.

Mr. CHAFEE. Can I make a correction at that point?

Mr. PACKWOOD. Yes.

Mr. CHAFEE. It is the first $90,000 that is nontaxable. That does not mean that the total deposit required may not be greater.

Mr. PACKWOOD. I understand. There is a $90,000 cap on the exclusion.

Mr. CHAFEE. On the exclusion. But it could well be a $200,000 deposit. There is no limit in the language. This thing could go high, the sky being the limit.

Mr. PACKWOOD. The Senator is correct as to the fact that it is not a cap if you pay beyond that.

Mr. CHAFEE. And no limit on monthly charges, either.

Mr. PACKWOOD. We are aware of that.

We are facing an aging population. Medicare costs have become a significant cost for this country and will become a more significant cost. We have been trying to devise ways for those moving into their elderly years to provide for themselves if possible, or partially, and it partially helps relieve the Federal Government of a further expensive burden.

For the life of me, I cannot see that it makes a great deal of difference because the individual has freedom of choice as to whether they choose to go into the Baptist retirement home or the Marriott retirement home. There are many, many private facilities in this country provided by charitable organizations, life-care facilities.

Let us take a look at what happens to the mythical $90,000 the Senator talked about. The little old lady with arthritis stays home, puts her money into the savings and loan and gets 10 percent interest, receiving $90,000 a year and pays taxes on the $9,000 a year and with what is left attempts to take care of herself, keep body and soul together, and so forth.

If the same little old lady with arthritis every Sunday goes to the Baptist church and decides she wants to retire to the Baptist home, she pays her $90,000 to the Baptist home and they put it into the bank account; $9,000 interest is realized.

They may or may not pay tax on that amount. It depends on how they are structured, rather than being counted as related to their charitable purpose or not. If it is not, they would not pay income tax at all. If it is, they would pay income tax.

There is no question about the Marriott Corp., or a private corporation. They are in it for profit. You pay the $90,000 to them and they put it in a bank account. They receive the interest and pay taxes on it.

They may be able to offset it with some other deductions, but an individual could do that. The question is, Do we want to distinguish between a charitable or nonprofit organization and a profit organization? Is there something illicit, immoral, unfair, inept about a private organization that provides life-care facilities while there is something decent, humane, nice, moral about its being provided by nonprofit? I hope we are not coming to that distinction.

Mr. CHAFEE. We have not come to that distinction, Mr. President, because the profit versus nonprofit proposal that I noted here received no support from the——

Mr. PACKWOOD. I would not support it, Mr. President, and I am glad it received no support, because I do not think we should distinguish between the two.

Mr. CHAFEE. Mr. President, if the Senator does not see a difference, I do. I see a difference.

Mr. PACKWOOD. Clearly, there is a difference. One is in it for profit, one is not in it for profit. I am talking about the quality of care that is provided, the choice you or your spouse make as to whether to go to the Marriott home or the Baptist home. That is a choice individuals make of their own free will. Presumably, they will go the one where they feel they will be more comfortable, where they are going to like it better, where they are going to receive the better rate. The question is, Should we preserve that for nonprofit or charitable organizations but not for profit?

I think there is a distinction to be made between profit and nonprofit but we are not making it here. Because this does not apply just to the Marriott home. It applies to the Baptist home, to the Catholic home, as long as they meet the standards of lifetime care. I do not know why we have singled out Marriott, who has yet to build the home or is going to, why we single out profits here and say if you do that, that is unfair; if the Baptists do it, that is fair. I think it ought to be sauce for the goose and sauce for the gander.

I think it is a policy we ought to be encouraging. The only difference is if a person chooses to remain at home, live in a house, that is their choice. No one is taking that away from them. But I think the wise policy is what the Senator from Pennsylvania has propounded and I hope the Senate would sustain the committee and sustain the position of the Senator from Pennsylvania.

Mr. CHAFEE. Well, Mr. President, the distinguished chairman of the committee, the Senator from Oregon, I recall, voted against my proposal that this be something that everybody be entitled to.

Mr. PACKWOOD. Everybody is entitled to it if they choose to move into a life-care facility.

Mr. CHAFEE. No, they are not, Mr. President. Some people may not choose to do that. We are favoring one group over another. With two people over 65, you are treating one different from the other. For the life of me, I cannot see that rationale.

The Senator from Oregon voted against my amendment to let everybody have this advantage. What we are doing is treating one group differently from another. If that is equity, then I do not know what the definition of equity is. We are saying that one group in these homes who puts up the money, bank account, can get it back any time, that that money can be used to pay for that person's groceries, heat, light, with pretax dollars. No tax.

Obviously, you are going to get a lot more for no-tax dollars than for after-tax dollars. The poor person who is living in his home for a variety of reasons—maybe there is not one of these facilities accessible—does not get that

advantage. I think it is wrong. No hearings, some discussion by the mover of the measure in the committee that they had hearings on this in the Committee for the Aging. Well, the Committee for the Aging is not a legislative committee. They did not write legislation.

There were no hearings when we had them in the Finance Committee on imputed interest—come one, come all. Nobody came.

I suppose he indicated who is in favor of his amendment? I think we ought to add the Marriott Corp., too.

Mr. HEINZ. Mr. President, if the Senator will yield, just to be clear on the record, there was testimony submitted to the Finance Committee on this subject during our imputed interest hearings. It was the appropriate forum.

Mr. CHAFEE. Mr. President, what was the date on that?

Mr. HEINZ. The date of the hearing?

Mr. CHAFEE. No, Mr. President, the date of the submission of the testimony.

Mr. HEINZ. It is, May 20.

Mr. CHAFEE. When was the hearing?

Mr. HEINZ. I do not know, Mr. President.

Mr. CHAFEE. Mr. President, I conducted the hearings on the imputed interest and nobody showed up from this group. The Senator says they submitted it in writing? It was submitted for the record, I understand, and the record has not been printed, so none of us has seen it.

Mr. HEINZ. Mr. President, one was from the Continuing Care Coalition, a statement in support of the amendment of the Senator from Pennsylvania. The other was the argument of the Health Care Association, also in support of the Senator's amendment.

Mr. METZENBAUM. Mr. President, will the Senator from Rhode Island yield?

Mr. CHAFEE. I yield, Mr. President.

Mr. METZENBAUM. Mr. President, I support the effort of the Senator from Rhode Island to eliminate the Heinz amendment. I think that it is fair to point out that he correctly describes it as the Marriott Corp. relief act, because if Marriott were not interested and did not have its host of lobbyists frequenting our halls on this, I do not know that we would have this issue before us.

Before getting into that, I would like to point out that all is not gold that glitters and all life-care communities are not all they are cracked up to be. I want to say that I support the concept of these life-care communities. I think there are many advantages to them. I think they are a step in the right direction, certainly a step away from nursing home care and they provide greater facilities. But all of them have not done so well and all of them have not treated those who have put up their money that well.

There was a recent article in the April issue of Money magazine, part of which I referred to yesterday and another part of which I would like to read to my colleagues at this moment.

In three months of investigation, *Money* has identified 40 life-care communities, also known as continuous-care communities, that since the mid-1970s have gone bankrupt or have experienced severe financial difficulties. How many of the nation's roughly 300 such communities—most of them built in the past decade—are currently in trouble is anybody's guess. But informed estimates are not encouraging. Edward Hosinger, director of Oppenheimer & Co.'s municipal bond research department, has followed the fortunes of 50 life-care communities financed with tax-exempt bonds since 1980; he reports that fully 10% have defaulted on their debts and that another 14% are failing to meet the occupancy rates that in initial projections were deemed crucial to success. Such statistics do not, of course, necessarily imply malfeasance, maladministration or even a community's ultimate failure. But they almost always mask broken promises. Sometimes the results are as devastating as the loss of a large portion of one's life savings, as was the fate of the people in the photo at left.

Not all life-care communities are shaky, dishonestly managed or unsuccessful. But alarmingly few are on the kind of firm financial and actuarial footing that should exist before promoters make promises of lifetime security.

The article then goes on to talk about a woman by the name of Helen Bishop of Theodore, AL.

Helen Bishop of Theodore, Ala. was a victim of just such a scam. In 1977 Bishop, now 74, traded her biggest asset—her house, worth $18,000—for a lifetime lease at a nearby continuous-care community then called Alabama Meadows. She thought she'd found the answer to her prayers. In promotional literature and sales pitches to prospective residents, the developer promised that the completed village would offer more than 300 apartments, a nursing home for infirm residents as well as a chapel, library, swimming pool, therapeutic whirlpool baths and covered walkways connecting the buildings.

By the fall of 1981, however, only two small apartment buildings had been constructed.

The article makes reference to a number of other community care facilities that have not worked out that well. Now we find a situation where Marriott, in its annual report, makes it very clear that they are going to move into this area and move into it in a big way. In fact, that is the entire thrust of the last annual report that has come to my attention.

This is not the annual report. It looks like it. It may be a prospectus. I am not certain what it is, but it is about an eight-page document put out by Marriott in which they make it very clear they are going to move into this in a very big way.

We would like to introduce you to an important new venture for Marriott Corporation, Marriott Life Care Communities. It reflects what we have learned in many months of planning our company's entry into the demanding field of retirement community development. What have the 3 years of preparation for this new venture taught us?

And then it goes on to state what they taught them and what they are going to do. Now, it does not address itself, it should be pointed out, to the tax aspects, and it is to that point that the Senator from Rhode Island offers his amendment. With the Heinz amendment it will cost the Federal Treasury $44 million. Now, $44 million may not be a lot of money to some people, but it is a $44 million impact upon the budget over the period of the next 5 years. And that figure will continue to grow.

Now, what is the real concern about this? The real concern is that many operations which are now nonprofits are moving into this field as a profit operation, and without that being a reality we would not have this issue before us. It is not a new issue for the U.S. Congress. It was in 1984 that we adopted the language that created the problem, and we did it to tighten up the law with respect to these community care facilities. Now what we are doing is revisiting the same issue and making a 100 percent turnaround to provide a tax loophole. But the tax loophole that we are talking about is double edged. Marriott Corp. or XYZ Corp. will pay nothing for the use of the $90,000. They will pay nothing for that money as long as that patient is in their care.

Now, that obviously is an advantage. They will pay no tax on the receipt of the $90,000. But there is a second advantage. Marriott as a consequence will have lesser income to report but they will have the ability to use that $90,000 for the purpose of further development without having to pay anything for it and without having to pay any taxes in connection with it.

Now, the second part of the problem relates to the resident. The resident may be in a position to deduct that part of the $90,000 or the greater amount, because in many of these instances the amount is far greater than $90,000, the resident will get the right to deduct that portion of the contribution, or the loan made—it is a loan, not a contribution—which is allocated to medical expense. I have no way of knowing how much that medical expense will be and how that allocation will be determined. Then you have the other part of that equation as ably stated by the Senator from Rhode Island, and that is that the individual's $90,000, which otherwise would be income producing, he or she will be paying no taxes on that $90,000. So that what we have is everybody gains but, again, who suffers? The American taxpayer.

I have difficulty in finding why we have this issue before us, why it was accepted by the Finance Committee. There is a big difference between the profits and the nonprofits. If Marriott charges $2,500 a month instead of $1,000 a month, they will pay taxes on that $2,500. By having the $90,000 on a tax-free basis, there will not be any taxes that they have to pay. But if a nonprofit organization is in that position, the nonprofit would not have to pay any taxes under any circumstances because we look favorably upon the treatment of nonprofits in this country. But beyond that point—and it has already been alluded to—is the fact that if Marriott or the profit corporation gets this extra income, that does not mean they are going to reduce their rates, whereas it is reasonable to assume, if the nonprofits receive this extra income, they are going to reduce their rates because they are not in a profitmaking operation.

I believe the Senator from Rhode Island has ably presented the amendment. I hope that this Senate will look favorably on and accept the amendment. What we are talking about is an unfair tax advantage for those residents of these community care centers who are able to pay in excess of $90,000 as a deposit and it discriminates against the residents of these facilities or others who are not in a similar position. That seems to me to be another indication of whose ox is being gored when you look at fairness and equity in dealing with tax measures.

I may want to address myself further to this issue, but I note that the chairman of the Finance Committee apparently is under some time constraints and I yield the floor with that understanding.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I ask unanimous consent to enter into the RECORD two items: one, a letter dated April 8 from Mr. Sheldon L. Goldberg, executive vice president, the American Association of Homes for the Aging, a reply to the Money magazine article referred to earlier; and, second, an article that appeared in Money magazine by Candace E. Trunzo, entitled "Solving the Age-Old Problem—If the Idea of Sending a Loved Relative to a Nursing Home Fills You With Dread, Take Heart. There Are New and Better Options," referring to continuing care facilities.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 8, 1985.

Mr. LANDON Y. JONES,
Executive Editor, Money Magazine, Time and Life Building, Rockefeller Center, New York, NY.

DEAR MR. JONES: On behalf of the American Association of Homes for the Aging (AAHA) we are voicing our displeasure over the article that appeared in the April issue of Money magazine, entitled "The Broken Promise of Life Care." AAHA represents over 2500 nonprofit facilities offering a wide range of housing, health and community services to their elderly residents. Nearly 600 AAHA members provide continuing care of life care contracts to their residents.

The article unjustly and inaccurately depicted the entire continuing care industry as one plagued by bankruptcies, mismanagement, and fraud. In this growth-oriented industry there have been failures, but more importantly, there are hundreds of successful, well-managed, thriving communities in existence that provide services to thousands of satisfied elderly residents.

We at AAHA, and many of our members, in good faith, supplied reporters of your magazine with substantial background material on the significant contributions made by the continuing care industry. We are always glad to represent our industry and to provide an accurate picture to current and future consumers of such services. However, the article which you have published bears little resemblance to the industry we represent.

The majority of the communities today are sponsored by religious affiliated and/or oriented organizations and provide services to a wide range of elderly residents. The examples you primarily have based your report on represent a small sample of exceptions, none of which are members of our association. We object to the fact that you failed to report on the hundreds of other sound communities currently in operation. Your staff had the opportunity to spend two days at Kendall At Longwood in Kennett Square, Pennsylvania, often referred to as one of the nation's most successful communities, but failed to report on the obvious quality of the facility and the hundreds of satisfied residents who reside there.

At this time, the number of states which provide for regulation are limited, but many more states than listed are currently considering legislation. The state of Wisconsin does have a law on the books, Oregon regulates the treatment of refunds, and Virginia passed their continuing care bill on February 20 of this year. The states of New York, New Mexico, Texas, Connecticut, Kansas, New Jersey, and Washington are all either considering legislation at this time or have considered it this year. AAHA is actively working with these states to aid them in developing responsible legislation.

The majority of communities are located in states which do have comprehensive legislation. Your figures fail to recognize that there are at least a dozen states that do not have any operating continuing care communities, and approximately 15 states have less than 5 communities in operation. Florida's law has many times been used as model in other states, but is much stronger than was represented. Among its many requirements: 50% of the units must be pre-sold before construction may begin, 40 percent of the annual operating budget must be held in escrow every year, and 10 percent of the operating budget must be held in escrow during the first 6 months for refunds for those who did not move in. The skilled nursing component of all communities are regulated in each state and the District of Columbia through licensing requirements.

We agree that the decision to enter a continuing care retirement community should not be taken lightly. We believe that consumer education is of utmost importance, and AAHA has been in the forefront of developing information for consumers interested in pursing continuing care as an option. We have published a consumer guidebook for CCRCs, a national directory that lists 287 communities describing fees and services provided in each community, and a consumer brochure that is available at no cost to interested consumers. AAHA's consumer guidebook offers consumers information on the concept of continuing care, how care is paid for, and what services are included for those fees, what to look for in management and sponsorship of a community, and how to assess the community's financial condition. A checklist is provided to guide a consumer through this process and makes recommendations to carefully review all contracts with appropriate advisors. AAHA strongly believes that consumers do have the right to examine all aspects of a community and should do so before committing themselves to an investment in a community.

Your article does note our National Accreditation program for continuing care facilities, which will begin accreditation of communities in early 1986. The accreditation program will work to set tough, fair, and responsive standards designed to protect elderly consumers and confer accreditation only upon verification of the financial integrity of the continuing care provider.

The few disreputable operators identified in your article are black spots on what is otherwise a respected industry, an industry very much committed to the mission of providing responsive services to the elderly. These and others who have acted in a fraudulent manner have done a great disservice to the majority of those in the industry who are operating facilities, as well as to the elderly that have placed their trust in them.

It is fair and responsible to inform your readers of problems, but to leave the impression that an entire industry is suspect is incorrect and irresponsible. Your article reports on the few bad operations but fails to mention the substantial contributions made by the overwhelming majority of reputable, responsible service providers.

Continuing care can and does work. We feel it is one of the most attractive alternatives for provision of long term care services for our nation's elderly available today and will continue to play a major role in the future. We urge you to take a closer, more representative look at this industry.

Sincerely,

SHELDON L. GOLDBERG,
Executive Vice President.

SOLVING THE AGE-OLD PROBLEM

(By Candace E. Trunzo)

It's the classic complaint of the aged and aggrieved parent: a mother can care for five young children more readily than five adult children can care for one mother. In most families, though, children don't neglect an elderly relative out of heartlessness but out of helplessness. Aiding someone who is growing frail and infirm can be frustrating and sometimes impossible.

Fortunately, more help than ever is available in the form of improving institutions and expanding in-home services. The grow-

ing numbers of home health-care workers now permit more old people to live on their own. There are agencies that help the elderly find roommates—young or old—to share quarters, costs and companionship. Special geriatric day-care centers make it possible for old people—who might otherwise have to go to nursing homes—to live with relatives who work. And for those who do require institutionalization, there's a much wider choice of facilities.

It is usually up to the family to weave through the maze of available government, community and commercial services. You'll probably have an easier time than your ailing father, say, finding out what the alternatives are, doing the necessary paperwork and checking the suitability of facilities. The elderly, even the most vital, independent ones, sometimes won't take the initiative, points out Michael Smyer, associate chairman of the gerontology center at Pennsylvania State University. "They are not a 'gimme' group," he explains. "The psychology of entitlement didn't saturate their generation the way it has ours."

You might start by getting in touch with your state's local office of the aging, the community family-service bureau or a religious organization. Senior-citizen centers—there are 8,000 throughout the country serving the elderly who are fit—are familiar with programs for all old people. Some localities have special agencies to help you locate available services. In Atlanta, for example, the Aging Connection is a central information and referral service for seniors.

Most people want to live at home; getting old or sick doesn't change that. While you may think your relative requires the kind of care only a nursing home can provide, there may be an alternative that will satisfy both of you. Says Jean Kinnard of the American Association of Homes for the Aging: "If there is any trend in care for the elderly, it's a tendency to reach out more with meals on wheels, adult day care and other services. The concept is called homes without walls, and the idea is to help the elderly who can still live independently."

For example, a state-sponsored program in Florida called Community Care for the Elderly is helping more than 10,000 old people stay out of institutions. The agency delivers meals to elderly people in their homes or shuttles them to a community dining facility to nourish both body and spirit. Through the program the elderly also can hire helpers who will wash windows and rake lawns, and homemakers who can help with shopping and light housekeeping. A health maintenance staff attends the elderly in their homes, helping them bathe and shave, and administering physical therapy and some other medical treatments. In addition, the plan provides transportation to doctors' offices. Fees are based on ability to pay; a homemaker costs from nothing to $5.46 an hour. Community Care for the Elderly has benefited the state as well as its older citizens. Administrators of the program estimate that by providing these services in lieu of institutionalization, Florida saved itself $9.5 million in the past fiscal year.

While Florida is one of only a handful of states that provide such a wide range of in home services for its elderly, there are public and private agencies in most communities that do so. In addition, more than 600 geriatric day-care centers have opened nationwide, charging from $10 to $35 a day. They provide companionship, recreation, hot meals and varying amounts of medical care. The nonprofit Olive Stone Senior Day Care Center in Santa Monica does not give medical care but offers such activities as field trips and courses taught by professors from a nearby community college. A dance therapist comes in once a week and a professional artist is working with the old people to create a large mural. The center won't solve all the problems of a working relative, however, especially if he has a 40-hour-a-week job; it's open only four days a week. And it's expensive: $33 a day.

Some nursing homes are starting day-care programs and also can provide longer-term respite for families that are responsible for elderly relatives. The Wesley Woods Health Center in Atlanta, for instance, will look after an elderly relative for a month or so in order to let you take a vacation.

The elderly who don't live with their families—or don't have families to live with—but don't want to live alone have several choices too. Many localities have set up centers that match elderly roommates. One such group in Los Angeles, Housing Alternatives for Seniors, has matched up 400 elderly people so far. One of them, Dorothy Farrell, 89, suffers from arthritis and was having trouble navigating the steps of her two-story walk-up. "I'd never lived alone until recently, and I spent many hours brooding," she says. "I wanted companionship and someone to share the expenses." She found both in Olga Popivanova, 73, a retired language teacher who was forced out of her apartment when it was converted to a condominium. "This is a very special understanding between two ladies," Farrell says.

YOUTHFUL MATCH-UPS

Other agencies are making intergenerational match-up. Back Bay Aging Concerns, a Boston group, has sponsored a project in which 14 people ranging in age from 20 to 80 share a 19th-century brick townhouse. Everybody takes a hand in the chores. Depending on the size and location of the bedroom, the costs range from $150 to $265 a month.

A program called Homesharing for Seniors in several cities, including Boston, Philadelphia, San Francisco and Seattle, approaches matching young and old differently. It finds housemates for elderly single people who want to remain at home but need some moral, financial and perhaps physical support. Mary Page, 64, a retired hospital administrator who suffers from arthritis, now shares her four-bedroom house in Seattle with Steven and Tricia Wittman-Todd, both in their twenties, and their newborn daughter. Page says she feels more secure with her housemates. The Wittman-Todds, who couldn't afford a house of their own, like the idea of an extended family.

Homesharing for Seniors can't help elderly people who need nursing care, but Seattle's Adult Family Home project does. The program finds younger families with room to spare and a willingness to care for a frail old person in return for payment. In some cases, well-off elderly negotiate their own rates. In others, the state reimburses homeowners as much as $300 a month, plus up to $125 if the sponsor undergoes some training, in physical therapy, say.

Another innovative living arrangement for elderly people is called congregate housing. It's reminiscent of the old-style rooming house but with more supervision and services. The Westonian, a privately owned and operated residence, is one of more than a dozen such places in the Boston area. A rambling Victorian structure in well-to-do suburban Weston, it houses 35 elderly people, some in single rooms and others in suites. All have private baths. Lunch and dinner are prepared for the residents and served in the main dining room, but each resident is expected to make his own breakfast in the communal kitchen. Services include cleaning, laundry and food shopping. The cost, including utilities and two meals daily, is $900 to $1,700 a month, depending on the type of accommodations.

The Weinfeld Residence in Chicago, run by the Council for Jewish Elderly, accommodates 12 residents who average 81 years of age. Each has his own room and bath. "Why did I come here?" asks Gertrude Ginsberg, 85. "The old feet wouldn't carry me to shop anymore. The old arms wouldn't do the floors anymore. An old person couldn't ask for a better home than this." Independence is emphasized: residents clean their own rooms, do their own laundry and make their own breakfasts. A housekeeper handles the major cleaning chores. A social coordinator is on hand five days a week to arrange activities, and a staff member trained in emergency medical procedures is there all night, every night. Weinfeld, which is subsidized by the council and the federal government, costs residents about $800 a month.

Apartment buildings or complexes designed specifically for the elderly are another possibility. In many cases they are funded—directly or indirectly—by the Department of Housing and Urban Development, and rents are subsidized. At Scheuer House in Bayside, N.Y., 149 identical one-bedroom apartments go for about $100 to $535 a month, depending on the tenant's income. The building's special features include Braille floor numbers on the elevator buttons, corridors that are thickly carpeted to cushion falls, and an emergency buzzer system in each bath and bedroom. Fifteen of the apartments are designed for the handicapped with doorways wide enough to accommodate wheelchairs and toilet seats with wing-shaped grab bars. The majority of federally subsidized buildings, however, have waiting lists of 10 years or more; at Scheuer House it takes 14 years to get in.

Elderly people who are independent now may want to make sure that they will be cared for if they become incapacitated. They can choose from among the increasing number of so-called continuous-care communities. The best of these resemble college campuses, with apartment houses for the aged, an intermediate-care facility for those who need some medical attention and a facility that offers around-the-clock skilled nursing care, all on the same grounds. Residents of the apartment house are admitted to the medical buidings if they fall ill and return to the apartment house when their health improves. Fees at such communities vary. The American Association of Homes for the Aging (1050 17th St. N.W., Washington, D.C. 20036) publishes a free guide for choosing a continuing-care facility.

Continuous care is a particularly attractive alternative for elderly couples. Nelson Baker, a retired theology professor, and his wife Florence, will leave a retirement complex to move into Carleton Village in Bedford, Mass. when that nonprofit continuous-care community is completed next year. "While we're both in good health now, my wife and I will be 76 soon," Baker explains. "At Carleton, if anything happens to either one of us, we'll be able to stay together." For a one-bedroom apartment, the Bakers will pay a one-time endowment of $32,000 and then $800 a month, which covers utili-

ties, one meal a day in the community dining room and medical expenses that are approved by the community's medical director. There's a putting green, a swimming pool and a meditation room. While some continuing-care centers offer unlimited nursing-home care, Carleton residents will be entitled to 60 days of free care and discounted rates if longer care is required.

The continuous-care community run by the Ebenezer Society of Minneapolis is perhaps the most extensive in the country. The society is Lutheran, but the center admits elderly people of any faith. There are two high-rise apartment buildings for those who can function independently, and three nursing-care facilities. At Ebenezer Hall, one of the intermediate-care facilities, the 150 residents, who range in age from 70 to 97, are encouraged to decorate their private rooms with homelike touches that range from lace curtains and patchwork quilts to Mork and Mindy posters. The hall has a beauty salon—a wash and set is $3.50—plus a resident-run shop for personal items and taxi service to anywhere in the Minneapolis metropolitan area for 50¢. Regularly scheduled lectures and workshops cover everything from learning Norwegian to adjusting to hearing loss. Residents and visitors are free to come and go, day or night. Explains Joyce Traczk, the social services director: "We want them to lead as full a life as they did before they came here." Ebenezer Hall costs residents $12,000 a year.

The society also sponsors a community-services program for those who live at home and need therapy, housekeeping or nursing services. It offers young adults a six-month course in how to care for their disabled parents. And it has sponsored what may be the first cooperative apartment building for the middle-income elderly. Cost: $12,000 to $15,000 for a one-bedroom unit. Residents have their own board of directors and hold meetings to run the building. Some special services are provided, including visiting nurse's aides.

Nursing homes may be the only alternative for some families. About 5% of those over 65 are institutionalized. Sadly, not all nursing homes offer competent care, but in general they have come a long way from the mid-1970s, when charges of patient neglect and abuse were common, according to Edward Kuriansky, the special state prosecutor in New York who is in charge of nursing-home investigations. The best facilities tend to be nonprofit institutions sponsored by religious, union or fraternal organizations. At the better facilities, rehabilitation is the byword, regardless of the patient's age. The Wesley Woods Health Center in Atlanta, for example, features an extensive rehabilitation program including occupational, physical and speech therapy as well as psychotherapy to motivate patients to improve their health. Approximately 40% of its patients are able to return to their homes.

It's crucial to check thoroughly the nursing homes you're considering. You can compile a list of good ones in your area by consulting your doctor, hospital social worker, senior-citizens center and the state chapters of the American Health Care Association (for proprietary homes) and American Association of Homes for the Aging (for nonprofit homes). You should visit the homes at least twice—once on an official tour and once as a surprise. A well-run home will welcome you and your questions. Make sure the residents seem content, clean and neat. Taste the food. Are portions adequate and does it seem fresh? To get a free checklist that will help you evaluate homes, send a stamped, self-addressed envelope to the National Council of Health Centers, 2600 Virginia Ave. NW., Suite 1100, Washington, D.C. 20037.

Inescapably, nursing-home care is expensive. The average monthly charge is $1,000, but it can go up to $2,500, depending on the locality and the kind of accommodations. Most families expect more help from Medicare than they will get. While Medicare pays most hospital bills for the ailing elderly, it covers only part of nursing-home costs and only for 100 days. Private health insurance rarely pays for nursing-home care. Medicaid does—but Medicaid patients must first use up all their money, selling most of their assets to raise cash. Then they must sign over their Social Security benefits plus all but a small monthly allowance. Some old people illegally transfer their savings and their houses to their children to qualify for Medicaid without going broke.

Gerontologist Michael Smyer advises families pondering ways to care for an aging relative to take him into their deliberations from the start. "Find out how he feels about various options," Smyer suggests. "One thing that greatly contributes to unhappiness is when people think they have no choices." He also urges you to bear in mind your relative's emotional as well as physical needs. You may want your mother to live with you, but that doesn't mean she'll be happy doing it. Observes Symer: "I've found that making sure the elderly are content, so that the debilitation of depression and loneliness do not occur, goes a long way toward preventing physical decline."

Mr. METZENBAUM. Mr. President, I would like to be recognized just to introduce another article.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, so they may all appear at the same place in the CONGRESSIONAL RECORD, I ask unanimous consent that the April 1985 article of Money magazine be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BROKEN PROMISE: LIFE CARE COMMUNITIES

(By Denise M. Topolnicki)

Today an estimated 90,000 elderly Americans live in so-called life-care communities. In exchange for a one-time payment of anywhere from $15,000 to more than $175,000, these people have purchased a contract that usually guarantees them food, housing and, if necessary, nursing-home care until the day they die. Yet the personal and financial welfare of an unknown but significant number of residents of life-care communities is at risk. They face the loss of thousands of dollars. They confront a serious erosion of their sense of security. They are victims of an industry that on the surface brims with promise but in reality is deep in distress, plagued by finanically unsound enterprises and sometimes beset by criminally unscrupulous operators. Shockingly, the law affords life-care residents little protection: only 11 states have specific life-care regulations backed by civil or criminal penalties, and people who might sue under other statutes shy away from litigation for fear of throwing good money after bad.

In three months of investigation, Money has identified 40 life-care communities, also known as continuous-care communities, that since the mid-1970s have gone bankrupt or have experienced severe financial difficulties. How many of the nation's roughly 300 such communities—most of them built in the past decade—are currently in trouble is anybody's guess. But informed estimates are not encouraging. Edward Hosinger, director of Oppenheimer & Co.'s municipal bond research department, has followed the fortunes of 50 life-care communities financed with tax-exempt bonds since 1980; he reports that fully 10% have defaulted on their debts and that another 14% are failing to meet the occupancy rates that in initial projections were deemed crucial to success. Such statistics do not, of course, necessarily imply malfeasance, maladministration or even a community's ultimate failure. But they almost always mask broken promises. Sometimes the results are as devastating as the loss of a large portion of one's life savings, as was the fate of the people in the photo at left.

Not all life-care communities are shaky, dishonestly managed or unsuccessful. But alarmingly few are on the kind of firm financial and actuarial footing that should exist before promoters make promises of lifetime security. In this article, Money examines the life-care industry's troubled past, looks at its present and surveys some of the reforms that could help it in the future to fulfill its not inconsiderable promise.

To thousands of elderly Americans, the idea has proved irresistible: sell your house and use part or all of the proceeds, or part of your savings, to buy a contract that entitles you to live for as long as you wish in a life-care community. The one-time initial payment, usually around $35,000, entitles you to occupy, but not own, a pleasant apartment or townhouse-style unit. There, warmed by the company of neighbors your own age, you pay a monthly maintenance fee, like a condominium fee, that not only defrays the cost of such services as garbage collection and groundskeeping but more often than not also covers at least one meal a day in a common dining facility.

When you're no longer able to live independently, you can move at little or no extra charge into the community's nursing-care facility. Your nursing costs will be paid for, usually for as long as you live. That can be promised because your payments will have been pooled with your neighbors' and managed in such a way that sufficient reserves will exist to meet medical costs. An added safety margin is provided by the fact that some residents will never need nursing-care services.

The sad fact of the matter, however, is that many life-care community operators—even some with the best intentions—have miscalculated horribly. Sometimes they overestimated demand for their product. When sales of life-care contracts fell short of expectations, so did revenues. Occasionally they underestimated month-to-month operating expenses and hence set monthly fees too low. Or they made incorrect assumptions about the cost of and demand for nursing care. In the worst instances, evidence suggests that some operators had no means, and perhaps no intention, of ever delivering the services they promised. Most disturbing, in some of those cases the principals were con men in clerical collars.

Helen Bishop of Theodore, Ala. was a victim of just such a scam. In 1977 Bishop,

now 74, traded her biggest asset—her house, worth $18,000—for a lifetime lease at a nearby continuous-care community then called Alabama Meadows. She thought she'd found the answer to her prayers. In promotional literature and sales pitches to prospective residents, the developer promised that the completed village would offer more than 300 apartments, a nursing home for infirm residents as well as a chapel, library, swimming pool, therapeutic whirlpool baths and covered walkways connecting the buildings.

By the fall of 1981, however, only two small apartment buildings had been constructed, none of the other amenities had been provided and Bishop's monthly maintenance fee had been raised from $147 to $399. She refused to pay, packed up her belongings and moved. Now she lives in a trailer outside Mobile that one of her sons helped her buy. She has long since given up any hope of recovering her home, which was sold, or of getting any other kind of restitution. Even so, she's glad to be done with the ordeal. Says she, gesturing at the cramped but cozy interior of her trailer home: "About the only time I feel bad is when I visit my friends and think I gave up my house for this."

Nearly four years later, the Meadows looks much as it did when Bishop left. It has a new name though: Town and Country Meadows. And all but 21 of the 43 people who lived there at its peak have died or moved away. The remaining residents, who paid as much as $42,000 for life-care contracts, now pay maintenance charges as high as $548 a month. Yet services continue to decline. Some residents must carry their garbage across a grassy field to a dumpster more than 120 yards from their homes. Maid service recently was reduced from weekly to biweekly. And almost none of the originally promised features have been furnished yet.

Current community members hope that a new owner will take over the project and fulfill the promises they paid for. Yet because their contracts give them no equity in their residences, they worry that they'll be evicted if the village is sold to a real estate investor. Then too, they fear another brush with con men.

Both the Meadow's founder and its second owner have spent time behind bars for security fraud. Moreover, the court-appointed conservator who has supervised the village for most of the time since it ran into financial trouble in 1978, has made a number of questionable managerial moves. One of them the September 1984 hiring of the Rev. Samuel Ferrell, a Florida-based life-care consultant whose 1976 feasibility study helped launch the troubled community, was uncovered by *Money* and brought to the attention of Alabama attorney general Charles Graddick. He has since asked the state securities commission to investigate whether Ferrell is qualified to serve once again as a consultant on the project. (Curiously, at the time of the hiring, Ferrell was still listed as a defendant in a pending civil suit brought in 1979 by the conservator, Mobile attorney Robert Denniston. Among other things, the suit accuses Ferrell of defrauding creditors and misappropriating funds in connection with his earlier involvement in the project. Denniston filed a motion to have Ferrell dismissed from the suit in February.)

The story of Alabama Meadows is not a typical. It begins with the Rev. Jimmy Ballard, a Baptist minister from Birmingham, who in 1975 set up a nonprofit corporation, comfortingly called the Christian Fellowship Foundation. Ballard sold about $2 million worth of 10% bearer bonds to finance the Meadows project. Most of the bonds were sold to churchgoers by clergymen. By December 1978, the bonds were in default and Ballard had been replaced at the Meadows by conservator Denniston.

In 1981 Ballard was convicted in Alabama of securities fraud. His crime: failing to disclose important financial information to Meadows bond buyers, including the fact that the Meadows' bonds were encumbered by a $300,000 debt incurred by the Christian Fellowship Foundation at an aborted life-care project in Florida. Ballard was released after serving little more than two years of a nine-year sentence. He could not be prosecuted for selling worthless life-care contracts because Alabama has no law regulating their sale.

Ballard's greatest misdeed, however, may have been enlisting an ordained Presbyterian minister, Kenneth Berg, to manage the Meadows. When Berg, now 62, arrived in Mobile in December 1978, he was a self-described savior of troubled life-care communities who had owned or managed more than 50 such facilities in 17 states since the early 1960s.

Berg is a modern-day rogue, a Mark Twain character who could charm the elderly—he called himself Dr. for the Ph.D. in religion he earned from the University of Iowa in 1952. He worked for the conservator as manager of the foundering Meadows project for 13 months. During that time he served without pay and even added four apartments to the old school building that houses offices and the cafeteria. But he also took up where Ballard left off, selling so-called enhanced life-care contracts to residents for $6,000 to $9,000. While the original contracts sold by Ballard promised 100 days of nursing care at no additional cost, Berg's version offered care indefinitely.

Had Berg simply sold these life-care contracts, he would not have ended up behind bars. But just one month after arriving at the Meadows, he started borrowing money from residents to keep the project afloat. Before he stopped borrowing in November 1980, Meadows residents had given him more than $218,000. A month later, he defaulted on the first of these loans.

That didn't stop him, however, from buying the Meadows on liberal terms in February 1981. Conservator Robert Denniston, who executed the sale, says he was unaware of the reverend's ethically questionable predilection for borrowing from life-care residents. The deal also went through despite Berg's financial situation—at the time he or corporations he headed were in default on more than $2.2 million in promissory notes. Berg made a $200,000 down payment and financed the remaining $1,550,000 of the purchase price with a promissory note secured by a seller's lien on all but seven undeveloped acres of the property. More than half of his down payment came from transferring his claim to the seven acres for cash to a trio of investors. Berg planned to get permanent financing for the project through the sale of tax-exempt bonds. But he failed to secure financing and defaulted on the $1,550,000 note in September 1981.

Spurred by a complaint from Helen Bishop, who had not lent money to Berg but was angry about the Meadows' checkered history, attorney general Graddick started investigating Berg six months later. As a result, he was charged in 1983 with 150 counts of securities fraud and theft in connection with his sale of notes at the Meadows. He eventually pleaded guilty to three of the securities charges and was sentenced last September to three years in the Kilby Correctional Facility at Mount Meigs, Ala. He has since been released on probation. The condition: that he pay back his Meadows victims.

Only Meadows residents who bought notes from Berg will receive restitution. Those who paid for life-care contracts will not. Nor, it seems, will Berg's victims in other states. In Iowa, for example, Berg sold life-care contracts that turned out to be worthless. Yet because he apparently engaged in no criminal behavior such as securities fraud, and because the state lacks a law regulating the sale of such contracts, no government agency is likely to force him to make good on his debts or his promises.

This angers Dorothy Raynor, 74, and Jackson and Evelyn Hamaker, both 77. They bought life-care contracts in 1980 and '81 for a Berg project that never opened in Perry, Iowa. It was to have been a life-care community fashioned from a reconditioned roadside motel, bar and restaurant. The Hamakers paid $28,755 in entry fees; Raynor parted with $38,700. Berg abandoned the project in late 1981.

Under pressure from the Iowa attorney general, Berg offered to pay back the Hamakers and Dorothy Raynor, along with 27 other people who reserved apartments in Perry and at another never-opened project in Des Moines. But Jackson Hamaker, who wants Berg back behind bars, is skeptical. Says he: "Berg cannot live long enough to pay us all back and he just might try to do something like this again." (*Money* has attempted without success to interview Berg.)

Berg's duplicities are so bald and his involvement in life care so widespread that his influence on the industry seems greater than it really is. More frequently, communities run into financial difficulties because operators set entrance or monthly maintenance fees too low, cannot sell enough life-care contracts or entwine the fortunes of a life-care project too closely with their own. Take the case of Clearview City, a budget-priced retirement village in an unincorporated Kansas town of the same name, 30 miles southwest of Kansas City.

Clearview City was ostensibly operated by a nonprofit corporation called the Good Neighbor Christian Foundation. But it was actually owned and controlled by Paul Hansen, a Kansas City developer who formed the foundation and started selling occupancy contracts for the property in 1977. For $13,950, for instance, prospective residents could buy a lifetime lease for a two-bedroom unit in renovated Army barracks built during World War II to house workers at a nearby munitions plant. The contracts were vague. They did not, for example, guarantee lifetime nursing care at no extra charge. But promotional literature stated that the village would have a nursing home.

Hansen, died in 1981, leaving Clearview City uncompleted. Progress has been slow and the project has been clouded by financial uncertainty ever since. One reason: Hansen's estate is still tied up in probate court.

Signs of financial distress are everywhere. Resident Noel Hord, 74, for example, believed that management would hire security guards when he saw security listed as a feature in promotional literature. But Clear-

view City has never employed professional watchmen. Instead, elderly residents volunteer to man the guard shack at the village's entrance. Another occupant, Herbert Carpenter, 59, says that management promised to paint apartment interiors every five years at no charge. Residents now pay from $175 to $225 for that service. About 170 of the community's roughly 430 apartments are still unoccupied; most of those units are filled with debris. The nursing home has not been built, and though all references to a nursing home have been removed from Clearview City's promotional material, the community's administrator, Jack Marker, says he hopes that one will be constructed.

Even luxurious life-care communities created by sophisticated developers for the affluent elderly have flopped. To find out why, *Money* examined three projects: Mount Royal Towers near Birmingham, Ala., a $30 million complex that has operated under the jurisdiction of a bankruptcy court since April 1984; Royal Regency in Winter Haven, Fla., which in December 1983 defaulted on $53 million worth of bonds; and Bishop's Glen, a partially constructed $36 million project near Daytona Beach that's also under bankruptcy court jurisdiction. The stiff entry fees; from $42,000 for a one-bedroom unit at Royal Regency to $178,000 for a three-bedroom apartment at Mount Royal.

An impressive stable of experts, including accountants from Laventhol & Horwath and Price Waterhouse and market researchers from Yankelovich Skelly & White, worked on the deals at various times. The projects were financed with tax-exempt revenue bonds issued, but not backed, by government authorities and underwritten by registered brokers.

Why didn't high-priced talent ensure success? Some life-care community managers, marketers, financial consultants and bond analysts point to fees earned by developers before they barely begin the task of selling life-care contracts. At Bishop's Glen, for example, only 47% of the bond-sale proceeds were left for land acquisition and construction costs after investors, consultants and underwriters collected fees and expenses and money was set aside for initial debt-service payments. According to Oppenheimer & Co.'s Edward Hosinger, trouble often occurs when less than 50% of the bond proceeds are earmarked for land and construction costs. Hosinger would prefer that developers receive a return on their investment only after a project is 80% sold out, not as soon as bonds are sold. Says he: "The developer would then have an incentive to make the project viable."

Royal Regency similarly ran into difficulty because a low percentage—only 45%—of bond proceeds were left over for land acquisition and construction costs. And at Mount Royal Towers, one of the major problems was that entry fees were up to three times higher than at nearby life-care communities. Only 78 of the community's 205 available units have sold.

The futures of the roughly 100 life-care residents at these projects are uncertain. Royal Regency probably will be converted to an apartment complex. If that happens, residents may stay in their units so long as they pay the same rents as other tenants. But many life-care contract holders would prefer to move out and are suing to get back part of their entry fees. Spokesmen for Mount Royal and Bishop's Glen say that efforts will be made to continue operating those projects as life-care centers.

Oppenheimer's Hosinger is not sanguine about the prospects of present and future life-care projects—unless major changes occur. He feels that communities would be more likely to succeed if hospitals and nursing homes gave financial backing to projects. He also suggests that churches and religious organizations sponsoring life-care communities lend major financial support, not just their names, to the developments. Yet churchmen have been wary of life care since at least 1981, when the United Methodist Church settled a class-action lawsuit by paying $21 million to residents of seven failed church-sponsored life-care communities in Arizona, California and Hawaii. The developments had been operated by a nonprofit corporation called Pacific Homes. The church, which had allowed its name to be used in connection with the marketing of the projects, had contended that it was not legally responsible for damages arising from the unsuccessful communities because, in its view, a religious denomination could not be sued.

Another reform would be to require that life-care providers hire actuaries before selling contracts and then keep them on retainer after the community has opened. Actuaries would help community developers to sharpen their estimates about how long residents will live and about how many of them will require nursing-home care and for how long. Actuaries also could help sponsors figure out how much they should charge to cover current and future operating and health-care expenses.

A few life-care communities have hired actuaries, to positive effect. But many more hae chosen to forgo the expense. Without an actuarial review, however, it is essentially impossible to say whether any particular continuous-care community is financially healthy or not. Yet no existing or pending state or federal legislation includes the idea of mandating actuarial review, and industry-wide standards for actuarial examinations do not exist.

Insurance companies are now experimenting with policies that could be used along with actuarial reviews to ensure that life-care contract holders get what they pay for. Ideas include:

Long-term health-care insurance. Such policies could be sold to individuals or groups, including residents of life-care villages, and would cover all degrees of nursing care. Possible cost for a person age 65: $36 to $40 a month.

Private insurers could assume some of a life-care provider's financial risk in exchange for a portion of the residents' fees, much like reinsurance companies take on part of other insurers' risks in return for premiums.

A rating service, like A.M. Best's in the insurance industry or Moody's in the bond business, could assess the financial strength of life-care communities. Right now, no such clearinghouse exists and none is in the offing.

Proposals such as these would clean up the life-care industry. They'd add, of course, to the already high cost of continuous care. But actuary Patricia Wilson, a vice president with the pension consulting firm of Johnson & Higgins, argues that developers and residents would be willing to share the burden of increased costs. Developers would enjoy a marketing advantage by offering insured contracts, and residents would be willing to pay more for peace of mind.

Widespread actuarial review and insurance may one day stand behind life-care communities. But until consumers can count on such guarantees from life-care providers, they must rely on the law for protection. All states license and inspect nursing homes at life-care developments. But only Arizona, California, Colorado, Florida, Illinois, Indiana, Maryland, Michigan, Minnesota, Missouri and Pennsylvania have broader statutes comprehensively regulating life-care communities. Yet even these states' laws are too weak to protect residents' investments, and enforcement has been lax. Only seven states, for example, require communities to maintain reserve funds to cover unexpected expenses. Although Florida's law often is cited as a model statute—it stipulates that entry fees and deposits be held in escrow until developers secure long-term financing and sell 50% of a community's units—only one state regulator oversees 66 existing and 30 proposed communities.

The pace of legislative reform has been sluggish. Bills are now pending only in Alabama, New Jersey and Virginia. No federal legislation is being considered. Meanwhile, the American Association of Homes for the Aging is pushing for industry-sponsored policing. The association is developing a national accreditation program based on a model used since 1979 by life-care providers in the Delaware Valley. Under the model program, a committee of life-care community operators and experts on aging visits each project that applies for accreditation and scrutinizes its present and projected financial situation, its management policies and the standards used in setting fees. Accredited communities are reviewed again every three years.

Sixteen Delaware Valley developments have been accredited so far, including Kendal and Crosslands, two neighboring villages located 20 miles south of Philadelphia. Both communities are managed, but not financially backed, by the Quakers and are considered models for the life-care industry. Their shared 250-acre campus is home to 800 residents who got the swimming pools, garden plots and nursing homes they were promised. The villages, which have undergone actuarial reviews by the respected Philadelphia firm Hay-Huggins enjoy such excellent reputations that they have a waiting list of 980 applications. Entrance and maintenance fees range from $27,500 and $899 a month for a studio apartment to $89,500 and $1,995 a month for a two-bedroom unit.

What can people who are now considering life-care communities do to protect themselves? The first thing to remember is that you're investing in a contract, not buying real estate. Says Patricia Wilson of Johnson & Higgins: "Purchasers tend to look at the size of the apartment and the thickness of its carepeting. They need to look more carefully at the community's financial stability."

If you're considering a new project that's financed with a bond issue, ask for a copy of the prospectus. Reading it may enable you to find indications of potential trouble, such as an inexperienced developer or high up-front-fees.

To evaluate an existing community, examine all available financial data. Be warned, however, that expense and balance sheet information will not tell you if a community is likely to have enough cash to cover future health-care costs. Only an actuary can tell you that, so find out if the community has hired an actuary and ask to see a copy of his report. If you cannot get one or if it says that fees will have to be raised significantly

to make up for shortfalls, you'll probably want to reject the community.

Unfortunately, people who've picked poorly in the past have little to look forward to. Some industry spokesmen are fond of repeating that no one has ever been evicted from a failed life-care community. Retorts Patrick Robinson, the Alabama assistant attorney general who investigated Kenneth Berg: "Maybe nobody's been thrown out. But what about the people who left Alabama Meadows and other places because they didn't get what they were promised?"

The PRESIDING OFFICER. The Senator from Florida.

Mrs. HAWKINS. Mr. President, I have been listening with interest to this debate it was waged on the floor and become increasingly concerned about the elderly not only in the United States but those who choose to come to Florida to make it their permanent home. We all understand the reality of an aging population. Responsible citizens, responsible legislators should provide safe, secure, and affordable housing and medical services at reasonable costs. We have tried the nonprofit. We have read with interest many letters that come to my office. We read with interest the many articles which have just been put into the RECORD comparing not-for-profit and for-profit.

This is the United States of America. This is the country where we should come up with new solutions to problems as the need arises.

Shortly after the 1984 Deficit Reduction Act was adopted last year, I become concerned about the effect the new imputed interest rules would have continuing care facilities. It became immediately evident that the attempt to correct the perceived abuses in this area of below market loans would inadvertently limit opportunities to build safe and affordable facilities for aging Americans.

The population of florida is growing at a tremendous rate. An estimated 20,000 people a month move to Florida to make it their permanent home. We should be very careful what we do here today.

In October 1984, I joined with 20 of my colleagues in writing to Ronald Pearlman, who was then the Acting Assistant Secretary at the Department of the Treasury, to express our collective concern and to request that the Treasury Department issue interim or transition rules which exempt continuing care facilities.

Let us talk about the critical need. Current demographic trends indicate that the number of individuals aged 65 or over is expected to grow from 26 million in 1980 to 32 million by the year 2000. In Florida alone, the number of individuals between 65 and 74 will increase by 27 percent between the years 1980 and 1990. These elderly Americans will need affordable housing and continuing care facilities or a viable option.

Let us let your mothers and fathers, your aunts and uncles have a choice. The consumer should be given the opportunity. We have a unique opportunity to remain openminded. Let the marketplace take care of this problem. Let the consumer shop around. Let the consumer try a not-for-profit; let the consumer try a for-profit.

I invite all my colleagues to come to Florida, and they can spend a week at either type. We have them in every community.

You should have the option, if you are 65 or older. We have several Members, I imagine, who would qualify, who could comparison shop in my State, and I will give them a list of the options. I will tell you where to go, and you can shop the market, because some day you, too, will be looking at Florida, to make it your permanent home in the winter. Several of my colleagues have already made that choice, and they have a winter home in Florida—more than a few.

As this demand for long-term care grows in all our States, the elderly, who are well-informed, who have the time to call you, who have the time to call me, who have the time to write me, who have the time to write all of us, are going to become very aware of the role Government played in providing for their retirement.

Federal agencies, State governments, and local governments are becoming increasingly concerned that they will be unable to meet the growing demand for publicly financed, long-term care services. New methods for private financing are necessary.

I read with interest a recent survey conducted by the Department of Health and Human Services on private financing of long-term care, and I will quote from that survey:

Continuing care facilities represent a popular and effective approach for financing and providing residential, social, and health services for the elderly.

The language in the Senate Finance Committee measure as it was reported by the committee contains an important provision which would prevent interest income—which is never received—from being imputed to elderly Americans who pay entry fees to life care or continuing care communities.

This legislation is urgent. It is not a writeoff for big business. I have heard that all day long. It is not a writeoff for big business. I would never support a free ride for wealthy corporations.

What all of us should do is support the opportunity to allow an elderly person who sells his or her home, who sells the roof over their head, and uses the safety and certainty of a life-care facility, to have the opportunity to do without an unjust penalty.

Why do we always go after the people who are providing for themselves? Why do we spend days and days and days here arguing about what to do with the poor? Then we spend days and days and days trying to figure out what we are going to do with those who sell their home and go into a continuing care facility with the comfortable feeling that the provider will still be in business if this person lives to be 90 years of age.

The average entry fee for life-care communities in my State is around $40,000. That is not a wealthy person in my State. You can sell your home and probably get $100,000 if you have owned it since 1957, in my State.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mrs. HAWKINS. When I finish.

Forty thousand dollars may seem like a lot of money to some Senators on this floor.

I receive letters from women who have outlived their husbands, and they say: "My only problem today is that I have lived too long. My utility bill is tremendous." Sometimes they say: "I have to live with my children, and I have to sell my home. I want to go to a facility that has dependability, that seems like a home and not a nursing home. The day may come when I need assistance and I have no family. When I sell my home and go into one of these facilities that guarantees me the security I need as I grow older and may become ill, I want to be sure that I have an opportunity to shop around and that this facility will be in business for a long time."

One hundred thousand elderly residents now living in these facilities are retired teachers. There are a lot of retired teachers in my State and a lot of retired military employees. They are hardworking citizens who have saved all their lives in order to be worry-free when they retire.

No one realized while they were saving and paying for their home that they were going to live an extra 10 years, and they are very nervous when they see my colleagues and Government continue to make rules which will not give them options.

I urge my fellow Senators to allow the elderly to have options by voting to retain the language now in the Finance Committee bill.

Mr. LONG. Mr. President, I must say that the more I hear the debate, the more I am convinced the Senator from Pennsylvania is advocating a meritorious provision.

I was not in the committee the day we voted on the matter. I was ill that day.

But, Mr. President, those who are speaking against the provision ignore the fact that elderly people do have options that are tax free. For example, a great number of elderly people own their own home and the income, you might say, that can be attributed to the housing expense is not taxed to them. Anyone who owns his own home

has the privilege of living in his own home and he pays no tax on that. I know he pays no tax in Louisiana because we have a homestead exemption. He does not even pay a property tax on it, none, zero. I hope most other States are as considerate to the elderly who own their own little homes as we are in Louisiana.

I am sure that most of them do not have very expensive homes. So, insofar as they own a home the income that it would take to buy that home and the interest on that income is not taxable.

Now, if one should sell his home and seek to move into an extended care facility, that is a facility that would house him, provide him with some accommodations, make him comfortable and try to provide him some people with whom to visit, hoping that that person is not ill at this point in life. If he goes into one of those nonprofit operations, assuming this person is not a needy person, or a welfare client at this point, a great number of them require that he make a donation of either all he owns or a certain portion of his earthly belongings.

Let us say if he sold his home for $90,000 and wanted to go into a facility that would provide him some care a lot better than that which is available to welfare clients, he then would donate his $90,000, let us say, to the home sponsored by the nonprofit or the church organization.

They would use that money to help defray their expenses and their costs and they would provide him care. There is no tax involved in any of that, no tax whatever.

If he went into a private, for-profit establishment making a refundable loan to the institution there would be tax on that and the estimate, according to the committee report, assumes that the average amount of income to be imputed would be between $5,000 and $6,000, starting with $5,600 and going up to $5,942. So there would be a tax, about $150 a month, on this person's decision to sell his home for $90,000 and move into a privately owned and privately operated facility where he would have the option of having his $90,000 back anytime he wanted it back if he decided to quit living there.

Now, ask this question, Mr. President: Assume the estimate to be that, let us say, $150 a month, or if it is $90,000 we are talking about a tax, let us say, of $250 a month. Why do we want to put a tax of $250 a month on some dear old person who moves into a for-profit operation?

If we do that it means one simple thing, that if one is seeking to operate such a facility for profit he has to reduce what he can provide these dear old people by $150 a month. Obviously if he is providing more than his income he is going to go broke.

Mr. President, your decision here is do you want to permit a nonprofit organization seeking to provide something better than is available to elderly people at this time an opportunity to compete, or do you want to deny them the opportunity to compete? There is no doubt about it now. You just take the figures in the committee report if you are a nonprofit operation and you are operating as most of them are structured today where the people just come up and put their money in, and in a lot of States the residents cannot get any of the money back.

In the name of consumer protection, a lot of States have passed laws to say that at least for the first 6 months if they are not happy, residents can get their money back and leave. So that some States protect these dear old people in that situation and some do not protect them at all. In other States, if they move in there and it is completely unsatisfactory that is just too bad, the money is gone and they are stuck, and there is no way they can get their money back.

We are talking here about a proposal where persons will have the option to have their money back if they are not satisfied. They can go somewhere else with it and find themselves a better deal. Then if you like the nonprofit, OK, go to the nonprofit, go the church operation, if they will take you, or just take your own money and buy yourself a little home and try to live there the best you can as a recluse, or whatever.

Mr. President, the Senator from Louisiana some years ago offered an amendment in the Finance Committee to say that where people build these for-profit hospitals in the United States they can make the same type profit that an average private manufacturing operation could make. The purpose there was to fix it so that when people build hospitals for profit under Medicare and Medicaid, those people will have the possibility of building facilities just as competitive for capital as that invested in manufacturing or an average commercial business.

Mr. President, since we passed that amendment, all over America companies like Humana, which was on television recently, sponsoring the mechanical heart operation, and others, have been building some of the finest hospitals in America. They are consistently some of the cleanest, some of the most modern, and the best facilities, Mr. President, of any small hospitals I see in America.

Mr. President, I visited these for-profit hospitals in Louisiana and I have seen what was there before that time. There is absolutely no comparison. You should not mention the two in the same breath.

These new hospitals being built on a for-profit basis have the old things absolutely beat to death. They are cleaner, they are more modern, and the facilities are far better, with the latest type equipment. The ones I have seen are spotless and they are a credit to the practice of medicine.

That is what we have in place of some of the very bad hospitals that have had to be closed because the Department found they just would not measure up to human expectations and adequacy for American citizens of any State. We have thousands of first-class for-profit operations because we made it possible for them to make a profit and provide a better facility for the people.

Now my understanding is that under the new orders we have under the DRG's these modern facilities charge the same thing as the old facilities, the nonprofits and all the others, charge the same fees for these Medicare and Medicaid patients. Where they are making their money is where they are providing the service to people who are not on Medicare, not on Medicaid, people who are below 65 and come in paying their full cost or being insured by private insurance companies and come in to use good facilities as privately insured or fee-for-service patients.

Mr. President, if you want to vote the amendment down, you may. But if you do it—and when I say this, I am talking about the amendment to the bill, the Heinz amendment—if you want to strike the Heinz amendment from the bill, what you are doing here is to leave a discrimination to the effect anywhere from $150 to $250 a month against elderly people who would choose to take the free enterprise option.

Now, in recent years we have given private enterprise the opportunity to compete in providing health services.

They have provided health services superior to that which was available in facilities that existed prior to that time. In doing so, they have put pressure on those that existed prior to that time to be more efficient, to be cleaner, to provide a better service, otherwise they would be out of business.

Mr. President, I see nothing wrong with saying that on this very limited basis—what is this thing supposed to cost? It is estimated the first year would cost about $4 million—I see nothing wrong with saying, "Let us see what happens if the free enterprise system is given an opportunity to provide the service in such a way that the elderly people are not being denied $150 to $250 a month which otherwise could be made available for their care, give them the same opportunity to provide as much as the money would buy, where the benefit goes to the elderly person."

In the last analysis, you are not talking about a benefit for Marriott or any other provider. You are talking about a benefit for the elderly.

If they would like to go into a for-profit, privately owned operation dedicated to those type of people, do you want to tax each old person $150 to $250 a month per individual, knowing what that would do to reduce the level of care they are going to get by $150 to $250 a month?

I personally think, Mr. President, that it would serve a purpose to let the private, free-enterprise type operators, the for-profit facilities, make available housing and facilities to elderly people to compete and see what happens.

How many homes do we estimate would be involved in this thing if the amendment would come into law? About 27 homes that exist at this time. So the benefit would go, mind you, Mr. President, the benefit would go not to the 27 homes, it would go to the people who would be living in those 27 homes. So you would say, "Here are 27 privately owned homes where these elderly people living in the homes could live better. They could live better to the tune of $150 to $250 a month."

If you do not like those dear old people, do not vote for the amendment. Tell them, "No, if you want to have these same benefits, you have got to go into a church home and give your money to the church where you can never get it back."

Mr. CHILES. Will the Senator yield on that point?

Mr. LONG. Yes.

Mr. CHILES. I just wanted to say that where I first got interested in this was with the Senator from Pennsylvania about the time we were passing the Deficit Reduction Act. And without the underlying Heinz amendment, and some amendments which I think have been agreed on to go with that, Treasury still has not clarified the situation about all of those people who are in the church homes right now, that are in the nonprofits right now, that have been there and have invested their life's savings, that are already there, whether they are caught up with this.

So the Senator from Florida has a concern because I can tell you there is a concern. We always talk about these amendments and what they do, and if you talk about Social Security and how that upsets old people. I can tell you in my State there are an awful lot of people that are in these life care institutions, in nonprofit, in church institutions, who do not know from day to day whether they are going to find that they are taxed out of that institution and that they cannot survive under that. Because there is a great hiatus here. We have asked Treasury to clear it up. They have not done it. I think legislation is very necessary to do that. That is the principal concern I have. Some of these other arguments seem to have merit to me, but I can tell you if we do not have the underlying Heinz amendment and the follow-on amendments that need to go with that, I think we have a situation in which we can have a lot of people, I say to the distinguished Senator from Louisiana, put out of where they are now, where they have already put in their life's savings. They are gone. I mean, they are locked in. They are living in a lifestyle in which they seem to want to continue, is what they express to me when I go down there.

In any one of those places that I have visited, when I try to talk on Medicare, when I try to talk on Medicaid, when I try to talk on COLA's, they say, "We don't want to hear about that. We want to know what is going to happen to our life-care situation." That is the principal thing that is on their minds.

Mr. LONG. Mr. President, let us just analyze the type situation that can face an elderly person. The person is alone. The person would like to have some company.

Mr. President, I can appreciate what that problem is a little bit. I bought some farmland some time back. There was a dear old person living in a cabin on that property. Once in a long time somebody would come by and visit this dear old man. I did not know him personally when I bought the property.

Eventually, the dear soul passed away—dead for days before anybody came by and discovered that person was dead. That is how some of these dear people live.

That is not an exception. I also knew a couple who had a lot of money, an affluent couple. Before the husband passed away, they bought a beautiful home, so the wife continued to live there alone. Once in a while she went out, but she became more and more recluse. That person died and was dead days in that house—and that is a high-income family in this latter instance—dead for days before anybody went by and discovered that dear lady passed on to the Great Beyond. How much company do you reckon either one of those two people were having?

We are trying to provide a way where people can be around people in their age bracket, provide them with some interest, to have someone to talk to.

What happens? Here we find a great big tax penalty if they do it the way they would like to do it.

Let us say one lives in the community with a lot of Catholic population. My wife tells me that in Louisiana the great many of the best homes we have for the elderly people are operated by Catholics. And the Catholic nuns deserve a great deal of credit for that.

Let us assume one wants to move into one of those facilities, so he donates his property to make himself eligible to move into the home. Let us assume this is a Protestant. After he is in there for a while, he may not be happy with it. All these Catholics seem to think they are certain to go to Heaven, but they are not sure that the Protestant is going to make it. Well, suppose that Protestant decides he went to the wrong place. He is not happy, but if he wants out he cannot get his money back.

The Senator from Pennsylvania is offering an amendment to say, "Well, the tax advantage would be there for the benefit of these old people on the condition that they would get their money back. If they are not happy, they can have their money back."

In due course, the Marriott Co. might build some facility. They sure are not going to build many unless they have some satisfied customers, because if the customers are not satisfied they are going to move out and the Marriotts will lose money.

One would not want to go into that business unless he thinks he can make those people happy. Suppose someone built a for-profit operation, the best in America, got the best facilities to offer, better than anybody else has to offer. Why would you want to discriminate against them by saying, "If a person puts up $90,000, you have got to charge him $250 a month tax for that one dear old person."

For every one of those old people that puts up $90,000, there is a $250 a month tax penalty for moving into that facility. To me, Mr. President, this does not make good sense. I think it would be worth paying $4 million a year to find out if it is a good deal, and that is what this thing would cost in the beginning.

The estimated cost for fiscal year 1986 is $2 million; fiscal year 1987, $5 million; and gradually builds up in 1990 to a cost of $17 million.

I would think, Mr. President, that is a small price to pay to just experiment a little bit and see whether the free-enterprise operations, offering someone a service, hoping to make a profit out of it, might be a better deal for some of these dear old people than the church-operated facilities.

I point out, Mr. President, that the experiences we have had in hospitals, based on what I have seen, is that these for-profit hospitals built in my State—and they built them all over Louisiana; they are the best hospitals we have in those communities—they have the best hospitals that ever existed in those communities in history. And they are 100 percent better than what was there before they were built.

Now, why should we not try to give free enterprise a chance to see what they can offer, in terms of housing and facilities for elderly. If it is not

very good, all we have to do is repeal it whenever it suits our purpose.

Mr. CHAFEE addressed the Chair.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER (Mr. HUMPHREY). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent that a letter from the Assistant Secretary of the Treasury for Tax Policy, Mr. Pearlman, addressed to Senator DOLE, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, June 25, 1985.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, DC

DEAR SENATOR DOLE: In response to your request, I write to advise you of Treasury's views regarding the continuing care facilities amendment to H.R. 2475, as reported by the Senate Finance Committee on June 13, 1985.

Section 4(a) of the amendment to H.R. 2475 creates an exception to section 7872 (relating to the treatment of loans with below-market interest rates) for loans to certain qualified continuing care facilities if the lender is at least sixty-five years old and to the extent the principal amount of the loan does not exceed $90,000. In general, a qualified continuing care facility is defined by the amendment as a facility where substantially all the residents have entered into "continuing care contracts" and where substantially all the facilities used to provide services are owned or operated by the borrower. A "continuing care contract" means a written contract between the resident and the facility under which the resident (or his or her spouse) may use the continuing care facility for their lives, and where the resident or spouse will first reside in a separate, independent living unit with only minimal provision of care, and only thereafter will be provided substantial and long-term nursing care as the resident's health may require, at no additional substantial cost. Nursing homes are explicitly excluded from the category of qualified continuing care facilities which are granted this exception from the below-market loan rules.

We recognize that the proper treatment for tax purposes of refundable entry fees paid to facilities by prospective residents is of great concern to members of Congress and to the public. However, we do not think that the continuing care facility amendment as currently drafted represents an adequate or fair solution to the problem. This amendment has been drafted to exclude from its benefits many institutions which provide care for persons who are unable to care for themselves, such as the *traditional nursing home*, many of which are operated by religious and not-for-profit social welfare organizations. From a tax policy perspective, there is no reasoned distinction to be made between a loan to a *traditional nursing home* and a loan to a "qualified continuing care facility." Line-drawing of this type is always difficult to administer. Moreover, giving preferential treatment to some facilities over others fosters competitive advantages and disadvantages, which is not the proper role of the tax law in this area.

For these reasons, Treasury continues to urge the tax-writing committees to hold hearings on the tax treatment of loans made to dependent care facilities across the board. We believe it is preferable to consider legislation after hearing the views of all types of dependent care facilities, as well as those of members of Congress, Treasury, and the public generally. Only at that time can we be confident that an even-handed and adequate solution to the dependent care issue has been crafted. Should the Senate choose to delete section 4(a), we will be happy to assist the Finance Committee in expediting a full consideration of tax issue.

Sincerely,

RONALD A. PEARLMAN,
Assistant Secretary (Tax Policy).

IN SUPPORT OF LIFE CARE CENTERS

Mr. WILSON. Mr. President, I rise to strongly support the Heinz committee amendment.

As a member of the Senate Select Committee on Aging, I wish to remind my colleagues here today that this issue of life care facilities and the vital role they play in the long-term care of our elderly was thoroughly reviewed by that committee.

It is well established that the demographics of our elderly population demand innovative financing mechanisms to enable our seniors to avail themselves of a variety of options for shelter and health care, including the complexities of long-term care. California has long been a leader in the life care concept. We have had our share of difficulties, but we have had on the whole, significant successes. I speak here of the variety of nonprofit organizations in California which have taken up the burden and the opportunity to provide to the elderly one of the most innovative methods of care, full care, available today.

Private enterprise is not unaware of the successful examples set by the nonprofit organizations. This Heinz committee amendment permits both the nonprofit and the for-profit organizations to continue to develop these options.

A life care center typically provides a full range of residential health and social services for the remaining lifetime of an elderly individual in exchange for an entrance fee and a monthly charge. Due to the unique financing arrangements of these organizations, they represent an important method of financing long-term care. Last year some of my colleagues and I attempted to obtain from the Internal Revenue Service a clarification on the issue of imputed interest on the entrance fee. Our concern was for the deleterious impact of certain provisions in the 1984 Tax Reform Act. In the absence of any response, Senator HEINZ proposed his committee amendment.

The fact is that the amendment from the Senator from Rhode Island to strike the Heinz amendment will fall most heavily upon the individual elderly person seeking alternatives to spending down to Medicaid nursing home status, and who seeks a self-financed, decent, method of care for himself, or herself, and their spouse. It comes down to denying to that individual the freedom to prepare for himself, or herself, a way of caring for the difficulties otherwise faced in isolation.

Further, I wish to point out to my colleagues that absent the Heinz amendment, the elderly who are now residing in these facilities will be penalized for having made an enlightened choice.

I urge the defeat of the amendment from the Senator from Rhode Island, and the support of the Heinz amendment without modification.

Mr. EVANS. Mr. President, I rise to support the amendment of the Senator from Rhode Island [Mr. CHAFEE]. This amendment keeps this body from adopting a poorly reviewed policy allowing some individuals to establish a tax-free, $90,000 interest-bearing savings account.

This amendment would strike the provisions of the imputed interest bill which excepts from below-market loan rules, loans made to continuing care facilities under continuing care contracts. Such exceptions are limited to loans that are made by lenders that are 65 years or older and where the principal amount does not exceed $90,000.

I wholeheartedly agree that we need to look toward the needs of our elderly population. But this must entail a review that is comprehensive, looking to the questions of equity and the creating of policy responsive to this rapidly growing segment of our population. A population of 65 years or older that is now 12 percent of our total population and which is expected to double by 2050.

My opposition can be summarized by two concerns.

First is the question of equity. How can we justify this $90,000 tax-free deal to seniors entering a continuing care facility, when seniors that reside in nursing homes are not eligible? What about seniors that still live in their own homes that can't take advantage of such a deal? We cannot justify this provision through the test of equity.

Second is the question of policymaking. This provision must undergo appropriate review through the committee process. This has not happened. Without this process, we miss the chance to develop comprehensive policies for all seniors.

Furthermore, we endanger the credibility of the Senate committee process which we depend upon so heavily. If we come to a situation where we can no longer depend on Senate committees to fully review legislation before it comes before the full Senate, we take a step toward compromising our policymaking decisions.

Mr. HEINZ addressed the Chair.

Mr. CHAFEE. Mr. President, I still have the floor.

Mr. HEINZ. Mr. President, the Senator loses his right to the floor when he propounds a unanimous-consent request.

The PRESIDING OFFICER. The Chair recognizes, for the second time, the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I send to the desk a modification to my amendment.

The PRESIDING OFFICER. The amendment is so modified.

Mr. LONG. Mr. President, point of clarification. I would like the amendment read.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

On page 36, on line 12 after the word "contracts" insert the following: "and (iii) which are owned and operated by an organization described in section 501(c)(3)".

Mr. CHAFEE. Mr. President, this modification adds a qualification to the definition of those life care facilities where a resident qualifies for this special tax treatment. It is those facilities that are owned and operated by an organization described in section 501(c)(3); namely, a nonprofit organization.

Mr. President, what we are doing under the language of the Heinz amendment which was adopted is moving into a whole new area where, as I said, we have had no hearings whatsoever in the Finance Committee, and where it is discriminatory in that it does not apply to nursing homes. Why we don't have it apply to nursing homes I will never know. If you go into one of those specified facilities, you get a special advantage.

What I am doing in this modification is providing that it applies to those 95 percent of the community life care facilities which, according to the Senator from Pennsylvania, are operated by nonprofit organizations. Let us get some experience with this, and have some hearings. Eventually, perhaps, we may want to move into the for-profit facilities. But at this time, I am not anxious personally to enrich the coffers of the Marriott Corp., or any others. Therefore, I offer this amendment.

Mr. PACKWOOD. Mr. President, I want to make sure I understand what the Senator has done. The Senator modified his amendment to exclude the for-profit life-care facilities. Is that right?

Mr. CHAFEE. That is right.

Mr. PACKWOOD. Henceforth, only the nonprofits will be eligible for the $90,000?

Mr. CHAFEE. That is right. It is the individuals.

Mr. PACKWOOD. I understand it is the individual. But if the individual makes the payment to a nonprofit, they will get the $90,000 exclusion. If they make it to a for-profit, they will not.

Mr. CHAFEE. That is correct.

Mr. PACKWOOD. In fairness to the Senator from Louisiana, the Senator is talking about only now we statutorily make it completely unfair. It does not matter what kind of facility you build. It does not matter if you are giving it away with a loss. It does not matter if you are running it out of the goodness of your heart. If you have the 501(c)(3), you cannot be a for-profit organization. You have to be a 501(c)(3) charitable organization. That is unfair.

Mr. CHAFEE. Mr. President, we kicked fairness aside long ago. Fairness was kicked out when the Heinz amendment was adopted. We have risen above fairness a long time ago on this floor. There is no problem with that anymore. The idea that a dear old lady is in a nursing home does not have the advantage of this, but a dear old lady from the Marriott Corp. gets it, is not fair. Fairness was thrown out a long time ago. Fairness was thrown out in the Finance Committee when this was adopted. The little old widow, the arthritic widow at home, the dear little old lady in her home struggling, who has money down at the bank at the Shreveport Federal Deposit Corp.—what does she get out of it? Nothing. She pays taxes. If she goes to the Marriott, that is OK. So let us not mention the word "fairness" in connection with this legislation.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I think we have debated the Chafee amendment at some length. It is a bad amendment to begin with. I think the consensus of the floor is pretty clear on that point. What the Senator has done is to make it worse because again he is still maintaining the distinction that the ability to get a refundability of the deposit is still a problem, even though to most of us it is a matter of consumer protection. But then the Senator says in this amendment, that is all right, you can have refundability of your deposit and not be taxed as though you had received income, even though you have it, if you have made a deposit to a nonprofit 501(c)(3) continuous care facility. But if you do it to somebody who is operating a for-profit, that is evil, bad, wrong, and it writes into our law for the first time a distinction I do not think we have ever made. We do not make distinctions between for-profit hospitals and not-for-profit hospitals. We do not make distinctions between for-profit nursing homes and not-for-profit nursing homes. I would not be at all surprised, Mr. President, if we rejected this overwhelmingly. It is a principle that is a bad one. I think we ought to reject it out of hand. However bad the amendment of the Senator from Rhode Island was to begin with, it is 10 times worse now.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. HEINZ. I am happy to.

Mr. LONG. Mr. President, the amendment by the Senator from Rhode Island would be just the same as if we had passed an amendment to say if one goes into a for-profit hospital in America, that he would have to pay a tax of say $100 over and above what he would otherwise pay which he would not pay if he went into a nonprofit. If that had been the law to begin with, we would not have any for-profit hospitals in America.

Mr. HEINZ. The Senator is absolutely correct.

Mr. LONG. Again, let me say that my experience is that the way we got rid of all those old outmoded facilities, and we got some beautiful hospitals that nobody ever anticipated was by fixing it so one could have a for-profit operation, and they could have the hope of making a profit and without being discriminated against in the tax laws.

The Senator would introduce an element of discrimination not against the for-profit hospital nor against the for-profit home, but against the individuals who go there. Those are the ones who would have to pay the penalty.

Mr. HEINZ. The Senator from Louisiana is correct.

Mr. President, I move to table the Chafee amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania to lay on the table the amendment of the Senator from Rhode Island. On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Maryland [Mr. MATHIAS] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 24, as follows:

[Rollcall Vote No. 137 Leg.]

YEAS—73

Abdnor	Byrd	D'Amato
Andrews	Chiles	Danforth
Bingaman	Cochran	DeConcini
Boren	Cohen	Denton
Boschwitz	Cranston	Dixon

Dodd	Humphrey	Pryor
Domenici	Inouye	Quayle
Durenberger	Johnston	Rockefeller
Eagleton	Kassebaum	Roth
Ford	Kasten	Rudman
Garn	Kerry	Sasser
Glenn	Lautenberg	Simon
Goldwater	Laxalt	Simpson
Gore	Levin	Specter
Gorton	Long	Stennis
Gramm	Lugar	Stevens
Grassley	Matsunaga	Symms
Hart	Mattingly	Thurmond
Hatch	McClure	Trible
Hawkins	McConnell	Wallop
Hecht	Melcher	Warner
Heflin	Murkowski	Wilson
Heinz	Nickles	Zorinsky
Helms	Packwood	
Hollings	Pressler	

NAYS—24

Armstrong	Dole	Mitchell
Baucus	Evans	Moynihan
Bentsen	Exon	Nunn
Biden	Harkin	Pell
Bradley	Hatfield	Proxmire
Bumpers	Kennedy	Riegle
Burdick	Leahy	Sarbanes
Chafee	Metzenbaum	Weicker

NOT VOTING—3

East	Mathias	Stafford

So the motion to lay on the table amendment No. 423, as modified, was agreed to.

CHANGE OF VOTE

(Later, the following occurred:)

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the record of my vote which was cast earlier this afternoon on the Heinz tabling motion to the Chafee amendment to the imputed interest bill be recorded as a "yea" vote rather than the "nay" vote which I actually cast.

By way of explanation, let me say to the President and to my colleagues that when the amendment by the Senator from Pennsylvania [Mr. HEINZ] was considered in the Finance Committee 2 weeks ago and came to a vote in the Finance Committee, I voted in favor of the amendment. When the Heinz amendment came to the floor, the Chafee amendment was designed to eliminate the Heinz language, which I favor. I came to the floor thinking that I was voting to preserve the Heinz language from the Chafee amendment and cast a "nay" vote. I found, much to my regret, after all the votes had been recorded and announced, I had in fact voted "nay" on a motion to table.

Mr. BYRD. Mr. President, reserving the right to object—I will not object—for the RECORD, will this change of vote affect the outcome on the question?

Mr. DURENBERGER. The change of vote will not affect the outcome in any way, since it was a 72-to-25 vote.

Mr. BYRD. Mr. President, I withdraw my reservation.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Note: The above tally has been changed to reflect the foregoing unanimous-consent request.)

(Conclusion of later proceedings.)

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, it is my understanding that entrance fees to continuing care facilities that are not loans are not subject to the below-market loan provisions of section 7872 of the Internal Revenue Code, and are therefore not affected by this amendment.

Mr. PACKWOOD. That is correct.

Mr. HEINZ. Mr. President, I would also like to clarify the use of several terms in the amendment and in the accompanying committee report. It is my understanding that the terms "personal care" and "skilled nursing care" are merely descriptive terms for the types of care provided by continuing care facilities and are not meant to refer to any statutory definitions of these services as might be included in Federal and State law?

Mr. PACKWOOD. That is correct. However, it is our intention that continuing care facilities provide the full range of supportive and health care services, including the highest level of nursing care.

Mr. HEINZ. Mr. President, I thank my distinguished colleague from Oregon for clarifying an uncertainty that has created a great deal of concern for those caring for and providing services to the more than 100,000 elderly Americans in life-care facilities throughout the Nation.

Mr. President, under the life-care amendment, a facility qualifies as a qualified continuing care facility only if substantially all of the facilities which are used to provide services which are required to be provided under the continuing care contract are owned or operated by the sponsor of the life-care facility. In the State of Florida, Mr. Chairman, there is, in effect, an informal moratorium on the construction of new nursing homes. As a result, in some cases, life-care communities may, on a temporary basis, have to provide long-term nursing care for their residents by entering into contracts with unrelated nursing facilities under which the sponsor of the life-care facility will operate, along with the operator of the nursing facility, beds in the unrelated nursing facility. Mr. Chairman, I understand that in your view, such an arrangement would qualify under the statute so long as the sponsor of the life-care facility is taking all reasonable steps to obtain the regulatory approval required to construct a new nursing facility, or is constructing such a facility.

Mr. PACKWOOD. That is correct.

Mr. CHILES. Mr. President, is it your understanding that the definition of continuing care community provided in H.R. 2475 and the accompanying report language, applies only to continuing care facilities with entry fees that are determined by the IRS to be loans, and is not to be applied to those fees that are not loans.

Mr. PACKWOOD. Yes, that is correct.

Mr. CHILES. I would like to thank the distinguished chairman of the Finance Committee for clarifying that point, as well as those issues raised by Senator HEINZ. It is my belief that continuing care communities represent one of the most innovative and creative approaches to housing the elderly that currently exists. And I believe that this relatively new industry should be given an opportunity to develop and grow.

Mr. PACKWOOD. Mr. President, for the information of Senators, as of the moment we have no time agreement. We are still working on it. But for those who have asked about will there be a window of opportunity, I honestly do not know. It depends on whether there are amendments offered and whether they are good or bad, a motion to table, or whether they will get the floor. But there is no agreement at the moment.

AMENDMENT NOS. 424 AND 425

(Purpose: The requirement that substantially all facilities must be owned or operated by a qualified continuing care facility shall not apply to current facilities)

(Purpose: The requirement that any continuing care contract contain a lifetime residency guarantee shall not apply to loans made before January 1, 1986)

Mr. HEINZ. Mr. President, I send to the desk two technical amendments. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, I have heard things called technical around here that are not so technical. Will the Senator from Pennsylvania be good enough to explain?

Mr. HEINZ. I will. I am offering these amendments on behalf of Senators CHILES and HAWKINS, as well as myself. I will be happy to explain my amendment, which I would in any event.

The first amendment would actually preserve the viability of a small number of existing lifecare communities currently serving older Americans in their retirement years. The amendment is necessary because some existing lifecare facilities, while meeting important housing and health care needs of their elderly residents, do not meet the requirement that substantially all of the facility be owned or operated by a single owner. These are existing facilities that need some grandfathering.

Due to historical patterns, some existing facilities have contracted out with nursing homes to meet the health care needs of their residents. While we are requiring that future facilities provide these services in one setting and under a single owner, it would work an undue hardship on existing facilities which are providing valuable services to, in essence, put them out of business by imposing this standard on them retroactively. So that first amendment would provide a grandfather clause so that the facilities in existence as of July 1, 1985, would be exempt from the requirements.

The second amendment, Mr. President, is also technical in nature. This amendment states that all loans to facilities that meet the requirements of a continuing care facility in all respects except that they do not provide care for the life of the resident will be exempt from section 7872 until December 31, 1985. The reason for this amendment is that some facilities have been set up in such a way that they provide care until an individual becomes severely disabled, and then contract out for nursing home services. We recognize that some existing facilities operate in this manner, and to the extent that they are affected by the preceding amendment, they will be given a 6-month moratorium from its application, until December 31, 1985. This will allow them ample time to decide whether they wish to change their manner of operation to conform to the new regulations, or to discontinue providing such services.

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, I would like to point out to my colleague from Pennsylvania that, indeed, these are not technical amendments. These are amendments that have substance to them. One has an extension of the period of 6 months. The other has to do with some other substantive aspects. It seems to me that the Senate has expressed its will. I have no doubt in my mind that the Senate would be willing to accept these amendments if brought to a vote. But I do have difficulty when substantive amendments that actually change the law are referred to as technical amendments—a technical amendment, in my opinion, normally being a change of a number or the correction of language, something of the kind, not really changing the impact of the amendment. I do not intend to object but I object to calling them technical amendments.

Mr. HEINZ. I thank the Senator for not objecting. By the way, it was my intention to explain the amendments in any event. I do not want to get into a semantical argument with the learned and able Senator as to whether in his view or in my view these are or are not technical amendments. I think they are very modest and small amendments.

The PRESIDING OFFICER. Will the Senators yield. The Senator from Pennsylvania is seeking consent. Is there objection? Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ], for himself, Mr. CHILES and Mrs. HAWKINS, proposes amendments 424 and 425 en bloc.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments are as follows:

AMENDMENT NO. 424

On page 42, between lines 15 and 16, insert the following:

(3) SUBSTANTIAL OWNERSHIP REQUIREMENT NOT TO APPLY TO CERTAIN FACILITIES.—The requirement of subparagraph (B) of section 7872(g)(4) of the Internal Revenue Code of 1954 (as added by section 4) shall not apply to any qualified continuing care facility—

(A) in existence before July 1, 1985, or

(B) for which a binding contract to build such facility was entered into before July 1, 1985.

For purposes of this paragraph, the term "qualified continuing care facility" has the meaning given to such term by section 7872(g) of such Code (as added by section 4).

AMENDMENT NO. 425

On page 42, between lines 15 and 16, insert the following:

(3) LIFETIME RESIDENCY GUARANTEE NOT TO APPLY TO CERTAIN LOANS.—The requirement of subparagraph (A) and of clause (ii) of subparagraph (B) of section 7872(g)(3) of the Internal Revenue Code of 1954 (as added by section 4) shall not apply to loans made before January 1, 1986.

Mr. HEINZ. Mr. President, I have discussed these amendments with the committee chairman and the staff. I know of no objection to them. They address exactly what I described, which is some conforming changes we need to make just so a few facilities that have specific problems do not end up being unintentionally discriminated against.

Mr. PACKWOOD. The Senator from Pennsylvania is correct. I know of no objection to the amendments and we are prepared to accept them.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

So the amendments (Nos. 424 and 245) were agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I thank all Senators.

AMENDMENT NO. 426

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 426.

Mr. DANFORTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, Section 6 of the Bill is amended by redesignating Section 6 as Section 7 and inserting after Section 5 the following new section:

"SEC. 6. SECTION 7872 OF THE INTERNAL REVENUE CODE SHALL NOT APPLY TO NON-LOAN PAYMENTS TO CERTAIN RESIDENTIAL HOUSING FACILITIES FOR THE ELDERLY.

"Section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below market interest rates) is amended by inserting after subsection (h) the following new subsection:

'(i) CERTAIN PAYMENTS ARE NOT LOANS.—For purposes of this section, payments made to an independent living facility for the elderly by a payor who is an individual at least 65 years old shall not be treated as loans provided—

'(1) The independent living facility is designed and operated to meet some substantial combination of the health, physical, emotional, recreational, social, religious and similar needs of persons over the age of 65;

'(2) In exchange for the payment, the payor obtains the right to occupy (or equivalent contractual right) independent living quarters located in the independent living facility;

'(3) The amount of the payment is equal to the fair market value of the right to occupy the independent living quarters;

'(4) Upon leaving the independent living facility, the payor is entitled to receive a payment equal to at least 75 percent of the fair market value at that time of the right to occupy the independent living quarters, the timing of which payment may be contingent on the time when the independent living facility is able to locate a new occupant for such quarters; and

'(5) The excess, if any, of the fair market value of the independent living quarters at the time the payor leaves such quarters (less a reasonable amount to cover costs) over the amount paid to the payor is used by an organization described in section 501(c) (3) to provide housing and related services for needy elderly persons.' "

Section 6 is further amended by inserting after subsection (e) the following new subsection:

"(f) SECTION 6.—The amendment made by Section 6 shall apply as if included in the amendments made by Section 172(a) of the Tax Reform Act of 1984."

Mr. DANFORTH. Mr. President, this amendment concerns a somewhat related issue to that which was considered at the time the Chafee amendment was offered. The type of situa-

tion, however, envisioned by this amendment is not covered by the bill in its present form. The bill in its present form deals with the question of what happens if a hypothetical individual makes a cash contribution to a health care facility and the income from that contribution is used to provide overall life care for the person making the contribution. In other words, the situation which was just debated between Senator HEINZ and Senator CHAFEE was a person contributes, say, $100,000 for life care. The income from that fund is used to provide not only housing but health care, entertainment, expenses, a whole variety of things not necessarily related to living expenses.

However, the bill in its present form does not cover any situation which has strong arguments, stronger arguments even for avoiding inclusion in imputed interest. The situation in this amendment is where an individual is not contributing funds for life care in general but instead is purchasing the right to occupy real property. If a person contributes to an organization and pays the fair market value of the right to occupy forever real property, and this right is something which a person can either dispose of or it is a part of the individual's estate, the right exists forever. And what is paid is the fair market value of the property right. If on the occasion of the sale of the property or the death of the individual or the abandonment of the property, the facility then sells the property right and the individual realizes not less than 75 percent of the proceeds, then the transaction does not involve so much the purchase of an annuity, which I think is analagous to the provision that is now in the bill, but, rather, the acquisition of an interest in real estate which can be disposed of as real estate and in which the individual, when it is disposed of, can have either a gain or a loss. It is the risk of the fluctuations in the market for this particular property. It seems to me that if the purchase of life care is covered in the bill, a fortiori, the acquisition of a real estate interest should be encompassed in the bill.

Mr. President, the amendment I am offering does not, in my opinion, change existing law. Rather, the amendment merely states that certain payments which are not loans shall not be treated as loans for purposes of section 7872 of the Internal Revenue Code. I offer this amendment because of the possible negative inference which might otherwise be drawn from the provisions of section 4 of H.R. 2475.

That is precisely what this amendment endeavors to to. It clarifies that this transaction is not a loan. It is not a loan but, rather, it is the acquisition of real estate.

My amendment insures that the Internal Revenue Service will not treat payments made by persons over the age of 65 for the right to occupy independent living quarters as loans for purposes of section 7872 of the Internal Revenue Code provided four requirements are satisfied:

First, it applies to transactions, under the terms of this amendment, where the independent living quarters are purchased must be part of an independent living facility designed and operated to meet some substantial combination of health, physical, emotional, recreational, social, religious, and similar needs of the elderly.

Second, the amount of the payment must be equal to the fair market value of the right to occupy the independent living quarters. It is the right to occupy not the total life care that is purchased.

Third, upon leaving the independent living facility, the senior citizen must receive a payment equal to at least 75 percent of the fair market value of the right to occupy the living quarters at that time.

Fourth, any difference between the full fair market value of the right to occupy the living quarters and the amount paid to the senior citizen at the time he or she leaves the facility must be used by a charitable organization to provide housing and related services to needy elderly persons.

It is important to understand that this type of arrangement is not analogous to a loan. It is virtually identical to direct ownership. If the fair market value of the living quarter increases, the value of the senior citizen's right of occupancy also increases. Conversely, if the value falls, the value of the senior citizen's right also falls. Income from these transactions would be treated as a capital gain or loss. This is no different from the risks and benefits of directly owning a house, a condominium or a cooperative, with the single exception that at the time the senior citizen purchases the right to occupy the living quarters the senior citizen agrees to make a charitable contribution in the future for the benefit of needy elderly persons. Under existing law, a person who owns a house or condominium could make a charitable contribution of a portion of the future appreciation in that house or condominium and be entitled to a charitable deduction. We would not impute interest income to that homeowner, nor should we impute interest income to the senior citizen under the circumstances I have described.

Mr. President, section 4 of H.R. 2475 exempts certain loans from the provisions of section 7872 of the Internal Revenue Code. The loans covered by section 4 are just that—loans. An occupant of a qualified life care facility described in section 4 does not obtain an equity interest in his or her living quarters. The amount paid to such occupant when he or she leaves the qualified continuing care facility is exactly equal to amount he or she originally paid, and is in no way related to the fair market value of the quarters occupied. Exempting these loans from imputed interest requirements may well be a reasonable way to encourage development of such facilities. But the argument is even more persuasive for my amendment because the transactions covered are the economic equivalent not of loans, but of direct ownership.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 426) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 427

(Purpose: To exclude from the gross income of individuals over 65 an amount equal to investment income not greater than the interest on $90,000)

Mr. CHAFEE. Mr. President, earlier today, we debated the question of those in living care facilities—whether they would be able to deposit money there in a refundable account and receive the benefits of that tax free. I tried to restrict this. I started off by believing I could restrict it considerably, and that obviously was running into difficulty. Then I moved to at least restrict it to the institutions for nonprofit.

Since that decision has been made rather overwhelmingly, that the Senate wishes to permit those deposits in continuing care facilities to be tax free, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] proposes an amendment numbered 427.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, between lines 23 and 24, insert the following:

(c) EXCLUSION FROM INCOME OF CERTAIN PASSIVE INVESTMENT INCOME OF INDIVIDUALS 65 AND OVER.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to exclusions from income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. CERTAIN INVESTMENT INCOME OF INDIVIDUALS 65 AND OVER.

"(a) GENERAL RULE.—In the case of an individual who has attained the age of 65 before the close of any taxable year, gross income shall not include any investment income of such individual for such taxable year to the extent that such income does not exceed the product of—

"(1) $90,000, multiplied by

"(2) the applicable Federal rate (determined under section 1274(d)) in effect as of the close of the calendar year with or within which such taxable year ends.

"(b) INVESTMENT INCOME.—For purposes of this section, the term 'investment income' has the meaning given such term by subparagraph (B) of section 163(d)(3).

"(c) MARRIED INDIVIDUALS.—For purposes of this section, married individuals shall be treated as 1 individual.".

(2) CONFORMING AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 134 and inserting in lieu thereof the following new items:

"Sec. 134. Certain investment income of individuals 65 and over.

"Sec. 135. Cross references to other Acts.".

On page 38, line 24, strike out "(c)" and insert in lieu thereof "(d)".

On page 42, between lines 15 and 16, insert the following:

(3) EXCLUSION FROM INCOME.—The amendments made by section 4(c) shall apply to taxable years beginning after the date of enactment of this Act.

Mr. CHAFEE. Mr. President, this amendment would provide some equity. It says that anybody over 65 will be entitled to have a deposit in the amount of $90,000 and that the income from that investment would be tax free. This is to provide, as I say, some fairness.

We have already decided that if you are in a continuing care facility, you can make this deposit and the interest would be tax free. For some peculiar reason, this does not apply to those in nursing homes. It does not apply to the little, old lady, arthritic, who is living by herself. It does not apply, either, in her own home or in rental quarters. So it seems to me that we should treat the elderly the same, and I think the amendment I have proposed would do this.

The amendment does not discriminate against, say, only those who are in a living care facility, profit or nonprofit—Marriott or whoever else. That person's deposit of $90,000 is tax free. My amendment would provide this for everybody over 65.

In the sense of equity, I urge my colleagues to support the amendment.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. CHAFEE. I yield.

Mr. PACKWOOD. What is the cost?

Mr. CHAFEE. I do not know. I do not think that when we are dealing with equity, that is a matter on which we should spend too much time.

Mr. PACKWOOD. We deliberately faced the subject of the amendment of the Senator from Rhode Island in committee and decided not to get into a further gigantic IRA arrangement, or whatever you may call this. Is that what the Senator is doing, that everyone in this country can have $90,000 unless they are over 65—is it limited by age?

Mr. CHAFEE. Yes; limited by age 65. It is the same as we have already decided.

The Senator from Oregon, the distinguished chairman of our committee, thought it was a good proposal—the fact that you could deposit in a continuing care facility $90,000 income tax free. I thought that was an extraordinary provision. Not in a nursing home. It did not apply there. It did not apply if you are living at home. So I thought we ought to be consistent.

Mr. PACKWOOD. Mr. President, I have no idea what this would cost, nor does the sponsor of the amendment. But if everyone in this country over 65 has income earned on $90,000 tax free, this is something we should consider. It has to cost billions and billions of dollars, it is my hunch. No one knows.

I raise the point of order that it violates the Budget Act. I ask that the amendment be stricken as violating the act.

The PRESIDING OFFICER. This amendment reduces revenues below the level expressed in the second budget resolution, and therefore the point of order is well taken.

Mr. CHAFEE. Will the Chair be kind enough to repeat that?

The PRESIDING OFFICER. This amendment reduces revenues below the level expressed in the second budget resolution, and therefore the point of order is well taken.

Mr. CHAFEE. I ask the Chair if the entire bill before us does not do the same. We just adopted an amendment of the Senator from Pennsylvania that reduced revenues by $25 million. Will the Chair offer his opinion on that situation?

The PRESIDING OFFICER. The bill as reported is revenue neutral for the fiscal year 1985. Therefore, it is not subject to a point of order.

Mr. CHAFEE. Would the President be good enough to explain? We just adopted on the floor an amendment by a voice vote that cost $25 million. Is that de minimis or does that not count? Is that not real dollars?

The PRESIDING OFFICER. That amendment likewise would have been subject to a point of order, but the amendment having been agreed to, the point of order is now moot.

Mr. CHAFEE. But the amendment is now part of the bill. So is the whole bill not subject to a point of order?

The PRESIDING OFFICER. The Parliamentarian advises the bill is treated on the basis on which it was reported from committee.

Mr. CHAFEE. That is parliamentary jargon that I do not quite understand.

Mr. PACKWOOD. Mr. President, I ask what the Chair is ruling: Is it that first we look at the bill as introduced and since the bill is revenue neutral, it is not subject to a point of order? Each amendment as it comes along may or may not be subject to a point of order, but you do not impute it backward to the bill when it is added. Do I understand the ruling correctly?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. That is a bit of ingenuity that I am afraid I have not mastered. Let us take that slowly. You can add innumerable amendments to the bill that cost millions or billions, and if a point of order is not raised to each amendment at the time and is adopted, the whole measure itself, which now involves these billions above any budget limitations that were there, is perfectly all right? Could the Chair lead me through that Alice in Wonderland safely?

The PRESIDING OFFICER. The Senator's analysis is correct.

Mr. CHAFEE. That is the way it works?

The PRESIDING OFFICER. That is what the law says.

Mr. CHAFEE. So the law says you do not pay any attention to the final product.

The PRESIDING OFFICER. The Senator's analysis is correct.

Mr. CHAFEE. Is that what the law says, Mr. President?

The PRESIDING OFFICER. The Chair will read the provision. "The enactment of such bill or resolution as reported." The Chair advises that with respect to points of order in this wise the bill is not affected by amendments.

Mr. CHAFEE. If that is the law I refer the President to Charles Dickens' definition of the law.

Let me ask another question, Mr. President, if I might. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAFEE. If I should change the effective date of my amendment to 1986, would it then be subject to a point of order as exceeding the budget?

The PRESIDING OFFICER (Mr. DENTON). In that case it would be subject to a 303 point of order.

Mr. CHAFEE. I feel I am surrounded. I am not too familiar offhand with a 303 point of order.

Would the President be good enough to explain that?

The PRESIDING OFFICER. Until the first concurrent resolution for fiscal 1986 has been finally adopted, this amendment would not be in order. And that resolution is now in conference.

Mr. CHAFEE. The same will apply to fiscal 1987?

The PRESIDING OFFICER. No. Such amendment would be in order.

Mr. CHAFEE. Now we are getting somewhere.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, it is obvious that we have a lot of problems here. I just think what we have done today in this act, what was adopted in the committee lets one group of people, very select group—nothing about equity, fairness, one select specialized group, not in nursing homes, not living at home, not living with their children, not living in an apartment—one little group that puts up the $90,000 in a savings account, but the savings account is called a deposit, can withdraw it any time and that group gets the interest on that deposit tax free. Now that just is not right.

Mr. President, I think we have real problems in accommodating the elderly in this Nation. I challenge anybody in this Senate to have more concern over the living conditions and fate of the elderly than I have. Therefore, I think we ought to have hearings and see what kind of a path we can follow that really takes care of the elderly, not some little special gimmick that comes in and takes care of this select few that happens to be living in profit or nonprofit establishments called continuing care facilities.

We pointed out earlier in the debate the abuses that could come about here. A person could have $200,000 on deposit. The Marriott's latest facility could require a $200,000 deposit and $1,000 a month, $500 a month, whatever. That person gets the first $90,000 of that tax free. What a bonanza for the wealthy. A person has other income of all sorts, but that $90,000, even if he is in the 50-percent bracket, is tax free. The widow at home, barely getting by, just nursing along that nest egg of $90,000, all she has got, no more, no other income, in the 14-percent bracket or whatever it is, 20-percent bracket, and she is subject to the full tax.

Now, if the manager of the bill can tell me that is fair, I challenge him to do so.

When he chooses to respond, I would ask him, once we get by this tax reform measure, if we cannot have some hearings in the Tax Committee on some kind of a program that will encourage the elderly to live in facilities, of varied kinds that might be concocted by the committee, in some way to better take care of themselves. Maybe it will be an IRA. The manager of the bill, the floor manager says, "What I proposed and the bill I have got before the desk is a $90,000 IRA, Individual Retirement Account Act." Sure, that is what it is. Maybe we ought to do that. Maybe it ought to be more.

But clearly we have not let our imaginations function thoroughly in the legislation that is being adopted here today.

Bingo. In comes an amendment—nobody knows what it is; no hearings—for a special little group, not just the nonprofits, the profits as well, and that is portrayed as fairness.

So what I seek from the manager of the bill, the distinguished chairman of our committee, is a commitment or a promise—his word is good with me—that we will have some hearings. Obviously, we cannot do them in the immediate future—we are tied up with this tax reform—but thereafter dealing with this whole subject so we can do something constructive for a lot of elderly, not just that little group that is in these homes, these continuing-care facilities, but for the others that cannot afford to live in these facilities.

Mr. PACKWOOD. Obviously, the committee is interested in the plight of elderly health care and elderly housing. We are involved in this every day. We have hearings on it almost every session in one form or another.

We have undertaken action in the past. I recall in the last decade, although I may be off a year or two, we passed a provision to allow you to sell your house and get $125,000, I believe it was, $125,000 tax free so you could roll it over in some other kind of retirement facility. Clearly, when we set up 401(k) pension plans, or approved them which are being widely used, much to the concern of the Treasury, because the projected revenue losses on them are maybe extraordinary, it was deemed for the principal purpose of retirement. So the committee is always open to consider other forms of retirement security, additional forms of security for those on retirement.

I do think the particular amendment the committee adopted that Senator HEINZ offered was a particular form of life-care retirement. There may be others to be considered. I do not think it unfair that we said on this particular occasion we will limit it to life care even any more than it would be unfair to say when we passed the rollover of selling your house when you are 55 or older that it is unfair. Yes, the committee will try to consider it. You know the schedule. We are between now and the end of September running about 3 days a week on tax reform hearings. The distinguished Senator from Rhode Island is chairman of the Tax Subcommittee. He has hearings scheduled as I recall. We have had Health Subcommittee hearings. Trade is at issue. That is looming ever larger. We will try to fit them in. There may be some full committee hearings. We may not have enough full committee days to have them, but I think it is perhaps a little bit unfair for the Senator from Rhode Island to say we have not given consideration to it in the past or simply because every single thing we pass does not affect every single person equally it is unfair.

Mr. CHAFEE. I do not think anybody can suggest from our remarks that we have not dealt with the elderly in the past. I am saying that this is a new type of situation we are considering. Certainly the amendment that we adopted in the committee 8 to 7 embarks us in an area that we have not been before.

Mr. PACKWOOD. You recall the Senator—it does to a degree—was one of the initial supporters of those 401(k) plans. Some people get them. Some people do not. I do not think you regard it as unfair that some get them and some do not.

Mr. CHAFEE. The 401(k)'s, as the chairman knows, are not discriminatory. There is no similar antidiscrimination rules for continuing care facilities.

Mr. PACKWOOD. I would be willing to agree with the chairman of the subcommittee in the case of employer benefits. Any of these employee benefits that are not discriminatory would not be regarded as unfair, and the fact that one employer provides them and another does not should not be a reason to distinguish between them.

Mr. CHAFEE. The manager of the bill is misunderstanding the approach I am seeking. I am not seeking to reexamine benefits that currently exist for the elderly. What I am seeking is to have some hearings in the future on imaginative ways that we might care for this very substantial group of our population which is increasing and not restrict it to this tiny little segment that was taken care of when the other great segment was left out in these benefits. I am not out to reexamine what was done in the past, or whether $125,000 on the sale of a home is good or bad or indifferent or should be increased. The chairman misunderstood me. I am not critical of anything that has taken place in the committee in the past. Realizing we are chock-full through October I suspect with this tax reform, I am seeking from the chairman of the committee some commitment or suggestion—however we want to label it—that when we get a breathing spell we can have some hearings, and get some people in to think of imaginative ways we can handle housing for the elderly other than the existing methods.

Mr. PACKWOOD. The answer is yes.

Mr. CHAFEE. Mr. President, I withdraw the amendment I submitted.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. CHAFEE. I thank the manager of the bill for his courtesy not only here but also for the agreement. Everybody is trying to get their matter heard, for hearings on this and hearings on that. I just want to make sure that we squeeze this in somewhere. Maybe it will be early in 1986 before we can have some good hearings.

Mr. PACKWOOD. I can assure my good friend we will have them.

Mr. CHAFEE. Thank you.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, as the distinguished chairman of the Committee on Finance is aware, some States have usury provisions that are tied to various interest formulas. I brought this issue to the attention of the committee during our consideration of H.R. 2475.

In the State of Arkansas, as a result of a constitutional amendment adopted in 1982, the usury limitation for all loans is a 5-percent float over the Federal discount rate. Since the discount rate is currently 7 percent the usury limit for all loans in Arkansas is 12 percent. That is the maximum amount that can be charged, and if a lender goes above that ceiling, severe penalties are imposed.

Under the bill pending before the Senate, the new imputed rate for purposes of sections 1274 and 483 of the Tax Code is 100 percent of the applicable Federal rate [AFR]. This change is an excellent one in my opinion, since last year's bill had an imputed rate of 110 percent AFR, and a penalty rate of 120 percent of AFR. Going to 100 percent AFR is more reasonable, and also, much simpler, since buyers and sellers will only have to refer to one rate when discussing the transaction. With the higher rates, Mr. President, a situation developed in Arkansas where the lender could charge the maximum amount allowable under State law—the 5-percent float—and still not meet the 110 percent AFR under the Tax Code. Obviously, there was no choice, due to the penalties under State law for violation of the usury provision. Therefore, in order for a transaction to go forward, the parties agreed to the State usury limit, but then for tax purposes, interest was imputed at 120 percent of AFR. This was really an extremely harsh result, particularly since the transaction was not done for tax reasons. The lender couldn't charge any more interest, even if he had wanted to.

The State of Arkansas is one of several States with usury provisions. In the State of Arkansas, our provision is a constitutional amendment.

I prepared an amendment to this particular bill which is pending today on the Senate floor—that in a situation where the State usury limit was less than 100 percent AFR—but, by no more than 1 percent—and the parties charged the maximum amount allowable under the State law, they would not be subjected to the higher Federal rate.

As I mentioned to the distinguished chairman earlier, I do not intend at this point on this bill to offer my amendment. But I would like to bring this issue to the chairman's attention once again, and to ask him a question or two, if I may. Since there are other States that would have the same problem, and since we do not know what interest rates are going to be in the future, I would like to ask the chairman of the Finance Committee if we can have the staff of the Joint Committee on Taxation review the spread between the discount rate and the 100 percent AFR for the last year, and also provide the Senator from Arkansas with information in the future on the difference between the two rates.

Mr. PACKWOOD. We absolutely can, and I will join the Senator in that request.

Mr. PRYOR. I deeply appreciate the chairman's response. I know he is aware of the problems in States like our own—like the State of Arkansas—and these problems will only occur when the spread between the AFR and the discount rate is greater than 5 percent.

My second and final question which I will propose to the distinguished chairman is this: I hope the chairman would be agreeable to taking a look at this issue at some point in the future—not today—if the spread between AFR and the discount rate becomes greater than 5 percent.

Mr. PACKWOOD. Not only will I, but I will do it enthusiastically because if the spread is greater than 5 percent, we have problems in addition to the problems the Senator from Arkansas is raising. I do appreciate his withholding the amendment, because otherwise we would be faced with the States opting out of this by passing usury laws. I do not know if it would be constitutional, but it would be confusing, and it would cause great problems with this bill.

Mr. PRYOR. I appreciate the chairman's response and his cooperation to work on this issue should the need arise, and it could well arise. We have no idea what interest rates are going to do in the future. I appreciate the chairman's support in looking at this effort.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

AMENDMENT NO. 428

(Purpose: To provide for a blended imputed interest rate where debt exceeds $2 million for sales of seller-financed farms and ranches, and real property used in an active trade or small business)

Mr. MELCHER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 428.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 6, strike the ".", and insert the following:

"; or, any debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property, if the stated principal amount of such instrument does not exceed $10,000,000."

On page 25, insert the following paragraphs between line 9 and line 10:

"(3) QUALIFIED PROPERTY.—For purposes of this section, the term "qualified property" means—

(A) Real property which was used as a farm (within the meaning of section 6420 (c)(2)) at all times during the three year period ending on the date of sale or exchange, together with any tangible personal property which was used in the active conduct of the trade or business of farming on such farm and is sold in connection with the sale of such farm, but only if such real property and tangible personal property is sold or exchanged for use in the active conduct of the trade or business of farming on such farm by the transferee of such property, or

(B) Real property used in an active trade or business within the meaning of section 355; provided, however, that the holding of real property for rental shall not be treated as an active trade or business, and real property held for rental shall not be treated as qualified property.

(4) QUALIFIED PERSON.—For purposes of this section, the term "qualified person" means—

(A) A person who—

(i) is an individual, estate, or testamentary trust,

(ii) is a corporation which immediately prior to the date of the sale or exchange is owned directly or indirectly by 35 or fewer individuals, or

(iii) is a partnership which immediately prior to the sale or exchange is owned by 35 or fewer individuals. For purposes of this paragraph, direct and indirect ownership of a corporation or partnership shall be determined under rules similar to section 544."

On page 26, line 3, strike the "." and insert the following:

"; or, $2,000,000 in the case of any qualified debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property."

Mr. MELCHER. Mr. President, in 1979, when new regulations of the Internal Revenue Service were promulgated concerning the imputed interest rate, we started a debate that lasts up until we finish this bill, because it was deemed that the Internal Revenue Service in those rules were unduly intruding into sales of farms, ranches and small businesses. And it was felt, because that intrusion went too far, that Congress should intervene and should straighten out the problems those farmers and ranchers and small business people that were trying to have seller financed sales.

I suppose it is fair to say, Mr. President, that when the intrusion by the IRS extends to the point that it squelches actual sales of farms and ranches, that we begin to hear about it from those who are directly involved. As I recall the sequence, we first heard about it in transactions between family members, from one generation to the next, transferring farms, for instance. But we also heard about it in transactions from one generation to the next in terms of small business.

As I recall, when I read the first letters and had the first conversations with affected constituents, I felt, a peculiar disbelief within myself: how could these people be describing such a situation which sounded so totally unreasonable.

Well, when enough sales had been squelched and enough abuse had been meted out, or at least what was interpreted as abuse—and I would agree with those who were making their complaints, that abuse is not too strong a word—when there was enough interference by the Internal Revenue Service that we all began to hear about it, it did not take very long to decide that at the first opportunity, the first tax bill that came along, we would attempt to straighten out this interference. And, of course, we did, to a certain extent, in 1981, in that tax bill. I recall on one vote, I believe adopting a proposal that several of us offered, it was 100-to-nothing. It makes you wonder why we needed the vote. We really did not need the vote, I guess, recorded vote, the yeas and nays. It could have been just a voice vote. But I suppose we thought we might be stronger in conference if we had a recorded vote.

But it turned out that we did not get enough straightened out and the problem has continued to hang over us until even today.

The amendment I am offering to what is a good bill carries only two points. It applies to what happens to a seller-financed sale of farms or ranches or closely held small businesses if that particular seller-financed sale happens to be more than $2 million.

Mr. President, the bill itself is a pretty good bill and it solves almost all of the problems because, in point of fact, the sales of farms and ranches and small businesses that have been the bone of contention, most of them do not reach $2 million. And so these are, under the bill's terms, treated with IRS not applying a higher rate to it as imputed interest.

So, well and good. But, of course, we have to look at the few sales that go above $2 million and then the proper thing to say is, what happens to them? Do they have the lower rate of interest applied after $2 million? And the answer to that is, no, they do not.

They began to lose the advantage of the lower rates of interest as they exceed $2 million.

Mr. President, there is one solid argument for my amendment. For 6 months during this stopgap period, on any amount over $2 million it has been blended with the lower rate. The committee bill now before us, of course, does not do that and for reasons that have been identified by the IRS there would be some revenue loss. But I am looking again at farms, ranches, and closely held small businesses and saying there can be some transactions that are seller financed for these properties, and why should Internal Revenue Service include any more than is necessary? So for those properties, farms, ranches, and small, closely held businesses I am saying that for any sale up to $10 million—that figure between $2 million and $10 million will blend the lower and higher rate of interest.

For any transactions that have occurred in the last 6 months on farms, ranches, small businesses, or closely held small businesses, that is exactly the way IRS has been treating these sales under the stopgap legislation dealing with imputed interest. What is the cost of this? What is the Treasury loss? It is $1.8 million per year. I will repeat that. It is $1.8 million per year. It is less than $2 million. It is not a big thing. It is $9 million for 5 years if we follow the pattern that is established in the committee report that accompanies this bill. Perhaps it is to small an amount, then, to even be discussing. I pose that as a method to get at the point as the reason why I think the amendment should be adopted. It is a small amount in terms of revenue loss. But the merit of the amendment, as I present it, is this: We would have the transactions that are seller financed for farms, ranches, and small businesses to operate under exactly the same rules that IRS has in effect for the past 6 months. Six months is not a long period of time. It is a relatively fair amount of time when we are talking about imputed interest rates because for the past 6 years the rules on imputed interest rates have been changed time and time again. I believe, Mr. President, the least we can do is to adopt this amendment, and accept it in light of the condition that we have on farms, ranches, and small businesses in rural America. There will be many of those who find it necessary to sell for purposes of liquidation, for purposes of getting out of the business that is losing, and whoever is the present operator of the farm or small business for economic reasons is going to have to make a change. There will have to be a transaction made.

In most of those transactions, seller financing probably is going to come into play. I believe that the least we can do is to hold steady these sales. Perhaps there will be reason to consider whether or not a point of order should be raised on this amendment because it does change by that amount a little less than $2 million a year or $9 million over the 5 years in revenue loss as estimated by the Joint Tax Committee. I hope a point of order is not raised, because I believe that if we adopt this amendment, we are taking a good step forward in continuity of the past 6 months of what imputed interest will be, and what the rules will be from now on concerning farm, ranch, and small business sales.

Mr. President, in the amendment there is a cap of $10 million. Why a cap? Is what I have said a meeting of the need for this amendment? Well, Mr. President, I am not concerned that there are going to be sales of farms, ranches, and small businesses in these distressed areas of rural America for greater than $10 million. That is not in my thinking, nor is it, I think, in the thinking of any other Senator—that these types of distress sales are going to be greater than $10 million. But there is another side to this. Some Senators may be concerned as would be the IRS on are we opening up something that is a gimmick for some other group to come in and to utilize? In other words, will there be a loophole for somehow a shopping center, or a big high-rise condominium or what you have you? The amendment is plainly drawn, is properly drawn, easily understood, and accepted by IRS as to what it means because of what they have been operating under for the past 6 months. There is no question but what that is not the intent of the amendment, to make sure that any possibility of creating a loophole does not occur with the amendment. That is the reason for the $10 million cap.

I have been asked by interested Senators whether or not the amendment would not apply, say, to a business that is owned by a few people, say a family. Would it permit a very wealthy family to get in on the sale that would be a new loophole? So the amendment precludes that from happening. Or could it be a corporation that somehow owns a company and could they

get in on it? That is precluded in the amendment.

So, Mr. President, I can confidently say that the amendment does not open the door, and does not create a loophole. The amendment does exactly as I described it—for sales of farms, ranches, and small businesses that are going to be seller financed, they will be subject to the same conditions as right now, today, and have been during the past 6 months. That will not apply, however, if you can find some farm, ranch, or small business that would be in a $10 million sale. It will not apply. But I do not know of those farms or ranches, nor do I know of those small businesses. Mr. President, I am not trying to open any doors or any loopholes for different contrivance to escape what will be the IRS new rules on applicable imputed interest rates.

Mr. President, this is the area that concerns me in this bill that is now before us. I think it is a very fine bill and does what we have been seeking to do in clearing up the problem we have had with the imputed interest over the past several years since 1979.

I believe that the people in our home States who are now looking at seller-financed farms or small businesses are going to applaud the work that has been done by both the House committee, the Ways and Means Committee, and the Senate Finance Committee. They will be thankful that the Congress has addressed this subject.

I would hope that we would take this one small step to clarify and to simplify the procedures or the remedy I have described for these small business people and farmers. I think now more than ever it is essential that this point be clarified as we face the conditions now existing in rural America which is in a rather deep recession, and where the necessity often arises for the transfer of properties that might otherwise be liquidated. In other words, because you can see that the liquidation process is facing you, it would provide cash flow and profits to keep from indebtedness. To the extent this can be utilized we will be doing the right thing for our constituents.

I believe, unless the chairman of the committee will instruct me that no point of order will be raised, that perhaps I should make a motion or ask unanimous consent that the budget be waived for the amount of this cost, which I repeat, Mr. President, is estimated by the Joint Taxation Committee to be $9 million over 5 years or $1.8 million per year in those 5 years.

Without losing my right to the floor, Mr. President, I ask unanimous consent that I might inquire of the distinguished chairman of the Finance Committee.

The PRESIDING OFFICER. Is there objection? Hearing none, without objection, it is so ordered.

Mr. PACKWOOD. I have not decided whether to raise a point of order or move to table. I do want to make some comments on the merits of the bill itself.

Mr. MELCHER. Mr. President, I thank the distinguished chairman. I will throw myself into the gentle and merciful hands of the chairman, in the hope that he will be benevolently fair to the Senator from Montana.

Mr. PACKWOOD. I admire the interpleading of the Senator from Montana. I wish I had farms that would qualify for the $10 million limit. I do not. Many of the farms have been sold for less than $2 million.

I will say what my misgivings are. Under the budget process there is a powerful tool for raising a point of order on all bills, as it happens on this bill, whether the bill is going to lose money. It is good regimen for the Senate. The Senator's bill includes a relatively small amount of money. I raised the point of order earlier on the amendment of the Senator from Rhode Island. I think his amendment lost a great deal, certainly more than this amendment would lose.

I would like to establish a precedent on raising points of order when amendments are offered that lose not $1.8 million a year but $180 million. We get many of those amendments, and we will get many more when we get to the tax reform bill, when we will be talking about a package that over the 5 years will raise about $4.7 trillion, which will, of course, be offset by decreases in the individual tax rates. We are going to be having amendments bandied about in the magnitude of $5, $10, $15, $20, or $50 billion.

I do not know whether we will have a budget adopted at that time or not, but if we do not, almost all of those amendments would be subject to points of order.

For the moment, however, I want to direct myself to what it is this bill is trying to correct and to put it into as simple language as possible.

This bill does not prohibit seller financing. Seller financing is basically where the seller is willing to sell the property to a buyer, to take a mortgage, and to take back interest at a significantly lower rate of interest than the going rate of interest, and perhaps hold the mortgage himself, in the hopes of inducing the purchaser to buy the property.

What this bill does prohibit is the kind of deals that have been structured, deliberately structured, to cause the Federal Government to lose money in a way that was never intended.

I will give an example. Let us say you have a piece of property that you bought 10 years ago for $500,000 and $500,000 was what the property was worth. Today it is worth $1 million. That is the honest appraisal of it, $1 million.

If you are going to sell it at the going rate of interest on a normal mortgage, that would be all you could get for it, $1 million. You sell it at $1 million, and you have a $500,000 capital gains, the difference between what the property was worth when you bought it 10 years ago and what it is worth now, and you pay taxes on that $500,000 capital gain. Capital gains taxes are less than the taxes on regular income. The maximum capital gains tax today is 20 percent. The maximum personal income tax today is 50 percent. So you sell it at $1 million, take your $500,000 capital gains, carry the contract yourself for the 10 percent interest, and the 10 percent interest you receive is regular income. You pay taxes on that at whatever your regular income tax rate is.

The buyers in exchange gets a piece of property worth $1 million. That is the basis upon which the buyer can depreciate the property. Let us say he would depreciate the property over 10 years—they do not, but assume it for purposes of argument—he would depreciate it at a rate of 10 percent a year, $100,000 a year.

What happens is that the deal gets jiggered around. Although the property is only worth $1 million, the buyer and the seller agree to sort of this kind of an arrangement: "I will sell you this property for $1.5 million. You, in turn, will pay me, however, interest at the rate of 5 percent, not 10 percent. The going rate is 10 percent but you pay 5 percent."

What effect does this have? To begin with, the property that you bought for $500,000 10 years ago and is really worth only $1 million is now sold for $1.5 million, so you have a $1 million capital gain on which you pay a low rate of tax. The buyer has a piece of property allegedly worth $1.5 million that he can depreciate over 10 years at the rate of $150,000 (assuming you depreciate at 10% a year), despite the fact that the property is worth only $1 million. The note on the property is paid to the seller at the rate of 5 percent interest instead of 10 percent interest. That is counted as regular income, but because you are receiving less interest, you pay less taxes. Everybody wins except the taxpayer in this country who is subsidizing the deal.

So this bill simply says that you can have all the seller financing you want and on deals up to $2 million, the assumed rate of interest will be the cost to the Federal Government to borrow the money—what we have to pay to borrow the money—or 9 percent, whichever is less. If you do not have at least that 9 percent rate of interest in your contract, the Internal Revenue Service is going to presume that you

did have 9 percent interest and tax you on that basis.

Let us be fair about it, Mr. President—there is not anybody in this country that can borrow money for as low a rate as the Federal Government. On sales between $2 and $3 million, we have what we call a blended rate between the 100 percent of whatever it costs the Federal Government to borrow money and the 9-percent rate we have in the bill for those sales below $2 million. And the closer it gets to $4 million, the closer the rate of interest must be to the figure that it costs the Federal Government to borrow money. On sales above $4 million, the assumed rate of interest, or the Internal Revenue Service calls it the imputed rate of interest, is the cost to the Federal Government to borrow money. Again, you cannot borrow it for that; you are still getting a good deal.

But we will impute that rate of interest so that you cannot have these cooked-up deals where the buyer gets an inflated value for the piece of property against which to figure depreciation and where the seller gets an unjustified increase in his or her capital gain upon which to pay a relatively low capital gains tax, in which interest is lower than anyone can borrow money for or and the property's sale price is higher than you would pay on a legitimate sale of the property at the value of the property. That is all we are trying to stop in this bill or regularize.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. PACKWOOD. No, Mr. President, not yet.

The bill makes no distinction between kinds of property. You may own a pharmacy, you may own a gasoline station, you may own a farm. The same rules apply to all properties.

First, I think it is unfair that we are going to single out farm properties and say these will be treated differently than any other kinds of property.

Second, there is in the bill a provision that says that the Treasury can issue regulations to say that if a buyer can prove to the Internal Revenue Service that a rate below the going rate of interest that the Federal Government pays for money is appropriate, then they can enter into that kind of contract without the tax penalty that is assessed under the statute. If there is an appropriate circumstance. But an appropriate circumstance is not to artificially inflate the value of the property so that you get a big capital gain as the seller and so that you can get a big depreciable piece of property as the buyer. That is all we are trying to remedy.

The amendment of the Senator from Montana looses, in terms of the way the Federal Government talks about money, an infinitesimal amount of money, very small. But I believe I will raise a point of order against it because we are going to have bills coming before the Senate, coming out of my Finance Committee, involving not just hundreds of billions of dollars but trillions, and amendments being offered that are going to cost $30 billion, $40 billion, $50 billion, $60 billion or more. I want the precedent rather firmly established that until we have adopted a budget—and we have not yet and I am not sure we will have in the fall when we start the tax reform bill—that we establish very firmly a precedent that amendments that tend to cost the Treasury even more money will be subject to a point of order.

So, Mr. President——

Mr. MELCHER. Mr. President, will the chairman yield?

Mr. PACKWOOD. I yield, Mr. President.

Mr. MELCHER. On the drugstore or the filling station or the hardware store, I have no problem with $2 million, and as far as the ranches, I suspect over 90 percent of them are below $2 million. So the bill properly takes care of those. But there are some small businesses that would be benefited by the amendment that I have offered, and I shall give the chairman a very pertinent example.

A sawmill that is in bad straits now; they are losing money, although not a big sawmill—with, say, 40 or 50 employees. That transaction may easily exceed $2 million and the transaction may involve the present seller having to get out offering some of the key employees or all of the employees the chance, or two or three people in the community a chance to keep the sawmill going with the 40 or 50 jobs; it could very easily exceed $2 million. I offer that as a very pertinent example, because these transactions unfortunately are occurring in my State and perhaps even in the State of the distinguished chairman. We do get beyond retail outlets in some instances.

With the type of closely held small business like a sawmill that does involve jobs, the communities themselves get real involved and the difference can be, on making the transaction work, that difference between the Treasury rate—I believe the applicable Treasury rate now would be roughly 12 percent—about 12 percent. The difference might be that the seller could finance it at, say, 9 percent. So I do not question the distinguished chairman on that. But I wonder if he could—while it may be the unusual instance of the small business, I wonder whether the chairman could understand my concern for that kind of transaction.

Mr. PACKWOOD. Mr. President, I can understand. The Federal long-term semiannual interest rate today is 10.6 percent. But if the Senator is talking about a shaky sawmill, and heaven knows both the Senator from Montana and I have those kinds of sawmills in our States, you can still structure it today at a 10.6 percent rate under this bill. That is probably 2 to 3 percent less than you are going to have to pay in terms of interest if it is a very risky transaction and, clearly, a shaky sawmill is a risky transaction. So there is no penalty if you seller-finance it a 10.6 percent.

Second, if you are literally going to say, "Here is my sawmill with 50 people; I want to go out of business, and I can arrange financing in an arms-length deal that calls for borrowing at lower than the Federal rate, the Treasury has authority to issue regulations that may protect you."

You may come under the regulations and make a case for the IRS, but that should not be the principle that is in the law.

Mr. MELCHER. Mr. President, may I further inquire of the chairman?

Is the chairman saying that the IRS could make an exception because they thought it was a hardship case? In other words, they could allow the 9 percent even though it exceeded $2 million?

Mr. PACKWOOD. If they could show that they can borrow at a lower rate in a bonafide transaction, that is possible.

Mr. MELCHER. Could the seller finance the sale, say, for in excess of $2 million at 9 percent and not be interfered with by IRS?

Mr. PACKWOOD. Mr. President, will my good friend repeat that?

Mr. MELCHER. If the chairman will indulge me, would the IRS allow the seller to finance a sale above $2 million in that instance at less than the 10.6 percent the chairman recited as the applicable Treasury rate?

Mr. PACKWOOD. If the seller can show that the money can be raised, can be borrowed at a lower rate of interest, yes, the IRS may. They do not have to. It is discretionary. It is not mandatory in the bill.

Mr. MELCHER. I think the whole point is that the borrower cannot get the money except the seller financing the sale that way because it is a hardship case. It is not a successful venture. The seller, in order to get out from under this example we are using, in order to get out from the sawmill says, "Well, if you can, if you want to take it, I could allow as low a rate as the IRS will permit, which I understand would be 9 percent." And that would be a little advantage in debt service because the difference of 3 percent per year on $6 million would be, I guess, $60,000 and that might give him a little better shot.

Mr. PACKWOOD. As I said to my good friend from Montana, if the seller can indicate the money can be

borrowed for a lower rate of interest, legitimately, then the IRS may be able to permit that. I do not want to say they will. And I do not know how otherwise to answer the question of my good friend.

Mr. MELCHER. I was thinking the amendment answered the question.

Mr. PACKWOOD. The Senator lost me.

Mr. MELCHER. If the chairman will yield to me, I was thinking the answer to the question was the amendment, because then the seller could agree to that lower rate of interest in order to help the purchasers make a successful venture out of the sawmill that is failing, using that as an example.

Mr. PACKWOOD. Mr. President, my good friend and I do not agree on the substance of his amendment. I am going to make a point of order on the budget side in any event. But were we not making that point of order, he and I would simply disagree on the merits of the amendment.

Mr. President, I do raise a point of order that the amendment violates the Budget Act and should fall.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER (Mr. NICKLES). The Senator from Montana.

Mr. MELCHER. Mr. President, I move that the Budget Act be waived in regard to this amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. PACKWOOD. Mr. President, I move to table the motion to waive the Budget Act.

Mr. MELCHER. Mr. President, will the chairman withhold just momentarily?

Mr. PACKWOOD. I will withhold.

Mr. MELCHER. I thank the chairman for his generosity.

Mr. President, I wish to pursue for a moment this question of the hypothetical sawmill or some other type of small business which provides some jobs and the business is in distress. Using the sawmill, while hypothetical, it is a very practical one because there are sawmills which are in distress and would be helped by the amendment I am proposing. I have the feeling that the difference between what the Treasury rate is and the imputed interest that could be applied on the lesser amount below $2 million, when you get above $2 million in some small businesses it may be the very thing that defeats a transaction because the difference between 9 percent and 12 percent—3 percent—is considerable in a shaky business, and yet there are plenty of examples where the business, if it survives, providing anywhere from 20 to 50 jobs, is of grave concern to the community and to those employees.

While the amendment, admittedly, will cost the Treasury $1.8 million, I think that the merit to the amendment is to leave in place, for these small businesses and these farmers and ranchers that may have to liquidate, the same rules on imputed interest they have been following for the past 6 months.

On that basis, Mr. President, I hope we can get beyond this point on the budget waiver and then adopt the amendment.

I again thank the chairman. I only wanted to make that brief explanation.

Mr. PACKWOOD. Now, Mr. President, I move to table the motion to waive the Budget Act.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Maryland [Mr. MATHIAS] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 138 Leg.]

YEAS—54

Bentsen	Hatch	Moynihan
Biden	Hatfield	Murkowski
Bingaman	Hecht	Nunn
Bradley	Heinz	Packwood
Chafee	Hollings	Pell
Cochran	Humphrey	Pressler
Cohen	Johnston	Proxmire
D'Amato	Kassebaum	Quayle
Danforth	Kennedy	Roth
Denton	Lautenberg	Rudman
Dole	Laxalt	Simpson
Domenici	Long	Specter
Evans	Lugar	Stennis
Garn	Matsunaga	Stevens
Glenn	Mattingly	Thurmond
Goldwater	McConnell	Trible
Gorton	Metzenbaum	Warner
Gramm	Mitchell	Weicker

NAYS—43

Abdnor	Eagleton	McClure
Andrews	Exon	Melcher
Armstrong	Ford	Nickles
Baucus	Gore	Pryor
Boren	Grassley	Riegle
Boschwitz	Harkin	Rockefeller
Bumpers	Hart	Sarbanes
Burdick	Hawkins	Sasser
Byrd	Heflin	Simon
Chiles	Helms	Symms
Cranston	Inouye	Wallop
DeConcini	Kasten	Wilson
Dixon	Kerry	Zorinsky
Dodd	Leahy	
Durenberger	Levin	

NOT VOTING—3

East	Mathias	Stafford

So the motion to table the motion was agreed to.

Mr. PACKWOOD. I move to reconsider the vote by which the motion was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I might announce to everyone that there is still no arrangement made yet and we have no agreement on time. I do not expect another vote for at least 45 minutes or an hour.

I do plan to have a colloquy with the Senator from Georgia, Senator MATTINGLY, involving a matter of an amendment that he is going to withdraw, I hope, and we will schedule a hearing on it.

During the time, I hope possibly some agreement can be worked out on the remaining issues. But, for the moment, there will be no vote on the floor, I am sure, for at least 45 minutes.

The PRESIDING OFFICER. The Chair will announce that the waiver motion having been tabled, the Chair will now move on the point of order.

Since the amendment results in a loss of revenues for this fiscal year, a year for which the second concurrent resolution on the budget has been agreed to, and Congress now being at the revenue floor, the point of order under the Budget Act is sustained. The amendment falls.

Mr. PACKWOOD. I thank the Chair. I believe the Senator from Georgia seeks recognition.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Has the Chair recognized me?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I thank the Chair.

I am seeking to find out from the distinguished majority leader what the program is for the rest of the day, the rest of the week, and the first week after the Senate returns.

Mr. President, I yield the floor. I understand the majority leader is very busy in his office at the moment talking with some administration officials, so I yield the floor.

I thank the Chair, and I thank the distinguished Senator from Georgia [Mr. MATTINGLY].

FARM COOPERATIVE AMENDMENT

Mr. MATTINGLY. Mr. President, the amendment I would have offered today, which was cosponsored by 24 of our colleagues, is very simple. It will not take very long to explain. I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

(Purpose: To amend the Internal Revenue Code in order to clarify the right of agricultural cooperatives to net earnings and losses from different lines of business when computing taxable income)

Intended to be proposed by Mr. MATTINGLY, for himself and Mr. ABDNOR, Mr. NUNN, Mr. ZORINSKY, Mr. COCHRAN, Mr. THURMOND, Mr. HEFLIN, Mr. HELMS, Mr. BOREN, Mr. NICKLES, Mr. DENTON, Mr. EAST, Mr. TRIBLE, Mr. DIXON, Mr. WARNER, Mr. BOSCHWITZ, Mr. PRESSLER, Mr. HARKIN, Mrs. KASSEBAUM, Mr. HOLLINGS, Mr. GRAMM, Mr. QUAYLE, Mr. KASTEN, Mr. SYMMS, and Mr. GRASSLEY.

At the end of the bill add the following new section:

"SEC. . (a) The Internal Revenue Code is amended by adding the following new sentence at the end of section 1388(a): 'For any year to which this subchapter applies, when an organization computes its net earnings from business done with or for patrons, losses in one or more of the organization's allocation units (whether functional, divisional, departmental, geographic or other) may be offset against earnings from business done with or for patrons in one or more allocation units of the organization.'.

"(b) The Internal Revenue Code is amended by renumbering subsection (5) of section 521(b) as subsection (6) and inserting a new subsection (5) as follows:

"(5) NETTING OF LOSSES.—Exemption shall not be denied any such association because it offsets losses incurred in either its purchasing or marketing operations against earnings incurred in either its purchasing or marketing operations for purposes of computing its net earnings available for distribution to its patrons for any year to which this section applies.'."

Mr. MATTINGLY. Mr. President, the amendment would have merely made the Tax Code more explicitly clear on the issue of how farmer-owned cooperatives shall be allowed to calculate their income for tax purposes.

I ask unanimous consent that the Dear Colleague letter signed by 25 Senators, including myself, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 25, 1985.

DEAR COLLEAGUE: For nearly twenty years the Internal Revenue Service has attempted to deny farmer-owned agricultural cooperatives the right to offset losses in one area of business activity against gains from other areas of activity. This practice—referred to as netting—is allowed routinely for all other proprietary business enterprises. However, in 1965, the IRS started to question the right of cooperatives to net gains and losses.

The issue has been litigated on three different occasions, and in each instance Tax Court rulings against the IRS clearly reaffirmed the right of agricultural cooperatives to net gains and losses among their various divisions. Never known to take "no" for an answer, the IRS again in January of this year issued a ruling holding that cooperatives may not net gains and losses.

Thus, we are now seeking your support for an amendment to H.R. 2475, the imputed interest simplification bill. The amendment will merely spell out what the Tax Court has been trying to tell the IRS—that agricultural cooperatives shall be allowed to net gains and losses in determining taxable income.

We are enclosing an issue brief on the subject and a copy of the proposed amendment. If you would like to join us in co-sponsoring this measure please contact Cliff Humphrey at 4-3643.

Sincerely,

Sam Nunn, Mack Mattingly, Jim Abdnor, Ed Zorinsky, Thad Cochran, Strom Thurmond, Howell Heflin, Jesse Helms, David L. Boren, Don Nickles, Jeremiah Denton, John P. East.

Paul Trible, Alan J. Dixon, John Warner, Nancy Landon Kassebaum, Rudy Boschwitz, Fritz Hollings, Larry Pressler, Tom Harkin, Phil Gramm, Dan Quayle, Bob Kasten, Steve Symms, Chuck Grassley.

Mr. MATTINGLY. Mr. President, over the past 20 years the Internal Revenue Service has attempted to unilaterally change the rules of the game regarding how farm cooperatives are allowed to figure their taxable income. They have attempted to deny these co-ops the right to offset losses from one area of business activity against profits from another area of activity. This practice is called netting of gains and losses and is allowed for all other types of business enterprises.

The sad part about all of this is the fact that the IRS has been taken to court on this very issue—not once, but three times in recent years. On each occasion the Tax Court has ruled against the IRS and in favor of the agricultural cooperatives. The court decisions have held that the Tax Code is presently written expressly allows co-ops to net gains and losses in figuring taxable income. Apparently however, the court decisions have not deterred the bureaucrats at Internal Revenue. They have continued to harrass various cooperatives resulting in the needless expenditure of tens of thousands of dollars in legal fees to defend a practice that the Tax Court has ruled is perfectly legal. Listen to the court's language in one of the cases which have involved this netting issue:

(The court considers the IRS) "position herein not only contrary to the express provisions of (the Tax Code), but conceptually strained and lacking any fundamental policy support; in short, an unwarranted tinkering with the tax structure applicable to cooperatives.

Mr. President, I ask unanimous consent that a summary of the texts of the court decisions be printed in the RECORD.

There being no objection, the texts were ordered to be printed in the RECORD, as follows:

FORD-IROQUOIS FS, INC. v. COMMISSIONER 74 T.C. 1213 (1980)

Facts: Taxpayer, a subchapter T agricultural cooperative, operates a grain marketing department and an agricultural supply department. Both departments do business with cooperative members and nonmembers.

Taxpayer had net operating losses during 1971 and 1972. Its board of directors elected to carry forward and offset the net operating losses against taxpayer's 1973 income, effectively offsetting (1) losses from the supply and grain department against 1973 supply department income, and (2) losses generated in 1971 and 1972 by members who have since terminated membership against 1973 supply department income generated by current members.

Taxpayer's article of incorporation and bylaws are silent on the treatment of cooperative losses. In each case, however, complete control and management is granted to the board of directors. Membership contracts contain no provision for late assessment of losses by adjustment to the price paid for grain or price charged for supplies.

Issue: (1) May a subchapter T cooperative carry forward losses incurred in its grain marketing operations to offset income from its farm supply operations? (2) May a subchapter T cooperative carry forward losses incurred in the grain and supply operations arising out of transactions with cooperative members who terminated their membership after the loss year?

Holding: A cooperative may net across functions and use the Section 172 net operating loss deductions.

"When Congress enacted Subchapter T, it created a detailed statutory framework for the taxation of cooperatives. We find no statutory restriction on the deduction of net operating losses by cooperatives as proposed by (the Commissioner) either in Subchapter T or Section 172.

"Given the relevant article of incorporation and bylaws, the considered business judgment of the board of directors, the apparent approval of the members, the actual allocations and the language of the state law concerning cooperative member-debt liability, we hold that (taxpayer) is entitled to carry forward that part of its grain and farm supply losses allocable to terminated members."

"The allocation of losses amoung a cooperative's present, continuing and future members is properly the concern of the membership and its board of directors."

"(Taxpayer) chose to carry forward the net operating losses rather than attempt to recover such amounts from terminated members. This was a business judgment."

ASSOCIATED MILK PRODUCERS, INC. v. COMMISSIONER 68 T.C. 729 (1977)

Facts: Taxpayer is an agricultural cooperative operating under section 521 of the Internal Revenue Code. From 1959 through 1961 taxpayer's expenses exceeded income. Taxpayer's board of directors decided it would be inequitable to charge the current losses against patrons' capital reserve accounts. They were also concerned about the impact on member relations or reducing prior reserve accounts.

For the five years preceding its 1959 fiscal year taxpayer had no taxable income to which it could carry back a net operating loss. The board decided that the losses should be carried forward to future profitable years. Accordingly, net income for the years 1962 through 1966 was offset and patronage refund allocations eliminated until the entire amount of the prior years' losses was absorbed. For each year taxpayer claimed net operating loss carryforward deductions pursuant to section 172.

The Internal Revenue Service disallowed these deductions under its theory that since a cooperative must operate at "cost" it cannot have a loss. Instead, the Service

would have the cooperative recoup this operating deficit from the patrons for that period.

Issue: May a cooperative operating under section 521 of the Internal Revenue Code utilized Section 172 net operating loss carryovers?

Holding: A cooperative operating under section 521 of the Internal Revenue Code may utilize Section 172 net operating loss carryovers.

"We consider (the Commissioner's) position herein not only contrary to the express provisions of section 172, but conceptually strained and lacking any fundamental policy support; in short, an unwarranted tinkering with the tax structure applicable to cooperatives."

"The same articles of incorporation and by-laws upon which (the Commissioner) relies as requiring that losses be charged to capital reserve accounts, go on to provide that the allocation of such charges among the various patrons' reserve accounts is to be determined on an equitable basis by the board of directors. (Taxpayer's) board of directors did in fact consider this question and determined that it would not be fair to allocate the losses to existing capital reserve accounts, and that charging them to future net income would be more equitable."

LAMESA COOPERATIVE GIN v. COMMISSIONER OF INTERNAL REVENUE 78 T.C. 894 (1982)

Facts: Taxpayer is an agricultural cooperative operating under Section 521 of the Internal Revenue Code. Taxpayer's primary business is ginning cotton furnished to it by patrons and marketing cotton seed. Taxpayer also purchases small quantities of farm supplies that it resells to patrons approximately at cost, as a convenience to its patrons.

Taxpayer sold in taxable year 1974 equipment on which it had deducted depreciation in prior years. All the gain from the sale of the equipment was reported on taxpayer's taxable year 1974 return as ordinary income under Sec. 1245 of the Internal Revenue Code. In determining the amount to be paid as patronage dividends, taxpayer allocated all this gain to its taxable year 1974 patrons in proportion to their patronage during that year.

Also, because the scale of the purchasing operation was quite small relative to its overall operations, taxpayer did not keep any separate accounts with respect to the purchasing operation. Taxpayer based its allocation of patronage dividends for taxable year 1974 solely on the patronage to its marketing operation.

Issue: (1) Should the patronage dividend deduction claimed by taxpayer be disallowed because the gain from the sale of equipment in taxable year 1974 was not properly allocated among current and former patrons. (2) Should the patronage dividend deduction be disallowed to the extent allocable to taxpayer's purchasing function?

Holding: The patronage dividend allocations made by taxpayer with respect to both the gain from the sale of the equipment in taxable year 1974 and with respect to any gain that it might have derived from its supply purchasing function were not inequitable.

"Boards of directors of cooperatives do not have carte blanche to make whatever allocations they choose, but we believe (the commissioner) should recognize that directors have some discretion, some flexibility, in the exercise of business judgment. Only when unreasonable exercise of that discretion appears should the board's weighing of the equities be overturned by this Court."

"In determining whether (the commissioner) erred by disallowing the patronage dividend deduction that it attributed to gains from the purchasing function, our inquiry should simply be whether the allocation was inequitable in view of the board of directors' considerable discretion."

"In summary, we find that the patronage dividend allocations made by (taxpayer) with respect to both the gain from the sale of the equipment in taxable year 1974 and with respect to any gain it might have derived from its supplies purchasing function were not inequitable. This is not to say that the particular method of allocation employed by (taxpayer) would have been the only proper way of allocating these gains. We hold merely that petitioner's board of directors did not unjustly discriminate against one group of patrons at the expense of another group, given the practicalities of the allocation, the substantial similarity in the identity of patrons over the years, the absence of any indication that any of the patrons complained about such allocations, and, with respect to the profit from the purchase and resale of supplies, the de minimus nature of the item."

Mr. MATTINGLY. Mr. President, despite this clear and direct language, the IRS has persisted in trotting out a new challenge to the netting rules for farm cooperatives. Mr. President, this is just simply wrong and if the only way to get the IRS to follow the law and abide by the decisions of the Tax Court is to make the statutory language even more explicit, then so be it.

Mr. President, I will not belabor the point. It is obvious to even the most casual observer that the IRS is not treating our farmer-owned cooperatives in a fair and equitable manner. I would remind my colleagues of the words used by Secretary Block in his April 2 letter to Treasury Secretary Baker. He said:

Farmer cooperatives must have the authority to net gains and losses in their various divisions in order to survive in today's highly volatile agricultural industry.

Mr. President, I ask unanimous consent that Secretary Block's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, April 2, 1985.

Hon. JAMES A. BAKER III,
Secretary of Treasury
Washington, DC.

DEAR JIM: The Internal Revenue Service recently issued a technical advice memorandum stating that a farmer cooperative may not offset losses in one of its divisions against the gains in another to determine its net taxable income if, in the IRS' opinion, the offset is "inequitable." This common practice, called "netting" could cause a farmer cooperative to lose its tax status if gains and losses are combined in its purchasing and marketing divisions to compute patronage dividends.

The IRS memorandum also says that when a cooperative's board of directors makes netting decisions, the cooperative will lose its statutory right to deduct patronage refunds from taxable income.

I would appreciate your review of the IRS technical advice memorandum for the following reasons:

1. Farmer cooperatives must have the authority to net gains and losses in their various divisions in order to survive in today's highly volatile agricultural industry. By netting gains and losses among several divisions, a cooperative may spread economic risk and significantly reduce the effect of catastrophic failure in any one of them.

2. IRS' determination imputes values and principles to the internal cost accounting methods of cooperatives that appear to be inappropriate under the laws governing cooperatives.

The Department of Agriculture previously expressed its concerns to the IRS and the Department of the Treasury on the issue of netting. Withdrawal of the IRS memorandum would aid efforts to reach accommodation between Department of Agriculture and Department of Treasury on this important tax issue.

This matter is of vital concern to the nation's farmer cooperatives. I believe that your thorough view of this issue will show that the IRS position merits reconsideration. I appreciate your consideration in this matter.

Sincerely,

JOHN R. BLOCK,
Secretary.

Mr. MATTINGLY. So, Mr. President, this is a life-or-death issue which faces our farm community at a time when the farm economy is literally on its knees. Just yesterday, Secretary Block wrote to my esteemed colleague, the chairman of the Senate Finance Committee. I ask unanimous consent that that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, June 25, 1985.

Hon. ROBERT PACKWOOD,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: An amendment will probably be offered during full Senate consideration of H.R. 2475, the imputed interest tax bill, to amend sections 1388(a) and 521(b) of the Internal Revenue Code. The changes are intended to make it undisputably clear that cooperatives can net earnings and losses from different lines of business when computing their taxable income.

The U.S. Department of Agriculture supports enactment of this amendment.

Cooperatives are owned and controlled, on a democratic basis, by their members. The members may decide to have their cooperative only provide one service, such as marketing their grain. Financial results of this activity are figured on an annual basis and a tax is paid on any margins generated by the business.

The members may also decide to have their cooperative provide more than one service, such as marketing grain and purchasing supplies. When this happens the Internal Revenue Service has ruled the association must, for tax purposes, assume it is not a single cooperative but rather that sep-

arate cooperatives exist for each function performed.

The IRS position is contrary to a basic tenet of corporations operating on a cooperative basis: that the members decide the extent to which they share the risks in the cooperative venture. A decision by members to diversify risk by netting the results of two or more operations is a legitimate business decision which ought to be immune from challenge by IRS. Cooperatives are voluntary organizations. Members who do not like the way margins are computed are free to do business elsewhere, or start a competing cooperative which accounts for margins as its members prefer it done.

The U.S. Department of Agriculture favors enactment of legislative language making it clear that members of a cooperative may net margins and losses on any basis that they decide is equitable among themselves.

Sincerely,

JOHN R. BLOCK,
Secretary.

Mr. MATTINGLY. In that letter, Secretary Block expressed his support for the amendment which we would have offered here today.

I would likewise ask the chairman and Senator LONG, the distinguished ranking member of the committee, to give careful consideration and to take prompt action on this issue which is so vital to the future of farmer-owned cooperatives. We sought only to tell the IRS that—contrary to what they may think—they are not above the law and that they should abide by the repeated findings of the Tax Court.

Mr. President, I also ask unanimous consent that the text of a letter to Secretary Block on this matter, signed by 26 Senators be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 22, 1985.

Hon. JAMES A. BAKER III,
Secretary, Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: Over a period of nearly fifteen years there has been a recurring effort by the Internal Revenue Service to question the right of agricultural cooperatives to arrive at their taxable income by netting gains and losses among their patron units.

Secretaries of Agriculture over the years have submitted extensive and detailed analyses on behalf of the farmer-owned cooperatives but the issue remains unsettled. Recently Secretary Block wrote to you asking for your assistance and intervention regarding withdrawal of the recent IRS memorandum relating to this issue.

This is a vitally important matter to a great many of this Nation's farm cooperatives. The nearly two million farmer/members of these cooperatives are, as you know, having great economic difficulty.

We urge you, Mr. Secretary, to give this important matter your prompt and favorable attention.

Sincerely,

Sam Nunn, Mack Mattingly, Strom Thurmond, Jesse Helms, John P. East, Thad Cochran, Edward Zorinsky, Howell Heflin, David L. Boren, Paula Hawkins, Paul Trible, John C. Stennis, Dick Lugar.

Alan J. Dixon, Dave Durenberger, Pete Wilson, Jim Abdnor, David Pryor, Rudy Boschwitz, Don Nickles, Ernest F. Hollings, Dan Quayle, Nancy Landon Kassebaum, Jeremiah Denton, Russell Long, Lloyd Bentsen.

Mr. MATTINGLY. Mr. President, the chairman of the committee has assured me that he would help us by holding hearings and reporting legislation correcting this netting issue. Mr. CHAFEE, who is the chairman of the appropriate subcommittee, has also graciously agreed to assist in this important effort. I also wish to note that five Finance Committee members signed the original letter of April 22, to Secretary Baker. So I think we can look forward to a speedy resolution of the problem.

Mr. President, I ask and hopefully an agreement has been considered by the appropriate subcommittee chairman to hold a hearing on one of the Mondays in July. I would request a speedy hearing, and hopefully the ranking minority member and also the chairman of the Finance Committee will help move this bill expeditiously to committee report.

Mr. PACKWOOD. I talked with the chairman of the subcommittee, Senator CHAFEE. Senator CHAFEE said he would be willing to hold a hearing. I did not pin him down to the first Monday in July but Mondays are normally open. We have full committee hearings—Tuesday, Wednesday, Thursday, and on occasion on Friday—all summer on tax reform. We try to save Mondays for different subcommittee meetings. The Senator indicated he would be willing to hold a hearing.

Mr. MATTINGLY. I did not mean to say the first Monday, but one of the Mondays in July, if the Senator would be willing to do that.

Mr. PACKWOOD. I do not know if the Senator said July. But the Senator is certainly willing to hold it, and Mondays are open.

Mr. MATTINGLY. The Senator did say July?

Mr. PACKWOOD. The Senator may have said it to you. That is fine.

Mr. NUNN. Will the Senator yield?

Mr. MATTINGLY. Yes.

Mr. NUNN. Mr. President, I would like to join my colleague from Georgia in strongly supporting this amendment. I think it is enormously important. We have an agricultural community in America that is in extreme distress. The State of Georgia and the Southeast United States is certainly in that position, and I think many other areas are. This bill protects farm cooperatives. It is important, and very key in keeping them involved in a sea of turmoil and trouble in the farm community. One of the few restraints that we have remaining now is in institutions represented by farm cooperatives, and this amendment is very, very important in that regard.

So I am pleased that the chairman of the committee and the ranking member have agreed to have hearings. I am pleased that Senator CHAFEE who chairs the subcommittee has agreed to have hearings. I hope we will be given an opportunity to present our case there. This is a very important matter to the agricultural future of our State and Nation. So I am pleased that my colleagues introduced the amendment, and I am certainly pleased we have this amendment from the Finance Committee.

Mr. PACKWOOD. I thank the distinguished junior Senator from Georgia for withholding it on this bill because very frankly I think it would have caused a further possibility of filibuster. The present rules run out as of July 1. This bill is of critical importance to the entire realty industry of this country. I do not mean big shopping centers, but little sellers of houses. And the junior Senator has been very generous in withdrawing it. I think the withdrawal of this amendment is the key to our committee to reaching agreement on some other matters.

Mr. MATTINGLY. I would like to ask the chairman of the Finance Committee to do all he can to make certain that the scope of this amendment, when it gets to the committee, is limited to the netting issue.

Mr. PACKWOOD. I will do the best I can. As the chairman knows, every now and then one of the members of the committee does not necessarily agree with what the chairman says, and asks questions outside of the purview of the topic. But as we start the hearings, I will ask the Senator from Rhode Island to consider a hearing on the topic of netting. I do not know where we will end up.

Mr. MATTINGLY. I know that sometimes things get expanded in committee. The reason I am asking for it to be limited to netting is because that is the issue. This subject came up on the supplemental appropriations bill and we agreed on a sense-of-the-Senate resolution. I think we are going in the right direction of getting the proper attention by trying to hold a hearing, and getting this important issue resolved. I hope it can be done expeditiously. There will be other vehicles coming down the line that we can offer an amendment to, and I would like to keep my options open if there is inaction. I do not expect inaction from your committee, because it is such a great committee. I feel certain you are going to accommodate us on this matter.

Mr. PACKWOOD. Again, I thank my distinguished colleague.

Mr. MATTINGLY. Thank you, Mr. President.

Mr. ABDNOR. Mr. President, I am pleased that the Finance Committee has agreed to expeditiously examine the Internal Revenue Service's [IRS] unfair attack on agricultural cooperatives. It is my hope that the Finance Committee's action will clarify the right of agricultural cooperatives to net gains and losses in determining taxable income.

Let me point out that agricultural cooperatives are the backbone of economic activity in rural America. These farmer-owned cooperatives provide a host of services to their farmer-members. Producer-owned cooperatives have contributed greatly to agricultural efficiency, farmer education, farm and ranch mechanization, successful marketing and processing of agricultural commodities, and technological research in the field of agriculture.

Unfortunately, the Internal Revenue Service [IRS] has attempted to deny farmer-owned agricultural cooperatives the right to offset losses in one area of business activity against gains from other areas of activity. This practice—referred to as netting—is allowed routinely for all other proprietary business enterprises. However, in 1965, the IRS started to question the right of cooperatives to net gains and losses.

Again in January of this year, IRS issued a ruling holding that cooperatives may not net gains and losses.

Let me point out to my colleagues that IRS is attempting to discriminate against agricultural cooperatives. Cooperatives are not asking for special treatment; they are asking only for fair treatment. Every other proprietary business enterprise is allowed to net gains and losses. Any other business can offset losses in one area of that business' activity against gains in another area. It is my hope that action will be taken to reaffirm the right of farmer-owner cooperatives to do this very same thing.

If a private businessman who owns a hardware and appliance store loses money selling hardware but makes money selling appliances, he can offset the losses against the gains or net his income. Conversely, IRS is attempting to prohibit agricultural cooperatives from netting their incomes. If IRS had its way, a feed and fertilizer cooperative which lost money selling feed but yet made money selling fertilizer would not be about to offset the losses against the gains. Clearly, this isn't fair, right, or equitable. In my opinion, it is an attempt by IRS to undermine the co-op system.

This issue has been litigated on three different occasions, and in each instance Tax Court rulings against IRS clearly reaffirmed the right of agricultural cooperatives to net gains and losses among their various divisions.

In each occasion the Tax Court ruled strongly in favor of agricultural cooperatives. In the case of the Associated Milk Producers, Inc. versus the Commissioner of Internal Revenue, the Tax Court forcefully held the following:

We consider (the Commissioner's) position herein not only contrary to the express provisions of section 172, but conceptually strained and lacking any fundamental policy support; in short, an unwarranted tinkering with the tax structure applicable to cooperatives.

Mr. President, it is clear to the courts that agricultural cooperatives have the right to net gains and losses. IRS is waging an unwarranted, and, according to the courts, illegal attack on farmer-owned cooperatives. I thank my colleagues on the Finance Committee for agreeing to examine IRS' attack on cooperatives and I pledge my total support for legislation which would reaffirm the right of cooperatives to net gains and losses.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the record be kept open today on this particular issue so my colleagues can have an opportunity to enter their statements for the record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 429

(Purpose: To replace the dollar for dollar phaseout of 9 percent discount rate in instruments between $2,000,000 and $4,000,000, with a discount rate of 100 percent of the applicable Federal rate)

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 429:

On page 26, strike lines 1 through 3 and insert:

"(2) QUALIFIED AMOUNT.—The term 'qualified amount' means $2,000,000,

Mr. DURENBERGER. Mr. President, I support H.R. 2475, a bill to simplify and make permanent the imputed interest rules. Passage of this legislation is urgently needed. As we all know, the current stop-gap provisions expire at the end of this week, and we owe the people who live under our tax laws some certainty, so that transactions can go forward and an orderly market maintained.

I should like to remind my colleagues of what we are doing here today. We are not carving out loopholes, as some would suggest. We are trying to undo what the Treasury and the IRS have forced on people who need to use seller financing.

I do not think the IRS likes people. And it definitely does not like people who for no reasons related to the Tax Code, conclude a transaction that does not give the IRS the maximum amount of revenue that tax theoreticians think might be possible.

This perspective is flat out wrong, and it is one of the reasons why we find ourselves in the midst of a major tax reform movement. People are just sick and tired of the complexity, the intrusiveness, and the unfairness of the Internal Revenue Code.

Here we have a situation where ordinary people devised a mechanism whereby, when the bank would not lend money, or interest rates were too high and they could not afford the cost of money, or maybe the transaction was with a neighbor and they did it with just a handshake, and suddenly they find themselves subject to government intruding into their transactions and recharacterizing it. No doubt there are some who definitely sat down across the table and worked out an arrangement to mine the Tax Code. It was these types of extremely abusive transactions that ruined it for everyone.

Imputed interest provisions have been in the Tax Code since 1964. In 1979, when Treasury said that they were going to raise the imputed interest rate from 6 to 9 percent, I and other Members of the Senate had a great deal of reservation. Nevertheless, it was not until the 1981 tax bill that we were able to address the situation and we passed an amendment, adopted by the Senate 100 to nothing, to place some restrictions on the IRS as to when they could impose imputed rates.

Then came the 1984 Deficit Reduction Act, when contained rather draconian provisions allowing the IRS to interject itself between buyer and seller in a seller-financed transaction and impute large amounts of interest to the transaction. I can assure you that this body did not vote on these provisions characterized as changes to the imputed interest rules. If they had been characterized as such they would never have passed this body.

When the ramifications of these 1984 act provisions became widely known, there was an open outcry throughout the country by those who need seller-financing to have an orderly real estate market. In a very short time period, my Minneapolis and Washington offices received hundreds

of calls and letters asking for relief from this provision. This same outpouring of urgent pleas was seen in the offices of my colleagues.

I was inclined to help provide the relief all right, in the form of repealing the provisions. When this appeared unlikely, I introduced legislation, S. 3032. S. 3032 was introduced last year in an effort to address the fact that it's individuals that we are dealing with.

What this meant was striving to simplify what is a complex area. It was a simple two-tiered system. If you had $1.5 million of seller financing or below, your interest rate was 9 percent. If you had above $1.5 million, your interest rate was 80 percent of AFR. The Senate ended up passing complex compromise legislation last year that was drafted in terms of property—in terms of farms, in terms of houses of one kind or another, in terms of businesses of this size or that size, et cetera. But it was never really put in the context of individuals.

In conference, a stop-gap system was devised. It borrowed the two-tiered system of S. 3032. The small transaction exemption was raised to $2 million and over that the rate was 110 percent of AFR. Nonetheless, the idea was the same. People now had a rule that at least they had some chance of understanding and some certainty as to what their interest would have to be. I take some small pride of authorship for the vehicle before us today. It looks a lot like my earlier legislation, and this year's version, S. 729.

However, there is one improvement that I would like to make to the bill before us today.

I am joined in this effort by Senators ABDNOR, ZORINSKY, INOUYE, DECONCINI, DOMENICI, LEAHY, DODD, JOHNSTON, NICKLES, WILSON, BOSCHWITZ, DIXON, AND WALLOP.

The dollar-for-dollar phaseout, blending mechanism currently in the bill should be replaced with the blending mechanism currently in use under the stop-gap imputed interest rules. Seller financing above $4 million would be unchanged and as under the committee bill, the entire amount would be required to carry interest equal to 100 percent of the AFR.

My amendment is a simple one; in fact, it is only one sentence long. It has only a minor impact on the bill as a whole—yet, it would establish simpler interest rate calculations for seller financing between $2 and $4 million.

Let me explain:

The current stop-gap imputed interest rule sets up a straight blending mechanism, whereby the first $2,000,000 of borrowed amount receives a 9 percent test rate and everything in excess of $2,000,000 is blending using a 110-percent test rate.

The House bill changed this simple blending mechanism to a more complex dollar-for-dollar reduction method. Under the dollar-for-dollar reduction method, the amount of seller financing eligible for the lower 9 percent rate would be reduced by one dollar for each dollar that the amount of the seller financing exceeded $2 million. Thus, if "A" sells property to "B" in return for a note of $3 million, $1 million; $2 million minus the excess of $3 million over $2 million; would be eligible for the 9 percent rate. The excess amount of $2 million would be tested at 100 percent of the AFR.

This system penalizes people just over the $2 million line. They immediately start to lose the benefit of the 9-percent rate. People, like the farmer, who is forced to sell his property, is a distressed sale situation, and cannot find financing other than seller financing. It is not too hard for the value of a farm to reach the $2 million mark. It used to be easier than it is today, but the value of agricultural land in Minnesota has dropped by a third to a half because there is no longer an expanding market for the commodities that land produced. In Minnesota alone the loss of farm equity over the last 2 years is $7.48 billion. That is $7.5 billion lost in 2 years.

The point is that now land values will not support the amount of loans that we encouraged the American farmer to incur. Banks are reevaluating loans and putting the farms out of business. Thousands of farmers will go out of business in Minnesota alone this year. We need to do something about this problem, but in the meantime, enactment of imputed interest provisions that do not allow for adequate relief of imputed interest for the farmer who must sell his land, will kill the market for farmland and depress the price even further. Tax Code considerations are not the motivating factor here, but plain and simple survival.

We drew a rather arbitrary line of $2 million to provide farmers, small business, and homeowners some certainty and some relief for the provisions of imputed interest. We should not then start taking away that benefit immediately when the $2 million line is crossed.

I would have preferred a straight blend of 9 percent for $2 million and 100 percent of AFR for everything over that. However, the cost in the context of overall bill, and revenue neutrality consideration due to the deficit, was too prohibitive.

Thus, I scaled back my amendment so that the cost is only $20 million compared to $107 million for a full blend. The Senate finance bill currently contains $19 million in excess revenues over the same period, so the bill would continue to be revenue neutral under the definition we are working within terms of tax simplification and within reasonable allowances for estimating error.

In summary, I ask my colleagues for their support of this amendment.

The amendment is narrow in scope; it only changes the bill, with regard to financing between $2 and $4 million. It does not change the revenue neutrality of the bill, and most importantly it results in a simpler and fairer blending system. The amendment should be adopted.

Mr. ABDNOR. Mr. President, will the Senator yield?

Mr. DURENBERGER. I yield.

Mr. ABDNOR. Mr. President, I am pleased to join my colleague from Minnesota, Senator DURENBERGER, in cosponsorship of an amendment to H.R. 2475, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans and for other purposes.

H.R. 2475 is a fine bill and I applaud the House Ways and Means and Senate Finance Committees for their expeditious handling of this important issue. As always, Mr. President, my perspective is colored by the crisis in rural America and it is in that context that I frame my remarks in support of this amendment.

Mr. President, our amendment addresses what I perceive to be a shortcoming in the imputed interest bill which places an unnecessary burden on farmers who rely heavily on seller financing in the transfer of their property. Specifically, I am referring to the many farmers who, wishing to sell their farms, would fall somewhere in H.R. 2475's phaseout range.

Rather than penalizing the farmer who sells his farm, carries back $3 million of the financing, and is thus liable for 100 percent of the applicable Federal rate on $2 million of the carryback while enjoying the 9-percent break on only $1 million, our amendment allows that farmer the benefit of a blended rate for seller financing falling in the $2 to $4 million range.

Mr. President, in light of this amendment's minimal revenue impact, I am fully supportive of its overriding objective of effectively enhancing the smooth transfer of farm property between buyer and seller. In my opinion, this is a harmless means of extending a helping hand to farmers who are already plagued by high interest rates.

The need for this amendment is clearly evident. I join Senator DURENBERGER in urging my colleagues to support this amendment to the imputed interest rules embodied in H.R. 2475.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. DURENBERGER. I am glad to yield to the Senator from Ohio.

AMENDMENT NO. 430

(Purpose: To provide a discount rate equal to 110 percent of the applicable Federal rate in case of sale-leasebacks or where purchase price exceeds $25,000,000)

Mr. METZENBAUM. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 430 to amendment No. 429.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the pending amendment, add the following:

(d) IMPUTATION RATE INCREASED TO 110 PERCENT IN CASE OF SALE-LEASEBACK OR WHERE PURCHASE PRICE EXCEEDS $25,000,000.—Section 1274 of such Code (relating to determination of issue price in the case of certain debt instruments issued for property) is amended by adding at the end thereof the following new subsection:

"(f) 112 PERCENT RATE WHERE SALE-LEASEBACK INVOLVED OR PURCHASE PRICE EXCEEDS $25,000,000.—

"(1) IN GENERAL.—In the case of any debt instrument to which this subsection applies, the discount rate used under subsection (b)(2)(B) or section 483(b) shall be 110 percent of the applicable Federal rate.

"(2) LOWER DISCOUNT RATES SHALL NOT APPLY.—Subsection (e) and section 1274A shall not apply to any debt instrument to which this subsection applies.

"(3) DEBT INSTRUMENTS TO WHICH THIS SUBSECTION APPLIES.—This subsection shall apply to any debt instrument given in consideration for the sale or exchange of any property if—

"(A) pursuant to a plan, the transferor or any related person leases such property after such sale or exchange, or

"(B) the purchase price of such property exceeds $25,000,000.

"(4) AGGREGATION RULES.—For purposes of this subsection, all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as 1 sale or exchange.".

Mr. PACKWOOD. Mr. President, this is the compromise that I hope will make this bill acceptable and allow us to finish it.

First, the Senator from Minnesota has an amendment slightly changing the way interest is imputed on sales between $2 million and $4 million. While I thought the provision I had in the bill was superior, I am willing to accept these provisions as part of a package arrangement with the Senator from Ohio who has an amendment that he has just offered in the second degree relating to sales above $25 million and to sale-leaseback arrangements.

I think on balance, all things considered, it is a satisfactory resolution of the quandry in which we have found ourselves.

I encourage the adoption of the amendment in its entirety.

The PRESIDING OFFICER. Is there further debate?

Mr. SYMMS. Mr. President, I have just stepped into the Chamber. Has the Senator from Ohio explained his amendment yet?

Mr. METZENBAUM. Not as yet.

Mr. SYMMS. I will wait until he explains his amendment.

Mr. METZENBAUM. Mr. President, this amendment is consistent with that which the Senator from Ohio has been speaking to for the last maybe 30 hours or so absent nights, that is, my concern that this bill, which deals with the whole subject of imputed interest, opens the door very widely to the wheelers and dealers and the syndicators who really are not particularly involved in real estate but are involved in putting together tax packages.

I have said from the outset that the imputed interest rate issue as pertains to sales of small homes, whether made by the individual or made by a company selling homes to individuals, is not my real concern. Nor is it my concern to affect the small business sales. Nor is it my concern to affect the sale of farms selling for less than $1 million.

I am concerned about the big investment banking firms that use our tax laws to provide tax shelter for individuals on a participating basis.

So my amendment would reinstate the Treasury rules to a point of 110 percent of imputed rate, that is the Federal funds rate, for if the purchase price exceeds $25 million, any seller financing amount must state an interest rate equal to 110 percent of the T-bill rate.

The Treasury testified at the hearing that large transactions should not receive relief. Treasury defined "large" as transactions with purchase prices of $2 million. As a matter of fact, this bill would now go up to about $4 million with the Durenberger amendment, which is the amendment to which I offered my second-degree amendment.

The second part of the amendment would deal with sale-leasebacks.

Any sale-leasebacks transaction would have to satisfy the 110 percent of the T-bill interest rate test or the imputed interest rules would become effective.

What is a sale-leaseback? A sale-leaseback is a transaction where the owner of a building sells it to a third party and then leases it back. The new owner receives the right to depreciate the building, and that is merely a way of creating some tax shelter for some people who are interested in buying a tax shelter.

The implications of the excessive and unintended tax benefits can be seen by just looking at a few recent transactions.

Continental Corp.'s $221 million sale of its Manhattan office tower; Mellon Bank's headquarters in Pittsburgh sold for $280 million; and the First National City Bank of Houston's headquarters was sold for a very substantial amount.

In each instance it was a sale and a leaseback. In each instance obviously it was for a figure in excess of $25 million.

In each of these deals, the corporation sells its headquarters to a tax-shelter partnership, guarantees to lease the property, and pays all operating costs. In effect, the corporation merely sells the right to depreciate the property.

In all candor, the amendment of the Senator from Minnesota is not one that I look at with enthusiasm. I think it extends further the rights and extra privileges given in the basic bill. But since it does not strike at the very subject about which I am most concerned, and that is to get at the tax-shelter syndicators, I have seen fit not to raise an objection to that and offering this as an amendment to it.

The chairman of the Finance Committee has rightly described the situation as being a package deal. I am prepared not to object or to raise any issue with respect to the Durenberger amendment provided that it contains my amendment, notwithstanding the fact that I have less than an enthusiastic point of view with respect to the Durenberger amendment.

So I am pleased to learn from the chairman of the Finance Committee that he feels that the amendment I have offered is an acceptable one and I believe he has indicated to me in earlier conversation that if it is accepted, if it becomes a part of the bill, he would provide strong leadership and strong effort to keep it in the bill at the conference committee level.

Mr. PACKWOOD. Mr. President, my good friend from Ohio is correct. I think overall the bill is fair to 99 percent of the transactions in this country that are small or moderate transactions, and that is what the bulk of them are. I will do the best I can in conference to keep the provisions of this Durenberger-Metzenbaum amendment if it passes, and the Senator has my word on it.

Mr. METZENBAUM. I thank the chairman of the Finance Committee.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, if I could have the attention of the distinguished chairman of the Finance Committee, I would ask if he would yield to me for a question.

Mr. PACKWOOD. I will be happy to answer questions. The Senator from Montana has the floor, therefore I do not need to yield. But I will be happy to answer questions.

Mr. MELCHER. The amendments that are before us, it is my understanding that the Durenberger amendment would lose about $4 million per year in revenue and that the Metzenbaum amendment would gain approximately $6 million per year.

Mr. PACKWOOD. That is approximately right.

Mr. MELCHER. I thank the chairman for that information.

Mr. President, the amendments offset each other in revenue gain and revenue loss. While my amendment would cause the loss of $1.8 million—that is slightly less than $2 million for the fiscal year—the effect of the Durenberger amendment would mean that had my amendment been accepted, or if it is accepted in the future in the bill, instead of the revenue loss of $1.8 million per year, it will be something less than that, perhaps as low as $1 million per year.

Mr. President, if the chairman will indulge me, I wonder if the Senator would respond to that either as correct or incorrect.

Mr. PACKWOOD. I am not sure I understand what the Senator said. I heard what the Senator said. I am not sure I understood the question.

Mr. MELCHER. The effect of the Durenberger amendment in revenue loss is brought about because it would be a blended rate between $2 million and $4 million on all types of transactions. That has been measured to be approximately $4 million per year revenue loss. My amendment went to farms and small businesses.

Mr. PACKWOOD. As I read the amendment, it went to small businesses involved in agriculture, did it not?

Mr. MELCHER. No. I will clarify that. My amendment went to small businesses. It did not have to be involved in agriculture. But since a portion of the Durenberger amendment would cover that, then if my amendment were part of the bill, the revenue lost would be about $1 million, instead of $1.8 million. It would be perhaps even less than a million dollars.

Mr. PACKWOOD. I see what the Senator is saying. I think the Senator may be right. I would not swear to it.

Mr. MELCHER. I thank the chairman.

Mr. President, we are dealing with unusually small amounts of revenue gain or revenue loss. But nevertheless, I think it is wise to recognize what is revenue neutral, what is revenue positive or what is revenue negative. So we are doing that.

The technicality on which the merits of my amendment was not voted upon was because there was a slight revenue loss. Therefore, a budget waiver would be necessary even though it was a very small amount. But what I am pointing out now, Mr. President, and taking the time of the Senate to point out, is if we do accept the Durenberger amendment and the Metzenbaum amendment, there will be no revenue loss. There will be a slight revenue gain. Mr. President, I am not going to make a point of order against the Durenberger amendment because there is some revenue loss. That is not my intention at all. In fact, I am in favor of the Durenberger amendment. I only suggest that perhaps if we accept this package, consideration of the merits of my amendment without regard to the budget waiver might be in order subsequent to that.

I will now await the action on the Senate on the question before us. I will be ready to at least discuss the possibility of my amendment being reintroduced, which indeed a revenue loss would be considerably reduced by the adoption of the Durenberger amendment.

Mr. PACKWOOD. I thank my colleague. I think the Senator's assessment is right. I want the Senator to withhold it until I check. But because the Durenberger amendment does cover part of what the Senator's amendment covers, the revenues lost I think would be less than what it was as initially offered.

Mr. METZENBAUM. Mr. President, I think we are ready to act on my amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment in the second degree.

The amendment (No. 430) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Minnesota, as amended, if not, the question is on agreeing to the amendment.

The amendment (No. 429) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I believe we are ready to vote.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 431

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The Legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 431.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 25, line 6, strike the ".", and insert the following:

"; or, any debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property," if the stated principal amount of such instrument does not exceed $9,000,000.

On page 25, insert the following paragraphs between line 9 and line 10: "(3) Qualified Property—For purposes of this section, the term "qualified property" means—

(A) Real property which was used as a farm (within the meaning of section 6420 (c)(2)) at all times during the three year period ending on the date of sale or exchange, together with any tangible personal property which was used in the active conduct of the trade or business of farming on such farm and is sold in connection with the sale of such farm, but only if such real property and tangible personal property is sold or exchanged for use in the active conduct of the trade or business of farming on such farm by the transferee of such property, or

(B) Real property used in an active trade or business within the meaning of section 355; provided, however, that the holding of real property for rental shall not be treated as an active trade or business, and real property held for rental shall not be treated as qualified property.

(4) Qualified Person.—For purposes of this section, the term "qualified person" means—

(A) A person who—

(i) is an individual, estate, or testamentary trust,

(ii) is a corporation which immediately prior to the date of the sale or exchange is owned directly or indirectly by 35 or fewer individuals, or

(iii) is a partnership which immediately prior to the sale or exchange is owned by 35 or fewer individuals. For purposes of this paragraph direct and indirect ownership of a corporation or partnership will be determined under rule similar to Section 544."

On page 26, line 3, strike the "." and insert the following:

"; or, $2,000,000 in the case of any qualified debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property."

Mr. MELCHER. Mr. President, this is substantially the same amendment I offered before and explained before dealing with sales of farms and small businesses. I have reduced it from a cap of $10 million down to $9 million. I believe the amendment has been adequately explained. It does not dovetail into the amendment just accepted by the Senate, the Durenberger amendment.

Mr. PACKWOOD. Mr. President, I believe this amendment is acceptable on both sides.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 431) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, the Senator from Kansas hopes the Senate will quickly adopt the Finance Committee's legislation responding to the imputed interest problem. It is a fair solution which will allow sellers of real estate to finance up to $2 million of the sales price at 9 percent. This is substantially below the interest rates available commercially and is essentially pre-1984 law for these transactions. This should take care of all residences and a large portion of commercial transactions. It should be emphasized that we are not talking about the purchase price of a building, but only the size of the loan the seller is willing to give. The sale price is not limited by these rules.

For loans over $4 million, the rate which must be stated is 100 percent of the applicable Federal rate. This is more favorable than either the Deficit Reduction Act or the 6-month temporary rules which we enacted last fall. I think most people will agree that it is a rare buyer of real estate, no matter how solvent, who could borrow at the same interest rate as the Federal Government. Thus, the rate for even the largest transactions will be below market.

For transactions with between $2 and $4 million of seller-financing, a blended rate between 9 percent and the applicable Federal rate will apply.

In addition, the Finance Committee added a provision to allow even lower rate loans for larger transactions when interest rates exceed 12 percent. This should help real estate sales even if interest rates should rise well above current projections.

The committee bill meets the requirement of revenue neutrality by extending the cost recovery period for real estate generally from 18 to 19 years. It is a measure of the committee's sense of responsibility that it has sought to make desired changes without adding to the Federal deficit.

I would say that it is disappointing that the committee adopted an unrelated change in the no-interest loan rules to exempt refundable deposits to a limited group of continuing care facilities from the laws applicable to everyone else. While this exception has been portrayed as a proelderly issue, it seems to me that the impact may likely be to provide no cost financing for these facilities and increasing their profitability at the expense of the Treasury.

Mr. President, despite this provision, the bill is a satisfactory solution to the imputed interest issue. The stop-gap legislation will expire July 1. It would be helpful to let buyers and sellers of real estate know the Senate's position before then.

Mr. DOMENICI. Mr. President, it is very important that the Congress act to legislate some reasonable rules regarding seller financing. If we don't pass some modifying language the very punitive provisions of the Deficit Reduction Act will go into effect July 1, 1985. I don't think this would be good for the economy and at the same time I think it is unnecessary Government intrusion into contractual relationships of buyers and sellers. I also think it undermines the respect for the tax system.

If Congress does nothing today, the Deficit Reduction Act provisions become law. They force parties dealing at arms-length to negotiate interest rates that are equal to, or higher than, commercial rates or else face adverse tax consequences.

One of those tax consequences is to perhaps end up paying income taxes on what I call phantom interest income. If a person doesn't charge enough interest, the IRS can impute income to him and make him pay taxes on it even though there is no income in his pocket. That is phantom income and that is not right.

Seller-financing has become an increasingly popular alternative to commercial financing. In order to make the sale, sellers are often willing to negotiate interest rates that are lower than those charged by commercial lenders. Realtors in my State tell me that many sales of property would never occur without this ability to negotiate lower interest rates.

I am as concerned as anyone that there may have been some abuses of this provision. Proponents of stringent imputed interest rules talk about tax loopholes and tax free, tax sheltered millionaires out there in business, the implication being that seller financing of real estate has somehow created a whole new class of millionaire in America.

I think the statistics confirm that to the extent there has been abuse, it has been on the really big deals. I have never heard it alleged that the family selling their house because they have outgrown it, or are moving because dad needs to find a new job someplace else, are offering seller-financing because they think they are going to get rich by abusing the tax code. It is just not the case. The same is true for a farmer or rancher selling some of his land. Sometimes people have to offer seller financing or the alternative is "no sale." This same reality faces the small businessman.

As chairman of the Budget Committee I am painfully aware of all the steps we take to try and keep interest rates down, yet in the context of this issue, if we don't adopt the Durenberger approach or the House bill, we will be not only encouraging higher interest rates for these transactions, we will be requiring them.

I am going to vote for the Durenberger amendment. It corrects the overzealous nature of last year's seller financing provisions and mitigates the impact which would have resulted.

For sales under $2 million the safe-harbor rate would be 9 percent.

For sales between $2 and $4 million, the first $2 million would be at 9 percent and the rest would be at the applicable Federal rate. This results in a blended rate.

For sales over $4 million, the entire sale must be financed at the applicable Federal rate. This is the so-called cliff provision.

I don't like the cliff. For a rapidly growing State like New Mexico, this $4 million ceiling is not good, however, it is better than the House version and it is better than the provisions in the Deficit Reduction Act. Treasury officials tell me it is the best we can do without losing a tremendous amount of tax revenue.

Thank you, Mr. President.

Mrs. HAWKINS. Mr. President, the legislation we are considering today is urgent. The stop-gap legislation that we adopted last year will expire on July 1, and then our farmers, small businesses and individuals selling

homes will be subject to the draconian provisions on imputed interest included in the 1984 Deficit Reduction Act.

Mr. President, the legislation that is now pending is extremely important to my State of Florida. As a high growth State, Florida needs affordable housing and depending on the economic climate, seller financing is the only means for thousands of Floridians to buy and sell property.

Let me state for the record that I would have preferred to repeal the imputed interest rules all together. It is simply not the role of the Government to impose an interest rate on property sales. Two parties striving to close a transaction should not be prohibited from using creativity and ingenuity to reach an affordable agreement. It is my intention to encourage such efforts in the private sector, not to stifle them.

Unless we take action today, the current law will allow the IRS to dictate an interest rate to an 80-year-old woman in Jacksonville, FL, trying to arrange a financing agreement with a prospective buyer for the purchase of the home she has owned for over 50 years. It is Government intervention in its worse form and is nothing less than deplorable.

My thoughts on imputed interest are well documented and I supported Senator SYMMS' repeal efforts last year. I violently object to the Internal Revenue Service interjecting itself into the private negotiations between buyer and seller. I still prefer total repeal of the imputed interest rules, but realize that the only solution to this nightmare that has any chance of passing both Houses and providing some relief to the harsh 1984 rules is a compromise in this nature.

I, therefore, urge my colleagues to support this bill so that honest Americans trying to sell their homes, businesses and farms may continue to do so with as little intervention by the IRS as possible.

AMENDMENT NO. 431

(The following proceedings occurred later in the day:)

Mr. DOLE. Mr. President, I ask unanimous consent that the part of the Meicher amendment numbered 431 on page 26, line 3, be inserted in the Durenberger amendment No. 429 rather than to the committee substitute. This deals with the imputed interest measure which was passed earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I suggest we move to final passage.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

So the bill (H.R. 2475) as amended, was passed.

Mr. PACKWOOD. I move to reconsider the vote by which the bill, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me congratulate the managers of the bill and all those who participated. There will be no more rollcall votes today. I do not believe there will be any rollcall votes tomorrow, but I want to discuss that with the distinguished minority leader. I shall try to make some announcement so the offices will be alerted between now and 6:15 or 6:30 p.m.

There will be no more rollcall votes this evening. We will have a number of nominations to approve, but I understand those are now in the process of being cleared on both sides. I hope that can be done tonight or sometime tomorrow. I shall make some announcement later.

At this time, I particularly congratulate the chairman of the committee and the distinguished ranking member [Mr. LONG] and all those who participated.

I also thank the distinguished Senator from Ohio [Mr. METZENBAUM], who started us off on a little rocky road, but it worked out all right. I think his amendments are good amendments. I am pleased that the bill has been concluded and we have done it all in a matter of a few hours once we started on it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent there now be a period for the transaction of routine morning business until 6 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

EXPRESSION OF OPPOSITION TO SYSTEM OF APARTHEID IN SOUTH AFRICA

Mr. BYRD. Mr. President, on the calendar of bills and joint resolutions read the first time is one bill, H.R. 1460, which, until rule XIV, would be read the second time at some point during this period.

Does the distinguished majority leader have any objection to my asking that that second reading take place now?

The PRESIDING OFFICER. The clerk will read H.R. 1460.

The legislative clerk read as follows:

A bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes.

Mr. DOLE. Mr. President, I object to any further proceedings.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

AGRICULTURAL COMMODITY USES RESEARCH ACT OF 1985

Mr. GLENN. Mr. President, today I rise to introduce "The Agricultural Commodity Uses Research Act of 1985." This act comprises one element of the package needed to return prosperity to U.S. agriculture.

Mr. President, the 1980's have not been kind to U.S. agriculture. Prices have declined, forcing incomes lower. Land values have declined, forcing thousands of farmers out of business. Unfortunately, this situation probably will not improve in the near future. As a result, we must not only provide short-term aid to address our current problems but also devise a long-term strategy which will return profit to agriculture.

The history of U.S. agriculture reveals that farm prosperity occurs when demand for commodities is in balance with supply. During the 1970's, an expanding export market absorbed the increasing supply of commodities produced by U.S. agriculture, permitting a period of record prosperity. However, there are signs the export market may not provide the demand America's farmers need in the 1980's and beyond. Even now, excess capacity in U.S. crop agriculture approaches 6 percent. Ominously, continuation of current trends means that the production capacity of U.S. agriculture may have to shrink to bring

supply and demand back into balance. Proliferation on new technologies, including the enormous potential of biotechnology, reinforces the gloomy outlook.

Mr. President, along with that, we have seen the sales of America's farm products, which are about one-third of our agricultural production in this country, shrink by one-fourth during the past few years, due in large part to the strength of the dollar. This has made it difficult for us to sell in competition with other agricultural production around the world.

So, along with proliferation of new technologies, including the enormous potential of biotechnology, this situation challenges us to devise a program that is forward looking and bold—a program that will increase demand at a rate which is at least equal to the rate of increase in supply. I believe that a program drawing on America's unparalleled agricultural research creativity can accomplish this goal.

Specifically, the program I am proposing in the "Agricultural Commodity Uses Research Act of 1985" is a $100 million federally funded, 5-year research program to develop new nonfood uses for agricultural commodities traditionally used as food or livestock feed. I repeat: New nonfood uses of agricultural commodities.

The bulk of the $100 million would be directed to the Agricultural Research Service and the Competitive Grants Section of the Cooperative State Research Service. Federal funds in the competitive grants section would have to be matched by grant recipients at a ratio of $1 of self-generated funds to every $2 of Federal funds. The matching funds requirement will encourage recipient institutions to develop ties with private industrial concerns, thereby forming a bond which will improve both successful adoption of new products and the quality of long-term research.

The agricultural commodity uses research program will encourage application of basic knowledge in biology, chemistry, and physics to developing the potential for new nonfood products from food and feed grains. To a limited degree, such research is already being conducted within the USDA/land grant college system, as well as by private industry. However, the amount being spent is small. For example, in fiscal year 1984, only $5 million out of a total Agricultural Research Service budget of $474 million was spent on developing new uses for food and feedgrain commodities.

Let me repeat those figures. In fiscal year 1984, only $5 million of the total $474 million earmarked for research was spent in developing new uses for food and feedgrain commodities.

Furthermore, expenditures on new uses for agricultural commodities pale in comparison to the amounts spent on production research. This imbalance is one reason U.S. agriculture's productive capacity has outstripped demand for its products. The "Agricultural Commodity Uses Research Act of 1985" is one step in rectifying the imbalance.

Mr. President, throughout our whole history as a nation, we have poured money into research for agriculture; and it has not been just "amber waves of grain and purple mountain majesty across the fruited plain, from sea to shining sea," which has brought us the agricultural production capacity that we have in this country. We learned how to do new things; we put effort into research. We learned how to do things in different ways, how to replenish the soil with fertilizer, how to stabilize the soil and prevent it from running off into the sea. We learned how to create new seeds. We created what is termed in the world "the green revolution," because we produced things beyond anybody's imagination.

When I was a boy in Ohio, good farm production of corn was around 40 or 45 bushels an acre. Now, somewhere around 120 or 125 bushels per acre is not unusual on our best productive land in Ohio. That is triple the production that was possible on the best farmland when I was growing up in Ohio.

It shows what we can do when we put our money into research and land grant colleges and create a green revolution. Yet, we have not gone the next step and said, "What are we going to use agricultural products for outside of just food?"

What I am trying to do with this bill is to get some money into research so that we can have new nonfood uses for our commodities and use up some of our surpluses.

When I was studying organic chemistry in college many years ago, I remember all the predictions about uses of food and breaking it down and making all sorts of products out of it. If we just had half the research in that area for new nonfood uses of agricultural products, it seems that we could come up with uses of commodities that would match the prodigious production we have.

New nonfood products from food and feed grains are not far off fantasies that would take years to develop. Right now, in fact, corn starch is used in manufacturing paper products, building materials, textiles, and adhesives. Three to five billion pounds of U.S. produced fats and oils are used in nonfood products. In my judgment, we have just begun to scratch the surface in this area.

Many chemicals currently made from petroleum, for example, can also be made from carbohydrates. With the increase in oil prices, carbohydrates have become competitive as a feedstock. However, research is needed to develop more efficient processes for turning carbohydrates into substitutes for petrochemicals.

Even more potential lies in new chemicals and other products which utilize the unique properties that polymers of starch and cellulose possess, such as biodegradability, water solubility, and water retention. There is also the potential offered by what some scientists term "molecular farming." This type of farming would use genetic engineering to program crops or livestock to produce potentially useful chemicals and other molecular substances.

New nonfood products derived from food or feed commodities offer not only the potential to increase demand for farm products, but also the potential to reduce America's dependence on imports of certain strategic materials, particularly oil. Moreover, naturally derived chemicals can potentially provide environmentally safer substitutes for petrochemicals.

Mr. President, let me emphasize that the proposal I am introducing today will not solve our immediate farm problems. It is not going to do that now or next year. Instead, it is a long run, forward looking strategy to help return profit to agriculture and to restore our farmers' confidence in the future.

Mr. President, I look forward to that future, to working with Congress and working with agricultural interests in this country and with our farmers to shape that program for the future.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD along with these remarks and look forward to working with my colleagues for passage of this bill. I very firmly believe that if we can match research into new uses of commodities that begins to approach the successes we have had in the production of food we will have gone a long way toward balancing the agricultural situation in this country and bring profitability to American agriculture once again.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Commodity Uses Research Act of 1985".

AGRICULTURAL COMMODITY USES RESEARCH PROGRAM

SEC. 2. (a) During each of the fiscal years 1986 through 1990, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") shall conduct a research program in accordance with this Act (and the provisions of law referred to in sections

3(c) and 5(c) of this Act) to develop new non-food uses for agricultural commodities traditionally used as food or as inputs into the production of livestock or livestock products.

(b)(1) In addition to any other amounts authorized to be appropriated to the Department of Agriculture for research purposes, there are authorized to be appropriated for each of the fiscal years 1986 through 1990 50 percent of the amounts referred to in subsection (c).

(2) To the extent practicable, the Secretary shall use funds appropriated under provisions of law other than paragraph (1) to carry out the activities referred to in subsection (c) during such fiscal years in amounts equal to 50 percent of the amounts referred to in subsection (c).

(c) To the extent practicable, the Secretary shall carry out the program referred to in subsection (a) through the following activities in at least the following amounts:

(1) Competitive research grants, to be made available in accordance with section 3—

(A) $3,400,000 for fiscal year 1986;
(B) $6,800,000 for fiscal year 1987;
(C) $13,600,000 for fiscal year 1988;
(D) $14,140,000 for fiscal year 1989; and
(E) $14,710,000 for fiscal year 1990.

(2) Agricultural research service, to be made available in accordance with section 4—

(A) $3,000,000 for fiscal year 1986;
(B) $6,000,000 for fiscal year 1987;
(C) $12,000,000 for fiscal year 1988;
(D) $12,480,000 for fiscal year 1989; and
(E) $12,980,000 for fiscal year 1990;

(3) Special research grants for an agricultural commodity uses research institute at the Ohio State University, Columbus, Ohio, to be made available in accordance with section 5—

(A) $150,000 for fiscal year 1986;
(B) $150,000 for fiscal year 1987;
(C) $150,000 for fiscal year 1988;
(D) $160,000 for fiscal year 1989; and
(E) $170,000 for fiscal year 1990;

COMPETITIVE RESEARCH GRANTS

SEC. 3. (a) The Secretary shall use funds made available under section 2(c)(1) to make competitive research grants to pay the Federal share of the cost of conducting research described in section 2(a).

(b) The Federal Share of grants provided under subsection (a) may not exceed 66⅔ percent of the cost of conducting such research.

(C) Except as provided in this section, the Secretary shall make such grants in accordance with section 2(b) of the Act entitled "An Act to facilitate the work of the Department of Agriculture, and for other purposes", approved August 4, 1965 (7 U.S.C. 4501(b)).

AGRICULTURAL RESEARCH SERVICE

SEC. 4. The Secretary shall use funds made available under section 2(c)(2) to conduct research described in section 2(a) at regional research centers of the Agricultural Research Service.

SPECIAL RESEARCH GRANTS FOR AGRICULTURAL COMMODITY USES RESEARCH INSTITUTE

SEC. 5. (a) The Secretary shall use funds made available under section 2(c)(3) to make special research grants to Ohio State University, located in Columbus, Ohio, to pay the Federal share of the cost of establishing and operating an institute for the study of the economics of developing and marketing new non-food products derived from agricultural commodities traditionally used as food or as inputs into the production of livestock or livestock products.

(b) The Federal share of grants provided under subsection (a) may not exceed 50 percent of the cost of conducting such research.

(c) Except as provided in this section, the Secretary shall make such grants in accordance with section 2(c) of the Act entitled "An Act to facilitate the work of the Department of Agriculture, and for other purposes", approved August 4, 1965 (7 U.S.C. 4501(c)).

SCHEDULE

Mr. BYRD. Mr. President, I would like at this time to propound a query to the distinguished majority leader for the benefit of Senators so that this might be in the RECORD and they might schedule their days accordingly.

Would the distinguished majority leader be able to say at this point what the program will be for the remainder of today, for tomorrow, and Friday and next week if he is in a position to do that at this time?

Mr. DOLE. We have completed the so-called imputed interest legislation. We hope to take up some executive nominations yet today. There will be no more rollcall votes today.

On tomorrow we will have a conference report on S. 883, the Export Administration Act. We will probably do S. 1279 and H.R. 2800, the Landsat and commercialization tonight. We understand that is being cleared on the Senator's side. It will take a few moments.

Mr. BYRD. This will be tomorrow?

Mr. DOLE. I would like to do that one this evening, Landsat and commercialization which is noncontroversial. I understand it is in the process of being cleared. It has passed the House of Representatives.

Tomorrow we just have a conference report and Executive Calendar nominations. We are looking for other noncontroversial matters tomorrow and I do not anticipate rollcall votes tomorrow unless there should be one on a nomination.

So no more rollcall votes today, none on tomorrow, and we will not be in on Friday.

Then on Monday, July 8, we hope to begin consideration of the South Africa bill and I would guess we will come in at noon on that Monday, have opening statements, hopefully get some amendments laid before the Senate. If they can be debated, it may not be necessary to have rollcall votes on that day. We would have to go over that bill on Tuesday to complete action on the McClure-Volkmer gun legislation where we do have a time agreement.

There will be a number of votes on Tuesday, July 9, and then Wednesday through Friday we would complete action on South Africa and other possible legislation.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. KENNEDY. I express certainly my appreciation to the majority leader and minority leader for the willingness to schedule the debate and discussion on the South African legislation. The majority leader had indicated some time ago that he was prepared to schedule it at an appropriate time. I express my appreciation to the majority leader for permitting the Senate to move toward consideration of that legislation and also indicate my understanding of the prior consent agreement is that we were going to consider the final action on the McClure-Volkmer gun legislation. There are consent agreements that have been proposed on that legislation.

I have some amendments. I think we will have probably a time for debate and discussion.

I would be quite willing if it was the desire of the majority leader to see to the end of the South African legislation and then to consider McClure-Volkmer right after that, whatever the majority leader would want to do in the order. We would be more than glad to cooperate with him.

Mr. DOLE. I appreciate that. I assume if we could work that out we would just slip the unanimous-consent agreement on the McClure-Volkmer gun bill until a later time on Tuesday. As I understand, and I am not certain how long it will take on the South Africa legislation, but I would guess a couple of days—it is my understanding a couple of days.

Mr. KENNEDY. I would certainly hope so. I think that I can see perhaps two or maybe three amendments to the Foreign Relations Committee bill. There may obviously be others who would want to reduce its impact. I would hope we would not get into a prolonged discussion or debate on it. I do not anticipate that at this time. But I would hope that we could complete action in a couple of days. I would think it would take certainly that amount but would be glad at the appropriate time that we come back to consider a consent agreement should the majority leader so request. At least I personally would. I am sure others would have their views on that.

Mr. DOLE. Let me check with the principals involved with the McClure-Volkmer legislation which includes the distinguished Senator from Massachusetts and if it is satisfactory and agreeable we could probably slip that agreement around and complete action on South Africa before moving to the gun bill. If we cannot we just may have to split it and come back to it on Wednesday.

Does that give the minority leader some idea?

Mr. BYRD. Yes; and I thank the distinguished majority leader. I thought I heard the majority leader say there might be a rollcall vote on a nomination tomorrow.

Mr. DOLE. I do not anticipate any. You never know. As far as I know there have been no requests on this side for any vote on a nomination. If the nomination were particularly controversial, I assume we could probably hold it over. But there is a certain sense of maybe not urgency but the need to confirm the nominations if possible tomorrow because it will give those nominess a little time during the recess to prepare themselves for their new position.

Mr. BYRD. Did the distinguished majority leader have reference to any particular nomination when he stated that there might be a vote tomorrow?

Mr. DOLE. I do not believe so. It is possible someone might jump up and say, "on that one I want a rollcall." I do not anticipate it or know of any request. If there are—I hope there are not—I assume we could accommodate them.

Mr. BYRD. I understand, and I thank the distinguished majority leader.

Mr. KENNEDY. Mr. President, will the majority leader yield?

Mr. DOLE. I yield the floor.

Mr. KENNEDY. If the majority leader wanted to propose a consent agreement on the South African legislation tomorrow, this would certainly be something that might be considered and we will be glad to cooperate with the majority leader in any way to try and see if those supporting the legislation would certainly support a reasonable time limit spelled out by the majority leader.

Mr. DOLE. I appreciate that, I might say to the distinguished Senator from Massachusetts, and I will ask the chairman of the committee, Senator LUGAR, to be in touch with Senator PELL and others to see if we might be able to propound a unanimous-consent request tomorrow for an agreement on that bill.

While we are waiting for clearance of maybe the Landsat bill—is that ready? I understand that may be ready. The distinguished Senator from Washington, Senator GORTON, will handle that legislation on this side and following that I should have word within about 4 or 5 minutes on nominations and I will be right back.

Mr. BYRD. Very well.

BUDGET ACT WAIVER

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar 195, Senate Resolution 180, the budget waiver for S. 1279.

The PRESIDING OFFICER. The resolution will be stated.

The bill clerk read as follows:

A resolution (S. Res. 180) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

S. RES. 180

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1279. Such waiver is necessary because S. 1279 authorizes the enactment of new budget authority which would first become available in fiscal year 1985 and such bill was not reported on or before May 15, 1984, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The authorization contained in S. 1279 is necessary to ensure that sufficient funds are available for the Secretary of Commerce to carry out the purposes of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4201 et seq.). That Act provided for a phased commercialization of land remote sensing, and the commencement of activities under the Act have necessitated increased funding which could not have been anticipated at the time of the enactment of that Act. S. 1279 provides the statutory authority by which appropriations may be made to fulfill the purposes of that Act.

The Appropriations Committees of the Senate and the House of Representatives have indicated that they will include appropriations for such purposes in the supplemental appropriations bill currently under consideration. Thus, congressional consideration of this authorization will in no way interfere with or delay the appropriations process, but will actually provide the authorization pursuant to which such appropriations may be made.

LANDSAT AUTHORIZATION ACT

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 188, S. 1279, the Landsat Commercialization Act.

The PRESIDING OFFICER. The bill will be stated by title.

The bill clerk read as follows:

A bill (S. 1279) to provide authorization of appropriations for activities under the Land Remote Sensing Commercialization Act of 1984.

The PRESIDING OFFICER. Is there objection to consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment as follows:

On page 2, line 2, strike "million",

So as to make the bill read:

S. 1279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 609 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4278) is amended by striking "$75,000,000 for fiscal year 1985" and inserting in lieu thereof "$295,000,000 for fiscal years 1985 through 1989, of which not more than $125,000,000 shall be available for fiscal year 1985 and 1986,".

Mr. GORTON. Mr. President, I ask unanimous consent for consideration of the committee amendment to S. 1279.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will report.

The bill clerk read as follows:

On page 2, line 2, strike "million".

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. GORTON. Mr. President, H.R. 2800 which is indentical to S. 1279, authorizes funding for the transfer of the Federal Government's land remote sensing satellite [Landsat] system to the private sector.

The bill authorizes $295 million for the fiscal years 1985 through 1989, provided that no more than $125 million will be appropriated in fiscal years 1985 and 1986. This funding is intended to enable a private contractor to construct and launch two land remote sensing satellites pursuant to the Land Remote Sensing Commercialization Act of 1984 (Public Law 98-365).

The Department of Commerce has selected, by means of a competitive process, a contractor to operate the existing Landsat system and to construct and operate two follow-on satellites. The contractor is Earth Observation Satellite, Inc. [Eosat], a partnership between Hughes Aircraft and RCA Astro Electronics. This contract has been approved in principle by the Secretary of Commerce, the Director of the Office of Management and Budget, and the President. On May 22, 1985, the President transmitted to the Congress a budget request for $125 million to begin funding the Eosat contract. The supplemental appropriations bill passed by the Senate last week included $125 million for this purpose.

The Eosat contract satisfies the requirements of titles II and III, of Public Law 98-365. Titles IV, V, and VI of the act established other requirements which are being addressed by the Federal Government.

Title IV directs the Secretary of Commerce to issue regulations to govern private remote sensing activities under the jurisdiction of the United States. I understand that draft

regulations are near completion and I look forward to reviewing them in the near future.

Title V provides for continued Federal research and development in remote sensing. The Secretary of Commerce and the Administrator of NASA are required to submit to the Congress by July 17, 1985 a report on Federal research and development in remote sensing applied to the Earth and its atmosphere.

Title VI provides for continued Federal archiving of remote sensing data. I anticipate that the Department of Commerce will inform the Congress of the Department's plans for carrying out these archiving requirements.

The sole purpose of H.R. 2800 is to authorize the Eosat contract. The Commerce Committee's Subcommittee on Science, Technology and Space, which I chair, will exercise oversight of these other provisions through hearings and, where appropriate, further legislation.

S. 1279 was ordered reported by unanimous vote of the Commerce Committee on June 13, 1985. The bill requires a waiver of section 402(a) of the Budget Act of 1974 because the bill includes authorization of fiscal year 1985 appropriations and was not reported prior to May 15, 1984. The budget waiver (S. Res. 180) was reported by the Budget Committee on June 24. The House of Representatives passed H.R. 2800 on June 24 as well.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now turn to Calendar Order No. 199, H.R. 2800, the House companion bill.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2800) to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1981.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. Mr. President, I move to strike all after the enacting clause and insert the text of S. 1279, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. HOLLINGS. Mr. President, I support H.R. 2800, the House counterpart to S. 1279 that was reported by the Senate Committee on Commerce, Science, and Transportation on June 14, 1985. This bill should finally, and I underscore finally, resolve the budgetary issues surrounding the commercialization of the Federal land remote sensing satellite system [Landsat].

Last year when the Senate Committee on Commerce, Science, and Transportation authorized the commercialization of Landsat, everyone thought the issue had been resolved and that the private sector would soon be operating the system. However, it is now nearly a year later, and the final conditions of the contract are still being negotiated by Eosat and the Department of Commerce. The budgetary issues, however, have been resolved, and this bill will take care of that matter and reiterate congressional support for this activity.

Although it has taken a long time, it appears that the final proposal works to protect the best interest of the Federal Government, to minimize the amount of the Federal transitional support, and to ensure the successful commercialization of Landsat. Therefore, it has been worth the wait. I hope that Eosat and Commerce can now quickly resolve their remaining differences so that the work can get under way and the data gap can be minimized.

I support the authorization of the Landsat system recommended in H.R. 2800 and am pleased that this bill will result in a significant net cost savings to the Federal Government. Based on a preliminary estimate, the proposed contract with Eosat, compared to continued Federal operation of the Landsat System, will result in a net cost savings of $290 million. The commercialization of the Landsat system is in the best interest of both the Federal Government and the private sector.

Mr. President, I support H.R. 2800 and the guarantees that are contained in the proposed contract between the Department of Commerce and Eosat. I urge my colleagues to support this measure so that Eosat can get on with the development of a viable commercial land remote sensing satellite system.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2800), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2800) entitled "An Act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That section 609 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4278) is amended by striking "$75,000,000 for fiscal year 1985" and inserting in lieu thereof "$295,000,000 for fiscal years 1985 through 1989, of which not more than $125,000,000 shall be available for fiscal years 1985 and 1986.".

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO INDEFINITELY POSTPONE S. 1279

Mr. GORTON. Mr. President, I move to indefinitely postpone S. 1279.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

A MOUNTAINEER'S PRIDE

Mr. BYRD. Mr. President, last Thursday—June 20—was officially West Virginia Day in my home State—the 122d birthday of West Virginia's admission to the Union as the 35th State.

Across my State, West Virginia Day was celebrated in a variety of ways. In my opinion, one of the most expressive instances of that celebration was an essay composed by Mr. Adam Kelly, a West Virginia editor who writes a column that appears in several publications in the State. Mr. Kelly's column on this occasion, entitled "What West Virginians Are About," captures simply but eloquently the feeling that many West Virginians have toward themselves, and that increasing numbers of non-West Virginians perceive while spending time with the people of my State.

I ask unanimous consent that Mr. Adam Kelly's column, as it appeared in the Evening Journal of Martinsburg, WV, on June 19, 1985, be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WHAT WE WEST VIRGINIANS ARE ABOUT

(By Adam Kelly)

West Virginia Day.

For too many years West Virginians have sat back and let the rest of America take pot shots at them.

"You can't be from West Virginia, you're wearing shoes," is the same jeering remark often uttered by those first introduced to a West Virginian.

On television and in magazines, in all the other mass media and by word of mouth, the rest of the country has been almost convinced that West Virginia is just a ragtag collection of poverty pockets and exploding mines, illiterate hicks and lazy bums who do nothing but brew moonshine and collect welfare handouts.

The people of West Virginia know better. So do those who visit the state and really "see" West Virginia instead of merely looking for what they expect to find here.

This West Virginian thinks the time has come to speak out.

Sure, West Virginia has plenty of faults. Its people are well aware of them—to the extent they'll probably tell you about them before you get a chance to ask. West Virginians are not ones to hide their problems.

In fact, they're so humble that they might forget to tell you that the good things about West Virginia outweigh the bad so many times over that they wouldn't live elsewhere for anything in the world.

For West Virginia has managed to maintain progress without being trapped in a concrete wasteland.

This state supplied the coal, natural gas and oil to fuel America during the growth years of this century. Very little of this vast wealth was returned into its hills. But when America finally gets down to looking seriously for a long-term solution to its energy problems it will turn again to West Virginia. What other state has as much coal so near the great masses of population and industry?

When the people in the crowded, pollution-fouled, crime-ridden, big cities of America get fed up with urban existence, where do they turn for a return to the simple, rural life that permits existence with dignity and purpose?

In times of war, what other state has sent so many of its young men to fight and die? More West Virginians per capita have died in America's conflicts than men from any other state in the union. Nowhere are people more devoted to country than here.

And what other state has preserved its ancient crafts and traditions—not in museums either—but as living monuments to the common man?

West Virginians have yet to renounce their heritage for any mad dash into an uncertain future.

If you want to know what real roots are, listen to a sweet-voiced quartet at a family reunion toward dusk on a summer evening. Watch the contented faces of ladies at work on a "Rose of Sharon" or "Double Wedding Ring" quilt.

Where do you find these things in abundance?

You can find them in the same state where people are still unafraid to help a stranger, where folks are just plain friendly—not hiding behind a mask of hospitality, but people who treat everyone like a human being even when they stand to gain nothing in the world by it.

Example: a motorist confused in the fog near Morgantown on a rainy, dark night missed the correct ramp entrance and inadvertently drove part way up the wrong way. He pulled off frantically to the side, there to ponder his predicament. A good old boy in a pickup coming down the ramp sized up the situation immediately, stopped, rolled down his window, and said: "Back her down. I'll just sit here and block the road." A like situation on any metropolitan freeway in America would have resulted in an utter cacophony of screams, curses, and horn-blowing imprecations—and no help.

In the struggle to subdue their rugged mountains West Virginians have learned the value of each person. They have survived without losing dignity.

And now that the rest of America is realizing what West Virginia never forgot—that who you are, deep inside, is more important than how fast you can go, how big you can build or how much you can earn—the West Virginians will not scorn them. (Even though we have every right to do so.)

Though the rest of America, caught up in the rat race, often has unjustifiably tried to shame West Virginians for being "backward," the people here are not grudge holders. It's just not in their nature.

Instead, they'll invite the stranger in to "sit a spell," cast off his fetters and return to the God-given rhythms of sunrise, moonset and the slow pulse of ancient mountains.

And maybe, just maybe, the rest of the country can learn a lesson from West Virginians: that when people recall they are a part of nature, and love her hollows, creeks, woods and mountains, they can never be enslaved, by a timeclock, by a machine or by other persons.

West Virginians never did lose sight of this. And thus Mountaineers always have been, are now, and always will be, free.

REPROGRAMMING OF FUNDS FOR RENOVATION OF IMMIGRATION BUILDING

Mr. MATHIAS. Mr. President, as chairman of the Committee on Rules and Administration, I would like to advise the Senate of my intention to seek to reprogram certain funds appropriated for renovation of the Immigration Building, located at 119 D Street Northeast. While ordinarily this would be a routine matter, in this instance I have concluded that it would be proper to give this notification because of the effect of the proposed reprogramming on the Senate Employees' Child Care Center. I should add that the ranking member of the Rules Committee, Senator FORD, intends to join in the reprogramming request, and that he agrees that this notification would be advisable.

Part of the cost of renovating any building is the expense of obtaining temporary quarters for the occupants displaced by the renovation. In the case of the Immigration Building, the substantial nature of the work being done precludes any occupancy during the renovation process. Virtually all of the occupants of the building have been temporarily relocated, with the exception of the Senate Employees' Child Care Center [SECCC]. As Senators will recall, in August 1983, the Rules Committee allocated about 3,500 square feet of space in the Immigration Building for use as a child care center for the children of Senate employees. On November 14 of that year, the Senate adopted Senate Resolution 269, authorizing payment of up to $20,000 in start-up costs for the center. On February 27, 1984, the Senate Employees' Child Care Center opened its doors, and for the past 16 months has been providing high-quality child care services. The center is not operated by the Senate, but by a nonprofit corporation organized by the parents of children who attend the center. The executive director, Dr. Nancy Brown of Bowie, MD, and her dedicated staff have worked hard to SECC a model onsite workplace child care facility. Their success may be measured by the fact that, in addition to the 38 children who now attend the center every working day, many more children are on a waiting list to enter the center.

When it became clear that the renovation of the Immigration Building required that the structure be completely vacated, I directed the staff of the Rules Committee to review all the options for a temporary home for SECC. Of course, the relocation of the center for the required period of more than a year presented special problems beyond those applicable to an office relocation. It was not simply a question of finding adequate space, but of locating adequate space suitable for this particular use. For example, fire safety regulations in virtually every jurisdiction—including the District of Columbia—require that facilities for young children be located at or very near ground level. This requirement alone greatly restricted the number of potential sites. The competing demands of other essential Senate offices further narrowed the options.

After an intensive search of all properties owned or accessible to the Senate, and some under the jurisdiction of the House of Representatives, the rules staff concluded that there was really only one viable solution to this problem: to purchase modular building units in which the center could be temporarily housed until the Immigration Building has been fully renovated. These units can be procured in sufficient quantity, and are of sufficiently high quality, to provide an adequate relocation space equivalent to the facility the center now occupies in the Immigration Building. These units may be safely erected on property controlled by the Senate. Upon completion of renovation of the Immigration Building, the modular units would become available to the Senate for any use that then appears appropriate. Such uses could include occupancy by the Capitol Police or some other support function, either on the original site on which they had been erected or elsewhere; or, if there is a change in the current plans that call for the child care center to return to the renovated Immigration Building, for continued use for child care.

If the Senate has no further need for the modular units, they could presumably be resold. The cost of the needed modular units would be approximately $160,000. While significant, this sum must be compared to the costs the Senate would incur were it to undertake the substantial adaptations needed to render some space within another Senate building suitable for child care use, and to the costs of leasing suitable space for a temporary home for the center. We have also determined that this sum is available for reprogramming from the ac-

count established to pay for the renovation of the Immigration Building. Senator FORD and I agree that, when all the factors are taken into consideration, the purchase of modular units is the best available solution to the problem of temporary relocation of the Senate Employees' Child Care Center.

As I stated at the outset of these remarks, my intention, and that of the senior Senator from Kentucky, is to request the Architect of the Capitol to seek approval from the Appropriations Committee to reprogram these funds. We are both mindful of the fact that, during the debate on the resolution authorizing the allocation of $20,000 in start-up costs, Senators were assured that Senate Resolution 269 authorized only a "one-time appropriation," and that no further funding requests for the child care center were anticipated. The reprogramming request is not inconsistent with these assurances, for two reasons:

First, no new appropriation of any kind is called for, but rather a reallocation of funds already appropriated.

Second, the purchase of these modular units is not solely for the benefit of the child care center, but simply for its temporary use, after which the units will be available for any use needed by the Senate, or for resale. However, in order to allow an opportunity for objection by any Senator who feels that this reprogramming request is inappropriate in light of the assurances made by me in the debate on Senate Resolution 269, Senator FORD and I hereby advise our colleagues that we plan to sign this reprogramming request at the close of business tomorrow, June 27, unless such objections are communicated to us.

OVER THE BIG-POWER CHASM

Mr. PELL. Mr. President, I was intrigued by a recent article in the New York Times by Armand Hammer, who is chairman and chief executive officer of Occidental Petroleum Corp.

I know of no one in the free world who has dealt so extensively over the years with the Soviets on business and other matters as has Dr. Hammer. He has come to have a profound understanding of our adversaries. Accordingly, I take a great interest in his thinking on the issues facing both sides.

His June 15 article, "Over the Big-Power Chasm," offers the hope that the "long impasse between the Soviet Union and the United States may possibly now be resolved." Dr. Hammer believes that the leaders of the two countries may now have strong motivations for peace which could lead to a verifiable agreement for the reduction of armaments. He urges that the two leaders meet before the end of the year to create a psychological momentum.

Dr. Hammer argues:

There is an opportunity for Mr. Reagan and Mr. Gorbachev to achieve immortality. There is an opportunity for a better world. The cynics and doubters on both sides must be ignored.

Mr. President, I commend this article to my fellow Senators and ask that it be printed in the RECORD following my remarks.

The article follows:

[From the New York Times, June 15, 1985]

OVER THE BIG-POWER CHASM

(By Armand Hammer)

LOS ANGELES.—The long impasse between the Soviet Union and United States may possibly now be resolved. The unfolding of recent events may make the time right and ripe. An opportunity has arisen that will enable the present antagonism to suddenly melt into a cooperative spirit.

Why has this "impossible event" now become possible?

President Reagan, whose prior pronouncements were bitter and sometimes belligerent, has been turned by events into a cooperative spirit. He is presiding over this nation for the last time. His eyes are no longer on political considerations. He can have only one ambition—the noblest kind—to go down in history as a peacemaker.

His second, although subordinate, consideration is that if he can achieve a verifiable agreement for the reduction in armaments, the only mark that would be against him, now that he has gone a long way to solving inflation problems, is the deficit. But if the United States could free itself from devouring military expenses, the deficit could disappear.

Mikhail S. Gorbachev's motivation for peace is similar to Mr. Reagan's. He, too, would be hailed by generations to come if he could end the strife and its resulting menace to all—and by such an achievement could take his place alongside Lenin in Russian history. The burdens of armaments weigh heavily upon the Russian people, just as American expenditures do upon us.

There is no public bookkeeping system to reveal this in the Soviet Union, but books are not necessary. The standard of living of the Russian people is far lower than the dream of revolution envisioned. If Mr. Gorbachev could relieve his treasury of the exhausting expenses of the arms race, the Russian people could enjoy a higher standard of living. Mr. Gorbachev would be blessed by his people not only for peace but also for giving them a better quality of life.

The rewards for establishment of a genuine friendly relationship are so immense, and the time so right, that both sides must dare make concessions previously considered impossible. The technical problems in disarmament are so involved and complex that the greatest experts on both sides may honestly differ. When one is dealing with nuclear weapons, which can never be fully tested because there would be nothing left to test, agreement is made more difficult. Thus, we must reach a point that goes beyond military mathematics and both sides must recognize that there is little to lose in trusting the other.

The growth of mutual trust, in turn, involves psychological elements, not merely deeds. The creation of a psychological momentum is itself the greatest deed. One way to achieve this would be a meeting before the end of 1985 between Mr. Reagan and Mr. Gorbachev. If, in the meantime, both sides refrained from rhetoric condemning each other, it would set the stage for a successful meeting. Mr. Reagan could win over the Russians by offering to go to Russia for the first meeting, with a return meeting by Mr. Gorbachev next spring.

Neither leader has been in the other's country. What is there to lose by both leaders meeting and getting to know each other? If both could declare to the world, at such a meeting, that neither would be the first to use nuclear or conventional weapons in an attack upon the other and, further, that they intended to hold additional meetings at regular periods because they were determined to achieve friendship, good will and good progress in the Geneva negotiations, there would then be an electric shock of gratification throughout the world. Such a mutual announcement with an earnest handshake might cause celebrations and dancing in the streets, like the declaration of a cease-fire at the end of a war. And from this, in turn, would flow such a flood of approval and stimulation that the process of reconciliation would be accelerated beyond any possible anticipation.

There is an opportunity for Mr. Reagan and Mr. Gorbachev to achieve immortality. There is an opportunity for a better world. The cynics and doubters on both sides must be ignored.

As Pindar, the Greek poet said, "We must exhaust the limits of the possible."

Everything is possible.

THE RIGHT WAY TO THINK ABOUT TAX REFORM

Mr. SYMMS. Mr. President, the American people have begun what promises to be a long debate on the merits of tax reform and simplification. In the process, we all can learn much; and there will doubtless be many changes of opinion along the way. It is significant however, that in a recent Business Week-Harris poll on the components of President Reagan's tax proposal, the three most popular items were:

Raising maximum IRA for married couples to $4,000: 81 percent favor, 15 percent oppose, 4 percent not sure.

Raising personal exemptions to $2,000 and index for inflation: 76 percent favor, 17 percent oppose, 7 percent not sure.

Retain mortage-interest deduction, with limit on second homes: 66 percent favor, 29 percent oppose, 5 percent not sure.

That certainly looks like a consensus, and I would be willing to wager that it will hold up and perhaps increase as the tax debate proceeds.

Predictably, there will be some who will insist we have things all wrong. A case in point appeared in the Washington Post on Sunday June 16: "The Right Way To Help Low-Income Families," by Martin Feldstein and Kathleen Feldstein, two prominent economists, one of whom formerly was chair of the Council of Economic Advisers. Their article demonstrates, in fact, the wrong way to think about tax reform; and the sooner someone says so, the less damage can be done by it. But let's first see what the problem is:

[From the Washington Post, June 16, 1985]

THE RIGHT WAY TO HELP LOW-INCOME FAMILIES

(Martin Feldstein and Kathleen Feldstein)

The most significant challenge facing the congressional tax-writing committees is to reshape the president's proposal to raise the personal exemption from $1,080 to $2,000. In its current form, it would cause a huge revenue loss, would disproportionately benefit higher-income groups and would discourage work effort.

The proposed increase in the personal exemption would have an important, desirable effect: it would free virtually all Americans below the poverty line from federal taxation and would reduce the relative tax burden of families with children. But the mechanics of the president's proposal make it far more costly than is appropriate or necessary. Although the aim is to reduce or eliminate the tax liabilities for low-income families, the proposed method would raise the personal exemption for all taxpayers. The result is actually a bigger benefit to high-income taxpayers.

The president's plan would give a couple in the top 35 percent tax bracket with no children a bigger tax break than a family with two children in the lowest 15 percent tax bracket. This uneven tax cut happens because the value of the additional exemption increases with the taxpayer's marginal tax rate. For each person in the 35 percent bracket, the increase in the exemption from $1,080 to $2,000 is worth $322—since 35 cents in tax would have been paid on each dollar of the $920 increase. A high-income couple therefore sees its tax cut by $644. But for a family of four in the 15 percent bracket, the tax break is only worth $552—four times 15 percent of $920. So the high-income couple actually gets $92 more tax reduction than a lower-income family with two children.

The increased exemption for higher-income taxpayers does not have any of the positive incentive effects that result from reductions in marginal tax rates. Indeed, the rise in the personal exemption is a disincentive, since the increase in the taxpayer's total after-tax income reduces the incentive to work.

Another implication of applying the exemption across the board is that it adds up to an enormous revenue loss. The Treasury estimates that the proposed increase in the exemption would cut revenue by $40 billion in 1987, or over 10 percent of projected income tax revenues, and 38 percent of that $40 billion represents a tax cut for the top 17 percent of taxpayers, those with incomes over $40,000.

The right way to help low-income taxpayers without the enormous revenue loss is to target tax relief directly where the need lies.

Perhaps the simplest way would be to increase the personal exemption to $2,000 only for taxpayers in the 15 percent tax bracket—that is, for couples and families with taxable, incomes up to $29,000. Those in the 25 percent tax bracket—with incomes between $29,000 and $70,000—could be given a more modest increase to $1,200. But those with incomes over $70,000 would continue to receive the $1,080 exemption provided under current law.

Targeting the exemption increases in this way would cut the revenue loss in half—to $20 billion instead of the $40 billion implied by the president's proposal. The targeted exemption increase would nevertheless provide as much relief to low-income families and individuals and would take as many people off the tax rolls as the president's plan.

Another alternative would be to limit the increase to children and not to give any increase to adults. Raising the exemption to $2,000 for all children who are dependents on their parents' tax returns would reduce tax revenue by less than $15 billion. And limiting the increased exemption to children under 6, whose mothers are more likely to be at home and not contributing to family income, would reduce the revenue loss to less than $5 billion.

A quite different way to target tax relief to low-income families would be to replace the exemption with a tax credit. The main difference between the two is that an exemption reduces taxable income and is therefore worth more to a taxpayer in a high tax bracket. In contrast, a tax credit directly reduces the individual's tax liability and is therefore worth the same number of dollars regardless of the individual's tax bracket.

For example, for someone in the 15 percent bracket, a $300 tax credit per person would reduce taxes by as much as a $2,000-per-person exemption. but for taxpayers in the 35 percent bracket, the $300 tax credit would reduce taxes by less than half of the $700 that a $2,000 exemption would bring. By targeting tax relief in this way, the revenue loss would be cut to less than $19 billion.

It is clear that there are several ways to target relief on low-income taxpayers, ways that save tens of billions of dollars and improve incentives to work and to save. An appropriate modification here would make it possible to eliminate or scale back some of the counterproductive increase in business taxation. Rethinking the increased personal exemption should be a top priority for Congress.

That is a bouquet of ideas, but there is a bee in every blossom. Every proposal in the article is based on the same fundamental mistake: the notion that the personal exemption in the Federal Tax Code is just another means for Government to distribute income. Once you buy that idea, then it makes a bizarre sort of sense to tamper with the personal exemption the way we raise, lower, phase in, make conditional, and otherwise modulate various special interest tax breaks.

But the personal exemption is not a tax break. It was never meant to be just another provision like, say, the child care credit or the home energy savings credit. The personal exemption was, from its start, the recognition by Government that an individual's most essential expenses should not be taxed by Government. The personal exemption is not a matter of economics; it is a question of decency. We leave in the taxpayers' hands a bare minimum of money, untaxed, which the members of their families need to survive.

Granted, the current exemption of $1,080 is not sufficient for that purpose; and the proposed $2,000 is not ideal, but it is headed in the right direction. Granted, a $2,000 per person exemption is worth more to a taxpayer in a high bracket than it is to someone in a lower bracket. But that is only because tax brackets are so high. In a truly flat tax system, the exemption would be worth an equal amount to everyone. If the Feldsteins will support that reform, fine; otherwise, they should explain why essential living expenses for an upper income taxpayer, remember, that's what the personal exemption is all about—are somehow lower than they are for a low-income person. That is what happens when you confuse the personal exemption with an income transfer scheme.

From that confusion flows the proposal to increase the exemption only for children, not for adults. Adults, we presume, do not have essential living costs? If so, why not abolish the exemption altogether and replace it with a national children's allowance? If we are to think of the exemption as, in effect, a welfare component of the Tax Code, then we should go all the way to Federal child support.

An even more confused possibility is to limit the personal exemption to children under 6, "whose mothers are more likely to be at home and not contributing to family income." Accordingly, a child of 5 brings the family a larger personal exemption than a child of 7. A child of 4 has a higher personal exemption than a handicapped child of 9. A child of 3 gets a king-sized exemption, while exemptions for the aged blind, and disabled remain low.

Why would anyone propose such nonsense? The Feldsteins, to their credit, explain why: It "would reduce the revenue loss to less than $5 billion." By the same token, their other variations on the personal exemption would limit revenue loss to one degree or another. That is also the rationale for their suggestion that the exemption be replaced with a tax credit, although they do not explain whether it would be a refundable credit. That is an interesting omission; for if the purpose of this exercise is to milk middle- and upper-income taxpayers to benefit low-income persons, then a refundable tax credit is called for. That, however, is a very expensive proposition; and it is clear that revenue loss is far more important to the Feldsteins than any other consideration.

There is the heart of darkness: the obsession with lost revenue. Lost to whom? To the Treasury, of course, not to the American family. All other arguments against the $2,000 personal exemption are subordinate to that one: We need their money.

How else can one explain the following assertion, "Indeed, the rise in the personal exemption is a disincentive, since the increase in the taxpayer's total after-tax income reduces the incentive to work." How's that again? If the taxpayers can count on a larger

after-tax income, they won't work as hard? I dread to ask if the Feldsteins want Congress to carry that astounding axiom to its logical conclusion: the less after-tax income you have, the harder you'll work. That is Ethiopian economics. Its result is the impoverishment of individuals, the ruin of nations. And that is not a bad summary of the course our Government was following in the 1970's under administrations of both parties. We broke decisively with that past in 1981, and I doubt that the American people are willing to return to it now.

There are those who would have us believe we must choose between a profamily tax system and a progrowth tax code, between fairness to families through a $2,000 personal exemption and encouragement to businesses through investment incentives. That is not the choice before us. Our decision is between profligate Federal spending and prudent management of the public's resources. Curiously, this is one subject the Feldsteins have avoided, one alternative that is not explored. Instead of raising more revenue, we can fritter less away.

Nothing I have said should be taken to mean I do not share the Feldsteins' concern for low-income families. Precisely for their benefit, I have joined in proposing a tremendous expansion of the earned income tax credit, in tandem with the $2,000 personal exemption and other reforms. Discussing one of those provisions without adverting to the others only distorts the whole package and understates its strong commitment to the working poor and those just beginning to climb up the opportunity ladder.

We can give those families a hand, and it need not come at the expense of other families who are working and saving for the future. But first we have to stop thinking of tax reform as a way of raising revenue. We have to stop thinking of it as a choice of whose ox will be gored. And to those who have not yet learned the lessons of the past, we have to make clear at the outset that, in a paraphrase of William Jennings Bryan, you shall not nail the American family with high taxes. You shall not crucify the family upon the budget cross.

TRIBUTE TO ANNA THOMAS

Mr. PRYOR. Mr. President, I wish to recognize today one of those very special people who have worked for years in the U.S. Senate and whose contribution goes beyond the simple thanks any of us are able to express. I might even say whose patience and forbearance passes all understanding.

I am referring in this instance, Mr. President, to Anna Thomas, a member of my staff for the past 5 years and a dedicated employee of the Senate off and on since 1969.

I say "off and on" because Anna was secretary to Senator Fulbright of Arkansas from 1969 through the early 1970's, and then she went with him to a law firm here in Washington after his retirement from the Senate. I was fortunate enough to persuade her to come back to the Hill in 1980, and since that time she has kept my office in balance and my professional and personal life in some semblance of order.

People in Arkansas have known for years that if they want instant service in getting an emergency passport, or a telephone call penetrating a seemingly impenetrable bureaucracy, or simply a warm and responsive voice on the other end of a phone line, they can find that solace and assurance in Anna Thomas. Her experience as a sympathetic listener and efficient worker goes back, as a matter of fact, to the days when she worked for the Big Rock Stone and Material Co. in Little Rock.

Another chapter in Anna Thomas' life was crucial in forming her commitment to service on behalf of her country. That came during the years she worked in the foreign service stationed in Lebanon and Cambodia. She was in Cambodia, in fact, when the American Embassy closed its doors during our last years in that country.

Anna Thomas knows the Senate and she loves its intricate workings and sometimes complicated but fascinating ways of doing business. Because of that continuing interest in the Byzantine ins and outs of this body, we have persuaded her to work 1 day per week in our Little Rock office. All of us know that this is not enough, but we will take her for as much time as we can get her.

And as she leaves Washington for Arkansas, I want to wish Anna every success and happiness, as well as many years of distinguished semiretirement.

TEXTILE TRADE LEGISLATION

Mr. THURMOND. Mr. President, on June 20, 1985, I received a letter from the Economic Policy Council expressing opposition to S. 680, the Textile and Apparel Trade Enforcement Act, which I introduced with 29 original cosponsors earlier this year. My bill now has 52 cosponsors in the Senate, and the House counterpart has 285 cosponsors.

While the administration's opposition to this bill was not unexpected, it is, in a sense, ironic. In September 1980 I was given a written commitment that this administration would work to achieve the goal of relating import growth from all sources to the domestic market growth. The Economic Policy Council and other key officials in the administration have not kept this commitment. Mr. President, I ask unanimous consent that this commitment letter be placed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ARLINGTON, VA, *September 3, 1980.*

Hon. STROM THURMOND,
Senate Office Building,
Washington, DC.

DEAR STROM: The fiber/textile/apparel manufacturing complex provides 2.3 million vitally needed American jobs, including a high percentage of female and minority employees. As President, I shall make sure that these jobs remain in this country.

The Multifiber Arrangement [MFA], which is supposed to provide orderly international trade in fibers, textiles, and apparels, was first negotiated under a Republican administration. The MFA expires at the end of 1981 and needs to be strengthened by relating import growth from all sources to domestic market growth. I shall work to achieve that goal.

Sincerely,

RONALD REAGAN.

Mr. THURMOND. The point to be emphasized is that if the administration had carried out this commitment, there would have been no need to introduce S. 680. However, because the administration has failed to uphold this commitment by not implementing an adequate textile trade policy, there now exists an urgent need for Congress to correct this problem.

Let us examine this situation more closely. Since the time when this commitment of tying textile import growth to market growth was given, the following has occurred:

First, domestic market growth for textile and apparel goods over the past 4 years has been only 1 to 1.5 percent—about the rate of population growth.

Second, import growth over that same period, however, has averaged 19 percent per year. This includes the 2 recession years of 1981 and 1982 in which the average import growth was lower than recent figures. It also includes 1983 when there was a record increase in imports of 25 percent, and the tremendous surge that occurred last year when a new import record increase of 32 percent was set.

Third, U.S. Labor Department statistics show that 300,000 textile/apparel/fiber jobs have been lost in this country over the past 5 years; 27,400 were in South Carolina.

Fourth, many others who are still employed in this industry are working short weeks, resulting in reduced income.

Fifth, 50 percent of all finished apparel sold in this country is now imported.

Mr. President, it is abundantly clear that there is a massive import problem facing the American textile industry. Many economists have stated that if this trend continues, the American testile/apparel/fiber industry will cease to exist by 1995. With the death

of this industry will come the direct loss of over 2 million jobs—more than the steel, auto, and chemical industries combined. In addition to these direct losses, there will be over 2 million additional related jobs lost in this country with the demise of the textile industry. Cotton farmers, wool producers, wood pulp manufacturers, truck drivers, insurance agents and many others who supply, service, or in some way depend on the textile industry for their livelihoods would find their economic existence jeopardized.

Mr. President, this is one Senator who will not stand idly by and watch one of America's most economically and strategically important industries crumble. I regret the administration's position on S. 680, and I urge them to strongly reconsider their stand.

Mr. President, the letter dated June 19, 1985, from the administration included an attachment regarding the implications of the Textile and Apparel Trade Enforcement Act. I would like to take this opportunity to refute the one-sided statements contained in this letter and attachment.

Mr. President, I ask unanimous consent that my response to the administration June 20, 1985, letter on the Textile and Apparel Trade Enforcement Act of 1985 appear at this point in the RECORD.

There being no objection, the responses were ordered to be printed in the RECORD, as follows:

RESPONSES TO THE ADMINISTRATION'S JUNE 20, 1985 LETTER ON THE TEXTILE AND APPAREL TRADE ENFORCEMENT ACT OF 1985

The letter states that the Administration is deeply concerned about conditions facing the industry and its workers and believe that a free trade policy will provide, in the long run, the best opportunity for economic growth.

The problems facing the U.S. textile industry and its workers are so severe that anything short of exceptional measures like the Textile and Apparel Trade Enforcement Act of 1985 will not permit the industry to be around for the long run. If such measures are not taken the industry will lose a million workers by the early 1990's. A long run "free trade" solution is not even an option at this point.

The letter states that this legislation "would impose a very high cost on U.S. consumers and spur inflation".

Recent research shows that retail prices of imported and domestic apparel are practically identical for many types of apparel. Imports are marked-up 300 to 400 percent and consumers do not benefit from the lower costs of imported apparel and textiles. History shows that price increases of domestic textiles and apparel have always been around half of the U.S. inflation rate because of the great degree of domestic competition among U.S. textile and apparel producers. Apparel production capacity can be expanded as easily within the U.S. as offshore. Capacity utilization in the textile industry is running at about 75 percent. There should be no bottle-necks as production is transferred back to the domestic producers. Finally, analysis done by Data Resources, Inc. shows that limiting import growth to the growth of the domestic market will by 1990 have a minimal effect on price levels but will avoid many adverse effects which would result from a continuation of the present trend in imports.

The letter states that the domestic industry benefits from "relatively high tariff levels: an average of 22.3 percent compared with an average of less than 5 percent for all other industries".

Textile and apparel tariffs are relatively higher than those on other products because of their import sensitivity. These tariffs were not cut as much as others during multilateral negotiating rounds because, upon advice of the International Trade Commission, the industry was found to be severely import impacted. The current high rates reflect the judgment of the International Trade Commission (ITC) when imports were less than half of what they are today. After the increased import penetration of the last four years the ITC would today almost certainly recommend few or no tariff cuts. Finally, because of the overvalued dollar, these tariffs afford only a fraction of the protection they did when the ITC gave its advice.

The letter says that approximately "80 percent of all imports from low cost suppliers are under quota".

The latest publication from the Department of Commerce, the "Major Shippers Report" for April 1985 indicates that about 73 percent of imports from low cost suppliers are under quota not 80 percent. In 1982 the amount under control was 81 percent so as a percentage, fewer imports are now under quota from these countries than in 1982. However, this is only part of the issue. The International Trade Commission in its recent analysis of the Multi-Fiber Arrangement indicated that the agreements negotiated by the Administration permit increases through borrowing that in spite of quotas, annual shipments may grow by 15 percent or more.

The letter states "the substantial import growth experienced during the past two years has been halted".

In recent testimony before the House Ways and Means Trade Subcommittee, Administration officials indicated that import growth in 1985 could be in the 15 to 20 percent range. This is hardly insubstantial. Moreover, the fact that only about 73 percent of trade from the developing countries is under control would indicate that import growth could be significantly higher. Last year trade from the smaller developing countries increased 64 percent over 1983.

The letter states that textile and apparel imports "declined by 4.4 percent during the first four months of 1985".

These imports have declined but the reason for the decline has little or nothing to do with the textile import program. There was a wide-spread inventory glut caused to a great extent by the import surge of 1984. When this was coupled with the stagnant market of the recent months, imports did in fact slow down. However, domestic shipments slowed down by even more. Through April 1985 domestic shipments of textiles and apparel were off 8.3 percent.

The letter states that *"domestic textile and apparel industry shipments increased by 7 percent in 1972 constant dollars".*

This very modest increase over four years is an admission that the market is essentially stagnant. The industry has always acknowledged that the market is growing by no more than one or two percent annually and the 7 percent growth rate cited in the letter translates to about 1.7 percent per year growth for each of those four years. More importantly, in quantity terms instead of dollars, shipments have declined by about 0.2 percent per year over this period. What the letter did not say is that over the same period imports increased by 100 percent.

The letter says that the U.S. industry will "continue to benefit from the unprecedented measures the Administration has taken".

We don't understand how doubling of imports can be construed as unprecedented efforts to support the industry. During these four years almost 250 textile mills have closed their doors, primarily because of imports. Employment in the textile industry today is at its lowest level since statistics have been kept. Some 250,000 fewer workers are now employed in the textile/apparel complex than in 1980. Over 100,000 jobs have been lost in the last year alone.

The letter states that the legislation would "undoubtedly cause affected countries to retaliate to the detriment of our exporters, especially those in our agricultural sector".

The letter also states that the U.S. exported more than $33 billion to the 12 countries most affected by the bill. According to U.S. Census data, our exports to these countries in 1984 were, in fact, $54 billion. What the letter does not say is that imports from those 12 countries in 1984 amounted to $124 billion. With that kind of a trade surplus it is difficult to fathom how these countries would be justified in retaliating. In 1984, the U.S. exported $23 billion to Japan and it is even more difficult to fathom how Japan, given our bilateral trade problems and Japan's closed markets, would be in any position whatsoever to retaliate. Finally, customers of our commodity-type exports buy because of price. Given the current oversupply in many agricultural products, the overvalued dollar, and subsidies by foreign governments, we believe that U.S. exports will continue to lose overseas markets.

The letter states that the legislation is "inconsistent with the international Multifiber Arrangement".

We have always maintained that the legislation is completely consistent with the objectives of the Multifiber Arrangement (MFA) which are to prevent market disruption and provide for growth of developing country exports. The Textile and Apparel Trade Enforcement Act finds a wide-spread condition of market disruption because of the failure to adequately enforce the provisions of the MFA. This bill would mandate actions very similar to those taken unilaterally by the European Community several years ago. Included were cut-backs in trade from major suppliers, very low growth rates and global control of imports. When the EC took those actions there was no retaliation, nor were any claims made that such actions were inconsistent with the Multifiber Arrangement. In fact, the Multifiber Arrangement itself was modified through a protocol of understanding to specifically permit the kinds of actions taken by the EEC. Similar actions could certainly be taken in this case.

Finally, the letter says that the legislation would "result in the abrogation of the 34 bilateral textile and apparel agreements we have negotiated with our trading partners".

We are not convinced that all of these agreements will be abrogated, provided the United States consults with the countries and explains what is being done. Moreover, the current MFA expires in mid-1986 and the U.S. may decide not to renew it. It is

also important to note that with 22 of the countries the legislation would call for an increase in trade levels of 15 percent in 1985, followed by an annual growth rate of six percent thereafter (except in very sensitive categories). Finally, agreements have been renegotiated in the past. For example, the agreements with Hong Kong and Taiwan where renegotiated and tightened in 1979 and in 1980 to try to prevent excessive import increases.

ALCOHOLISM AMONG THE ELDERLY

Mrs. HAWKINS. Mr. President, a recent article in the New York Times sheds new light on an increasingly serious problem—alcoholism among the elderly.

In this article, it is indicated that new research points to alcoholism among the elderly as being a more serious problem than previously believed. A primary reason that this problem has remained undiscovered, and untreated, for so many years is that alcoholism has long been confused with the symptoms of other diseases among the aged. Experts now see alcoholism as a "hidden contributor to some of the most prevalent ailments of the elderly, including mental problems, broken bones from falls, and other disabilities such as incontinence." Not only does alcoholism have debilitating effects on the health of the elderly, but it can mask the symptons of other serious illnesses. This situation is expected to become even worse, as the number of elderly problem drinkers is expected to rise as the Nation's aged population increases.

As Dr. Michael L. Freedman, director of the division of geriatric medicine at the New York University Medical Center, was quoted as saying:

> Until relatively recently, many doctors had certain preconceptions about old people, and this led to misdiagnoses. For example, in some patients, symptoms that were thought to be those of senility were actually of alcoholism. I think we're still underdiagnosing alcoholism among the elderly.

According to this informative article, it is thought that more than 1 million of the 28 million Americans over the age of 65 are problem drinkers; other statistics indicate that from 10 to 15 percent of elderly patients seeking medical assistance had a drinking problem related to their ailment.

Because alcoholism among the elderly is just beginning to be perceived as the serious problem it is, minimal statistical data is available. The need to secure this information, however, is beginning to be realized. As said by Dr. Ernestine Vanderveen, chief of the psychosocial research branch at the Alcoholism Institute:

> Those who are studying alcohol and the elderly are on the cutting edge of a relatively new field of research.

An example of these escalated efforts is the study being conducted by the National Institute on Mental Health, considered to be the most comprehensive ever done on psychiatric problems in the United States. This study is enabling researchers to estimate with much more precision than before the numbers of elderly alcoholics in selected areas of the country. Thus far, the study has suggested that alcohol abuse or dependence is a problem for 1.4 to 3.8 percent of the men over the age of 65 in the research sample, and from 0.1 to 0.7 percent of the women in that age group. The subjects of this study were diagnosed as abusing alcohol according to their scores in a variety of categories assessing their patterns of alcohol use, including whether they had a daily need to drink, whether they were unable to stop drinking, whether they went on drinking binges or suffered from blackouts, or whether they had missed work or been in accidents because of drinking. The research done in this study has enabled a distinction to be drawn between two groups: those who began drinking early in life, and those who began late in life, often in response to loneliness or the deaths of loved ones.

It is necessary that the results of this study be disseminated, and that its information be applied to finding solutions to the problems of elderly alcoholics. This situation is a particularly difficult one because the elderly often have multiple health problems, and complications resulting from a combination of these ailments and alcohol abuse, can go unrecognized and become very serious. Alcohol often interferes with the medications regularly prescribed to the elderly, and as Dr. Freedman states in this New York Times article:

> Alcohol is especially dangerous in combination with central nervous system depressants—barbituates, tranquilizers, and painkillers. Alcohol can even cause problems in combination with something as simple as an aspirin, due to the effect on the stomach.

Experts also feel that other areas which must be studied include research into the effects of long-term drinking on memory loss; the rate at which alochol is metabolized by the elderly; and the interaction of prescription drugs and alcohol. And while the causes, and effects, are studied, we must simultaneously work to find the best treatment. Too often, the depression, the loneliness, and many times, the poverty and physical disability present in many senior citizens' lives create special problems in providing adequate treatment.

These very special health needs of America's elderly must be addressed, and can be addressed, successfully. I offer my support and encouragement of these escalated efforts by the medical and research community to find solutions to the problem of alcohol abuse among the elderly.

Mr. President, I ask unanimous consent that the New York Times article, entitled "For Aged, Problem Drinking Is on the Rise," dated June 17, 1985, be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR AGED, PROBLEM DRINKING IS ON THE RISE

(By Glenn Collins)

New research findings suggest that alcoholism among the elderly is a more serious problem than previously believed.

A number of experts believe alcoholism has long been confused with the symptoms of other diseases among the aged. They see alcoholism as a hidden contributor to some of the most prevalent ailments of the elderly, including mental problems, broken bones from falls and other disabilities such as incontinence.

Researchers have found that not only does alcoholism have debilitating effects on the health of the elderly, but that it also can mask the symptoms of other serious illnesses.

The findings, about both the extent and the nature of problem drinking among the old, have led a variety of Federal agencies to increase their efforts to study the problem.

The number of elderly problem drinkers is expected to rise as the nation's aged population increases, even though the rate of alcoholism among the elderly is lower than in the general population.

"Even if the overall percentage of alcoholism in the elderly population is low, it's a huge national problem," said Dr. Michael L. Freedman, director of the division of geriatric medicine at the New York University Medical Center.

"Until relatively recently, many doctors had certain preconceptions about old people, and this led to misdiagnoses," he added. "For example, in some patients, symptoms that were thought to be those of senility were actually caused by alcoholism. I think we're still underdiagnosing alcoholism among the elderly."

Currently, studies of the scope, causes and effects of alcohol abuse by the aged are being conducted by the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Aging and the Veterans Administration.

"Those who are studying alcohol and the elderly are on the cutting edge of a relatively new field of research," said Dr. Ernestine Vanderveen, chief of the psychosocial research branch at the alcoholism institute. "And we're trying hard to stimulate research, interest in this area."

Dr. Vanderveen said that financing for such research was increasing. She added that she could not place a specific dollar cost on studies of alcoholism and aging, because such research is often part of broader studies involving alcoholism, the elderly and mental illness.

More than a million of the 28 million Americans over the age of 65 are believed to be problem drinkers, according to the National Council on Alcoholism, a nonprofit educational organization. A 1982 study by Dr. Jacob Brody of the National Institute on Aging suggested that from 10 to 15 percent of elderly patients seeking medical help had a drinking problem related to their ailment.

GATHERING STATISTICS

Gathering accurate statistics has been complicated by conflicting definitions of alcoholism, as well as the difficulty of obtaining accurate survey information. However, an ongoing Government study of mental illness, the most comprehensive ever done on psychiatric problems in the United States, is enabling researchers to estimate more precisely the number of elderly alcoholics in selected areas of the country.

Called the Epidemiologic Catchment Area program, the study is sponsored by the National Institute of Mental Health. So far, it has involved household interviews with subjects in New Haven, Baltimore, St. Louis and Durham, N.C.

The study suggests that alcohol abuse or dependence is a problem for 1.4 to 3.8 percent of the men over the age of 65 in the research sample, and from 0.1 to 0.7 percent of the women in that age group. Additional findings from interviews conducted in Los Angeles have not been analyzed. More than 20,000 people are to be interviewed.

"This is the most definitive study available of the prevalence rates of specific disorders," said Dr. Darrel A. Regier, director of the division of biometry and epidemiology of the mental-health institute.

The institute's interviewers defined alcoholism according to the criteria of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association. Subjects were diagnosed as abusing alcohol according to their sources in a variety of categories assessing their patterns of alcohol use, including whether they had a daily need to drink, whether they were unable to stop drinking, whether they went on drinking binges or suffered from blackouts, or whether they had missed work or been in accidents because of drinking.

"Until recently we've had very little in the way of accurate information about this population," said Dr. Nathan Rosenberg, the health scientist administrator at the alcoholism institute. He said research has drawn a distinction between two groups: those who begin drinking early in life, and those who begin late in life, often in response to loneliness or the deaths of loved ones.

"However," he said of the latter group, "it is possible that the late-onset drinkers may be experiencing a recurrence of drinking problems in their 20's or 30's. We just don't know as yet." On the other hand, "many of the elderly who are not currently problem drinkers may have been alcoholics in the past," said Dr. Dan G. Blazer, a professor of psychiatry at the Duke University Medical School. As director of the Affective Disorder Program there, he has conducted research on problem drinking and the old.

Dr. Blazer said there was evidence that drinking among the elderly declines, as compared with the drinking of younger people. But he said: "We have younger groups of people who are moving into later life who have a history of drinking more heavily. So we may have increased prevalence in future years."

"The absolute number of elderly alcoholics," Dr. Blazer added, "will rise as the numbers of the elderly increase in the years to come."

Dr. Blazer said that often the elderly have multiple health problems and their complications and that these problems "can be masked and not be recognized, and become very serious."

SYMPTOMS RELATED TO DRINKING

Among some elderly people, memory loss, paralysis, peripheral nerve problems and liver and kidney ailments, he said, may actually be symptoms related to alcohol abuse. But since the elderly, just as those in other age groups, have difficulty telling others that their drinking is a problem, both the patients and their doctors may ascribe the symptoms of alcohol abuse to other ailments.

"Alcohol can interfere with many of the medications regularly prescribed to the elderly," Dr. Freedman said. "Alcohol is especially dangerous in combination with central-nervous-system depressants—barbiturates, tranquilizers and painkillers. Alcohol can even cause problems in combination with something as simple as aspirin, due to the effect on the stomach."

Dr. Rosenberg said that the prominent areas of research into alcohol and the aged involve the effect of various levels of long-term drinking on memory loss, the rate at which alcohol is metabolized by the elderly and the interaction of prescription drugs and alcohol.

Also, more research is needed to understand how elderly problem drinkers are best treated, Dr. Freedman said. The isolation, poverty and physical disability of many elderly alcoholics pose special difficulties for those who run rehabilitation programs. "This is a large national problem, and there is very little treatment available," Dr. Freedman said.

SEVENTH MYTH OF THE DAY: THAT THE SUPERPOWERS CAN ABOLISH NUCLEAR WEAPONS FOREVER

Mr. PROXMIRE. Mr. President, here we go again. For the past several days I have discussed a national myth each day. That is a statement made by top officials usually in the administration that many Americans accept as the truth because it has come from the top most political authority in the land. In each case the consideration of a minute or two shows that it is just another fallacy, not a lie because the propagator may sincerely believe it, but a statement that is untrue.

The seventh myth of the day is believed by many who have heard it stated by the President of the United States because all of us wish so fervently it could be true. Here's the myth: That this country can follow policies that will abolish nuclear arms from the face of the Earth. President Reagan has repeatedly voiced this as his ultimate objective. It is a nice, happy thought that an unrealistic and not very mature 12-year-old child might treasure. It is also transparent nonsense. Why is it nonsense? Because the genie is out of the bottle. The capability of producing nuclear weapons is now widely known among scores of countries. Years ago undergraduate students at Princeton and Harvard working separately, in each case by themselves, with no faculty assistance and no access to any classified information put together the complete design for atomic bombs. All they needed was plutonium. Plutonium is widely dispersed throughout the world. We can no more rip this understanding and the materials that would make nuclear weapons a reality out of public access and public consciousness than we can exclude from the common human psyche the hatred, greed, and cruelty that persuades nations to go to war.

Mr. President, this myth is dangerous. It is vital that we find the courage to face the truth that mankind must live with nuclear weapons forever. Only when we face that grim fact will we have a chance to develop the determination to do our level best to live in international peace. If we do not succeed, some day, somehow, sooner or later, mankind will perish.

MORE BOOKS ABOUT THE BUTCHER OF LYONS

Mr. PROXMIRE. Mr. President, earlier this month I spoke in this Chamber about speculation mounting that this fall, after more than a 2-year intermission, the trial of former Nazi SS Officer Klaus Barbie will begin.

In the meantime, publishers are having the chance to fill the stands with more books on the sadistic life of the infamous Butcher of Lyons, Klaus Barbie.

In the June 27 issue of the New York Review of Books three new books are reviewed.

The first book is titled "Nazi Legacy: Klaus Barbie and the International Fascist Connection." It is written by three gifted and scrupulous British journalists.

The "Nazi Legacy" gives the first account of Barbie's 50-year career in international crime.

By interviewing Holocaust survivors, the authors show Barbie's role in the 1942 deportation of Jews to concentration camps. It adds more sadistic details to the barbaric career Barbie had in Lyons.

And, among other things, "The Nazi Legacy" details Barbie's 30-year stay in Bolivia and his relationships with three of the most dangerous paramilitary Bolivian officials of the past.

The second book is titled "Klaus Barbie: The Untold Story." The author is Ladislas de Hoyos, a French TV journalist, whose televised interview with Barbie helped unmask the Nazi's identity.

The book repeats many stories already tolds. It also provides the transcript of Barbie being interrogated by a French official in 1948 about the death of Jean Moulin.

Jean Moulin was a hero of the resistance during World War II. He organized the Maquis, a French guerrilla group that fought the Germans.

The third book is "The Children of Izieu." It is written by a Parisian couple, Beate and Serge Klarsfeld. Beate is a German Christian whose father served in the Wehrmacht and

Serge is a French Jew whose father died at Auschwitz.

It is an awesome documentation of the arrest and deportation of 44 Jewish children, who were hidden in a shelter near Lyons. All 44 of the children were deported to the gas chambers of Auschwitz.

The book displays pictures and family stories of those 44 children put to death by Barbie.

Mr. President, these three books add more agonizing chapters to the sordid story of the Holocaust. It is a story that still has no end.

Klaus Barbie is one of hundreds of war criminals who have yet to be prosecuted for their demonic attempts to eliminate various religious, racial, and cultural groups.

They have yet to be tried for the senseless murders of innocent people.

Mr. President, the United States also has yet to ratify the Genocide Treaty, and this is extremely unfortunate.

Book after book, article after article and story after story show more of the heinous crimes of the Holocaust. Yet the United States continues to remain silent of the one treaty that commits the world community to preventing future Holocausts.

Mr. President, there is no better time than the beginning of the Barbie trial for the United States to take a stand and ratify the Genocide Treaty.

It is far past the time that we should have let the Holocaust criminals and any future perpetrators of genocide know that we abhor such hateful crimes.

The time for ratification of the Genocide Treaty is now.

THE ARMS WE SHOULD CONTROL: SALES TO THIRD WORLD

Mr. PROXMIRE. Mr. President, arms control is a burning issue in Congress and throughout the country. It should be. If history teaches us anything about the causes of war, it teaches us that when two leading and hostile military powers in the world compete in building massive arsenals of destruction they move on a deadly dangerous track to war. Neither adversary may intend to go to war. Indeed the great irony of this age is that both nuclear powers are building their arsenals in the name of peace. Peace they say means strength and no matter how many times each nation can blow up the other somehow it does not feel strong enough.

His Holiness Pope John Paul spoke in Belgium on May 17. He spoke in memory of those who died in World War I. He called for an end to war. He pleaded and prayed for an end to the arms race. The Pope also said that we must be realistic and recognize that war can be forced on a nation by aggression. In that case the nation that is attacked has, in the view of the Pope, a duty as well as a right to defend itself.

Now, Mr. President, it is perfectly obvious that if the United States attacked the Soviet Union or the Soviet Union attacked the United States both nations would perish. And I mean utterly perish. You know what. I know it. President Reagan knows it and Mr. Gorbachev and his fellow Communist leaders in the Kremlin know it. If only 1,000 of the 13,000 nuclear warheads that the United States can deliver on the U.S.S.R. get there, and far more would, in a superpower war, there would be no organized Soviet Union left. More than half their population—more than 130 million Russians—would die almost instantly. The United States would suffer a similar total catastrophe. So why not stop the arms race now? If we could stop the arms race right here and now, if we could freeze it, the prospect of a nuclear war would sharply diminish.

Will this administration consider negotiating to stop the arms race now or ever? No. The chances are absolutely nil. Maybe 4 years from now in the new administration there will be hope. There will be hope, that is, if a nuclear catastrophe does not strike in the meantime. So what can we do?

In the meantime, there is another kind of arms race we can and should stop right now. It is the race to sell arms or give arms to the Third World, the underdeveloped countries. Mr. President, can you or can any Senator imagine a crueler or more truly wasteful policy than selling or lending or giving lethal weapons of war to impoverished countries? I cannot.

On May 16 the Senate passed a foreign aid bill. What kind of foreign aid did that bill provide? Sad to say billions of dollars of that foreign aid consisted of lethal military weapons. Only 17 of us voted against that expenditure of billions of dollars of the American taxpayers money that will go to burden those depressed, impoverished countries with military weapons. As always, the military aid was justified as a means of preventing aggression. A strong case can be made that this is precisely and exclusively the purpose of this assistance. On the other hand, the U.S.S.R. is providing its own foreign military aid program. And what countries receive lethal military weapons from the U.S.S.R.? The very nations that oppose the nations the United States arms. Both sides are spending their treasure to enable these poor countries to destroy each other. It is outrageous. And the amounts are immense. Considerable evidence indicates that the foreign military assistance and sales and loans from the Soviet Union exceeded U.S. military assistance plus sales and loans in 1984 by a margin of $10.4 billion to $7.2 billion. Incidentally France sold a whopping $9.2 billion. Since France is generally aligned against the Soviet Union and with NATO, it seems likely that the anti-Communist Third World nations may have ended up with more military weapons from the big three military exporters than the Communist Third Worlders did.

Now, Mr. President, how cruel and inhumane this traffic in military weapons is. Doesn't this vicious arms competition call out for arms control? This country should press and press hard for an agreement with the U.S.S.R. and with France and other arms exporting countries to stop it.

Americans line up all over the country to contribute to help those starving in Africa and Asia. That instinct to help suffering people is beautiful and noble. We should help. But the greatest help we could give the impoverished people of the Third World would be to negotiate an international reduction in the sale, the loan, the gift of military weapons to Third World countries. These weapons impoverish as well as kill and maim human beings. We cannot unilaterally stop this terrible traffic in death without giving Communist countries an advantage. But we can and should negotiate an end to this burden on American taxpayers that brings only death, misery, and poverty to the Third World.

POLL RESULTS SHOW U.S. DRUG USE TOPS 1960's LEVEL

Mrs. HAWKINS. Mr. President, a very disturbing report was featured in the Washington Post's Health magazine. The title says it all: "Drug Use Tops 1960's Level."

In this article, the results of a recent Washington Post-ABC News nationwide survey reveal that young Americans are experimenting with drugs far more than their 1960's counterparts. In the survey, half the individuals between the ages of 18 and 30 said they have tried marijuana and one in five said they have used cocaine. By contrast, among those aged 31 to 44—people who came of age when drug use first became widespread—only one-third said they had ever used marijuana, and only 1 in 12 reported having tried cocaine.

An additional, and even more troubling, statistic of this poll, is that while drugs started as a big-city problem a generation ago, the survey shows that marijuana and cocaine use have spread, expanding to the suburbs, small towns, and rural communities. Though drug use is still greatest in urban areas, and along the east and west coasts, it has risen sharply everywhere else in the United States as well.

Among those aged 18 to 30, 4 in every 10, whether they use the drug or not, felt that there should be no pen-

alty for possession of small amounts of marijuana for personal use. Among those over 30, only 2 in 10 said it should be legalized. Oddly enough, though cocaine use has experienced the most dramatic increase, virtually no one participating in the survey expressed support for the legalization of cocaine; 9 percent of the younger group, and 5 percent of the older group, indicated their support.

One positive result of the poll indicated that only 3 percent of the individuals surveyed admitted to current use of illicit narcotics. What it suggests is encouraging: While many people may experiment with drugs, relatively few stay with them.

It is assumed that because responses to the poll questions involving use of an illegal substance were voluntary, the amount of drug use they reveal may be understated. Even so, the increase attested to by the results of this poll is alarming. In general, the survey shows a great many young people involving themselves in an area that is foreign to most of their parents, and almost totally unknown to their grandparents. For example, among those in the survey aged 61 or older, only 2 percent said they have ever used marijuana and 1 percent said they have used cocaine. Only 1 percent in that age group said that they use either drug frequently, and only 3 percent said they have friends who use these narcotics.

Similarly, among those aged 45 to 60, only 8 percent said they have tried marijuana and 3 percent said they have used cocaine. None admit to being frequent drug users; only 3 percent said they use them occasionally. But among this group, 20 percent admitted to having friends who used either marijuana or cocaine.

Among people between 31 and 44 years old, 34 percent said they have used marijuana and 8 percent said they have tried cocaine; 4 percent admitted to being frequent or occasional users, and almost half—44 percent—said they have friends who used one of the drugs.

As for those aged 18 to 30, 49 percent said they have used marijuana, 20 percent said they have used cocaine, and 8 percent said they currently used one of the drugs frequently or occasionally. Two of every three said that they have friends who used one of the two drugs.

Among this last group, men and women reported having experimented with marijuana to about the same degree. Men, though, are most likely to have tried cocaine, and are also more likely to be using either of the drugs today. In the 18-to-30 year-old age bracket, for instance, 53 percent of the men interviewed and 47 percent of the women say that they have used marijuana in the past; 25 percent of the men and 16 percent of the women said that they have used cocaine; 12 percent of the men in that age group but only 5 percent of the women admitted to using marijuana currently; for cocaine the figures are 5 percent among men and 2 percent among women.

These comparisons among generations indicated dramatically how much the drug problem has grown, especially in places that were not the least affected not long ago. We must continue to fight this dangerous trend and remain unrelenting in our efforts to curb the pervasiveness of illicit narcotics in our society. As chairman of both the Senate Drug Enforcement Caucus, and the Senate Subcommittee on Children, Family, Drugs and Alcoholism, I will continue to do whatever I can to make young people aware of the danger and destruction of the use of drugs, until I see that statistics like the ones reported in this survey are decreased to zero use, by every age group.

Mr. President, I ask unanimous consent that the Washington Post-ABC News poll be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON POST-ABC NEWS POLL

More than one in four Americans admits having experimented with cocaine and almost one in ten admits having tried cocaine, according to a Washington Post-ABC News nationwide survey. And while very few say they use either drug today, substantial numbers of people say they have friends who do use them.

Q. Have you ever used marijuana or hashish . . . cocaine? Are you using marijuana or hashish . . . cocaine these days? Do any of your friends use marijuana or hashish . . . cocaine?

[In percent]

	Have used	Use now	Friends use
Marijuana or hashish	28	4	37
Cocaine	9	1	17

Q. How would you compare alcohol abuse to drug abuse in the community where you live: Which would you say is more of a problem?

[In percent]

	All people	Age 18 to 30	Age 31 and older
Alcohol is more of a problem	38	47	34
Drugs are more of a problem	36	37	35
Both equal/No difference	20	15	23
No Opinion	6	1	8

Q. How much trouble have drugs caused in your family? How much trouble has drinking caused in your family?

[In percent]

	Drugs	Drinking
A great deal of trouble	4	16
A fair amount of trouble	2	10
A little trouble	3	7

Source: From a nationwide telephone poll of 1,503 people, May 9–13.

HAVE USED MARIJUANA OR COCAINE

[In percent]

	People aged 18 to 30	People over age 30
East	58	21
Midwest	44	17
South	40	15
West	67	17
Big cities	57	30
Suburbs of big cities	49	16
Small towns	49	13
Rural areas	39	14

ANGOLA

Mr. SYMMS. Mr. President, I am delighted with the Senate vote approving repeal of the Clark amendment, and I want to particularly express my appreciation for my colleagues on the other side of the aisle who helped to make this vote so decisive.

The Soviet Union, if you want to look for a single admirable trait of the world's most barbarous nation, at least recognizes who their allies are, and renders them assistance. There is another recent development in Angola that I wish to bring to the attention of my fellow Members of Congress. Not only are the Soviets aiding the Marxist Angolan Government with massive military assistance, but they just signed a "cultural and scientific exchange" protocol for 1985–86 with them. This agreement will allow the U.S.S.R. to grant 300 scholarships and 15 apprenticeships for Angolan students in U.S.S.R. secondary and higher education establishments. The purpose of this exchange is undoubtedly to indoctrinate the Angolan students in the virtues of the Communist system, as the Soviets are doing with Afghan children, and with countless other young victims.

Comrade Carlos Fernandes, Angola's Secretary of State for cooperation, stressed the importance of the protocol on strengthening existing cooperation between the two countries. With agreements like this, and the treaty of friendship and cooperation that Angola signed many years ago with the Soviets, the argument that Clark repeal will force the MPLA to turn to the Soviets even more seems somewhat ridiculous. I for one am convinced that the Soviet leash is on tightly, and that it will never be severed unless greater pressure is brought to bear on the MPLA. For that reason, I am grateful for the Senate's gesture yesterday, and hope that our sign of support for Unita will encourage our

European allies and other African nations to lend even greater assistance to Dr. Savimbi and his brave supporters. Most important, I believe it will tell the Soviets that America has not deserted her friends in Africa.

The contrasts between the MPLA and Unita are sharp—Unita, and I am quoting from a news article from the Johannesburg Star, "leaving firepower aside * * * has a remarkable civil organization in the areas under its control." The article goes on to say that "Dr. Savimbi's economic development programme might be regarded as a model for Third World countries."

Savimbi's primary objective has been to make his people self-reliant and independent. He sought to avoid the type of situation into which so many African countries have fallen, helpless without Western foreign aid programs, which all too often have failed to promote self-sufficiency. These countries who never really get on the tracks of growth and progress remain weak and vulnerable to Soviet exploitation, subversion, and destabilization efforts.

Unita's people demonstrate the talent and ability that result from economic self-sufficiency, fierce determination, and national pride. Latin is taught at the 1,000 pupil institute, near Huambo in free Angola. More than 20 of the graduates of this institute have gone to study in eminent universities in Switzerland, France, and Portugal. This record of achievement is something we ought to remark on proudly. The worst policy America could follow is the continuance of assistance to the corrupt, bankrupt, unscrupulous Marxist MPLA Government that is incapable of, and unwilling to meet the most basic needs of the Angolan population.

If we believe in promoting a good, solid, and above all, a free future for the people of Angola, repealing the Clark amendment is the greatest signal to send to Africa. The freedom-loving people of that continent look to the United States with hope and inspiration—it is immoral and downright sinful for us to deny them our political and diplomatic support, especially when we are lending it to others around the world who share Unita's objectives of representative, democratic government. I intend to do all in my power to encourage the conferees on the State authorization bill to retain the Clark repeal provision.

Mr. President, I ask unanimous consent that the article I mentioned earlier be printed in the RECORD and I urge my colleagues to read it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAVIMBI'S PLAN IS MODEL FOR THIRD WORLD COUNTRIES

(By Fred Bridgland)

There are constant diplomatic rumours that Dr Jonas Savimbi's Unita rebel movement in Angola will lose its South African backing. These are very often based on thin information, but even if South African support were withdrawn, Unita would remain a sturdy animal.

Leaving fire power aside, Unita has a remarkable civil organization in the areas under its control. Dr Savimbi's economic development programme might be regarded as a model for Third World countries—but for the fact that his movement receives considerable support from South Africa. This reality precludes many academics and journalists who should know better from having a long, hard and objective look at what is going on in Dr Savimbi's territory.

Dr Savimbi's development policy is based on the belief that his people will have to rely almost entirely on their own resources and that the peasantry must be the strong base of the economy. The peasent is not interested in foreign ideologies, whether communist or capitalist-oriented: they are too complicated for him.

"The peasant is interested, first, to have his fields cultivated, to have food for himself, his wife and children," says Dr Savimbi. "Second, he wants education for his children. As long as you don't solve these problems of the peasant, you don't solve anything else at all. That's central to my philosophy."

In Unita's territory—about one-third of the total area of Angola—a system of collective farms and extension services to the villages has been developed. Young Unita volunteers who have had agricultural training (many Africans were trained in Portuguese times at the agricultural institute in Sa Da Bandeira) find themselves drafted not into the infantry, but into the agricultural corps. There are also schools in the bush in Unita's south-eastern stronghold which train agricultural officers. As the army pushes northwards, the agricultural officers follow to establish new collectives and provide services to the peasantry.

The collectives concentrate on the production of staples such as maize and cassava, but there is also an important emphasis on tobacco—smoke-cured in grass huts—for the fighters. Onions, beans, carrots, tomatoes and cabbages are also produced and, through the agricultural officers and the Unita women's movement, LIMA (the League of Angolan Women), these vegetables are being introduced into the fields of villages where the traditional diet has been bland and limited.

Peasants are obliged to give one day's labor each week on the collective farms. In return the collectives' tractors or oxen are lent for plowing private plots. Many of the people taken from towns captured by Unita are resettled on the collectives, where they are also given their own private plots.

One of the many myths about Angola is that agriculture cannot be sustained in the south-east, which the Portuguese described as "the land at the end of the world".

True, the sandy watersheds are uncultivable. But the valleys of the rivers which flow down to the Okavango swamps in Botswana and into the upper Zambezi have rich black soils which the Portuguese never bothered to exploit because there was so much rich agricultural land which was nearer the ports of Luanda and Lobito on the Atlantic coast. It is these soils which Unita is now exploiting, using fertilisers made from ash, tree leaves, grass and animal dung collected in deep compost pits.

Nor are these agricultural projects confined to the south-east. Large collectives and village extension schemes are established well to the north of the Benguela Railway, especially in the Sautar region, 160 km northeast of Luena (formerly known as Luso), where there are 20 agricultural centres in the Luando River Valley alone. The Director of Agriculture for this Northern Front is Mr. Julio Santos Lobito, a 25-year-old who graduated from high school under the Portuguese but who received all his agricultural training under the Unita system.

Dr. Savimbi's primary objective is to make his people self-reliant and self-sufficient. Though he has moved a long way towards this objective, large supplies of maize still pour across South Africa to be stored in Unita's underground warehouses spread across Angola. The South Africans also supply large stocks of low-grade French corned beef for Unita's fighting men. While much of Africa is suffering from drought and food shortages, journalists have noted the absence of food problems in Unita territory. A *Le Monde* correspondent, Philipe Houdart, recently wrote: "One can detect very little malnutrition and children with distended stomachs are rare. Only newly arrived refugees show food deficiencies . . ."

But where the fighting is intense, food production has, not unexepectedly, collapsed. And, indeed, people are fleeing into Unita areas from the once richly productive Central Plateau—now a zone of incessant conflict between Unita and the government. Agriculture here, in the most densely populated part of Angola, has become so badly disrupted that the International Committee of the Red Cross (ICRC) and various Western governments believed a major famine was in the making unless massive emergency aid was delivered soon. The ICRC believed that between 200,000 and 600,000 people on the Central Plateau could starve.

Early this year Dr. Savimbi agreed not to obstruct ICRC convoys carrying food to stricken villages. But the Angolan Government refused to give the ICRC permission to leave the main cities, believing, not without reason, that the food would sustain populations whose main loyalties are to Unita.

In an attempt to obtain a change of policy, a senior ICRC official flew from Geneva to Havana in July to plead directly with Cuban President Fidel Castro to bring pressure to bear on the ruling MPLA. Other aid agencies, for example, Christian Aid, have found it impossible to obtain permission to move freely on the Central Plateau to assess the extent of the emergency. The Havana mission was successful and this month the ICRC will begin an emergency feeding programme for the 200,000 people considered most in need.

In the areas it controls, Unita also has intensive programmes in education, medicine and technical services. In each case the services range from the simple and practical to the sophisticated. There are primary schools and a developing system of secondary education. Even Latin is taught at the 1,000-pupil Institute Polivalente, where the headmaster is Mr. Eduardo Oseeias Chingufo, formerly director of Angola's distinguished Dondi Institute, near Huambo. He came into the bush with Dr. Savimbi in 1976. In his school he has 57 teachers, including 13 who are concentrating on teacher training. More than 20 pupils who have graduated from the Institute Polivalente have gone on to universities in Switzerland, France and Portugal.

This year, newly qualified doctors, whom Dr. Savimbi sent abroad for training back in 1976 and 1977, have begun returning to

Unita territory to reinforce what Dr. Rony Brauman, president of the Paris-based Medicins Sans Frontieres describes as the most impressive village public health programme in black Africa. In every base and village in Unita territory there is a system of deep-pit latrines which are more effective in preventing disease than any amount of medicine.

Dr Savimbi initially trained as a medical doctor in Portugal before switching to international law and politics at Lausanne University. He has made a health programme one of his priorities. Hygiene is taught in nursing colleges and ordinary schools and by LIMA in the villages. Unita's territory is divided into health regions, with bush hospitals and clinics staffed by male nurses, who trained under the Portuguese and missionaries, and who are capable of doing straightforward surgery, including amputations. They have been helped over the last two years by doctors of Medicins Sans Frontieres, who have been treating wounded Unita soldiers.

There is also heavy emphasis on technical training. A fleet of more than 300 trucks runs some 950 km into Angola along the Savimbi Trail. Drivers and mechanics are trained at Dr Savimibi's giant logistics base at Luengue, in southeast Angola, about 150 km north of the Namibian frontier, Each truck has attached to it a chief mechanic and an assistant mechanic; the driver also has mechanical training.

It is their responsibility to lavish all their care and attention on their truck and keep it running. Gun mechanics and electricians are trained in other Unita schools.

There is electricity in many Unita bases. There is a bush factory producing clothes for the army, and a secretarial school, training secretaries for the burgeoning Unita administration.

Dr Savimbi believes that if he comes to power he must be ready to assume responsibility. The system to sustain a successful state must be built now. He likes to tell his people they can do anything if they are willing to learn—"many whites believe in the inferiority of blacks. You must work and prove you can perform any task."

The formula works. He has established a system that provides services to people from internal resources. This is at the heart of his political success, more important in the long term than any help he obtains from outside.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:50 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1141. An act relating to telephone services for Senators.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 413. An act to extend the provision of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 3:08 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 198. Joint resolution providing for appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution.

MEASURE REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 198. Joint resolution providing for appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 1460. An act to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes.

MEASURE READ THE FIRST TIME

The following bill, received from the House of Representatives on June 25, 1985, was read the first time:

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes;

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 26, 1985, she had presented to the President of the United States the following enrolled bill:

S. 413. A bill to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1339. A communication from the Acting Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on decisions to convert aircraft maintenance functions at two Air Force Bases to performance under contract; to the Committee on Armed Services.

EC-1340. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to provide transportation for next of kin of certain unaccounted for persons to attend national meetings relative to POW-MIA's; to the Committee on Armed Services.

EC-1341. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Japan; to the Committee on Armed Services.

EC-1342. A communication from the Chairman of the Federal Trade Commission transmitting, pursuant to law, the 1982-83 report on cigarette labeling and advertising; to the Committee on Commerce, Science, and Transportation.

EC-1343. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report under the Public Utility Regulatory Policies Act; to the Committee on Energy and Natural Resources.

EC-1344. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend the Social Services Block Grant Act; to the Committee on Finance.

EC-1345. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to amend the Arms Export Control Act concerning agreements with member nations of NATO; to the Committee on Foreign Relations.

EC-1346. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. in the 60 days previous to June 14, 1985; to the Committee on Foreign Relations.

EC-1347. A communication from the Director of Civilian Personnel, Uniformed Services University of the Health Sciences, transmitting, pursuant to law, the University's 1984 annual pension report; to the Committee on Governmental Affairs.

EC-1348. A communication from the Acting Assistant Secretary of Health and Human Services transmitting, pursuant to law, a report on two altered Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-1349. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the annual report of the Director of the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases; to the Committee on Labor and Human Resources.

EC-1350. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations, for Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Severely Handicapped Individuals: Supported Em-

ployment Demonstration Projects; to the Committee on Labor and Human Resources.

EC-1351. A communication from the Secretary of Education, transmitting, pursuant to law, Notice of proposed annual funding priority for Innovative Programs for Severely Handicapped Children; to the Committee on Labor and Human Resources.

EC-1352. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, a report of the Commission's interagency coordination activities for the period October 1, 1983 to September 30, 1984; to the Committee on Labor and Human Resources.

EC-1353. A communication from the Executive Director of the Committee For Purchase From the Blind and Other Severely Handicapped, transmitting, pursuant to law, the annual report of the Committee for fiscal year 1984; to the Committee on Labor and Human Resources.

EC-1354. A communication from the Librarian of Congress, transmitting, pursuant to law, the annual report on the activities of the Library of Congress for fiscal year 1984; to the Committee on Rules and Administration.

EC-1355. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to deny farm program benefits to producers who grow cannabis or other prohibited plants on their farms; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1356. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to increase the number of authorized Deputy Chiefs of Staff for the Army; to the Committee on Armed Services.

EC-1357. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the 71st Annual Report of the Board of Governors of the Federal Reserve System; to the Committee on Banking, Housing, and Urban Affairs.

EC-1358. A communication from the Assistant Administrator of NASA transmitting corrections to a request of May 15, 1985 for transfer of certain funds to the Construction of Facilities budget; to the Committee on Commerce, Science, and Transportation.

EC-1359. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the Department's biomass energy and alcohol fuels programs; to the Committee on Energy and Natural Resources.

EC-1360. A communication from the Secretary of Energy transmitting, pursuant to law, a report on activities undertaken by the Department to implement the alternative fuels production program; to the Committee on Energy and Natural Resources.

EC-1361. A communication from the Secretary of Health and Human Resources transmitting, pursuant to law, a report on the implementation of home and community based services provisions of the Social Security Act; to the Committee on Finance.

EC-1362. A communication from the General Counsel of the Department of the Treasury transmitting, a draft of proposed legislation to remove States' liability for sub-State entities' Social Security deposits, and to have States, political subdivisions, and interstate instrumentalities pay Social Security contributions directly to the Treasury along with Federal income tax withholding; to the Committee on Finance.

EC-1363. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 1985 Social Security Annual Report; to the Committee on Finance.

EC-1364. A communication from the Director of the Office of Legislative Affairs, AID, transmitting, pursuant to law, the 1985 Annual Report on the Sahel Development Program; to the Committee on Foreign Relations.

EC-1365. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-43 adopted by the Council; to the Committee on Govermental Affairs.

EC-1366. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-47 adopted by the Council; to the Committee on Governmental Affairs.

EC-1367. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-50 adopted by the Council on June 11, 1985; to the Committee on Governmental Affairs.

EC-1368. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-48 adopted by the Council on June 11, 1985; to the Committee on Governmental Affairs.

EC-1369. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-49 adopted by the Council on June 11, 1985; to the Committee on Governmental Affairs.

EC-1370. A communication from the Executive Director of the President's Commission on Executive Exchange, transmitting a draft of proposed legislation to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government; to the Committee on Governmental Affairs.

EC-1371. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office during the month of May 1985; to the Committee on Governmental Affairs.

EC-1372. A communication from the General Counsel of the Foreign Claims Settlement Commission, Department of Justice, transmitting, pursuant to law, a report on the implementation of the Government in the Sunshine Act for calendar year 1984; to the Committee on Governmental Affairs.

EC-1373. A communication from the Acting Director of the Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to reform the Civil Service Retirement System, and for other purposes; to the Committee on Governmental Affairs.

EC-1374. A communication from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a report on the waiver of certain grounds of admissability for certain refugees; to the Committee on the Judiciary.

EC-1375. A communication from the Auditors involved, transmitting, pursuant to law, the annual audit report of the National Council on Radiation Protection and Measurements; to the Committee on the Judiciary.

EC-1376. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Veterans' Administration to make temporary and part-time appointments of certain health-care personnel for periods in excess of one year; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, with amendments and an amended preamble:

S. Res. 185: Resolution to promote emigration from Cuba.

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment and with a preamble:

S. Con. Res. 46: Concurrent resolution to express the sense of the congress regarding Americans missing in Southeast Asia.

JOINT REFERRAL OF NOMINATION

Mr. PACKWOOD. Mr. President, as in executive session, I ask unanimous consent that the nomination of William B. Horn to be Assistant Secretary for Fish and Wildlife be jointly referred to the Committee on Energy and Natural Resources and Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRANSTON (for himself and Mr. SARBANES):

S. 1360. A bill to amend the Energy Policy and Conservation Act to improve the administration of the Federal energy conservation program for consumer products, to enhance consumer information programs, to encourage the purchase of more energy-efficient appliances, to implement efficiency standards for certain appliances and to improve environmental quality by reducing acid-producing emissions threatening public health and safety, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SPECTER (for himself, Mr. PRESSLER, Mr. EXON, Mr. DIXON, Mr. SIMON, Mr. ROCKEFELLER, and Mr. MCCONNELL):

S. 1361. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation (Conrail) to the private sector, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. EVANS (for himself, Mr. DURENBERGER, Mr. ANDREWS, Mr. STEVENS, Mr. BOSCHWITZ, Mr. DANFORTH, Mr. LUGAR, Mr. WEICKER, Mr. MATSUNAGA, Mr. MITCHELL, Mr. MOYNIHAN, Mr. RIEGLE, Mr. BINGAMAN, Mr. LEVIN, Mr. ZORINSKY, Mr. GORE, Mr. EXON, Mr. SASSER, Mr. ROCKEFELLER, Mr. DODD, Mr. BOREN, Mr.

KERRY, Mr. CRANSTON, and Mr. ABDNOR):

S. 1362. A bill to amend part A of title IV of the Social Security Act to provide for a study of quality control standards and procedures under the Aid to Families with Dependent Children program, to provide for a moratorium on the imposition of penalties for erroneous payments, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. THURMOND, Mr. KERRY, Mr. HOLLINGS, Mr. DECONCINI, Mr. CRANSTON, Mr. CHAFEE, Mr. D'AMATO and Mr. METZENBAUM):

S. 1363. A bill to prohibit the use of the mails to send dangerous martial arts weapons; to the Committee on the Judiciary.

By Mrs. KASSEBAUM:

S. 1364. A bill to authorize assistance for famine prevention in Africa; to the Committee on Foreign Relations.

By Mr. ROTH (for himself, Mr. EAGLETON, Mr. LEVIN and Mr. COHEN):

S. 1365. A bill to establish as an executive department of the Government a Department of International Trade and Industry, to establish the National Oceanic and Atmospheric Administration and the Bureau of the Census as independent agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. GLENN:

S. 1366. A bill to require the Secretary of Agriculture to conduct a five-year research program to develop new non-food uses for agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GORE:

S. 1367. A bill to provide for the establishment of a clearinghouse and for studies on how to collect and analyze statistics and other information on the aggregate cost, utilization, and quality of health care services in order to provide for greater efficiency and quality in the purchase of health care services; to the Committee on Governmental Affairs.

By Mr. MATHIAS (for himself, Mr. MATSUNAGA and Mr. PELL):

S. 1368. A bill to end shipment of padded-jaw or steel-jaw leghold traps; to the Committee on Environment and Public Works.

By Mr. CRANSTON:

S. 1369. A bill to direct the Secretary of State to take certain measures to improve security at foreign international airports; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH:

S. Res. 187. A resolution expressing the sense of the Senate that the United States Government should take further measures for the prevention of aircraft piracy; to the Committee on Foreign Relations.

By Mr. MATHIAS (for himself and Mr. PELL):

S. Res. 188. A resolution to recognize the personal commitments contributions of Paul Mellon; ordered held at the desk.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON: (for himself and Mr. SARBANES):

S. 1360. A bill to amend the Energy Policy and Conservation Act to improve the administration of the Federal Energy Conservation Program for consumer products, to enhance consumer information programs, to encourage the purchase of more energy-efficient appliances, to implement efficiency standards for certain appliances and to improve environmental quality by reducing acid-producing emissions threatening public health and safety, and for other purposes; to the Committee on Energy and Natural Resources.

CONSUMER PRODUCTS ENERGY EFFICIENCY AMENDMENTS

Mr. CRANSTON. Mr. President, today I am introducing legislation to amend the Environmental Policy and Conservation Act to set national energy efficiency standards for major household appliances.

A companion bill will be introduced today in the other body by Representative SAM GEJDENSON of Connecticut.

This legislation will have several major benefits for the American people and the Nation as a whole:

First, it will benefit consumers who operate new energy-efficient appliances, because they will save money on their electric bills.

Second, all utility ratepayers and shareholders will benefit, because as consumers use more efficiently the electricity that utilities generate, the need to build expensive new powerplants to meet anticipated load growth will be diminshed, and the use of inefficient or expensive powerplants diminished.

Third, manufacturers of major home appliances will benefit from avoiding having to face different standards in each State in which they choose to do business, and will have their ability to compete in foreign markets enhanced.

Fourth, all those living in the Eastern United States affected by acid rain, as well as those utilities whose powerplants are producing emissions responsible for billions of dollars worth of acid-rain damage, will benefit by being able to reduce their acid-producing emissions in the least cost, cleanest and most efficient way possible.

Mr. President, California is once again pointing the way for the rest of the Nation. My State has been developing tough appliance efficiency regulations since 1975.

And they have been remarkably effective.

In my State, refrigerators use more electricity than any other household appliance.

Before California adopted appliance efficiency standards, refrigerators and refrigerator-freezers consumed 12 billion kilowatt hours of electricity each year, according to the California Energy Commission.

But in 1983, as a result of the appliance standards on refrigerators and refrigerator-freezers, residential users saved around 213 million kilowatt hours of electricity.

The saving on refrigerators alone was worth $18 million.

In 1983, an efficient central air-conditioner retailed for approximately $225 more than a non-efficient one. Since as much as 80 percent of air-conditioner purchases are made by builders or apartment house owners—who usually seek the lowest cost appliance available and will not benefit, in most cases, from lower utility bills—this higher price is a disincentive to purchase and energy-efficient air-conditioner, even though the cost will be passed along to the ultimate user of the appliance.

But, when efficiency standards eliminate the nonefficient, cheap appliances, see how the consumer fares:

A consumer using an energy-efficient air-conditioner in 1983 saved about $47 on utility bills in California in that 1 year.

The average life of a central air-conditioner is 13 years.

Over the expected life cycle of the central air-conditioner, a consumer would save $611 on utility bills in 1983 dollars, benefiting by $386, despite the initial higher cost of his appliance.

Yet, information on so-called life-cycle costing is not readily available to those consumers who do purchase their own appliances, and not usually considered when purchases are made by others. This legislation addresses both of those problems.

The total savings on all home appliances covered by California's efficiency regulations—central and room air-conditioners, gas and electric water heaters, gas space heaters, refrigerators, refrigerator-freezers, and freezers—exceeded $173 million in 1983.

California's electric power utilities saved the energy equivalant of 2 million barrels of oil that year which would have been wasted were it not for the more efficient appliances in use in the State.

Over the next 20 years, the regulations will reduce the average monthly residential electricity bill by around 7 percent for all Californians—even those who aren't using new energy-efficient appliances—because utilities shut off the most inefficient and costly plants first, as demand for electricity drops, and all utility ratepayers benefit.

Of course, those who acquire energy-efficient appliances will save even more.

The cumulative electricity savings on appliances covered by the California standards between now and the year 2002 could total $13 billion according to California Energy Commission estimates.

And that's just California, Mr. President.

Similar regulations nationwide could save roughly 10 times as much.

Sounds like a good idea, doesn't it?

That is why several other States have adopted or are considering appliance standards in some form, though no State has yet adopted the comprehensive approach California has.

But differing State standards present a major problem for a manufacturer who wants to sell efficient appliances to a national market.

That's one more reason why the standards need to be national.

Some have argued that, while saving energy is a good idea, appliance efficiency standards are unnecessary because appliances are becoming more efficient.

Unfortunately, that contention suffers from an inadequate understanding of the facts.

What is happening, Mr. President, is that in States like California, where appliance efficiency standards are in force, inefficient appliances are being improved or removed from the market. These changes cause the national averages for energy efficiency to look better. But, in those States which are not covered by appliance efficiency standards, significant improvements in appliance efficiency have not been made.

Meanwhile, the unnecessary use of electricity by inefficient appliances is doing serious, and perhaps irreversible, harm to our environment.

The oil, gas, and especially coal burned in powerplants to produce electricity, pollutes the air and is a major cause of billions of dollars worth of acid-rain damage annually.

The damage in the United States and in Canada continues and worsens, while proposed legislative solutions are stalemated in a furious debate over who should bear or share the cleanup costs.

National appliance efficiency standards, by reducing the need for electricity in all regions, would make possible the early retirement of the worst polluting plants.

By themselves, over a period of years, they would save almost enough energy to permit emissions reductions sufficient to stop further damage from acid rain. With other sensible conservation steps, the needed 50 percent reduction in acid-producing emissions could easily be achieved.

That's the least cost, cleanest, and most efficient remedy for acid rain yet proposed in this body. I ask my colleagues to consider it carefully.

Mr. President, I ask that the summary of the Consumer Products Energy Efficiency Amendment together with a partial list of the endorsing organizations, representing more than 16 million Americans, be included at this point in the RECORD, and that the bill be printed immediately following my remarks.

S. 1360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Consumer Products Energy Efficiency Amendments of 1985".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that—

(1) consumer appliances consume a significant portion of domestic and imported energy, and if current trends continue, such appliances will consume 30 percent more energy in the next two decades, requiring the construction and use of many new large central powerplants;

(2) continued use of inefficient appliances threatens our national security, national environment and the domestic economy, and can be a competitive disadvantage in international appliance markets;

(3) energy-efficient appliances are technologically feasible and are presently being manufactured by some manufacturers. In more widespread production and use, they would substantially reduce electric consumption and reduce energy costs to all users of such appliances;

(4) increased disclosure of information regarding appliance energy consumption would promote the purchase of energy-efficient appliances;

(5) however, better information cannot effectively influence a substantial percentage of consumer appliance purchases because they are made by building contractors, landlords and other third-party purchasers who do not bear the energy costs of operating such appliances; and

(6) the deposit of acid compounds emitted by powerplants is causing and contributing to widespread, long-term ecosystem degradation. Appliance standards, by saving electricity, will contribute to reducing these emissions.

(b) PURPOSE.—The purpose of this Act is to provide for a substantial gain in energy efficiency, and thereby serve the national interest, by improving the administration of the Federal energy conservation program for consumer products, enhancing consumer information programs to encourage the purchase of more energy-efficient appliances, and establishing energy efficiency standards for furnaces, central air conditioners, water heater, refrigerators, refrigerator-freezers and freezers.

SEC. 3. DISCLOSURE IN ADVERTISING AND SALE.

(a) DISCLOSURE AT POINT OF SALE.—Subsection (c)(4) of section 324 of the Energy Policy and Conservation Act (42 U.S.C. 6294(c)(4)), relating to labeling, is amended to read as follows:

"(4) A rule under this section applicable to a covered product shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require disclosure, in any printed matter displayed or distributed at the point of sale of such product, of any information which may be required under this section to be disclosed on the label of such product or included in advertising related to such product.".

(b) DISCLOSURE IN ADVERTISEMENT.—Such subsection is further amended by adding at the end thereof the following new paragraph:

"(7)(A) In the case of a manufacturer of a covered product to which a rule under this section applies, the Commission shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require such manufacturer to disclose, in any broadcast advertisement or any advertisement in any newspaper, magazine or other periodical, any information which may be required under this section to be disclosed on the label of such product.

"(B) Such disclosure shall be made in a manner that the Commission determines is likely to assist consumers in making purchasing decisions.".

(c) TECHNICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"DISCLOSURE IN LABELING, ADVERTISING AND SALE"

(2) The table of contents for such Act is amended by striking out the item relating to Section 325 and inserting in lieu thereof the following:

"Sec. 325. Disclosure in labeling, advertising and sale."

SEC. 4. CONSUMER EDUCATION.

Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307), relating to consumer education, is amended—

(1) by striking out "337." and inserting in lieu thereof "337. (a)";

(2) by striking out the last sentence; and

(3) by adding the following new subsection at the end thereof:

"(b) The Secretary, in consultation with the Commission, shall publish and make available comparative guides of each type (and class) of covered products, indicating its energy efficiency and annual operating cost. Such guides shall contain consumer information on calculating the life-cycle costs of each such type (and class).".

SEC. 5. ENERGY EFFICIENCY STANDARDS FOR WATER HEATERS, CENTRAL AIR-CONDITIONERS, FURNACES, REFRIGERATORS, REFRIGERATOR-FREEZERS AND FREEZERS.

Section 325(a) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)), relating to energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3)(A) Notwithstanding subsection (b) and subsection (d), the Secretary shall, no later than 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, prescribe an energy efficiency standard for each type (or class) of covered products specified in paragraphs (1), (2), (5), (12), and (13) of section 322(a). Notwithstanding the second sentence of subsection (c), each such energy efficiency standard shall take effect not later than 18 months after the date on which the Secretary prescribes it. The Secretary may not reevaluate, under subsection (h), a standard required by this paragraph before the end of the 3-year period beginning on the date on which such standard takes effect.

"(B) The standards for a type (or class) of covered products under this paragraph shall—

"(i) be no less than the average shipment weighted energy efficiency for such type (or class) for 1984, and

"(ii) be based on a test procedure prescribed under section 323 for such type (or class).".

SEC. 6. PROMOTION OF DOMESTIC PRODUCTION AND REDUCTION OF DOMESTIC UNEMPLOYMENT.

(a) ECONOMIC JUSTIFICATION OF STANDARDS.—Subsection (d) of section 325 of the

Energy Policy and Conservation Act (42 U.S.C. 6295), relating to energy efficiency standards, is amended by redesignating paragraphs (6) and (7) as paragraphs (10) and (11), respectively, and by inserting after paragraph (5) the following new paragraphs:

"(6) the effect of such standard on the promotion of domestic production,

"(7) the effect of such standard on the reduction of unemployment and the improvement of the economy.".

"(8) the effect of such standards on electric utilities, including demand growth, construction needs, utility rates, and load management,"

"(9) the effect of such standards on the human environment, including reductions in the deposition of acid compounds emitted by powerplants,"

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made more than 180 days after the date of the enactment of this Act.

SEC. 7. REPORT ON IMPORTS.

Section 338 of the Energy Policy and Conservation Act (42 U.S.C. 6308), relating to annual report, is amended by adding at the end thereof the following: "Each such report shall include information regarding the percentage of covered products which are imported and the percentage of components of covered products which are imported.".

SEC. 8. IMPROVEMENTS IN ENERGY EFFICIENCY AND CONSERVATION.

(a) REQUIREMENT FOR STANDARD.—Subparagraph (C) of section 325(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)(2)(C)), relating to a determination that a substantial improvement in energy efficiency is feasible is amended by striking out "substantial improvement" and inserting in lieu thereof "improvement of 20 percent or more".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 325(b) of such Act (42 U.S.C. 6295(b)(2)) is amended by striking out "significant conservation of energy" and inserting in lieu thereof "improvement of 20 percent or more in energy efficiency".

SEC. 9. CRITERIA FOR ESTABLISHING SPECIAL STANDARDS.

(a) BASIS OF DETERMINATION FOR SPECIAL STANDARDS.—Subsection (f) of Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)), relating to special energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3)(A) In determining under this paragraph whether a performance-related feature justifies the establishment of a higher standard, the Secretary shall consider such factors as—

(i) the utility to the consumer of such a feature, and

(ii) such other factors as he deems appropriate.".

"(B) In determining under this paragraph whether a performance-related feature justifies the establishment of a lower standard, the Secretary shall consider such factors as—

"(i) the utility to the consumer of such a feature,

"(ii) the additional cost of meeting the otherwise applicable standard,

"(iii) the additional estimated range of annual operating costs which would result from such lower standard, and

"(iv) such other factors as the Secretary deems appropriate.".

(b) CONFORMING AMENDMENT.—Section 325(f)(1) of such Act is amended by striking out the last sentence thereof.

SEC. 10. EFFECT OF FEDERAL STANDARD ON OTHER LAW; ESTABLISHING EXPECTED AVERAGE IMPROVEMENTS FOR ENERGY EFFICIENCY.

Subsection (b) of Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(b)), relating to energy efficiency standards, is amended—

(1) by striking out "(b)" and inserting in lieu thereof "(b)(1)";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) by striking out "or" at the end of subparagraph (B) (as so redesignated) an inserting in lieu thereof "and";

(4) by striking out the last sentence thereof; and

(5) by adding at the end thereof the following new paragraph:

"(2) If no standard for a type (or class) of covered product is prescribed, the Secretary shall issue a guideline for improvement in energy efficiency for such type (or class) for each of the following 5 years. The Secretary shall monitor the improvements in efficiency of such type (or 13 class) and shall prescribe a standard under section 325 whenever such type (or class) fails, for 3 consecutive years, to achieve at least half of the improvement under such guideline. Such rule shall require a level of energy savings equal to the improvement specified in such guideline.".

Subsection (a) of Section 327 of the Energy Policy and Conservation Act (42 U.S.C. 6297(a)), relating to effect of Federal standards on other law, is amended by adding immediately at the beginning of subsection (a)(2)(A)—"except for interim standards under section 325(a)(3), ".

KEY PROVISIONS

To improve consumer information, DOE is directed to produce and distribute appliance efficiency guides, and the disclosure of appliance efficiency is required in advertising.

DOE is directed to issue "interim" standards for furnaces, central air conditioners, water heaters, refrigerators, refrigerator-freezers, and freezers within 6 months.

The existing law is amended to eliminate automatic pre-emption of state standards when DOE issues "interim" standards or determines that "no standard" is justified.

DOE is required to reconsider any "no standard" finding if expected marketplace improvements fail to occur.

The terms of the existing law that DOE misinterpreted during its previous rulemakings are defined. On the basis of these misinterpretations, DOE sidestepped issuing the efficiency standards intended by Congress.

ENDORSING ORGANIZATIONS (PARTIAL LIST)

Amana Refrigeration, Inc.
American Public Power Association.
Conservation Foundation.
Energy Conservation Coalition.
Environmental Action Foundation.
Environmental Policy Institutes.
Federation of American Scientists.
Friends of the Earth.
League of Women Voters of the United States.
National Audubon Society.
National Consumer Law Center.
National Wildlife Federation.
Natural Resources Defense Council.
Pacific Gas & Electric Co.
Public Citizen.
Sierra Club.
Solar Lobby.
San Diego Gas & Electric Co.
Union of Concerned Scientists.
United Methodist Church—Board of Church and Society.

CONSUMER PRODUCTS ENERGY EFFICIENCY AMENDMENTS OF 1985

APPLIANCE ENERGY CONSUMPTION: BACKGROUND

Residential appliances consume roughly one-third of the electricity produced in the US and the equivalent of over half of all US oil imports. The costs to consumers of operating these appliances is a major household expense. A typical family spends over $1,000 a year operating its appliances.

THE NEED FOR LEGISLATION

Economical and efficient appliances are available which could save consumers hundreds to dollars every year, yet the efficiency of the average appliance purchased has not improved significantly in many cases. Why? In part, the problem lies with the lack of adequate consumer information. Many consumers are not aware of the choices available and the potential for savings. Basic consumer guides to appliance efficiency are generally not available, or if produced at all, are difficult to obtain and not designed for comparison shopping. Moreover, many appliances are not purchased by the person who pays the utility bills. Appliances are often purchased by the builder, contractor, or landlord, who cares more about the initial cost. The lack of any significant improvements in the average efficiency of furnaces, central air conditioners, and water heaters sold in the United States since 1972 is in large part due to the fact that such "third party" purchases predominate for these products.

DOE FAILS TO IMPLEMENT THE LAW

In 1975, President Gerald Ford proposed a national goal of reducing the energy use of new appliances by 20%. That year, Congress passed the Energy Policy and Conservation Act (EPCA) incorporating the first national appliance efficiency program covering 13 types of appliances. In 1978, as part of the National Energy Act, Congress directed the Secretary of the newly established Department of Energy to establish efficiency standards for all thirteen products originally listed in EPCA. Yet today, ten years after the passage of EPCA, no appliance efficiency standards have been issued. Instead, DOE has issued "no standard" standards for appliances. If DOE's intransigence continues, many expensive new power plants will be unnecessarily built to serve the increased energy demands of residential appliances during the next two decades.

By Mr. SPECTER (for himself, Mr. PRESSLER, Mr. EXON, Mr. DIXON, Mr. SIMON, Mr. ROCKEFELLER, and Mr. MCCONNELL):

S. 1361. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the private sector, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CONRAIL PUBLIC SALE ACT

Mr. SPECTER. Mr. President, today I am introducing the Conrail Public Sale Act of 1985. This bill implements

the Morgan Stanley proposal to purchase the 85-percent interest of the United States in the common stock of Conrail, and to return Conrail to broad public ownership through one or more public stock offerings.

The Morgan Stanley proposal to return Conrail to broad public ownership—an alternative which I have supported for almost 1 year—provides the most effective assurance for the long-term viability of Conrail's rail system. Conrail's expected continued viability and profitability have also been verified by the April 1 U.S. Railway Association report. The proposal further avoids the anticompetitive problems contained within the proposed sale/merger of Conrail/Norfolk Southern, ensures a greater return to the Government and taxpayers—who have already invested in excess of $7 billion in the modernization of the Conrail system—and allows all taxpayers the opportunity to invest in Conrail's future, as opposed to giving away the system to Norfolk Southern.

I have been concerned about the sale of Conrail since June 1984 when final proposals were submitted by private bidders. I believed then that these proposals had potentially serious consequences for my State, the Commonwealth of Pennsylvania. Through exhaustive analysis over the last year, I have become convinced that a sale of Conrail to Norfolk Southern will also have harmful consequences for the entire Nation.

I reached my conclusions after a lengthy and detailed investigation. This investigation included extensive consultations with labor and business leaders; numerous discussions with the Secretary of Transportation, Elizabeth Dole; review of voluminous documents; and seven hearings that I have conducted on this subject. These hearings were held in Harrisburg in October, Philadelphia in December and March; Pittsburgh in January and February; and in Washington, DC, with Senator DIXON and the Northeast-Midwest Senate Coalition in January and February. I heard the testimony of more than 55 witnesses, including shippers, public officials, competing bidders, investment bankers, union leaders, and Conrail management and financial officers.

I have also visited Conrail car repair shops and shipping facilities throughout Pennsylvania. The hundreds of concerned workers and union officials with whom I spoke on these visits further convinced me that it would be strongly contrary to the national interest, as well as the best interest of Pennsylvania, to proceed with the proposed sale of Conrail to Norfolk Southern.

The proposed purchase price by Norfolk Southern of $1.2 billion for the Government's 85 percent interest in Conrail represents a huge giveaway of taxpayers' money. Norfolk Southern will be able, through tax benefits, to recoup that minor investment in a few short years. Given the taxpayers' expenditure of over $7 billion in Conrail, Conrail's present book value of $4 billion, and the fact that Conrail has in excess of 41 billion in cash and annual profits of over $500 million, the Norfolk Southern sale price is outrageous.

In addition, the Congressional Budget Office has completed its review of S. 638—the proposed sale of Conrail to Norfolk Southern—and has concluded that:

> The Federal Government would be paid about $1.4 billion in 1986 for the sale of Conrail, would save about $10 million a year in labor protection payments, and would lose about $0.4 billion in tax revenues and $0.8 billion in future interest and dividend payments from Conrail over the 1986-90 period. (CBO Report, June 6, 1985, p. 1).

Thus, in the course of 5 years, the Government, which received $1.4 billion for the sale of Conrail, would lose $1.2 billion. Astoundingly, the effective purchase price for Conrail under Secretary Dole's proposal would be only $200 million.

This report confirms what I have stated repeatedly throughout the past year—that the sale of Conrail to Norfolk Southern is a giveaway, and the purchase price is absurdly low. The report verifies that the revenue losses to the Government would result largely from Norfolk Southern's ability to use Conrail's depreciation deductions to offset taxable income generated by other portions of the merged corporation. Why Norfolk Southern should receive this enormous benefit—to the detriment of American taxpayers who already have contributed so heavily to Conrail's restoration—has never been satisfactorily answered.

Alternatively, the Morgan Stanley plan offers the Government an immediate $1.2 billion in cash for the Government's 85 percent interest in Conrail. In addition, the Morgan Stanley plan offers the Government stock purchase warrants in Conrail worth a minimum of $20 million over a 10-year term. In the event that the value of Conrail's stock appreciates beyond conservative estimates, the stock warrants to be received by the Government would be of much greater value.

Further, the anticompetitive problems raised by combining Conrail's 15,000 miles of track with Norfolk Southern's 18,000 miles, thereby creating the Nation's largest rail system, are insurmountable. The Senate Judiciary Committee, on which I serve, has conducted several hearings on this topic, and plans to investigate the subject even further. The divestiture plan proposed by the Department of Justice as a remedy to specified antitrust violations is not feasible. It is unrealistic to divert key lines to small carriers such as Guilford Transportation or the Pittsburgh & Lake Erie Railroad, which will be unable to provide effective competition for the combined rail giant of the Conrail/Norfolk Southern system. No such anticompetitive problems exist with the Morgan Stanley proposal.

The Morgan Stanley proposal, involving approximately 32 "blue chip" investors—such as Citicorp, Columbia, Harvard and Princeton Universities, United States Steel, and Nynex—is a commitment which represents the strongest testimony to the economic viability of Conrail and its future as a major independent rail carrier. The investors have accepted public interest covenants equivalent to those negotiated by the Department of Transportation and Norfolk Southern, including provisions relating to cash balances, dividends, and capital expenditures. These covenants, unlike the Norfolk Southern proposal, are contained within the legislation and cannot be negotiated. One of the major investors, CSX Corp., is a major rail system, but it will place its stock interest in trust to ensure that it will not participate in the management or control of Conrail, and that no antitrust problems will arise.

Over a period of time, not to exceed 5 years following the purchase, the investor group will resell to the public a majority of its interest in Conrail through one or more public stock offerings. The Government will bear no market risk associated with future sales of Conrail stock. At the conclusion of such offerings, the investor group will own no more than 40 percent of an independent, financially secure Conrail, with no single investor owning more than 10 percent. Conrail employees will receive two seats on Conrail's board of directors.

This proposal provides taxpayers with a superior return for their investment in Conrail and, at the same time, preserves effective rail competition in the Northeast and Midwest without creating any complex antitrust issues requiring legislative resolution. This proposal will result in a financially strong and independent Conrail, thus ensuring long-term employment opportunities for Conrail workers. This proposal will better meet the interests of taxpayers, Conrail current and former employees, shippers, and consumers. Further, it satisfies the financial and public interest factors identified by the Department of Transportation in establishing a process for the sale of Conrail under the Northeast Rail Service Act of 1981.

For these reasons, I introduce this bill today and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Conrail Public Sale Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) the Northeast Rail Service Act of 1981 (45 U.S.C. 1101, et seq.) provided for an orderly return of Conrail freight service to the private sector;

(2) the provisions of the Northeast Rail Service Act of 1981 were successful in removing Conrail's obligations beyond railroad freight service and in otherwise preparing Conrail for an orderly return to the private sector;

(3) the Board of Directors of the United States Railway Association twice found Conrail to be a profitable corporation under section 403 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 763);

(4) Morgan Stanley & Co. Incorporated developed a firm proposal on behalf of a diverse group of private investors to purchase the interest of the United States in the common stock of Conrail and to return Conrail to broad private ownership through one or more public stock offerings;

(5) the sale proposal of the investor group organized by Morgan Stanley & Co. Incorporated best meets the objectives of (A) leaving Conrail in the strongest financial position after the sale, (B) preserving patterns of service to shippers and communities in the region that Conrail now serves by continuing Conrail as an independent railroad, and (C) maximizing the return to the United States on its investment consistent with the objectives set forth in subparagraphs (A) and (B);

(6) the sale proposal of the investor group organized by Morgan Stanley & Co. Incorporated satisfies the requirements of the Northeast Rail Service Act of 1981, including the intent, goals, and objectives relating to the sale of the interest of the United States in the common stock of Conrail and the requirements of section 401(e) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 761(e)); and

(7) amendments to the Regional Rail Reorganization Act of 1973 and related laws are needed to permit the sale of the interest of the Untied States in the common stock of Conrail to the investor group organized by Morgan Stanley & Co. Incorporated and to permit cancellation of the interest of the United States in Conrail debt and preferred stock.

PURPOSE

SEC. 3. It is the purpose of the Congress in this Act to return Conrail to the private sector by directing and facilitating the sale of the interest of the United States in the common stock of Conrail to the investor group organized by Morgan Stanley & Co. Incorporated.

DEFINITIONS

SEC. 4. In this Act, unless the context otherwise requires, the term—

(1) "closing date" means the date that the interest of the United States in the common stock of Conrail is transferred pursuant to the Purchase Agreements;

(2) "Conrail" means the Consolidated Rail Corporation;

(3) "Purchase Agreements" means the agreements between the Purchasers and the Secretary in the form filed with the Committee on Commerce, Science and Transportation of the Senate;

(4) "Purchasers" means the investor group organized by Morgan Stanley & Co. Incorporated to purchase the interest of the United States in the common stock of Conrail as identified in the Shareholders' Agreement;

(5) "Secretary" means the Secretary of Transportation; and

(6) "Shareholders Agreement" means the agreement among the Purchasers, Conrail and Morgan Stanley & Co. Incorporated in the form filed with the Committee on Commerce, Science and Transportation of the Senate.

TITLE I—AMENDMENTS TO THE REGIONAL RAIL REORGANIZATION ACT OF 1973 AND THE NORTHEAST RAIL SERVICE ACT OF 1981

LIMIT ON AUTHORITY TO PURCHASE STOCK

SEC. 101. Section 216(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 726(b)) is amended by adding at the end thereof the following new paragraph:

"(5) The authority of the Association to purchase debentures or series A preferred stock of the Corporation shall terminate upon the closing date.".

RESPONSIBILITY OF CONRAIL DIRECTORS

SEC. 102. Section 301(i) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 741(i)) is amended by inserting immediately after "required by law" the following: ", taken to implement the sale of the interest of the United States in the common stock of the Corporation to the Purchasers,".

APPLICABILITY OR REGIONAL RAIL ORGANIZATION ACT OF 1973 TO CONRAIL AFTER SALE

SEC. 103. Section 301 of the regional Rail Reorganization Act of 1973 (45 U.S.C. 741) is amended by adding at the end thereof the following new subsection:

"(k) GOVERNING PROVISIONS AFTER SALE.—The provisions of this Act shall not apply to the Corporation and to activities and other actions and responsibilities of the Corporation and its directors after the closing date, other than with regard to—

"(1) section 102;

"(2) section 201(d);

"(3) section 203, but only with respect to information relating to proceedings before the special court established under section 209(b);

"(4) section 216(f)(8), but only as such authority applies to activities related to the ESOP and related trusts before the closing date;

"(5) section 217(e);

"(6) subsection (b) of this section, but only with respect to matters covered by the last sentence of such subsection;

"(7) subsection (i) of this section, but only as such authority applies to service as a director of the Corporation before, or in connection with the implementation of, the sale of the interest of the United States in the common stock of the Corporation;

"(8) section 305, but only as to the effect, and continuing administration, of supplemental transactions consummated before the closing date;

"(9) section 308, but only in abandonment actions when such authority has been relied on to file a notice or notices of insufficient revenues before the closing date;

"(10) section 401;

"(11) section 402;

"(12) section 404;

"(13) section 408;

"(14) section 701, but only as may be necessary to identify employees eligible for benefits prescribed under that section and as provided in section 108 of the Conrail Public Sale Act of 1985;

"(15) section 702(e);

"(16) section 704(b);

"(17) section 709;

"(18) section 710(b)(1);

"(19) section 711; and

"(20) section 714, but only with regard to disputes or controversies specified in such section that arose before the closing date.".

IMPLEMENTATION OF SALE

SEC. 104. (a) Section 401 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 761) is amended to read as follows:

"SALE OF THE CORPORATION

"SEC. 401. (a) PURCHASE AGREEMENT.—As soon as practicable, but not later than 10 days following the date of enactment of the Conrail Public Sale Act of 1985, the Secretary shall execute and deliver on behalf of the United States the Purchase Agreements. The Secretary shall transfer the interest of the United States in the common stock of the Corporation to the Purchasers in accordance with such Agreements.

"(b) CONDITIONS OF SALE.—In addition to the terms and conditions of the Purchase Agreements, the transfer of the interest of the United States in the common stock of the Corporation shall be subject to, and governed by, the terms and conditions of the Shareholders' Agreement and the Conrail Agreement, which shall be executed concurrently with the Purchase Agreements.

"(c) RAILROAD PURCHASERS.—Any railroad which purchases common stock of the Corporation shall vote such stock in the same proportion as all other common stock of the Corporation is voted unless the Commission determines that such railroad has purchased a controlling interest. As used in this subsection, the term 'railroad' shall include any entity controlling, controlled by, or under common control with any railroad (other than the Corporation or its subsidiaries).

"(d) ANTI-TAKEOVER RESTRICTION.—Except as may be provided in the Purchase Agreements with respect to the initial allocation of shares among the Purchasers, no person (with the exception of the ESOP), affiliated group of persons, or group of persons acting in concert may, for a period of five years beginning on the closing date, hold or acquire more than 10 percent of the outstanding shares of any class of the voting stock of the Corporation.".

(b) The item in the table of contents of the Regional Rail Reorganization Act of 1973 relating to section 401 is amended to read as follows:

"Sec. 401. Sale of the Corporation.".

CANCELLATION OF DEBT AND PREFERRED STOCK

SEC. 105. Section 402 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762) is amended to read as follows:

"DEBT AND PREFERRED STOCK

"SEC. 402. (a) RECAPITALIZATION.—In connection with the sale of the interest of the United States in the common stock of the Corporation under section 401, and consistent with the Purchase Agreements, the Secretary shall take such action as may be necessary to cause the Corporation to be recapitalized to assure that the interest of the United States, or any agent or instrumentality thereof, and all other commitments or obligations of the Corporation to the United States or any agent or instrumentality thereof arising out of such interest, in any debt (including accrued interest and contin-

gent interest thereon) and preferred stock (including accrued and unpaid dividends thereon) of the Corporation shall be canceled or retired and contributed to the capital of the Corporation. The Secretary shall cause the recapitalization authorized by this section to be effective as of the closing date.

"(b) EFFECT.—For purposes of regulation by the Commission and State public utility regulation, the recapitalization authorized by this section, the sale of the interest of the United States in common stock of the Corporation, and the value of the consideration received therefor by the United States shall not reduce the Corporation's investment net of depreciation in any of its assets and shall not affect the calculation of the Corporation's stock or asset values, expenses, costs, returns, profits, or revenues, or otherwise affect or be the basis for a change in the regulation of any railroad service, rate, or practice of the Corporation, including any service, rate, or practice provided or established by the Corporation in connection with other carriers.".

PUBLIC INTEREST COVENANTS

SEC. 106. (a) Section 404 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 764) is amended to read as follows:

"PUBLIC INTEREST COVENANTS

"Sec. 404. (a) DEFINITIONS.—For purposes of this section, the term—

"(1) 'affiliate' means, with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with, such person (for which purpose the term 'control' when used with respect to any person means the possession, directly or indirectly, of power to direct or cause the direction of the management and policies of such person) and, without limiting the generality of the foregoing, includes any officer of such person or of any affiliate of such person;

"(2) 'capital expenditures' means all amounts expended by the Corporation and its subsidiaries for replacement or rehabilitation of, or enhancements to, the railroad plant, property, trackage, and equipment of the Corporation and its subsidiaries, all as determined in accordance with generally accepted accounting principles: *Provided, however,* That no amount spent upon normal repair, maintenance and upkeep of such railroad plant, property, trackage, and equipment in the ordinary course of business shall constitute capital expenditures;

"(3) 'cumulative net income' means, for any period, the net income of the Corporation and its consolidated subsidiaries (after provision for income taxes) properly attributable to the conduct of the business of the Corporation and its consolidated subsidiaries before provision for any preferred stock payments;

"(4) 'debt' means (A) indebtedness, whether or not represented by bonds, debentures, notes, or other securities, for the repayment of money borrowed, (B) all deferred indebtedness for the payment of the purchase price of property or assets purchased, (C) all guaranties, endorsements, assumptions, and other contingent obligations in respect of, or to purchase or to otherwise acquire, indebtedness of others, and (D) all indebtedness secured by any mortgage pledge or lien existing on property owned, subject to such mortgage pledge or lien, whether or not indebtedness secured thereby shall have been assumed;

"(5) 'net additional debt' means, at any time, an amount equal to the difference between the Corporation's consolidated debt outstanding at such time and its consolidated debt outstanding immediately after the closing date;

"(6) 'net additional preferred stock' means, at any time, an amount equal to the fair market value of the consideration received by the Corporation for the issuance of outstanding preferred stock issued subsequent to the closing date;

"(7) 'non-required capital expenditures' means the amount, if any, by which capital expenditures for any fiscal year exceeds the greater of (A) an amount equal to depreciation of the Corporation for financial reporting purposes for such year or (B) $500,000,000;

"(8) 'person' means an individual, corporation, partnership, association, trust, or other entity or organization, including a government or political subdivision thereof or a governmental body;

"(9) 'preferred stock' means any class or series of preferred stock, and any class or series of common stock having liquidation and dividend rights and preferences superior to the common stock acquired by the Purchasers from the Secretary on the closing date; and

"(10) 'subsidiary' means any corporation more than 50 per centum of whose outstanding voting securities are directly or indirectly owned by the Corporation.

"(b) AFFIRMATIVE COVENANTS.—During a period of five years commencing on the closing date:

"(1) The Corporation shall furnish to the Secretary its audited consolidated financial statements within 90 days after the end of each fiscal year of the Corporation and its unaudited interim financial statements within 45 days after the end of each quarter (except the fourth quarter). Such interim financial statements shall have received such limited review by the Corporation's independent certified public accountants as such accountants normally accord to interim financial statements of publicly held companies.

"(2) The Corporation and each railroad subsidiary shall continue in the railroad business substantially as such business was being conducted by the Corporation as of February 8, 1985, and such railroad subsidiary and (subject to permitted abandonments and service alterations in accordance with applicable law and the normal procedures and regulations of the Commission) to maintain rail freight services throughout its system that are economically justifiable: *Provided, however,* That expedited abandonment proceedings commenced pursuant to section 308 of this Act before the closing date may be continued, but no new filings of notices of insufficient revenues may be made pursuant to such section. The Corporation shall maintain its corporation existence and its material licenses and franchises.

"(3) Notwithstanding any repeal of section 308 of this Act, the Corporation shall continue its practice of offering any line for which an abandonment certificate is issued by the Commission to a purchaser who agrees to provide interconnecting rail service. Such offer shall last for the 120-day period following the date of issuance of the abandonment certificate and the price for such abandoned line shall be equal to 75 percent of net liquidation value as determined by the Commission.

"(4) The Corporation and each of its subsidiaries shall maintain, preserve, protect, and keep their respective properties in good repair, working order, and condition, and shall not permit deferred maintenance, in order to provide and maintain rail service as required by paragraph (2) of this subsection.

"(5) The Corporation and each of its subsidiaries shall maintain insurance against loss or damage of the kinds customarily insured against by corporations similarly situated.

"(6) The Corporation shall spend in each fiscal year the greater of (A) an amount equal to the Corporation's depreciation for financial reporting purposes for such year or (B) $500,000,000, in capital expenditures: *Provided, however,* That in any year, the Corporation's Board of Directors may reduce the required capital expenditures for such year to an amount which the Board determines is justified by prudent business and engineering practices: *And further provided,* That in any event, the Corporation's cumulative capital expenditures subsequent to the closing date shall not be less than: $350,000,000 on the first anniversary of the closing date, $700,000,000 on the second anniversary of the closing date, $1,050,000,000 on the third anniversary of the closing date, $1,400,000,000 on the fourth anniversary of the closing date, and $1,750,000,000 on the fifth anniversary of the closing date.

"(7) The Corporation and each of its subsidiaries shall pay all debt promptly when due and payable.

"(8) The Corporation and each of its subsidiaries shall keep proper books and records in which full, true, and correct entries of all transactions will be made in accordance with generally accepted accounting principles (as applicable to companies subject to the reporting requirements of the Securities Exchange Act of 1934) applied on a consistent basis.

"(9) The Corporation shall continue to operate from its headquarters in Philadelphia, Pennsylvania and to retain its locomotive shop and car repair shop in Altoona, Pennsylvania;

"(10) The Corporation shall continue to maintain or reestablish, with the small eastern rail carriers of less than $300,000,000 annual operating revenues, reasonably efficient routes of major importance at the request of any such rail carrier.

"(11) The Corporation shall continue its affirmative action program, including its minority vendor program, substantially as such program was being conducted by the Corporation as of February 8, 1985, subject to any provisions of applicable law.

"(12)(A) Within 45 days after the close of each fiscal quarter of the Corporation and promptly following the declaration of any common or preferred stock payment described in paragraph (5) or (6) of subsection (c) of this section by the Board of Directors of the Corporation, but not later than 10 days before making such payment, the Corporation shall deliver to the Secretary a certificate executed by an executive officer or representative of the Corporation which shall (i) certify that as of such date, and, in the case of any such certificate delivered in connection with such payment, after giving effect thereto, the Corporation shall have complied, and, after giving effect to such payment, shall then be in compliance with, all of the covenants set forth in this section and that no default exists, or after giving effect to such payment, would exist, with respect to any such covenant, and (ii) set forth all computations necessary to evidence compliance with all of the covenants set forth in this section at the date of such certificate, and in the case of any such cer-

tificate delivered in connection with such payment, on a pro forma basis after giving effect to such payment.

"(B) The Secretary shall, not later than January 31 of each year, submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a reporting listing the certificates required under subparagraph (A) that were submitted by the Corporation during the preceding calendar year.

"(13) The Corporation shall give prompt notice to the Secretary and to each of the signatories to the Shareholder's Agreement of any default under any of the covenants set forth in subsection (b) or (c) of this section.

"(c) NEGATIVE COVENANTS.—During a period of five years commencing on the closing date:

"(1) The Corporation shall not, absent insolvency, liquidate, wind-up, dissolve, or file for voluntary reorganization under title 11 of the United States Code or any other law relating to bankruptcy, insolvency, or relief of debtors.

"(2) The Corporation shall not permit to occur any transaction or series of transactions (other than in the ordinary course of business of the Corporation and its subsidiaries) whereby all or any substantial part of the railroad assets and business of the Corporation and its subsidiaries taken as a whole are sold, leased, transferred, or otherwise disposed of to any corporation or entity other than to a wholly-owned subsidiary of the Corporation.

"(3) The Corporation shall not merge or consolidate with or into any corporation or any other entity. The Corporation shall not permit any subsidiary to merge or consolidate with or into any other entity unless, after giving effect to such merger or consolidation—

"(A) the Corporation shall be fully in compliance with all of the covenants enumerated in this section;

"(B) all of the covenants enumerated in this section shall continue to apply to the surviving or resulting entity of such merger or consolidation fully and to the same extent as they applied to the Corporation or to its subsidiaries (as the case may be) immediately prior to such merger or consolidation; and

"(C) such merger or consolidation shall not have violated any of the provisions of paragraph (8) of this subsection.

"(4) In connection with the financing of the purchase price of the common stock of the Corporation sold pursuant to the Purchase Agreements, (A) the Corporation shall not use its cash or cash equivalents hand, other than in connection with the transactions with employees contemplated by such Agreements and (B) the Corporation shall not subject its or its subsidiaries assets to any pledge, lien, mortgage, or other security interest.

"(5)(A) Except as otherwise provided under subparagraph (B), the Corporation shall not at any time, in respect of any shares of any class or series of the common stock of the Corporation—

"(i) declare or pay any dividends in cash, property, or other assets (other than dividends payable solely in shares of any class or series of the common stock of the Corporation) thereon;

"(ii) apply any of its property or assets to the purchase, redemption, or other acquisition or retirement thereof;

"(iii) set apart any sum for the purchase, redemption, or other acquisition or retirement thereof, or

"(iv) make any other distribution, by reduction of capital or otherwise.

Any action described in clause (i), (ii), (iii), or (iv) with respect to the Corporation's common stock is hereinafter in this section referred to as a 'common stock payment'.

"(B) No such common stock payment shall be made except to the extent that each of the conditions set forth below shall have been satisfied:

"(i) Such common stock payment is entirely in cash and the Corporation shall, after giving effect to such common stock payment, be fully in compliance with all of the covenants enumerated in this section.

"(ii) Immediately after giving effect to such common stock payment, the cumulative amount of all common stock payments made subsequent to the closing date shall not exceed (I) 40 percent of the cumulative net income of the Corporation accrued subsequent to the closing date minus (II) the cumulative amount of all preferred stock payments (as defined in paragraphs (6) of this subsection) made subsequent to the closing date: *Provided, however,* That the Board of Directors of the Corporation may waive the limitation contained in this clause (ii) for the purpose of permitting payment of regular quarterly common stock dividends not to exceed $1.03 per share during each of the two quarterly periods commencing immediately subsequent to the closing date.

"(iii) Immediately after giving effect to such common stock payment, the Corporation shall have cash and cash equivalents on hand at such time not less than the greater of: (I) $500,000,000, or (II) the sum of $500,000,000, net additional debt, and net additional preferred stock (the 'formula'): *Provided however,* That the formula shall be reduced by an amount equal to cumulative non-required capital expenditures made by the Corporation subsequent to the closing date.

Solely for purposes of the calculations under clause (ii) of this subparagraph (B), the following shall not be considered to be a common stock payment: (I) the purchase by the Corporation of the warrants issued to the Secretary pursuant to the Conrail Agreement, (II) purchases of up to 1,000,000 shares of common stock in response to, or in anticipation of, the exercise of the warrants, or (III) purchases, directly or indirectly, of shares of common stock held as of the closing date by the ESOP.

"(6)(A) Except as provided under subparagraph (B), the Corporation shall not in respect of any shares of any class or series of preferred stock of the Corporation—

"(i) declare or pay any dividends in cash, property, or other assets thereon;

"(ii) apply any of its property or assets to the purchase, redemption, or other acquisition or retirement thereof.

"(iii) set apart any sum for the purchase, redemption, or other acquisition or retirement thereof; or

"(iv) made any other distribution, by reduction of capital or otherwise.

Any action described in clause (i), (ii), (iii), or (iv) with respect to the Corporation's preferred stock is hereinafter in this paragraph referred to as a 'preferred stock payment'.

"(B) No such preferred stock payment shall be made except to the extent that each of the conditions set forth below shall have been satisfied:

"(i) Such preferred stock payment is entirely in cash and the Corporation shall, after giving effect to such preferred stock payment, be fully in compliance with all of the covenants enumerated in paragraphs (6) and (7) of subsection (b), and paragraphs (2), (3), (5), and (6) of subsection (c), of this section.

"(ii) Immediately after giving effect to such preferred stock payment, the cumulative amount of all common stock payments and all preferred stock payments made subsequent to the closing date shall not exceed the cumulative net income of the Corporation accrued subsequent to the closing date.

"(iii) Immediately after giving effect to such preferred stock payment, the Corporation shall have cash and cash equivalents on hand at such time not less than $500,000,000.

"(7) Notwithstanding paragraph (5) of this subsection, if the Corporation is in default in making capital expenditures pursuant to subsection (b) (6) of this section, common stock payments may not be made until the Corporation is again in compliance with such subsection (b) (6).

"(8) (A) The Corporation shall, and shall permit its subsidiaries to, enter into transactions with the Purchasers and their affiliates only if such transactions are (i) in the aggregate fair to the Corporation and its subsidiaries, and (ii) similar in kind and nature to, and documented, recorded, and accounted for in the same manner as, transactions between the Corporation and other persons not affiliated with the Corporation or with any of the purchasers.

"(B) Except in the implementation of the transactions contemplated by the Conrail Sale Agreements, the Corporation and its subsidiaries shall not engage in any of the following transactions with any Purchaser or its affiliates:

"(i) transfer, by merger, assumption, or otherwise, of any obligation of any Purchaser or its affiliates to the Corporation or any subsidiary in an amount greater than the value to the transferee of such merger, assumption, or other transaction;

"(ii) loans or advances by the Corporation or any subsidiary to any Purchaser or its affiliates; purchases or other acquisitions by the Corporation or any subsidiary of any capital stock, obligations, or securities of any Purchaser or its affiliates; capital contributions to or investments in or guarantees of any debt or obligation of any Purchaser or its affiliates by the Corporation or any subsidiary; and

"(iii) assignments of any right to receive income for a consideration of less value than such right by the Corporation or any subsidiary to any Purchaser or its affiliates.

"(C) Nothing in this paragraph shall prohibit transactions between the Corporation and any of its subsidiaries or among any of such subsidiaries.

"(9) In no event shall the Corporation obtain a reversion of any excess assets held in the trust or a successor trust maintained with the Corporation's supplemental pension plan or any successor plan. The Corporation shall not terminate its supplemental pension plan.

"(10) The Corporation shall not amend, modify, rescind, or revoke any provision of the Corporation's restated articles of incorporation relating to the relative rights, preferences, and limitations of any series or class of capital stock of the Corporation held by the Purchasers immediately after the closing date.

"(d) ACCOUNTING TERMS AND DETERMINATIONS.—(1) Unless otherwise specified in this section, all accounting terms used in this section shall be interpreted, all accounting determinations shall be made, and all financial statements required to be delivered shall be prepared, in accordance with generally accepted accounting principles as in effect from time to time in the United States, applied on a basis consistent (except for changes approved by the Corporation's independent public accountants) with the most recent audited consolidated financial statements of the Corporation.

"(2) For the purpose of calculations under paragraphs (5) and (6) of subsection (c), the transactions by which the Purchasers assumed ownership of the Corporation's common stock shall be accounted for as a recapitalization of the Corporation with a 100 percent revaluation of the Corporation's assets and liabilities based on the fair value of the new capital structure.

"(e) ADMINISTRATION.—(1) The Secretary may, upon application by the Corporation, waive (in whole or in part) any provision of this section if the Secretary determines in writing that such waiver would not impair continued rail service by the Corporation and its railroad subsidiaries or result in a material reduction in the financial strength of the Corporation and its subsidiaries taken as a whole.

"(2) The Secretary shall transmit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate any determination under paragraph (1).

"(3) No waiver shall be effective under this subsection until after the expiration of 45 calendar days after the transmittal required by paragraph (2).".

(b) The item in the table of contents of the Regional Rail Reorganization Act of 1973 relating to section 404 is amended to read as follows:

"Sec. 404. Public interest covenants.".

APPLICABILITY OF CERTAIN LAWS TO THE SALE OF CONRAIL

SEC. 107. (a) Section 408 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 768) is amended to read as follows:

"REVIEW

"SEC. 408. (a) AGREEMENTS.—Except as provided in section 1152 of the Northeast Rail Service Act of 1981 (45 U.S.C. 1105), the Conrail Sale Agreements and their negotiation, execution, and implementation shall not be subject to administrative or judicial review or to review by the Commission.

"(b) WARRANTS.—Warrants issued to the Secretary under the Conrail Agreement, and any shares of stock issued upon the exercise of such warrants, shall be deemed to have been issued and approved under section 11301(b) of title 49, United States Code.".

(b) The item in the table of contents of the Regional Rail Reorganization Act of 1973 relating to section 408 is amended to read as follows:

"Sec. 408. Review.".

LABOR PROTECTION

SEC. 108. (a) Notwithstanding any other provision of law, the benefit schedule prescribed by the Secretary of Labor under section 701(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 797(a)(2)) shall continue in force and effect until superseded by an agreement between Conrail and the representatives of the various classes and crafts of employees of Conrail providing for protection of employees of Conrail.

(b) Conrail shall be responsible for funding all benefits under subsection (a) after the closing date, and the United States shall not be liable for any such benefits after that date.

SPECIAL COURT JURISDICTION

SEC. 109. Section 1152 of the Northeast Rail Service Act of 1981 (45 U.S.C. 1105) is amended—

(1) by inserting "or the Conrail Public Sale Act of 1985" immediately after "subtitle" each place it appears;

(2) in the second sentence of subsection (c), by inserting ", as the case may be," after the insertion made by paragraph (1) of this section;

(3) in subsection (a), by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following:

"(5) brought by the United States to enforce section 401 or 404 of the Regional Rail Reorganization Act of 1973 or any term or condition of the Conrail Sale Agreements entered into under such section 401;

"(6) brought by one or more of the Purchasers to enforce any obligation of the United States (or any agency or instrumentality thereof) under the Conrail Sale Agreements entered into under section 401 of the Regional Rail Reorganization Act of 1973; or

"(7) brought by the Corporation to enforce section 401 of the Regional Rail Reorganization Act of 1973.

For purposes of any action brought under paragraph (5) of this subsection, a violation of any provision of subsection (b) or (c) of section 404 of the Regional Rail Reorganization Act of 1973 shall be deemed to constitute immediate and irreparable harm for purposes of awarding injunctive relief to the United States."; and

(4) by adding at the end the following new subsection:

"(e) Any person who suffers direct economic injury as a result of an alleged violation by Conrail of any provision of subsection (b) or (c) of section 404 of the Regional Rail Reorganization Act of 1973 may petition the Secretary to seek enforcement of such provision. If the Secretary determines that a petitioner has demonstrated that it has suffered direct economic injury as a result of such a violation, the United States shall bring an action under subsection (a)(5) to require Conrail to comply with such provision.".

APPLICABILITY OF OTHER LAWS

SEC. 110. (a) Section 1168(a) of the Northeast Rail Service Act of 1981 (45 U.S.C. 1116(a)) is amended by striking out "implementing service transfers" and inserting in lieu thereof "implementing the sale of the interest of the United States in the common stock of Conrail".

(b) Section 16(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78p(b)) shall not apply to any public sale of Conrail common stock by the Purchasers for a period of seven months beginning on the closing date.

TITLE II—TECHNICAL AND CONFORMING AMENDMENTS AND APPEALS

SEC. 201. The following provisions of the Regional Rail Reorganization Act of 1973 are repealed or amended as follows:

(1) Section 102 (45 U.S.C. 702) is amended—

(A) by inserting after paragraph (1) the following new paragraph:

"(1A) 'closing date' means the date that the interest of the United States in the common stock of the Corporation is transferred pursuant to the Purchase Agreements;";

(B) by inserting after paragraph (4) the following new paragraphs;

"(4A) 'Conrail Agreement' means the agreement between the Corporation and the Secretary in the form filed with the Committee on Commerce, Science and Transportation of the Senate;

"(4B) 'Conrail Sale Agreements' means the Conrail Agreement, the Purchase Agreements, and the Shareholders' Agreement;";

(C) by inserting after paragraph (7) the following new paragraph:

"(7A) 'ESOP' means the Consolidated Rail Corporation Employee Stock Ownership Plan adopted July 25, 1980, as amended, and the trust created in connection therewith;";

(D) by inserting after paragraph (13) the following new paragraphs:

"(13A) 'Purchase Agreements' means the agreements between the Purchasers and the Secretary in the form filed with the Committee on Commerce, Science and Transportation of the Senate;

"(13B) 'Purchasers' means the investor group organized by Morgan Stanley & Co. Incorporated to purchase the interest of the United States in the common stock of the Corporation as identified in the Shareholders' Agreement;"; and

"(E) by inserting after paragraph (18) the following new paragraph:

"(18A) 'Shareholders' Agreement' means the agreement among the Purchasers, the Corporation, and Morgan Stanley & Co. Incorporated in the form filed with the Committee on Commerce, Science and Transportation of the Senate;

"(2) Subsections (a) and (b) of section 214 (45 U.S.C. 724(a) and (b)), are repealed, and such section 214 is amended by striking out "(c) ASSOCIATION.—".

"(3) The following provisions of the Regional Rail Reorganization Act of 1973 (together with the item relating to each such provision contained in the table of contents of such Act) are repealed:

"(A) Section 405 (45 U.S.C. 765).
"(B) Section 406 (45 U.S.C. 766).
"(C) Section 407 (45 U.S.C. 767).
"(D) Section 409 (45 U.S.C. 769).
"(E) Section 410 (45 U.S.C. 769a).
"(F) Section 411 (45 U.S.C. 769b).
"(G) Section 412 (45 U.S.C. 769c).
"(H) Section 413 (45 U.S.C. 797l).

AMENDMENTS AND REPEALS OF OTHER RAIL LAWS

SEC. 202. (a) The following provisions of the Northeast Rail Service Act of 1981 are amended as follows:

"(1) Section 1135(a) (45 U.S.C. 1104(a)) is amended by inserting after paragraph (5) the following new paragraphs:

"(5A) 'Conrail Agreement' means the agreement between Conrail and the Secretary in the form filed with the Committee on Commerce, Science and Transportation of the Senate;

"(5B) 'Conrail Sale Agreements' means the Conrail Agreement, the Purchase Agreements, and the Shareholders' Agreement.

"(5C) 'Purchase Agreements' means the agreements between the Purchasers and the Secretary in the form filed with the Committee on Commerce, Science and Transportation of the Senate.

"(5D) 'Purchasers' means the investor group organized by Morgan Stanley & Co.

Incorporated to purchase the interest of the United States in the common stock of Conrail as identified in the Shareholders' Agreement."; and

(2) by inserting after paragraph (7) the following new paragraph:

"(7A) 'Shareholders' Agreement' means the agreement among the Purchasers, Conrail, and Morgan Stanley & Co. Incorporated in the form filed with the Committee on Commerce, Science and Transportation of the Senate.

(b)(1) The following provisions of the Northeast Rail Service Act of 1981 are repealed:

(A) Section 1154 (45 U.S.C. 1107).

(B) Section 1161 (45 U.S.C. 1110).

(C) Section 1166 (45 U.S.C. 1114).

(D) Subsection (c) of section 1167 (45 U.S.C. 1115).

(2) The items relating to such sections 1154, 1161, and 1166 in the table of contents of such Act are repealed.

(c) Section 501(8) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821(8)) is amended by striking out "(A)" and by striking out all that follows "improved asset utilization;".

(d) Section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825) is amended—

(1) in subsection (a)(1), by striking out all after "railroad" through "1981)"; and

(2) in subsection (b)(2)(C), by striking out all after "costs" the second time it appears through "subsidy".

(e) Subsection (b)(1) of section 509 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 829) is repealed.

(f) Section 511(e) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821(e)) is amended—

(1) by striking out "(1)" in the first paragraph;

(2) by striking all that follows "time" in the first paragraph and inserting in lieu thereof a period; and

(3) by striking out paragraph (2).

(g) Section 402 of the Rail Safety and Service Improvement Act of 1982 (45 U.S.C. 825a) is repealed.

(h) Section 1005(b)(1) of the Rail Passenger Service Act (45 U.S.C. 655(b)(1)) is amended by striking out "the Consolidated Rail Corporation,".

(i) Section 10362(b)(7)(A) of title 49, United States Code, is amended by striking out "by the Consolidated Rail Corporation or".

(j) Section 332(d) of title 49, United States Code, is amended by striking out ", the Consolidated Rail Corporation,".

EFFECT OF REPEALS

SEC. 203. All repeals under this Act of provisions authorizing the appropriation of funds are made without prejudice to the continued availability of funds appropriated under such provisions before the effective date of such repeal.

TITLE III—REVENUE PROVISIONS

TAX TREATMENT

SEC. 301. (a) GENERAL RULE.—Except as provided in subsection (b), nothing in this title (or in any amendment made by this title) shall affect the Federal tax treatment of Conrail (or of any affiliated group of which it is a member).

(b) MODIFICATION AND CLARIFICATION OF TAX TREATMENT.—For purposes of the Internal Revenue Code of 1954—

(1) CONRAIL CARRYFORWARDS MAY NOT BE CARRIED FORWARD.—No Conrail net operating loss, capital loss, or credit under the Internal Revenue Code of 1954 attributable to any period before the closing date may be carried forward to any period after the closing date.

(2) NO INCOME FROM CANCELLATION OF DEBT OR PREFERRED STOCK.—No amount shall be included in the gross income of any person (and no basis adjustment in the assets of Conrail shall be made) by reason of any cancellation of any obligation (or preferred stock) of Conrail in connection with the Conrail Sale Agreements.

(3) ADJUSTED BASIS.—The adjusted basis of Conrail's assets shall not be increased by any adjustment relating to any period prior to the closing date.

(4) EARNINGS AND PROFITS.—For purposes of section 316 of the Internal Revenue Act of 1954, Conrail shall be deemed to have accumulated earnings and profits of $500,000,000 as of the closing date.

(5) WAIVER OF CERTAIN EMPLOYEE STOCK OWNERSHIP PLAN PROVISIONS.—For purposes of determining whether the employee stock ownership plans of Conrail meet the qualifications of sections 401 and 501 of the Internal Revenue Code of 1954 the limits of section 415 of such Code (relating to limitations on benefits and contributions under qualified plans) shall not apply with respect to interests in stock transferred pursuant to a law heretofore enacted.

(6) TAXABLE YEAR OF CONRAIL.—The taxable year of Conrail shall close as of the closing date.

DEFINITIONS

SEC. 302. For purposes of this title—

(1) CONRAIL.—The term "Conrail" includes any corporation which was a subsidiary of Conrail immediately before the closing date.

(2) CONRAIL SALE AGREEMENTS.—The term "Conrail Sale Agreements" has the same meaning such term is given in paragraph (4B) of section 102 of the Regional Rail Reorganization Act of 1973, and includes all representations and warranties made in such agreements, entered into to implement this Act

TITLE IV—MISCELLANEOUS PROVISIONS

COMMON CARRIER STATUS OF CONRAIL AFTER SALE

SEC. 401. Conrail shall be a common carrier by railroad under section 10102(4) of title 49, United States Code, notwithstanding this Act. Purchase of Conrail stock shall not be the sole basis of a determination that any Purchaser has become a common carrier by railroad under section 10102(4) of title 49, United States Code.

SEPARABILITY

SEC. 402. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

EFFECT ON CONTRACTS

SEC. 403. Nothing in this Act shall affect any obligation on Conrail to carry out its transportation contracts and equipment leases, equipment trusts, and conditional sales agreements, in accordance with their terms.

EFFECTIVE DATES

SEC. 404. (a) Except as provided in subsection (b), the provisions of this Act, and amendments made by such provisions, shall take effect on the date of enactment of this Act.

(b) Sections 108, 201, and 202 of this Act shall take effect on the closing date, except that subsection (a) of each of sections 201 and 202 shall take effect on the date of enactment of this Act.

Mr. McCONNELL. Mr. President, I am convinced, as I suspect a majority of my colleagues are, that the Government should not be in the business of running a railroad. But I am equally convinced that the Department of Transportation's plan to sell Conrail to Norfolk Southern Corp. is seriously flawed.

The Department's Conrail/Norfolk Southern merger proposal poses significant anticompetitive problems, would cost thousands of jobs, loss of tax revenue, and diversions effecting numerous regional carriers and their shippers. In my State of Kentucky, alone, there is no doubt that we would suffer severe economic hardship through the loss of rail jobs and displacement of our coal markets. Hearings before the Judiciary Committee confirmed these concerns. Today, I am pleased to cosponsor alternative legislation to return Conrail to the private sector as an independent, viable carrier through one or more public offerings.

The Morgan Stanley public offering proposal is superior in every way. First, the Government would receive a greater return on its investment: $1.2 billion on the date of sale, approximately $400 million or more in tax savings and the opportunity to share in any appreciation in the price of Conrail stock through the issuance of purchase warrants for 1 million shares. Second, the public offering proposal contains the very same or equivalent public interest covenants which the Department of Transportation determined to be crucial.

Mr. President, this is a solid package backed by more than 30 investors consisting of pension funds, universities, money managers, investment companies, and corporations. They know a good, long-term investment when they see one. The backing of this sophisticated group of investors, as well as the track record of Conrail's innovative and successful management, bears credence to my view that an independent Conrail will remain viable over the long term.

As envisioned by NERSA, the public offering would return Conrail, as one unit, to the private sector. It is not a Government-engineered paste-and-patch job. Rather, it is free market approach which will provide the Government and its taxpayers with a superior return for their investment in Conrail, will preserve effective rail competition and will avoid complex antitrust issues. It's a sensible, workable, and fair solution to get the Government out of the railroad business, and I urge my colleagues to support this public offering.

Mr. DIXON. Mr. President, I am pleased to join my distinguished colleagues in introducing the Conrail Public Sale Act of 1985, a bill that is of paramount importance to the continued vitality and competitiveness of the Eastern U.S. rail freight industry, tens of thousands of railroad employees and their families, and thousands of shippers and manufacturers throughout the country. This bill provides for the continued independent operation of Conrail by selling the Government's 85 percent interest to a group of private investors who, through a series of stock offerings over a 5-year period, will sell their interest to the public.

In 1973, by passage of the Rail Reorganization Act (3R ACT), Congress created the U.S. Railway Association [USRA]. The USRA, with a mandate from Congress, developed a plan for salvaging the collapsed eastern rail freight system, identified most notably by the Penn Central Railroad. Out of this plan, on April 1, 1976, was born Conrail, the Consolidated Rail Corporation. Since then, almost 10 years have passed and the American taxpayers have poured billions of dollars into the revitalization of Conrail. In 1980, with the passage of the Staggers Rail Act, substantial deregulation of rail transportation has occurred and has contributed greatly to Conrail's ability to attract business and serve its customers profitably.

In 1981, Congress passed the Northeast Rail Service Act [NERSA] embodying sustantial labor, tax, and other concessions designed to allow Conrail to become profitable and competitive. NERSA also established a procedure for the orderly transfer of Conrail to the private sector.

And so it is that since 1981, the Department of Transportation has set about to implement the provisions of NERSA to return Conrail to the private sector. Under Secretary Dole's leadership, the sale of Conrail has become one of the Department's highest priorities. She has presided over an unparalleled bidding process which culminated in some 15 different offers to purchase Conrail. After intense and detailed negotiations designed to ensure the long-term viability of Conrail and at the same time provide the Government with the best financial return on its enormous investment in Conrail, she selected Norfolk Southern Corp. In the process leading to her final selection, Secretary Dole negotiated an impressive array of covenants to protect the interests of shippers and citizens served by Conrail.

Norfolk Southern Corp. is certainly to be commended for their interest and conduct in this Government sale process. They have a proud heritage and an outstanding record as one of America's premier freight railroads. We ourselves in Illinois have benefited for years from the reliable and efficient rail service provided by Norfolk Southern. And now they propose to put weight of their past record and their future prospects behind their bid to acquire Conrail.

Unfortunately, Mr. President, I believe a purchase of Conrail by Norfolk Southern, or any other large railroad for that matter, will have very serious consequences which outweigh the potential benefits. To begin with, as the Department of Justice has stipulated, this proposed merger has serious anticompetitive implications. My concerns go well beyond the Justice Department position—which I do not share—that these antitrust issues can be reached with the divestiture of some 1,200 miles of track to two small, financially weak railroads.

Acquisition of Conrail by Norfolk Southern or Conrail's other major Eastern competitor, CSX, would create real competitive problems in both the Northeast and in parts of the Midwest and South. The resulting merger-railroad would divert substantial amounts of traffic from various railroads including the Illinois-based Chicago and Northwestern and the Illinois Central Gulf which comprise the backbone of the competitive Midwest rail system.

These substantial traffic diversions would result in financial losses which would, in turn, require these smaller railroads to reduce service and to cut back employment. In Illinois and in other parts of the Midwest, this would mean a loss of competitive rail service, serious disruptions to shippers and industries, and a considerable loss of jobs. It is worth pointing out that the administration seems to agree that there are real competitive problems, because the legislation it is recommending provides complete antitrust immunity, something which I believe has never before been provided for a merger between two profitable railroads.

A public offering, by maintaining the competitive status quo, avoids any antitrust problems. Further, the Morgan Stanley offer has the potential to provide a greater financial return to the Government. The Morgan Stanley investors' group will match the competing offer of $1.2 billion to purchase, plus provide the government with warrants for 1 million shares of Conrail common stock. As in the Chrysler Corp. situation, these warrants will assure the Government of an opportunity to share in any future appreciation of Conrail common stock. Finally, the Morgan Stanley proposal will not have the adverse tax consequences of the Norfolk Southern offer. CBO has recently estimated that the Treasury will lose some $400 million over 4 years if Norfolk Southern acquires Conrail and proceeds to shelter income through the use of Conrail's depreciable asset lease.

And that, Mr. President, is why I rise today to cosponsor legislation to implement the public stock offering proposed of Morgan Stanley's investment group. The Morgan Stanley proposal will ensure Conrail's future as an independent, self-sustaining railroad. This proposal will preserve the competitive balance of rail service in the Northeast and Midwest and will risk none of the serious economic dislocations and job losses which could otherwise occur. The Morgan Stanley proposal will allow smaller, Midwest railroads to continue to play a much-needed, highly competitive role in our Nation's rail system.

I was at first skeptical that a realistic and workable public offering alternative was possible in the Conrail situation. However, the $1.2 billion commitment by the well-respected and sophisticated investors in the Morgan Stanley group makes it clear that a public offering is worth the Congress' most serious consideration. The public offering alternative solves some real problems and offers real advantages for the Government and the public. I urge my colleagues to examine this proposal carefully. I am confident they will find that the public offering alternative is worthy of their support.

By Mr. EVANS (for himself, Mr. DURENBERGER, Mr. ANDREWS, Mr. STEVENS, Mr. BOSCHWITZ, Mr. DANFORTH, Mr. LUGAR, Mr. WEICKER, Mr. MATSUNAGA, Mr. MITCHELL, Mr. MOYNIHAN, Mr. RIEGLE, Mr. BINGAMAN, Mr. LEVIN, Mr. ZORINSKY, Mr. GORE, Mr. EXON, Mr. SASSER, Mr. ROCKEFELLER, Mr. DODD, Mr. BOREN, Mr. KERRY, Mr. CRANSTON, and Mr. ABDNOR):

S. 1362. A bill to amend part A of title IV of the Social Security Act to provide for a study of quality control standards and procedures under the Aid to Families With Dependent Children Program, to provide for a moratorium on the imposition of penalties for erroneous payments, and for other purposes; to the Committee on Finance.

AID TO FAMILIES WITH DEPENDENT CHILDREN QUALITY CONTROL IMPROVEMENTS ACT

Mr. EVANS. Mr. President, along with a number of my colleagues, I am introducing legislation that will initiate comprehensive and principled improvements in the existing quality control system for Aid to Families With Dependent Children [AFDC].

Today, States are being threatened with severe fiscal sanctions for error rates in excess of Federal targets. Recently, the Secretary of Health and Human Services levied $70 million in liability against 21 States, nearly half

of whom had error rates below the national average.

Mr. President, I would ask that a table detailing the fiscal year 1981 error rate sanctions against the States for AFDC be included in the RECORD at the end of my remarks.

States have, in recent years, made great progress in reducing errors. Without official collection of any fiscal sanctions by the Federal Government, the AFDC payment error rate has been reduced from 16.5 percent in 1973 to an official 6.7 percent by September 1982.

Although the States have made significant improvements they are also threatened with sizable fiscal penalties for exceeding federally-set error tolerance levels. For example over $1.3 billion in sanctions will be imposed against States for fiscal years 1981 to 1989 under the existing quality control system.

Recently, Gov. Madeleine Kunin of Vermont testified before the House Ways and Means Committee that a fiscal sanction as small as $700,000 against her State would have serious repercussions. Governor Kunin pointed out that the loss of a 50 percent Federal match of $700,000 was actually a loss of $1.4 million. She went on to speculate that actions to absorb this loss would consist of cutting training of program personnel by half and termination of systems development efforts—systems, ironically, that are put in place to reduce errors.

Other actions would include laying off field workers and readjusting overhead costs so that they could be spread over to other programs. These sanctions will serve as punitive measures against States and lead to results that Congress clearly did not intend.

Undoubtedly, States will have to absorb such cutbacks through reducing administrative costs which will result in even higher rates of error. Or, States will pass on the financial burden to AFDC recipients through reduced or restricted benefits.

Gov. James Blanchard of Michigan testified before a House committee last year that he was able to put 25,000 youngsters to work with about $40 million through his Summer Youth Employment Program. He was testifying on the existing quality control system and the adverse impact it would have on the States. His example is relevant because although Michigan did not receive a fiscal sanction for fiscal year 1981 in AFDC, it is anticipating a sanction of about $40 million for fiscal year 1982 and 1983.

The point Governor Blanchard makes, and I believe it is a critical one, is that with each sanction the dollar amount involved is sizable. In this instance, the amount of sanction, $40 million, equals the amount it costs the State of Michigan to provide 25,000 youth with summer employment.

My own State of Washington is in the process of a slow recovery from its recession and this means that State revenues are already thinly spread. it is likely that fiscal sanctions would have to be paid by reducing welfare grants or by limiting medical services to the poor. Such action would hurt the very people the programs are designed to serve.

We could examine all 50 States and, although each particular situation would be unique, the issue remains the same: The fiscal sanctions component of the Federal quality control program, as currently administered, acts as a disincentive to State error reduction. Furthermore, it inevitably will penalize the very people the AFDC Program is supposed to serve.

Mr. President, I strongly believe the Federal Government should maintain quality control guidelines to which States must adhere; however, I am deeply concerned with the arbitrary and inequitable nature of existing standards. The purpose of quality control is to help States improve AFDC administration and reduce AFDC errors. Its purpose is not to force States to develop unduly restrictive eligibility requirements.

Its purpose is not to shift AFDC costs from Federal to State budgets and its purpose is not to force States to reduce administrative resources which will inevitably result in higher AFDC errors in the future. The purpose of quality control is to provide States with an effective management tool so that program administration can be as cost-efficient as possible.

Unfortunately, our existing system prevents rather than assists States in achieving these goals. That is why I believe legislation to eliminate inequitable sanction practices and to determine the actual error tolerance level for States is imperative.

The current tolerance level of 3 percent was established by TEFRA in 1982. This percentage was arrived at arbitrarily and is not supported by any conclusive research. Furthermore, it fails to take into account economic conditions as well as significant geographic and program differences among the States. These factors often contribute to errors in ways largely beyond the control of States.

In fact, a 1982 unpublished HHS study found that such outside factors as greater population density, higher crime rates, sizes of local population and size of the welfare agencies' caseloads contribute significantly to higher error rates. Despite these findings, HHS makes no effort to consider these factors when determining a State's error liability.

My legislation would direct the Secretary of Health and Human Services and the National Academy of Sciences to take these factors into account when conducting concurrent studies to determine what the tolerable error rate for States should be. During the interim period, my bill would impose a moratorium on collection procedures while maintaining a temporary error target of 4 percent. Until the actual tolerable rate of error can be documented and established the moratorium would provide relief from a practice that is costly to both the Federal and State Governments. I must emphasize that the Federal Government has collected nothing through fiscal sanctions in AFCD since the practice was established in fiscal year 1981.

Mr. President, I ask that at the conclusion of my remarks a table comparing HHS and CBO baseline assumptions for the collection of AFDC error rate penalties be placed in the RECORD.

As can be seen from this table, there is a significant discrepency between what HHS and CBO estimate will be collected. HHS asserts that for fiscal years 1984 through 1989 the Federal Government will collect over $1 billion in sanctions. According to the Department's estimates, it was supposed to collect from the States who received sanctions $74 million in fiscal year 1984 and $513 million in this current fiscal year. However, HHS's initial estimates are already inaccurate. It collected nothing in fiscal year 1984 and to date it has collected nothing for fiscal year 1985 with only 3 months left in this current fiscal year.

CBO on the other hand seems to be more accurate in its projections. It estimates that by fiscal year 1989 the Federal Government can expect to collect just under $200 million, with the first year of collection from States beginning in fiscal year 1988. Clearly, the existing quality control system will cost us more to adminsiter in the years to come than we can ever hope to collect from it in revenues.

Until an actual national error rate can be established, my legislation would return the target to 4 percent, the existing level before TEFRA lowered it in 1982. As a constructive means to enforcement of quality control standards, my bill would provide incentive payments to States who are able to sustain an error rate below 4 percent. The incentive payment would be equal to one-half the amount of money a State saves the Federal Government by maintaining an error rate less than 4 percent.

In assessing error rates, the Federal Government currently takes the best of both worlds when it applies sanctions based on the midpoint of the State error rate range. My legislation requires the Federal Government to use the lower bound of the confidence interval as the official statistical error rate. The lower bound is the best estimate because it will provide the Federal and State Governments with a 98 percent probability that the official

error rate is not an overestimate. As a punitive measure, fiscal sanctions should be imposed on the lower bound or the most accurate estimate of a State's actual error.

My legislation also provides that State will not be held accountable for the so-called technical errors. These errors relate to administrative requirements such as WIN registration and assignment of social security numbers to all welfare recipients. Correction of these errors have no fiscal impact because they often will make clients eligible for the program, not eliminate them from the rolls.

I am told by administrators in my State that the technical errors are most common. They told me about one case involving a low-income mother and her child who are eligible for AFDC. The mother obtained a Social Security number for her child but did not understand that she had to report it to the welfare office. The existing quality control system which counts technical errors such as this found both the mother and her child ineligible.

The State was sanctioned for the entire amount of the grant which was extrapolated over the entire caseload that is measured to determine the error rate. The end result not only overstates the actual error rate; but it measures an error that has nothing to do with the need or eligibility of the AFDC recipient.

Mr. President, in conclusion, I cannot emphasize more strongly that the Federal Government should hold States accountable for errors in AFDC. However, I strongly believe that existing Federal policy lacks a principled foundation. Quality control is a management tool that must provide incentives, not disincentives to States for efficient and cost-effective program administration.

Our existing system falls far short of these objectives and is in dire need of a comprehensive examination. The legislation I am introducing today will put Federal quality control for AFDC back on solid footing and it will restore its usefulness as a mangement tool—the purpose that Congress clearly intended it to fulfill. I urge my colleagues to join me in this effort which is of such great importance to both Federal and State Governments.

Mr. President, I ask unanimous consent that the bill, as well as the tables mentioned earlier, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STUDY OF AFDC QUALITY CONTROL

SECTION 1. (a) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study for the purpose of determining tolerable State error rates under the Aid to Families with Dependent Children program.

(b) FACTORS TO BE ANALYZED IN STUDY.—The Study shall include (but not be limited to) the following:

(1) The need for annual adjustments in tolerable error rates on a State-by-State basis to allow for factors beyond the control of the State.

(2) The need for adjustments to the standard error rate based on variable factors such as population density and caseload volume.

(3) The nature of client-caused errors, the degree to which such errors can be controlled by the State, and the cost effectiveness of methods for reducing such errors.

(c) SUBMISSION OF PRELIMINARY STUDY PLAN.—Within 30 days after the date of the enactment of this Act, the Secretary shall submit to the Senate Committee on Finance and the House Committee on Ways and Means a preliminary study plan, outlining the format and methodologies to be employed in the study.

(d) CONCURRENT STUDY BY NATIONAL ACADEMY OF SCIENCES.—The Secretary shall also contract with the National Academy of Sciences to conduct a concurrent study for the purpose described in subsection (a), which shall also include the factors described in subsection (b). For purposes of such study, the Secretary shall provide to the National Academy of Sciences any relevant data available to the Secretary, at the onset of the study and on an ongoing basis.

(e) SUBMISSION OF REPORTS.—The Secretary of Health and Human Services and the National Academy of Sciences shall report the results of their respective studies to the Congress within one year after the date of the enactment of this Act.

CHANGE IN TOLERABLE ERROR RATE PENDING CONGRESSIONAL ACTION TAKEN AFTER STUDY HAS BEEN COMPLETED

SEC. 2. (a) IN GENERAL.—Section 403(i)(1)(A) of the Social Security Act is amended by striking out "exceeds—" and all that follows through "then the Secretary", and inserting in lieu thereof "exceeds 0.04 for any fiscal year, then the Secretary".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to fiscal year 1983 and each fiscal year thereafter. It is the intent of the Congress to reevaluate the tolerable error rate established under Section 403(1) of the Social Security Act after the Secretary of Health and Human Services and the National Academy of Sciences have submitted the reports required under Section 1 of this Act.

WAIVER AUTHORITY

SEC. 3. (a) IN GENERAL.—Section 403(1) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) The Secretary, in accordance with this paragraph, may waive all or any part of any sanction that would otherwise be imposed upon a State under paragraph (1) if such State is unable to reach the allowable error rate for the fiscal year involved despite a good faith effort by such State.

"(B) Any State may request a waiver of all or part of any sanction that would otherwise be imposed for any fiscal year under paragraph (1), basing such request upon a showing—

"(i) that the State made (and is continuing to make) a good faith effort to reduce or eliminate the erroneous payments involved but was unable to reach the allowable error rate for such fiscal year despite that effort; or

"(ii) that (I) the Secretary's determination of the State's error rate for such fiscal year was made incorrectly or in a manner inconsistent with the provisions of this subsection, and (II) the State's error rate, if determined correctly and in a proper manner, would be lower than the rate so determined by the Secretary.

The Secretary shall consider and review such request, and either approve it or disapprove it in whole or in part, in accordance with a timetable which shall be specified in regulations. If the Secretary disapproves the request, the State may appeal the Secretary's decision to the Grant Appeals Board in the Department of Health and Human Services for such further action as may be provided for by law or regulations (including judicial review of the Secretary's decision or the Board's determination).

"(C) In considering and reviewing any request for a waiver submitted by a State under this paragraph, the Secretary shall take into account—

"(1) factors beyond the State's control (including disasters, strikes by State or other staff personnel engaged in determining eligibility or processing cases, sudden workload changes resulting from changes in Federal or State laws or regulations or from rapid caseload growth, and State actions resulting from incorrect policy interpretations by federal officials);

"(ii) factors relating to agency commitment, including demonstrated commitment by upper level State officials to the error reduction program under this subsection, the sufficiency and quality of operational systems designed to reduce errors, the use of effective systems and procedures for the statistical and program analysis of quality control and related data, and effective management execution of the corrective action process;

"(iii) the State's past performance with respect to erroneous payments, including past error rate levels and past error rate reduction efforts;

"(iv) the cost effectiveness of error rate reduction, both in general and in the particular circumstances existing within the State; and

"(v) such other factors as the Secretary may determine to be appropriate, as specified in regulations or as detailed by the State in its waiver request.

The Secretary's regulations shall specify the factors to be considered and the criteria to be used in assessing waiver requests under this paragraph, and shall indicate the relative weight or importance of each of such factors and criteria in order to assist States in determining the appropriateness of proposed requests."

(b) CONFORMING AMENDMENTS.—Section (403)(i)(1) of such Act is amended—

(1) in subparagraph (A), by striking out "as defined in subparagraph (C)" and inserting in lieu thereof " 'as defined in subparagraph (B)";

(2) by striking out subparagraph (b); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective for fiscal year 1986 and each fiscal year thereafter.

MORATORIUM ON REDUCTION IN PAYMENTS FOR EXCESS ERRORS

SEC. 4. (a) IN GENERAL.—Section 403(i) of the Social Security Act (as amended by section 3 of this Act) is further amended by

adding at the end thereof the following new paragraph:

"(6) No reductions in payments to States under this section shall be made pursuant to this subsection, or pursuant to the provisions of Public Law 96-123, for any fiscal year after fiscal year 1979."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to fiscal year 1980 and each fiscal year thereafter. It is the intent of Congress to revise the moratorium established under section 403(i)(6) of the Social Security Act after the Secretary of Health and Human Services and the National Academy of Sciences have submitted the reports required by section 1 of this Act.

INCENTIVE PAYMENTS TO STATES

SEC. 5. Section 403(i) of the Social Security Act (as amended by section 4 of this Act) is further amended by adding at the end thereof the following new paragraph:

"(7)(A) If a State's ratio of erroneous excess payments to its total payments (as determined under paragraph (1) is less than 0.04 for any fiscal year after fiscal year 1985, the Secretary shall pay to such State as an incentive payment an amount equal to 50 percent of the net amount by which federal payments to such State for such fiscal year are reduced by reason of such ratio being less than 0.04.

"(B) Payments under subparagraph (A) shall not be made until such time as Congress removes the moratorium imposed under paragraph (5). At that time, incentive payments for prior years shall be made (without interest) in a lump sum."

IMPROVEMENTS IN AFDC QUALITY CONTROL STANDARDS AND PROCEDURES

SEC. 6. (a) IN GENERAL.—Section 403(i) of the Social Security Act (as amended by section 5 of this Act) is further amended by adding at the end thereof the following new paragraph:

"(8)(A) In determining the error rate in any State for purposes of this subsection—

"(i) such rate shall be fixed at the lower bound of the standard interval for errors within which the State's true error rate falls; and

"(ii) errors which are technical in nature or have no fiscal impact, such as omissions (from the State's files) of Social Security account numbers, assignments of support rights, declarations of cooperation in obtaining support, and WIN or other work program registrations, shall be disregarded."

FISCAL YEAR 1981 ERROR RATE SANCTIONS FOR AFDC

	Amount of sanction	State error rate (percent)	Federal tolerance (percent)
State:			
Alabama	$47,000	7.7	7.6
California	35,067,000	6.8	4.0
Colorado	1,898,000	8.2	4.2
Connecticut	424,000	7.4	7.1
Florida	3,467,000	7.9	5.1
Hawaii	1,212,000	10.1	7.5
Idaho	691,000	9.1	4.3
Indiana	113,000	4.1	4.0
Kansas	1,903,000	8.1	4.1
Maine	168,000	7.9	7.5
Minnesota	571,000	4.4	4.0
New Mexico	2,554,000	12.4	4.5
Nebraska	280,000	5.5	4.4
New York	6,270,000	8.0	7.2
Ohio	3,935,000	8.9	7.7
Oklahoma	1,508,000	6.6	4.0
South Dakota	13,000	4.6	4.5
Tennessee	1,754,000	8.9	6.0
Texas	1,112,000	7.5	5.9
Washington	4,162,000	9.3	5.8
Wyoming	413,000	13.7	4.0

Note.—The national average error rate in fiscal year 1981 for AFDC was 7.7 percent.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to fiscal year 1981 and each fiscal year thereafter.

HHS and CBO budget assumptions for the collection of AFDC error rate penalties, fiscal year 1984-89

	Millions
HHS assumptions for collection of AFDC error rate penalties:	
Fiscal year 1984: Collect for errors in fiscal year 1981	$74
Fiscal year 1985: Collect for errors in fiscal years 1982, 1983, and 1984	513
Fiscal year 1986: Collect for errors in fiscal year 1985	220
Fiscal year 1987: Collect for errors in fiscal year 1986	198
Fiscal year 1988: Collect for errors in fiscal year 1987	175
Fiscal year 1989: Collect for errors in fiscal year 1988	159
Total	1,339
CBO assumptions for collection of AFDC error rate penalties:	
Fiscal year 1984: Collection	0
Fiscal year 1985: Collect for errors in fiscal years 1981, 1982, and 1983	0
Fiscal year 1986: Collect for errors in fiscal year 1984	0
Fiscal year 1987: Collect for errors in fiscal year 1985	0
Fiscal year 1988: Collect partially for previous years	57
Fiscal year 1989: Collect for errors in fiscal year 1987	137
Total	$194

NOTE.—CBO uses the administration's estimates of error rate penalties with collection equal to ½ of the penalties and delayed 1 yr.

Mr. MITCHELL. Mr. President, I join with Senator EVANS as an original cosponsor of legislation which is designed to reform the existing quality control and fiscal sanction policies for the Aid to Families with Dependent Children [AFDC] Program.

Recently 21 States, including my home State of Maine, received fiscal sanctions for their 1981 error rates in the AFDC program. The sanction of $168,000 levied against the Maine AFDC program is significant to a program in a small State with many poor people who rely upon it for support.

I support the concept of quality control in the AFDC program. The States too support quality control, as it is also in their best interest to minimize error since mispayments waste State, as well as Federal, resources. I do not believe, however, that the existing quality control system used for the AFDC program is an accurate or equitable measure of State performance in lowering AFDC error rates.

Many States argue that the current error rate was arrived at arbitrarily by the Department of Health and Human Services. In the past few years, States have made significant progress in reducing their error rates, but many have still exceeded the tolerable limit for error. If States are forced to pay the sanctions which have been levied, they will have to resort to cutbacks in AFDC programs or reduce administrative costs, which may result in higher error rates in the future.

We must encourage the Department of Health and Human Services to develop a quality control and fiscal sanction policy which produces timely and accurate error information derived from fairly reviewed cases. The current quality control process does not achieve this goal. Final error rate determinations by the Federal Government can lag by as much as 2 years behind State determinations, eroding the relationship between potential sanctions and the period of performance to which they apply, thus hindering corrective action.

The legislation being introduced today will reform the existing quality control system while temporarily relieving States and the Federal Government from costly sanctioning practices. The legislation will maintain a basic 4-percent error tolerance target until an actual and appropriate errors rate can be established. States would then be liable for errors in excess of the target range.

I hope that other Members of the Senate will support this legislation which is a sincere attempt to address the shortcomings in the current AFDC quality control policy while continuing to require that States work to reduce error rates in this program to a reasonable level.

Mr. KERRY. Mr. President, I am pleased to join in support of an important piece of legislation being introduced today by my distinguished colleague from Washington, Senator EVANS.

Central to this bill is the theme of fairness as it relates to the quality control system and procedures used in the AFDC program. The quality control system was originally designed to reduce programmatic errors in AFDC by forcing States, through fiscal sanctions, to improve their administration of this program. However, in the effort to improve AFDC efficiency, more problems may be created and ultimately more beneficiaries may be adversely affected.

From fiscal years 1972 to 1981, States have reduced their error rates from approximately 16.5 percent to 7.3 percent. In my own State of Massachusetts, the AFDC error rate has dropped from 22 percent in 1979 to a recent 5.3 percent in January 1985. Mr. President, tremendous progress has been made by the States in this area. States still face sanctions nationally of $1.3 million for fiscal years 1981 to 1989. I fear, Mr. President, that sanctions will ultimately come out of AFDC administrative funds or from cutbacks in benefits. I believe that this could jeopardize future improvements in the program.

There is no doubt that the current system is flawed. It is a system that will inequitably penalize States without taking into consideration important factors. For example, sanctions imposed this year for past errors fail to take into consideration major improvements in the States' systems. Inherent in the present system are perverse incentives. In Massachusetts, we have computer matches with banks and State agencies to uncover hidden assets and income. Because of this innovative system, Massachusetts' reported error rate has increased. I believe States should be rewarded for programs that work. The present system also fails to take into account geographic, economic, and regional differences which contribute to errors out of the control of States. For example, the Department of Health and Human Services has an unpublished study that shows how higher population density, crime rate, and welfare case loads result in a greater number of errors. In addition, our system penalizes States for technical errors that involve no less in Federal funding.

Mr. President, I also question the sincerity of HHS in their attempt to achieve equality throughout all quality control systems. Last year, HHS decided to remove fiscal sanctions related to the administration of the Supplemental Security Insurance Program. HHS claimed that their error rate had improved significantly. Can this be fairness when the administration stops sanctioning itself for improvements in their error rate, but does not reward the States in the same way?

Mr. President, States must be held accountable for errors in their AFDC program. But an effective system must be devised which recognizes systematic improvements and is applied fairly. Senator EVANS' bill works toward achieving this. It directs the Secretary of HHS to conduct a comprehensive study to determine what an acceptable error rate for the States should be. While the study is taking place, a moratorium would be placed on sanctions imposed on the States, thus ending a system of blatant inequality. It is for this reason for fairness that I confidently support Senator EVANS' bill and I strongly urge my colleagues to join me.

Mr. SASSER. Mr. President, I rise today to cosponsor the bill introduced by my colleague from Washington, which would provide for a moratorium on fiscal sanctions being levied on States exceeding their federally designated tolerable error rates in the AFDC program.

The fiscal sanction provisions of the Social Security Act were intended by this Congress to promote efficiency and to prevent waste, fraud, and abuse in State AFDC programs. This is a goal which I wholeheartedly support.

However, the tolerable error rate which has been set by the Department of Health and Human Services does not allow for errors which are caused by client fraud, nor are technical errors, economic and geographic conditions, and program differences between States taken into consideration. Therefore, the sanctions faced by 21 States, including Tennessee, are based on a system of quality control the accuracy of which is doubtful at best.

The bill introduced today by Senator EVANS provides for a reasonable tolerable error rate while the Secretary and Congress develop a fairer and more accurate method for eliminating fraud and waste from State AFDC programs. Moreover, this bill provides for a moratorium on fiscal sanctions until such a reasonable quality control system is devised. Under the present system, States are incurring fiscal harm. This will undoubtedly reduce the State funds available for the AFDC program in future years.

Since fiscal sanctions have already been imposed on States based on the current, inaccurate system, now is the time to study this quality control system and place a moratorium on the sanctions. I urge my colleagues to join me in cosponsoring this bill.

My support for the provisions of this bill has been requested by the commissioner of the Tennessee Department of Human Services, and I ask unanimous consent that her letter soliciting my support be placed in the RECORD immediately following the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF TENNESSEE,
DEPARTMENT OF HUMAN SERVICES,
Nashville, TN, June 20, 1985.

Hon. JAMES R. SASSER,
U.S. Senator, Russell Senate Office Building, Washington, DC.

DEAR SENATOR SASSER: I recently have been notified by Secretary of Health and Human Services, Margaret Heckler, that Tennessee is subject to a $1,754,000 fiscal sanction because of errors committed in our Aid to Families with Dependent Children Program during the 1981 fiscal year. Twenty other states are being sanctioned also, for the same period.

For Tennessee, which in subsequent years has reduced its error rate from 8.9% to 3.8%, the loss of nearly $2 million could prove devastating, not only to the AFDC Program, but to other vitally important social programs as well. Such reductions in funds may mean that we cannot continue to raise AFDC payments, which are now among the lowest in the nation. The loss may mean that we cannot expand medical services to needy children. Providing expanded medical services to children is one of Governor Alexander's top priorities and is a critical need in our State. These programs and others in Tennessee and across the nation are in jeopardy because of the projected $1.3 billion in potential sanctions through 1989.

In its mandate to the states to control waste, fraud and abuse, Congress certainly did not intend to damage the very programs it sought to preserve. Yet, this will be the effect if sanctions are imposed: either benefits will be reduced or administration will be cut back. In either event, everyone loses. Lower benefits endanger orderly family life. Reduced administrative funds result in higher error rates.

Tennessee has long resisted the imposition of fiscal sanctions as a technique to curb waste, fraud, and abuse. It is our position that improvement in this area would be much more effective if states were provided fiscal incentives for exemplary performance. Nevertheless, if there is to be a sanction system, it must be a fair, accurate and reasonable one. The existing quality control system is none of the above. This is not only the view of a state that is facing such sanctions; this review also reflects Health and Human Services' own internal, but unpublished, analysis of the Quality Control System:

Let me list for you some of the System's many shortcomings:

It is untimely. States are unable to take rapid corrective action. Our case review findings for April, 1982, are not yet certified by Health and Human Services. The $1.8 million sanction presently being assessed dates from April, 1980—over five years ago!

The quality and skill of Quality Control staff vary from state-to-state.

There is an upward and downward range of reliability in error rate computation, and the Quality Control System imposes the highest possible range on the states.

Technical errors, such as children having no social security number or failing to register for work when not attending school, are considered as significant as willful misrepresentation.

Client-caused errors, over which states have little control such as unreported income or resources, count as much as state-caused administrative errors. In fact, for the year in question, client-caused errors made up over two-thirds of Tennessee's 8.9% error rate.

The error rate tolerance level is arbitrary. Presently it is set at 3%, which is arrived at completely arbitrarily. We know of no government agency or private sector opertion capable of operating at a 97% accuracy level.

The Quality Control System does not take into account economic conditions, geographic conditions, or program differences.

Simply stated, it is neither a fair nor an adequate system upon which to set in motion a plan that will reduce over a billion dollars in benefits to needy children and adults over the next few years. I urge you and all members of Tennessee's Congressional delegation to either sponsor or support legislation which would require Health and Human Services to conduct an empirically valid study of quality control in the AFDC program; establish a reasonable error tolerance level; eliminate the inequitable sanction process; and establish a moratorium on the system now in place.

Sincerely,

MARGUERITE W. SALLEE,
Commissioner.

By Mr. KENNEDY (for himself, Mr. THURMOND, Mr. KERRY, Mr. HOLLINGS, Mr. DECONCINI, Mr. CRANSTON, Mr. CHAFEE, Mr. D'AMATO, and Mr. METZENBAUM):

S. 1363. A bill to prohibit the use of the mails to send dangerous martial

arts weapons; to the Committee on the Judiciary.

BAN ON SALE OF DANGEROUS MARTIAL ARTS WEAPONS BY MAIL

Mr. KENNEDY. Mr. President, today I am introducing legislation to prohibit mail-order sales of dangerous martial arts weapons. This legislation is needed to close a loophole in Federal law that frustrates enforcement of State laws applicable to martial arts weapons and to halt the increasing use of the mail to send these weapons.

The sale and distribution by mail of dangerous martial arts weapons that are outlawed or regulated by many States is a growing problem affecting the health and safety of citizens throughout the country, especially young people. For example, many States have recently enacted laws that specifically prohibit manufacturing, carrying, selling, or possessing certain martial arts weapons. However, razor-sharp throwing stars, kung fu killing sticks, known as nunchakus, and fighting chains, which are all designed to maim or kill other human beings and which are often available for as little as $10 or less, continue to be shipped through the U.S. mail.

The distribution of these illegal devices goes unchecked because existing Federal postal regulations—which prohibit the mailing of certain firearms, explosives, switchblades, and other dangerous articles—do not yet specifically prohibit sending martial arts weapons through the mail. Legislation is needed to provide the U.S. Postal Service with explicit authority to stop mail-order sales of these weapons to States which outlaw or regulate their use.

The surge in popularity of martial arts has led many States to enact legislation to keep dangerous martial arts paraphernalia out of the hands of children. The Consumer Product Safety Commission estimates that in the last 5 years, over 100,000 martial arts-related injuries of all kinds were treated in hospital emergency rooms. Over 60 percent of the victims were between the ages of 5 and 24. The easy access of children and youth gangs to inexpensive mail-order martial arts weapons, now advertised in a variety of publications, undoubtedly contributes to a substantial number of the accidents and attacks that now occur outside legitimate, supervised sports activity. In Massachusetts, for example, one martial arts instructor reports recently confiscating 100 illegal weapons from children as young as 8. Parents, educators, police, and State and local officials have written to me about the need to cut off the flow of these mail-order weapons to children.

In addition, the increasing use of martial arts weapons by criminals is a growing threat to public safety that warrants immediate action. A recent nationwide survey found a small but significant number of convicted felons who admitted using martial arts weapons to commit violent crimes. News reports strongly suggest that the number of robberies, assaults, murders, and other crimes involving martial arts weapons is growing, and there have been numerous attacks on police officers with these deadly weapons.

The legislation that I am introducing provides a direct and simple remedy for the problem. The bill amends the current criminal ban on mailing dangerous items contained in 18 U.S.C. 1716, by adding certain clearly specified martial arts weapons to the existing list of nonmailable dangerous items, and prohibits mail-order sales to States which have banned the items. The Postal Service may prescribe regulations for mailing otherwise nonmailable martial arts weapons to the Armed Forces, National Guard, police, and to a State in which the sale or transfer itself would be legal under the law of such State. In addition, the bill is expressly inapplicable to any knife, sword, or ceremonial or collector's weapon that is otherwise mailable under 18 U.S.C. 1716.

This approach involves a modest but important revision of existing law that will reduce the availability of these lethal weapons to unsupervised children, gangs, and criminals, without inhabiting legitimate martial arts or other sports and hobbies. Indeed, some martial arts enthusiasts, concerned about the public safety and the undeserved reputation that illegal weapons give their sport, have joined law enforcement officials in urging this legislation.

I ask that the text of the bill and a survey of State statutes applicable to martial arts weapons be printed in the RECORD at this point. The survey was prepared by Paul L. Morgan, legislative attorney of the Congressional Research Service's American Law Division. I also ask that recent news articles addressing this issue may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1363

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1716 of title 18, United States Code, is amended by—

(1) redesignating subsection (h) as subsection (i); and

(2) inserting after subsection (g) the following new subsection:

"(h)(1) Whoever—

"(A) knowingly deposits for mailing or delivery, or

"(B) knowingly causes to be delivered by mail, any dangerous martial arts weapon, and thereby sells or transfers, or attempts to sell or transfer such weapon to any person in a state which prohibits manufacturing, selling, carrying, or possessing, such dangerous martial arts weapon, shall be fined not more than $1,000 or imprisoned not more than one year or both.

"(2) Dangerous martial arts weapons may be conveyed in the mails under such regulations as the Postal Service shall prescribe—

"(A) to civilian or Armed Forces supply or procurement officers and employees of the Federal Government ordering, procuring, or purchasing such weapons in connection with the activities of the Federal Government;

"(B) to supply or procurement officers of the National Guard, the Air National Guard, or militia of a State, Territory, or the District of Columbia ordering, procuring, or purchasing such weapons in connection with the activities of such organizations;

"(C) to supply or procurement officers or employees of the municipal government of the District of Columbia or of the government of any State or Territory, or any county, city, or other political subdivision of a State or Territory, ordering, procuring, or purchasing such weapons in connection with the activities of such government;

"(D) to manufactures of such weapons or bona fide dealers therein in connection with any shipment made pursuant to an order from any person designated in subparagraphs (A), (B), and (C); and

"(E) to a person or business in a State in which a sale or transfer would be legal under the laws of such State.

The Postal Service may require, as a condition of conveying any such weapon in the mails, that any manufacturer or dealer proposing to mail such weapon explain in writing to the satisfaction of the Postal Service that the mailing of such weapon will not be in violation of this section.

"(3) For the purposes of this subsection, the term "dangerous martial arts weapon" means—

"(A) A nunchaku, also known as klackers, kung fu sticks, or similar weapons consisting of two sticks of wood, plastic, or metal connected at one end by a length of rope, chain, wire, or leather;

"(B) a shuriken or similar pointed star-like object intended to injure a person when thrown;

"(C) a manrikigusari, also known as a fighting chain, or similar weapon consisting of a length of chain having weighted ends.

"The term dangerous martial arts weapon does not mean any knife, sword, or ceremonial or collector weapon that is otherwise mailable under this section,"

"(3) inserting at the end of new subsection (i):

"This subsection shall not apply to subsection (h) concerning dangerous martial arts weapons."

STATE REGULATION OF CERTAIN MARTIAL ARTS IMPLEMENTS

With the relatively recent popularity of martial arts television programs and motion pictures, there has arisen a corresponding popularity in the possession and use of certain implements identified with the marital arts. While these devices may be used in legitimate exercises, their ancient and intended martial arts uses were as weapons, particularly the nunchaku 1 and the shuriken.2 Use or possession of one or both of these contrivances have been statutorily regulated in at least eleven states.3 The statutes found range from outlawing the possession or manufacture of nunchaku 4 to merely prohibiting elementary or secondary school students under the age of twenty-one years

from knowingly carrying nunchaku or shuriken onto public or private elementary or secondary school premises.5

Absent a legislative determination to the contrary, reported decisions indicate that state courts have not found nunchaku to be a dangerous or deadly weapon per se, thus, mere possession or possession in a public place, open or concealed, is not a criminal offense.6 In some jurisdictions, intent to use nunchaku unlawfully against another must be proven before possession or carrying the instrument is unlawful 7 while, interestingly enough, in another state the mere possession of nunchaku is illegal while intent to use the shuriken unlawfully against another must be shown before possession is illegal.8 Another jurisdiction prohibits the carrying, possession or attempt to use against another "the so called 'Kung-Fu' Weapons." 9 Even when regulated, there may be specific exceptions in the statutes authorizing use of the implements in martial arts exercises.10

PAUL L. MORGAN,
Legislative Attorney,
American Law Division.

MAY 10, 1985.

FOOTNOTES

[1] Also known as nunchaku sticks, zoo bow, klackers, kung fu sticks, chuka stick, nun chuahka, and nunchuck, this instrument consists of two sticks of wood, about a foot long, hinged end to end by a short cord, rope, wire or chain so as to allow freedom to swivel. Said to have originally developed in Southeast Asia, its form recalls a small agricultural flail and by holding one of the sticks, a karate student can swing or twirl the freely moving part in patterns or can bring both sticks together in the fashion of a nutcracker. *Commonwealth* v. *Adams,* 245 Pa. Super. 431, 369 A.2d 479 (1976). See also: Comment, "Criminal Law—Weapons—Prohibition of Karate instruments." 45 *Tennessee Law Review* 758 (Summer 1978).

[2] Also known as a throwing star, death star, shirken and kung fu star, this instrument has been defined as "a disk having sharp radiating points or any disk shaped bladed object which is hand-held and thrown and which is in the design of a weapon used in connection with the practice of a system of self-defense." *Colorado Revised Statutes* (Supp. 1984) § 18-12-106(e).

[3] Arizona, California, Colorado, Kentucky, Maryland, Massachusetts, New York, Oregon, Rhode Island, Virginia, and Washington. Statutes set forth in Appendix II.

[4] E.g., *Arizona Revised Statutes* (Supp. 1984-1985) §§ 13-3101, 3102.

[5] *Revised Code of Washington Annotated* (supp. 1985) § 9.41.280.

[6] *State* v. *Muliufi,* 64 Hawaii 485, 643 P.2d 546 (1982); *People* v. *Tate,* 68 Ill. App. 3rd 881, 386 N.E. 2d 13 (1981); *People* v. *Malik,* 70 Mich. App. 133, 245 N.W. 2d 434 (1976); *Commonwealth* v. *Adams,* 245 Pa. Super. 431, 369 A.2d 479 (1976).

[7] E.g., *Oregon Revised Statutes* (Supp. 1981) § 166.220.

[8] See: *New York Penal Law* (McKinney, 1984-1985) § 265.01 with Hechtman's Supplementary Practice Commentaries as postscript.

[9] *General Laws of Rhode Island* (Supp. 1983) § 11-47-42. If intended to apply to nunchaku, the use of the term "Kung Fu weapons" may be incorrect. "Nunchaku" comes from a Japanese word for "flying sticks" and is a weapon used by karate practioners while Kung Fu, generally thought to be an unarmed defensive form of martial arts, is of Chinese origin. See generally: Comment, note 1 supra, at 758, 769 fn 58.

[10] E.g., *California Penal Code* (West 1985) § 12020; *Colorado Revised Statutes* (Supp. 1984) § 18-12-106.

APPENDIX I: STATE CRIMINAL STATUTES SPECIFICALLY REGULATING MARTIAL ARTS IMPLEMENTS

States	Simple possession [1]	Concealed weapon	Manufacturing
Arizona	N [2]		N
California	N [2],S		N [2],S
Colorado	N [2],S [3]		
Kentucky		N,S	
Maryland		N	
Massachusetts	N [4],S [4]		N,S
New York	N,S [5]		
Oregon	N [5]	N [6]	
Rhode Island	([7])	([7])	
Virginia		N,S	
Washington	N [8],S [8]		

[1] Not including statutes precluding certain classes of individual from possessing weapons, e.g., ex-convicts, felons, mental patients. See: e.g., Arizona Revised Statutes (Supp. 1984-85) § 13-3101, subsection 5, infra in Appendix II.

[2] Martial arts school or demonstration exception.

[3] May not possess in a public place unless part of martial arts demonstration.

[4] Carrying on person or in vehicle prohibited.

[5] Must have intent to use unlawfully.

[6] Merely carrying with intent to use unlawfully.

[7] "Kung Fu" weapons.

[8] Possession on elementary or secondary school grounds by student under 21 prohibited.

Note.—N = Nunchaku; S = Shuriken.

APPENDIX II: TEXT OF STATE CRIMINAL STATUTES SPECIFICALLY REGULATING MARTIAL ARTS IMPLEMENTS

[Omitted in RECORD.]

[From the Washington Times, June 10, 1985]

NINJA IMITATORS

The Ninja, an ancient martial arts assassin, is apparently the latest hero for street kids, much as Superman was some years back. The black-hooded Ninja imitators may often be seen practicing karate kicks, but sometimes, thanks to mail-order magazines, they come complete with combat weapons such as nunchakus, throwing stars, and even Samurai swords.

Police, community leaders, psychologists and professional karate instructors are attempting to deal with the problem, which came to public attention after incidents in several New York state locations. A university psychologist says the behavior of youths who dress up and act the parts of Ninjas has become commonplace; incidents involving the police have raised public awareness of the problem.

John Northman, a clinical psychologist at the State University of New York at Buffalo, said there is "a tendency for kids to identify . . . with those who are powerful," however, this particular fad is "different from kids playing cowboys and Indians because it's directly threatening to others."

[From the Morning Union, June 10, 1985]

NINJA IMITATORS WORRY AUTHORITIES

BUFFALO, NY.—The Ninja warrior, an ancient martial arts assassin glamorized in books and karate movies, has become the new super hero for many young people, much the same as Superman was for their parents.

But unlike the caped crusader, the modern-day street Ninja, complete with nunchakus, throwing stars, and sometimes-menacing Samurai swords, poses problems for the forces of law and order.

Police, community leaders, psychologists and professional karate instructors are trying to deal with the problem, which came to public attention after incidents in Buffalo and Dunkirk, a city of 15,000 residents about 50 miles southwest of Buffalo.

"It's getting to be a hassle in the streets," said John Overton, a professional karate instructor in Buffalo.

"Most everybody tries to put it under the rug, but it's an ongoing problem," said Sgt. T.P. Kulig of the Dunkirk Police Department.

Kulig investigated an incident last October in which a 14-year-old boy dressed as a Ninja warrior and carrying nunchakus—also known as chucka sticks, traditionally oak sticks connected with leather or a chain—threatened a police officer with a sword.

Police said the youth, who was arrested, was part of a group whose members dressed in black and extorted money from other youths. His case has been referred to Chautauqua County Family Court.

Youngsters have been seen with hoods practicing kick routines, but few have been seen with weapons and police have received few reports of attacks, Kulig said.

But tragedy struck May 23 when Buffalo police shot and killed a man who attacked two officers with a 29-inch Samurai sword. Police said they had gone to the home of Wayde Lee Oates, 21, to investigate a report he had threatened a neighbor.

Homicide chief Leo Donovan said Oates charged two officers "with a two-handed hold on the sword, screaming like a warrior."

A university psychologist says the behavior of youths who dress up and act the parts of Ninjas has become commonplace; incidents involving the police have raised public awareness of the problem.

"These kind of things have been going on for years," said John Northman, a clinical psychologist at the State University of New York at Buffalo.

Northman said youths emulate characters like Ninjas to help find their own identity—not because they want to rebel.

"It all depends on how you handle it and filter it through your mind," Northman said. "When your filter fails and there is a failure to exercise that judgment, that's when you get into trouble.

"There's a tendency for kids to identify . . . with those who are powerful," he added. "It's different from kids playing cowboys and Indians because it's directly threatening to others."

[From the Sunday Republican, June 9, 1985]

WEAPONS BATTLE WILL REACH SENATE

(By George R. Delisle)

We told you last January about Larry Kelley of Amherst, a karate instructor who has been carrying on a one-man war against mail order firms which pour illegal weapons into the hands of Massachusetts youngsters.

Kelley told us in January that he had gone to various federal, state and local law enforcement authorities to complain that a variety of illegal weapons, including nunchaku (kung-fu sticks), shuriken, (star knives or throwing stars) and double-edged "butterfly" knives, all prohibited under Massachusetts law, are routinely mailed into our state, mainly to children, by a few unscrupulous mail order companies cashing in on the popularity of "ninja" movies.

Kelley asked SOS for help "on a lark," as he later told us. But we contacted several law enforcement agencies and were told that Kelley's charges were all completely true.

U.S. Postal Service authorities told us that they would like nothing more than to put a stop to the trafficking in potentially

deadly bladed weapons through the mails. But, we were told, there is no federal law on the books to prohibit the mailing of such weapons, even into states like Massachusetts in which possession of such weapons is a felony offense.

We asked you last January to consider writing to your congressman and senators to urge enactment of just such a law. In the meantime, Kelley has continued to press state and federal officials for action against the mail order weapons merchants.

Now, in what looks like a major victory, Kelley reports that two of the most influential members of the U.S. Senate have joined forces to propose a legislative solution to the problem.

Kelley provided us this week with a copy of a letter from U.S. Sens. Edward M. Kennedy, D-Mass., and Strom Thurmond, R-South Carolina, chairman of the powerful Senate Judiciary Committee, which was mailed to all other members of the Senate May 23. The letter states opens, "After the Memorial Day recess we plan to introduce legislation to prohibit certain mail-order sales of dangerous martial arts weapons."

According to the Kennedy-Thurmond letter, "The distribution of these illegal devices goes unchecked because existing Federal postal regulations—which already prohibit the mailing of certain firearms, explosives, switchblades and other dangerous articles—do not specifically prohibit sending martial arts weapons through the mail. Legislation is needed to provide the United States Postal Service with explicit authority to stop mail-order sale of martial arts weapons to states which have outlawed such sales or possession."

Kennedy and Thurmond called upon their colleagues to join them in co-sponsoring the legislation they are proposing, which would prohibit the mailing, delivery, or advertising for sale by mail-of any "dangerous martial arts weapon" to any state which prohibits the manufacture, sale or possession of such weapons.

Kelley told us this week that the bill, with strong bi-partisan backing, should have strong support in the Senate. However, he fears that the importers and manufacturers of these deadly playthings will soon be launching an all-out lobbying effort to kill the measure.

Kelley noted that mail-order sales of illicit martial arts weapons are worth many millions of dollars annually, and predicted that those who profit from such sales won't give up without a fight. Already, he said, ads have started showing up in martial arts publications urging their readers to fight for their "freedom" to carry various martial arts weapons.

Kelley said that makers and importers of illicit weapons have shifted their advertising focus to very young children. He showed us a recent ad in one martial arts magazine which depicted a boy no older than 14 and a girl about 10 years old, both armed with double-edged butterfly knives. Children aged from eight to 16 now represent the bulk of these company's customers, Kelley said.

Kelley urged concerned parents and civic groups to write to their senators and congressmen now to urge swift enactment of the Kennedy-Thurmond bill which, he believes, will effectively shut off the mass flow of these deadly weapons into our state.

[From the Daily News, May 28, 1985]

MAIL ORDER MAIMING

(By Chris Hamel)

Amherst karate instructor Larry Kelley says that in one summer, a 12-year-old can learn to kill with mail order martial arts weapons. But by the coming summer's end Kelley may have won his fight to keep the deadly weapons out of minors' hands.

For nine months, he has been battling against what he estimates is a $75 million-a-year distributors' empire. And now Sen. Edward M. Kennedy, D-Mass., is "just about ready" to introduce legislation that would put controls on the weapons, according to Brian Delaney of Kennedy's Boston office.

Delaney notes that Kennedy's staff is ironing out with U.S. Postal Service a bill that will put limits on the arms similar to those on guns and knives. Kennedy's staff also is waiting to see if any co-sponsors of the bill will come forward, Delaney said.

Kelley claims that the nation's No. 1 "ninja" weapons mail distributor is in Philadelphia and he hopes that a co-sponsor will be Sen. Arlen Specter, R-Pa. Kelley, 30, also notes that he has been encouraged in his campaign by Sen. John F. Kerry, D-Mass.; state Sen. John Olver, D-Amherst; and Massachusetts Secretary of Public Safety Charles Barry.

Ninjas were highly skilled Japanese assassins, who were hired by contract and flourished into the 17th century. They used a variety of hand-to-hand combat weapons, updated models of which can be ordered through ads in today's martial arts magazines, regardless of one's age or expertise with weaponry.

"Literally every martial arts magazine has advertisements for deadly weapons," Kelley says, noting that most of the periodicals are published in California, a state that prohibits ninja weapons.

He adds that major distributors are located in California, Florida, Georgia and Pennsylvania. Most of the manufacturing is done in Taiwan by Asian or American entrepreneurs, he says.

Kelley also notes with irony that in Japan, ninja weapons—with the exception of swords licensed to karate schools—are banned.

"I'm not against the weapons," he says, "but against having them in the hands of kids and criminals."

Kelley guesses that as many as a million readers will see weapons ads in a single karate magazine in a month's span. He thinks that advertisers are targeting youth.

"The majority audience is people under 18," he says. "That's my assumption. But after seeing an ad (for ninja weapons) with kids in it, who do those people think that they're targeting?"

GLAMORIZED IN FILMS

Summer is a key time for interest in the weapons, Kelley explains. The late Bruce Lee, regarded as the greatest of karate fighters and an expert weapons handler, made several feature films in which there is dazzling use of nunchaku sticks and other arms.

Nunchaku sticks, or "chucks" as they are known in street slang, are hefty batons joined together by a sturdy chain. The bats can be used to club someone and the chain can be used to choke.

Kelley, who writes about karate, deeply admired Lee's skills and has published stories about him.

But he adds, "Bruce Lee popularized the weapons. He knew they had dramatic affect. He said that he did the fancy stuff to attract an audience. Every summer, Bruce Lee comes back at the movies."

Kelley cites two classic Lee films—"Enter the Dragon" and "Return of the Dragon"—which sparked interest in ninja weapons. Further, he believes that the public got a sort of triple ninja whammy from the media in the 1970s.

"A MEDIA AVALANCHE"

He says, "In the '70s, you had Lee's movies, David Carradine in 'Kung Fu' on TV, an increase in the number of (kung-fu) magazines, and the hit song 'Kung Fu Fighting' on the radio. If you put them all together, you've basically got a media avalanche."

Some instruments that became ninja weapons started out as tools in the Asian rice trade. Nunchaku sticks, for instance, were used to beat rice before they were used to club victims.

But Kelley says that some of today's arms come not from ninja history, but from the ghoulish imaginations of manufacturers.

"They paint it black and call it a ninja weapon," he notes.

In most ninja weapons ads, distributors request personal checks, credit cards or money orders for purchase. Kelley suspects that most young people use money orders to buy the weapons, and he hesitates to estimate how many of the weapons are in kids' hands, or how many youngsters own the items.

MOST ARMS INEXPENSIVE

Most of the arms are surprisingly cheap. Shuriken, or "throwing stars," cost as little as $1.

They are star-shaped, palm-sized metal pieces that are hurled at high speed at an enemy. Kelley says that the stars, which dealers sometimes fashion into belt buckles, can penetrate a car hood or split a 5-pound melon.

Nunchaku can be bought for $15; steel claws that can be strapped to one's hands can be had for under $20 a pair; a combination brass knuckles/stainless steel knife can be purchased for under $15.

As Kelley notes, the weapons are within the budget of a 12-year-old and their advertising is plentiful. He cites one martial arts magazine with 42 advertisers, who are hawking arms that are illegal in Massachusetts.

Kelley adds that one dealer delivered a weapon to him by mail, despite an ad disclaimer that arms would not be shipped to states where prohibited.

[From the Washington Times, Apr. 23, 1985]

KENNEDY WOULD BAN "KILLING STARS"

Sen. Edward M. Kennedy, D-Mass. will seek a federal ban on mail-order kung-fu weapons such as the metal *shuriken* "killing star" that can pierce eyes and slit throats. He will ask Congress to "shut off the sudden surge of interstate shipments of mail-order martial arts paraphernalia, such as killing stars, kung-fu sticks, crossbows and a variety of other deadly instruments, he said at a police graduation ceremony in Malden, Mass., Friday.

Jack Kelly, a black-belt in karate who runs a martial-arts instruction studio in South Amherst, Mass., initiated the campaign when he mailed a "throwing star" to every member in the Senate. "They can listen to me preach about the dangers of these weapons but when they feel the cold

steel in their hands it makes them take notice," Mr. Kelly said.

Dale Dye, executive editor of Soldier of Fortune magainze which prominently displays combat weapons for sale, said that Sen. Kennedy's proposed legislation would not affect merchandise sold in his magazine. "These are really esoteric items. The person who purchases and uses these weapons without the training can hurt themselves. . . . The guy who is stealing to buy dope probably has better things to spend his money on. And I'm not entirely sure the average American is intimidated with these things."

[From the Sentinel, Mar. 20, 1985]

NINJA FREE AMHERST?

KARATE EXPERT SEEKS SUPPORT TO CURB WEAPONS SALES

(By Steven P. Barrett)

They are marketed as the "ultimate self-defense weapons." But according to at least one area karate expert and several local law officials, Ninja weapons are fast becoming dangerous playthings for the area's youth.

Ninja weapons range from easily concealable heavy metal wrist claws to belt buckle knives. Once the weapons of ancient Japanese assassins, the weapons quickly are becoming the "in-thing" for high school age youngsters.

But this is one trend which has bothered local karate expert Larry Kelley enough to begin a quest to make the area a "ninja-free zone."

Kelley, a champion karate expert instructor and owner-manager of the Karate Health Fitness Center in South Amherst, continued his battle last Friday to have Congress tighten up regulations dealing with the interstate shipment and purchase of dangerous "Ninja-style" martial arts equipment.

At a press conference at his West Street gym which attracted local and statewide media, Kelley dramatized the impact of the dangerous nature of these weapons. One of Kelley's students, Adam Sloat of Northampton, even demonstrated the power of a nonchucku (kungfu stick) be splitting a coconut in half.

Kelley maintains these weapons "serve no common lawful purpose" except for an 80 lb. cross bow which, he added, couldn't even be used to hunt in this state.

"It's not legal to possess or manufacture these weapons," he added, "but you can mail away for them."

And people, particularly school-age youngsters, are mailing away for them. Some children even buy the deadly weapons in school.

Two high school students, one each from Amherst and Belchertown, spoke to The Sentinel about the popularity of the Ninja craze in their school systems.

"Mark" (not his real name), an ARHS sophomore, told The Sentinel he recently purchased a "Baili-Song" knife (which acts like a bladed nonchuck) at Amherst Regional.

"Most of the people I hang around with are into Karate," he said, "and half of them are rotten apples . . . I think there's more to this than I know."

He added there was a "wholesaler" in the school.

"Sean" (not his real name), a Belchertown Jr.-Sr. High School senior, told The Sentinel: "These things are pretty popular there . . . What they don't get in the mail, they make themselves.

"One kid has a mace right out of the Middle Ages . . . this Ninja stuff is very popular," he added.

According to Sean, the Jr.-Sr. High School "is a bad place because the schools are mixed."

"One seventh-grader, a little one, said he had a double edged blade to 'protect himself'," he added.

Mark said the Ninja craze "even has the girls excited" at Amherst.

Sean said he knows of students wearing "studded wristbands" after class, and they're "found all over." He said that during class, the "kids keep them in their pockets."

The spikes, he said, were quarters and/or a half inch long.

The Ninja, according to Kelley, were professional assassins in Japan, and he doesn't want this cult emulated by our children. He also had sharp words for Asian World, a chief supplier, based in Chicago and Philadelphia.

"I'm trying to shut those suckers down . . . these guys give capitalism a bad name," he said.

Kelley also had sharp words for politicians, local officials and parents "who remain unaware of the situation, or do little to stop it from growing." He also offered a "guestimate" that 10 percent of the kids in local high schools are into the Ninja craze and/or possess these weapons.

"There are no reasons on earth why this stuff would be sent into the states if tighter restrictions were enacted," he said. Kelley cited present state laws (M.G.L. Ch 269 S.10) regarding double edge blades, nonchucks ("kung fu sticks") and other assorted weapons.

He blamed the "not my sweet little town" attitude which he contends is held by police chiefs and school officials.

"The kids, the politicians, and the people in power don't know what's going on under their noses," he added.

But John Heffley, director for Secondary Schools in the Amherst-Pelham Regional School District, disagreed with Kelley saying he and high school Principal Gaylord Saulsberry are aware of the craze and have confiscated weapons in the past.

"It would be foolish to say it's not happened here," Heffley added. "But I'm not aware of a large scale presence here.

"We've confiscated (throwing) stars over the period of time, but not belt blades."

Heffley, like Kelley, would like to see more legislation to restrict the interstate mail order purchases of these weapons. "Even my 13-year-old could get one," he said.

Allan Eastman, of the Belchertown Jr.-Sr. High School, said he and Kelley have had discussions dating back to October when Kelley began his campaign.

He, like Heffley, disagrees with Kelley's feeling that towns don't recognize the problem.

Eastman said problems with Ninja weapons were "quelched" when school officials informed the students the weapons were indeed illegal. "Students weren't aware the stars were illegal, even though they knew the nonchucks were. I also don't think they realized the studded bracelets and wristbands were illegal because of the wording of the law," he added.

Eastman also disagreed with Kelley's "guesstimate" that 10 percent of high school students in the area are involved in Ninjutsu activites.

"I'm doing the same thing Kelley is doing, "guesstimating", but my guess is that only five percent of the kids are involved in that," he said.

Eastman said the school has confiscated throwing stars, but not the belt-blades, "But that's not to say there aren't any," he added. Area police officials also say they have acted to solve the problem.

Amherst Police Lt. David Jenkowski said his department has taken action in the past by confiscating the ninja weapons and charging people for violating the law.

According to Jenkowski, the department has confiscated nonchucks, throwing stars, double edged knives and studded belts on a regular basis.

"There's no question that these things are horrendous, and when we are made aware of a problem, we will act on it," he said.

And area efforts have been supported by law enforcement officials. Belchertown Police Chief Robert Knight was unavailable for comment.

W. Michael Ryan, District Attorney for Hampshire and Franklin Counties, said he believes the handling of the martial arts weapons is a local one for local police departments. But, he added, his office would help in the investigation of certain cases.

Although Ryan is concerned about the potential seriousness of the weapons and Ninjutsu craze, he added that he "couldn't say there have been a lot of incidents" regarding the use and possession of Ninja style weapons.

While no one has been incarcerated for mere possession of a weapon, Ryan said one man was sent to jail for using a double-edged blade in an assault. But according to Kelley, efforts to stem the flow of dangerous weapons are being squelched by trade magazines which glorify the killer equipment.

A cover photo on Black Belt magazine (which bills itself as the World's Leading Authority on Self Defense) last December, portrayed Bud Malstrom, a leading American Ninjutsu practitioner, holding a hooded ninja "warrior" in a headlock, ready to decapitate his intended victim with a sword.

The title of the leading story was "ninjamania: Ninjutsu Craze Sweeps The Nation."

But Kelley's efforts may be paying off within the martial arts profession, particularly its media. In this month's edition of Black Belt there were three articles which clearly indicated disfavor with reckless behavior and disregard for legal issues and laws surrounding martial arts weapons.

Nevertheless, there were still many advertisements for ninja style weapons and equipment. Some were even full page displays which advertised "ninja uniforms in adult and child sizes," and a wide array of blades and nonchucks ranging from the small baligongs to full size machetes.

Yet it is the "kung fu" movies and the hype surrounding the art which worries Kelley because of the impression they might have on youngsters in the same way the switchblade held fascination for youths during the 50's.

Kelley not only competes and teaches, but he is an accomplished writer for several karate magazines.

"I'm almost embarrassed to have my byline in these magazines.

"It used to be that karate equipment (the legitimate kind) would take up 85 percent of the ads, and only 15 percent would deal with weapons.

"But, quite literally, over half of all the weapons now being advertised are illegal, and that alone tells the world story," he added.

Violence on the television and movie screens, Kelley added, leaves the audiences "anesthetized" to what's going on.

Kelley has no love for the "kung-fu" movies featuring Chuck Norris and Bruce Lee. He has even less patience or the recent spate of Ninja movies, "which glorify assassins."

"Ninja movies are keeping this stuff respectable in the eyes of youngsters. John Wayne has been replaced by the scum of the earth."

[From the Boston Globe, Mar. 15, 1985]

KARATE TEACHER SEEKS WEAPONS CURB

(By Teresa M. Hanafin)

Fearing serious injuries among school children, a karate instructor in Amherst wants legislation to stop the influx of certain martial arts weapons into Massachusetts by mail.

"The stuff is just cascading into the state," Larry J. Kelley said during a telephone interview yesterday. "It's crazy. It's reached a fever pitch, an absolute mania among kids. It's got to stop, because some kid is going to get really hurt."

Kelly's resolve to do something was bolstered three months ago when he noticed that a 13-year-old student in one of his classes had a bandage on her hand.

When he asked the girl what happened, her answer both surprised and distressed him.

She said she had cut herself while handling a razar-sharp ball-song, a butterfly knife that is a favorite of enthusiasts of ninjutsu, a Japanese martial art. In this case, it belonged to a boy who attended the same school as the girl.

Among the weapons Kelley thinks are dangerous, particularly in children's hands, are nunchucks, also called nunchaku, two clubs connected at one end by a chain or rope: crossbows; blowguns, and throwing stars—metal discs hurled at an opponent's eyes or sharpened and used to slit throats.

The items are readily available to anyone of any age for the right price from mail order companies that advertise in martial arts magazines. A throwing star can cost as little as $1.

Kelly, 30, is careful to distinguish among various martial arts; he said arts such as judo and alkido do not use weapons and teach honor. Karate involves weapons, but mostly large wooden staffs used to build up strength and coordination and which cannot be concealed, he said.

He blamed the proliferation of certain martial arts weapons on a resurgence of interest in the Ninja, a secretive cult of assassins in Japan from the 13th to 17th centuries, and martial arts movies in which the hero uses such weapons.

Bow Sim Mark, a master of the Chinese martial art tai chi who works at the Chinese Wushu Research Institute in Boston, said she deplored the availability of deadly martial arts weapons.

Daniel M. O'Leary, assistant chief of safety services for the Boston public schools, said officials have confiscated nunchaka and throwing stars from students, but not in large amounts.

"It's a cult thing" he said. I've seen a kid with these nunchaka in a leather case. He'll have poor shoes on his feet, but he probably paid $70 for the nunchaka."

At issue is what Kelley said is a conflict between what Massachusetts law prohibits and what the federal government allows. In Massachusetts, manufacturing or possessing certain martial arts weapons is a felony.

However, it is not illegal for those who import or manufacture these weapons in a state where it is legal to mail them into Massachusetts.

Kelley wants Congress to place tighter controls on the interstate shipment of these weapons. Rather than advocating a ban, he has suggested that martial arts weapons ordered from an out-of-state company be mailed to a dealer. Under Kelley's plan, the person who ordered the weapon would have to show proof of age before the dealer would turn over the material.

To draw attention to his crusade, Kelley mailed throwing stars of about 2½ inches in diameter to every US senator. He also plans to hold a press conference today at his karate school, the Karate Health Fitness Center in Amherst, to demonstrate the lethalness of some weapons by demolishing coconuts with a pistol crossbow.

[From the S'field Morning Union, Jan. 16, 1985]

VIOLENCE MADE EASY—BY MAIL

Those who are concerned about rising violence in society also might consider that, for the price of a few dollars and a stamp, anyone can become a threat to life and limb.

That's anyone—child, drug addict or psychopath who decides to carry razor-edged throwing weapons or other devices designed to maim, cripple or kill.

Such instruments were used in ancient times by Oriental assassins, and have become popular through the proliferation of martial arts publications that advertise them for mail-order sale.

Massachusetts law bans the retail sale or use of these weapons, but can't stop the mail-order commerce. Postal regulations, which forbid mailing of firearms, explosives and switchblade knives, have no provisions for controlling the flow of martial arts weapons—even to a state that has outlawed them.

One man who knows what these devices can do is Amherst karate instructor Larry Kelley. For many months, Kelley has been trying to alert parents to their danger, and to get the public aroused enough to demand changes in postal regulations that will eliminate the deadly trade.

Among Kelley's supporters are law enforcement officials who now can disarm a child found carrying the weapons, but can't stop the same child from ordering more.

Thus the double-edged knives, the "kung-fu sticks" and the star knives, designed for throwing and almost certain to wound or kill, remain available on request—no permits necessary and no questions asked.

The situation calls for congressional action, which is unlikely to happen without a public outcry. And the longer such action is delayed, the more young people who find fascination in a steady diet of television and magazine violence can arm themselves.

[From the Sentinel, Wednesday Mar. 20, 1985]

COMMON INTERESTS

(By Steven P. Barrett)

Perhaps many of you are now familiar with Larry Kelly, owner-manager of the Karate Health Fitness Center in South Amherst who is waging a struggle with the Town's Leisure Services and Supplemental Education program. In that battle, he rightly asserts that small businessmen who offer instructional training shouldn't have to compete directly with taxpayer subsidized programs. He has my full support on the matter, and on an even more important issue too: curbing mail order sales of dangerous "Ninja" style weapons and martial arts equipment.

Kelly has been carrying the ball on this issue pretty much by himself since he began his campaign to prevent these sales last fall. He became alarmed about the increasing number of illegal non-chucks, throwing stars and other destructive devices falling into the hands of local school children after more of his students started bringing them to his attention. He even believes there's a "wholesaler" operating in Amherst High School. The law of supply and demand, fueled by excessive and lavish media hype has encouraged youngsters into buying this illicit craze and bag of goods. In addition to the "kung-fu", Chuck Norris and Bruce Lee martial art flicks (they don't even rate the title "movie") all the kids need to do is read any karate magazine sold in area newstands.

After that, it's easy. They see the ads, fill out the forms and send the money in. Pretty soon they're equipped with the latest version of medieval hand-to-hand combat too.

Kelly, an established writer on karate matters, is justifiably embarrassed by the increasing number of ads inducing anyone, yes anyone, to purchase lethal weapons through the mail. He's particularly concerned that the "anyone" buying this stuff through the mail could be a child.

As a conservative, I don't want to see more government controls imposed on the private sector. But, as Kelly told this columnist, "These guys are giving capitalism a bad name."

In that case, I'm willing to let the government, through stricter rules governing mail order sales, act as the calvary once again.

I hope our readers will follow Kelly's lead in urging our congressional delegation to take swift action to eliminate this silent, yet more realistically deadly arms race in our communities and school buildings.

We already have "nuclear free zones," so why not establish "Ninja free zones". To paraphrase Speaker Tip O'Neill, (who has also supported Kelly's efforts), disarmament begins at home.

[From the Daily Hampshire Gazette, Nov. 6, 1984]

ILLEGAL WEAPONS SEEN HERE

(By Jane Regan)

Area youths are buying dangerous, illegal weapons by mail in emulation of 16th-century bands of Japanese assassins, according to a local karate instructor.

Inspired by movies like "Enter the Ninja" and "Revenge of the Ninja," youngsters have been sending away for illegal weapons like "nunchaku," two hardwood rods connected by a chain, and "shurikens," star-shaped metal disks with sharpened points, and have been "playing ninja."

Larry Kelley, the director of the Karate Health Fitness Center in South Amherst, has gone on a crusade against "ninjamania." By contacting public officials, the media, and officials of the U.S. Postal Service, Kelley hopes to stop the flow of illegal weapons into the state and into the hands of youth caught up in the ninja craze.

The ninja were 16th century Japanese assassins who practiced ninjutsu, one of the martial arts. Clothed in black suits and hoods with only a slit for the eyes, they used weapons like nunchaku or poison arrows to assassinate enemies for whichever warlord paid the highest fee.

According to Kelley, ninjutsu was outlawed in the 17th century and is considered a "bastardized child with a tainted past" by the practitioners of other Japanese martial arts like karate, judo, and aikido. "These people were slime. They had no morals whatsoever," Kelley said of the ninjas.

But "ninjamania" has inspired youths to emulate the warriors and purchase illegal like "Game of Death Minichucks" (a type of nunchaka) through the mail. Kelley, who has confiscated about 100 illegal weapons from students as young as 8, is worried that children will hurt themselves playing with the weapons or might even use them in a fight.

If children can fill out an order form, they can deck themselves out for gang warfare or a quick burglary. Almost none of the order forms found in advertisements in martial arts magazines remind the buyer that it is a felony in some states, including Massachusetts, to possess or carry many of the weapons.

Timothy Babyok, owner of Easthampton's Isshinryu Karate Club, said he has also noticed the rise in popularity of ninjutsu, which he referred to as "the art of killing." "It's just totally unbelievable that kids would want to get into this," he said. "It is poisoning the young peoples' heads."

According to "Black Belt" magazine, ninjutsu instructors across the nation teach students how to climb up walls using spiked shoes and gloves, and numerous teach-yourself manuals are available for youngsters eager to learn how to throw a star or twirl nunchaku.

Police officers in the nation's larger cities have been assaulted with ninja weapons, according to Kelley. Two burglars dressed in ninja warrior suits broke into actress Penny Marshall's Hollywood home last winter. And Kawasaki Motorcycles has a 1984 bike called "Ninja."

An Amherst Regional High School sophomore who asked not to be identified, said he got his first nunchaku two years ago. "I personally have about 10 friends who kind of formed their own ninja club," he said in a recent interview. "They each have at least one illegal weapon."

The youth said he knows many students at the high school who have weapons. One of the most popular weapons is the shuriken. "If they don't order them, they make them in metal shop," he said.

Alan Jacque, industrial arts teacher at the school, said he knows some students have shurikens, but he has not seen any in his shop recently. "If I ever catch them, I call the police," he said. "I caught one person five years ago."

But Principal Gaylord F. Saulsberry said teachers have confiscated illegal weapons like throwing stars from students in shop classes, and admitted that it is difficult to catch someone who only sharpens a star on a grinder for a few minutes. "It's not new," he said. "When we find them, we confiscate them, and call the parents. That isn't unique to Amherst."

Police in Northampton, Easthampton and Amherst have all confiscated such illegal weapons from youths in recent years. Northampton Det. Gordon R. Luce estimated that city police have confiscated about 10 nunchaku and stars in the past year, as well as numerous wrist bands. He said that unless there is an assault, they usually merely confiscate the weapons.

Easthampton Det. Richard Lavellee said his department has charged people for possession of a dangerous weapon on occasion, but said police often opt to merely confiscate and warn the perpetrators.

But some youths continue to carry the weapons. Said the Amherst student, "Everybody who orders them says, 'If I get caught, I'll just say I didn't know it was illegal.' "

And because police and school officials can only confiscate weapons when they discover them, Kelley is trying to go to the source of most illegal weaponry: the U.S. mail. He recently contacted a postal inspector in Springfield and the Consumer Protection Division of the Franklin-Hampshire District Attorney's office. "This stuff is all illegal. Why is it getting into the state?" Kelley asked.

Postal Inspector Charles Fox said he has inquired with the Office of Mail Classification in Washington over whether companies mailing weaponry from a state where it is legal into a state where it is illegal can be charged according to some federal law. He said he had never investigated a case like this, and expects a ruling from Washington within a week or so.

Fox said that if a company is found to be sending illegal items, the U.S. Postal Service can put a "stop order" on any packages bearing the company's name. "If the company is being flagrant," he said, "they (the federal court) can take action against it."

Detectives on the University of Massachusetts police force are also involved in putting a stop to ninja-mania. They are currently investigating an alleged ninjutsu teacher on campus. Officially, the instructor is on campus to teach karate to university students, but Lt. Michael Grabiec said police received a report that he was teaching ninjutsu to high school-age students. Grabiec said that although teaching ninja fighting techniques is not illegal, if the instructor and his students are using any of the illegal weapons he could be charged with possession of a dangerous weapon.

Kelley, a full-time karate teacher, said he has no respect for the ninja tradition, either as it existed in the 16th century or as it is today. "Any little idiot can throw (shurikens) and make them stick," he said. "I've been sitting down with my students and talking to them. They admit it's wrong."

Mr. CHAFEE. Mr. President, I am pleased to join Senators KENNEDY and THURMOND today in introducing legislation to prohibit the mail-order sales of dangerous martial arts weapons.

The popularity of Kung Fu movies and television programs has produced a fascination with martial arts paraphernalia in the United States, particularly among our young people. Many States have enacted laws to prohibit the manufacture or sale of these dangerous weapons.

In my own State of Rhode Island there is a longstanding prohibition against carrying, possessing, or attempting to use against another these so-called Kung-Fu weapons. Just recently the Rhode Island State Legislature passed new legislation adding five point, so-called Chinese stars to that list of prohibited items. No one under 18 years of age is allowed to carry or possess these devices, which can inflict serious cuts and wounds when thrown. They have become a new fad with gangs of young boys who use them to terrorize other young people and certainly not to engage in the exercise of martial arts as a sport.

While the State is dealing very effectively with distribution and possession of these items within Rhode Island, our efforts are being thwarted by interstate catalog sales of martial arts paraphernalia. The distribution of these illegal devices therefore goes unchecked because existing Federal postal regulations—which already prohibit the mailing of certain firearms, explosives, switchblades, and other dangerous articles—do not specifically prohibit sending martial arts weapons through the mail.

Legislation is needed to provide the U.S. Postal Service with explicit authority to stop mail-order sale of martial arts weapons to States which have outlawed such sales or possession. The bill we are introducing today would amend the existing ban on dangerous items contained in Federal statutes, by adding certain clearly specified martial arts weapons to the existing list of other nonmailable dangerous items, such as switchblade knives. This measure would also prohibit mail-order sales to States which have banned the sale or possession of such items.

This legislation is both timely and necessary. The Federal Government, through the U.S. Postal Service, should not be in the position of impeding or frustrating State authorities which have acted in the best interests of citizens. In this legislation there is no attempt to mandate policy in States which have not seen fit to regulate the manufacture or use of these weapons in their jurisdictions. But for those States which have seen fit to take action in this area, this legislation will assist their efforts immensely. I urge other Senators to join in support.

By Mrs. KASSEBAUM:

S. 1364. A bill to authorize assistance for famine prevention in Africa; to the Committee on Foreign Relations.

PREVENTION OF FAMINE IN SUB-SAHARAN AFRICA

Mrs. KASSEBAUM. Mr. President, for the past decade the United States has been a major contributor to the efforts of Western nations to alleviate famine in Africa. We have poured billions of dollars into these efforts. Yet the overall results have been a dismal failure. Today, one of three people in sub-Saharan Africa is in extreme need of emergency food aid. Last year alone, 5 million African children died of causes related to hunger. Most people agree that Africa is little, if any, better off today than it was before Western donors began their relief efforts. However, experts disagree on the causes of our failure.

The Agency for International Development recently released its annual report on the Sahel Development Program. The report indicated that AID

would narrow its range of activities under the Sahel program in order to "reflect more accurately the pace of economic development in the Sahel and AID's capacity to contribute to the development process." Mr. President, I believe that this more-limited approach to aiding the Sahel makes sense and will enable us to concentrate more effectively on small-scale projects.

Along those same lines, I am introducing a bill today that would focus on small-scale, affordable, resource-conserving, low-risk, local projects to restore the lands in Africa which have suffered extreme deterioration due to deforestation, decertification, and overuse. The bill would channel $75 million in existing funds toward programs that stress participation by international and African nongovernmental organizations and U.S. private and voluntary organizations.

Although it is important to acknowledge our failures in African famine relief, it is equally necessary to take notice of our successes. There have been encouraging examples of small-scale projects which give reason for hope that sub-Saharan Africa can be saved. By this bill, we hope to recreate the conditions which led to these successes.

Mr. President, I would like to express support for close collaboration between the Peace Corps and AID in future development efforts, as indicated in their joint communique of last spring. In addition, I commend the efforts of AID Administrator Peter McPherson to encourage individual initative by AID personnel. I hope that Congress can assist AID's efforts to speed decision-making, broaden the base of responsibility, and improve the responsiveness of its overseas missions.

The bill I am introducing today will support these efforts by AID and the Peace Corps. It will help to harness the creative energies of nongovernmental agencies and PVO's both here and abroad. And, it will support the vastly underrated talents of the peasant farmers to restore their lands. Mr. President, this bill is a much-needed initiative to improve the effectiveness of our efforts to aid Africa.

By Mr. ROTH (for himself, Mr. EAGLETON, Mr. LEVIN, and Mr. COHEN):

S. 1365. A bill to establish as an executive department of the Government a Department of International Trade and Industry, to establish the National Oceanic and Atmospheric Administration and the Bureau of the Census as independent agencies, and for other purposes; to the Committee on Governmental Affairs.

DEPARTMENT OF INTERNATIONAL TRADE AND INDUSTRY ACT

Mr. ROTH. Mr. President, I rise today to introduce a bill to create a new Cabinet Department of International Trade and Industry and I am pleased to be joined by Senators EAGLETON, LEVIN, and COHEN, as original cosponsors.

The issues in trade may be complex, but the facts are simple. America is losing in trade. The trade deficit, as I know everyone in this body is aware, has reached crisis proportions. Our trade position in manufactured goods has plummeted—a full $50 billion from 1983 to 1984. The pressure from imports is hurting the full range of American industries from textiles to semiconductors. Prospects for agriculture trade, once the shining star of our trade picture, are now dim. Between 1984 and 1985 agriculture exports are projected to drop from $38 billion to $34 billion.

These are statistics that should not be ignored. It is true that the recovery has brought new opportunities for many in our society. Still the extraordinary trade deficit is an alarming reflection of the adversity now facing other Americans who have lost their jobs to imports and the fears of still others who may be next in line. We must not leave these people out.

Why are we losing in trade?

Today, it is not my purpose to expound on the usual array of substantive causes of the trade deficit—the value of the dollar, the LDC debt problems, uneven recoveries in industrial nations, unfair trade practices, export disincentives, et cetera.

My purpose here today is to make clear that the U.S. Government's trade organization, or I should say lack of organization, is itself an important reason why we are losing in trade.

Not only is trade organization an important cause of our trade deficit, it is becoming a more important cause with each passing day.

TOO MANY VOICES AND NO VOICE ON TRADE

When I stood before you last session to call for the creation of a Cabinet-level Trade Department, I said that we needed a single, strong spokesman for trade in the executive. Then I was concerned about two, often competing, voices—the U.S. Trade Representative [USTR] and the Secretary of Commerce. That split in leadership hobbled the formation and execution of U.S. trade policy.

Now the situation is even worse. One day the USTR is leading on trade, the next the Secretary of Commerce, then the Secretary of State, occasionally the Secretary of Defense and finally we now hear that the Secretary of Treasury has become a key player.

Everyone is the leader on trade, yet no one is the leader. At this point in time, can we really afford a further splintering of trade leadership? Of course not, this organizational situation fosters confusion, paralysis and at times literally leaves a vacuum on trade policy.

I thought this squabbling for turf reached a crescendo last winter at the start of the United States/Japan trade negotiations. First the President tapped the Secretary of State as the top player for the United States, an unexpected development since the USTR and the Commerce Secretary were to that point the focus on trade. The interagency battles that broke out after this development were intense. Finally, after weeks of delay, the negotiation of each specific area was assigned to a separate agency—USTR got electronics, Commerce got telecommunications, Treasury got medical devices and pharmaceuticals and Agriculture got forestry and paper products. Finally, the actual negotiations with the Japanese could begin. But the interagency squabbling did not subside. Press articles continue to speculate on the latest shifts in power.

TRADE A LOW PRIORITY

Another key objective of a new Trade Department is to make Trade a top, permanent national priority. In the past I have spoken often about how trade plays second fiddle to other national interests. Now I am concerned that trade may not even play second fiddle.

Trade effects seem to be treated as an incidental outcome of policies driven by other higher priority interests.

The administration has yet to recognize the value of the dollar for the crisis that it is.

While our telecommunications trade deficit surges, we wait for administration position on the Danforth telecommunications bill.

The export administration bill is another area that cries for attention, but has not been given priority within the administration.

In this country we define our national priorities through our Cabinet structure. Trade needs this stature.

MANAGEMENT NIGHTMARE

Finally, the management problems I have highlighted in the past continue to proliferate.

Let me share one recent example with you * * * at USTR there is one staffer to handle trade relations with a major country. He has piles of congressional and other mail to answer, data to collect, policy positions to develop and important negotiations underway. At the Department of Commerce, meanwhile, there are about six people assigned to this country literally looking for work to do. But turf considerations preclude sharing the tasks. Meanwhile the USTR staffer is sent off for management training * * * the work piles up and the question is: training to manage whom?

My office hears a steady stream of these tales.

Now there is talk of new trade negotiations * * * be they a broad new

round of multilateral talks; a series of comprehensive bilateral negotiations for free trade areas with specific countries; or aggressive new negotiating efforts to open foreign markets like those we are now engaged in with Japan.

It is unrealistic to expect the handful of negotiators in the Trade Representative's office—no matter how skillful or experienced—to carry out such far reaching negotiations without help. The Trade Representative will have to go, hat in hand, to other agencies, asking for support.

Far more preferable would be an organization connecting our trade negotiators directly, through clear management ties, to competent support staff, data analysts, and statistical experts.

Speaking of support staff and data analysts, this is one more area that clearly needs beefing up in a new trade organization. We need better intelligence on what foreign industries are doing and what their governments are doing to help them. American industry should not be asked to bear the full burden of uncovering foreign unfair trade practices and American industry can use the help of the U.S. Government to ferret out information on developments abroad that affect our own industries ability to compete.

TIME FOR A NEW DEPARTMENT

When we are staring at a $135 billion trade deficit for 1985 and no end in sight, I ask you isn't it time to establish a Cabinet Department of International Trade and Industry?

Don't we need to clearly establish trade leadership in the executive by giving the trade portfolio to a single, strong Cabinet Secretary who has the institutional muscle to promote our trade interests?

Isn't it time to put trade among our top national priorities?

Shouldn't we make sure that our trade bureaucracy can function as effectively as possible?

Isn't it time we had better intelligence on our competitors abroad?

I don't think we can afford to wait any longer before we get our trade organization in working order for the 1980's and beyond. The fact is that we will not be able to achieve the coherent, strategic trade policy so many Members in this body are calling for until we confront this organization issue.

This is one cause of the trade deficit over which we have direct control. It is one cause we can easily remedy.

I am delighted to have the strong support of Senators EAGLETON, LEVIN, and COHEN, and I hope each of you will give careful consideration to the organization issue as you identify the range of actions we in the Congress can take to confront the trade deficit.

Trade should be an engine of growth not just for the rest of the world, but for this country as well. The world market now amounts to $2 trillion and world trade is now growing. American industry is now poised for international competition—its leaner, more competitive and more conscious of the importance of the international marketplace than ever before.

The establishment of a new Trade Department can help ensure that we successfully meet today's trade challenges so that we can move on to capture the growing trade opportunities.

I ask unanimous consent that a fact sheet, several newspaper articles, and the text of the bill in full be printed in the RECORD following the remarks of my colleague and cosponsor Senator EAGLETON, the ranking minority member of the Governmental Affairs Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of International Trade and Industry Act of 1985".

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TITLE I—GENERAL PROVISIONS

FINDINGS

SEC. 101. The Congress finds and declares that—

(1) principal national goals of the United States are to—

(A) maintain United States leadership in international trade liberalization and expansion efforts;

(B) reinvigorate the ability of the United States economy to compete in international markets and to respond flexibly to changes in international competition; and

(C) expand United States participation in international trade and investment through aggressive promotion and marketing of American products and services;

(2) the economy of the United States is so inextricably linked with the international economic system that all domestic economic sectors are influenced by the dynamics of global trade and investment;

(3) the expansion of United States participation in international trade will improve the general welfare of the people of the United States by increasing demand for American products and services, creating jobs, and increasing the gross national product;

(4) business, labor, and all levels of government must join efforts to place the highest priority on developing methods and policies to achieve the goals described in paragraph (1), and the achievement of such goals is dependent on a marked improvement in the capability of United States businesses to compete in foreign markets;

(5) the Federal Government can enhance the capability of United States businesses to compete in foreign markets by acting to—

(A) reduce political and economic barriers to sales and investments by such businesses;

(B) promote American goods and services in foreign countries;

(C) encourage aggressive participation by the private sector in the international marketplace; and

(D) develop policies to enhance productivity and long-term growth;

(6) effective and efficient Government action to enhance the capability of United States businesses to compete in foreign markets requires coordination of the development and implementation of Government policies relating to the international trade interests of the United States;

(7) the Federal Government can enhance the capability of State governments to attract international investment and expand foreign markets for goods and services produced in such States by—

(A) providing information resources suitable for developing and conducting international export and investment programs in the States;

(B) coordinating activities of Federal overseas trade facilities with State international trade offices;

(C) providing practical and technical assistance to States developing or conducting international export and investment programs; and

(D) taking appropriate actions to promote the availability of such information and assistance;

(8) effective and efficient Government action to strengthen efforts by States to develop and conduct programs to encourage international investment in, and promote export by, such States requires coordinating the development and implementation of Government policies relating to the international trade interests of the United States;

(9) effective and efficient Government action with respect to international trade further requires the employment of a corps of personnel consisting of individuals who, like the personnel of the governments of present and potential United States trading partners, are highly experienced and educated in international trade operations and negotiations;

(10) the present organizational structure of Government administration of international trade activities is so diffuse that inconsistent and contradictory policies and actions result;

(11) such inconsistent and contradictory policies and actions discourage experienced Government personnel from career service in international trade activities;

(12) the consolidation of Government functions relating to international trade, including functions relating to technical analysis, policymaking, international negotiation, and operational responsibilities, into a Department of International Trade and Industry will provide the needed coordination of Government activity in international trade and will encourage the retention of the highly experienced personnel necessary for such coordination to be effective;

(13) United States performance in international trade is fundamentally linked to the competitiveness of American industry in the world economy;

(14) improvements in the competitiveness of United States industry, products, and services can be aided by reducing traditional antagonisms and by encouraging maximum cooperation among government, industry, labor, and the public;

(15) a lack of analytical capability and knowledge concerning the competitive position and prospects of American industries and foreign industries greatly hampers or delays the ability of the United States to formulate responsible trade policies and policies that affect the international competitiveness of domestic industries;

(16) government policies and organization should recognize that there are critical links between technological innovation, industrial competitiveness, and trade performance; and

(17) the economic well-being of the American people will be substantially enhanced through the creation of the Department of International Trade and Industry.

DEFINITIONS

SEC. 102. As used in this Act, unless otherwise provided or indicated by the context—

(1) the term "Department" means the Department of International Trade and Industry;

(2) the term "Secretary" means the Secretary of International Trade and Industry;

(3) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(4) the term "administrative and support functions" means legal functions, investigative functions, budget preparation and analysis functions, administrative functions, public information functions, and congressional relations functions carried out by a Federal agency, and such other support services as may be determined by the head of such agency;

(5) the term "executive department" has the meaning given to the term "Executive department" by section 101 of title 5, United States Code;

(6) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of such title;

(7) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof;

(8) the term "Council" means the Council on International Trade, Economic, and Financial Policy established by section 266(a); and

(9) the term "Advisor" means the Advisor to the President for International Trade, Economic, and Financial Policy appointed under section 266(d).

TITLE II—DEPARTMENT OF INTERNATIONAL TRADE AND INDUSTRY

PART A—ESTABLISHMENT

ESTABLISHMENT OF DEPARTMENT

SEC. 201. There is established an executive department to be known as the Department of International Trade and Industry. The Department shall be administered by a Secretary of International Trade and Industry, who shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary shall be the United States Trade Representative and shall have the rank and status of Ambassador Extraordinary and Plenipotentiary.

FUNCTIONS OF THE SECRETARY

SEC. 202. (a) In addition to the functions transferred to the Secretary by this Act, such other functions as the President may assign or delegate to the Secretary, and such other functions as the Secretary may, after the effective date of this Act, be required to carry out by law, the Secretary shall—

(1) serve as the principal advisor to the President on international trade policy and advise the President on the impact of other policies of the United States Government on international trade;

(2) exercise primary responsibility, with the advice of the interagency organization established under section 242 of the Trade Expansion Act of 1962, for developing and implementing international trade policy, including commodity matters and, to the extent related to international trade policy, direct investment matters and, in exercising such responsibility, advance and implement the goals described in section 101(1) as the primary mandate of the Department;

(3) exercise lead responsibility for the conduct of international trade negotiations, including negotiations relating to commodity matters and, to the extent that such negotiations are related to international trade, direct investment negotiations;

(4) with the advice of the interagency organization established under section 242 of the Trade Expansion Act of 1962, issue policy guidance to other Federal agencies on

international trade, commodity, and direct investment functions to the extent necessary to assure the coordination of international trade policy;

(5) seek and promote new opportunities for American products and services to compete in the world marketplace;

(6) assist small businesses in developing export markets;

(7) support State governments involved in attracting international investment and expanding foreign markets for goods and services produced in such States;

(8) enforce the laws of the United States relating to trade;

(9) analyze economic trends and developments in order to understand and foster the conditions that enhance productivity and growth;

(10) report directly to the Congress—

(A) on the administration of, and matters pertaining to, the trade agreements program under the Trade Act of 1974, the Trade Expansion Act of 1962, and section 350 of the Tariff Act of 1930; and

(B) with respect to other important issues pertaining to international trade;

(11) keep each official adviser to the United States delegations to international conferences, meetings, and negotiation sessions relating to trade agreements who is appointed from the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives under section 161 of the Trade Act of 1974 currently informed on United States negotiating objectives with respect to trade agreements, the status of negotiations in progress with respect to such agreements, and the nature of any changes in domestic law or the administration thereof which the Secretary may recommend to Congress to carry out any trade agreement;

(12) consult and cooperate with State and local governments and other interested parties on international trade matters of interest to such governments and parties, and to the extent related to international trade matters, on investment matters, and, when appropriate, hold informal public hearings;

(13) serve as the principal advisor to the President on government policies designed to contribute to enhancing the ability of American industry and services to compete in international markets;

(14) serve as the principal advisor to the President in identifying and assessing the consequences of any government policies which adversely affect, or have the potential to adversely affect, the competitiveness of United States industries and services;

(15) promote cooperation between business, labor, and government to improve industrial performance and the ability of American industries to compete in international markets and to facilitate consultation and communication between the government and the private sector about domestic industrial performance and prospects as well as the performance and prospects of foreign competitors; and

(16) exercise responsibility, through the Stevenson-Wydler Technology Innovation Act of 1980 and other policies, for the Federal Government's role in encouraging technological innovation for industrial and commercial purposes.

(b) The Secretary shall be the Chairman of the Board of Directors of the Overseas Private Investment Corporation.

(c) The Secretary shall be the Chairman pro tempore of the interagency organization established under section 242 of the Trade Expansion Act of 1962.

(d) The Secretary shall be a member of the National Security Council.

(e) The Secretary shall be Deputy Chairman of the National Advisory Council on International Monetary and Financial Policies established under Executive Order 11269, issued February 14, 1966.

(f)(1) The Secretary of International Trade and Industry shall consult with the Secretary of Agriculture or the designee of the Secretary of Agriculture on all matters which potentially involve international trade in agricultural products.

(2) If an international meeting for negotiation or consultation includes discussion of international trade in agricultural products, the Secretary of International Trade and Industry or the designee of such Secretary shall be Chairman of the United States delegation to such meeting and the Secretary of Agriculture or the designee of such Secretary shall be Vice Chairman. The provisions of this paragraph do not limit the authority of the Secretary under subsection (g) to assign responsibility for the conduct of, or participation in, any trade negotiation or meeting to the Secretary of Agriculture.

(g) Except where expressly prohibited by law, the Secretary, at the request or with the concurrence of the head of any other Federal agency, may assign the responsibility for conducting or participating in any specific international trade negotiation or meeting to the head of such agency whenever the Secretary determines that the subject matter of such international trade negotiation is related to the functions carried out by such agency.

INTERNATIONAL ECONOMIC COMPETITIVENESS IMPACT STATEMENTS

SEC. 203. (a)(1) In any case in which the provisions of a regulation, Executive order, or executive agreement may have a significant impact on the ability of significant domestic product and service industries to compete in domestic and international markets against foreign products, the President shall, at least sixty days prior to the date on which such regulation, order, or agreement will take effect, submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a statement describing the impact such provisions are likely to have, during the periods ending one year and five years, respectively, after the date on which such statement is submitted, on American imports and exports, the balance of payments, and the ability of American industries to compete in domestic and international markets against foreign products.

(2) The President may waive the requirements of paragraph (1) with respect to a particular regulation, Executive order, or executive agreement if the President determines that it is necessary, in order to serve the national interest or deal with an emergency situation, that such regulation, order, or agreement take effect immediately without compliance with such paragraph. The President shall transmit a statement describing each waiver made under this paragraph to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and shall publish a copy of such statement in the Federal Register.

(b)(1) Notwithstanding any provision of the Standing Rules of the Senate or the Rules of the House of Representatives, if a bill or resolution reported by a committee of the Senate or House of Representatives contains provisions which, if enacted, would have a significant impact on the ability of significant domestic product and service industries to compete in domestic and international markets against foreign products, the report accompanying such bill or resolution shall contain a statement describing the impact such provisions are likely to have, during the periods ending one year and five years, respectively, after the date on which such bill or resolution is reported, on American imports and exports, the balance of payments, and the ability of American industries to compete in domestic and international markets against foreign products.

(2) The provisions of paragraph (1) are enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

PART B—OFFICES AND ADMINISTRATIONS

OFFICE OF UNITED STATES TRADE REPRESENTATIVE

SEC. 211. (a) There is established in the Office of the Secretary the Office of the United States Trade Representative. The Secretary, through the Office of the United States Trade Representative, shall perform all functions (other than administrative and support functions) transferred to the Secretary by section 231.

(b) There shall be in the Office of the United States Trade Representative the Deputy United States Trade Representative appointed under section 225. The Deputy United States Trade Representative shall perform such of the functions described in subsection (a) as the Secretary may delegate.

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SEC. 212. There is established in the Department the United States Travel and Tourism Administration. The United States Travel and Tourism Administration shall be administered by the Under Secretary of International Trade and Industry for Travel and Tourism appointed under section 222(b). The Secretary, through the Under Secretary of International Trade and Industry for Travel and Tourism, shall perform—

(1) all functions (other than administrative and support functions) transferred to the Secretary by clause (3)(E) of section 232; and

(2) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the officers and employees of such Department specified in clause (3)(E) of such section.

ADMINISTRATION FOR PRODUCTIVITY AND TECHNOLOGY

SEC. 213. (a) There is established in the Department the Administration for Productivity and Technology. The Administration for Productivity and Technology shall be administered by the Administrator for Pro-

ductivity and Technology appointed under section 223, and shall be composed of—

(1) the Patent and Trademark Office established by subsection (b);

(2) the National Bureau of Standards established by subsection (c);

(3) the Office of Telecommunications and Information established by subsection (d); and

(4) the National Technical Information Service established by subsection (e).

(b) There is established in the Department the Patent and Trademark Office. The Patent and Trademark Office shall be administered by the Assistant Secretary of International Trade and Industry and Commissioner for Patents and Trademarks appointed under section 224(b). The Secretary, through the Administrator for Productivity and Technology and the Assistant Secretary of International Trade and Industry and Commissioner for Patents and Trademarks, shall perform—

(1) all functions (other than administrative and support functions) transferred to the Secretary by clause (3)(D) of section 232; and

(2) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the Assistant Secretary of Commerce and Commissioner for Patents and Trademarks.

(c) There is established in the Department the National Bureau of Standards. The National Bureau of Standards shall be administered by the Director of the National Bureau of Standards appointed under section 228(f). The Secretary, through the Administrator for Productivity and Technology and the Director of the National Bureau of Standards, shall perform—

(1) all functions (other than administrative and support functions) transferred to the Secretary by section 232(3)(F); and

(2) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the Director of the National Bureau of Standards of the Department of Commerce.

(d) There is established in the Department the Office of Telecommunications and Information. The Office of Telecommunications and Information shall be administered by the Assistant Secretary of International Trade and Industry for Communications and Information appointed under section 224(c). The Secretary, through the Administrator for Productivity and Technology and the Assistant Secretary of International Trade and Industry for Communications and Information, shall perform—

(1) all functions (other than administrative and support functions) transferred to the Secretary by clause (3)(C) of section 232; and

(2) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the officers and employees of such Department specified in clause (3)(C) of such section.

(e) There is established in the Department the National Technical Information Service. The National Technical Information Service shall be headed by the Director of the National Technical Information Service appointed under section 228(g). The Secretary, through the Administrator for Productivity and Technology and the Director of the National Technical Information Service, shall perform—

(1) all functions (other than administrative and support functions) transferred to the Secretary by clause (3)(G) of section 232; and

(2) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the Director of the National Technical Information Service of the Department of Commerce.

OFFICE OF COMPETITIVE ANALYSIS

SEC. 214. (a) There is established in the Department an Office of Competitive Analysis which shall be administered by the Director of the Office of the Competitive Analysis. The Director of the Office of Competitive Analysis shall be appointed by the Secretary and shall be an individual who, by reason of professional background and experience, is specially qualified to carry out the functions of the Office specified by this section.

(b)(1) The Office of Competitive Analysis shall provide the information, analysis, and analytical expertise needed to support the Secretary, other officers and employees of the Department, and the Congress in carrying out their functions relating to trade policy, trade negotiating strategy, and other policies affecting the competitiveness of domestic industries.

(2) The Office of Competitive Analysis shall monitor and analyze information for various industrial sectors, including economic, commercial, and technological developments in the United States and abroad which affect the current performance and future prospects of domestic industries currently facing or likely to face significant international competition. In collecting information, monitoring events, and conducting analyses, the Office shall develop a comprehensive and expert understanding of the structure and performance of factors affecting such industries and the international competitors of such industries, and shall give particular attention to the operation and impact of programs established by foreign governments to assist or support their industries.

(c)(1) The Secretary, in consultation with the Director of the Office of Competitive Analysis, shall employ individuals for the Office who have demonstrated professional ability or superior potential in the areas of economics, management analysis, industrial relations, strategic planning, and engineering, or who have particular expertise with respect to an industrial sector. Notwithstanding the provisions of sections 241(b), 602, and 603, the Secretary, in consultation with the Director of the Office of Competitive Analysis, may appoint any individual having the qualifications required by the preceding sentence to a position in the Office.

(2) The Secretary shall insure that officers and employees of the Office of Competitive Analysis have full access to all relevant information collected or prepared by other offices of the Department, and shall insure that officers and employees of the Office have access and exposure to the workings of domestic and foreign industry by means of—

(A) rotations among, or service with, other offices of the Department, including the Foreign and Commercial Services; and

(B) service in delegations of the Department involved in trade negotiations on relevant issues.

(d)(1) In March of each year, the Office of Competitive Analysis shall publish and submit to Congress a report describing actual or foreseeable economic and technological developments, in the United States and abroad, affecting the competitive position of United States industry and of particular United States industry sectors.

(2) The report shall identify and describe with particularity actual or foreseeable developments, in the United States and abroad, which—

(A) create a significant likelihood of a competitive challenge to, or of substantial dislocation in, an established United States industry;

(B) present significant opportunities for United States industries to compete in new geographical markets or product markets, or to expand their position in established markets; or

(C) create a significant risk that United States industries will be unable to compete successfully in significant future markets.

(3) The report shall specify with particularity the industry sectors affected by the developments listed in paragraph (2).

(e)(1) The Secretary shall convene an industry sector competitiveness council for each industry sector specified in reports rendered under paragraphs (2) and (3) of subsection (d), which is of national significance by reason of its employment or capital resources, its impact on national defense, or its importance as a supplier to, or customer of, other United States industries. The Secretary may also convene an industry sector competitiveness council for any industry not so identified which the Secretary finds fulfills one or more of the criteria listed in subsection (d)(2), or for any other purpose.

(2) Such council shall include representatives of business, labor, government, and other individuals or representatives of groups whose participation is considered by the Secretary to be important to developing a full understanding of the situation confronting the industry.

(3) Such council shall assess the actual or potential dislocation, challenge or opportunity for the industry involved and formulate specific recommendations for responses by business, government and labor—

(A) to encourage adjustment and modernization of an industry identified under subsection (d)(2)(A);

(B) to monitor and facilitate industry responsiveness to opportunities identified under subsection (d)(2)(B); or

(C) to encourage the ability of United States industries to compete in future markets identified under subsection (d)(2)(C).

(4) Any discussion held by any council established under paragraph (1), or any working group operating under its auspices, shall not be considered to violate any Federal or State antitrust law.

(5) Any discussion held by any council established under paragraph (1), or any working group operating under its auspices, shall not be subject to the provisions of the Federal Advisory Committee Act.

(6) Any industry sector competitiveness council shall disband 30 days after making its recommendations, unless the Secretary specifically requests that the Council continue in operation. If in a subsequent annual report by the Secretary under subsection (d)(1), conditions specified in subsection (d)(2) which had previously required the creation of a council continue, or have recurred, the Secretary shall again convene a council, although the Secretary may, in the Secretary's discretion, change the membership of the council as deemed appropriate.

PART C—OFFICERS

DEPUTY SECRETARY

SEC. 221. (a) There shall be in the Department a Deputy Secretary of International Trade and Industry, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall have the rank and status of Ambassador. The Deputy Secretary shall perform such functions as the Secretary may prescribe.

(b) The Deputy Secretary shall act for and exercise the functions of the Secretary during the absence or disability of the Secretary or in the event the office of Secretary becomes vacant. The Deputy Secretary shall act for and exercise the functions of the Secretary until the absence or disability of the Secretary no longer exists or a successor to the Secretary has been appointed by the President and confirmed by the Senate.

(c) The Deputy Secretary shall be Vice Chairman of the Board of Directors of the Export-Import Bank of the United States.

UNDER SECRETARIES

SEC. 222. (a) There shall be in the Department three Under Secretaries of International Trade and Industry, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) One of the Under Secretaries of International Trade and Industry appointed under subsection (a) shall be the Under Secretary of International Trade and Industry for Travel and Tourism. The Under Secretary of International Trade and Industry for Travel and Tourism shall administer the United States Travel and Tourism Administration established by section 212.

(c) Each Under Secretary of International Trade and Industry shall perform such functions as the Secretary may prescribe.

ADMINISTRATOR FOR PRODUCTIVITY AND TECHNOLOGY

SEC. 223. There shall be in the Department an Administrator for Productivity and Technology, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator for Productivity and Technology shall—

(1) administer the Administration for Productivity and Technology established by section 213(a);

(2) perform—

(A) all functions (other than administrative and support functions) transferred to the Secretary by clause 3(H) of section 232; and

(B) all functions (other than administrative and support functions) transferred to the Secretary by clauses (1) and (2) of such section that were, on the day before the effective date of this Act, performed by the Secretary of Commerce or the Department of Commerce, as the case may be, through or under the direction of the Assistant Secretary of Commerce for Productivity, Technology, and Innovation; and

(3) perform such additional functions as the Secretary may prescribe.

ASSISTANT SECRETARIES

SEC. 224. (a) There shall be in the Department nine Assistant Secretaries of International Trade and Industry, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) One of the Assistant Secretaries of International Trade and Industry appointed under subsection (a) shall be the Assistant Secretary of International Trade and Industry and Commissioner for Patents and Trademarks. The Assistant Secretary of International Trade and Industry and Commissioner for Patents and Trademarks shall administer the Patent and Trademark Office established by section 213(b).

(c) One of the Assistant Secretaries of International Trade and Industry appointed under subsection (a) shall be the Assistant Secretary of International Trade and Industry for Communications and Information. The Assistant Secretary of International Trade and Industry for Communications and Information shall administer the Office of Telecommunications and Information established by section 213(d).

(d) Each Assistant Secretary of International Trade and Industry shall perform such functions as the Secretary may prescribe.

DEPUTY UNITED STATES TRADE REPRESENTATIVE

SEC. 225. There shall be in the Department a Deputy United States Trade Representative, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy United States Trade Representative shall have the rank and status of Ambassador, and shall perform such functions as the Secretary may prescribe.

GENERAL COUNSEL

SEC. 226. There shall be in the Department a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall provide legal assistance to the Secretary concerning the activities, programs, and policies of the Department.

INSPECTOR GENERAL

SEC. 227. There shall be in the Department an Inspector General who shall be appointed in accordance with the Inspector General Act of 1978, as amended by section 271 (h) of this Act.

OTHER OFFICERS

SEC. 228. (a) There shall be in the Department a Permanent Representative to the General Agreement on Tariffs and Trade, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall have the rank and status of Ambassador.

(b) There shall be in the Department a Chief Negotiator for Textile Matters, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall have the rank and status of Ambassador.

(c) There shall be in the Department a Director General of the United States Foreign and Commercial Services, who shall be appointed by the President, by and with the advice and consent of the Senate.

(d) There shall be in the Department a Deputy Commissioner of Patents and Trademarks and two Assistant Commissioners of Patents and Trademarks, each of whom shall be appointed by the President by and with the advice and consent of the Senate.

(e) The Secretary may appoint an Intergovernmental Advisor. The Intergovernmental Advisor shall act as the liaison between the officers and employees of the Department and the heads of State development agencies or the designees of such State agency heads. In determining whether to appoint an Intergovernmental Advisor, and in selecting an individual for appointment, the Secretary shall consult with the Chairman of the National Governors Association and the President of the National Conference of State Legislatures.

(f) There shall be in the Department a Director of the National Bureau of Standards, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director of the National Bureau of Standards shall administer the National Bureau of Standards established by section 213(c).

(g) There shall be in the Department a Director of the National Technical Information Service, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director of the National Technical Information Service shall administer the National Technical Information Service established by section 213(e).

(h) There shall be in the Department a Director of the Office of Competitive Analysis, who shall be appointed by the Secretary in accordance with section 215(a).

(i) Each officer of the Department appointed under this section shall perform such functions as the Secretary may prescribe.

PART D—TRANSFERS TO THE DEPARTMENT

TRANSFERS FROM THE OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SEC. 231. There are transferred to the Secretary all functions of the United States Trade Representative and the Office of the United States Trade Representative in the Executive Office of the President and all functions of any officer or employee of such Office.

TRANSFERS FROM THE DEPARTMENT OF COMMERCE

SEC. 232. Except for functions transferred by titles III, IV, and V, there are transferred to the Secretary—

(1) all functions of the Secretary of Commerce;

(2) all functions of the Department of Commerce; and

(3) all functions of, and all functions performed under the direction of, the following officers and employees of the Department of Commerce:

(A) the Under Secretary of Commerce for International Trade, the Assistant Secretary of Commerce for Trade Development, the Assistant Secretary of Commerce for Trade Administration, the Assistant Secretary of Commerce for International Economic Policy, and the Director General of the United States and Foreign Commercial Services;

(B) the Under Secretary of Commerce for Economic Affairs, the Director of the Bureau of Economic Analysis of the Department of Commerce, the Director of the Bureau of Industrial Economics of the Department of Commerce, and the Chief Economist of the Department of Commerce;

(C) the Assistant Secretary of Commerce for Communications and Information, the Director of the Office of International Affairs of the Department of Commerce, the Associate Administrator for Telecommunications Application of the Department of

Commerce, the Associate Administrator for Federal Systems and Spectrum Management of the Department of Commerce, the Associate Administrator for Telecommunications Sciences of the Department of Commerce, and the Associate Administrator for Policy Analysis Development of the Department of Commerce;

(D) the Assistant Secretary of Commerce and Commissioner for Patents and Trademarks;

(E) the Under Secretary of Commerce for Travel and Tourism and the Assistant Secretary of Commerce for Tourism Marketing;

(F) the Director of the National Bureau of Standards of the Department of Commerce;

(G) the Director of the National Technical Information Service of the Department of Commerce; and

(H) the Assistant Secretary of Commerce for Productivity, Technology, and Innovation.

PART E—ADMINISTRATIVE PROVISIONS

PERSONNEL PROVISIONS

SEC. 241. (a) The Secretary may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the functions of the Secretary and the Department. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(b)(1) At the request of the Secretary, the Director of the Office of Personnel Management shall, under section 5108 of title 5, United States Code, provide for the establishment in each of the grade levels GS-16, GS-17, and GS-18, and in the Senior Executive Service, of a number of positions in the Department equal to the number of positions in that grade level which were used primarily for the performance of functions and offices transferred by this Act and which were assigned and filled on the day before the effective date of this Act.

(2) Appointments to positions provided for under this subsection may be made without regard to the provisions of section 3324 of title 5, United States Code, if the individual appointed in such position is an individual who is transferred in connection with the transfer of functions and offices under this Act and, on the day before the effective date of this Act, holds a position and has duties comparable to those of the position to which appointed under this subsection.

(3) The authority under this subsection with respect to any position established at the grade level GS-16, GS-17, or GS-18 shall terminate when the person first appointed to fill such position ceases to hold such position.

(4) For purposes of section 414(a)(3)(A) of the Civil Service Reform Act of 1978, an individual appointed under this subsection shall be deemed to occupy the same position as the individual occupied on the day before the effective date of this Act.

(c) The Secretary may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for grade GS-18 of the General Schedule under section 5332 of such title. The Secretary may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(d)(1)(A) The Secretary is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Secretary is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Secretary is authorized to provide for incidental expenses, including but not limited to transportation, lodging, and subsistence for individuals who provide voluntary services under subparagraph (A) or (B) of paragraph (1).

(3) An individual who provides voluntary services under paragraph (1)(A) shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

(e) Within one hundred and eighty days after the effective date of this Act, the Secretary shall prepare and transmit to the President and the Congress a report containing recommendations for the establishment of a trade personnel system designed to attract and retain highly qualified, experienced, and motivated professionals to administer the trade policies and activities of the United States. The system shall contain provisions for—

(1) the advancement and retention of personnel on a competitive basis;

(2) the establishment of exchange programs for officers and employees of Federal agencies who are members of the Council on International Trade, Economic, and Financial Policy established under section 266;

(3) the designation of senior positions in such Federal agencies in order that personnel employed in such agencies may advance in careers relating to international trade; and

(4) the transfer of personnel between the system and the Foreign Service personnel system in order that personnel employed in such systems may be employed in foreign and domestic service.

(f) In order to assure United States representation in trade matters at a level commensurate with the level of representation maintained by industrial nations which are major trade competitors of the United States, the Secretary of State shall classify certain positions at Foreign Service posts as commercial minister positions and shall assign members of the Foreign Service performing functions of the Department of International Trade and Industry, with the concurrence of the Secretary of International Trade and Industry, to such positions in nations which are major trade competitors of the United States. The Secretary of State shall obtain and use the recommendations of the Secretary of International Trade and Industry with respect to the number of positions to be so classified under this subsection.

DELEGATION AND ASSIGNMENT

SEC. 242. Except where otherwise expressly prohibited by law or otherwise provided by this Act, the Secretary may delegate any of the functions transferred to the Secretary by this Act and any function transferred or granted to the Secretary after the effective date of this Act to such officers and employees of the Department as the Secretary may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Secretary under this section or under any other provision of this Act shall relieve the Secretary of responsibility for the administration of such functions.

SUCCESSION

SEC. 243. (a) Subject to the authority of the President, and except as provided in section 221(b), the Secretary shall prescribe the order by which officers of the Department who are appointed by the President, by and with the advice and consent of the Senate, shall act for, and perform the functions of, the Secretary or any other officer of the Department appointed by the President, by and with the advice and consent of the Senate, during the absence or disability of the Secretary or such other officer, or in the event of a vacancy in the office of the Secretary or such other officer.

(b) Notwithstanding any other provision of law, and unless the President directs otherwise, an individual acting for the Secretary or another officer of the Department pursuant to subsection (a) shall continue to serve in that capacity until the absence or disability of the Secretary or such other officer no longer exists or a successor to the Secretary or such other officer has been appointed by the President and confirmed by the Senate.

REORGANIZATION

SEC. 244. (a) Subject to subsections (b) and (c), the Secretary is authorized to allocate or reallocate functions among the officers of the Department, and to establish, consolidate, alter, or discontinue such organizational entities in the Department as may be necessary or appropriate.

(b) Except as provided in subsection (c), the Secretary may establish, consolidate, alter, or discontinue any organizational entity in the Department or allocate or reallocate any function of an officer or employee of the Department upon the expiration of a period of sixty days after the receipt by the Committee on Finance and the Committee on Governmental Affairs of the Senate and the Committee on Government Operations and the Committee on Ways and Means of the House of Representatives of notice by the Secretary containing a full and complete statement of the action proposed to be taken pursuant to this section and the facts and circumstances relied upon in support of such proposed action.

(c) The authority of the Secretary under this section does not apply to—

(1) the Office of United States Trade Representative established under section 211, or any function which such section specifies shall be performed by the Secretary through such Office; and

(2) any other office established under this title or any other function which this title specifies shall be performed by a particular officer or employee of the Department.

RULES

SEC. 245. The Secretary is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary determines necessary or appropriate to administer and manage the functions of the Secretary or the Department.

WORKING CAPITAL FUND

SEC. 246. (a) The Secretary is authorized to establish for the Department a working capital fund, to be available without fiscal

year limitation, for expenses necessary for the maintenance and operation of such common administrative services as the Secretary shall find to be desirable in the interest of economy and efficiency, including—

(1) a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its components;

(2) central messenger, mail, and telephone service and other communications services;

(3) office space, central services for document reproduction and for graphics and visual aids;

(4) a central library service; and

(5) such other services as may be approved by the Director of the Office of Management and Budget.

(b) The capital of the fund shall consist of any appropriations made for the purpose of providing working capital and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. The fund shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus of the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain the fund. There shall be transferred to the fund the stocks of supplies, equipment, other assets, liabilities, and unpaid obligations relating to those services which the Secretary determines will be performed.

FUNDS TRANSFER

SEC. 247. The Secretary may, when authorized in an appropriation Act in any fiscal year, transfer funds from one appropriation to another within the Department, except that no appropriation for any fiscal year shall be either increased or decreased by more than 10 per centum and no such transfer shall result in increasing any such appropriation above the amount authorized to be appropriated therefor.

CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS

SEC. 248. (a) Subject to the provisions of the Federal Property and Administrative Services Act of 1949, the Secretary may make, enter into, and perform such contracts, leases, cooperative agreements, grants, or other similar transactions with public agencies, private organizations, and persons, and make payments (in lump sum or installments, and by way of advance or reimbursement, and, in the case of any grant, with necessary adjustments on account of overpayments and underpayments) as the Secretary considers necessary or appropriate to carry out the functions of the Secretary or the Department.

(b) Notwithstanding any other provision of this Act, the authority to enter into contracts or to make payments under this title shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts. This subsection does not apply with respect to the authority granted under section 252.

PUBLICATIONS

SEC. 249. Subject to such procedures of the Director of the Office of Management and Budget may prescribe, the Secretary may disseminate in the form of reports or publications such information as the Secretary considers appropriate.

USE OF FACILITIES

SEC. 250. (a) With their consent, the Secretary, with or without reimbursement, may use the research, services, equipment, and facilities of—

(1) an individual;

(2) any public or private nonprofit agency or organization, including any agency or instrumentality of the United States or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States;

(3) any political subdivision of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States; or

(4) any foreign government,

in carrying out any function of the Secretary or the Department.

(b) The Secretary, under terms, at rates, and for periods that the Secretary considers to be in the public interest, may permit the use by public and private agencies, corporations, associations or other organizations, or by individuals, of any real property, or any facility, structure or other improvement thereon, under the custody of the Secretary. The Secretary may require permittees under this section to maintain or recondition, at their own expense, the real property, facilities, structures, and improvements used by such permittees.

FIELD OFFICES

SEC. 251. (a) Subject to subsection (b), the Secretary may establish, alter, consolidate, maintain, or discontinue State, regional, district, local, or other field offices as the Secretary finds necessary or appropriate to perform any function of the Secretary or the Department.

(b) The Secretary may establish, alter, consolidate, maintain, or discontinue State, regional, district, local, or other field offices under subsection (a) upon the expiration of a period of sixty days after the receipt by the Committee on Finance and the Committee on Governmental Affairs of the Senate and the Committee on Government Operations and the Committee on Ways and Means of the House of Representatives of notice by the Secretary containing a full and complete statement of the action proposed to be taken pursuant to this section and the facts and circumstances relied upon in support of such proposed action.

GIFTS AND BEQUESTS

SEC. 252. (a) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the United States Treasury in a separate fund and shall be disbursed on order of the Secretary. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(b) For the purpose of Federal income, estate, and gift taxes, and State taxes, property accepted under subsection (a) shall be considered a gift or bequest to or for use of the United States.

(c) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in subsection (a). Income accruing from such securities, and from any other property held by the Secretary pursuant to subsection (a), shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary.

SEAL OF DEPARTMENT

SEC. 253. The Secretary shall cause a seal of office to be made for the Department of such design as the Secretary shall approve. Judicial notice shall be taken of such seal.

ANNUAL REPORT

SEC. 254. The Secretary shall, as soon as practicable after the end of each fiscal year, prepare and transmit a written report to the President for transmission to the Congress on the activities of the Department during such fiscal year.

PART F—RELATED AGENCIES

INTERAGENCY TRADE ORGANIZATION

SEC. 261. The second sentence of section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872(a)) is amended to read as follows: "Such organization shall be composed of the President, who shall be Chairman, the Secretary of International Trade and Industry, who shall be Chairman pro tempore, the Secretary of Agriculture, who shall be Vice-Chairman, the Secretary of Defense, the Secretary of Labor, the Secretary of State, and the Secretary of the Treasury, and the heads of such other departments and agencies and such other officers as the President shall designate.".

EXPORT-IMPORT BANK OF THE UNITED STATES

SEC. 262. (a) Paragraph (1) of section 3(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(c)) is amended to read as follows:

"(1) There shall be a Board of Directors of the Bank consisting of the President of the Export-Import Bank of the United States who shall serve as Chairman, the Deputy Secretary of International Trade and Industry, who shall serve as Vice Chairman, the First Vice President of the Bank, and two additional persons appointed by the President of the United States by and with the advice and consent of the Senate.".

(b) Notwithstanding the amendment made by subsection (a), any individual who—

(1) is serving as a member of the Board of Directors of the Export-Import Bank of the United States on the day before the effective date of the Department of International Trade and Industry Act of 1983; and

(2) is not Chairman or Vice Chairman of such Board on such date,

shall continue to serve until his successor is appointed by the President and confirmed by the Senate, except that in any case in which the appointment of a successor to such member would cause the total number of members of the Board of Directors of the Export-Import Bank of the United States to exceed five, such member shall serve until the resignation of such member is accepted by the President.

OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 263. The second and third sentences of section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b)) are amended to read as follows: "The Secretary of International Trade and Industry shall be the Chairman of the Board. The Director of the

United States International Development Cooperation Agency shall be the Vice Chairman of the Board.".

NATIONAL SECURITY COUNCIL

SEC. 264. The fourth paragraph of section 101(a) of the National Security Act of 1947 (50 U.S.C. 402(a)) is amended—

(1) by redesignating clauses (5), (6), and (7) as clauses (6), (7), and (8), respectively; and

(2) by inserting after clause (4) the following new clause:

"(5) the Secretary of International Trade and Industry;".

INTERNATIONAL MONETARY FUND

SEC. 265. Section 3 of the Bretton Woods Agreement Act is amended by adding at the end thereof the following new subsection:

"(e) The United States executive director of the Fund shall consult with the Secretary of International Trade and Industry with respect to matters under consideration by the Fund which relate to trade.".

COUNCIL ON INTERNATIONAL TRADE, ECONOMIC, AND FINANCIAL POLICY

SEC. 266. (a) There is established in the Executive Office of the President a Council on International Trade, Economic, and Financial Policy. The Council shall coordinate United States trade policies with United States international economic policies, including international financial and monetary policies, in a manner which supports the goals specified in section 101(1). The Council shall be composed of the President, who shall be Chairman, the Vice President, who shall be Vice Chairman, the Attorney General, the Secretaries of Agriculture, International Trade and Industry, Labor, State, and the Treasury, the Chairman of the Council of Economic Advisers, and the heads of such other Federal agencies and such other officers as the President shall designate.

(b) The Council shall meet at such times and with respect to such matters as the President shall direct. The Council may invite the participation in its activities of any Federal agency not represented on the Council when matters of interest to such agency are under consideration.

(c) The Council shall, to the maximum extent practicable, draw upon the resources of the Federal agencies represented on the Council. The President may establish by regulation such procedures and committees as the President may determine necessary to enable the Council to carry out its functions.

(d)(1) There shall be in the Executive Office of the President an Advisor to the President for International Trade, Economic, and Financial Policy, who shall be appointed by the President. The Advisor shall be the Executive Director of the Council and the Executive Director of the interagency organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872(a)), as amended by section 261 of this Act (hereafter in this subsection referred to as the "interagency organization").

(2) The Advisor is authorized to employ not in excess of fifteen professional staff members, and such additional secretarial, clerical, and support personnel as may be necessary, to provide support and assistance to the Council and to the interagency organization.

(3) Upon request of the Advisor, the heads of Federal agencies represented on the Council may detail to the Advisor, on a nonreimbursable basis, officers and employees of such agencies in order to provide support and assistance to the Council and to the interagency organization. Not more than ten officers and employees of Federal agencies may be detailed to the Advisor under this paragraph in any fiscal year.

(e) Every six months, the Advisor, on behalf of the President and the Council, shall prepare and transmit a report to the Congress which—

(1) identifies specific respects in which United States international economic policies (other than trade policies) are in conflict with, or may be in potential conflict with, United States trade policies; and

(2) contains such recommendations for resolving such conflicts or potential conflicts as the Advisor considers appropriate.

PART G—CONFORMING PROVISIONS

AMENDMENTS

SEC. 271. (a) Section 19(d)(1) of title 3, United States Code, is amended by striking out "Secretary of Commerce," and inserting in lieu thereof "Secretary of International Trade and Industry,".

(b) Section 101 of title 5, United States Code, is amended by striking out the item relating to the Department of Commerce and inserting in lieu thereof the following:

"The Department of International Trade and Industry.".

(c) Section 5312 of such title is amended—

(1) by striking out the items relating to the Secretary of Commerce and the United States Trade Representative; and

(2) by adding at the end thereof the following:

"Secretary of International Trade and Industry.".

(d)(1) Section 2(b) of Reorganization Plan No. 3 of 1979 is amended by striking out paragraph (1) and by striking out "(2)".

(2) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following:

"Deputy Secretary, Department of International Trade and Industry.".

(e) Section 5314 of such title is amended—

(1) by striking out the item relating to the Under Secretary of Commerce, the Under Secretary of Commerce for Economic Affairs, and the Under Secretary of Commerce for Travel and Tourism;

(2) by striking out the item relating to the Deputy United States Trade Representatives; and

(3) by adding at the end thereof the following:

"Under Secretaries of International Trade and Industry (2).

"Under Secretary of International Trade and Industry for Travel and Tourism.

"Administrator for Productivity and Technology, Department of International Trade and Industry.

"Deputy United States Trade Representative.

"Permanent Representative to the General Agreement on Tariffs and Trade, Department of International Trade and Industry.

"Advisor to the President for International Trade, Economic, and Financial Policy.".

(f) Section 5315 of such title is amended—

(1) by striking out the item relating to the Assistant Secretaries of Commerce;

(2) by striking out the item relating to the General Counsel of the Department of Commerce; and

(3) by adding at the end thereof the following:

"Assistant Secretaries of International Trade and Industry (8).

"Assistant Secretary of International Trade and Industry and Commissioner of Patents and Trademarks.

"General Counsel, Department of International Trade and Industry.

"Director, National Bureau of Standards, Department of International Trade and Industry.

"Director General, United States Foreign and Commercial Services, Department of International Trade and Industry.

"Chief Negotiator for Textile Matters, Department of International Trade and Industry.".

(g) Section 5316 of such title is amended—

(1) by striking out the item relating to Commissioner of Patents, Department of Commerce;

(2) by striking out the item relating to the National Export Expansion Coordinator, Department of Commerce;

(3) by striking out the item relating to the Director, United States Travel Service, Department of Commerce;

(4) by striking out the item relating to the Inspector General, Department of Commerce;

(5) by striking out the item relating to the Director, National Bureau of Standards, Department of Commerce; and

(6) by adding at the end thereof the following:

"Inspector General, Department of International Trade and Industry.".

(h) The Inspector General Act of 1978 is amended—

(1) by striking out "the Department of Commerce," in section 2(1);

(2) by inserting "the Department of International Trade and Industry," after "Interior," in such section;

(3) by redesignating subparagraphs (G) through (N) of section 9(a)(1) as subparagraphs (H) through (O), respectively;

(4) by inserting after subparagraph (F) of such section the following:

"(G) of the Department of International Trade and Industry, all functions of the Inspector General of the Department of Commerce and the Office of the Inspector General of the Department of Commerce relating to the functions transferred to the Secretary of International Trade and Industry by section 232 of the Department of International Trade and Industry Act of 1983;";

(5) by striking out "Commerce," each place it appears in section 11; and

(6) by inserting "International Trade and Industry," after "Interior," each place it appears in such section.

(i)(1) Chapter 4 of title I of the Trade Act of 1974 is amended to read as follows:

"CHAPTER 4—REPRESENTATION IN TRADE NEGOTIATIONS

"SEC. 141. FUNCTIONS OF THE SECRETARY OF INTERNATIONAL TRADE AND INDUSTRY.

"The Secretary of International Trade and Industry shall—

"(1) be the chief representative of the United States for each trade negotiation under this title or section 301;

"(2) report directly to the President and the Congress, and be responsible to the President and the Congress for the administration of trade agreements programs under this Act, the Trade Expansion Act of 1962, and section 350 of the Tariff Act of 1930;

"(3) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs; and

"(4) be responsible for making reports to Congress with respect to the matters set forth in clauses (1) and (2).".

(2) The table of contents in the first section of the Trade Act of 1974 is amended by striking out the items relating to chapter 4 and section 141 and inserting in lieu thereof the following:

"CHAPTER 4—REPRESENTATION IN TRADE NEGOTIATIONS

"Sec. 141. Functions of the Secretary of International Trade and Industry.".

(j) The Foreign Service Act of 1980 is amended—

(1) by striking out paragraph (3) of section 202(a) (22 U.S.C. 3922(a)) and inserting in lieu thereof the following:

"(3) The Secretary of International Trade and Industry may utilize the Foreign Service personnel system in accordance with this Act—

"(A) with respect to the personnel performing functions—

"(i) which were transferred to the Department of Commerce from the Department of State by Reorganization Plan No. 3 of 1979; and

"(ii) which were subsequently transferred to the Secretary of International Trade and Industry by section 232 of the Department of International Trade and Industry Act of 1983; and

"(B) with respect to other personnel of the Department of International Trade and Industry to the extent the President determines to be necessary in order to enable the Department of International Trade and Industry to carry out functions which require service abroad."; and

(2) by striking out "Commerce" each place it appears in section 2403(c) and inserting in lieu thereof "International Trade and Industry".

(k)(1) Section 201 of the International Travel Act of 1961 (22 U.S.C. 2122) is amended by striking out "Commerce" and inserting in lieu thereof "International Trade and Industry".

(2) Section 202(a)(13) of such Act (22 U.S.C. 2123(a)(13)) is amended by striking out "Commerce" and inserting in lieu thereof "International Trade and Industry".

(3) Section 301 of such Act (22 U.S.C. 2124) is amended to read as follows:

"SEC. 301. All duties and responsibilities of the Secretary under this Act shall be exercised directly by the Secretary or by the Secretary through the Under Secretary of International Trade and Industry for Travel and Tourism.".

(4) Section 302(b)(1) of such Act (22 U.S.C. 2124a(b)(1)) is amended—

(A) by striking out "Commerce" in subparagraph (A) and inserting in lieu thereof "International Trade and Industry";

(B) by inserting "of International Trade and Industry" after "Under Secretary" in subparagraph (B); and

(C) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) an individual designated by the Secretary of International Trade and Industry from the Department of International Trade and Industry;".

(5) Section 303(f) of such Act (22 U.S.C. 2124b(f)) is amended by striking out "and shall advise the Assistant Secretary for Tourism Marketing with respect to the preparation of the marketing plan under section 202(a)(15)".

REPEALS

SEC. 272. (a)(1) The first section of the Act entitled "An Act to establish the Department of Commerce and Labor", approved February 14, 1903 (15 U.S.C. 1501), is repealed.

(2) The first section of the Act entitled "An Act to create a Department of Labor", approved March 4, 1913 (15 U.S.C. 1501), is amended by striking out beginning with "and the Department of Commerce and Labor" through "accordingly".

(b) Subsection (a) of the first section of the Act entitled "An Act to authorize an Under Secretary of Commerce for Economic Affairs", approved June 16, 1982 (96 Stat. 115; 15 U.S.C. 1503a), is repealed.

(c) The Act entitled "An Act to provide for the appointment of one additional Assistant Secretary of Commerce, and for other purposes", approved July 15, 1947 (15 U.S.C. 1505), is repealed.

(d) The first sentence of section 304 of the Department of Commerce Appropriation Act, 1955 (15 U.S.C. 1506), is repealed.

(e) The Act entitled "An Act to authorize an additional Assistant Secretary of Commerce", approved February 16, 1962 (15 U.S.C. 1507), is repealed.

(f) Subsection (a) of section 9 of the Maritime Appropriation Authorization Act for Fiscal Year 1978 (15 U.S.C. 1507b), is repealed.

(g)(1) The first section of the Act of March 18, 1904 (33 Stat. 135, chapter 716; 15 U.S.C. 1508), is amended by striking out the paragraph relating to the Office of the Solicitor of the Department of Commerce and Labor.

(2) Section 2 of the Act of July 17, 1952 (66 Stat. 758, chapter 932; 15 U.S.C. 1508), is repealed.

(h)(1) Sections 4 and 12 of the Act entitled "An Act to Establish the Department of Commerce and Labor", approved February 14, 1903 (15 U.S.C. 1511), are repealed.

(2) The first section of the Act of August 23, 1912 (37 Stat. 407, chapter 350; 15 U.S.C. 1511), is amended by striking out the paragraph relating to the Bureau of Foreign and Domestic Commerce.

(3) The first section of the Act of January 5, 1923 (42 Stat. 1109, chapter 23; 15 U.S.C. 1511), is repealed.

(4) The first section of the Act of May 27, 1936 (49 Stat. 1380, chapter 463; 15 U.S.C. 1511), is repealed.

(i) Section 8 of the Act entitled "An Act to establish the Department of Commerce and Labor", approved February 14, 1903 (15 U.S.C. 1519), is repealed.

(j) Title III of the Act entitled "An Act making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes", approved June 28, 1944 (15 U.S.C. 1521), is amended by striking out the paragraph relating to the working capital fund of the Department of Commerce.

(k) Sections 1, 2, and 3 of Public Law 88-611 (15 U.S.C. 1522, 1523, and 1524) are repealed.

TITLE III—ESTABLISHMENT OF NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION AS AN INDEPENDENT AGENCY

PART A—ESTABLISHMENT OF ADMINISTRATION

SHORT TITLE

SEC. 301. This title may be cited as the "National Oceanic and Atmospheric Administration Act of 1983".

FINDINGS

SEC. 302. The Congress finds and declares that the establishment of an independent agency for ocean, coastal, and atmospheric programs will—

(1) provide a focus for ocean, coastal, and atmospheric activities;

(2) facilitate the development of a single agency and a unified means for research concerning ocean, coastal, and atmospheric programs; and

(3) aid in the establishment of a coherent program to promote understanding, assessment, development, management, conservation, and protection of ocean, coastal, and atmospheric environments.

DEFINITIONS

SEC. 303. For the purposes of this title—

(1) the term "Administration" means the National Oceanic and Atmospheric Administration established under section 304; and

(2) the term "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration appointed under section 305(a).

ESTABLISHMENT

SEC. 304. There is established as an independent establishment of the Government the National Oceanic and Atmospheric Administration. The Administration shall succeed the National Oceanic and Atmospheric Administration of the Department of Commerce in existence on the day before the effective date of this Act.

OFFICERS

SEC. 305. (a) The Administration shall be administered by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall carry out all functions transferred to the Administrator by this Act and shall have authority and control over all personnel, programs, and activities of the Administration.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions as the Administrator shall prescribe. The Deputy Administrator shall act for and perform the functions of the Administrator during the absence or disability of the Administrator, or in the event of a vacancy in the office of the Administrator.

(c) There shall be in the Administration an Associate Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Associate Administrator shall perform such functions as the Administrator shall prescribe. The Associate Administrator shall act for and perform the functions of the Administrator during the absence or disability of the Administrator and the Deputy Administrator or in the event of a vacancy in both of those offices.

(d) There shall be in the Administration not less than five and not more than seven Assistant Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate. The Assistant Administrators shall perform such functions as the Administrator shall prescribe. The Administrator shall designate the order in which the Assistant Administrators shall act for and perform the functions of the Administrator during the absence or disability of the Administrator, the Deputy Administrator, and the Associate Administrator, or in the event of vacancies in all of those offices.

(e) There shall be in the Administration a General Counsel, who shall be appointed by the President, by and with the advise and consent of the Senate. The General Counsel shall be the chief legal officer for all legal

matters arising from the conduct of the functions of the Administration.

(f)(1) There shall be in the Administration a Commissioned Officer Corps, which shall be the Commissioned Officer Corps of the National Oceanic and Atmospheric Administration established by Reorganization Plan No. 4 of 1970. Members of the Corps, including those appointed after the effective date of this Act, shall be entitled to all rights, privileges, and benefits available under any law to commissioned officers of the Commissioned Officer Corps of the National Oceanic and Atmospheric Administration of the Department of Commerce on the day before the effective date of this Act.

(2) All laws and regulations applicable to commissioned officers of the National Oceanic and Atmospheric Administration of the Department of Commerce on the day before the effective date of this Act shall be applicable to commissioned officers of the Administration.

(g) The Secretary of the Navy may detail to the Administrator, on an additional-duty basis, a Navy flag officer of the rank of rear admiral, who shall serve and be designated as the Naval Deputy to the Administrator. The Naval Deputy shall—

(1) act as a liaison between the Administrator and the Secretary of the Navy in order to avoid duplication of Federal oceanographic activities;

(2) act to maintain a close relationship between the Administration and the Navy in research and development; and

(3) ensure that national security considerations are addressed by the Administrator in formulating policies.

(h)(1) There shall be in the Administration a Director of the national sea grant college program, who shall be appointed by the Administrator and who shall be a qualified individual who has knowledge or expertise in fields relating to ocean and coastal resources and appropriate administrative experience. The Director of the national sea grant college program shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be compensated at a rate not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title.

(2) The Director of the national sea grant college program shall administer the national sea grant college program subject to the supervision of the Administrator and in accordance with functions prescribed by law or by the Administrator.

TRANSFER OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION FROM THE DEPARTMENT OF COMMERCE

SEC. 306. (a)(1) The National Oceanic and Atmospheric Administration of the Department of Commerce is transferred to the Administration.

(2) All functions of the Secretary of Commerce or the Department of Commerce with respect to or being administered through the National Oceanic and Atmospheric Administration of the Department of Commerce or the Administrator of such Administration on the day before the effective date of this Act are transferred to the Administrator appointed under section 305(a).

(3) All functions of the National Oceanic and Atmospheric Administration of the Department of Commerce or the Administrator of such Administration are transferred to the Administrator appointed under section 305(a).

PART B—ADMINISTRATIVE PROVISIONS

RULES

SEC. 311. In the performance of the functions of the Administrator and the Administration, the Administrator is authorized to make, promulgate, issue, rescind, and amend rules and regulations. The promulgation of such rules and regulations—

(1) shall be governed by the provisions of chapter 5 of title 5, United States Code; and

(2) shall be after notice and opportunity for full participation by relevant Federal agencies, State agencies, local governments, regional organizations, authorities, councils, and other interested public and private parties.

DELEGATION

SEC. 312. Except as otherwise provided in this Act, the Administrator may delegate any function to such officers and employees of the Administration as the Administrator may designate, and may authorize such successive redelegations of such functions in the Administration as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this Act shall relieve the Administrator of responsibility for the administration of such functions.

PERSONNEL AND SERVICES

SEC. 313. (a) In the performance of the functions of the Administrator and in addition to the officers provided for by section 305, the Administrator is authorized to appoint, transfer, and fix the compensation of such officers and employees, including attorneys, as may be necessary to carry out the functions of the Administrator and the Administration. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and compensated in accordance with title 5, United States Code.

(b) The Administrator is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(c) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5, United States Code.

(d) The Administrator is authorized to utilize, on a reimbursable basis, the services of personnel of any Federal agency. With the approval of the President, the Administrator is authorized to enter into cooperative agreements under which members of the Army, Navy, Air Force, and Marine Corps may be detailed by the Secretary of the Army, the Navy, or the Air Force, as the case may be, to assist the Administrator in carrying out the functions of the Administrator. Members of the Army, Navy, Air Force, or Marine Corps detailed to carry out functions under this section shall carry out such functions to the same extent as that to which such members might be lawfully assigned in the Department of Defense.

(e) The Administrator is authorized to appoint such advisory committees as may be appropriate for purposes of consultation and advice to the Administration in carrying out the functions of the Administration.

(f)(1)(A) The Administrator is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Administrator is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Administrator is authorized to provide for incidental expenses, including but not limited to transportation, lodging, and subsistence for such volunteers.

(3) An individual who provides voluntary services under paragraph (1)(A) of this subsection shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

CONTRACTS

SEC. 314. The Administrator is authorized, without regard to the provisions of section 3324 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the functions of the Administrator and the Administration. The Administrator may enter into such contracts, leases, agreements, and transactions with any Federal agency or any instrumentality of the United States, or with any State, territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution, on such terms and conditions as the Administrator may consider appropriate. The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

USE OF FACILITIES

SEC. 315. With their consent, the Administrator may, with or without reimbursement, use the services, equipment, personnel, and facilities of Federal agencies and other public and private agencies, and may cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities. The head of each Federal agency shall cooperate fully with the Administrator in making the services, equipment, personnel, and facilities of the Federal agency available to the Administrator. The head of a Federal agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, supplies and equipment other than administrative supplies or equipment.

SERVICE CHARGES

SEC. 316. (a) Notwithstanding any other provision of law, the Administrator may establish reasonable fees and commissions with respect to applications, documents, awards, loans, grants, research data, services, and assistance and may change and abolish such fees and commissions. Prior to establishing, changing, or abolishing any schedule of fees or commissions under this section, the Administrator may submit such schedule to the Congress.

(b) The Administrator is authorized to require a deposit before the Administrator provides any item, information, service, or assistance for which a fee or commission is required under this section.

(c) Moneys received under this section shall be deposited with the Treasury in a special account for use by the Administrator and are authorized to be appropriated and made available until expended.

(d) In establishing reasonable fees or commissions under this section, the Administrator may take into consideration—

(1) the actual costs which will be incurred in providing items, information, services, or assistance;

(2) the efficiency of the Government in providing such items, information, services, or assistance;

(3) the portion of the cost that will be incurred in providing such items, information, services, or assistance which may be attributed to benefits for the general public interest rather than to exclusive benefits for the applicant;

(4) any public service which occurs through the provision of such items, information, services, or assistance; and

(5) such other factors as the Administrator considers relevant.

(e) In any case in which the Administrator determines that any person has made a payment which is not required under this section or has made a payment which is in excess of the amount required under this section, the Administrator, upon application or otherwise, may cause a refund to be made from applicable funds.

ACQUISITION AND MAINTENANCE OF PROPERTY

SEC. 317. (a) The Administrator is authorized—

(1) to acquire (by purchase, lease, condemnation, or otherwise) construct, improve, repair, operate, and maintain—

(A) laboratories;

(B) research and testing sites and facilities;

(C) quarters and related accommodations for employees and dependents of employees of the Administration; and

(D) such other real and personal property (including patents), or any interest therein within and outside the continental United States,

as the Administrator considers necessary;

(2) to lease to others such real and personal property;

(3) to provide by contract or otherwise for eating facilities and other necessary facilities for the welfare of employees of the Administration at its installations and to purchase and maintain equipment therefor.

(b) Title to any property or interest therein acquired pursuant to this section shall be in the United States.

(c) The authority granted by subsection (a) of this section shall be available only with respect to facilities of a special purpose nature that cannot readily be reassigned from similar Federal activities and are not otherwise available for assignment to the Administration by the Administrator of General Services.

(d) The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

FACILITIES AT REMOTE LOCATIONS

SEC. 318. (a) The Administrator is authorized to provide, construct, or maintain for employees and their dependents stationed at remote locations as necessary and when not otherwise available at such remote locations—

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) meeting facilities;

(4) audiovisual equipment, accessories, and supplies for recreation and training;

(5) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(6) living and working quarters and facilities; and

(7) transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(b) The furnishing of medical treatment under paragraph (1) of subsection (a) and the furnishing of services and supplies under paragraphs (2) and (3) of such subsection shall be at prices reflecting reasonable value as determined by the Administrator.

(c) Proceeds derived from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of work or services provided under this section, to repay or make advances to appropriations of funds which do or will bear all or a part of such cost, or to refund excess sums when necessary, except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds if the fund is available for use by the Administrator for performing the work or services for which payment is received.

COPYRIGHTS AND PATENTS

SEC. 319. The Administrator is authorized to acquire any of the following described rights if the property acquired thereby is for use in, or is useful to, the performance of functions of the Administrator or the Administration:

(1) Copyrights, patents, and applications for patents, designs, processes, specifications, and data.

(2) Licenses under copyrights, patents, and applications for patents.

(3) Releases, before an action is brought, for past infringement of patents of copyrights.

GIFTS AND BEQUESTS

SEC. 320. The Administrator is authorized to accept, hold, administer and utilize gifts, donations, or bequests of property, real or personal, tangible or intangible, and contributions of money for purposes of aiding or facilitating the work of the Administrator or the Administration. For the purposes of Federal income, estate, and gift taxes, and State taxes, property accepted under this subsection shall be considered a gift or bequest to the United States.

TRANSFERS OF FUNDS FROM OTHER FEDERAL AGENCIES

SEC. 321. The Administrator is authorized to accept transfers from other Federal agencies of funds which are available to carry out functions transferred by this Act to the Administrator or functions assigned by law to the Administrator after the date of enactment of this Act.

WORKING CAPITAL FUND

SEC. 322. (a) The Administrator is authorized to establish for the Administration a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as the Administrator shall find to be desirable in the interest of economy and efficiency, including such services as—

(1) a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Administration and its components;

(2) central messenger, mail, and telephone service and other communications service;

(3) office space, central services for document reproduction and for graphics and visual aids; and

(4) a central library service.

(b) The capital of the fund shall consist of any appropriations made for the purpose of providing working capital and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Administrator may transfer to the fund, less the related liabilities and unpaid obligations. Such funds shall be reimbursed in advance from available funds of agencies and offices in the Administration, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus of the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain such fund. There shall be transferred to the fund the stocks of supplies, equipment, other assets, liabilities, and unpaid obligations relating to those services which the Administrator determines will be performed.

SEAL OF ADMINISTRATION

SEC. 323. The Administrator shall cause a seal of office to be made for the Administration of such design as the Administrator shall approve. Judicial notice shall be taken of such seal.

ANNUAL REPORT

SEC. 324. (a) As soon as is practicable after the close of each fiscal year, the Administrator shall submit to the President a report on the activities of the Administration during the preceding fiscal year. The President shall transmit each such report to the Speaker of the House of Representatives and the President pro tempore of the Senate not later than December 31 of each year.

(b) Each Federal agency shall, without charge, provide the Administrator with such data and information as the Administrator may request to carry out this section. Each Federal agency shall, on a cost reimbursable basis, provide the Administrator with such services and personnel as the Administrator may request to carry out this section.

(c)(1) The Administrator is authorized to include in the report required by subsection (a) for each fiscal year a report on any program or activity carried out by the Administrator during such fiscal year.

(2) Notwithstanding any other provision of law, the inclusion by the Administrator in the report required by subsection (a) for any fiscal year of a report on any program or activity carried out by the Administrator during such fiscal year shall be considered compliance with any requirement established by law or regulation that the Administrator prepare a report with respect to the administration of such program or activity during all or part of such fiscal year. If the Administrator includes in the report required under subsection (a) for any fiscal year a report on any program or activity, the Administrator shall include in such report all items required to be included in the report with respect to such program or activity required to be prepared by law or regulation.

STATUS OF ADMINISTRATION UNDER CERTAIN LAWS

SEC. 325. For purposes of section 552b of title 5, United States Code, the Administration is an agency. For purposes of chapter 9

of such title, the Administration is an independent regulatory agency.

SALARY OF ASSISTANT ADMINISTRATORS

SEC. 326. Section 5316 of title 5, United States Code (as amended by section 271(g) of this Act) is further amended—

(1) by striking out the items relating to the Assistant Administrator for Coastal Zone Management, National Oceanic and Atmospheric Administration, the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, and the Assistant Administrators, National Oceanic and Atmospheric Administration; and

(2) by adding at the end thereof the following:

"Assistant Administrators, National Oceanic and Atmospheric Administration.".

TITLE IV—ESTABLISHMENT OF THE BUREAU OF THE CENSUS AS AN INDEPENDENT AGENCY

TRANSFERS

SEC. 401. (a) All functions of the Secretary of Commerce being administered through the individual holding the office of Director of the Census on the day before the effective date of this Act are transferred to the Director of the Census appointed under section 21 of title 13, United States Code, as amended by section 402(e) of this Act.

(b) All functions of the Secretary of Commerce with respect to the Bureau of the Census or the Director of the Census are transferred to the Director of the Census appointed under section 21 of title 13, United States Code, as amended by section 402(e) of this Act.

(c) The Bureau of the Census of the Department of Commerce is transferred to the Bureau of the Census established by section 3 of title 13, United States Code, as amended by section 402(d) of this Act.

(d) There are transferred to the Director of the Census appointed under section 21 of title 13, United States Code (as amended by section 402(e) of this Act) all functions of the Inspector General of the Department of Commerce or of the Office of the Inspector General of the Department of Commerce relating to the agency and functions transferred by subsections (a), (b), and (c) of this section.

ESTABLISHMENT

SEC. 402. (a)(1) Section 4 of title 13, United States Code, is repealed.

(2) Sections 1, 2, and 3 of such title are redesignated as sections 2, 3, and 4, respectively.

(b) Title 13, United States Code, is amended by inserting before section 2 (as redesignated by subsection (a)(2) of this section) the following new section:

"§1. Purpose

"The purpose of this chapter is to establish an independent Bureau of the Census due to the importance of the functions of the Bureau in providing statistical information to all agencies of the United States Government and to the people of the United States.".

(c) Section 2 of such title (as redesignated by subsection (a)(2) of this section), is amended by striking out clause (2) and inserting in lieu thereof the following:

"(2) 'Director' means the Director of the Census appointed under section 21 of this title; and".

(d) Section 3 of such title (as redesignated by subsection (a)(2) of this section), is amended to read as follows:

"§3. Establishment

"There is established an independent establishment in the executive branch of the Government to be known as the Bureau of the Census. The Bureau shall be administered by the Director.".

(e) Section 21 of such title is amended to read as follows:

"§21. Director of the Census; powers and duties

"(a) The Bureau shall be headed by a Director of the Census, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) The Director may prescribe such policies, standards, criteria, procedures, rules, and regulations as the Director finds necessary or appropriate to carry out the functions of the Director.

"(c) The Director may organize the Bureau as the Director finds necessary or appropriate.

"(d) Except as otherwise expressly provided by law, the Director may delegate any of the functions of the Director to such officers and employees of the Bureau as the Director may designate, and may authorize such successive redelegations of such functions as may be necessary or appropriate. A delegation of functions by the Director shall not relieve the Director of responsibility for the administration of such functions.

"(e) The Director is authorized to obtain the services of experts and consultants as authorized by section 3109 of title 5 of the United States Code, at rates not to exceed $100 per day for individuals unless otherwise specified in an appropriation Act.

"(f) The Director is authorized to appoint, without regard to the classification and civil service laws, advisory committees to advise the Director with respect to any function of the Director or the Bureau.

"(g) The Director shall consult with interested Federal agencies with a view to obtaining their advice and assistance in carrying out the purposes of this title. Each Federal agency is authorized to furnish to the Director, upon request of the Director, any information or other data which the Director finds necessary to carry out his duties.

"(h) If authorized by the Director, officers and employees of the Bureau are empowered, while engaged in the performance of their duties, to administer oaths.".

(f) The table of sections for chapter 1 of title 13, United States Code, is amended—

(1) by redesignating the items relating to sections 1, 2, and 3 as the items relating to sections 2, 3, and 4, respectively; and

(2) by inserting before the item relating to section 2 (as redesignated by clause (1) of this subsection) the following new item:

"1. Purpose.".

(3) by inserting "powers and" before "duties" in the item relating to section 21.

(g) Title 13, United States Code, is amended—

(1) by striking out "Secretary" each place it appears and inserting in lieu thereof "Director"; and

(2) by striking out "Department of Commerce" each place it appears and inserting in lieu thereof "Bureau of the Census".

CONFORMING AMENDMENTS RELATING TO THE BUREAU OF THE CENSUS

SEC. 403. (a) Section 5314 of title 5, United States Code (as amended by section 271(e) of this Act) is further amended by adding at the end thereof the following:

"Director of the Census.".

(b) Section 5316 of title 5, United States Code (as amended by sections 271 (g) and 326 of this Act) is further amended by striking out the item relating to the Director, Bureau of the Census, Department of Commerce.

COORDINATION OF STATISTICAL FUNCTIONS

SEC. 404. Within ninety days after the effective date of this Act, the President shall transmit to the Congress a detailed plan for an arrangement between the Bureau of the Census established by section 3 of title 13, United States Code (as amended by section 402(d) of this Act) and the offices of the Department involved in carrying out statistical functions which provides for cooperation between such Bureau and such offices in carrying out statistical functions of the Government.

TITLE V—TRANSFERS TO OTHER FEDERAL AGENCIES

PART A—MINORITY BUSINESS DEVELOPMENT AGENCY

TRANSFERS TO THE SMALL BUSINESS ADMINISTRATION

SEC. 501. (a)(1) There are transferred to the Administrator of the Small Business Administration all functions of the Secretary of Commerce or the Department of Commerce with respect to or being administered through the Minority Business Development Agency of the Department of Commerce or the Director of such Agency.

(2) There are transferred to the Administrator of the Small Business Administration all functions of the Minority Business Development Agency of the Department of Commerce and the Director of such Agency.

(b) The Minority Business Development Agency of the Department of Commerce is transferred to the Small Business Administration.

ADMINISTRATIVE PROVISIONS RELATING TO THE MINORITY BUSINESS DEVELOPMENT AGENCY

SEC. 502. For a period of not less than one year beginning on the effective date of this Act—

(1) the Minority Business Development Agency shall be a separate identifiable unit in the Small Business Administration; and

(2) the Administrator of the Small Business Administration, through the Director of the Minority Business Development Agency, shall perform all functions (other than administrative and support functions) transferred to such Administrator by section 501.

CONFORMING AMENDMENTS RELATING TO THE MINORITY BUSINESS DEVELOPMENT AGENCY

SEC. 503. (a) Section 5316 of title 5, United States Code (as amended by sections 271(g), 326, and 403(b) of this Act) is further amended by inserting after the item relating to the Associate Administrators of the Small Business Administration the following:

"Director, Minority Business Development Agency, Small Business Administration.".

(b) Section 9(a)(1)(N) of the Inspector General Act of 1978 (as redesignated by section 271(h)(3) of this Act) is amended to read as follows:

"(N) of the Small Business Administration—

"(i) the office of that agency referred to as the 'Office of Audits and Investigations'; and

"(ii) all functions of the Inspector General of the Department of Commerce and the Office of the Inspector General of such Department relating to the functions transferred to the Administrator of the Small Business Administration by section 501 of the Department of International Trade and Industry Act of 1983; and".

PART B—ECONOMIC DEVELOPMENT ADMINISTRATION

TRANSFERS TO THE DEPARTMENT OF AGRICULTURE

SEC. 511. (a)(1) There are transferred to the Secretary of Agriculture all functions of the Secretary of Commerce or the Department of Commerce with respect to or being administered through the Assistant Secretary of Commerce for Economic Development or the Economic Development Administration of the Department of Commerce.

(2) There are transferred to the Secretary of Agriculture all functions of the Assistant Secretary of Commerce for Economic Development and the Economic Development Administration of the Department of Commerce.

(b) The Economic Development Administration of the Department of Commerce is transferred to the Department of Agriculture.

ADMINISTRATIVE PROVISIONS RELATING TO THE ECONOMIC DEVELOPMENT ADMINISTRATION

SEC. 512. For a period of not less than one year beginning on the effective date of this Act—

(1) the Economic Development Administration shall be a separate identifiable unit in the Department of Agriculture;

(2) the Secretary of Agriculture, through the Administrator for Economic Development, shall perform all functions (other than administrative and support functions) transferred to such Secretary by section 511; and

(3) the Administrator for Economic Development shall report to the Secretary of Agriculture through the Under Secretary of Agriculture for Small Community and Rural Development.

DEFINITION OF FUNCTION

SEC. 513. As used in this part, the term "function" includes responsibility for performing all acts relating to the furnishing of adjustment assistance under chapters 3 and 4 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq. and 19 U.S.C. 2371 et seq.), for projects approved prior to October 1, 1981, but does not include authority to provide additional assistance or to otherwise increase the liability of the United States with respect to such projects.

CONFORMING PROVISIONS RELATING TO THE ECONOMIC DEVELOPMENT ADMINISTRATION

SEC. 514. (a) Section 5316 of such title (as amended by sections 271(g), 326, 403(b), and 503(a) of this Act) is further amended by striking out the item relating to the Administrator for Economic Development and inserting in lieu thereof the following:

"Administrator for Economic Development, Department of Agriculture.".

(b)(1) Section 101(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3131(a)) is amended by striking out "Secretary of Commerce" and inserting in lieu thereof "Secretary of Agriculture".

(2) Section 601(a) of such Act (42 U.S.C. 3201) is amended to read as follows:

"(a) The Secretary shall administer this Act, and with the assistance of an Administrator for Economic Development, shall coordinate the Federal cochairmen appointed heretofore or subsequent to this Act. The Administrator for Economic Development shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions as the Secretary may prescribe.".

(c) Section 9(a)(1)(A) of the Inspector General Act of 1978 is amended to read as follows:

"(A) of the Department of Agriculture—

"(i) the offices of that department referred to as the 'Office of Investigation' and the 'Office of Audit'; and

"(ii) all functions of the Inspector General of the Department of Commerce or the Office of the Inspector General of such Department relating to functions transferred to the Secretary of Agriculture by section 511 of the Department of International Trade and Industry Act of 1983".

TITLE VI—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS

ADDITIONAL TRANSFERS

SEC. 601. Any function of the Secretary of Commerce or the Department of Commerce which—

(1) is not transferred by titles II, III, IV, or V of this Act; and

(2) is incidental to, necessary for, or primarily related to, the performance of a function transferred by any such title,

is transferred to the head of the Federal agency to which the related function is transferred by such title.

TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL

SEC. 602. Except as otherwise provided in this Act, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions and offices transferred by this Act, subject to section 1531 of title 31, United States Code, shall be transferred to the head of the Federal agency to which such functions or offices are transferred by this Act. Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

INCIDENTAL TRANSFERS

SEC. 603. (a) The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions and offices transferred by this Act, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions and offices, as may be necessary to carry out the provisions of this Act. The Director shall provide for the termination of the affairs of all entities terminated by this Act and for such further measures and dispositions as may be necessary to effectuate the purposes of this Act.

(b) After consultation with the Director of the Office of Personnel Management, the Director of the Office of Management and Budget is authorized, at such times as the Director of the Office of Management and Budget may provide, to make such determinations as may be necessary with regard to the transfer of positions within the Senior Executive Service in connection with the functions and offices transferred by this Act.

EFFECT ON PERSONNEL

SEC. 604. (a) Except as otherwise provided by this Act, the transfer pursuant to this Act of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this Act.

(b) Any person who, on the day preceding the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in a Federal agency to which functions are transferred by this Act to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(c)(1) Except as provided in paragraph (2), positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this Act, shall terminate on the effective date of this Act.

(2) Paragraph (1) shall not apply to the position of Commissioner General of the United States Government for the 1984 Louisiana World Exposition established by section 2(b) of Public Law 97-254, or to members of the Foreign Service.

SAVINGS PROVISIONS

SEC. 605. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred by this Act; and

(2) are in effect when this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the head of the Federal agency to which such functions are transferred by this Act, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this Act shall not affect any proceedings, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the effective date of this Act before the Department of Commerce or the Office of the United States Trade Representative, or any office thereof with respect to functions transferred by this Act; but such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the head of the Federal agency to which such functions are transferred by this Act, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(2) The Secretary of Commerce, the United States Trade Representative, and the head of each Federal agency to which functions are transferred by this Act are authorized to issue regulations providing for

the orderly transfer of proceedings continued under paragraph (1).

(c) Except as provided in subsection (e)—

(1) the provisions of this Act do not affect actions commenced prior to the effective date of this Act, and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Commerce or the Office of United States Trade Representative with respect to functions transferred by this Act shall abate by reason of the enactment of this Act. No cause of action by or against the Department of Commerce or the Office of United States Trade Representative with respect to functions transferred by this Act, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function or office transferred by this Act, or other proceedings may be asserted by or against the United States or an official of the Federal agency to which such function or office is transferred by this Act, as may be appropriate, and, in an action pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) If, before the date on which this Act takes effect, the Department of Commerce or the Office of the United States Trade Representative, or any officer thereof in his official capacity, is a party to an action, and under this Act any function of such Department, Office, or officer is transferred to a Federal agency, then such action shall be continued with the head of such agency substituted or added as a party.

(f) Orders and actions of the head of a Federal agency in the exercise of functions transferred to the head of such agency by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Department of Commerce or the Office of the United States Trade Representative, or any office or officer thereof, in the exercise of such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the head of the Federal agency to which such function is transferred by this Act.

SEPARABILITY

SEC. 606. If a provision of this Act or its application to any person or circumstance is held invalid, neither the remainder of this Act nor the application of the provision to other persons or circumstances shall be affected.

REFERENCE

SEC. 607. With respect to any functions transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to—

(1) the Secretary of Commerce or the United States Trade Representative; or

(2) the Department of Commerce or the Office of the United States Trade Representative or any officer or office thereof,

shall be considered to refer to the head of the Federal agency to whom such functions were transferred by this Act.

TRANSITION

SEC. 608. With the consent of the Secretary of Commerce or the United States Trade Representative, as the case may be, the head of each Federal agency to which functions or offices are transferred by this Act is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department of Commerce or the Office of the United States Trade Representative, as the case may be, with respect to functions or offices transferred to that agency by this Act; and

(2) funds appropriated to such functions or offices for such period of time as may reasonably be needed to facilitate the orderly implementation of this Act.

TERMINATION OF THE DEPARTMENT OF COMMERCE

SEC. 609. The Department of Commerce is terminated.

TITLE VII—MISCELLANEOUS

EFFECTIVE DATE

SEC. 701. (a) This Act shall take effect one hundred and twenty days after the date of enactment, except that—

(1) section 608 shall take effect on the date of enactment; and

(2) at any time after the date of enactment of this Act—

(A) the officers provided for in titles II, III, and IV of this Act may be nominated and appointed, as provided in such titles; and

(B) the Secretary of Commerce, the United States Trade Representative, and the head of each Federal agency to which functions are transferred by this Act may promulgate regulations under section 605(b)(2).

(b) Funds available to the Department of Commerce or the Office of the United States Trade Representative (or any official or component thereof), with respect to the functions transferred by this Act, may be used, with approval of the Director of the Office of Management and Budget, to pay the compensation and expenses of an officer appointed under subsection (a)(2)(A) who will carry out such functions until funds for that purpose are otherwise available.

INTERIM APPOINTMENTS

SEC. 702. (a) If one or more officers required by this Act to be appointed by and with the advice and consent of the Senate have not entered upon office on the effective date of this Act and notwithstanding any other provision of law, the President may designate any officer who was appointed by and with the advice and consent of the Senate, and who was such an officer on the day before the effective date of this Act, to act in the office until it is filled as provided by this Act.

(b) Any officer acting in an office pursuant to subsection (a) shall receive compensation at the rate prescribed by this Act for such office.

AUTHORIZATION OF APPROPRIATIONS

SEC. 703. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Amounts appropriated under this section shall be available until expended.

DEPARTMENT OF INTERNATIONAL TRADE AND INDUSTRY FACT SHEET

PURPOSE OF THE BILL

A new Cabinet Department of International Trade and Industry is needed to:

Make trade a permanent national priority.

Provide a single, strong spokesman for trade within the Executive branch.

Alleviate serious management problems inherent in our current trade structure.

Provide linkage between trade and industry competitiveness issues.

The new Department would facilitate the development of coherent, strategic trade policy, effective implementation of trade agreements and enforcement of U.S. trade laws and support improvements in U.S. competitiveness.

ENTITIES IN THE NEW DEPARTMENT

The new Department would carry out the functions of these existing entities:

The Office of the United States Trade Representative.

The International Trade Administration.

The Under Secretary of Commerce for Economic Affairs (except the Bureau of the Census).

The Patent and Trademark Office.

The United States Travel and Tourism Administration.

The National Telecommunications and Information Agency.

The National Bureau of Standards.

In addition, the following new entities would be created:

The Office of Competitive Analysis.

The Administration for Productivity and Technology.

The Secretary will be the United States Trade Representative. The Secretary will also be Chairman of the Board of Directors of the Overseas Private Investment Corporation and a member of the National Security Council as well as Deputy Chairman of the National Advisory Council on International Monetary and Financial Policies. The Deputy Secretary of the Department will be Vice Chairman of the Board of Directors of the Export-Import Bank.

The new Department will have a staff of approximately 10,000 employees.

RELATED ORGANIZATIONAL CHANGES

In addition to the establishment of the new Department of International Trade and Industry, several existing units in the U.S. Department of Commerce will be placed in new organizational settings:

The National Oceanic and Atmospheric Administration will become an independent agency.

The Bureau of the Census will become an independent agency.

The Minority Business Development Agency will be moved to the Small Business Administration.

The Economic Development Administration will be moved to the Department of Agriculture.

WHITE HOUSE STRUCTURE

The President will chair the top-level trade policy interagency coordinating body (the Trade Policy Committee-TPC). The Secretary of International Trade and Industry will be the Chairman pro tempore and the Secretary of Agriculture will be the Vice Chairman.

In addition, there will be new statutory interagency council also chaired by the President whose purpose will be to coordinate the full range of U.S. international economic policies (e.g. debt, exchange rates and trade). This body will be called the Council on International Trade, Economic and Financial Policy (CITEF).

To support the President in his role on these councils, there will be a small White House staff, limited by law to 15 people. Directing this staff will be a new appointee,

the Advisor to the President for International Trade, Economic and Financial Policy.

The role of this staff will be confined to the normal White House function of top-level policy brokering. This staff will not handle trade negotiations or day-to-day operational aspects of trade policies, functions which will be brought under one roof in the new trade department.

DIFFERENCES WITH LAST SESSION'S BILL

The bill introduced in the 99th Congress is nearly the same as S. 121, reported out of the Governmental Affairs Committee in October, 1983 by a strong bipartisan vote (13-3).

There are only two differences:

The 99th Congress bill does not provide for an Under Secretary for Agriculture. Such a position, added at markup last session, was not broadly supported in the agriculture community.

Language on a small business trade assistance office was eliminated as this office was established in the Trade Act of 1984.

GROUPS SUPPORTING TRADE REORGANIZATION

The President's Commission on Industrial Competitiveness, U.S. Chamber of Commerce, National Association of Manufacturers, American Business Conference, and National Federation of Independent Business.

[From the Journal of Commerce and Commercial, Jan. 31, 1985]

DEPARTMENT OF TRADE A TOP PRIORITY

(By Sen. William V. Roth, Jr.)

Last year economic forecasters reached an uncommon agreement on one prediction: the U.S. trade deficit would reach record proportions in 1984. Now, with the announcement of a $123.3 billion deficit for the year—roughly double the figure for 1983 and four times the size of the deficit in the late 1970s—the disturbing projections have been confirmed. The question is, what are we going to do about it?

Among the proposals to attack the trade deficit that will surface and provoke debate in the coming months will be:

Change U.S. macroeconomic policies to better serve the interests of our exporters.

Eliminate government rules and actions that discourage exports—for example, ease rules on export licensing, requirements of the Foreign Corrupt Practices Act and export embargoes.

Begin new multilateral trade negotiations aimed at opening foreign markets to U.S. products and bringing international trading rules up to date.

Develop a long-term trade strategy to promote America's trade interests.

While each of these strategies should be carefully considered, the prospects for accomplishing any of them will be enhanced substantially if we establish a single, effective government trade organization—a Cabinet-level department of trade.

Take the issue of macroeconomic policy. If we want trade to be considered in the development of macroeconomic policy, trade must be a top national priority, there must be a strong advocate for trade within the government and that advocate must be present in the key decision-making meetings.

None of these factors is present today, and trade and economic policy proceed as if they were unrelated. The establishment of the new trade department would remedy this situation.

In this country we define our top national priorities through our Cabinet structure. By creating a new department of trade we will grant trade the equal status it deserves with defense, foreign policy and other key issues.

The need for a single, strong advocate for trade within the government is clear. Responsibility for trade is now divided between two Cabinet officials. Trade is only one of a number of responsibilities assigned to the secretary of commerce, while the U.S. trade representative, although a Member of the Cabinet, lacks the clout of a full Cabinet department head in advocating his positions.

Legislation creating a new trade department can be drafted to help ensure that the secretary of trade is at the right place at the right time when U.S. economic policy is debated and implemented.

A highly-placed advocate has not been present at crucial times in the past when many of the export-discouraging policies now in effect were taken. For instance, the decisions to impose agricultural embargoes during the Nixon and Carter administrations were made in the National Security Council without the participation of the U.S. trade representative.

This lack of participation could not happen with the trade organization that I envision. The new secretary of trade would participate in deliberations of the National Security Council whenever trade-related issues were discussed.

While the need for new trade negotiations seems clear to many observers, our performance in such negotiations could be hampered seriously if we do not reorganize first.

It is unrealistic to expect the handful of experts in the Trade Representative's Office—no matter how skillful or experienced—to carry out such far-reaching negotiations without help. The trade representative would have to go, hat in hand, to other agencies asking for support.

Far more preferable would be an organization connecting the trade representative's negotiators directly, through clear management ties, to competent support staff, data analysts and statistical experts.

Finally, it is difficult to imagine a long-term trade strategy emerging from our current situation in which one agency (Commerce) is responsible for trade data analysis and policy implementation, while an entirely separate and sometimes competing agency (the Trade Representative's Office) handles trade policy development and negotiations.

Instead of encouraging forward thinking and innovation, the present organizational split promotes turf rivalries and a largely reactive approach to trade problems. And there is no question that our foreign competitors know how to exploit these jurisdictional battles to enhance their own trade performance at the expense of ours.

Moreover, our government does not possess the analytical capability to determine with any certainty the overall state of U.S. industrial competitiveness or the condition of many key sectors of the American economy. Under trade reorganization, all the functions needed to formulate a long-term trade strategy will be brought under one roof and strengthened.

Now more than ever, our nation needs a Cabinet-level department of trade. I am hopeful that with the active support of the Reagan administration, Congress will act to create the department before the year is out.

To be sure, creation of the trade department is only the beginning of what must be a concerted, long-term effort by many agencies, groups and individuals to reduce the staggering U.S. trade deficit. But if we do not reorganize our trade bureaucracy, the policy changes we need will be more difficult to achieve. Trade reorganization should be a part of our strategy to tackle the trade deficit.

[From the Washington Times, Jan. 23, 1985]

TRADE AGENCY BENEFITS

(By R.K. Morris)

January is a sobering month. The holiday bills come rolling in and millions of people reflect on the notion that borrowing can be an expensive business.

It is a good time to take stock of American trade. We have been borrowing very heavily on our international trade credit card. That is what the 1984 trade deficit of nearly $130 billion means. Of the $343 billion worth of imports U.S. citizens bought last year, only a little more than 60 percent can be paid for by U.S. exports. Receipts from U.S. foreign investments can no longer make up the difference. So it is being financed by loans from foreigners at interest rates we can ill-afford, not with a $200 billion budget deficit.

The image of a borrower in over his head helps to convey the seriousness of the problem, but it obscures its complexities. The United States has interests beyond simply balancing the books on trade. As the premier trading nation and the world's largest economy, we shoulder the heaviest portion of the responsibility for keeping the international trade and monetary systems working. In domestic terms, proposed trade actions must be weighed against their possible effects on the competitiveness of U.S. industry, the costs to U.S. industrial and private consumers, and the implications for the U.S. economy.

It is an area of national life as complicated as the cockpit of a 747 jetliner, only each control affects all the others. The time has come to give basic responsibility for trade policy to a single department, a single Cabinet secretary.

The proposal for a department of trade and industry is hardly new. It was debated in 1979 and again in 1983 and 1984. The 1985 debate on a new department is now clearly under way. As a representative from American Express pointed out in congressional testimony in 1983, "The intellectual rationale for it [a new trade department] is not being debated; that seems clear. The stumbling block is politics."

As the trade deficits mount, the rationale for a trade department will become clearer still. Eventually such an entity will almost certainly be a part of the executive branch. The question is not whether but when.

It is unfortunate that the discussion of such a department has been blurred by the rhetoric of protectionism. But Congress does not need a trade department in order to curb imports. They can raise tariffs or otherwise limit access to the U.S. market without creating a new department.

It is less clear that our government can fashion and implement a consistent program of positive trade policies without reorganization. The evidence suggests that the current mix of political and bureaucratic ingredients is not enough. How else can one explain the constant challenge to the Export-Import Bank, which does less for U.S. exports than its counterparts in competitor countries like Japan, Germany, France, and the United Kingdom.

How else can one explain a series of export control decisions that have penalized U.S. exports in the short run and that, over time, could seriously erode U.S. productive capacity?

What other explanation is there for America's passive, almost nonexistent, exchange-rate policies when there is a broad consensus that at least half of the U.S. trade problem is due to the exchange rate? A seriously overvalued dollar is pulling in imports at an alarming rate, drying up the foreign markets of U.S. companies, and forcing many firms to shift production to foreign facilities to hold on to market share in the United States as well as abroad.

The hope of those who support a department of trade and industry is not that it will inaugurate an era of protectionism but that it will signal a commitment to competitiveness.

American manufacturers are traders. The number of products that are in fact world products, assembled in one country from the production of many, is constantly increasing. One result is that U.S. manufacturers, who account for 66 percent of all U.S. exports, cannot afford blind protectionism any more than farmers, bankers, or anyone else who deals in international trade.

The test of a trade policy, of course, is not whether it is a protectionist policy or a free trade policy but whether it is a policy that serves the economic interests of the United States.

A trade department offers the dual hope that it will be better able than any existing agency or group of agencies to develop policies that meet that test, and better able to win acceptance for them from the administration, the Congress, and the public.

Mr. EAGLETON. Mr. President, Senator ROTH, Senator LEVIN, Senator COHEN, and I are introducing a bill creating a new Department of International Trade and Industry. The legislation is substantively unchanged from the bill passed out of the Governmental Affairs Committee in October 1984. My convictions regarding the merits and wisdom of this legislation are unchanged as well. What has changed is our world trade position, and that, unfortunately, is greatly weakened. The mighty engine of American industry, guided by the firm hand of our industrial and trade policies, is huffing and puffing and wheezing along like the "Little Engine Who Couldn't."

Consider the following:

U.S. trade deficits soared over the $100 billion mark in 1984, rising from $69 billion in 1983 to a record $123 billion last year. The 1985 trade deficit may surpass that level by as much as $40 billion.

The dollar remains dangerously high relative to other currencies, depressing demand for American exports;

Our patent and trademarks laws are antiquated, and are violated routinely with effective impunity;

U.S. private research and development is lagging behind that of our major competitors;

The high-tech industries, often cited as the salvation of the U.S. economy, suffered a loss of world market share in 7 of 10 sectors in the last year;

The United States has become a debtor Nation for the first time since World War I.

These warning signs call for a change in American trade policy. The haphazard, fragmented and duplicated approach of the past—tolerable in the bygone era of American trade dominance—is woefully inadequate today. American trade policy is an anachronism, designed to diffuse authority, planning, and implementation. The negotiations with Japan on auto imports this past spring are typical of the problem. No fewer than five separate U.S. agencies played a critical role in the proceedings. Our message isn't getting through because we are tripping over ourselves and our collected spokesman.

Faced with this deepening crisis in international trade, what has been our Government's reaction? "Frantic" and "chaotic" are two words that come to mind. The fact is, we have no clearly identifiable policy on trade. A gaggle of executive agencies and departments, joined by the Congress, have expressed concern and offered remedies, but they largely boil down to quick fix, reactionary or ineffective measures. A few examples:

By an overwhelming margin of 92 to 0, the Senate passed a resolution calling for the Japanese to open their markets to American producers in exchange for our continued participation in a trade relationship;

The International Trade Commission recently reversed its attitude on imports, as seen in its recent footwear decision, and in so doing apparently contradicted the President's fondness for free trade;

The President, who's not afraid to talk rudely to the Soviets, turned into Miss Manners this spring when he let the Japanese auto import quotas lapse without forcing the Japanese to abide by the rules of free trade.

Taken together, America's recent efforts at developing a trade and industrial policy represent the "Keystone Kops" method of problem management. Our lack of a clear message coupled with diffused authority on this issue ensures that American trade policy remains ineffective.

We need to develop a trade policy to match the hardheaded, calculated, nationalistic strategies of our competitors. It is time for our Government to accept the need for a major and consistent role in trade policy. As Douglas Fraser, former president of the United Auto Workers, stated:

> In a rapidly changing global environment, in which virtually every other developed and industrializing government acts decisively to chart their nation's economic course, our economic future will continue to dim until we confront and surmount our unwillingness to plan.

Even President Reagan's own Commission on Industrial Competitiveness, which included some of the Nation's top corporate executives, made virtually the same point:

> Government should take the lead in highlighting the importance of competitiveness . . . International competition requires a well-integrated policymaking process that places trade considerations on a par with domestic and foreign policy issues.

A Department of International Trade and Industry could help avert us from our perilous course by making trade a national priority, and by bringing coordination, coherence and clout to U.S. trade policy. This bill is not just reorganizing boxes on the organization charts of government. It is not simply a cosmetic folding together of the U.S. Trade Representative and pieces of the Commerce Department. Such a merger alone is an improvement—eliminating the puzzling split between negotiating and policymaking on the one hand, and analysis and implementation on the other—but such a slight reform would hardly justify the substantial and costly disruption that inevitably results from departmental reorganization.

This bill must do more. In the end, it must contain the amendments which Senator LEVIN and I offered last Congress, and which were incorporated in the bill as reported by the Government Affairs Committee on October 4, 1983. These amendments give the Department new tools for the development and implementation of policy, and a new mandate to develop our domestic industrial policies in conjunction with the challenges of international trade.

Trade and industrial issues, in the final analysis, are simply different facets of the same problem. The days are long gone when America had the luxury of treating domestic and international economic problems as discrete, separate worlds. Nations are becoming increasingly bound together in a vast web of financial and economic attachments, and what happens beyond our shores deeply affects our economy, and vice versa. If you think otherwise, ask the 250,000 American steelworkers whose jobs have vanished in this decade. Ask the people in the American shoe industry. Ask the 200,000 domestic autoworkers who've been forced into new occupations. Without addressing a number of fundamental problems that have eroded our competitiveness—an aging physical plant; the adversarial relationship between business, labor, and government; and the lack of government leadership in technological innovation—our ability to compete successfully with other nations in the future is doubtful.

I believe this bill is greatly improved by the addition of an Office of Competitive Analysis which, among other things, will provide the U.S. enhanced

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analytical capability. Time and again we hear the complaint that our Government does not understand the workings of American industries or those of our foreign competitors.

By failing to understand the characteristics, capabilities and strategies of our foreign competitors, we are unable to anticipate and plan. further, we need expertise to detect flaws and weaknesses in our domestic enterprises before those weaknesses become debilitating or even fatal. Without this capability, we will find ourselves always on the defensive, always reacting to external events.

The President's Commission on Competitiveness found that the dearth of analytical information about our competitors simply shuts out many otherwise-capable U.S. companies from competing abroad. The commission stated:

> If those American businesses that could export did so, the GAO (General Accounting Office) estimates the American economy would create an additional 125,000 jobs and $4 billion in sales.

The Office of Technology Assessment released a report a few years ago which found that better analysis of steel markets during the past 15 years would have made an important and beneficial difference in the kind of import relief program we designed for our steel industry. It singled out three gaps in our knowledge: The dynamics of the world steel trade, the significant differences within our own steel industry, and the changing technology of iron- and steel-making.

Dr. Jordan Baruch, a former Assistant Secretary of Commerce, noted that a single Japanese export-trading company spent $19 million in 1 year gathering and analyzing information about foreign technological developments. Multiply that expenditure by the large number of Japanese export-trading companies, add in the contacts with the relevant Japanese Government officials, and you get some idea of the efforts of our competition to understand commercial, economic, and technological developments.

Our future success in the global marketplace depends on our Government's ability to recognize and interpret the conditions affecting industries, here and abroad.

The Office of Competitive Analysis is charged with a second mission: To provide a channel for formalizing government-business-labor cooperation in policymaking. We all know the toll that adversarialism among these three groups has taken in this country. We are also aware that other nations have promoted a spirit of cooperation among these same interest groups, and in so doing made themselves more formidable trading nations. Again, the President's commission underscored the importance of this need:

> Government . . . should nurture an effective consensus-building dialogue among leaders in industry, labor . . . and academia. [T]he traditional adversarial relationship between business and labor may no longer serve the best interests of both parties and the public.

To fulfill this mission, the Office will monitor the competitive health of our domestic industries and identify those sectors facing a significant challenge from abroad. For any such sector of vital interest to the Nation, the Secretary of International Trade and Industry would be required to convene a temporary industrial competitiveness council. This advisory council would bring together the diverse industry interests to devise a series of comprehensive, cohesive, and equitable recommendations for the industry's future.

When this legislation was considered in the last Congress, the amendment creating these councils prevailed in committee. Enough committee members from both sides of the aisle shared my view that this mechanism was vital and relatively modest in scope. The administration did not agree, nor did some other members of the committee. The same opposition to this provision may resurface in this Congress as some continue to believe that this mechanism is a Trojan horse for industrial policy. Beneath the label is the implication that government would be intervening in marketplace and picking winners and losers. I advocate no such thing. Our national tradition generally has been hands off the business sector. But, as one trade expert put it, "hands off" need not mean "eyes closed." Our intent here is to provide better resources for business, labor, and government so that problems and opportunities are identified early on. Good trade policy operates well in advance of the economic earthquakes.

This legislation will succeed only if it is enacted and implemented with a true sense of what our problems are and a recognition of what is the proper government role in attacking them. Since I deem the Office of Competitive Analysis essential to the bill, should its structure be diminished in any significant way, the legislation would revert to box shuffling and I would be unable to support it.

A final improvement in the bill is the clarification of the Secretary's primary respcnsibility in the Federal Government for encouraging technological innovation. Former Senator Adlai Stevenson told the Governmental Affairs Committee 2 years ago: "technology is the basis for our ability to compete." Well, technological innovation used to be our comparative advantage over nearly every other nation. The picture has changed dramatically. Although we lead other nations in overall government funding of R&D, roughly half of the total is for defense and space programs, which has little spillover into the civilian economy. Civilian R&D, the source of the greatest strides in innovation for commercial use, has not been a priority. In contrast, outlays for R&D by our major trading partners tend to focus on projects with significant payoff in the commercial sphere. We are, for example, far behind both Germany and Japan in this area. We would do well to more better manage our R&D and to target industrial competitiveness as a priority.

A tool for this purpose already exists. The Stevenson-Wydler Technology Act, enacted in 1980 with strong bipartisan support, could lead to great progress in organizing the Government's efforts in fostering technological breakthroughs and in encouraging their commercial applications. Among other things, the act calls for linking R&D efforts with universities and industry in order to promote marketable technology. The administration, however, has not yet seen fit to implement the act's provisions in any meaningful way. I hope that placing responsibility for this program firmly with the Secretary will better ensure that its mandate will be taken seriously.

Fifty-five years ago this month, Congress passed the Smoot-Hawley Tariff Act, the highest import levy in American history. That one act alone provoked a wave of retaliation, forced Europe to suspend debt repayments, and caused world commerce to dry up. Talk of enacting "Smoot-Hawley Revisited" as a 1980's approach to our trade problems is not idle chitchat, but a serious reaction of understandable desperation. Sentiment in Congress for retaliation against our trading partners is escalating. Members of Congress are at this moment drafting legislation to introduce before the July 4 recess slapping a 20-percent tariff on all Japanese imports unless the Japanese show that they have finally opened their home markets to goods from abroad.

Earlier this spring, the Senate passed, by an unprecedented 92 to 0 vote, a resolution condemning Japanese trade practices.

Hong Kong weavers, South Korean television manufacturers, Mexican tomato growers, and Japanese steel manufacturers are all smarting from U.S. quotas.

The U.S. International Trade Commission, succumbing to national economic pressures, 2 weeks ago reversed its decision of last year and recommended stiff quotas on shoe imports.

A short while ago I spoke in the Senate about the process of give and take with our trading partners and about how Japan is all take because it enjoys the trade opportunities we offer while refusing to extend recipro-

cal opportunities to exporting U.S. companies. I was angered that the administration allowed the voluntary restraints against Japanese autos to expire, letting an unfair trader go free without exacting any quid pro quo.

The President and the Congress, however, need to offer the American people something better than protectionism. There is an alternative: an effective economic and trade policy.

Let us admit it before it's too late: The United States can no longer respond effectively to the economic challenges from abroad with its present casual, reactive, patchwork of trade policy and policymakers. We need an active, anticipatory, and consolidated mechanism. A new Department of International Trade and Industry can't solve all our problems, but I'm sure that it is a mandatory precursor to any meaningful resolution of those problems. We need the Department to enable us to speak as one nation, articulating one coherent, coordinated, and consistent policy, strengthened in the ways that I have mentioned. I am anxious to work with my colleagues on this legislation so that America can meet its competitive challenges.

By Mr. GLENN:

S. 1366. A bill to require the Secretary of Agriculture to conduct a 5-year research program to develop new nonfood uses for agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. GLENN and the text of the legislation appear elsewhere in today's RECORD.)

By Mr. GORE:

S. 1367. A bill to provide for the establishment of a clearinghouse and for studies on how to collect and analyze statistics and other information on the aggregate cost, utilization, and quality of health care services in order to provide for greater efficiency and quality in the purchase of health care services; to the Committee on Governmental Affairs.

HEALTH CARE DATA SYSTEMS CLEARINGHOUSE ACT

● Mr. GORE. Mr. President, I rise today to introduce S. 1367, the "Health Care Data Systems Clearinghouse Act of 1985." My colleague, Congressman RON WYDEN of Oregon, has introduced a companion bill in the House today.

Health care is one of the most important consumer services in this country. Unfortunately, it is also the most expensive. The rising cost of health care threatens to price many Americans out of the market for treatment they need.

The problem is stubborn and solutions are elusive, but this country can't afford not to contain health care costs. This bill is an excellent start.

The bill would establish a clearinghouse to help consumers and employers find and interpret data on health care services, systems, prices, and quality. In order to keep the Government's role to a minimum, the clearinghouse would not collect or distribute the actual data, but would tell consumers where they could find it. It would encourage the voluntary flow of data vital to informed consumer decisions.

The only way we can hope to stabilize health care costs is to inject the principles of free enterprise into our health care system. Proper competition depends on widespread consumer knowledge. At present, few consumers have access to health care information, and few hospitals are eager to provide it. The cloak of mystery gets in the way of economic efficiency and rational decisionmaking.

This bill would help to demystify America's health care system. Besides assisting individual consumers, it also would benefit hundreds of small businesses that currently pay too much for health services because they lack the data to make a prudent purchase or the resources to hire a cost containment consultant.

We need a health care system that's a free market for consumers, not a free ride for producers. In the long run, a health care data clearinghouse will help to make health care more equitable, more accountable, and above all, more affordable.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Data Systems Clearinghouse Act of 1985".

SEC. 2. CLEARINGHOUSE ON AGGREGATE HEALTH CARE DATA AND ANALYTIC PROGRAMS.

(a) ESTABLISHMENT AND GENERAL FUNCTIONS.—(1) The Secretary of Health and Human Services shall make grants for the establishment and operation of a clearinghouse to gather and disseminate information on (A) sources, methods, and systems for the collection of aggregate health care statistics and other data on the cost, utilization, and quality of health care services, and (B) methods and systems available to analyze these data, including existing norms, standards, and criteria that can be used in making comparisons among providers.

(2) The Secretary shall request the National Academy of Sciences, acting through appropriate units, to submit an application for an initial grant under paragraph (1). If the Academy submits an acceptable application, the Secretary shall make the initial grant to the Academy. If the Academy does not submit an acceptable application for an initial grant under paragraph (1), the Secretary shall request one or more appropriate public or nonprofit private entities recognized for their expertise in the analysis of health care data to submit an application for an initial grant under paragraph (1) and shall make a grant to the entity which submits the best acceptable application.

(3) No grant may be made under this section unless an application is submitted to the Secretary in such form and containing such information as the Secretary shall prescribe.

(b) SPECIFIC FUNCTIONS OF CLEARINGHOUSE.—In order to qualify for a grant under this section, the applicant must demonstrate that it has the capability to, and under the grant will on an ongoing basis, establish and provide for the operation of a clearinghouse which will—

(1) identify those recognized individuals and organizations in the public and private sectors (including those within the Federal Government and including peer review organizations, health systems agencies, and State health planning and development agencies) that have experience with the collection of aggregate health care data or developed analytic programs (as those terms are defined in section 4), or both,

(2) collect information on those individuals' and organizations' methods and systems for the collection, analysis, interpretation, and dissemination of aggregate health care data, and make this information available to interested parties, and

(3) provide, upon request, technical assistance in the use of methods and systems for the collection, analysis, interpretation, and dissemination of aggregate health care data.

(c) CONFIDENTIALITY.—In order to qualify for a grant under this section, the applicant must provide assurances that the clearinghouse will disseminate (or arrange for the dissemination of) information about methods and systems for collection, analysis, interpretation, and dissemination of aggregate health care data only in a manner that is consistent with the confidentiality of individually identifiable patient medical information.

(d) ADVISORY COMMITTEE.—In addition, in order to qualify for a grant under this section, the applicant must provide for the establishment of one or more advisory panels to advise the applicant on the activities of the clearinghouse, including, in particular, on appropriate methods and systems for the collection, interpretation, analysis, and dissemination of aggregate health care data in a manner consistent with the confidentiality of individually identifiable patient medical information. Any such panels shall include representatives of physicians, hospitals, other health care providers, insurers, businesses, unions, and public entities that purchase health care through insurance or self-insurance, and labor, as well as members of the public.

(e) REPORT ON CLEARINGHOUSE.—As a condition for receiving a grant under this section, the applicant must agree to submit to the Secretary an annual report on the activities of the clearinghouse under the grant. The Secretary shall provide for timely transmittal of a copy of each such report to Congress.

(f) SUNSET OF AUTHORITY.—Unless otherwise extended by act of Congress, the Secretary is not authorized under this section to provide any funding for the operation of a clearinghouse after the end of the five-fiscal-year period beginning with fiscal year 1986.

SEC. 3. STUDIES CONCERNING IMPROVING THE USE OF AGGREGATE HEALTH DATA.

(a) STUDY OF MAKING EXISTING MEDICARE AGGREGATE DATA MORE WIDELY AVAILABLE.—The Secretary shall study the feasibility—

(1) of making aggregate health care data relating to the medicare program (under title XVIII of the Social Security Act), and health care data of the Office of Personnel Management relating to the Federal Employees Health Benefits program, more widely available to group and other purchasers of health care services, and

(2) of applying existing analytic programs (or adapting such programs) to the analysis of these data for the use by these purchasers.

(b) STUDY OF IMPROVEMENTS IN DATA COLLECTION AND ANALYTIC PROGRAMS FOR THE PURPOSE OF MEASURING QUALITY.—The Secretary shall study what changes should be made—

(1) in the aggregate health care data collected by the Secretary (or by other Federal agencies making payment for health care services) in the process of implementing Federal health care programs, and

(2) in the analytic programs used to analyze those data,

in order for these data and programs to be appropriately applied to assess better the quality of health care services. In considering changes, the Secretary shall consider the collection of additional information on quality of health care services.

(c) DEADLINES.—The Secretary shall transmit to Congress reports on each of the studies under this section not later than six months after the date of the enactment of this Act. Each report shall include the projected completion date of the respective study.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) The term "aggregate health care data" means information, in a form in which medical information is not identifiable to a specific patient, which relates either—

(A) to the price, utilization, and quality of health care services furnished by providers, or

(B) to the costs and benefits associated with particular methods of paying for health care services.

(2) The term "analytic program" means a method for analyzing, on a comparative basis, aggregate health care data.

(3) The term "Secretary" means the Secretary of Health and Human Services.●

By Mr. MATHIAS (for himself, Mr. MATSUNAGA, and Mr. PELL):

S. 1368. A bill to end shipment of padded-jaw or steel-jaw leghold traps; to the Committee on Environment and Public Works.

BAN ON STEEL-JAW LEGHOLD TRAPS

● Mr. MATHIAS. Mr. President, I introduce a bill to end the shipment of steel-jaw leghold traps.

The steel-jaw leghold trap is a cruel device designed to keep animals alive in order to preserve their soft pelts. The trap shackles and cripples animals, often leaving them for days to contend with predators, the elements, and starvation before the trapper returns. It is not difficult to imagine the pain that the animal must endure. Sometimes, a terrified animal chews off a paw to escape.

The trap is nonselective. There is a 75-percent chance that once a trapper returns to the mechanism, he will find an animal that he does not want and did not intend to capture—a domestic pet, a non-fur-bearing animal, a hunting dog. Testimony before the House Subcommittee on Health and the Environment last year revealed that of the 1,199 animals caught with the leghold trap in a predator control program for coyotes, only 138 were coyotes. The rest included golden eagles, antelope, various other wild mammals and birds, 30 sheep, and other domesticated livestock. In another study concerning the endangered American bald eagle, a University of Minnesota researcher reported that "within an 8-year period—1972-80—21 percent of all eagle admissions were caught in steel-jaw traps."

The efforts to ban the leghold trap have widespread support in this country. Congressman TOM LANTOS has introduced a similar bill in the House of Representatives with 90 cosponsors so far. In addition, I would like to draw your attention to the result of a study conducted by Yale University that was funded by the U.S. Department of the Interior. The survey revealed that 78 percent of the American people favor a ban on the steel-jaw leghold trap.

However, Mr. President, prohibiting the use of this trap is not a goal only of animal welfare organizations and environmental groups in the United States. Outrage and concern over the use of this barbaric instrument have been expressed worldwide. At present, 48 countries ban the use of the leghold trap because of its inhumane and cruel characteristics. Despite their important fur industries, countries such as Norway, Germany, and Switzerland have banned the trap without experiencing economic hardship. I consider this to be conclusive testimony that the fur industry's future is not contingent on the steel-jaw leghold trap. In fact, most of the furs imported by U.S. merchants come from countries where the traps are banned.

Mr. President, the U.S. Government should take a leading role against animal cruelty. Instead, the Interior Department is our country's largest user of leghold traps through its subsidy program to reduce predators on public lands. This is reprehensible.

Yale University president, A. Bartlett Giamatti, has eloquently written:

When man becomes vicious to animals, he loses his dignity as a human being, and humanity suffers. And this has been true throughout history.

I urge each of my colleagues to consider this bill and the strong public opinion behind it. This proposal has been inactive too long. It is imperative that we ban the steel-jaw leghold trap now to ensure that millions of animals are spared its vicious bite.

I ask that the text of the measure be printed at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1368

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, whoever delivers, carries, transports, or ships by any means whatever, in interstate or foreign commerce, any padded-jaw or steel-jaw, leghold trap or whoever receives, acquires, or purchases, knowingly, any such trap so delivered, carried, transported, or shipped, shall for the first offense, be fined not more than $1,000; for the second or subsequent offenses, he shall be fined not more than $5,000 and imprisoned for not more than two years.

SEC. 2. The provisions of this Act shall become effective one year after the date of its enactment.●

ADDITIONAL COSPONSORS

S. 233

At the request of Mr. D'AMATO, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 418

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 418, a bill to amend the Internal Revenue Code of 1954 to exclude certain net capital gain of insolvent taxpayers from the alternative minimum tax.

S. 538

At the request of Mr. METZENBAUM, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 538, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for warnings concerning the use by children of drugs containing aspirin, and for other purposes.

S. 670

At the request of Mr. PELL, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 681

At the request of Mr. MATHIAS, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 681, a bill to amend chapter 89 of title 5, United States Code, to authorize the Office of Personnel Man-

agement to waive certain eligibility requirements relating to enrollment of annuitants in a Federal employees health benefits plan.

S. 729

At the request of Mr. DURENBERGER, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 828

At the request of Mr. MELCHER, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 828, a bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax.

S. 855

At the request of Mr. PRYOR, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 855, a bill for the relief of rural mail carriers.

S. 987

At the request of Mr. EXON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-1865.

S. 1060

At the request of Mr. D'AMATO, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1060, a bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of persons who became eligible for benefits before 1979.

S. 1112

At the request of Mr. SPECTER, the names of the Senator from Utah [Mr. GARN], the Senator from Utah [Mr. HATCH], the Senator from Idaho [Mr. SYMMS], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 1112, a bill to amend the Internal Revenue Code of 1954 to increase the exemption amount to $2,000.

S. 1174

At the request of Mr. MCCONNELL, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1174, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 1223

At the request of Mr. ARMSTRONG, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean War.

S. 1277

At the request of Mr. BRADLEY, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid Program without the necessity of obtaining a waiver.

S. 1311

At the request of Mr. GOLDWATER, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 1311, a bill to authorize the Smithsonian Institution to plan, design, and construct facilities for the National Air and Space Museum.

SENATE JOINT RESOLUTION 68

At the request of Mr. DODD, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. BURDICK], the Senator from Missouri [Mr. DANFORTH], the Senator from Indiana [Mr. LUGAR], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Florida [Mr. CHILES], the Senator from Michigan [Mr. LEVIN], the Senator from Utah [Mr. HATCH], the Senator from Maryland [Mr. SARBANES], the Senator from Michigan [Mr. RIEGLE], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. ANDREWS, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

SENATE RESOLUTION 81

At the request of Mr. ARMSTRONG, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Resolution 81, a resolution to establish regulations to implement television and radio coverage of proceedings of the Senate.

SENATE RESOLUTION 187—REGARDING FURTHER MEASURES FOR THE PREVENTION OF AIRCRAFT PIRACY

Mr. HATCH submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 187

Whereas international aircraft piracy has become an outrageous tool of terrorists groups for achieving unconscionable demands;

Whereas international airline hijackings jeopardize the lives, health, and safety of the passengers and crew, of whatever nationality;

Whereas certain governments have, on occasion, provided sanctuary or asylum to airline hijackers;

Whereas the granting of sanctuary must be viewed as an irresponsible sovereign act insofar as such act may encourage further aircraft piracy and terrorism; and

Whereas terrorist acts which result or threaten to result in injury or death to civilians can never be condoned, regardless of the motive or grievance upon which they rest: Now, therefore be it

Resolved, That it is the sense of the Senate that the United States Government should strive to eliminate acts of terrorism across international boundaries by exerting all possible means to:

(1) suspend all commercial air service between Athens, Greece, and the United States until such time as the Athens International Airport is considered safe and secure by the Federal Aviation Administration in consultation with the International Federation of Airline Pilots Association, and the International Air Transport Association; reinstitute the practice of placing law enforcement personnel on board international commercial flights; confer all necessary authority upon the Federal Aviation Administration for the purpose of combating aircraft piracy;

(2) call upon the governments of Canada, France, the Federal Republic of Germany, Italy, Japan, the United Kingdom of Great Britain and Northern Ireland to consider taking immediate action under the Bonn Anti-Hijacking Declaration to cancel all commercial flights to and from any country which provides assistance and safe-haven to those engaged in violent acts against air transport;

(3) encourage reestablishment of the death penalty by those allied governments which have abolished such penalty, if death occurs from the aircaft piracy or attempted hijacking;

(4) consider any and all measures that the United States Government shall deem appropriate to be applied against those governments involved in state-supported terrorism.

SENATE RESOLUTION 188—RECOGNIZING THE CONTRIBUTIONS OF PAUL MELLON

Mr. MATHIAS (for himself and Mr. PELL) submitted the following resolution; which, by unanimous consent, was ordered held at the desk until the close of business on June 27, 1985:

S. RES. 188

Whereas Paul Mellon retired as Chairman and Trustee of the National Gallery of Art on May 3, 1985;

Whereas the service of Paul Mellon to the Gallery and to the Nation is recognized as forty-seven years of purposeful and disinterested stewardship;

Whereas Paul Mellon has made a lifetime commitment to upholding and enriching the high standards established for the Gallery by its Founder, Andrew W. Mellon;

Whereas he has done so through a remarkable combination of unswerving insistence on the highest possible quality in all things, a dedicated scholarship tempered by imagination and vision, and disciplined allocation of private resources for the public benefit;

Whereas his many benefactions in conjunction with his wise management and administration have resulted in the National Gallery's current standing as a magnificent and vibrant national resource;

Whereas Paul Mellon has demonstrated his commitment to the humanities after his graduation from Yale University and Cambridge University by enrolling in the celebrated course of study of "Great Books" at St. John's College in Annapolis, Maryland;

Whereas Paul Mellon has established the Yale Center for British art, which enhances the opportunity for both academic study and public enjoyment of art, and which also illustrates the relationship between British art and the evolution of indigenous art in America;

Whereas Paul Mellon has recognized that horses and horsemanship have not only stimulated artistic expression, but constitute an art form in which he has made himself a master;

Whereas his gifts and guidance have contributed so significantly to boost the human spirit, that his rewards should include a continued life of health and intellectual challenge; and

Whereas in sum Paul Mellon is recognized as a bold and inspired collector, humanist and philantropist who has made extraordinary and lasting contributions to the spirit and well-being of this Nation, thereby enriching the quality of life for his fellow citizens: Now, therefore, be it

Resolved, That the United States Senate recognizes the personal commitment and contribution of Paul Mellon to the elevation of the quality of life in the United States of America by the example of his own life and by his consistent support of the arts and the humanities;

SEC. 2. A copy of this resolution shall be delivered to Paul Mellon by the Secretary of the Senate as an expression of the appreciation of the American people.

Mr. MATHIAS. Mr. President, on behalf of the distinguished senior Senator from Rhode Island and myself, I send to the desk a resolution commending Paul Mellon for his public service. I ask unanimous consent that it may be held at the desk until tomorrow and that it may be available for cosponsors during that period of time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENTS SUBMITTED

SIMPLIFICATION OF IMPUTED INTEREST PROVISIONS

CHAFEE AMENDMENT NO. 423

Mr. CHAFEE proposed an amendment which was subsequently modified, to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes; as follows:

On page 36, on line 12, after the word "contracts" insert the following: "and (iii) which are owned and operated by an organization described in section 501(c)(3).

HEINZ (AND OTHERS) AMENDMENT NO. 424

Mr. HEINZ (for himself, Mr. CHILES and Mr. HAWKINS) proposed an amendment to the bill H.R. 2475, supra; as follows:

AMENDMENT NO. 424

On page 42, between lines 15 and 16, insert the following:

(3) SUBSTANTIAL OWNERSHIP REQUIREMENT NOT TO APPLY TO CERTAIN FACILITIES.—The requirement of subparagraph (B) of section 7872(g)(4) of the Internal Revenue Code of 1954 (as added by section 4) shall not apply to any qualified continuing care facility—

(A) in existence before July 1, 1985, or

(B) for which a binding contract to build such facility was entered into before July 1, 1985.

For purposes of this paragraph, the term "qualified continuing care facility" has the meaning given to such term by section 7872(g) of such Code (as added by section 4).

HEINZ AMENDMENT NO. 425

Mr. HEINZ proposed an amendment to the bill H.R. 2475, supra; as follows:

AMENDMENT NO. 425

On page 42, between lines 15 and 16, insert the following:

(3) LIFETIME RESIDENCY GUARANTEE NOT TO APPLY TO CERTAIN LOANS.—The requirement of subparagraph (A) and of clause (ii) of subparagraph (B) section 7872(g)(3) of the Internal Revenue Code of 1954 (as added by section 4) shall not apply to loans made before January 1, 1986.

DANFORTH AMENDMENT NO. 426

Mr. DANFORTH proposed an amendment to the bill H.R. 2475, supra; as follows:

On page 40, Section 6 of the Bill is amended by redesignating Section 6 as Section 7 and inserting after Section 5 the following new section:

"SEC. 6. SECTION 7872 OF THE INTERNAL REVENUE CODE SHALL NOT APPLY TO NON-LOAN PAYMENTS TO CERTAIN RESIDENTIAL HOUSING FACILITIES FOR THE ELDERLY.

Section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below market interest rates) is amended by inserting after subsection (h) the following new subsection:

" '(i) CERTAIN PAYMENTS ARE NOT LOANS.—For purposes of this section, payments made to an independent living facility for the elderly by a payor who is an individual at least 65 years old shall not be treated as loans provided—

" '(1) The independent living facility is designed and operated to meet some substantial combination of the health, physical, emotional, recreational, social, religious and similar needs of persons over the age of 65;

" '(2) In exchange for the payment, the payor obtains the right to occupy (or equivalent contractual right) independent living quarters located in the independent living facility;

" '(3) The amount of the payment is equal to the fair market value of the right to occupy the independent living quarters;

" '(4) Upon leaving the independent living facility, the payor is entitled to receive a payment equal to at least 75 percent of the fair market value at that time of the right to occupy the independent living quarters, the timing of which payment may be contingent on the time when the independent living facility is able to locate a new occupant for such quarters; and

" '(5) The excess, if any, of the fair market value of the independent living quarters at the time the payor leaves such quarters (less a reasonable amount to cover costs) over the amount paid to the payor is used by an organization described in section 501(c)(3) to provide housing and related services for needy elderly persons.' "

Section 6 is further amended by inserting after subsection (e) the following new subsection:

"(f) SECTION 6.—The amendment made by Section 6 shall apply as if included in the amendments made by Section 172(a) of the Tax Reform Act of 1984."

CHAFEE AMENDMENT NO. 427

Mr. CHAFEE proposed an amendment to the bill H.R. 2475, supra; as follows:

On page 38, between lines 23 and 24, insert the following:

(c) Exclusion from Income of Certain Passive Investment Income of Individuals 65 and Over.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to exclusions from income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. CERTAIN INVESTMENT OF INDIVIDUALS 65 AND OVER.

"(a) GENERAL RULE.—In the case of an individual who has attained the age of 65 before the close of any taxable year, gross income shall not include any investment income of such individual for such taxable year to the extent that such income does not exceed the product of—

"(1) $90,000, multiplied by

"(2) the applicable Federal rate (determined under section 1274(d)) in effect as of the close of the calendar year with or within which such taxable year ends.

"(b) INVESTMENT INCOME.—For purposes of this section, the term 'investment income' has the meaning given such term by subparagraph (B) of section 163(d)(3).

"(c) MARRIED INDIVIDUALS.—For purposes of this section, married individuals shall be treated as 1 individual.".

(2) CONFORMING AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 134 and inserting in lieu thereof the following new items:

"SEC. 134. Certain investment income of individuals 65 and over.

"SEC. 135. Cross references to other Acts.".

On page 38, line 24, strike out "(c)" and insert in lieu thereof "(d)".

On page 42, between lines 15 and 16, insert the following:

(3) EXCLUSION FROM INCOME.—The amendments made by section 4(c) shall apply to taxable years beginning after the date of enactment of this Act.

MELCHER AMENDMENT NO. 428

Mr. MELCHER proposed an amendment to the bill H.R. 2475, supra; as follows:

On page 25, line 6, strike the ".", and insert the following: "; or, any debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property, if the stated principal amount of such instrument does not exceed $10,000,000."

On page 25, insert the following paragraphs between line 9 and line 10: "(3) Qualified Property—For purposes of this section, the term "qualified property" means—

(A) Real property which was used as a farm (within the meaning of section 6420 (c)(2)) at all times during the three year period ending on the date of sale or exchange, together with any tangible personal property which was used in the active conduct of the trade or business of farming on such farm and is sold in connection with the sale of such farm, but only if such real property and tangible personal property is sold or exchanged for use in the active conduct of the trade or business of farming on such farm by the transferee of such property, or

(B) Real property used in an active trade or business within the meaning of section 355; provided, however, that the holding of real property for rental shall not be treated as an active trade or business and real property held for rental shall not be treated as qualified property.

(4) QUALIFIED PERSON.—For purposes of this section, the term "qualified person" means—

(A) A person who—

(i) is an individual, estate, or testamentary trust,

(ii) is a corporation which immediately prior to the date of the sale or exchange is owned directly or indirectly by 35 or fewer individuals, or

(iii) is a partnership which immediately prior to the sale or exchange is owned by 35 or fewer individuals. For purposes of this paragraph, direct and indirect ownership of a corporation or partnership shall be determined under rules similar to section 544.

On page 26, line 3, strike the ".", and insert the following: "; or, $2,000,000 in the case of any qualified debt instrument given exclusively in consideration for the sale or exchange by a qualified person or qualified property."

DURENBERGER (AND OTHERS) AMENDMENT NO. 429

Mr. DURENBERGER (for himself, Mr. ABDNOR, Mr. NICKLES, Mr. JOHNSTON, Mr. DODD, Mr. DECONCINI, Mr. DOMENICI, Mr. ZORINSKY, Mr. INOUYE, Mr. DIXON, Mr. BOSCHWITZ, Mr. WILSON, Mr. LEAHY, and Mr. WALLOP) proposed an amendment to the bill H.R. 2475, supra; as follows:

On page 26, strike lines 1 through 3 and insert:

"(2) QUALIFIED AMOUNT.—The term 'qualified amount' means $2,000,000,"

METZENBAUM AMENDMENT NO. 430

Mr. METZENBAUM proposed an amendment to amendment No. 429 proposed by Mr. DURENBERGER (and others) to the bill H.R. 2475, supra; as follows:

At the end of the pending amendment, add the following:

(d) IMPUTATION RATE INCREASED TO 110 PERCENT IN CASE OF SALE-LEASEBACK OR WHERE PURCHASE PRICE EXCEEDS $25,000,000.—Section 1274 of such Code (relating to determination of issue price in the case of certain debt instruments issued for property) is amended by adding at the end thereof the following new subsection:

"(f) 110 PERCENT RATE WHERE SALE-LEASEBACK INVOLVED OR PURCHASE PRICE EXCEEDS $25,000,000.—

"(1) IN GENERAL.—In the case of any debt instrument to which this subsection applies, the discount rate used under subsection (b)(2)(B) of section 483(b) shall be 110 percent of the applicable Federal rate.

"(2) LOWER DISCOUNT RATES SHALL NOT APPLY.—Subsection (e) and section 1274A shall not apply to any debt instrument to which this subsection applies.

"(3) DEBT INSTRUMENTS TO WHICH THIS SUBSECTION APPLIES.—This subsection shall apply to any debt instrument given in consideration for the sale or exchange of any property if—

"(A) pursuant to a plan, the transferor or any related person leases such property after such sale or exchange, or

"(3) the purchase price of such property exceeds $25,000,000.

"(4) AGGREGATION RULES.—For purposes of this subsection, all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as one sale or exchange.".

MELCHER AMENDMENT NO. 431

Mr. MELCHER proposed an amendment to the bill H.R. 2475, supra; as follows:

On page 25, line 6, strike the ".", and insert the following: "; or, any debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property," if the stated principal amount of such instrument does not exceed $9,000,000.

On page 25, insert the following paragraphs between line 9 and line 10:

"(3) QUALIFIED PROPERTY.—For purposes of this section, the term qualified property means—

"(A) Real property which was used as a farm (within the meaning of section 6420(c)(2)) at all times during the three year period ending on the date of sale or exchange, together with any tangible personal property which was used in the active conduct of the trade or business of farming on such farm and is sold in connection with the sale of such farm, but only if such real property and tangible personal property is sold or exchanged for use in the active conduct of the trade or business of farming on such farm by the transferee of such property, or

"(B) Real property used in an active trade or business within the meaning of section 355; *provided, however*, that the holding of real property for rental shall not be treated as an active trade or business and real property held for rental shall not be treated as qualified property.

"(4) QUALIFIED PERSON.—For purposes of this section, the term 'qualified person' means—

"(A) A person who—

(i) is an individual, estate, or testamentary trust,

"(ii) is a corporation which immediately prior to the date of the sale or exchange is owned directly or indirectly by 35 or fewer individuals, or

(iii) is a partnership which immediately prior to the sale or exchange is owned by 35 or fewer individuals. For purposes of this paragraph direct and indirect ownership of a corporation or partnership shall be determined under rules similar to Section 544.

On page 26, line 3, strike the "." and insert the following: "; or, $2,000,000 in the case of any qualified debt instrument given exclusively in consideration for the sale or exchange by a qualified person of qualified property."

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce a change in the location of the Senate Small Business Committee's July 3, 1985, hearing on the impact of tax reform proposals on small business. The hearing will now be held at the McCormick State Office Building, room 2100, Boston, MA. It was originally scheduled to take place at the John F. Kennedy Federal Office Building in Boston. For further information, please call Stewart Hudson of the committee staff, at 224-5175 or Jim Brenner of Senator KERRY's staff at 224-2742.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources has added an additional bill which the subcommittee will receive testimony on at its hearing scheduled for Friday, July 12, at 9:30 a.m. in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

The additional bill is S. 1208, to authorize the Secretary of the Interior to convey certain land located in the State of Maryland to the Maryland National Capital Park and Planning

Commission. As previously announced, the subcommittee will also receive testimony on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes.

For further information regarding this hearing, please contact Tony Bevinetto or Patty Kennedy at (202) 224-0613.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., on Thursday, July 18, in SR-301, Russell Senate Office Building, to receive testimony on the equities of pooling public events of news interest in the Senate. The cost allocation of the pool for the 1985 Presidential Inaugural Ceremonies in the Capitol will be the point of departure.

Organizations and individuals who wish to testify or to submit a statement for the hearing record are requested to contact John Childers, staff director of the Rules Committee, at 224-0299.

Mr. President, I wish to announce that at 9:30 a.m., on Wednesday, July 24, 1985, the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, to receive testimony on four bills relating to the Smithsonian Institution.

S. 581 authorizes the construction of new base camp facilities for the Fred Lawrence Whipple Observatory in Amado, AZ, and the repair and replacement of laboratory and dormitory facilities at the Smithsonian Tropical Research Institute in Panama. The estimated cost of the Whipple Observatory project is $4.5 million, while the estimated cost of the Tropical Research Institute project is $11.1 million. S. 582 authorizes the appropriation of $793,000 for the National Museum Act, under which the Smithsonian awards grants to improve the quality of museum operations throughout the Nation. S. 583 authorizes the appropriation of $11.5 million for construction of additional facilities for the Cooper-Hewitt Museum in New York City, NY. Since the appropriated funds represent about one-half of the total construction cost, the balance is to be raised from private funds. S. 1311 authorizes the Federal Aviation Administration to lease to the Smithsonian Institution, without compensation, up to 100 acres of land at Dulles International Airport. The bill also authorizes the appropriation of $45 million for the construction on such land of the first of a planned total of four aircraft hanger-type buildings for the exhibit of very large aircraft and spacecraft by the National Air and Space Museum.

For further information on this hearing, please contact Ron Hicks of the Rules Committee staff at 224-0290.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on the Oversight of Government of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, June 26, 1985, in order to conduct a hearing on the Enforcement of the Employee Retirement Income Security Act [ERISA].

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 26, 1985, in order to receive testimony concerning the nomination of Louis L. Stanton, to be U.S. district judge for the southern district of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, June 26, to conduct a closed hearing on the development of a national intelligence strategy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC DEFENSE AND SUBCOMMITTEE ON DEFENSE

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Strategic Subcommittee of the Committee on Armed Services, and the Defense Subcommittee of the Committee on Appropriations be authorized to meet during the session of the Senate on Wednesday, June 26, to hold a joint hearing to consider Soviet strategic force developments.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERGOVERNMENTAL AFFAIRS

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Intergovernmental Affairs of the Committee on Governmental Relations be authorized to meet during the session of the Senate on Wednesday, June 26, 1985, in order to conduct a hearing on the deductibility of state, and local taxes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Aviation of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Wednesday, June 26, 1985, in order to conduct a meeting on S. 1017, and S. 1110, dealing with the transfer of National and Dulles Airports.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, June 26, to hold a hearing on S. 1301, the National Security Protection Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS AND ALCOHOLISM

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Children, Family, Drugs and Alcoholism of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, June 26, to mark up S. 140, Children's Justice Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRANSBORDER DATA FLOWS

● Mr. INOUYE. Mr. President, in the past decade, much attention has been focused worldwide on the range of issues relating to transborder data flow, or the movement of information across international borders. In addition to imposing restrictions on the transfer of information, many nations are erecting economic barriers which effectively eliminate choice in the marketplace. Such restrictions could have far-reaching negative consequences for our economic well-being. To protect our interests and promote the principles of free trade, we must press for international negotiations in transborder data flow issues, as currently there are no globally recognized agreements to prohibit barriers to information-based services.

The Wall Street Journal recently printed an excellent article on this issue by Mr. Walter F. O'Connor, vice chairman, international, at Peat Marwick. Mr. President, I ask that it be printed in the RECORD.

The article follows:

[From the Wall Street Journal, June 21, 1985]

REMOVE WORLD BARRIERS AND LET DATA FLOW

(By Walter F. O'Connor)

The Common Market's electronic information network lets data terminals in member countries gain access to information in a variety of fields. But Euronet, as it is called, excludes foreign vendors using computers outside of Europe, and imposes much higher user fees for non-Common Market data processors, regardless of where their computers are located. The Common

Market is not alone in such discriminatory information policy. The ability to transmit and process information across national borders is quickly becoming the sine qua non of operating in the new global economic environment, and as the reliance on information has grown, so has the protectionist threat to its orderly and unrestrained transfer.

Today, a broad array of restrictions on telecommunications, data processing and information services is beginning to show up on the books of some three dozen countries. This should not continue. Our rapidly shrinking world demands that the major trading nations agree on a set of rules for liberal trade in information.

The chief U.S. victims of the protectionist information policies of other nations are the most vigorous and promising industries—business services, high technology and telecommunications. In a report issued last year, the National Telecommunications and Information Administration concluded that emerging restrictions on transborder data flow are eroding U.S. competitiveness in these industries, with "potentially catastrophic" long-term consequences for the economy. More recently, a Conference Board survey of U.S. multinationals reported that 86% of the respondents expressed "serious concern" that any future TBDF restrictions could hurt their international operations.

While it is difficult to translate the actual damages into dollars, the Office of the U.S. Trade Representative claims that such restrictions have forced many U.S. companies to sacrifice some competitive advantage in order to stay in the protected markets. One U.S. company, for instance, estimates that the need to duplicate data-bases and other systems in Canada raised its operating costs by $150,000 a year. Another has placed the incremental cost of West Germany's protectionist telecommunications policy at $200,000 a year.

Most businesses grin and bear it. Some, however, respond by going elsewhere. A major U.S. computer equipment manufacturing and services company, for example, moved to Belgium after West German restrictions on TBDF and the replacement of all leased telephone lines with volume-sensitive packet switching effectively eliminated its economies of scale.

Likewise, Brazil's requirement that companies use locally made equipment and software has forced some foreign firms to invest heavily in equipment incompatible with their world-wide electronic data-processing systems. Canada's insistence that only Canadian satellites be used for data transmissions lets it dictate data-transmission routing, which can raise costs and give certain companies an unfair advantage. The list goes on and on.

Nor are higher operating costs, reduced efficiency and loss of competitiveness the only problems. Privacy and the integrity of proprietary information become issues when Taiwan, among others, insists on monitoring all transmissions in the name of national security.

Some U.S. business executives fear that the growth of such restrictions could make it impossible to do business in certain countries. In fact, a number of companies have already resorted to couriers and telex transmissions in order to get data out of countries where government regulations effectively prohibit direct EDP links.

Unlike most of our trading partners, the U.S. has no public telecommunications monopoly—let alone one with the power to make national policy. Thus, what is lacking is not merely coordination of existing information policy, but a central decisionmaking authority in an area that desperately cries out for decisions.

Without a clear and comprehensive information policy, U.S. companies will continue to operate at a growing competitive disadvantage. Given the already alarming growth of the U.S. trade and balance-of-payments deficits, any further weakening of the U.S.'s international economic position will only raise the ante still further beyond its means.

It is a good sign that the Reagan administration will include high-tech and services industries in the general trade talks expected next year. Computer- and telecommunications-based services deserve special attention. Telecommunications is to trade in services what the transportation industry is to trade in goods.

The OECD ministers' adoption, on April 10, of the Declaration on Transborder Data Flows is an important first step toward open and unimpeded information flows. It is now up to the Organization of Economic Cooperation and Development and other multilateral organizations to move quickly to develop specific rules and guidelines.

Like protectionism in other industries, data barriers hurt everyone by raising costs, lowering efficiency, and eroding technical quality for foreign and domestic users alike. They reduce competitiveness in all industries where communications and information have become major competitive factors. And they can impose severe constraints on a global marketplace in which the forces of integration are rapidly gaining momentum.

Without swift and decisive action on this crucial trade area, the U.S. and our major trading partners risk further decay in the liberal trading system we worked so hard and so long to maintain.●

REALIZING PRODUCTIVE POTENTIAL—III

● Mr. HEINZ. Mr. President, today, in the third of a continuing series on the state and future of American industry, I would like to begin examining the opinions of those that deserve the most attention: the American people. Here, in Washington, we listen to many views—that of journalists, special interests, academics, associates. Yet we often lose sight of the opinions of the American public, the people we serve.

For this reason, I would like to present to Senators the results of a recent public opinion poll. The bimonthly magazine, Public Opinion, in its April/May issue, assembled the results of polls which essentially asked the public, "What do you think should be done about import competition?"

The first question settled the debate between free trade and protection. The survey, when broken down by region, found that the majority favored some kind of protection of American jobs and industry. In the Northeast, the South, the industrial Great Lakes region, and the Central United States, 54 to 60 percent of all those polled favored some sort of protection. In the same regions, only 30 to 31 percent felt that the United States should work to encourage free trade. Only in the West were the figures significantly different. Here, only 48 percent tended toward protection in some form, while 40 percent advocated an open, liberal trading system.

By political party, the poll obtained similar results. Among both Republicans and Independents, 50 percent favored some form of protection and 37 percent opposed. Democrats were somewhat stronger: 64 percent versus 25 percent. Finally, labor unions also supported the same position; 63 percent of union members were for protection, 26 percent against. Nonunion members were less aggressive, 53 percent to 35 percent.

When the respondents were separated by income and by education, the results were markedly different. Only 43 percent of those who had incomes over $40,000 wanted to protect American jobs and industry, and a significant 50 percent supported free trade. Likewise, only 37 percent of college graduates wanted any kind of trade barriers, and a whopping 53 percent were for open trade. At the other end of the spectrum, 63 percent of those with incomes under $10,000 wanted import relief, and among less than high school graduates, 59 percent also wanted the same. For both of the latter categories, only 17 percent desired a free-trading system.

In the aggregate across the Nation, however, the final results were 65 percent for protection of American jobs and industry, 33 percent for the encouragement of free trade.

Following similar lines, the second question asked "Do you think it was a good or bad idea to end all restrictions on Japanese autos coming into the United States?" Again, the American public took a position in support of American industry. Sixty percent were against Reagan's recent decision to end restrictions on Japanese automobile imports, and the remaining 40 percent felt that his actions were a positive measure.

Finally, when consumers were asked whether there should be any restrictions on foreign imports in order to protect American industry and jobs, an overwhelming 62 percent replied "yes," in contrast to the 28 percent who felt that there "should be no restrictions to permit widest choice and lowest prices for consumers."

From a general point of view at least, Americans seem to favor some sort of protection of American industry and jobs. Yet as the survey became more specific, it became clear that American attitudes are more complex, which I will discuss in the coming days.●

RELIGIOUS LEADERS ON IMMIGRATION REFORM

● Mr. KENNEDY. Mr. President, this week the leaders of the major religious communities in the United States joined together in issuing a statement on the goals we should seek in achieving immigration reform.

In reviewing the several legislative proposals that have come before the Congress in recent years, and which are now pending in the Senate, these leaders of the Protestant, Catholic, and Jewish religious communities, outline some important principles which should guide our actions as we move forward with this legislation.

They are the principles of justice and fairness, of equity and equality, and, most important of all, tolerance among all peoples.

Mr. President, if we are to achieve genuine immigration reform, and not merely immigration restriction, I believe the principles enunicated this week by these religious leaders should weigh heavily as we debate the various immigration proposals before us.

I highly commend their statement to the attention of my colleagues in the Senate, as well as to the Members of the House of Representatives, and I ask that it be printed at this point in the RECORD.

The statement follows:

STATEMENT OF RELIGIOUS LEADERS ON IMMIGRATION REFORM

The Congress and the nation have re-initiated consideration of legislative changes to our immigration laws and policies. This is an important task, and should be addressed thoughtfully and with a keen sense of justice and fairness. The manner in which the coming debate is approached can be seen as a test of the ideals and traditions which are our country's proud foundation. Our attitudes toward all marginalized persons within our communities can be considered on trial.

The historic volatility of this issue has been exacerbated in the recent past by those who would seek to create divisions within our society between races, classes, and cultures. The utmost caution and discretion must be exercised by those organizations and individuals involved in the debate to guard against this possibility and to minimize the potential for backlash against the foreign-born.

An essential component of immigration reform is the regularization of the status of those without valid immigration documents who have been productive residents of this country. It should be emphasized that the fates of some three to six million people are at issue many of whom have already been well integrated into our society. Massive deportation is not an option, either practically or morally. Nor is an option the perpetuation of an undocumented subclass subject to exploitation. The degree of exploitation of undocumented workers which we have witnessed and the effects that the continued presence of a large number of undocumented persons have on U.S. society have led us to conclude that a legalization program—and a comprehensive one—is the avenue upon which we should be traveling.

It should be recognized that such a proposition is not only humanitarian, but is also a matter of proper self-interest. This population should be removed from the shadows of undocumented status and placed under the protection and rule of law. Such a step should and must take place without the precondition of the establishment of other reform or control measures and in a manner which encourages the fullest possible participation on the part of qualified individuals.

Proposals to better manage immigration flows must be part of any reform effort. In considering such proposals, attention should be focussed not only upon enforcement, but also on the effects which they may have upon the rights of the citizenry and others resident in the U.S. If the Congress should enact penalties against employers who hire undocumented workers, it is our firm belief that there exists a concurrent responsibility to enact mechanisms for redress of discrimination which may flow from the proposal. If the Congress should provide additional immigration enforcement authority and resources to the federal government, it should also delineate clearly the purposes and limits of such authority to guard against abuse.

Family reunion has appropriately been the cornerstone of our immigration laws and policies since their beginning, and family unity remains an important religious principle and American tradition. This should continue to be reflected in our immigration laws, and the current reform effort should maintain this family emphasis.

Before contemplating proposals to bring in additional temporary workers into the United States, the Congress should enact legislation which protects the human and legal rights of our domestic migrant labor force, and should also consider the possible adverse affects that such a program may have on the wages and working conditions of the domestic labor force similarly employed.

While refugee admission and asylum issues are appropriately independent of the current debate, the Congress must recognize the precarious situation in the United States of large numbers of Haitian, Cuban, and now Salvadoran and other nationals, by their inclusion within reform legislation or through separate legislative proposals presently pending in the Congress.[1]

Finally, there is a special role within the context of the immigration debate for the religious community to promote tolerance among all peoples. We encourage religious bodies throughout the country to commit with us to endeavor to be people of vision where insight is needed, to heal where there is division and hurt, and ever to be faithful stewards of our religious traditions and beliefs.

Bishop PHILIP R. COUSIN,
(African Methodist Episcopal Church) President, National Council of Churches of Christ in the U.S.A.
Bishop ANTHONY J. BEVILACQUA,
Bishop of Pittsburgh, Chairman, Ad Hoc Committee on Migration and Tourism, National Conference of Catholic Bishops.
Rabbi ALEXANDER SCHINDLER,
President, Union of American Hebrew Congregations.
Rev. Dr. ARIE BROUWER,
General Secretary, National Council of Churches of Christ in the U.S.A.
Rev. Msgr. DANIEL F. HOYE,
General Secretary, United States Catholic Conference.
Rabbi DAVID SAPERSTEIN,
Director, Religious Action Center of Reform Judaism.
Rev. WILLIAM K. DUVAL,
Chairman, Immigration and Refugee Program Committee, Church World Service, National Council of Churches of Christ in the U.S.A.●

[1] See H.R. 23 (Cuban-Haitian Adjustment Act) and S. 377 and H.R. 822 on Salvadorans.

INDUCTION OF MARGARET WADE INTO THE BASKETBALL HALL OF FAME

● Mr. COCHRAN. Mr. President, an outstanding Mississippian will be inducted into the Basketball Hall of Fame in Springfield, MA, on July 1, 1985. Coach Margaret Wade, who led the Delta State University Lady Statesmen to three consecutive AIAW national championships, will be among the first three women to be enshrined in the hall of fame.

Miss Wade is a resident of Cleveland, MS, home of Delta State University. In her 6 years at the helm of the Lady Statesmen, Coach Wade compiled a record of 157 wins and 23 losses. Under her leadership, Delta State won three national championships—in 1975, 1976, and 1977. She led her teams to four State championships, three regional championships, and saw her entire starting lineup win All-American honors.

In 21 years as a high school coach—19 at Cleveland, MS, and one each at Marietta, MS, and Belden, MS—Coach Wade compiled a mark of 453 wins, 89 defeats, and 6 ties. Her 27-year coaching record is 610 wins, 112 losses, and 6 ties, plus a 73-70 Delta State victory over the People's Republic of China in 1976.

Coach Wade is a graduate of Delta State and earned a masters degree from the University of Alabama. She was a member of the physical education faculty at Delta State from 1959 until her retirement in 1982. Her career has been one of an extremely devoted educator.

A native of McCool, MS, Coach Wade was an outstanding athlete in her own right in basketball, tennis, soccer, tumbling, and track. I think it is particularly interesting that she was

a starter on the Delta State women's team in the early 1930's when it was decided to discontinue the program, because basketball was considered to be, in the words of the institution's president at the time, "* * * too rough for young ladies." Forty years later when Delta State decided to reinstate women's intercollegiate basketball, Margaret Wade was tapped to be head coach. Not only did she lay to rest forever any doubt about women's ability to play the game, she also established a record and reputation as a coach and recruiter that have made her a legend in her own time.

In 1978, in recognition of her contributions to women's basketball, the Margaret Wade Trophy was created and is presented annually to the Nation's most outstanding woman collegiate basketball player.

Mr. President, I congratulate Coach Wade on her many achievements. She has been a major influence in the development of modern women's basketball. More importantly, she has been an outstanding mentor, inspiration, and example for the players and students who have been fortunate enough to be exposed to her no nonsense, yet gracious style of coaching and teaching.

Coach Margaret Wade is without question Mississippi's "First Lady of Basketball." She has brought great distinction to herself, to Delta State University, to the State of Mississippi, and to the game of basketball.

It is a fitting tribute to Coach Wade and to her outstanding career that she is now being recognized as one of America's "First Ladies of Basketball" through her induction into the Basketball Hall of Fame.●

THE 100TH ANNIVERSARY OF THE INCORPORATION OF PEOPLES NATURAL GAS CO.

● Mr. HEINZ. Mr. President, I rise to commemorate the incorporation of Peoples Natural Gas Co. of Pittsburgh 100 years ago today.

Peoples Natural Gas was the first natural gas company chartered under an act passed by the Pennsylvania General Assembly in May 1885. Since that time, Peoples has grown to serve 320,000 customers in 16 western Pennsylvania counties.

Today, Mr. President, I say "happy hundredth birthday" to Peoples Natural Gas. I also say thank you to Mr. Jack B. Hoey and Mr. Frank J. Lydick, president and senior vice president of Peoples Natural Gas, to all the other officers and to the 1,400 employees and 600 retirees who are responsible for continuing Peoples' century old tradition of service to western Pennsylvania.●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

● Mr. QUAYLE. Mr. President, today I am pleased to participate in the Congressional Call to Conscience Vigil for Soviet Jewry. Over recent years the oppression of Soviet Jews has increased to alarming levels. The recent surge of state sponsored anti-semitism equates judaism with racism. Likewise, the study of Jewish culture is being considered "anti-Soviet propaganda."

Jewish emigration from the Soviet Union has diminished to historically low levels. In 1979, 51,000 were allowed to emigrate. Last year, the number fell below 1,000. Those who attempt to leave have been threatened by confinement in psychiatric hospitals, dismissal from their jobs and internal exile.

Members of the Jewish community have been singled out as targets for harassment. One such case is that of Woodford and Irina McClellan. A professor of Russian history at the University of Virginia, Woodford McClellan met his Russian wife in 1972 during a tour of the Soviet Union. After their marriage, 2 years later, Soviet authorities promised Mrs. McClellan would be allowed to emigrate to the United States.

Today, the McClellans have not seen each other for over 10 years and have the unfortunate distinction of being the longest standing United States-Soviet binational marriage case.

The McClellan's plight has not only drawn the attention of Secretary of State Schultz, but also that of President Reagan. Nevertheless, the two remain separated and Soviet authorities seem intent on prolonging their suffering.

Out of compassion for the McClellans and as Americans enjoying the rights of free men, we bear a responsibility to speak out against this tragedy. Our voices must send a clear message to Moscow that Soviet human rights violations will not be ignored by the American people.●

THE CHILDREN'S JUSTICE ACT

● Mr. D'AMATO. Mr. President, I rise today in recognition of outstanding legislation, the Children's Justice Act, sponsored by my distinguished colleague, Senator HAWKINS. Senator HAWKINS has labored diligently to develop this legislation that addresses the nightmare confronting our children and families.

This legislation promotes the healthy and safe development of our children. I commend her for holding hearings on this most important subject and for developing this bill that will provide protection for our children.

Included in her bill is a provision requiring States to provide for the handling of child sexual abuse cases in a manner that reduces trauma to the child victim. The administrative procedures of this section include: First, the establishement of interdisciplinary teams of child abuse professionals, such as law enforcement officers, child protective services workers, prosecutors, child advocates, mental health professionals, and medical personnel for handling child sexual abuse cases: second, coordinated court proceedings for handling intrafamily child sexual abuse; and third, providing for specialized training of law enforcement, legal, judicial, and child welfare personnel to deal with child sexual abuse victims. These are only a few of the many aspects of this bill that will prove beneficial to our children and families suffering from the fear of child sexual abuse.

The Children's Justice Act is similar to the National Children Protection Act I have introduced. Both bills address the serious crime of child sexual abuse. The National Child Protection Act (S. 142) promotes national guidelines to assure the safe and healthy development of our children. The Secretary of the U.S. Department of Health and Human Services would work with a panel of 12 experts and representatives in developing guidelines for day care centers. The Children's Justice Act (S. 140) has a similar provision: Each State would be required to have a multidisciplinary task force of child abuse professionals that would review and make recommendations regarding the priorities within their State to improve its response to sexual child abuse cases.

The National Child Protection Act promotes uniform data gathering on the incidence and reports of child sexual abuse, whereas the Children's Justice Act requires the Uniform Crime Reports Program of the FBI to collect and publish data that indicates a description of the offense, the age of the victim, and the relationship of the victim to the offender.

Moreover, the National Child Protection Act and the Children's Justice Act are designed to combat child sexual abuse. Both bills are a part of our continuing effort to encourage States to send a message to child molesters. These criminals must know that we do not, and will not, condone, nor will we tolerate, the molestation of our children in day care centers or anywhere else.

To make certain that these criminals get the message and the punishment that they deserve, I believe we need stricter penalties for those convicted of child sexual abuse. Stricter penalties are the only way to make certain that these criminals are discourged from destroying the lives of our children. Judges should have the ability to provide stiff sentences for this horri-

ble crime. Clearly, this would help eliminate child sexual abuse.

At this point I would like to include an article published in the New York Law Journal on Thursday, June 13, 1985, that illustrates this point.

The article follows:

JUDGE URGES STIFFER SENTENCES FOR SEXUAL ABUSE OF CHILDREN—GIVES DAY CARE CENTER AIDE 8⅓ TO 25 YEARS

A State Supreme Court justice yesterday sentenced a teacher's aide at a Bronx day care center to eight-and-one-third to twenty-five years in jail for forcibly raping a five-year old girl last year at the center.

In imposing the sentence, Acting Justice Howard E. Goldfluss called the crime committed by the aide, Alberto Ramos, the "ultimate act of obscenity," and asked the State Legislature to amend the Penal Law and authorize life imprisonment for those convicted of similar crimes.

200,000 EXPLOITED CHILDREN

"If there is any doubt that life imprisonment as a maximum penalty would be appropriate, then I ask each and every legislator to sit where we sit—beside us on the bench—and witness the deterioration of a six-year-old child who first suffers the indignity and then must recount it in a courtroom."

With estimates that as many as 200,000 children are sexually exploited each year, Justice Goldfluss, who is sitting by designation from the Criminal Court, described the problem as "a blight upon our land—a curse upon our society." The fact that these acts are occurring "many times over each day," he asserted, "should shock the conscience of this nation."

Mr. Ramos, a part-time aide at the Concourse Day Care Center, is one of seven employees at four such facilities in the Bronx to have been charged with sexually molesting young children under their care. One other defendant pleaded guilty and received a sentence of from three to nine years, and the remaining five cases are still pending, according to a spokesman for the Bronx District Attorney's office.

The three day care centers, other than the Concourse, where the crimes are alleged to have occurred, are the Praca, Westchester-Tremont, and Beck Memorial Centers.

CREDIBLE TESTIMONY

At the sentencing hearing, Justice Goldfluss refuted press reports, which he described as having surfaced prior to trial, that the Bronx District Attorney's Office had used "persuasive" means to influence the child victim to implicate the defendant and testify against him.

Noting that the defense had raised similar claims, Justice Goldfluss said, "but the jury didn't accept this defense nor did this Court, and the reasons were clear."

"The anguish and sorrow of that child was communicated to all who saw her in that courtroom," he continued, "and this, together with the corroborating evidence, left no doubt in the jury's mind that she was remembering in wretched detail what had occurred."

Mr. D'AMATO. I would also like to commend the Northeast Conference on the Judiciary on Child Sexual Abuse for taking a leadership role on behalf of our children. The increased attention that this group has brought to the atrocity of child sexual abuse is vital to the general well-being of American children and families.

If one child is molested or sexually abused, that is one too many. However, with the National Protection Act, the Children's Justice Act, and the participation of groups like the Northeast Conference on the Judiciary on Child Sexual Abuse we can make progress toward ending the exploitation and abuse of children. Together we can educate parents and children about the shocking crime of child sexual abuse. Together, we fight not only for our children and their protection, but for the protection of all children.

Mr. President, we are a Nation whose children are at risk. Therefore, I trust our colleagues will support this legislation that will benefit all of our children. Working together we can, and will, stop this American tragedy.

Thank you, Mr. President.●

JAPANESE TARIFF REDUCTIONS

● Mr. BAUCUS. Mr. President, today's papers carry reports of a Japanese announcement that tariffs will be cut on 1,800 products in the next year. According to reports, tariffs will be entirely eliminated on 36 industrial items and 4 agricultural items; tariffs will be cut about 20 percent on the remaining products.

We should welcome this action. Any steps to open Japan's market are welcome.

At the same time, we must look closely at what is really being done.

I note that a great many products of interest to me and my colleagues are not included: plywood, for example, and grapefruit, and chocolate.

I also note that this package does not go as far as the original cabinet proposal. According to reports in Monday's press, Prime Minister Nakasone's cabinet originally proposed across-the-board tariff cuts on 2,400 products—including plywood and grapefruit. I am disappointed that the final announcement is a retreat from this proposal.

Before we can judge the impact these steps will have, we will have to see the details. We will have to see exactly how the Japanese Government specifies the products that will be covered and how large the tariff reductions are.

Further, it will be important to watch implementation. Tariff reductions are of only limited help if changes in bureaucratic procedures are used to hinder imports.

I do not want to be overly negative. If this announcement is a beginning step, it is a welcome one. If it is followed by an aggressive market opening program, it will make a difference.

I eagerly await announcement of the program on nontariff barriers next month.

SUMMARY

Mr. President, the United States and Japan are close allies. My State of Montana and the country of Japan have a special bond. Tensions between friends are always distressing—and often accompanied by feelings of great frustration.

I am greatly concerned about the United States-Japan relationship. That is why I push so hard for a coherent U.S. trade policy and for Japan to open its markets.

Japan is no longer the defeated island nation in need of special treatment. It is a major economic power—one of the top five in the free world. It must take on the responsibilities of that position. When that happens the relationship will be less stressful.●

FARM POLICY

● Mr. DURENBERGER. Mr. President, passing a long-term farm bill to replace the expiring provisions of the 1981 act before the underlying 50-year-old statutes take effect will make the recent debate on aid to the Contras look like a high school civics class discussion. The fact of the matter is that this year's debate on farm policy will force Congress to make some very difficult choices on the future of agriculture. Unfortunately for rural America, Congress' difficult choices will have painful financial ramifications for our family farmers.

For instance, conventional wisdom holds that this country needs a market-oriented farm policy if we want to be competitive in the international marketplace. A market-oriented farm policy fits in nicely with current efforts to reduce Federal spending. But how can the 98,000 farmers who are technically insolvent, the 109,000 farmers who are on the verge of insolvency and the 417,000 other farmers who need some form of debt restructuring, pay off their debts with the lower loan rates and target prices called for under every market-oriented proposal? They cannot, and that is why the Farm Credit Council has come to the conclusion that it needs authority to establish a federally chartered entity to purchase $10 billion in distressed farm assets.

So, Mr. President, it comes as no surprise to this Senator that the House and Senate Agriculture Committees are having a hard time rewriting the 1981 farm bill. It is not easy fitting a farm program into the numbers contained in the Senate passed budget resolution. It is not easy putting together a farm program which will take America's farmers into the 21st century. It is not easy designing a farm program that will enable family farmers to survive through next spring.

But we must, and for those Members who have not had an opportunity to

review it, I suggest they read an article by Gregg Easterbrook, which appeared in the July 1985 issue of the Atlantic Monthly. While I do not necessarily agree with all of Mr. Easterbrook's findings and conclusions, I found his revisionist look at farm policy to be timely and thought-provoking.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the Atlantic Monthly, July 1985]

MAKING SENSE OF AGRICULTURE

(By Gregg Easterbrook)

Americans are inclined to think of a crisis as a shortage, but agriculture is in crisis because of surpluses—too much of a good thing. Farmers in the United States produce more food than their countrymen need or want; and although they do not produce as much as the hungry world needs, they produce far more than it can afford to buy. This has been the case ever since the Depression. Indeed, overproduction was a problem even during the Depression, and it has become unusually pronounced in the 1980s, as many Western countries and even a few developing nations have joined the United States in growing more food than anyone knows what to do with. The result is a tragedy of plenty, which offends many of our deepest convictions about resources, virtue, and the soil. One way or another, most of the confusion in American agricultural policy today arises from our reluctance to accept the idea that growing food is sometimes the wrong thing to do.

Few economic endeavors have any aura of romance and tradition. We don't get misty at the sight of a chain store framed against a prairie landscape or take comfort in knowing that each morning thousands of lawyers head out into the predawn darkness to tend their lawsuits. Farming, though, occupies an honored place in our culture. Even big-city sophisticates who would sooner die than attend a Grange Hall dance find it reassuring to know that somewhere out there honest folk are working the earth much as it has been worked for centuries.

Agricultural industries, from farming itself to the retailing of farm products, constitute the largest sector of the American economy, accounting for 20 percent of the GNP and employing more people than the steel and automobile industries combined. Yet many people find it heartless and somehow unfair for anyone to speak of farming as an industry subject to the logic of supply and demand. To this sentimental faction the thought that any farmer should have to go out of business seems intolerable. As the cost of federal agricultural subsidies has risen, there has come into being an opposing faction, which dismisses farmers as spoiled welfare dependents who bilk the public on an unprecedented scale. Last winter's campaign for an emergency farm-credit bill seemed to divide politicians and the press into two camps: those who would "give 'em whatever they want" and those who would "let 'em fry."

The actual circumstances of modern farming conform to few if any of the assumptions that underlie the public debate. In order to see what condition American agriculture is in, one must first dispatch a number of widely held misconceptions.

Farm families as a group are not poor. Their average income in 1983, one of the worst years in memory for agriculture, was $21,907. The average income for all families was $24,580. If one takes into account the lower cost of living in rural areas, farmers live about as well as other Americans. In fact, in some recent years farmers earned more than the national average.

Farmers are not being driven from the land. From October of 1984 through January of 1985—when what was said to be a dire emergency for farmers was making news—the Farmers Home Administration actually foreclosed on forty-two farms nationwide. The FmHA provides loans to farmers who can't get credit elsewhere. Over the same four-month period its borrowers who "discontinued farming due to financial difficulties"—a broad category that reflects foreclosures by lienholders, bankruptcies, and voluntary liquidations to avert bankruptcy—totaled 1,249, or 0.5 percent of the FmHA's 264,000 clients.

From January to September of 1984 production-credit associations and federal land banks under the aegis of the Farm Credit Administration (which is much larger than the FmHA, handling about a third of U.S. agricultural debt) actually foreclosed on 2,908 loans nationwide. If one includes bankruptcies and loans in the process of liquidation, a total of 1.6 percent of FCA-aided farmers were in trouble.

Debt problems are real: early this year the FmHA, FCA-backed institutions, and rural farm banks saw delinquency rates reach record highs. But the incidence of dispossessions has been vastly exaggerated. The number of delinquent loans usually peaks early in the year, because most FmHA loans come due in January. Newspapers rarely follow up their winter reports of a "dramatic increase" in the number of farms in trouble with summer reports of a dramatic decline.

Farming is not a disastrous investment. Farm lobbyists don't like to talk about disposable income, prefering to speak of "profit"—a problematic concept when applied to the self-employed, who can treat as business expenses items like vehicles and real estate, which most others must pay for out of their salaries. In 1983 and 1984 a trillion dollars' worth of farm assets generated a profit of $48 billion—an average return of 2.4 percent a year. But the annual net return on all corporate assets for the same period was only 5.5 percent.

The "farm exodus" has been over for years. Much is made of the fact that the number of U.S. farms declined by 33,000 in 1982 and by 31,000 in 1983. But the declines were far bigger in the 1950s and 1960s—a period enshrined in political mythology as better for farmers. In 1951 the number of farms declined by 220,000; in 1956 by 140,000; in 1961 by 138,000.

Agribusiness does not dominate farming. Only three percent of all U.S. farms are owned by corporations. Moreover, farm ownership is not becoming increasingly concentrated. About one percent of all owners of farmland hold 30 percent of farm acreage, but that ratio is the same as it was in 1946.

Most agricultural products are not eligible for federal support. Federal programs concentrate on what are called basic crops—grains, cotton, rice, and dairy products. Fruits, vegetables, livestock, and specialty crops, such as nuts and garlic, are not subsidized. In recent years these products have often done better than the ones the government takes an interest in—a circumstance that some commentators view as proof that abolishing government programs would solve agriculture's problems. Right now, however, the two categories of farm products are in about the same depth of trouble.

Most farmers don't get subsidies. Participation in the basic crop-subsidy programs is voluntary, and most farmers stay away. A study released in 1984 by the Senate Budget Committee found that the major subsidy programs covered only 21 percent of farms and 16.5 percent of farm acreage.

Those whose response the increasing cost of agricultural programs is that we should continue the subsidies for small farmers but prevent large farmers from enjoying them should take note that the programs already function pretty much that way. The Senate Budget Committee study found that the largest farms were the least likely to be enrolled in subsidy programs. The most direct cash subsidy, called deficiency payments, is capped at $50,000 per farm per year, which renders the program of little value to large operations. Indeed, the one percent of owners controlling 30 percent of American farm acreage received only seven percent of the deficiency payments in 1983, and almost none of the FmHA and Small Business Administration benefits.

No one can get rich on federal subsidies. While a very large amount of money is spent subsidizing U.S. agriculture, it is spread so thin that few individual farmers receive significant amounts. Indiana farmers averaged $1,323 in federal cash payments in 1982; Kansas farmers averaged $1,577; figures in the rest of the heartland were about the same. In Arizona, where farmers receive by far the highest subsidies in the country, direct payments averaged $27,040. Farmers benefit from a variety of other subsidies, the per capita amounts of which are difficult to calculate but clearly not lavish.

Most farmers don't have burdensome debt. President Reagan was wrong to say that "around four percent at best" of farmers need credit help, but the actual figure is not much higher. According to a study by the U.S Department of Agriculture (USDA) which farm-spending advocates often cite, only 6.5 percent of all farmers are actually insolvent or on the verge of being so. The Federal Reserve System estimates that eight percent of farmers have debt-asset ratios over 70 percent, and another 11 percent have debt-asset ratios of 41 to 70 percent. But nearly 58 percent of all farmers are well in the clear, with debt-asset ratios of 10 percent or less.

From the impersonal standpoint of economics, the 19 percent of farmers who, according to the Federal Reserve, are in credit trouble might be viewed as representing agriculture's excess production capacity. Last year 81 percent of the production capacity of all U.S. industries was in use, leaving 19 percent idle. Looked at this way, the share of borderline cases in farming is not particularly different from that in other industries.

Debt has hit farmers hard but not that hard. From 1974 to 1984 outstanding agricultural debt rose 193 percent. Through the same period consumer credit rose 172 percent, mortgage debt rose 167 percent, and all commercial bank debt rose 153 percent.

The embargo on grain sales to the Soviet Union did not clobber wheat farmers. In 1980, the year the embargo was in full effect, agricultural exports jumped from $31 billion to $40 billion—the largest increase ever. Wheat exports increased from 1,375 million bushels in 1979 to 1,514 million in 1980 and increased again in 1981, to 1,771

million bushels. In 1982 and 1983, after the embargo was lifted, wheat exports declined.

JUST ENOUGH TO BE MISERABLE

Farm groups, from the radical American agriculture Movement on the rock-ribbed conservative American Farm Bureau Federation, condemn federal agricultural programs as a matter of ritual, and nearly every congressional hearing on agriculture commences with a rendition of how horribly the government treats the farmer. This is partly because agricultural programs are a philosophical jumble. Containing elements of free-market risk and federal bailouts, capitalist entrepreneurship and socialist central planning, they do not reinforce anyone's world view.

Consumers might say, Don't knock success. U.S. agriculture not only produces an abundance of nutritious food but does so at low consumer prices. Americans spend a smaller percentage of their disposable income on food than do the citizens of any other industrial nation; in the past ten years, as the Consumer Price Index has risen by 114 percent, supermarket prices have risen by only 96 percent. Even when the cost of subsidies—which consumers must pay too, through their taxes—is taken into account, food remains cheap. If the roughly $21 billion being spent in this fiscal year to subsidize agriculture were reflected directly in consumer costs, supermarket prices would be only about six percent higher than they are.

Some farmers dislike federal programs because they don't want the government interfering with their lives, and others dislike the programs because they wish the government would interfere more. The range of opinion is not hard to understand. Farm subsidies provide just enough money to keep nearly every farmer in business producing just enough excess supply to hold prices down. This means that farmers who depend on government subsidies will find it hard to become prosperous enough to do without them. It also means that farmers who aren't subsidized get lower prices than they would if no one was subsidized. Everybody works, but everybody is miserable.

The main subsidy programs are deficiency payments and loans, both of which are administered by the Commodity Credit Corporation. Deficiency payments are straight forward. The farmer simply gets in the mail a check for the difference between the market price and a target price, which is set by Congress, A CCC loan is more involved. A farmer borrows a sum calculated by the government to reflect the value of his crop, and he puts up the crop itself as collateral. The loan is like a salary. If the market price turns out to be higher than the loan rate, the farmer can sell the crop, satisfy the loan, and keep the premium. If the market price is not higher than the loan rate, the farmer activates a "nonrecourse clause" and turns over the crop—the collateral—to close out his obligation. In effect he has forced the government to buy this product.

The cost of agricultural subsidies is difficult to predict. For example, when the farm bill expiring this year (which covers almost all agricultural subsidies) was passed, in 1981, its cost was estimated at $11 billion. Because lawmakers assumed that inflation, running hot in 1981, would continue through the lifetime of the bill, they programmed in large annual increases in loan rates and target prices. Instead inflation cooled, the recession held agricultural exports down, market prices wavered, and loan rates and target prices ended up being higher in relation to market prices than expected. As a result, instead of a total of $11 billion since 1981 the legislation has cost $53 billion. This fiscal year alone the outlay for CCC purchases and deficiency payments is expected to reach $14.2 billion.

In theory the subsidy system combats overproduction, because farmers who "seal" their crops with the CCC must agree to leave idle a percentage of their acreage. But in practice it can backfire. Eligibility is based on acreage: the more acres a farmer has available for production, the more generous his subsidy can be. Thus farmers sodbust land neither needed nor efficient, solely to get credit for the acreage. And nothing in the program prevents farmers from increasing production, by using more fertilizers, pesticides, and machinery, on land they are not required to idle. It is not unusual for a farm's output to go up in a year in which acreage has been set aside to please the CCC.

Next in dollar value are subsidized loans from the Farmers Home Administration. In this fiscal year the FmHA is spending about $3 billion for below-market operating loans (loans that pay for seed, fertilizer, and so on). Originally the FmHA was to provide only temporary assistance, but now many recipients stay in the system year after year. (When the first federal price-support program was created, in 1933, the secretary of agriculture, Henry Wallace, called it a "temporary method of dealing with an emergency." The emergency farm-credit bill that monopolized the attention of Congress early this year was, like most agricultural assistance, portrayed as a one-time extraordinary measure. There was also an emergency farm-credit bill in 1984, and, barring some miracle, there will have to be another in 1986.)

FmHA assistance is available only to farmers who have already been turned down by commercial banks or production-credit associations. The 264,000 farmers kept in business by the FmHA represent only 11 percent of a total 2.4 million. Yet 11 percent can make all the difference in the marketplace. For example, in commodity markets like those for grain, oil, and gold, where products have no distinguishing features and only numbers count, often the final few percentage points—what economists call the marginal supply—sway the price for all producers. OPEC's Arab members set world oil prices for almost a decade though they produced about a third of the world's oil. Oil was in tight supply, it was a seller's market, and all oil became worth what OPEC was charging, because any seller knew that he could find a buyer willing to pay the marginal price. Now there is a buyer's market for oil, and the OPEC price can no longer be enforced.

Likewise, in 1972, the year of the first major Russian grain purchase (the "Great Grain Robbery"), U.S. wheat prices zoomed from $1.76 a bushel to $3.95. The Russian acquisition totaled just 22 percent of the wheat available on U.S. markets that year, and by December there was more surplus grain in our stockpiles than the Soviets had bought. But the marginal supply had been carried away and the market converted from a buyer's to a seller's domain. By the same token, a moderate percentage of extra supply can depress prices, by robbing sellers (farmers) of their bargaining leverage. In 1981, for example, the corn harvest increased by 22 percent while domestic consumption and exports—or, as the USDA calls it, total "disappearance"—declined slightly. As a result, corn prices fell from $3.11 a bushel to $2.50.

Overproduction becomes acute in the basic crop categories, because one year's mistakes are stored and added to those of the next. In 1981 U.S. fields produced a record 15.6 million bales of cotton, but only 11.8 million "disappeared." Leftovers from 1981 have been plaguing the cotton market ever since. In 1983, for example, cotton production was down to 7.7 million bales and demand was up to 12.7 million, but because the year began with eight million bales in storage, cotton supply still exceeded demand by almost 25 percent. Today the price of cotton is about what it was in 1976, with no adjustment for inflation, and it's below what some growers spend on production.

When foreign demand falls off, the cumulative effects of overproduction become especially painful. Roughly four out of ten acres are planted for foreign sale. Since the early 1970s wheat producers have been serving the foreign market first and the U.S. market as a sideline; in the record years of 1980 and 1981 twice as many bushels were shipped overseas as were used at home. If foreign customers fail to buy, as has lately been the case, there's nowhere for the crops to go but into storage, because the United States already has all the food it needs. Even drastic price cuts would produce at best only a slight increase in U.S. consumption (food generally being subject to what economists call inelastic demand: most buyers want about the same amount regardless of variations in price). Soybean growers produced 2,035 million bushels last year and sold 1,880 million, leaving 155 million in silos. Export demand, which had peaked at 929 million bushels in 1981, was down to 800 bushels. Had export demand stayed at the 1981 level, 1984 would have been a banner year for soybean farming; instead the price of soybeans fell from $7.75 to $6.60 a bushel, and concern about the surplus hangs over this year's planting.

Next on the list of federal subsidies is $954 million for soil and water conservation. The same federal policies that encourage sodbusting of questionable land and boosting production by means of chemicals are to blame for a significant portion of the erosion that this subsidy is meant to control. Another $421 million goes to subsidize federal crop insurance, and about $350 million is spent on emergency loans to help FmHA farmers whose crops have been damaged by weather.

An extra $24.3 million in direct subsidies to farmers was provided in 1984 by the Small Business Administration, under a program that issues cut-rate loans to those hit by natural disasters. (In 1984 SBA "nonphysical-disaster" loans were granted to fertilizer companies in states where commodities released under the payment-in-kind program had reduced demand for fertilizer—one federal subsidy chasing another.) Agriculture also benefits indirectly from the $1.1 billion spent on farm research and extension services, the $18.2 billion spent on food stamps and child-nutrition programs, and the $1.8 billion in Food for Peace aid to poor countries, all of which shore up crop demand. Finally, many billions have been spent on federally subsidized irrigation and electrical power in the West. For a variety of reasons, the exact cost of these subsidies—beyond $80 million being spent this year to subsidize two- and five-percent loans for power and telephone lines to rural communities—defies calculation. Much of the

expense is coming to an end, however, because of a law passed in 1982 that requires western growers to begin paying the full cost of their water.

It is common for farmers—and reporters—to speak as if in a just society virtuous products like food and fiber would only increase in value. Yet we find nothing amiss when the price of computers or eyeglasses falls, and we're upset when the prices of energy and housing climb. A successful economy is supposed to drive down the prices of goods, especially manufactured goods—and the advent of fertilizers, pesticides, self-propelled combines, and large tractors has made agriculture one of the least labor-intensive of industries. Each year the USDA charts farming "inputs" for capital and labor. The 1980 input for farm labor was a fifth that of 1930, while the input for machinery was three times greater, and the input for chemicals was twenty times greater. Farm groups say that there is something wrong with the fact that wheat costs less in real terms today than it did in 1870. There would be something wrong if it didn't cost less.

Farm-state congressmen often cite the index of prices for farm products from the Producer Price Index kept by the Bureau of Labor Statistics. The PPI, like the Consumer Price Index, uses 1967 as its base year. Whereas the CPI rose to 311 in 1984, the index of prices for farm products has risen only to 256. The congressmen never mention that the indexes for almost every commodity within the PPI are behind, or only equal to the CPI. Textile products and apparel are at 210, furniture and household appliances at 219, and rubber and plastic products at 247. Only non-metallic mineral products at 337, and energy at 657, are significantly ahead of the CPI. For that matter, low producer prices keep the cost of running a farm down. Indeed, according to the USDA, the index of what machines, supplies, interest, taxes, and wages cost farmers runs about ten percent below the rate of inflation.

No one likes to be thought of as being on the federal dole, least of all farmers, who put a premium on self-reliance. Farm groups across the spectrum invariably say, "We don't want subsidies, we just want a price," meaning higher market prices, and they note that higher prices would result in less federal spending, because deficiency payments would decline. The next logical step is usually not taken. Absent increased demand, higher prices can be realized only if excess production is controlled, either by cutting subsidies and letting some farmers fail (anathema to the left) or by imposing fierce restrictions on how much and what a farmer may plant (anathema to the right).

Farmers find it difficult to face the overproduction issue, mainly because of the nature of rural life. One of the salient cultural differences between farmers and city folk is that farmers live in places where everybody is in pretty much the same line of work. Everybody either is a farmer or provides a service that farmers need. Imagine if advertising executives had to live in complexes populated entirely by other advertising executives and could have only advertising executives for friends. Would they be so aggressive about stealing business? To be true capitalists, farmers would have to view their neighbors as their arch-enemies. So they compensate by viewing farming itself—the act of working the fields, not of selling the finished product—as their purpose and keeping everybody going as their political challenge. This thinking reflects the kindness and communal purpose we admire in rural life. It also makes for too many farmers.

The regular experience of shared achievement and sorrow in a common pursuit is among the most appealing aspects of rural tradition. Indeed, farm advocates often argue that the communal quality of rural America should be preserved for its own sake, even if economics has passed it by. They say that farm living sets a spiritual example whose worth thus transcends cost-benefit analysis. But when farmers say that their way of life should be preserved for its own sake, inevitably they must argue that all farmers are equally deserving of protection—that farmers have a right to remain farmers.

IOWA: FELLOWSHIP REPLACED BY MACHINERY

In an industry as large as American agriculture nothing is typical. There are the livestock pens of Texas, the vast irrigation networks of Nebraska and Arizona, the hog pens of Illinois and Indiana, the pastoral dairies of Wisconsin and Minnesota, the tiny tobacco plots of the mid-South, the citrus orchards of Florida, the uninterrupted wheat fields of Kansas. Nowhere is contrast more distinct than between the number-one and number-two agricultural states—California and Iowa.

California is a high-tech paradise. Farms are majestic; the climate is blissful. Californians produce some 200 commodities, including milk (the dairy business, surprisingly, is the state's biggest agricultural concern), cotton, rice, cattle, grapes, vegetables, plums, oranges, and almonds. Many farms are diversified: designed to produce several categories of crops and to shift from one to another as rapidly as demand changes.

In Iowa, farming is practiced more or less the way it always has been. Nearly all Iowa farms are family enterprises, and nearly all raise corn, soybeans, hogs, and cattle. The Iowa earth can be harsh, the weather cruel.

Just what constitutes a family farm of the Iowa variety depends on the beholder. A growing number of the nation's 2.4 million farmers—right now, roughly half—sell less than $10,000 worth of crops a year. Generally they work full-time jobs and farm on the side. According to Luther Tweeten, an agricultural economist at Oklahoma State University, most of these part-time farmers sell what they raise for less than they spend on production, leaving them several hundred to a thousand dollars in the hole each year, at least on paper. Such part-time farmers, Tweeten says, enjoy farming as an avocation and seek to qualify for farm tax breaks.

Those who sell from $40,000 to $100,000 worth of crops a year form the group commonly called family farmers. There are 381,000 of them, making up about 16 percent of the total farm population, and they are the most troubled—holding a disproportionate share of farm debt and typically having a lower disposable income than part-time farmers, because the farm is their sole source of income. Iowa is this group's stronghold.

The typical Iowa farmhouse is weathered beyond its years, with paint in various stages of peeling and cracks in interior walls. Visiting two dozen farms in various parts of the state last winter, I saw only one house that could qualify for teleportation to the middle-class suburbs of Atlanta or Portland—or Des Moines, for that matter. None of the farms I saw had paved driveways; several farmers who described themselves as successful mentioned as evidence of their good fortune gravel-convered drives. Owing to the lack of asphalt and concrete, mud was everywhere, deep enough in spots to make walking a trick.

Yet the people on these farms did not live in poverty. Nearly all the farmhouses I visited contained microwave ovens, color TVs, video-cassette recorders, and other tokens of consumer culture. No farmer I met drove a fancy car, but none lacked a car, either. All were well clothed and well fed. And the farm equipment that some possessed was a sight to behold: combines with wingspans like those of aircraft; four-wheel-drive tractors that could pull a Greyhound bus from a ditch; a few Steigers, the Corvettes of tractors, fitted out with air-conditioners and tape decks. This gleaming machinery, more than anything else, represents a profound change in the way farmers live—in the debt burdens they bear and in their relationships with their communities.

"Too many tractors with too much horsepower" is how Helen Lester, of Milo, who has been farming with her husband, Guy, since the Depression, summarized Iowa's predicament. Academics and journalists are not the only ones who began to believe around the mid-1960s that the small farm was doomed. Farmers believed it too. Awesome new tractors and combines would enable a family farmer to cultivate more land than ever. Farmers would almost have to buy more acres in order to spread those capital investments over a larger income base. Big new machines on bigger farms held out the promise that the family farmer could achieve the touted economies of scale enjoyed by sprawling ranches in Texas and the Southwest.

These machines also held out the promise of a more pleasant life, free of tedium and backbreaking labor. A Steiger, with its immense power, could plow more land in one day than a conventional tractor could plow in a week; the big combines would harvest crops with much less need for manpower. Improved seed varieties and chemicals were also coming into play, and were expected to diminish the demands that raising crops made on a farmer's time. What a dream began to emerge: a bigger farm, a higher income, and less physical work. The race was on. Sales of heavy machinery soared, and farms, even family farms, expanded in size.

The value of agricultural real estate escalated from $216 billion in 1970 to $756 billion in 1980 and then crashed. In 1984 it was $765 billion—a decline of about 23 percent when inflation is taken into account. In all the commentary on this fabulous rise and fall, it is rarely noted that farmers themselves were the driving force behind the price changes. Urban growth, often presented as the culprit, exerted a minor influence at best: only three percent of all land in the United States is built on, for cities, suburbs, or highways. When farmers sell, it is almost always to other farmers: the most prized farmland is that which adjoins an existing farm. Through the 1970s farmers sought more land, and farm size increased by an average of 13 percent.

Traditionally farmers have been frugal people, fearful of debt and wary of promises of quick wealth. But they did not respond to the economic developments of the 1970s with characteristic reserve. (In fairness, neither did millions of other Americans. Major corporations lost billions of dollars in surething energy investments, and all sorts of people bought real estate as if the prices could never break, poising their loans on the

assumption of perpetual inflation.) Using machines, chemicals, and new land, farmers both here and abroad expanded their productive capacity by so much in the 1970s that a fall became all but certain. Production through the decade rose at three percent a year in the United States—a record pace for annual growth. Meanwhile, food demand was not increasing as fast as production, and demand for some foods was falling.

Many farmers who bought large machinery told themselves that they would cover the payments by doing "custom work"—tilling and harvesting for other farms. As ownership of combines and 400-horsepower tractors became unremarkable, more farmers were offering custom work than needing it done. One farmer I visited, Pat Meade, in Milo, said, "You can pretty much tell which farms are in trouble by whether they're four-wheel or two-wheel." Meade uses a 1976 100-horsepower tractor that he maintains himself. He said, "When farmers discovered that a big machine would enable them to do all their plowing in a single day and spend the rest of the week at the coffee shop, a lot of them couldn't resist, even if they couldn't afford it. Combines were the worst. The average family farmer actually uses his combine less than thirty days a year. The rest of the time it sits in a shed. Seventy-five to a hundred thousand dollars sitting in your shed, doing nothing." Farmers who went heavily into debt to buy big machines and more acres were dubbed plungers.

A century ago the free-silver movement, led by William Jennings Bryan, centered on the desire for a liberal money supply so that there would be more for farmers to borrow and more for consumers to spend. In the 1970s inflation, though less glorious in conception than free silver, provided the financial climate many farmers had always thought they wanted. Plungers became community heroes. Farm journals were filled with stories of "young tigers" who were not afraid to take on staggering debt loads. "Those who dive deepest will come out on top" and a common saying. When briefly during the 1970s interest rates were below the inflation rate, borrowers came out ahead merely by borrowing. Farmers are dependent on credit even in good times, because they must pay production expenses months before they have crops to sell. The economic conditions of the 1970s seemed to say that it had actually become smart to pile loans on top of loans. But if inflation stopped, the loans would smash into each other like race cars trying to avoid a wreck.

The FmHA, production-credit associations, and banks were just as much to blame for plunging as farmers. With acreage values rising at up to 20 percent a year, farmland was an investment that was staying ahead of inflation. Many banks, needing borrowers to generate income on their inflation-pumped deposits, encouraged farmers to leverage themselves to the limit. According to Meade, "During the 1970s there were times when lenders quite literally drove up and down the road, knocked on people's doors, and asked them if they could use more credit." Philip Lehman, a farmer in Slater, Iowa, and an official of the Iowa Farmers Union, an organization that lobbies for increased federal farm aid, sat on the loan-approval board of a production-credit association in the early 1970s. "Things got to where it was difficult for me to put my initials on the applications," Lehman told me. "It was like granting people licenses to go under."

As inflation and gleaming supertractors dispelled farmers' qualms about extravagant spending, so they altered the spirit for farm communities. Farmers who drove Steigers didn't have to call on their neighbors for help when a wagon got stuck in the mud. Those with combines didn't have to wait for harvesting crews, not did they have to offer to join in harvesting a neighbor's land. Many farmers borrowed to build their own silos and storage facilities during the 1970s, loosening their dependence on town silos and diminishing their obligation to attend co-op meetings. Farmers began to feel guilty of what they disliked most about city dwellers—an absence of community spirit.

"Because farmers want to be self-reliant, the combines and the tractors had an extremely seductive appeal," James Schutter, the pastor of the United Methodist church in Tingley, Iowa, told me last winter. "Machines made you really self-reliant. People didn't realize the machines would also make you isolated. As soon as it became technologically possible to farm independently, everybody wanted that." Milton Henderson, of Mt. Ayr, Iowa, who is retired after working for the Iowa State University extension service for thirty years, said, "Threshing and harvesting parties were wonderful events—much warmer, and more human, community events than the kind we have now, like high school basketball games." He added, "I would never want to go back to the past, plowing four acres a day with a team of horses. I'm just saying the sense of fellowship is gone, replaced by machinery."

Dairy, livestock, and poultry farmers still work year-round, because animals must be tended continually, but well-equipped crop farmers have it easier. They face three months of heavy work during planting and two more at harvest. Farm-crisis stories tend to appear in winter partly because it is then that crop farmers, without daily work to do in their fields, do their lobbying. When the American Agricultural Movement staged its tractorcade in 1979, bringing hundreds of farm machines to Washington to block traffic, AAM members made speech after speech about how their backs were to the wall. Yet many had arrived in brand-new Steigers equipped with stereo systems, and some spent several months in the capital, in no apparent hurry to attend to their businesses. William Olmsted, a United Methodist minister in Greenfield, Iowa, has noticed a subtle change in farm sociology. He told me, "Making your rounds in winter, you can knock on doors at five farmhouses in a row and find no one home. They've gone to town, or are on vacation. Farmers used to *always* be home."

FENCEROW TO FENCEROW

Farmers say they expanded in the 1970's because they were sent a signal from the highest levels of government instructing them to do so. There can be no doubt that they were.

In the 1970's the USDA predicted that food production would fall behind world demand. A book called *Famine 1975* attracted considerable attention when it was published in 1967. When the 1972 Russian grain deal caused wheat prices to rise and poor harvests caused food in general to become costlier, many thought that the pessimistic forecasts had been confirmed and they began to cry shortage. Richard Nixon's secretary of agriculture, Earl Butz, is said to have advised farmers to plant "from fencerow to fencerow." That phrase is now fixed in the heartland's litany of woes as firmly as the Russian grain embargo: farmers refer to it again and again. In 1973 the headline of an article in *The New York Times* declared, "DAYS OF 'CHEAP FOOD' MAY BE OVER." As the decade passed and world harvests remained poor, the idea that the Russians and others would soon be begging us for grain caught hold. Oil prices were rising and the market for gasohol, made with corn alcohol, seemed about to take off. Declarations that agriculture was "the bulwark of democracy," "America's answer to OPEC," and so on became political clichés. When exports were booming, in 1980, President Jimmy Carter's secretary of agriculture, Bob Bergland, declared, "The era of chronic overproduction . . . is over."

"About ten years ago it looked like you just couldn't go wrong by expanding," Jim White, a farmer in Pleasantville, Iowa, told me. White is operating his farm under Chapter 11 of the federal bankruptcy code. In the last 1970s White bought land and equipment on credit and also co-signed notes so that two of his sons would be able to enter farming. In White's house a stack of foreclosure documents sits by trophies that White and his father won for being Polk County Corn Champions in 1963 and 1964. My dad had taught me to be cautious, but everybody—I mean everybody—was saying that biggest had become best," White said.

Who in the 1970s could have predicted that by 1985 rising inflation would be only a memory, that the value of the dollar would rise so dramatically on the world exchange market, that developing countries would begin producing food for export, that gasohol would flop (gas stations in Iowa now post signs proclaiming NO ALCOHOL IN OUR FUEL), and that consumption of dairy products and red meat would decline? This web of events surprised even smooth-talking experts. The average farmer could not possibly have foreseen it. White's production-credit-association loans contained variable-interest-rate clauses. "They said I had nothing to worry about—that rates had varied only a fraction of a point since 1970." White told me. "My rate went from 7 percent to 18.5 percent."

Does the fact that the government has misled farmers confer on them a right to special compensation? The frequency with which the national winds shift leads politicians routinely to give industries bad advice, and part of being a businessman is knowing what to ignore and what to take seriously. More important, though Earl Butz's advice certainly sounds foolish in today's economic climate, it was delivered thirteen years ago, in a different climate. How many businesses could survive by clinging to strategies thirteen years out of date? There would be scant public sympathy for an automobile company still making cars that get ten miles to a gallon. Because of the nature of agriculture, farmers have a more difficult time responding to economic changes than people in other industries. But this does not mean that they should be exempt from having to respond. In February the entire South Dakota state legislature traveled to Washington to lobby for more farm aid. When South Dakota's governor, William Janklow, appeared on the ABC News program *Nightline* to state his case, he absolved farmers of blame because, he said, "Earl Butz told them to plant fencerow to fencerow"—as though this had happened the year before.

It could be that farmers attach almost religious significance to what Butz said because it was the one time they were told exactly what they wanted to hear. Agricul-

ture, a quiet line of work in which it was nearly impossible to get rich, was going to take off. Thanks to technology, incomes would rise and workloads would fall; farmers would rescue the country from foreign debt and become national heroes. With crops in demand, farmers could sell them on the market, not to the government, and make their money fair and square. Everything was finally going to be all right. It is human nature to cling to the moment when things were going to be all right, and so it is natural that farmers should cling to the vision of the early 1970s.

For farmers, Government policy is like the weather. It's good for a spell, it's bad for a spell, and there's just no predicting. In addition to making business planning difficult, flip-flops of policy inevitably build resentment against government, even when the subsidies are flowing.

One farmer, in Creston, Iowa, told me, "I know for a fact that agriculture is controlled by a special committee of bankers and manufacturing interests and that no one is allowed to use the committee's name." Another, in Corydon, Iowa, said, "There was a secret meeting in 1947 at which a plan was laid out to destroy the family farm, and everything that has happened since comes directly from the plan." The two speakers were not kooks and I heard similar sentiments from others during my travels in Iowa.

A fair reading of recent history is that the federal government would have to form a firing squad just to shoot itself in the foot. Nevertheless, some farmers do believe that their troubles must have a nefarious source. Many look outside the federal government. A popular target of suspicion is the Chicago Board of Trade, which most farmers resent as a rich man's plaything designed to make easy profits from the workingman's toil, and which some are convinced was invented by the anti-farm conspiracy in order to cause chaos in farm prices. (Some farmers now use the commodities exchange to hedge their crops, but the Iowa farmers I spoke to said they simply couldn't bring themselves to do that, even if it does make business sense.) Conspiracy theories in themselves are probably harmless, but their prevalence in rural communities suggests that farmers wish to fix the blame as far away from home as possible—to dwell in an unreal world. That wish helps to explain why farmers seem so bitter in television news footage.

Dissatisfaction rules life on the farm today, and the unhappiness farmers vent in the media or at political rallies probably does more to advance the idea of an endless crisis in farming than does the actual incidence of foreclosures. The unhappiness stems in part from raised and then dashed expectations. "Every year for the last fifty years had been a little better than the year before, until the 1980s," Carolyn Erb, a farmer in Ackworth, Iowa, said when I met with her last winter. At some point having a better year begins to seem like a right. That the Washington, D.C. tractorcade was staged in 1979, a year that turned out to be the second best on record for farm profit, shows how consuming a force self-pity can be.

The structure of farm economics guarantees that farmers will be frustrated. Suppose your year's salary would be $20,000, $40,000, or $60,000, with the amount determined by a lottery based on what day you asked for your pay. That is the arrangement that most farmers have to live with. The advent of international blockbuster deals adds turbulence to the market. "Now our decision on exactly what day to sell can make or break us for the entire year," Nancy Meade told me.

Many businesses, of course, must deal with macroeconomic unknowns, but how many individual workers have to? Auto workers are not expected each time they report for their shifts to perform an analysis of international sales patterns, according to which their wages will later be calculated. Family farmers must be laborers, market analysts, and financial managers all at once. Considering the modest track record of specialists who do nothing but predict agricultural markets, it is unreasonable to expect the records of individual farmers to be any better. The anxiety over when to sell can place extreme stress on a farm marriage: the husband may feel obliged to dictate the selling strategy, which offends the wife, who in turn blames the husband for market changes he couldn't possibly have predicted. The sheer uncertainty is oppressive. To return to the salary-lottery analogy, even if you picked the $60,000 day you would be upset about the wringer you'd been put through.

Endless waiting for Washington to make up its mind about farm programs produces more unhappiness. Ronald Reagan announced the latest emergency credit program for farmers in September, 1984, but as of February, 1985, with spring planting approaching, the FmHA had made decisions on only about two percent of the applications it had received. Farmers who had asked for aid had to sit and stew all fall and winter, wondering whether they would be able to stay in business and powerless to find out. Many of those who ultimately got extra help were inclined to be resentful rather than grateful.

Dissatisfaction extends even to successful farmers. Because federal subsidies have the effect of keeping everybody at least barely in business, overproduction prevents successful farmers from realizing the profits they otherwise might. Since farm commodities are basically interchangeable, farmers cannot compete with one another by offering different features or higher quality, as manufacturers can. They can compete only by undercutting already depressed market prices. Those who resisted taking the debt plunge or who run their operations unusually will say they feel pressured to pay for the errors of the careless.

Suppose the government stepped into the computer industry, which is suffering from oversupply, to make sure no manufacturer went out of business. Successful companies like IBM and Apple would be unhappy, because the artificial stimulation of supply would prevent them from getting full value for their products. Unsuccessful companies would find themselves in the debilitating position of being dependent on Uncle Sam and ridden with anxiety over whether their handouts would continue. Everyone would be working, yet no one would be happy. There would be a "computer crisis."

In farm communities across the heartland there is one more level of anxiety. Farmers have never been able to look forward to wealth, but they have had a satisfaction that city workers with better pay cannot hope for—the moment when they hand the farm over to their children. For many farmers that moment is the culmination of a responsible life; for the younger generation it is the moment when the world recognizes that they have done what was expected of them. "Right now it's not a responsible act to bring a son into the business, and you don't know what that does to the farmer's mind," Rod Erb, Carolyn's husband, told me. Transferring a highly capitalized farm from parent to child entails leveraging to the hilt. Under these circumstances parents consider themselves failures, and children, unable to do what generations before them have done, feel they have compromised their entire family histories.

After I left Iowa, there was one farm couple that I couldn't get out of my mind: Dennis and Patricia Eddy, who live in Stuart and have three young sons. The Eddys are existing on six subsidized loans. They had qualified for the Reagan emergency credit aid, which would save them about $23,000 in interest payments overall. They hadn't paid income taxes in five years. The kitchen of their farmhouse had been remodeled and was strikingly attractive; I noticed a microwave oven and other minor luxuries. They had a pure-bred Doberman puppy. Here was a couple who could easily be portrayed as hooked on handouts. "Just once in my life I would like to live at the poverty line," Patricia complained, yet her federal aid is more than many city families with greater need receive—to say nothing of the fact that she lives in her own home. Most urban welfare recipients, I felt sure, would exchange places with the Eddys in the blink of an eye.

Except for the kitchen, however, the Eddys' home was modest. By no stretch of the imagination was the family living indulgently. There didn't seem to be any chance that they would buy a sports car, eat in three-star restaurants, or enjoy many other luxuries that young professionals who went to graduate school on government-subsidized loans consider their due. I felt sure that none of the conservative theoreticians who rail against subsidies in the fastness of paneled libraries would exchange places with the Eddys.

The Eddys said that they were dismayed by having had six different FmHA loan supervisors in eighteen months, each of whom had issued a new set of instructions on how the couple ought to run their lives; by unending anxiety about whether their crops would grow and in turn sell; and by the public perception that those in debt to the FmHA are "bad farmers," which surely in not true.

For a while policymakers diagnosed increasing federal agricultural expenditures as a problem caused by "bad farmers" and "bad managers," who squandered their aid. The label has stuck—one farmer introduced himself to me as "just another bad manager"—although there is nearly universal agreement among agricultural observers that truly lazy or incompetent farmers are rare. If anything, farmers are too good at what they do. They produce too much, and they are baffled and anguished by the fact that bringing food out of the ground, as they were taught was right, does not invariably lead to success. the Eddys were working as hard as they knew how, and that was what stayed with me.

CALIFORNIA: MBAS IN OVERALLS

Iowa seems like an outpost on the moon by comparison with the San Joaquin Valley, in central California. Nearly anything will grow in the valley's benign climate. The land is flat, which is perfect for farming, and cows graze in the nearby foothills of the Sierra Nevada as if they were in the Alps. In Iowa some farmers had plowed and planted their front yards, but here in

Fresno and Tulare counties, one of the world's most productive agricultural regions, every square inch seemed to have been tilled. Farmhouses are modern ranch-style buildings with carports. Machinery doesn't rust. In the Midwest, farms are discreate places because farmers generally buy only land that adjoins their own; in California, however, farms tend to consist of scattered parcels. The scattering lowers the sentimental value of each farm, and it also works against any sense that farms are fortresses to be defended against an encroaching outside world. Farms in California seem much more like businesses. One sees few four-wheel-drive tractors with balloon tires. "Farmers like to buy tractors, managers like to make money," a Californian told me when I visited farms in the state last winter.

One of California's largest operations is Harris Farms, Inc., of Coalinga. The average U.S. farm has 437 acres; Harris has 17,000, and it's as diversified as can be—cotton, tomatoes, garlic, almonds, onions, grapes, potatoes, wheat, and cattle. It is not a corporate farm; John Harris, the only child of the founder, is the sole owner. During the 1970s, when the land frenzy drove prices to $3,500 an acre in the valley and as high as $15,000 an acre in the prestigious vineyard counties, Harris didn't buy. "We could never figure out how to make buying land at those prices pay," he told me.

Harris has 125 full-time workers, whom he calls "employees," and 100 units of housing for them, of a quality better than that of a trailer park but not as good as that of a subdivision. Unskilled seasonal laborers—migrant workers—make $4 an hour, full-time tractor operators make about $14,000 a year, and foremen make up to $65,000. Two foremen, Richard Lobmeyer and Juan Barrera, spend an increasing amount of time with computers: Harris Farms has a large mainframe computer for accounting and half a dozen personal computers for other tasks.

Barrera, for example, uses software designed for tomato growing to track temperature, humidity, and the rate of transpiration and to predict exactly how much irrigation the vines will need. Harris has been switching to less wasteful means of irrigation, such as drip pipes, which apply small doses of water directly to a plant's roots. (Before the 1982 law was passed, many heartland farmers complained bitterly that California water was subsidized, ignoring the fact that their own water falls from the sky free of charge.) Much of Harris's production, is sold to food processors by a standard supplier's contract— a promise to deliver a certain tonnage of, say, tomatoes on a given day at an agreed price. This reduces the potential for a windfall, but it also eliminates anxiety over fluttering prices.

In rural communities it seems to be considered bad taste to build a luxurious house, and Harris does not flout that convention. He lives in the modest house where he was raised, which sits directly across the parking lot from the company's headquarters, concealed behind hedges. His office, however, would make any lawyer proud: it is large and wood-paneled, with original art on the walls and a commodity-price monitor on the credenza.

Diversification as practiced at Harris Farms is said to be the future for profitable agriculture, because it allows the clever manager to stay a step ahead of demand. Midwestern farmers have some ability to shift among the products their environment will support: wheat, corn, soybeans, sorghum, and livestock. For example, when grain prices fall and livestock prices rise, farmers can feed their grain to the stock and sell it ultimately as meat. Trends in the supply of these commodities tend to be parallel, however, and so the degree to which midwestern farmers can diversify often does not amount to much. Being able to shift among unrelated crops—cotton to onions to lettuce—makes for better protection against the erratic market. Working with small specialty crops also enables growers to get an idea of where they stand relative to the competition. Lobmeyer explained: "There are eleven million acres of cotton fields scattered all around the United States. Realistically, there's no way we can get a sense of what other cotton growers are doing. But there are just 294,000 acres of process tomatoes in the country, and 84 percent of them are here in California."

Harris Farms operates almost entirely without federal subsidies. Most of its crops aren't eligible for support. Harris does not enroll his cotton and wheat acreage with the CCC, because, he said, the maximum loan is inconsequential for a 17,000-acre enterprise and not worth the bother going after.

Despite his computers, his economies of scale, and his lack of dependence on the government, Harris is pessimistic. He told me, "At this point farmers have become capable of producing a surplus of just about everything. The regulated programs get all the attention, because they involve federal deficits and family farms, but profit margins in specialty crops are becoming almost as bad." The market for grapes, once a glamour crop, is more depressed than the market for corn. Citrus fruits are about the only crop widely agreed to be profitable this year—profitable, that is, for growers who weren't hit by a series of frosts in Florida and Texas that cut supply. Harris observed that if the country had not experienced a cycle of poor weather for crops in three of the past five years, which led to disappointing yields, surpluses would be even greater than they are, and prices lower.

The weather of late has been unusually severe in southern Iowa, where the gullied bottomland is in any case ill-suited to farming. In 1983 the rain was so relentless that farms were flooded with mud. Pat and Nancy Meade, who live in southern Iowa, lost twenty of the hundred calves born on their farm that year because they drowned in the mud. A high percentage of the hard-luck farm stories presented as typical on television and in newsmagazines have southern-Iowa datelines.

To some extent a bad year can be offset by the generous tax treatment accorded to agriculture. For example, many types of farm buildings and fruit trees can be depreciated, and deductions can be taken for supplies that will not actually be used until the following year. Played properly, the game allows the payment of taxes to be postponed almost indefinitely.

Investors who buy into farms do not, as popular lore would have it, "profit from losing money": the best investment is always one that makes money. The situation of a "tax farmer" is roughly like this. Say that a doctor in the 50 percent tax bracket has $100 in marginal income. If he does nothing, the government takes $50 and he keeps $50. If he shelters the money in a farm generating a $100 deduction, his tax bill is reduced by $50. In both cases the doctor walks away with $50. But in the second case he also has some equity in the farm.

Since the doctor keeps the $50 no matter what, all the investment has to do is make a dollar and he will come out ahead. Thus a commercial farmer who needs a decent income to care for this family is at a disadvantage with respect to a tax farmer for whom any income is pure gravy.

In the long run agriculture's favored tax status may do farm families more harm than good, because shelters encourage the overproduction that is at the core of agriculture's problems. From one pocket the government hands out tax breaks to encourage more farm investment and from the other it hands out subsidies to compensate for the depressed prices that investment causes. Nevertheless, farm-state legislators have extreme difficulty opposing any measure presented as a "farm tax break."

SURROUNDED BY SURPLUS

Agricultural exports have stopped increasing over the past few years, after having grown steadily through the 1970s. The strength of the dollar is usually cited as the reason, and without doubt the strong dollar is a factor. But the growth trend in exports probably would have stalled regardless, because many countries are generating food surpluses of their own. Moreover, almost all of the industrialized countries have higher internal subsidies and more-restrictive trade laws than we do.

In the late 1960s the countries in the European Economic Community met up to 90 percent of their demand for grain. In 1984, a bumper crop year, EEC farmers met 125 percent of that demand. U.S. agricultural sales to the USSR make headlines, but sales to Western Europe have been far more significant in volume. In 1983, for example, Europe bought about $10 billion worth of U.S. food—ten times as much as the Soviet Union did. Last year Soviet grain purchases hit a record high, and yet total sales to "centrally planned countries" accounted for just ten percent of U.S. exports. Asian nations are out best customers. In 1983 they bought $13.5 billion worth of U.S. agricultural products. But since then sales to Asia have been stable or falling.

World wheat production, 447 million metric tons in 1978, is expected to be 505 million metric tons this year—a 13 percent increase. Also since 1978 world rice production has increased by 20 percent and world cotton production by some 35 percent. In every part of the world except Africa and Japan food production is increasing faster than population.

The increased production, particularly in developing countries, can be attributed partly to the spread of modern technology and farming methods—progress that the United States has encouraged and in many cases has funded and supervised. We have a moral obligation to share our agricultural secrets with the world and should be proud that we have done so, but the cost has turned out to be greater than we expected. The world's increased production can also be attributed to U.S. farm-subsidy programs. For many commodities American support prices become the world floor prices, because whenever the going rate falls below what the CCC will pay, a significant portion of the supply is withdrawn from the market. Equilibrium between supply and demand is restored and the decline in the market price is halted. Nonrecourse loan programs, intended to limit the risk to American farmers, have the effect of limiting the risk to farmers in other countries, as well. For example, Argentina knew in 1981,

courtesy of an act of Congress, approximately what the floor price for grain for the next four years would be, and thus could plan accordingly.

The agricultural programs of other countries are far more protectionist than those of the United States. Within the EEC agricultural commodities move freely, but what are in effect tariffs prevent food from being brought into the community at less than the regulated price. Thus American farmers are not permitted to undercut the market price in Europe, whereas any shipper may sell cheaply here. When the EEC has surplus grain, exporters receive direct subsidies to sell their overstock at below-market prices. The European subsidies are threatening to break the bank; several times in recent years the EEC Commission has recommended that the subsidies be cut, only to have farm interests in member nations beat the effort back. In 1986 Spain and Portugal—two potentially major agricultural producers—are expected to join the community, hide behind its tariff curtain, and use its subsidies to boost production.

Japan's regulations are even more stringent. Various restrictions limit the sale in Japan of U.S. commodities for which there might otherwise be higher demand—particularly beef and fruits. According to Yujiro Hayami and Masayoshi Honma, economists at Tokyo Metropolitan University, Switzerland has the world's most protectionist agricultural system, with domestic prices half again as high as the world average. Japan's is next, with domestic prices 45 percent higher than the world average. The EEC's domestic prices are 25 percent higher, and the United States, where domestic prices are slightly below the world average, ranks last in protectionism.

It is perhaps understandable that Europe and Japan, which have known famines in this century, should be anxious to keep farm production up. It's harder to understand the Reagan Administration's behavior. In March, President Reagan withdrew the pressure on the Japanese to observe voluntary auto-export quotas and asked nothing in return. If the Administration continues to push for cutbacks in U.S. agricultural production without insisting that members of the EEC cut back as well, subsidized European farmers will rush in to grab U.S. export markets.

We should be grateful that Japan has so little land, else it would surely make life as hard for American farmers as it has for American manufacturers. Another Asian country, however, has lots of land and a strong agricultural tradition: China. In 1980 China bought $2.3 billion worth of U.S. food and fiber. Now its purchases are down to $500 million and the country has begun to export cotton. Chinese officials have been stepping back from the commune system and introducing a limited form of capitalism in their fields; the results have been dramatic. Since 1978 China's cotton production has risen by 150 percent, its soybean production by 84 percent, its wheat production by 58 percent, and its rice production by 27 percent. Many production techniques used in China are backward (for example, cotton is shipped in nonstandard-sized bales, small enough for two men to lift manually), but Western methods and machines are being introduced. In China workers are accustomed to strict discipline and low wages; modern production could transform the country into the world's breadbasket. "They are much closer to it already than we like to think about," Kenneth Billings, the president of Fresno County's Federal Land Bank, says.

U.S. farm productivity by acre, which has declined slightly from its peak, in 1982, can be expected to rise again soon, as new hybrids, growth hormones, and chemicals come onto the market. A little further down the road gene splicing might make possible entirely new strains of plants that could spark another Green Revolution. The problems of oversupply in the future could make those today seem like warm-ups.

THE ANNUAL CRISIS

Senate majority leader Robert Dole said recently that in every one of his twenty-five years in Congress there has been a farm problem. During the late 1940s President Harry S Truman tried to cut back many farm subsidies and was rebuffed by a livid Democratic Congress. The Senate majority leader at that time, Scott Lucas, of Illinois, sounded very much like Dole when he complained of senators who "are constantly talking about economy in government . . . who have no hesitancy in getting off the economy bandwagon . . . to take care of their own communities . . . regardless of what the cost may be in the future." The Eisenhower Administration pushed through some farm-support cuts in 1953, but when it tried to go further, in 1958, it was defeated. That year Senator Allen Ellender, of Louisiana, argued, "This is not the time to lower prices farmers receive, particualrly when farm income is already at an all-time low." New Deal descendant Lyndon Johnson moved to cut farm subsidies by $540 million in the budget he submitted in 1969, just before he left office. Nixon angered farmers with his attempts to change farm programs. Carter, a farmer, not only asked that subsidies be cut but stood fast during the 1979 tractorcade, refusing to make significant concessions.

The job of secretary of agriculture has chewed up most of those who have held it. Truman's "Brannan plan," named for Agriculture Secretary Charles Brannan, became a euphemism for political lunacy, the racetrack MX of its day. Radical farmers like some members of the American Agricultural Movement point to Eisenhower's Ezra Taft Benson as the first mastermind of the anti-farm conspiracy. LBJ's Orville Freeman, whose affiliation with the Minnesota Democratic Farmer Labor Party was beyond reproach, got into trouble by suggesting that cotton growers cut their prices in order to complete in the world market. Carter's secretary, Bob Bergland, who himself had been a farmer, ended his term amid acrimony. Now Reagan's secretary, John Block, formerly an Illinois hog farmer, is an object of scorn for having gone along with Reagan in the effort to cut farm subsidies. Block has hardly been helped by the fact that his former business partner, John Curry, was a plunger who bought up land with FmHA assistance and then defaulted. Every farmer I met in the Midwest knew about this case; some spoke of Curry as if he were a poisonous snake.

Partly because of the continuous anxiety to which they are subject, farmers have a long history of crying wolf. The agriculture committees, staffed by farm-bloc congressmen, do too. In 1965 a report of the House Agriculture Committee warned, "Hundreds of thousands of our most progressive farmers will find their debt positions intolerable and will be forced into bankruptcy"—language almost identical to that used last winter.

Checking old newspapers, I found that farmers have been proclaiming the "worst year since the Depression" regularly since the early 1950s. Reporting that placed the claim in historical perspective was rare, except for the occasional "down with farmers" piece that exaggerated in the other direction. Covering agriculture is a delicate matter for journalists, and especially for television crews. Someone who loses a farm loses his job, his home, and his way of life all on the same day. It would seem heartless of a reporter to mention that dispossessions are the exception or that thousands of other people experience tragedies that are of equal weight but that simply don't fit a news peg.

"They're taking away my land" is a plaintive cry of farmers, and when true, it's terrible to hear. Often it isn't true. A farmer who defaults on his loan is not losing his land so much as some part of his investment in it. The bank is the true owner of the farm, just as ultimately it is the owner of a mortgaged house.

Through the 1970s the farm bloc complained that farmers were being destroyed by inflation. Senator Jesse Helms, of North Carolina, who is the chairman of the Senate Agriculture Committee, said in 1981. "Farmers understand that unless this inflation is cured, they don't stand a chance." Now that the cure has taken effect, the lack of inflation is said to be a special hardship for farmers. Similarly, cries of "foul" were heard in response to the escalation in farmland prices while it was taking place, even though it was making holding more valuable. Four years ago Catherine Lerza, the head of the National Family Farm Coalition, declared that high land prices had created a crisis for farmers. At about the same time Representative Berkley Bedell, of Iowa, proposed a $250 million Beginning Farmers Assistance Act to subsidize purchases of farmland. Now, of course, it is the decline in land prices that said to pose a crisis for family farmers.

Using the Department of Agriculture's parity tables, some farm advocates claim that farmers are worse off today than ever. Parity tables are supposed to show the buying power of farmers; 1910-1914, when farm prices were strong, is taken as the base period and given a value of 100. In 1984 parity hovered around 58—that is, farmers had 58 percent of the buying power of their forerunners decades earlier. Figures like these are extremely misleading, however, because calculations of parity treat the present as if it were 1914. For example, they take into account the fact that tractors cost more but not that they do more. Parity makes an effective round of political ammunition, but it is not a reliable indicator on which to base policy. One farm-state congressional staff member told me, "Any farmer who seriously believes he would be living twice as well if it were 1914 again is crazy."

At a House Agriculture Subcommittee hearing in February, I gave up trying to count the number of times words like *desperate, disaster, unprecedented,* and *dying* were used. Representative Steve Gunderson, of Wisconsin, asserted, "Clearly, within the credit crisis confronting agriculture we are literally facing the fundamental destruction of rural society." Representative E. Thomas Coleman, of Missouri declared that "farmers are faced with such high interest rates, declining land values, and low return for their products that they are reliving the Great Depression of the 1930's." At this

hearing and throughout the battle over emergency aid, farm-bloc congressmen repeatedly predicted that as many as 10 percent of the nation's farmers could go bankrupt by March 1—the traditional deadline of banks for issuing spring planting loans—if substantially more than $650 million was not provided. A bonus-credit-aid bill was passed but Reagan vetoed it. The first of March came and went, the wave of foreclosures that was supposed to sweep the country did not occur, and the story vanished.

Resisting pressure for spending is a recurring challenge in Washington, and the ability of even conservative Republicans from farm country to forget their speeches about deficits and call for more agricultural subsidies has been remarkable for years. Farmers make powerful claims on the legislature in part because they make up a high percentage of the population in rural communities. In heartland congressional districts almost everyone is tied to the farm economy. No other constitutent group—not auto workers in Detroit or gas producers in Louisiana—places such a statistical lock on its representatives.

Another running theme in Washington is the demand for a crackdown on rampant waste in somebody else's program. Farm groups are among those who have most vociferously protested the federal debt, which contributes to high interest rates and the strength of the dollar. But they also want more spending for farms, which would drive the deficit up. Last winter five of the country's largest agricultural associations formed a lobby called the Balanced Budget Brigade. While some spokesman were making the rounds on Capitol Hill, demanding extra credit aid. During his appearance on Nightline Governor Janklow sneered at Congress's failure to balance the budget—a feat that even New Right thinkers admit will be out of the question for many years—and boasted that states balance their budgets. Janklow didn't add that the main reason why state budgets are balanced is that federal grants supply 18.5 percent, on average, of state revenue. If a cosmic philanthropist made an 18.5 percent contribution to the federal budget, then the federal budget would also balance.

Finding solutions for a chronic problem like agricultural overproduction can vex democratic systems, which almost inevitably focus their attention on the demands of the moment. "Every time we do a farm bill, the short-term outlook—what happens one year down the road—overwhelms all other considerations," William Hoagland, the deputy staff director of the Senate Budget Committee, who was raised on an Indiana farm, told me recently. "In 1981 all we talked about was inflation, which turned out to be a moot point almost immediately after we finished debating it. This year it's debt. What we want from agriculture, what our long-term goals ought to be, stands no chance [of consideration], compared to whatever was in that morning's paper."

Eventually Congress will have to face the fact that there are too many farmers. The farm bill that Reagan has proposed, which in effect would abandon those parts of the federal program that subsidize the least successful farmers, may not be perfect, but so far it is the only one to concentrate on the problem of overproduction. The solutions to that problem do not lie solely in the realm of economic abstraction. They will involve a painful human cost. If the Reagan plan or something like it is enacted, Dennis and Patricia Eddy, for example, may lose their farm. That would not be a happy day for them or for any caring citizen. But the Eddys are young, responsible, bright, and eager to work. If they can't land on their feet, who can?

Early this year Representative E. Kika de la Garza, of Texas, the chairman of the House Agriculture Committee, said he might support changes in federal agriculture programs, but only if they could be achieved "without sacrificing one single farmer." This is like saying, Let's cut back that bloated defense budget—as long as no contractors lose work. There can still be family farms. It's just that not every person who wants a farm can have one, no matter how fervently we might wish he could.●

THE CENTENNIAL OF THE VILLAGE OF HILTON

● Mr. D'AMATO. Mr. President, today I rise to honor the citizens of the village of Hilton as they celebrate both their centennial and the traditional values of small town America. Originally incorporated in 1885 as North Parma, NY, Hilton was later renamed for the pastor of the Freewill Baptist Church, Rev. Charles A. Hilton.

The village of Hilton represents the quintessential American small town—the very backbone of American family life and culture. With Hilton's 4,151 residents and its wonderfully delicious apples and peaches, it is easy to see that the small, warm-hearted, friendly atmosphere which made the United States truly great is still alive and well throughout our Nation.

Like any other town, Hilton has its legends: this one may even be true. Supposedly, Jonathan Underwood came from Vermont as the first settler of this peaceful area. He came with a dream in his mind and an ax in his hand to clear the fertile New York soil and build a cabin for his betrothed. Tragically, when he returned for his bride, she had died. Heartbroken, Jonathan Underwood returned to his cabin to spend the remainder of his life doing for others in his community. It is men like Underwood who made Hilton the prosperous, community-spirited, and pleasant village it is today.

Jonathan Underwood's story is based on an 1805 account. It represents both the fortitude demanded of America's settlers and the compassion for our neighbors that has made our forefathers' efforts flourish. I am proud that as we approach the 21st century we can still look across our country and find homes and communities embodying the values and qualities thought virtuous today, 100 years ago, and even 200 years ago when we struggled for independence.

Happy birthday, Hilton.●

100TH ANNIVERSARY OF THE CANADIAN NATIONAL PARK SYSTEM

● Mr. DURENBERGER. Mr. President, in 1872 an idea took hold that has shaped the way in which we manage and preserve areas of outstanding natural beauty and scenic wonder. The national park idea responded to a unique opportunity, the presence in the vast public domain of great natural wonders. At a time when tens of millions of acres were being released from the public domain for exploitation, these special places were preserved for future generations.

In 1872, Congress created Yellowstone National Park, carving 2.2 million acres out of Federal territory to protect "curiosities" and "wonders."

The idea crystallized in 1916 when 14 great scenic parks and 21 national monuments were put together into a National Park System and the National Park Service was created to care for it.

The mandate of the 1916 Organic Act is:

> To conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.

How to best preserve and protect these vast, wonderful resources for the enjoyment of present and future generations continues to be debated today. Whatever the outcome of that debate, and it is sure to continue, the fact remains that we have created one of the most unique and valuable systems in the world.

Americans can take great pride in the quality of our National Park System. But the national park idea was not exclusively an American one. Our neighbors to the north have a national park system which rivals our own.

This year marks the 100th Anniversary of the creation of Banff National Park and the Canadian National Park system. Mr. President, I ask that an article on the Canadian National Park system be printed in the RECORD.

The article follows:

CANADA'S PARKS TURN 100

In 1883, three young men working to push the Canadian Pacific Railway through Alberta's mountains came upon a spectacular sight: steaming mineral springs welling out of a misty cave in the mountainside, looking, as one of them put it, like "some fantastic dream from a tale of the Arabian Nights." Quick to spot the tourist potential of such a spot (hot springs were believed to cure everything from syphilis to mercury poisoning), the railway workers claimed ownership. Others instantly disputed their claim, and a public uproar began, to be settled, finally, by the government: Canada owned the land. In 1885, ten square miles near the town of Banff were permanently set aside as Canada's first national park.

Banff National Park celebrates its 100th birthday this year, and the Canadian park system celebrates with it. The first park now encompasses more than 2,500 square miles of Alberta, and it is only one of 29 national parks, ranging from Auyuittuq within the Arctic Circle to Pacific Rim near Vancouver. When more than 70 historic areas and canals are added in, Canada's national parks cover more land than any other park system in the world.

If the country had not set aside those lands when it did, many of the animals for which North America is famous might have vanished. Within the parks, visitors can still see elk, caribou, bighorn sheep, wolves, otters, black bears and grizzlies. Bison and endangered whooping cranes find a home within Wood Buffalo National Park. Millions of migrating ducks, geese and swans take refuge in Canada's protected wetlands.

Even so, some of the animals of the national parks may face critical problems brought on by their own popularity. In 1984, more than 26 million tourists visited the parks, and at the peak of the summer season a popular area like Banff is a congested mass of humanity. This can create a classic conservation dilemma: most parks are established to preserve a pristine heritage for people to enjoy. But the more people take advantage of the opportunity, the more likely they are to threaten, or at least change, the very thing they've saved. Thus, planners must balance several competing forces, and that, Canadian conservationists say, is a major challenge in a milestone year.

Park officials are now straining to keep up with the human demand, and they expect to open or refurbish a number of new facilities, including a restored swimming area in Banff's famous mineral springs. Their hope is that this birthday celebration will renew the nation's commitment to preserving its wild heritage in the midst of development and population growth.

"Landscape is fragile," proclaims a Parks Canada publication, "and sometimes man's 'progress' changes it rudely. Our national parks are designed to protect the natural order of change."—Patricia Daniels.●

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ABDNOR). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AWARDS AND EXPENSES IN COURT PROCEEDINGS

Mr. DOLE. Mr. President, I understand that H.R. 2378, a bill with respect to awards of expenses of certain agencies and court procedings, has arrived from the House, and I ask for its first reading.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

H.R. 2378, a bill to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes.

Mr. DOLE. Mr. President, I ask that the bill be read the second time.

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, there are a number of nominations we had hoped to clear today, and I hope that any Senator who has some concern about these nominations can advise us by tomorrow that we may proceed with the nominations. There are a number of very important nominations.

In most cases, these people have been cleared by unanimous vote. They have a right to have their nominations confirmed. We are going into a recess period for a week, and it is a very important time for them to get their things in order, for whatever job they might be about to pursue.

We have been able to clear Calendar Nos. 261, 262, 263, 264, and 266. I ask unanimous consent that the Senate now go into executive session to consider those nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations just identified be considered en bloc and confirmed en bloc.

Mr. BYRD. Mr. President, reserving the right to object, there is no objection on this side to proceeding with and confirming the nominees just enumerated by the distinguished majority leader—Calendar Nos. 261, 262, 263, 264, and 266.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

Thomas Gale Moore, of California, to be a Member of the Council of Economic Advisers.

THE JUDICIARY

John Montague Steadman, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of 15 years.

Richard A. Levie, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of 15 years.

[NEW REPORTS]

ENVIRONMENTAL PROTECTION AGENCY

Francis S. Blake, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency.

GENERAL SERVICES ADMINISTRATION

Terence C. Golden, of Texas, to be Administrator of General Services.

NOMINATION OF TERENCE C. GOLDEN

Mr. BENTSEN. Mr. President, I am pleased to support as Administrator of the General Services Administration a man with extensive management experience and business skills—Terence C. Golden of Dallas, TX.

Mr. Golden brings to this demanding position a broad education background and diverse practice experience. He received a bachelor of science in mechanical engineering from Notre Dame in 1966 and then obtained a master of science degree in nuclear engineering from the Massachusetts Institute of Technology. He supplemented his strong scientific background with a master of business administration from the Harvard Graduate School of Business Administration in 1970.

Terry Golden first held management positions in the nuclear energy division of Babcock & Wilcox Co. In the mid-1970's he was president, chairman of the board and largest shareholder of a real estate and resort operating company in Puerto Rico, the Palmas del Mar Co.

Since 1976, he has been associated with the Trammell Crow Residential Co. in Dallas, where he was a managing partner responsible for a wide range of activities, from land development and housing construction to mortgage and investment banking. In 1984 he became the Assistant Secretary for Administration in the Department of the Treasury.

Terry Golden's special combination of technical knowledge and diverse managerial skills make him especially suited to administer the General Services Administration.

As a member of the Environment and Public Works Committee, I hope that Mr. Golden will actively support the public buildings reform legislation which three times has passed the Senate, only to languish in the House. Many of us in the Senate share a keen interest in following Mr. Golden's efforts to institute much needed reforms in the management of GSA.

With the advice and consent of the Senate, Terry Golden will have an opportunity to strengthen that important agency by bringing to it his unique personal skills and broad experience.

The Governmental Affairs Committee undertook a lengthy review of Mr. Golden's background and qualifications for his new position. Its support for his confirmation is well justified, and I am pleased to add my own support.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. DOLE. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from an amendment to the Statute of the International Atomic Energy Agency (Treaty Doc. No. 99-7), transmitted to the Senate today by the President of the United States.

I also ask that the treaty be read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to acceptance, an amendment to Article VI, paragraph A.1 of the Statute of the International Atomic Energy Agency, as amended. The amendment was recommended unanimously by the Board of Governors of the Agency on June 6, 1984, and approved by the Agency's General Conference on September 27, 1984. I also transmit the report of the Department of State on the amendment.

The amendment, if approved by two-thirds of the members of the Agency, will increase from nine to ten the members of the Agency designated for a seat on the Board of Governors by virtue of their status as most advanced in the technology of atomic energy without regard to geographical distribution. This expansion will accommodate the entry of the People's Republic of China into the organization, which occurred on January 1, 1984. Under the amendment, the People's Republic of China will be able to occupy a seat on the Board of Governors without displacing any of the other designated members (currently these are Australia, Belgium, Brazil, Canada, Egypt, France, the Federal Republic of Germany, India, Japan, the USSR, The United Kingdom, and the United States).

I recommend that the Senate give early and favorable consideration to this matter, and give advice and consent to acceptance by the United States of the amendment to Article VI, paragraph A.1 of the Statute, as amended.

RONALD REAGAN.

THE WHITE HOUSE, *June 26, 1985.*

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFEREES ON H.R. 2475, SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. DOLE. Mr. President, I move that the Senate insist on its amendment to H.R. 2475, Simplification of Imputed Interest Rules, and request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Chair appointed Messrs. PACKWOOD, ROTH, CHAFEE, HEINZ, DURENBERGER, LONG, BENTSEN, MATSUNAGA, and MOYNIHAN conferees on the part of the Senate.

ORDER FOR STAR PRINT—S. 1314

Mr. DOLE. Mr. President, I send S. 1314, a bill to amend the Securities and Exchange Act, to the desk and ask unanimous consent that it be star printed to reflect the changes which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, JUNE 27, 1985

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. Thursday, June 27, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Further, Mr. President, I ask unanimous consent that following the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 15 minutes each: PROXMIRE, CHILES, LONG, RIEGLE, BAUCUS, BINGAMAN, BURDICK, HARKIN, CRANSTON, KERRY, WILSON, and DOLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 12:30 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following the conclusion of routine morning business, it will be the intention of the majority leader to turn to any of the following items: The conference report on S. 883, Export Administration; Executive Calendar nominations, plus there may be a possibility of one or two other matters on the calendar that we are in the process of trying to clear. But I have already indicated there would be no votes tomorrow. We will not be in session on Friday. I just had a discussion with the Secretary of Agriculture, it is my understanding there may be a House-passed bill on the calendar with reference to wheat referendum. We have passed and sent to the House a similar bill introduced by Senator ZORINSKY. We may need to take some action on that tomorrow, but we can work that out.

Also, tomorrow we will attempt to work out a consent agreement on South Africa. I have just discussed with the distinguished minority leader and the distinguished Senator from Maryland [Mr. SARBANES] that if there were requests for rollcall votes on any matter, including procedural or any amendment, on Monday, the 8th, they would be carried over until sometime Tuesday, the 9th.

I am reminded we might not be able to put over certain procedural votes. If somebody asked for a rollcall on the Sergeant at Arms to round up absent Members, that might be one we could not avoid. But if there are votes on amendments, meaningful votes, they will be postponed until Tuesday, the 9th. And on the 9th, there will be a number of votes. If we are on either South Africa or the McClure-Volkmer gun bill, there will be four or five or six votes on Tuesday.

RECESS TO 9:30 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess until 9:30 a.m., Thursday, June 27, 1985.

There being no objection, at 6:44 p.m., the Senate recessed until Thursday, June 27, 1985, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 26, 1985:

DEPARTMENT OF ENERGY

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988, vice Georgiana H. Sheldon, term expired.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code,

section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. William L. Kirk, [redacted] FR, U.S. Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26, 1985:

GENERAL SERVICES ADMINISTRATION

Terence C. Golden, of Texas, to be Administrator of General Services.

ENVIRONMENTAL PROTECTION AGENCY

Francis S. Blake, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency.

EXECUTIVE OFFICE OF THE PRESIDENT

Thomas Gale Moore, of California, to be a member of the Council of Economic Advisers.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

John Montague Steadman, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years.

Richard A. Levie, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for a term of 15 years.

HOUSE OF REPRESENTATIVES—*Wednesday, June 26, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O gracious God, for those women and men in positions of responsibility in the welfare of all people. We remember with special concern those who seek the safe return of the hostages and who minister to their families. May Your gifts of wisdom and understanding, of knowledge and sound judgment, be with all leaders and advisers that those held captive will enjoy again the freedom and the peace that is our common heritage. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. COBEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will inform absent Members.

The vote was taken by electronic device, and there were—yeas 268, nays 132, answered "present" 5, not voting 28, as follows:

[Roll No. 191]

YEAS—268

Ackerman	Boggs	Callahan
Addabbo	Boland	Campbell
Akaka	Boner (TN)	Carr
Alexander	Bonior (MI)	Chappell
Anderson	Bonker	Coelho
Andrews	Borski	Coleman (TX)
Anthony	Bosco	Collins
Archer	Boucher	Cooper
Aspin	Boulter	Coyne
Atkins	Boxer	Crockett
AuCoin	Breaux	Daniel
Barnard	Brooks	Darden
Barnes	Broomfield	Daschle
Bateman	Brown (CA)	Davis
Bates	Broyhill	de la Garza
Bedell	Bruce	DeLay
Beilenson	Bryant	Dellums
Bennett	Burton (CA)	Dicks
Berman	Bustamante	Donnelly
Biaggi	Byron	Dorgan (ND)
Dowdy	Leland	Roe
Downey	Lent	Rogers
Duncan	Levin (MI)	Rose
Dwyer	Levine (CA)	Roukema
Dyson	Lipinski	Rowland (CT)
Early	Livingston	Rowland (GA)
Eckart (OH)	Long	Roybal
Edwards (CA)	Lott	Rudd
English	Lowry (WA)	Russo
Erdreich	Lujan	Sabo
Evans (IL)	Lundine	Schaefer
Fascell	MacKay	Scheuer
Fazio	Manton	Schneider
Flippo	Martinez	Schulze
Florio	Matsui	Schumer
Foglietta	Mavroules	Sharp
Foley	Mazzoli	Shelby
Ford (TN)	McCain	Sisisky
Fowler	McCloskey	Slattery
Frank	McCollum	Smith (FL)
Frost	McCurdy	Smith (IA)
Fuqua	McDade	Smith (NE)
Garcia	McKinney	Smith, Denny
Gaydos	McMillan	Snyder
Gejdenson	Meyers	Solarz
Gephardt	Mica	Spence
Gibbons	Michel	Spratt
Glickman	Mikulski	St Germain
Gonzalez	Miller (CA)	Staggers
Gordon	Miller (WA)	Stallings
Gray (IL)	Mineta	Stark
Gray (PA)	Moakley	Stokes
Green	Mollohan	Stratton
Guarini	Montgomery	Studds
Hall (OH)	Moody	Sweeney
Hall, Ralph	Moore	Swift
Hamilton	Morrison (CT)	Synar
Hansen	Mrazek	Tallon
Hartnett	Murphy	Tauzin
Hatcher	Murtha	Thomas (GA)
Hawkins	Myers	Torres
Hayes	Natcher	Torricelli
Hertel	Neal	Towns
Hopkins	Nelson	Traficant
Horton	Nichols	Traxler
Howard	Nielson	Udall
Hoyer	Nowak	Valentine
Hubbard	Oakar	Vento
Huckaby	Oberstar	Visclosky
Hughes	Obey	Volkmer
Hutto	Olin	Walgren
Hyde	Ortiz	Watkins
Jeffords	Panetta	Waxman
Jenkins	Pease	Weaver
Johnson	Pepper	Weiss
Jones (OK)	Perkins	Wheat
Jones (TN)	Petri	Whitley
Kanjorski	Pickle	Whitten
Kaptur	Price	Williams
Kastenmeier	Pursell	Wirth
Kemp	Rahall	Wise
Kennelly	Rangel	Wolpe
Kildee	Ray	Wright
Kolter	Regula	Wyden
Kostmayer	Reid	Wylie
LaFalce	Richardson	Yates
Lantos	Rinaldo	Yatron
Leath (TX)	Ritter	Young (MO)
Lehman (CA)	Robinson	
Lehman (FL)	Rodino	

NAYS—132

Armey	Cheney	Dannemeyer
Badham	Clay	Daub
Bartlett	Clinger	Derrick
Barton	Coats	Dickinson
Bentley	Cobey	DioGuardi
Bereuter	Coble	Dornan (CA)
Bilirakis	Coleman (MO)	Dreier
Bliley	Combest	Durbin
Boehlert	Conte	Eckert (NY)
Brown (CO)	Coughlin	Edgar
Carney	Courter	Edwards (OK)
Chandler	Craig	Emerson
Chappie	Crane	Evans (IA)
Fawell	Loeffler	Schuette
Fiedler	Lowery (CA)	Sensenbrenner
Fields	Lungren	Shaw
Franklin	Mack	Shumway
Gallo	Madigan	Shuster
Gekas	Marlenee	Sikorski
Gilman	Martin (IL)	Siljander
Gingrich	Martin (NY)	Skeen
Goodling	McCandless	Slaughter
Gradison	McEwen	Smith (NH)
Gregg	McGrath	Smith, Robert
Grotberg	McKernan	Snowe
Gunderson	Miller (OH)	Solomon
Hammerschmidt	Mitchell	Stangeland
Hendon	Molinari	Stenholm
Hiler	Monson	Stump
Hillis	Moorhead	Sundquist
Hunter	Morrison (WA)	Swindall
Ireland	Oxley	Tauke
Jacobs	Packard	Taylor
Kasich	Parris	Thomas (CA)
Kindness	Pashayan	Vander Jagt
Kolbe	Penny	Vucanovich
Kramer	Porter	Walker
Lagomarsino	Quillen	Weber
Latta	Ridge	Whitehurst
Leach (IA)	Roberts	Whittaker
Lewis (CA)	Roemer	Wolf
Lewis (FL)	Roth	Young (AK)
Lightfoot	Saxton	Young (FL)
Lloyd	Schroeder	Zschau

ANSWERED "PRESENT"—5

Annunzio	Dymally	O'Brien
Burton (IN)	Frenzel	

NOT VOTING—28

Applegate	Hefner	Rostenkowski
Bevill	Heftel	Savage
Carper	Henry	Seiberling
Conyers	Holt	Skelton
DeWine	Jones (NC)	Smith (NJ)
Dingell	Kleczka	Strang
Dixon	Luken	Wilson
Feighan	Markey	Wortley
Fish	McHugh	
Ford (MI)	Owens	

□ 1020

Mr. McMILLAN changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

THE HOUSE IS DETERMINED TO HONOR NATION'S COMMITMENT TO ELDERLY WHILE CUTTING MR. REAGAN'S DEFICITS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, yesterday the chairman of the Senate conferees, Senator DOMENICI, unilaterally broke off the budget conference demanding as his price for resuming discussions that the House agree to substantial reductions in Social Security benefits. This is probably the most arbitrary action ever taken by any chairman of either party in the history of the congressional budget process.

All House conferees and several Senate conferees publicly indicated

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

our willingness to continue the search for workable compromises, making the sudden and peremptory action of Senator DOMENICI all the more puzzling. One logical explanation is that Senator DOMENICI was acting under orders from the White House since President Reagan, beginning in his press conference on January 9, has been fantasizing scenarios in which Congress would force him to break his promise to protect Social Security COLA's. Well, the House is determined to keep our Government's legal and moral commitments to the Nation's elderly while at the same time achieving real and appreciable reductions in Mr. Reagan's deficits.

We hope that Senator DOMENICI will reconsider his hasty action and reconvene the budget conference. If he refuses to do so, Mr. Speaker, then we shall obtain these budget savings nevertheless by voluntarily holding our appropriation levels within the ceilings imposed by our House budget resolution and consider its figures to be binding upon us.

PARLIAMENTARY INQUIRY

Mr. WALKER. Parliamentary inquiry. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair did not hear the gentleman.

Mr. WALKER. Parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Is it not a violation of the rules of the House to refer specifically to Members of the other body or to refer to actions of the other body in a speech delivered in this Chamber?

The SPEAKER. The rule of the House is that Members should not be critical of Members of the other body or mention them by name.

Mr. WALKER. Further parliamentary inquiry: Then why is it that when the majority leader delivers such a speech that the Chair is unwilling to call that Member to account for the fact that he is in violation of the rules of the House?

The SPEAKER. Well, the Chair would respond that the Chair was not listening when the gentleman from Texas [Mr. WRIGHT] was talking.

Are there any personal requests?

Mr. WALKER. Further parliamentary inquiry: Does the Chair often not listen to the majority leader?

The SPEAKER. The Chair understands that the gentleman has a personal request. Will the gentleman from New Jersey step to the microphone.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND ITS SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT TO SIT DURING THE 5-MINUTE RULE ON TODAY

Mr. ROE. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and its Subcommittee on Investigations and Oversight be permitted to sit during the 5-minute rule in the House today, Wednesday, June 26, 1985.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. McCANDLESS. Reserving the right to object, Mr. Speaker, may I ask the gentleman, has he cleared this with the minority?

Mr. ROE. If the gentleman will yield, it has been.

Mr. McCANDLESS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that the full Committee on Merchant Marine and Fisheries be allowed to sit today, June 26, 1985, during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

□ 1030

THE VOICE OF MICHIGAN'S TAXPAYERS REGARDING THE BUDGET RESOLUTION

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, I was listening to our Budget Committee chairman, Mr. GRAY, a short time ago, who said that "everything was on the table in the budget." So I hope that we do break that impasse and get back to balancing the budget.

Mr. Speaker, today I will continue the series of 1-minute speeches I began yesterday presenting some of my constituents' comments on the budget—speeches that I hope will remind Members and especially the budget conferees of the charge given by the American people, whom we represent. And that charge is: Get the Federal Government's financial house in order.

Stephen J. Rogers, of Ann Arbor, MI, writes: "Our Government cannot continue to borrow 23 cents for every dollar it spends. Every part of the Government must fully participate in spending reductions—including the Pentagon." In her letter, Marjorie Shannon, of Ann Arbor, says: "I am a widow and do not have a pension but I approve of cutting my benefits if things are cut fairly." And Ann Arbor residents Michael and Katherine O'Rear write: "We believe all aspects of Government programs must share in required cutbacks, and all citizens must expect to share the sacrifice. We will support your efforts so long as fairness is maintained * * *."

I'd like to thank my constituents. Members and especially budget conferees, listen to what they're saying. Their watchword is fairness. Their charge: Reduce the deficit. Thank you.

PUBLIC OFFERING IN THE SALE OF CONRAIL

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, today I join with my colleague, DENNIS ECKART of Ohio, in introducing legislation to provide for a public offering in the sale of Conrail.

A year ago, I called upon the Secretary of Transportation not to move on a quick "fire sale" of Conrail to Norfolk Southern or any other private bidder. Now we have on the table several options, and I urge my colleagues to look at the opportunity that we have to use a public offering to preserve Conrail as an independent railroad for the Northeast and Midwest regions of the country, a railroad that is as profitable as the existing Conrail, while still returning it to the private sector.

In January of this year, I introduced legislation to provide for this public offering, but the legislation that we introduced today is better. It consists of the offering that was put together by a number of investment groups and announced last month.

Hopefully this legislation will be seriously considered by our Committee on Energy and Commerce and brought to the House floor as quickly as possible.

I believe that for jobs and for economic development in my State of Pennsylvania as well as the entire older industrial region of the Northeast and Midwest, we need a viable railroad, and I believe that the public offering is our best option.

While I agree with the concept of a public offering and support the Morgan Stanley proposal as outlined in the Eckart bill, some of the bill's provisions need to be expanded and clarified. For example, I will work to ensure that the primary repair facility

for Conrail remains at Altoona, PA and that Conrail's headquarters and headquarters employees stay in Philadelphia. This guarantee and others should be included in the bill. I look forward to working with my colleagues DENNIS ECKART, Chairman JIM FLORIO, and others to enact the public offering concept into law.

UNFAIR TO CUT SOCIAL SECURITY BENEFITS FOR ELDERLY

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I heard one of my colleagues say that we ought to address the budget with a spirit of fairness. Well, I say to all the people on the other side of the aisle and the Republican-controlled Senate, and the Reagan administration: It is unfair to cut Social Security benefits for our elderly.

Everyone knows that the Social Security trust fund has a huge surplus; it should not be under the budget, and I am glad and proud that our Democratic colleagues on the Budget Committee have been steadfast in their commitment to fairness and to the welfare of our Nation's elderly.

After all, it is not our money to take; our older Americans have paid into that system, as well as their employers, and it is unfair of us to take away their cost-of-living benefit.

What the Republican-controlled Senate would like to do, by demanding that we cut Social Security benefits, would result in placing 400,000 elderly below the poverty level.

Mr. Speaker, the fair and equitable resolution of these budget negotiations is clear: Senior citizens have been taking it in the teeth for 4 years under the Reagan Presidency; cuts of $29 billion in Social Security benefits; and many, many other dollars in health insurance and pensions and nutrition programs and housing programs.

When will it stop? Let us stop this assault on our elderly. I am proud of the Democratic members of the Budget Committee for holding firm on this issue.

UNIVERSITY OF UTAH WOMEN'S GYMNASTICS TEAM

(Mr. MONSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONSON. Mr. Speaker, it is my privilege to stand today to pay special tribute to the University of Utah women's gymnastics team for winning the NCAA women's gymnastics tournament for the fifth consecutive year. For this unprecedented achievement, the gymnasts were honored with an invitation from President Reagan to meet with him last Monday at the White House. Following their meeting with the President, the women were honored at a reception hosted by the Utah congressional delegation.

We, in the State of Utah, are especially proud of these remarkable athletes and their coaches for their outstanding record. This was the last year of NCAA competition for seniors Elaine Alfano and Celeste Harrington. They are leaving the university with a record of extraordinary achievement and success.

A tribute to the team would not be complete without commending Coach Greg Marsden and his assistants for providing such tremendous leadership, support, and direction. Good leadership is essential to molding a professional caliber team like this gymnastics team.

These women gymnasts have displayed exceptional talent and ability, and have put into motion the formula for success outlined in the National Commission on Excellence in Education report:

> Take hold of your life, apply your gifts and talents, work with dedication and self-discipline. Have high expectations for yourself and convert every challenge into an opportunity.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4

Mr. RAHALL. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 4.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ELECTION PROMISES SHOULD BE KEPT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, last election, Mr. Reagan said, "A President should never say never, but I am going to say it: I will never tamper with any portion of Social Security." Those are the President's words.

Well, Mr. Speaker, it has become obvious that the President has deceived America's senior citizens. The President has seen fit to abandon the elderly, and deceive the American people. It is time that he be held accountable for his actions and policies.

The Teflon coating is now wearing off, and what has been revealed is a President that was swept into office on a volley of empty rhetoric and broken promises. He made a contract with the American people, and we cannot let him break it.

Senior citizens supported his candidacy on the strength of misrepresentations. I commend Budget Committee Chairman GRAY for his unbending commitment to this Nation's elderly and for the fine work he has done in fashioning a fair and humane budget, and I am hoping that our side of the aisle will hold firm in that conference with the Senate, and support the American senior citizens like this President promised on election day. Election promises should be kept in this country.

POINT OF ORDER

Mr. WALKER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. WALKER. Is it not a violation of the rules of the House to question the motives of the President and to refer to him as being someone who lies?

The SPEAKER pro tempore. The gentleman is correct. It is not proper——

Mr. WALKER. So the previous speech was in violation of the rules of the House.

The SPEAKER pro tempore. Let the Chair finish. It is not proper to call the President a liar; the gentleman is correct.

Mr. WALKER. And so therefore the previous speech was in violation of the rules of the House.

The SPEAKER pro tempore. If the gentleman will let the Chair comment, the Chair will ask the last 1-minute speaker to revise his remarks, and take those comments out of the RECORD.

Mr. WALKER. I thank the Chair.

□ 1040

THE FUTURE OF TAIWAN

(Mr. KINDNESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINDNESS. Mr. Speaker, I am gravely concerned about reports and statements made by various officials of the People's Republic of China which indicate that the PRC may be willing to exert military force against the free and independent people of Taiwan.

Since the United States normalized relations with the PRC in 1979, that government's official position has been that it will pursue a policy of peaceful reunification with Taiwan. This policy has been repeatedly stated by PRC officials publicly, including Deng Xiao Ping. However, unofficial statements, such as to one made in May of this year by the Secretary General of the Chinese Communist Party to a newspaper reporter that China "might consider a military attack against Taiwan in the next decade," raise serious questions about the PRC's intentions.

Of course, the PRC's military power and technology is not adequate to

effect such an attack at the present time. But what about in the next 7 to 10 years? Can we afford to trust an officially stated policy when numerous PRC officials make statements alluding to the use of force against Taiwan as a way to achieve reunification?

I would like to take this opportunity to remind my colleague of our commitment to Taiwan, as spelled out in the Taiwan Relations Act. This act, Mr. Speaker, makes it "clear that the U.S. decision to establish diplomatic relations with the PRC rests upon the expectation that the future of Taiwan will be determined by peaceful means."

As the PRC military modernization continues at a rapid pace over the next few years, we must be mindful of our commitment to the security of our friends in Taiwan, and of the threat posed by these unofficial statements indicating that the PRC plans to deal with Taiwan through military means.

EVERGREEN LOBSTERS

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, I am so glad the Louisiana delegation is here this morning, and I want them to listen very carefully to my remarks.

Mr. Speaker, it's been 181 years since Meriwether Lewis and William Clark set out from the Louisiana Territory in search of a delicacy superior to anything they ever tasted there.

It has been documented that Lewis and Clark had a tremendous craving for crawfish. One day, after polishing off a bucket of boiled Louisiana mud bugs, as they were called then, Lewis turned to Clark and said, "Bill, is this as good as it gets?"

The rest, of course, is history. When they reached Oregon, Lewis and Clark's arduous search for the perfect crawfish was finally rewarded.

Ever since, Mr. Speaker, the succulent delicacy which we in Oregon know as the evergreen lobster has been one of my State's most guarded treasures, available only to Oregonians.

Tomorrow in New Orleans, a selected number of Louisiana crawfish lovers will be given a taste of what they've been missing all these years. We do not do this out of cruelty, Mr. Speaker, but only to settle a friendly dispute between our two States over whose crawfish should be crowned king.

Representing Oregon in the Crawfish Culinary Cup competition will be our own great chef, Marcel Lahsene of Jake's Famous Crawfish Restaurant in Portland. He has prepared two new dishes, "Crawfish Monique," and "Crawfish McCall," the latter named after the late Oregon Governor, Tom McCall.

I have no doubt that any objective comparison will establish the clear superiority of Oregon's wild and winsome crawfish over its tame and timid Louisiana cousin.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Massachusetts.

PARLIAMENTARY INQUIRY

Mr. FRANK. Mr. Speaker, I would like to propound a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FRANK. Mr. Speaker, there has been a lot of concern on the other side about the rules. I know we all want to abide by them. We have been warned against speaking ill of the other body or speaking ill of the President. I want to make sure there is nothing in the rules that says that you cannot cast aspersions on Louisiana crawfish.

Mr. AUCOIN. Absolutely. I checked the rules completely. The Louisiana mud bug does not qualify.

Mr. FRANK. I thank the Chair.

LOUISIANA—THE CRAWFISH CAPITAL OF THE WORLD

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, the Chair just ruled a moment ago on a parliamentary inquiry, and I simply appeal to the House that there ought to be a rule against uttering fantasies on the House floor as fact.

Look, let's set the record straight. Louisiana, not Oregon, is the crawfish capital of the world. Louisiana grows the most, the biggest, and the most delicious crawfish in the world. As a matter of fact, if it were not for the crawfish, Louisiana would not have Lake Pontchatrain, one of our State's largest lakes. Legend has it that several hundred years ago a Louisiana crawfish got his pinchers caught in a cypress stump and cleared several thousand acres of trees thrashing his tail about before he got free. The hole left in the ground was later named Lake Pontchatrain. Of course since then, our research people at LSU have made tremendous progress, and we grow them even bigger now.

But seriously folks, the Louisiana crawfish industry is a big commercial business. We grow them big and we grow a lot of them. Our State produces over 70 million pounds of crawfish annually. I believe in Oregon they produced less than a million pounds last year. To my knowledge Louisiana is the only State with commercial processing facilities. We are the only State that can provide prepared crawfish dishes for restaurants and supermarkets. We also have the greatest chefs. Chefs like Paul Prudhomme of New Orleans who just won the first culinary cup award for his great crawfish dishes. Yes, in Louisiana growing and serving crawfish is a way of life. And the industry in our State is going to continue to expand to meet the ever-increasing demand.

So come on down to Louisiana. Visit the historical sites in our State and while you're there, try some crawfish. When you do, I am sure you will agree with me that Louisiana is the crawfish capital of the world.

PARLIAMENTARY INQUIRY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, as a new Member, perhaps I need some clarification. But if someone can come forward and say that the President on election time did not make the following statement, that "A President should never say never, but I am going to say it, and I will never tamper with Social Security," then I will stand corrected.

But I object to having my words stricken from the RECORD of the House on the strength——

POINT OF ORDER

Mr. WALKER. Mr. Speaker, I have a point of order. Under what permission is the gentleman speaking? The gentleman did not ask a parliamentary inquiry. Under what permission is the gentleman speaking?

Mr. TRAFICANT. I did ask for a parliamentary inquiry.

The SPEAKER pro tempore. The Chair will recognize the gentleman from Ohio if he makes a parliamentary inquiry.

Mr. WALKER. He did not use the words "parliamentary inquiry."

Mr. TRAFICANT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. TRAFICANT. Mr. Speaker, the statement that I had made in my 1-minute speech was that the President of the country, on election time, said, "A President should never say never, but I'll say never, and I'll never tamper with Social Security."

I object to the fact that my words were striken.

Mr. LUNGREN. Mr. Speaker, this is not a parliamentary inquiry.

The SPEAKER pro tempore. The Chair will read from Cannon's Procedure, referencing debate in the House of Representatives:

In referring to the President, a Member shall abstain from language personally offensive to the President.

Mr. TRAFICANT. Mr. Speaker, if the language is true, Mr. Speaker, which it is—and I will stand correct-

ed—I object to having my words stricken from the RECORD.

Mr. LUNGREN. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman stated his parliamentary inquiry. The Chair has ruled.

Mr. TRAFICANT. I accept the ruling.

THAT'S CAJUN!

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, to quote our famous Louisiana chef, Paul Prudhomme, "When the taste changes with every bite and the last bite is as good as the first, that's Cajun!"

Around the country restaurants have sprung up recently that attempt to provide variations on the Cajun cooking of Louisiana. Crawfish have now become "au courant" in the culinary world. Notwithstanding the many attempts, the "real thing" is found only in Louisiana and the real king is Chef Paul.

The most creative cooking in the Nation is in Louisiana because cooking is appreciated as an art and because of our bountiful supply of natural resources, including the freshest and tastiest seafood.

Now, I don't know much about these Oregon crawfish. I understand they look green. To my way of thinking, the only crawfish worthy of our fine Louisiana Cajun and Creole cooking are swamp reds and Atchafalaya reds. They are as sweet and as succulent as can be.

I have no doubt that after tomorrow's Crawfish Culinary Cup competition, despite the towering presence of Marcel Lahsene, Chef Paul will continue to reign as undisputed king of crawfish cuisine. As a consolation to the gentleman from Oregon, I would be happy to take him on a little eating expedition through New Orleans. I am certain he would learn a thing or two, including the proper pronunciation of his name, Monsieur AUCOIN.

Mr. Speaker, in celebration of Chef Paul's winning recipes from last year, I would like to invite everyone to visit the Mall this week and next during the 1985 Smithsonian Folklife Festival where Louisiana, our crafts, our music and, most importantly, our cuisine will be featured.

Bon appetit!

□ 1050

TRUTH IN LABELING

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, it has become very clear that the truth-in-labeling laws do not apply when it comes to congressional budgets. This current budget conference has reached new heights. The reality is our so-called package of $56 billion in cuts is not a cut at all; it is a $14-billion increase in spending.

If you use realistic estimates, our so-called cut in the deficit is in reality a $30- to $40-billion increase in spending. The discussions on this floor of cutting Social Security involve a question or whether or not you increase Social Security. No one has suggested cutting it.

Strangely the budget conference events of yesterday were described as a unilateral cutoff in negotiations. The reality is that the House conference committee conferees indicated their refusal to consider the COLA adjustments that have been suggested by the Senate. It is normal for people to paint arguments so they favor their own tactics. But let us not forget reality. The reality is that this House has been unwilling to face up to the horrendous budget deficits. The House proposed increases in spending this year, not cuts. Rather than facing up to the budget deficit crisis, the House budget will make the crisis worse.

It is not out of line to suggest a new approach is needed.

WHO KNOWS CRAWFISH?

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I do not care what AUCOIN says; everybody knows that real crawfish come from Louisiana. Here comes AUCOIN this morning talking Oregon crawfish; you have got to be kidding me, LES.

Now, I know I am naive. When I first came to Congress I believed in supply side economics. KEMP had me convinced if we cut the marginal tax rate to zero the Treasury would be overflowing with money. I know I am naive.

When I first came to Congress I thought the House budget bill would actually lower the deficit. I know I am naive. When I first came to Congress I thought that the budget vote was an economic, not a political one. I know I am naive, but crawfish from Oregon?

Listen, LES, look at the Louisiana delegation: BREAUX knows crawfish; LIVINGSTON knows crawfish; TAUZIN knows crawfish; BOGGS knows crawfish; MOORE knows crawfish; ROEMER knows crawfish. But, LES, let me tell you, you might know plywood; but crawfish you know from nothing.

A WONDERFUL FOOD: DAIRY PRODUCTS

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, today, the Committee on Agriculture is beginning the markup of the 1985 dairy portion of the farm bill. While this bill is not perfect, it certainly goes in the right direction. I say this for four reasons: First, this bill will insure an adequate supply of milk. Second, it will stabilize dairy inventory. Third, it will encourage the use of more dairy products. Fourth, it will update the Parity Index.

This bill will insure that our dairy farmers will be able to continue the supply of a dependable flow of dairy products to our consumers, an advantage not all the consumers throughout the world have for themselves and their families.

This issue is one of fairness and one of equal treatment. Our daily farmers have been and are doing a good job. This new dairy bill, along with my bill to limit the casein imports to 50 percent of the present level is going in the right direction and will help us solve the problem we have had with dairy inventory.

THE FORGOTTEN SEVEN OF THE BEIRUT HOSTAGES

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, while the Nation's attention is riveted on the 40 Americans held hostage in Lebanon from the hijacking of TWA flight 847, let us not forget 7 other Americans held hostage in Lebanon for as long as 15 months.

Today, Mr. Speaker, is the 467th day of captivity for William Buckley, a U.S. Embassy official in Beirut.

Rev. Benjamin Weir, a Presbyterian minister resident in Lebanon for 32 years, has been held for 414 days.

Father Lawrence Martin Jenco, a personal friend of mine, and director of Catholic Relief Services in Beirut, has been held hostage for 169 days.

The Middle East bureau chief of the Associated Press, Terry Anderson, has been held hostage for 102 days as of today.

David P. Jacobsen, the director of the American University Hospital in Beirut, was kidnaped on his way to work on May 28, 30 days ago.

On June 9, Thomas Sutherland, dean of agriculture at American University, Beirut, was kidnaped on the airport road, 16 days ago.

Peter Kilburn, a librarian at the American University, has been missing since December 3, 1984, 204 days ago.

Mr. Speaker, there are 47 Americans held hostage in Lebanon, not 40. There are four groups of American hostages, not three. There are Ameri-

cans who have been held hostage for more than 1 year—not just 12 days.

MILITARY AIRSPACE

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, few people in this Nation have to travel far to reach a military installation. For that installation, the Army, Navy, or Air Force has a certain amount of land for needed defense activities. Congress has legislated the procedure by which those lands are acquired. Any withdrawal of public lands of 5,000 or more acres requires congressional approval. However, did you know that there is no law requiring congressional approval for military procurement and restriction of air space.

In my State of Nevada, for example, more than 3 million acres of land are currently zoned for military use. Approximately 10 million acres of air space are used for military air warfare training and, therefore, restricted from civilian use. If the military wants more, they can virtually designate it theirs—and it is.

I don't question our need to maintain national security. But I do believe this kind of control leads to excessive, abusive, and unwarranted action by the Defense Department.

That's why I've introduced the Public Lands Airspace Protection Act.

This bill would require the Department of Transportation to seek congressional approval before it can—at the request of the Defense Department—acquire and restrict civilian use of airspace over nonmilitary public lands.

Though few of us have known about this loophole, we're all affected.

Isn't it time to make someone accountable?

□ 1100

VOTE DOWN THE FEC REAUTHORIZATION

(Mr. SILJANDER asked and was given permission to address the House for 1 minute.)

Mr. SILJANDER. Mr. Speaker, I would like the attention of the Members for a moment. The issue I am about to bring up is on the agenda today on the floor and can address and affect all of us in terms of our campaign expenditures and our campaign activities.

There is a bill up today, if not voted down, would allow the FEC to require any of us who have a surplus of campaign funds left over at the end of an election to return all those campaign funds unless we had a debt, and we could only pay off the debt, and then if there were excess funds, those funds would be required to be returned.

Also, it would allow the FEC a free hand to have a major contributor to our campaign who also contributes to a major multiparty PAC group, to aggregate all those campaign contributions together.

These and other controversial items are now being addressed today under a suspension bill, H.R. 1532, the FEC reauthorization bill. I would urge the membership to vote "no" against this under suspension to allow some of these controversial items to have a fair airing on the floor of this Congress and have amendments offered to that bill to correct some things that some of us feel are unfair and could directly affect our campaign activities.

REPUBLICAN OPPOSITION TO SOCIAL SECURITY

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, as we know, the House Budget Committee conference has broken down. It has broken down because the Republicans insist on following their long and sorry tradition of opposition to Social Security. For six decades now, nonstop, Republicans have tried to kill, cut, delay, slash, reduce Social Security benefits.

In the 1930's, 99 percent of the Republicans voted to kill Social Security. In the 1940's, legislation went into effect to provide Social Security benefits to dependents and survivors; 75 percent of the Republicans had voted against it. In the decade of the 1950's, 79 percent of the Republicans voted against giving people disability assistance insurance under Social Security. In the 1960's, 93 percent of the Republicans voted to kill Medicare. In the 1970's, 58 percent of the Republicans voted against providing semiannual cost-of-living increases, and we know the sorry tradition in the 1980's. Led by Ronald Reagan, the Republicans have tried to slash, cut, reduce, freeze Social Security.

They are a moth to the flame of Social Security. They want to snuff it out. Senior citizens in America have figured it out after six decades. Republicans do not like Social Security. They want to get rid of it.

INEFFICIENT, ILLEGITIMATE, AND LUXURIOUS PROGRAMS SHOULD BE TERMINATED

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, I listened to the remarks of our distinguished majority leader in the House, and just now listened to the remarks of the gentleman from Montana.

Let me just say that I am a Republican and I came to this body in January 1985. It is my honor to serve on this conference committee. I want to just say for the record, and I know that there are many people on my side of the aisle who agree with this, that I personally agree with the remarks by the distinguished majority leader. Indeed, this body, on a bipartisan basis, is opposed to a freeze on the Social Security COLA.

But I really hate to see the gentleman from Montana try to make a political football out of the issue of Social Security COLA's. I know, and my colleagues know, that this Government is not having to borrow money to pay Social Security benefits, that Social Security does not add anything to the deficit of this country. But I do not think we should make it a political football.

Instead, I think we should get back down to business and do what the American people really want, which is to terminate a bunch of these illegitimate, stupid, inefficient, too luxurious programs. The President originally recommended 26 programs for termination. In a compromise with the leadership of the other body, they agreed on 17. When the other body came out with its budget, it had 13 terminations. Our side of the aisle in the House had 10, the House Democrat budget has 1. There are surely some programs that are so inefficient or so illegitimate or so luxurious that in the age of a $230 billion deficit they should be cut and terminated. Unlike the House Democrats, the American people know that many of these programs must be terminated.

INTERNATIONAL AIRPORT SECURITY COOPERATION ACT

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, yesterday the Committee on Foreign Affairs unanimously approved a bill setting tough new sanctions for countries failing to enforce strict security measures at international airports. This bill is consponsored by a bipartisan majority of the committee and is endorsed by the Air Line Pilots Association and the International Air Transport Association.

H.R. 2822, as reported, requires the Secretary of State to issue an immediate travel advisory on airports determined to be security risk, placing the safety of the traveling public first and foremost. In addition, the committee bill places tough sanctions on countries in which high security risk airports are located if those airports do not meet minimum U.S. security standards after 120 days of notification.

The bill also would suspend foreign assistance to such countries until their international airports comply with these standards.

In addition to the tough sanctions, the committee bill directs the Secretary of State to initiate multilateral efforts through the International Civil Aviation Organization and other avenues to gain cooperation and support from our friends and allies. The bill also implements the recommendation of the recently released Inman Report on Overseas Security which called for establishing an "International Coordinating Committee on Terrorism." Such a committee would focus the attention of the public and the participating countries on the problems and responses to international terrorism.

H.R. 2822 also provides additional funding authorization for antiterrorism assistance in the field of airport security and for research and development in explosive detection and improved screening techniques.

We are working closely with the Committee on Public Works and Transportation which has joint referral of the bill to complete committee action this week so that the House will have an opportunity to vote on a comprehensive antiterrorist and airport security bill as soon as possible.

OUTRAGE OVER THE BUDGET DEADLOCK

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the budget conferees have reached a deadlock. We now face the prospect of having no budget resolution in a year with yet another $200 billion deficit, followed by more years with $200 billion deficits as far as the eye can see.

I can't think of anything more irresponsible. This is yet another example of how we in this Congress are failing in our duty of stewardship for America's young people. We are saddling them with a lifetime of debt—a debt which dwarfs what our own parents left for us—and we can't even write a budget. What a disgrace!

Mr. Speaker, it's time for both sides to start giving a little. The Senate leadership has to compromise on defense. You and your House Democratic colleagues have to compromise on social spending. Let's all stop playing politics. Have we completely forgotten how to govern?

I have written all the House and Senate conferees expressing my grave concerns about the course in which we are headed. I call on my House colleagues to join me in expressing outrage over this so-called deadlock—and demand that the job we started be finished.

NEW EXTRADITION TREATY WITH GREAT BRITAIN

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, yesterday the State Department announced the signing of a new Extradition Treaty with Britain. The new agreement changes the political offense provision of our existing treaty which provided an exemption for individuals charged with so-called political offenses. I rise today to ask that the Senate, the legislative body charged with the responsibility of ratifying such changes, give these new provisions its closest scrutiny. It is well-settled that there are few principles so universally adopted as that of nonextradition of political offenders. Therefore, it is obvious that only a compelling necessity would warrant a change in the political offense exception which dates back to the 19th century and is included in each of the United States 96 treaties of extradition. Given the near universality of the exemption, this new agreement with Britain must be examined carefully.

Mr. Speaker, I am weary of the effect any limitation on the exemption might produce. The United States has never extradited political offenders. To do so would offend this country's image as a democratic haven for the oppressed and a safe refuge for those brave enough to fight for freedom. I admonish Members of both Houses to be careful not to surrender too quickly a principle of law which has held fast for more than a hundred years. Such a change, coming at this time, might work against our diplomatic relations with other countries and be viewed as a means of stifling legitimate political dissent in Northern Ireland, a result which would only have grave consequences and intensify the turmoil which already exists in that country.

BUDGET CONFERFENCE COMMITTEE SHOULD GET BACK TO WORK

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, the budget process is important. It is not pretty, and it does not work today the way we would like it to. I wish it were providing more restraint on spending of all kinds.

Maybe it is only a political statement instead of an economic statement, but it is all we have, and we should make it work. The conference committee has broken up. I think that was a mistake, and it is ridiculous to let it happen and stay in that state of inactivity.

I am not going to point a finger of blame at either body of Congress or either party or any individual. That serves no good purpose. But the conference should get back to work. It should get back together and try to make the budget process come out with some real results.

There are a number of problems: Not enough cuts in domestic spending; too many cuts in defense; and the Social Security freeze. To get the conference going, the Social Security freeze should be eliminated. The chairman of the Senate Budget Committee does not speak for House Republicans. A great majority of House Republicans have voted several times against the Social Security freeze. Eliminate the Social Security freeze from the conference, get back to work, and bring us a budget that will provide $50 billion in real cuts without tampering with Social Security.

□ 1110

TIE A YELLOW RIBBON

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, a constituent of mine, Robert Peel, Jr., of Hutchinson, KS, who was on TWA flight 847, remains in captivity in Beirut along with 46 other Americans, some of whom have been there for many months.

During the Iranian hostage crisis, the American people demonstrated their concern and kinship for these people by displaying yellow ribbons, illustrating their prayers and hopes for the speedy release of their fellow Americans.

Late last week I sent to each of my colleagues a yellow ribbon to place on their doors to display our unity with these people. I urge all my colleagues to place these ribbons on their doors. Let the terrorists in Beirut know that the American Congress is united, united both in unfailing support for our hostages and united in opposition to buckling under to international terrorism.

AN EXPRESSION OF OUTRAGE OVER USE OF THE SPACE SHUTTLE TO BENEFIT MIDDLE EAST NATIONS

(Mr. KASICH asked and was given permission to address the House for 1 minute.)

Mr. KASICH. Mr. Speaker, yesterday 39 of my colleagues joined the gentleman from Mississippi, Mr. TRENT LOTT, the distinguished minority whip, and me in sending a letter to NASA Administrator James Beggs expressing our outrage over the use of the space shuttle to deploy the Arab-

sat telecommunications satellite that benefits Libya, Syria, and the PLO. I believe NASA's cooperation with these anti-American and terrorist elements raises some serious questions regarding future congressional support for the international aspect of the space program.

This situation also calls for closer congressional review of future multinational satellite arrangements.

While my colleagues recognize the importance of providing economic development and support of Saudi Arabia and other Arab countries, my colleagues and I were concerned that providing satellite communication capability to unfriendly nations and organizations will make violence against the United States far easier to coordinate.

Mr. Speaker, taxpayer-supported space programs should never be used to help those who are strongly committed to the use of blackmail and armed force in furthering their goals, and Congress should demand that this never happen again.

BEIRUT INTERNATIONAL AIRPORT—A PIRATE BASE

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, Beirut's beautiful International Airport has become a pirate base. It has become the home port of international terrorism.

Yesterday the Committee on Foreign Affairs unanimously approved my proposal which effectively puts Beirut Airport out of business. In a nutshell, any country which allows aircraft from the pirate-controlled Beirut International Airport to land at its airport will find American airports closed to its airline and will find that no American carrier will go to it.

Mr. Speaker, we have the capability and the political will to prevail over international terrorism. Terrorists are determined to destroy the fabric of civilized society, but they must not and will not succeed.

Closing down Beirut International Airport is the first step in this direction.

USING FEDERAL BLOCK GRANTS TO AID THE HOMELESS

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, a recent cartoon by Gary Trudeau poignantly illuminated the plight of the homeless in America—a growing problem of tragic human dimensions.

The bag ladies, the wandering, disheveled men wearing several layers of clothing, those who sleep on warm air grates—are an increasing sight in American cities.

Studies show that at least 30 percent of these homeless are mentally ill and disturbed—often deinstitutionalized.

I urge my colleagues to join me and 27 other House Members to cosponsor H.R. 2235—a bill which, among other things, encourages States to use Federal block grants to develop, implement, and enhance housing counseling services for persons facing release from mental facilities.

As we prepare to head home for our early summer break, let's not forget the sad plight of those who have no home.

We can help them, and we should.

A CRITIQUE ON UNDERSTANDING THE PRESIDENT

(Mr. RUSSO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSSO. Mr. Speaker, I can understand why there is a little misunderstanding about what the President meant when he said certain things last year. Let's take a look at what the administration said about oil and gas tax breaks. In November last year, this administration said that they cannot be justified for all the millions and billions of dollars they cost, but then in May of this year the President said, "Well, we need them for national security."

So now we have to give billions of dollars in oil and gas tax breaks, and that is why we are not putting anything in the strategic petroleum reserve when the oil is at its cheapest.

So we have to listen carefully when the President talks. He says one thing, and we have to understand that he may mean something different. So in November of last year, when he said he would never cut Social Security, what he really meant was that he would cut Social Security. In November 1986, when we are up for reelection, the President will probably say that he would not cut Social Security again. So we just have to be careful how we interpret the President's statements.

HOUSE DEMOCRATIC TASK FORCE SCORES WELL ON FIGHTING WASTE, ABUSE, AND FRAUD

(Mr. HERTEL of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HERTEL of Michigan. Mr. Speaker, I am very proud of the House Democratic Task Force on Defense Waste, Fraud, and Abuse. We brought eight amendments to the floor, and so far all have passed except for one, and that was my amendment last night on giving the inspector general the power to debar and stop contractors who commit fraud.

The reason we failed in passing that amendment last night is because we only had 24 Members of the minority party vote with us. Let me say that the Democrats are going to continue to clean up the Republican mess in the Pentagon. I think we are going to be successful, and I want to remind the Members, especially the minority party Members, that today, when the amendment of the gentlewoman from California [Mrs. BOXER] comes up on "should costs," that amendment had strong support in the other body and Senator GRASSLEY and Senator GOLDWATER were prime supporters of that amendment, so I expect that we will have bipartisan support of Mrs. BOXER's amendment today so we can win seven out of eight of the House Democratic Task Force's amendments on defense waste, abuse, and fraud, with reference to their report.

TODAY'S VOTE ON FEDERAL ELECTION COMMISSION AUTHORIZATION

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, today we will vote on the Federal Election Commission authorization on suspension—perhaps. I said the same thing yesterday, and we did not quite make it. When we do, I hope that all of the Members will consider that we are voting on an authorization; we are not voting on a set of regulations. We are not voting on whether there will be compulsory union dues applied to information given to membership in the union or whether stockholder funds will be spent communicating with stockholders.

□ 1120

If the House wishes to preserve the oversight process, I think it ought to pass the bill today. Our problem is that we have an authorization which is less than last year's. I would think it would be something the House would want to stand up for.

I would add parenthetically that as far as I know, there are no bills within our committee relating to election law other than those which have been submitted by committee members; and those who have fish to fry or causes to make would be advised to present bills to the committee and we would be glad to give them the customary hearing.

I urge a vote in favor of the FEC authorization.

A FIRST FOR FLIGHT SECURITY

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, yesterday the House Foreign Affairs Committee passed a very important antihijacking/antiterrorism piece of legislation, the International Airport Security Cooperation Act. Incidentally, it was passed by a unanimous vote.

What we incorporated into that antihijacking bill was a first in this country. We said that all flights at all international airports must meet FAA U.S. security standards—the highest and toughest standards for security in the world. We cannot be satisfied with the minimum standards of the international civil aviation groups. This is an international community of airports, and it deserves and requires the highest standard of protection.

I commend my colleagues on the Foreign Affairs Committee for this action. I, of course, supported this initiative. And now the legislation goes to the House Public Works Committee. We are confident that together we can quickly report out a bill that takes some major steps and for the first time deals with the hijackings and terrorism that have been plaguing this globe.

THE TRAGEDY OF DEINDUSTRIALIZATION

(Mr. JENKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JENKINS. Mr. Speaker, a deep tragedy is occurring across this Nation that most of us on both sides of the aisle have recognized for some time, and that is the total deindustrialization of this great Nation. We are commencing to see in every industry the displacement of jobs and the total loss of domestic industries.

This is not a partisan issue. This is an issue that calls for bipartisan action.

We in the legislative branch probably recognize the dangers much quicker and much easier than the executive branch. We have from the administration today no policy in the field of trade.

All of us want to pursue that elusive goal of free trade, but we simply do not yet recognize that we are playing in a different ball game. We are playing during a time when multinational corporations, either from here or from Japan or many other nations, can shift capital, can shift total industries from one low-wage country to another until they have totally displaced the workers in an industrialized nation, including this Nation.

So I am not speaking just of textiles or shoes or lumber; I am talking about high technology, I am talking about agriculture, I am talking about everything we are facing in this field must be addressed. And if the administration will not do it, this legislative body must address the issue immediately. If we fail to do so, the result has to be the reduction of the standard of living for most Americans.

NO REASON TO DEFEAT FEC LEGISLATION

(Mr. SWIFT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWIFT. Mr. Speaker, yesterday I had to take the well in order to address the fact that the membership was being told that the FEC has regulations, proposed regulations that are going to do this and that and something else.

That is not accurate. The FEC has put out some suggestions for comment. I have seen some of them. I find some of them a little iffy myself. There is plenty of time for comment. There are no proposed rules before the FEC.

This morning we heard that there was a bill we were going to vote on today that was going to do this and that and something else.

I wish I had the legislative skill to work all of that mischief into seven lines of a bill, seven lines, two of which are the enacting clause. It states the date, fiscal year 1986; it sets the amount. It extends no additional jurisdication whatsoever to the FEC. There is plenty of opportunity to be heard on the suggestions that the FEC has let out for comment, plenty of time to do that before they even are considered to become proposed rules. And there is no reason whatever to defeat the FEC authorization and disrupt the orderly process by which this legislative body functions.

DEFEAT FEC BILL UNDER SUSPENSION OF RULES

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I hope the House will defeat the FEC bill on suspension when we vote here in a few minutes.

Nearly every major conservative group in this town is opposed to this legislation, which makes it controversial on its face. There is no reason why we ought to be considering such controversial legislation on the Suspension Calendar. That is the issue here. It is the controversy surrounding it. Suspension legislation is supposed to be brought up only when there is wide agreement in the House over its passage.

That is not the case with the FEC bill. It ought to be considered under a regular rule so that we can then, in fact, have some of the amendments that Members may want to bring to the attention of the body. We will not get that opportunity unless we defeat it under suspension today.

I would remind the House that when this bill came before the House on Monday and was debated, it was defeated, not just by a one-third vote, but actually defeated on a division by the Members who had heard the debate.

I would hope that the House today will uphold the House decision by those Members who heard the debate on Monday and will defeat the FEC authorization today.

FEC AUTHORIZATION TOO CONTROVERSIAL FOR SUSPENSION CALENDAR

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, I rise to urge a no vote on the FEC authorization today.

As a previous speaker said, this issue is far too controversial to come here on the Suspension Calendar. We need it to come under an open rule or regular rule so we can fully debate what is going on.

These suggested rules, I know they are not proposed regulations at this point in time, but it shows intent of where the FEC wants to go in suppressing free speech in this country, and we have to stand up and protest against that movement toward suppression of free speech. And those who are concerned about being able to keep surpluses in their campaigns and how multicandidate groups can give to their campaigns ought to look at this carefully and should, I submit to my fellow Members, vote no now and let us bring it back under a regular rule.

ENERGY EFFICIENCY STANDARDS BILL FOR 1985

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, today Senator CRANSTON and I introduced the Consumer Products Energy Efficiency Amendments of 1985. Our Nation has become lazy about its energy problem. Unfortunately while we have been sleeping our energy situation has worsened. Energy consumption rose by 4.5 percent in 1984, the first increase since 1979, and the largest single-year increase since 1976. Our dependence on insecure Arab OPEC oil averaged 5.1 percent in 1984, only slightly lower than the 1973 average of 5.3 percent, the year the phrase "energy crisis" became a household

expression. The tragedy of the hostages in Beirut reminds us of the volatility of the Middle East and the folly of depending upon that unstable region for vital energy supplies.

The Consumer Products Energy Efficiency Amendments of 1985 which Senator CRANSTON and I introduced today is an important first step in improving America's energy future. But the bill does much more than conserve energy, it will save consumers money on their utility bills and reduce the destruction of our environment by acid rain.

This legislation would allow consumers to conserve energy and save money on the home appliances that consume the most energy: furnaces, central air-conditioners, water heaters, and refrigerators. While these appliances account for about 80 percent of an average consumer's energy use, their energy efficiency has improved very little over the past 10 years for two simple reasons: First, consumers lack the information they need to understand the relationship between appliance efficiency and utility bill savings, and second, they quite often have no say in the purchase of these appliances which usually come as standard equipment in rental units, and repurchased and new homes.

This bill will improve consumer information by requiring disclosure of appliance efficiency in advertising similar to what is now being done with autos and by directing the Department of Energy to publish appliance efficiency guides. It would also require DOE to establish minimum energy efficiency standards for furnaces, central air-conditioners, water heaters, refrigerator/freezers, refrigerators, and freezers.

By removing the worst energy guzzling appliances from the marketplace this bill will save consumers a great deal of money on their utility bills. Even more money will be saved because efficient appliances could eliminate the need for the construction of about 200 new powerplants over the next 20 years. As a result the dreaded "rate shock" that occurs when expensive new plants come on line could be avoided and the consumer's energy costs further reduced.

This bill will also reduce the destruction of our environment by acid rain. The forests, lakes, and streams of New England have been devastated by acid rain. By reducing the need for the construction of new powerplants, many of which would burn coal, the emissions that cause acid rain would be reduced.

Another benefit of the bill is that it will help the American appliance industry become more competitive in world markets. The Japanese are producing refrigerator/freezers that are twice as efficient as typical American models. The world appliance market is dominated by the Western Europeans and the Japanese. With more efficient appliances American companies could enter world markets and also maintain their competitiveness in domestic markets.

Today at the press conference that we held on the bill we had the Amana Corp., with us showing some of their most efficient appliances, a company that has really been in the forefront of appliance efficiency. They spoke in favor of the legislation.

Mr. Speaker, this bill is an important move toward improving America's energy future. Energy efficient appliances conserve energy, save consumers money on utility bills, improve our competitiveness in world markets, and help alleviate the problem of acid rain.

THE FOURTH OF JULY WILL BE A SAD DAY FOR MANY IN SPRINGFIELD, IL

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, when the House returns after the break for the Fourth of July weekend, the largest single private manufacturing facility in my hometown of Springfield, IL, will have closed its doors for the final time. The Fiat-Allis Co. of Springfield has served that community for decades, has provided employment for literally thousands of central Illinois residents and over the Fourth of July break will close its doors forever.

Mr. Speaker, hundreds and thousands of employees will be looking for help, for unemployment compensation, for adjustment assistance, for the promise of another job.

Mr. Speaker, I do not come to the well today to ask for sympathy for these employees but perhaps an understanding of some basic facts, basic facts that led to the closing of this facility: No. 1, the economic recovery which we have heard so much about has not arrived in parts of this Nation, including my home district. No. 2, as we debate many issues in Washington we still do not have a basic trade policy in this Nation as to how we are going to deal with imports. Nor do we have any determination by this administration to foster competition by U.S. industry at a time when we so sorely need it.

Finally let us disabuse ourselves of the myth once and forever that a strong dollar is somehow good for the American economy. A strong dollar has put many people in my hometown of Springfield, IL, out of work and threatens scores of businesses.

MAKE SURE FEDERAL ELECTIONS COMMISSION DOES THE JOB YOU WANT IT TO DO

(Mr. THOMAS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of California. Mr. Speaker, in a few minutes we will have a chance to vote on the Federal Election Commission authorization. For those of you who are looking to hold the cost of Government down I might suggest to you that the amount that the committee approved for this year's authorization for the Federal Elections Commission is less than the amount that David Stockman suggested would be appropriate to run that agency.

If, however, you believe that the Federal Elections Commission has no redeeming social value whatsoever then I might suggest that you would vote "no." But if you think there is any worth to the disclosure procedures that have been introduced into the election process, I might suggest that you would want to support the reauthorization, but during oversight hearings when there is a chance to amend the law and make necessary changes, that you participate at that time so that the Federal Elections Commission can do the job that you believe it ought to do.

So I guess the choice is: Amend it in the normal process, make sure that it does the job that you want it to do; or, if it has no redeeming social value whatsoever you might want to oppose it.

I would suggest that the proper vote is a "aye" vote on reauthorization and join with me in changing the Federal Elections Commission at the proper time, which is during oversight.

FEDERAL ELECTIONS COMMISSION IS INTERESTED IN FLIGHTS OF FANCY

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, with all due respect to my friend from California, I hope we are not just going to apply the obsenity standard as to whether or not we should vote for this bill. I do think that the FEC has some socially redeeming value. I believe disclosure is extremely important with respect to the Federal electoral process. But I also believe that there are some things the FEC has been doing and not been doing that ought to be brought to the attention of this House. The best way to bring it to the attention of this House is to deal with it during the authorization phase.

Some say we must have it authorized; that we can take care of our con-

cerns later in oversight or in appropriations. But we are also constantly being told on this floor: "Do not authorize in an appropriations bill."

So I assume what we are supposed to do is look to the question of substance during the authorization phase.

This is no complaint against the members of the committee who brought it forth. In fact, they have brought us a bill that, from a fiscal standpoint, is a good bill. That is not what we are arguing about. We are arguing about some of the substance involved here, to the effect that this Commission seems to be far more interested in flights of fancy in terms of how they can rewrite what it is we gave them to enforce instead of in fact coming up with regulations to enforce laws that we have given them. And we are concerned about their failure to follow the Supreme Court where it has interpreted those for them as well.

So I would just ask a "no" vote on suspension so we could bring it up under an open rule.

FEDERAL ELECTIONS COMMISSION AUTHORIZATION, FISCAL YEAR 1986

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's announcement of yesterday, the unfinished business is the question of suspending the rules and passing the bill, H.R. 1532, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and pass the bill, H.R. 1532, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 263, nays 160, not voting 10, as follows:

[Roll No. 192]

YEAS—263

Ackerman	Breaux	Dicks
Addabbo	Brooks	Dingell
Akaka	Broomfield	Dixon
Alexander	Brown (CA)	Donnelly
Anderson	Broyhill	Dorgan (ND)
Andrews	Bruce	Dowdy
Annunzio	Bryant	Downey
Anthony	Burton (CA)	Duncan
Applegate	Bustamante	Durbin
Aspin	Byron	Dwyer
Atkins	Carper	Dymally
AuCoin	Carr	Dyson
Barnes	Chandler	Early
Bates	Chappell	Eckart (OH)
Bedell	Clay	Edgar
Bellenson	Coelho	Edwards (CA)
Bennett	Coleman (TX)	English
Berman	Collins	Evans (IL)
Biaggi	Conte	Fascell
Boehlert	Conyers	Fazio
Boggs	Cooper	Feighan
Boland	Coughlin	Flippo
Boner (TN)	Coyne	Florio
Bonior (MI)	Crockett	Foglietta
Bonker	Daschle	Foley
Borski	Davis	Ford (TN)
Bosco	de la Garza	Fowler
Boucher	Dellums	Frank
Boxer	Derrick	Frenzel
Frost	Martinez	Sabo
Fuqua	Matsui	Savage
Garcia	Mavroules	Schneider
Gaydos	Mazzoli	Schroeder
Gejdenson	McCloskey	Schuette
Gekas	McCurdy	Schumer
Gephardt	McDade	Seiberling
Gibbons	McHugh	Sharp
Gilman	McKernan	Sikorski
Glickman	McKinney	Skelton
Gonzalez	Meyers	Slattery
Goodling	Mica	Smith (FL)
Gray (IL)	Mikulski	Smith (IA)
Gray (PA)	Miller (CA)	Smith (NE)
Gregg	Miller (OH)	Smith, Robert
Guarini	Miller (WA)	Snowe
Hall (OH)	Mineta	Solarz
Hamilton	Mitchell	Spratt
Hatcher	Moakley	Staggers
Hawkins	Mollohan	Stallings
Hayes	Moody	Stark
Heftel	Moore	Stokes
Henry	Morrison (CT)	Stratton
Hertel	Morrison (WA)	Studds
Hillis	Mrazek	Swift
Hopkins	Murphy	Synar
Horton	Murtha	Tallon
Howard	Natcher	Tauzin
Hoyer	Nowak	Thomas (CA)
Huckaby	O'Brien	Thomas (GA)
Hughes	Oakar	Torres
Jacobs	Oberstar	Torricelli
Jeffords	Obey	Towns
Jenkins	Olin	Traficant
Johnson	Ortiz	Traxler
Jones (NC)	Panetta	Udall
Jones (OK)	Pease	Vento
Jones (TN)	Penny	Visclosky
Kaptur	Pepper	Volkmer
Kastenmeier	Perkins	Walgren
Kennelly	Pickle	Waxman
Kildee	Price	Weaver
Kleczka	Quillen	Weiss
Kolter	Rahall	Wheat
Kostmayer	Rangel	Whitley
LaFalce	Ray	Whittaker
Lantos	Regula	Whitten
Leach (IA)	Reid	Williams
Lehman (CA)	Richardson	Wirth
Lehman (FL)	Rinaldo	Wise
Leland	Roberts	Wolpe
Levin (MI)	Rodino	Wright
Lipinski	Roe	Wyden
Long	Roemer	Wylie
Lowry (WA)	Rose	Yates
Lundine	Roukema	Yatron
MacKay	Rowland (GA)	Young (FL)
Manton	Roybal	Young (MO)
Markey	Russo	

NAYS—160

Archer	Dickinson	Kemp
Armey	DioGuardi	Kindness
Badham	Dornan (CA)	Kolbe
Barnard	Dreier	Kramer
Bartlett	Eckert (NY)	Lagomarsino
Barton	Edwards (OK)	Latta
Bateman	Emerson	Leath (TX)
Bentley	Erdreich	Lent
Bereuter	Evans (IA)	Lewis (CA)
Bevill	Fawell	Lewis (FL)
Bilirakis	Fiedler	Lightfoot
Billey	Fields	Livingston
Boulter	Ford (MI)	Lloyd
Brown (CO)	Franklin	Loeffler
Burton (IN)	Gallo	Lott
Callahan	Gingrich	Lowery (CA)
Campbell	Gordon	Lujan
Carney	Gradison	Lungren
Chappie	Green	Mack
Cheney	Grotberg	Madigan
Clinger	Gunderson	Marlenee
Coats	Hall, Ralph	Martin (IL)
Cobey	Hammerschmidt	Martin (NY)
Coble	Hansen	McCain
Coleman (MO)	Hartnett	McCandless
Combest	Hendon	McCollum
Courter	Hiler	McEwen
Craig	Hubbard	McGrath
Crane	Hunter	McMillan
Daniel	Hutto	Michel
Dannemeyer	Hyde	Molinari
Darden	Ireland	Monson
Daub	Kanjorski	Montgomery
DeLay	Kasich	Moorhead
Myers	Schaefer	Stenholm
Neal	Scheuer	Strang
Nelson	Schulze	Stump
Nichols	Sensenbrenner	Sundquist
Nielson	Shaw	Sweeney
Oxley	Shelby	Swindall
Packard	Shumway	Tauke
Parris	Shuster	Taylor
Pashayan	Siljander	Valentine
Petri	Sisisky	Vander Jagt
Porter	Skeen	Vucanovich
Pursell	Slaughter	Walker
Ridge	Smith (NH)	Watkins
Ritter	Smith (NJ)	Weber
Robinson	Smith, Denny	Whitehurst
Rogers	Snyder	Wolf
Roth	Solomon	Young (AK)
Rowland (CT)	Spence	Zschau
Rudd	St Germain	
Saxton	Stangeland	

NOT VOTING—10

DeWine	Levine (CA)	Wilson
Fish	Luken	Wortley
Hefner	Owens	
Holt	Rostenkowski	

□ 1150

Messrs. LOWERY of California, McCAIN, and ROWLAND of Connecticut changed their votes from "yea" to "nay."

Mr. CONYERS and Mr. CARR changed their votes from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1158

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr. RUSSO (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, June 25, 1985, title VIII was open to amendments printed in the CONGRESSIONAL RECORD before June 21, 1985.

The first order of business is the amendment to be offered by the gentlewoman from California [Mrs. BOXER], on which debate on this

amendment and all amendments thereto has been limited to 1 hour, to be equally divided between the gentlewoman from California [Mrs. BOXER] and a Member opposed thereto.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the amendment that we are about to consider is the Boxer amendment on which, according to the unanimous-consent request of last night, there will be an hour debate, the time equally divided between the gentlewoman from California [Mrs. BOXER] and a Member in opposition.

Mr. Chairman, the time for the opposition should be given to the gentleman from Alabama [Mr. DICKINSON].

□ 1200

At the end of the consideration of the Boxer amendment, we will at that point, I think, be finished with title VIII. At the conclusion of title VIII, I would like to ask unanimous consent that we then proceed back to title II and to finish the bill starting with title II and going in sequence. If we do that, the next amendment would be the ASAT amendment to title II, and we would then proceed with the remaining part of the bill from that point on. Just going by title.

We now have a number of amendments printed in the RECORD to each of these titles, but it is just to clean up the titles between title II and title X, which will deal with the remaining issues in the bill and hopefully complete as much of that as we can today with leaving us only the odds and ends in title X to be finished later.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman.

Mr. Chairman, I have no objection. As a matter of fact, we have discussed this and I agree with it. I was wondering if my chairman could give the House some indication of what our target for completing this bill is so that people might make plans.

Mr. ASPIN. I would like to answer the gentleman's question, and it is important that the Members of the House understand where we are with this bill.

We have the Boxer amendments before us. We do have an ASAT amendment that is an important piece of legislation. Having completed that, we will have completed the bulk of the things having to do with defense. We will have completed the Defense bill. There are a number of other issues that people have amendments to, and have raised using the Defense bill as a vehicle for getting those amendments considered. We will consider some of those amendments after the completion of the ASAT amendment.

At some point, I would like to ask unanimous consent, and if we do not get unanimous consent, move that we complete consideration of this bill by 2 o'clock tomorrow afternoon.

Now, if we do that, of course all amendments that are printed in the RECORD at 2 o'clock will still have a chance to be offered with 5 minutes on one and 5 minutes on the other. So we will not finish at 2 o'clock, but if we are going to finish at a reasonable hour tomorrow, I would ask that we approve the procedure whereby we finish the bill by 2 o'clock tomorrow afternoon.

Mr. DICKINSON. If the gentleman would yield further, there is some discussion going on with Mr. BROWN, the principal author of the ASAT amendment. Does the chairman think if that could be resolved, since there is a Warner amendment similar to this in the Senate bill, if that could be resolved, does the chairman think it is possible perhaps to conclude the en tire bill by 9 or 10 o'clock tonight?

Mr. ASPIN. I think the gentleman is doing a little wishful thinking. I would be perfectly willing to quit by 9 or 10 tonight, but I am looking at this thing realistically. I am sure we are going to be able to do it by 2 o'clock tomorrow afternoon; it depends on how much time we take on the amendments today.

Mr. DICKINSON. If the gentleman would yield further, I am optimistic, but I do think that perhaps in discussion with Mr. BROWN and others interested in that, we might be able to resolve that, and if so, perhaps if we work as late as 9 or 10 o'clock tonight we could conclude the whole bill. Does the gentleman think that is possible?

Mr. ASPIN. I would agree. The gentleman is correct in the sense that after the ASAT amendment we will have done the Defense bill. We have done all of the things that are important to do for an authorization bill having to do with buying the weapons systems for the U.S. Armed Forces.

Mr. DICKINSON. And all the rest are amendments.

Mr. ASPIN. The rest of the stuff are things that people are using the Defense bill to hang on, and the House can consider as many or as few of those amendments as the Members of the House want to consider.

Mr. DICKINSON. I thank my chairman. I just wanted to raise this as a possibility; not necessarily a probability, but so that the Members can understand that it is possible we can finish this thing tonight with cooperation all around. We are certainly working toward that end.

Mr. ASPIN. I am all for it.

The CHAIRMAN pro tempore. Would the gentleman from Wisconsin [Mr. ASPIN] please restate his unanimous consent request?

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that when we finish the Boxer amendment and title VIII, we go back to title II and proceed from that point, which would bring up the ASAT amendment next.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MRS. BOXER

Mrs. BOXER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BOXER: At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. COST AND PRICE MANAGEMENT IN DEFENSE PROCUREMENT.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2406. Cost and price management

"(a) In this section:

"(1) 'Covered contract' means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306 of this title, including contracts for full-scale engineering, development, or production.

"(2) 'Defense agency' means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

"(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, material costs, subcontract costs, overhead costs, general and administrative costs, fee or profit, recurring costs, and nonrecurring costs.

"(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor used by the prime contractor and each associate contractor in manufacturing the item and for labor used by each such contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

"(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as 'should-take times') for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the 'fair day's work' concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard systems widely used in the United

States, as determined by the defense agency, subject to verification by audit.

"(C) The head of a defense agency acquiring a bill of labor referred to in subparagraph (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured work content as work progresses under the contract to which the bill of labor relates.

"(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of material used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in performing routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

"(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

"(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

"(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of the enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost and price management.".

Mrs. BOXER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN pro tempore. Under the unanimous-consent request, the gentlewoman from California [Mrs. BOXER] will be recognized for 30 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, our time is very restricted on this amendment, but that is OK, because it is a very simple and straightforward amendment, and 1 hour should be sufficient.

I know that many points will be raised both in support and opposition to this amendment, and I want to assure Members that I will answer all the points in opposition during the last 5 minutes of my 30-minute time limit.

I want to begin by showing the Members a very expensive piece of jewelry, probably the most expensive piece of jewelry that I own. It is my very own bracket, and the cost is $805, from Boeing. This bracket's only function was to hold a piece of wire on an air-to-ground missile. Now, small business tells me they could produce this same bracket for $25.

We know when we look at an item such as this or a $7,000 coffee pot or a $400 hammer that these are scandalously overpriced. But what about a missile? What about a radar system? It is much more difficult for us to make that judgment. I say that we need to have in place a way to get the information we need to get behind the headlines to the cause of rampant waste and inefficiency that is characterizing our military procurement system.

My amendment is an important step in getting the cost information that we need so that we can perfect our procurement system. What is costing so much? Is it labor? Is it material? Is it overhead? Is it profit? Right now, we do not know, but what is more scandalous, the Secretary of Defense does not know. I see some of my colleagues are here from the Budget Committee, and when we asked the Secretary of Defense at a Budget Committee hearing: "What is the average rate of profit for defense contractors? ", all he could do was shrug his shoulders; he had no idea.

I say that this Congress needs the answers. I say that this Congress deserves the answers. This amendment will give us those answers. Now, this is what my amendment requires. It requires that the Department of Defense ensure us that records are maintained on proposed, negotiated, and actual costs of contracts. It is very simple.

My friends, this is all we are asking for. This is the contract, proposed costs, negotiated costs, actual costs. We are asking, "What is the labor cost? What is the material cost? What is the subcontractor cost? What is the overhead cost? What are the general and administrative costs, and what is the fee and the profit? "

I do not think this is too much to ask. We need to have this information. You will hear arguments that we need hearings on this very issue. I say the Senate did not think so; they passed this amendment verbatim. I say you do not need hearings to simply get information. That is all this is, information. We are not setting policy; we are not requiring any onerous burden on anyone; we just want information.

□ 1210

Finally, in support of this amendment, I want to show my colleagues one more chart on contractor efficiency. I want it understood that these figures are based on contractors' own efficiency estimates, so these measurements are against their own efficiency estimates, and when we look at this chart, I think we will understand the need for my amendment.

I want Members to know that the information on this chart was obtained by the Senate Budget Committee. It took them over 5 months to get this information, information that we need to have to make intelligent decisions. For too long we have been in the darkness, and it is time to shine the light on this kind of situation.

When you look at these efficiency rates, you will be shocked, as I was, I am sure. The very best efficiency rate, 73 percent, Boeing, for the air-launched cruise missile. I want to tell you that in the private sector the average efficiency rate is in the 85 to 95 percent range. Yet this very best one is only 73 percent, and it goes down from there, all the way down to 13 percent efficiency rate with the MX missile, the Autonetics Division of Rockwell.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I would be happy to yield to the gentleman from Washington.

Mr. DICKS. I thank the gentlewoman for yielding.

Mr. Chairman, is the reason for that because the contractors are understating the number of hours that it is going to take to do the work in order to have a lower bid in order to get the work in the first place?

Mrs. BOXER. The reason why this is occurring is something we do not know. The reason for the amendment before us is to get to the bottom of what is actually happening. All we know, is the result of Senator GRASSLEY's work. We found this much out.

I am not here to condemn any contractor, to say why or where. I am here to say that we need the information to know why this is occurring, and with my amendment we will get to the bottom of that information.

Mr. COURTER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am sorry. I only have 30 minutes for this entire amendment and I must continue. I will answer all the questions you raise at the end of my time.

Mr. Chairman, my amendment, a companion to Senator GRASSLEY's would make the information we need readily available. What will we learn? We may learn that overhead is being inflated. This is what my colleague, the gentleman from Washington, just asked.

We may find there are other reasons why we have problems. In the case of the $436 hammer, my friends, the overhead was one-third the cost of that hammer. It is outrage. We need to know why this is happening.

I say, even by the very act of requiring this information, we will see an improvement in contractor efficiency when they know we are, indeed, looking at what they are doing. For too long, we in Congress have blindly accepted the Pentagon's rationale for the need and costs of our major weapons systems, but the climate has changed. We all know the climate has changed. We can no longer rubberstamp Pentagon budget requests. However, we need to understand what it is we are fighting. Why it is that writing a blank check is no longer an acceptable way of doing business.

The reform process needs information. That is what we are proposing—that information be readily accessible. It should be. Under this amendment it will be.

So my final words to my colleagues are these: There is no new bureaucracy created by my amendment. There is no new paperwork created by my amendment. We are asking for information, and I urge that Members support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California [Mr. BADHAM].

Mr. BADHAM. I thank the gentleman for yielding this time to me.

Mr. Chairman, I read with great interest the amendment offered by the gentlewoman from California, and the "Dear Colleague" that she sent on June 17 that has to do with "standard labor hour rates" and "should cost" engineering estimates.

The arguments in favor are presented in a very clever, erudite manner. It uses defense contractor overcharging, which we are all aware of, to justify an unrelated proposal. This is sensationalism.

The gentlewoman in her letter provides efficiency rates for various weapons systems; as the chart shows that is still in the well. One should accompany these numbers with explanation but there is apparently none. No conception is evident about understanding that manufacturing processes cause differences in efficiency rates, across technological disciplines. Perhaps I can shed some light on this.

First of all, we just cannot apply universal algorithms to arrive at efficiency rates. In the defense industry business, we are frequently not building thousands upon thousands of automobiles or manufactured items that are mass produced, as we would in commercial industry. We are manufacturing highly technical, high spec, specialized systems.

Second, there are, and there will remain, differences in efficiency rates between a tactical missile and a strategic bomber, or between tactical missiles themselves. For example, the gentlewoman does not point out that there is special material that is used in the production of the B1-B bomber, and there is no automated technique to put this on. It is hand laid. It cannot be other than hand laid, similar to the tiles on the space shuttle. They cannot be mass produced; there are not enough of them to warrant mass production and there is no technique available or evolvable to do that.

Had the gentlewoman been here and voted for the 244 B-1 bombers that originally was the concept, I am sure we would be farther down the learning curve because there would be more of them and we could mass produce some of the things that now have to be hand laid because of the shortage of numbers in the production process.

Another example is the Stinger missile. It is used by the Army and it has to have a complicated dual guidance system that requires intricate electronic dynamic balance. This missile is much more difficult and complicated, and it has a different efficiency rate from a Sparrow or a Sidewinder because there are fewer of them, they are more complicated in guidance, and so forth.

The attempt to put efficiency rates on things like that is really going beyond, beside, and not addressing directly the argument.

The gentlewomen does not say one word about how the Congress itself and OMB have caused poor efficiency rates by the way we buy things. We were going to build 100 MX missiles. Congressional cuts and delays, we are down to 40.

Congress itself has increased the cost and thereby lowered the efficiency of the production of MX. Congress has done that; not the contractor.

The graph of the gentlewoman presents efficiency rates for systems that are in different phases of development. By using her figures and her own graph, one can see that the efficiency in production of the air-launched cruise missile is very high. Well, it ought to be; it is at the end of the run. They have been producing them for several years now and the people doing it have been doing it and the learning curve is such that it takes fewer man-hours to produce an air-launched cruise missile at the end of the run than it does to produce a Maverick that is barely out of R&D.

□ 1220

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I am no expert on time studies, but it seems to me rather obvious that if you had a completely automated plant with no touch labor, you would have an infinite cost per labor hour; and yet automation is the thing that manufacturers are working toward today.

Is it not the case that the real problems of inefficiency have nothing to do with the hour standard of costing and, therefore, this kind of an analysis is really diverting our attention from what are the causes of inefficient production?

Mr. BADHAM. Mr. Chairman, I thank the gentleman, and I agree with him. This amendment is designed, unfortunately, however well-intentioned, to drive us back into the Dark Ages, to get away from CAD/CAM—computer-aided design and computer-aided manufacturing—to get us away from robotics, and to get us away from all the technological advances we are able to use to go down the learning curve rather than go up.

Yes; we can have more efficient labor by using hand techniques of yesteryear: men and women using hand tools and picks and shovels rather than mechanized equipment.

So this amendment, I would say, is ill-advised. Give the committee a chance to hold hearings on the subject, and I predict that we will come up with a provision of law that will increase Defense efficiency by reducing costs through the use of technology, not through the use of pick and shovel technology.

Mrs. BOXER. Mr. Chairman, I would inquire as to how much time I have remaining.

The CHAIRMAN pro tempore. The gentlewoman from California [Mrs. BOXER] has 23 minutes remaining, and the gentleman from Alabama [Mr. DICKINSON] has 22 minutes remaining.

Mrs. BOXER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would have to say that most of the statements by the previous gentleman in the well simply do not accurately depict what the Boxer amendment does. There is nothing in this amendment that requires the defense contractors to go for mass production. There is nothing that requires that they do anything other

than what they honestly believe will provide us the best product.

If the construction of the B-1 bomber requires the handling on of ceramics, if it requires the placement of ceramic tiles, like the space shuttle, that goes into the bid. That is what they tell us they will need in terms of the labor component of these contracts.

What we are looking for is this: Why is there such a great divergence? When this issue came up, a number of contractors had come forward. Boeing has said, "We will be delighted to explain to you the difference between our original bid and the actual hours because we think we can justify every hour." Other contractors have run for the hills.

We would like to know the difference between those contractors that run for the hills and those who are willing to explain it. Nobody is holding them to any system of production; nobody is holding them to any method of production, because that comes in their original bid.

Now, we do this in almost every other area of Government. When we let public works contracts, we know how many hours it takes to do a certain job. We measure that with respect to the bid and with respect to the completed hours.

In the School Lunch Program, if they tell us they are going to deliver a thousand lunches a day and they deliver 1,500, we ask, "What is the reason for the difference? Did 500 more kids show up today, or are you taking the lunches and selling them on the street corner?" We have a right to this.

What the Boxer amendment says is that we are asking the Department of Defense to start delivering an informational base so that the Department of Defense can tell whether or not we are getting insufficiently correct bids so people can win the initial contract and then jack up the price later after they are the sole supplier.

What we are saying is that we should develop this information over a period of years. Then the committee will have something to hold hearings on. Right now if they wanted to hold hearings, they would not have anything before them because this information has not been gathered.

The fact of the matter is that what we need is a base of information built up over a period of time. That is what the Boxer amendment does. It does not penalize anyone. If they are on the cutting edge of technology, they get to figure that into their bid. If it turns out that somebody else who is doing a similar system did it cheaper, we may want to look at that. Let us grant that. We are dealing with very sophisticated systems, but a number of jobs are not that sophisticated. A number of them are welding, whether it is special-materials welding or not; a lot of it is riveting, whether it is special-materials riveting or not. So we can start to judge from one contractor who is doing light jobs against another contractor. And it is not a question then of whether we go out and indict somebody; it is a question of whether we have accurate information upon which we can base whether or not we are being Uncle Sam or Uncle Sucker.

Are we paying people who are taking advantage of us? That is the test. If the Congress or this committee is afraid of that information, then Members ought to support them in their request to kill this amendment; if they are not afraid of information, they ought to support the Boxer amendment.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. MILLER] has expired.

Mrs. BOXER. Mr. Chairman, I yield 30 additional seconds to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, the reason the committee does not like this amendment is that this amendment is for real. If this amendment goes in the bill, I say to the Members, it is for real because it is in the Senate bill. Senator GRASSLEY got it in the bill. So it does not come out in conference. They do not play games with it. They do not change the intent of the House. This is real reform in terms of production costs.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, let me ask, is it not true that the other body adopted this unanimously?

Mr. MILLER of California. After compiling the information, they adopted it unanimously, and that is why the committee does not like this amendment, because they will not get to support us on the floor and then work against us in conference. So this is real reform. Some things we did last night may or may not survive the conference. This one will.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think that the Committee on Armed Services is being described as assuming or taking a certain posture, which really we are reluctant to do, and I would like to make a couple of points here.

I think that what the gentlewoman from California is attempting to do is commendable. I think that most of the members of our committee would certainly support what she is attempting to achieve. It is just that we have very real reservations as to whether or not what the language in the amendment says would in fact achieve the purpose that we would all like to see.

In talking with the Department of Defense—not necessarily the contractors—they tell us that it is not workable for a number of reasons. One is that the production quantities quite often are small. We have a unique need for a widget or whatever that goes on the aircraft or on a ship, or whatever, and so you cannot go into the commercial run, as would normally be the case when somebody is going into a commercial enterprise and when one wants to compete and they say, "Hey, there's a need for this. We are going to get into the business and we are going to make a run and make so many of these because we feel that the market out there would absorb so many of these items."

□ 1230

So it really is not comparable in many, many instances, to what the needs and the requirements of contracting for the Department of Defense to the commercial sector of the country.

Second, many of the items that are required by the Department of Defense are very technically sophisticated and are not duplicated in the commercial world. For that reason, you cannot get a comparison.

Third, and I really would like to emphasize this, I would like all the Members to be aware of this, there is not one major weapons system that is being acquired for the Department of Defense today that is manufactured at the most economical rate, not one. You cannot name one, a ship or antisubmarine warfare equipment or aircraft, and the main reason is the Congress.

We determine the rate of production and we squeeze back and we stretch out the production rate; so even if you have information that the gentlewoman would require, it is really sort of meaningless, because if you go to industry and say, "Hey, what is the best production rate, what would you normally expect this to cost per item?"

They say, "Well, on a run of so and so, it will cost this."

Well, when you are buying M-1 tanks or F-16 aircraft or whatever, F-15's, for instance, we are spending, the best estimate is, over $1 million per F-15 aircraft over what we would have to spend if we produced it at the most economical rate.

Why do we not produce it at the most economical rate? Because the Congress says that we do not have that much money, we will only fund it up to this amount and they stretch out the production rate and you get them later and pay more for them. That is our problem. That is not the contractor's fault, but we do that. We do that every year on most every major weapons system, the M-1 tank, the F-16, the F-18, you name it. The

Congress determines and mandates that we stretch out the production rate, which runs up the production cost.

I use this as an example to say that requiring this information is not necessarily all that good, but we all look forward, we are supportive of what the gentlewoman is attempting to do.

I wonder if I might have the attention of the author of the amendment. I would like to ask the gentlewoman a couple questions, if she would respond.

Mrs. BOXER. Yes.

Mr. DICKINSON. Let me ask, in a case like this when we have a firm fixed price contract and we do that occasionally, a firm fixed price contract——

Mrs. BOXER. Mr. Chairman, let me answer, this does not apply to firm fixed price contracts. It applies only to the negotiated contracts, which are about 96 percent of the dollars.

Mr. DICKINSON. The gentlewoman is saying then that a firm fixed price contract is not negotiated?

Mrs. BOXER. No; this amendment only applies to those negotiated contracts, which is 96 percent of the dollars of all the procurement.

Mr. DICKINSON. Well, in reading the language, I did not get that sense from it. I wonder if the gentlewoman might point out where that exception is in the amendment.

Mrs. BOXER. Well, as the gentleman knows, this language was passed verbatim by the Senate.

Mr. DICKINSON. I do not care what the Senate did. I am asking about the gentlewoman's language.

Mrs. BOXER. If the gentleman would allow me to complete my thought, I will find the place in the bill for the gentleman in one moment—it applies to those negotiated contracts.

Mr. DICKINSON. All right, if the gentlewoman's staff would help us, I would like to ask another question, if I might, if the gentlewoman would respond to another question.

Mrs. BOXER. Be happy to, certainly.

Mr. DICKINSON. I would like to ask now, does this apply to all small business also? Because we hear from small business contractors that this puts a burden on them that pretty well drives them out of the competitive business if they have to comply with this. This does apply to small business as well as large business, is that correct?

Mrs. BOXER. This amendment applies to 500 to 600 contracts, prime contractors and their immediate associates only.

Mr. DICKINSON. The gentlewoman is saying all contracts?

Mrs. BOXER. Section 1 answers the first question of the definition of what is covered, section 1 of the bill.

Mr. DICKINSON. I wonder if the gentlewoman could tell me where the exception was that she said was in here.

Mrs. BOXER. I am sorry, I could not hear the gentleman.

Mr. DICKINSON. I was wondering, the gentlewoman said that it was excepted in my first question, where is the language that excepts these?

Mrs. BOXER. I am sorry, what is the question?

Mr. DICKINSON. The fixed price contract, where is it excepted in the language here?

Mrs. BOXER. In the first paragraph under "covered contracts," we define what a covered contract means.

Mr. DICKINSON. That is every contract, there is no exception here. I am asking, if there is an exception here in the language, where is it?

Mrs. BOXER. It is major contractors and their major associates, that is the way it is interpreted by the Senate. That is the way we interpret it and it is clear in here that that is what we are talking about.

Mr. DICKINSON. Well, that language is not in here. We are not bound by what the Senate did. We are not cognizant of their discourse or debate. I am asking what is in the gentlewoman's bill here now and what is the clear effect.

Mrs. BOXER. I will repeat my answer. I just want to make sure through the Chair, if I might, if this time is the gentleman's time.

Mr. DICKINSON. That is very true. I am using my time to ask the gentlewoman some questions. I am talking to the author of the amendment.

Mrs. BOXER. I will be happy to answer the gentleman's question.

The CHAIRMAN pro tempore. The Chair would advise the membership that the gentleman from Alabama has the time. The gentleman has yielded to the gentlewoman.

Mrs. BOXER. Mr. Chairman, if the gentleman would turn his attention to section A-1, it is clear what we are talking about, and I will read it to the gentleman.

Mr. DICKINSON. Please.

Mrs. BOXER. If the gentleman has not read it, I will read it to the gentleman: "Covered contract means a contract that is awarded by a defense agency using procedures as defined in chapter 137."

In chapter 137 the definition is contracts over $100 million, so it is very clear that these are major systems.

Mr. DICKINSON. All right. My next question is, Does this relate to research and development contracts? Is it only manufacturing or is research covered, too?

Mrs. BOXER. We are talking about full-scale engineering, development or production, cost and pricing data for full-scale engineering, development, or production.

Mr. DICKINSON. Well, research is included in that definition, I think, and so the answer, I assume, would be yes; am I correct?

Mrs. BOXER. Engineering, development, or production is what we are talking about. I think we are very clear here. It is clearly stated and it is clearly stated in the Senate intent that we are talking about major contracts, which I think I pointed out. We are talking about full-scale engineering, development, and production.

Mr. DICKINSON. Well, to say it again, I think that we are in sympathy with what the gentlewoman is attempting to achieve. We would like to work toward that end. It is just that our staff, and talking to the industry people and the Department of Defense, feel that this makes it unworkable and it is only for that reason that we have resistance on our part.

We would like to see cheaper production rates. We would like to see more realistic bidding.

I think if we had a chance to work with the gentlewoman, if we had a chance rather than trying to do it on the floor, I think we could come up with a workable solution, a realistic solution. Unfortunately, we are sort of operating under the hammer, so to speak.

Mr. Chairman, let me yield to the gentleman from New York [Mr. STRATTON].

Mrs. BOXER. Mr. Chairman, the gentleman has said some very nice things. I would like to respond to those things, if I might.

The CHAIRMAN pro tempore. The gentlewoman will suspend. Does the gentleman from Alabama yield to the gentlewoman from California?

Mr. DICKINSON. Mr. Chairman, at this point I would like to yield to the gentleman from New York [Mr. STRATTON]. If the gentlewoman has some supplemental remarks, I will be glad to yield to her later.

Mr. STRATTON. Mr. Chairman, I think it is quite clear that research is not included in this. In fact, I do not know exactly what would be a standard hour for research. How many ideas are you supposed to get every other hour?

So very clearly, the kind of work that is combined in research and development is not amenable to this type of treatment. In fact, about some 90 percent of the cost of what happens in defense activity has nothing to do with standard hour costing. That is the reason I think, as the gentleman has indicated, this procedure is the Boxer amendment is highly inapplicable to most of the efforts that are included in defense manufacturing.

Mr. DICKINSON. Mr. Chairman, let me yield now to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

Reluctantly, I have problems with the amendment in a number of areas. I am just wondering whether the gentleman from Alabama can explain this to me.

□ 1240

It seems to me that different companies calculate what standard labor hours are quite differently. Some include general overhead, others do not, some include just direct labor for manufacturing. Other companies, if they do use this facility, build in and include all management under that.

So the question I have of the gentleman from Alabama is: Even if this amendment passed and the government supplied or had all this information, what good is it going to do because it differs from industry to industry? Does it get us anywhere? Does it give us a valuable tool?

I would ask the gentleman whether he thinks so or not.

The CHAIRMAN pro tempore. The gentleman will suspend.

The Chair would advise the gentleman from Alabama [Mr. DICKINSON] that he has 10 minutes remaining and the gentlewoman from California [Mrs. BOXER] has 19½ minutes remaining.

Mr. DICKINSON. I thank the Chair.

Let me just say before concluding here, in answer to the question of the gentleman from New Jersey [Mr. COURTER] this is the reason for our resistance here. We do not oppose the thrust of it. We just think it is counterproductive, it is not achieving what the gentlewoman intends to do. If we had a chance to work with the gentlewoman the rest of this year or in the months to come we could come up with a workable solution, but I do not think this is it.

Mr. Chairman, I reserve the balance of my time.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. I thank the gentlewoman.

Mr. Chairman, I rise in support of this amendment. I think the fact that it is in the defense bill from the other body is important. We are not asking for anything fantastic here; we are not asking for an awful lot of paperwork. What we are asking for is to have the information available and on file that the contractors probably keep.

In the real world, I am in the printing business. Each time we go to do a job, we cost out what it is going to cost us for paper, ink, labor. We keep that on file so if we make a mistake, we can go back and try to figure out what is going on.

That is really all we are talking about here. Sure, we can hold hearings. But this is my fifth year in the Congress and I have not seen that anything has gotten any better by holding a hearing around here.

While I would like to think that we can work with each other to get whatever is done for better decisions, I think this is going to provide us better decisions. It is going to give us the kind of answers in dollar figures whether to cancel production when it is at low rates, as the gentleman from Alabama talked about, or determined by the Congress or whether we ought to expand production and buy cheaper widgets or whatever to better provide a cost-efficient defense for the military in these United States. We might be able to do better. I think the committee will have the opportunity in conference with the Senate to provide some changes to this, if they have some changes.

Mr. Chairman, I just intend to vote for it because I think it is long needed.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. Yes, I would be glad to yield to the gentleman.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, I know that the gentleman is a former pilot in the Air Force and is familiar with military hardware. Now, the gentleman will have to admit that there is a difference in military specifications and commercial grades. There are different requirements and the production runs are different. You really cannot compare them. Would the gentleman disagree with that?

Mr. DENNY SMITH. I would agree with that. We need to have some information.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, in the last few years we have heard of repeated reports of inexcusable waste in defense spending. Ashtrays in military combat planes that cost $600 to make, toilet seats for $700; sockets, pliers, wrenches, from $400 to $7,600; coffee brewers for $9,600, and refrigerators for nothing more than storing sandwiches for $16,000.

Mr. Chairman, it is an irony that these outrageous examples of the 1980's that have rung the death knell for unchecked defense spending in much the same way that welfare mothers drinking vodka and driving Cadillacs greatly enacted support for welfare programs in the 1970's.

What the welfare mothers driving Cadillacs did to social programs in the 1970's, $600 toilet seat and $7,000 coffee pots will do to defense in the 1980's.

Yet when we ask why is this happening the Secretary of Defense is mute, the Secretaries of the Services are mute, even our good Armed Services Committees in the House and Senate are mute.

Finally the gentlewoman from California has very correctly and with a great deal of care and erudition brought an amendment that would at least begin to probe and find some of the answers.

I would say to the gentlemen on the Committee on Armed Services that it is you who should have brought these amendments to the floor. Only with these amendments can you maintain some kind of consensus for defense spending.

But, instead, it was the gentlewoman from California who brought them to the floor.

In my opinion, Mr. Chairman, the Committee on Armed Services should not be opposing the gentlewoman's amendment, at least until they can answer why these outrageous things are going on; they should be crossing the aisle from their desks to hers and shaking her hand and saying, "Thank you," because it is amendments like this that once and for all will give us some answers to the questions about why this kind of waste occurs.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. SCHUMER] has expired.

Mrs. BOXER. Mr. Chairman, I yield an additional 15 seconds to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, I would like to compliment the gentlewoman. If we are going to find answers to the outrageous waste in military spending this amendment is the start.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. I thank the gentlewoman.

Mr. Chairman, I rise to offer my strongest possible support for the adoption of the should-cost amendment and commend the gentlewoman from California for her leadership on this important initiative.

Much of the public debate on military reform has focused on the issue of the abuses within the procurement system. We have therefore had numerous reports of $1,000 wrenches, $7,000 coffee pots, $600 toilet seats, and all the rest. The magnitude of this waste is readily apparent because we, as ordinary citizens, can compare these outrageous costs with prices at our local hardware store.

But there is another dimension of waste within the system at the Pentagon that is of comparable significance, but not nearly so obvious. That is the overall issue of the tremendous waste caused by incredible inefficiences in

the production of large weapon systems.

To put this problem in terms that we, as ordinary citizens, can comprehend, I would draw the attention of my colleagues to the case in which a Pentagon analyst discovered that if a color television set which sells for $400 were to be made with the same degree of efficiency as the Maverick missile, that same $400 color television set would have sold for $50,000! Now, that is outrageous.

The amendment being offered by the gentlewoman from California simply provides a tool to get at that kind of waste, that kind of outrageous inefficiency.

The amendment before us would allow us to determine the should-cost price of any item if it were produced in an efficient manner. This will allow us to prevent the squandering of millions of taxpayer dollars by providing a yardstick that we can use to measure the reasonableness of the price tag on those items, such as missiles, that are not available at our local hardware stores.

The necessary data is available, it is already collected by the Pentagon. However, it is not categorized in a way that is useful. That is the intent of this very responsible amendment. It deserves broad bipartisan support.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, the gentleman from Oregon [Mr. DENNY SMITH] commented a few moments ago that he had been here for some time and he had never seen any hearing that ever brought any results.

Mr. Chairman, I would point out to him that the Committee on Armed Services, utilizing the standard hour rates, terminated the Air Force's No. 1 priority tactical program, the AMRAAM because the costs had grown and we did not need the legislation that the gentlewoman from California is sponsoring in order to do that precise calculation.

Mr. DICKINSON. Would the gentleman yield back to me a moment?

Mr. STRATTON I would be glad to yield to the gentleman from Alabama.

Mr. DICKINSON. One of the problems that we have here is that this would affect the so-called black programs, too, whether it be the Stealth or electronics or whatever. This covers them, too. We are talking about the supersecret, and maybe even elements of SDI, whatever. So it is unworkable. We are trying to put into the public domain classified information which would naturally flow from this amendment.

I just do not think it is workable. I am in sympathy with its intent but it just will not work, and I am sorry.

Mr. STRATTON. I thank the gentleman.

□ 1250

Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank the gentlewoman for yielding.

The gentleman from Alabama does an excellent job of being very reasonable in saying that we would like to work this out, and we have tried to work it out; we will work it out, but we cannot work it out right now.

Mr. Chairman, the fact is that the gentlewoman from California, who we all know as someone who is an excellent Congresswoman; is easy to work with, willing to compromise, has been trying for 2 months to work this language out with the committee.

The reason they will not accept this language was pointed out earlier by Mr. MILLER. If this amendment passes in its present form, then we are going to get results, because it passed in the other body; it passed in the other body exactly the same, and it was a Republican amendment, and it was supported by Chairman GOLDWATER very strongly.

If this amendment passes, this Congress is going to get the information, simply information that the gentlewoman is asking for. Information that we all desire.

We see bipartisan support on this amendment; we see Mr. SMITH, the cochair of the military reform caucus get up; we see MEL LEVINE the other cochair of the military reform caucus back this bill. Why? Because it is information that we all need to improve the operation of the Pentagon.

All we want is a stronger defense, and to spend our dollars more wisely for a better delivery system.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in support of the Boxer-Grassley-Goldwater-Nunn amendment and congratulate my friend from California for introducing the amendment.

Mr. Chairman, currently our defense procurement policy has been like a supermarket sweepstakes with major defense contractors grabbing as much as they could for as long as the money flowed.

We all know that waste weakens our national security. This has nothing to do with national security. We also know that a group of industrial engineers compiled data on the defense industries, and indicated that the companies who are operating at a 33-percent average efficiency, and that indeed that if they did this in the private sector manufacturing, they would go bankrupt.

Let me tell of one experience I had with the Pentagon about information. Some of you will recall that in 1982, I introduced an amendment that would transfer money from the defense area, the waste and abuse area, back into Medicare. It was $4.6 billion.

I asked the Pentagon for information that would tell me the cost overruns of contracts that were over 25 percent for 1 year. I kept asking them for that information for days.

On the day of the amendment, they finally gave it to me, and lo and behold, the cost overruns for that year that were over 25 percent, the computerized list, was 14 feet long. This included a number of GAO studies on the issue.

Now my task was easy, because all I did was draw out a helicopter project that was supposed to cost taxpayers $4 billion, cost them $8.6 billion; and there was my $4.6 billion to put back into Medicare, that serves 36 million Americans.

I urge support of this legislation. Why are we afraid of information? The American people deserve this information.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. The Chair would like to advise the Members, and caution them, that it is not in order to refer to other Members of the body, specifically by name or by legislative activity; specifically by name in the other body.

The Chair would just caution Members as they proceed in the debate about certain rules of the House of Representatives.

PARLIAMENTARY INQUIRY

Mr. COURTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. COURTER. The parliamentary inquiry is when, under the time limitations that have been agreed to with respect to this debate, is it appropriate for me to offer an amendment in the nature of a substitute?

The CHAIRMAN pro tempore. It is in order for the gentleman to offer a substitute.

Mr. COURTER. A further parliamentary inquiry: Would I be given 5 minutes to discuss my substitute without that 5 minutes being subtracted from the time of either side?

The CHAIRMAN pro tempore. The gentleman would not be given 5 minutes on his amendment. There is a time limitation, and the time has been allocated for that period of time, the Boxer amendment and all amendments thereto.

AMENDMENT OFFERED BY MR. COURTER AS A SUBSITUTE FOR THE AMENDMENT OFFERED BY MRS. BOXER

Mr. COURTER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER as a substitute for the amendment offered by Mrs. BOXER:

(a) The General Accounting Office shall provide a report to the Committees on Armed Services of the House and Senate and the feasibility of requiring that bills of labor and bills of materiel be furnished to the Government on development and production contracts for the purposes of reviewing such information to determine changes in measured work progress and materiel under the contract to which the bills of labor and materiel relates.

(b) Within 90 days of receiving the report from the General Accounting Office, the Committee on Armed Services of the House of Representatives shall hold hearings on the subject of labor standard hours.

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Could the Chair inform us about the time remaining?

The CHAIRMAN pro tempore. The Chair would advise the gentleman from Alabama that he has 8 minutes remaining.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. COURTER] to explain his amendment.

Mr. COURTER. I thank the gentleman.

The amendment that I have, in the nature of a substitute, calls for a study to be done by the Government Accounting Office, and also provides that the House Armed Services Committee and the Armed Services Committee of the other body report to the House and the Senate respectively, after 90 days, the effect of standard labor hours as a requirement to be reported by the manufacturers of weapons systems.

I congratulate, in one sense, the gentlewoman from California for her approach. My concern here is that we are legislating without having had the chance to look carefully at what we may do.

I had the opportunity to discuss the effect of the gentlewoman's amendment to counsel of the committee, and they gave me some very disturbing news. This disturbing news is the fact that the amendment, as originally proffered by the gentlewoman, applies to all businesses regardless of how small, regardless of the size of the contract.

It seems to me that we are going to impose a unique paperwork burden on small businesses in this country, on businesses that are attempting to get the chance to compete with other corporations. This is shooting ourselves in the foot; we will be cutting our nose off to spite our face.

We have been discussing solutions to the procurement problem here. One of those solutions is dual-sourcing. Another one of those solutions is widening and increasing the industrial base to encourage manufacturers to become involved.

We had two amendments, designed to increase competition, that passed yesterday. Neither amendment received many negative votes. The one that I offered increases competition by 5 percent per year, until we have 70-percent competition in the Department of Defense for all their acquisitions.

Mr. PURSELL. Will the gentleman yield?

Mr. COURTER. I yield to the gentleman.

Mr. PURSELL. I think the gentleman has the best amendment to address this issue to take a much deeper look. Michigan is 25th in the Nation in procurement. Business leaders are not interested in more redtape.

I suggest that if we want competition, we should have bidding on all of our weapons systems.

□ 1300

So I suggest that we adopt the gentleman's amendment. Labor-HEW spends $100 billion a year. Let us take a look at their spending habits, regardless of whether it is defense or nondefense. I support the gentleman's amendment.

Mr. COURTER. I thank the gentleman for his contribution.

Mr. Chairman, my concern is the fact that by the passage of an amendment that requires this paperwork burden, we are going to be basically telling small business: We do not want your business, do not work with the Government, do not get involved with competition. It will shrink the industrial base.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Missouri.

Mr. SKELTON. I just ask and pose a question to the gentleman: Should the amendment pass without the gentleman's amendment on it, would that be contradictory to or fly in the face of the dual sourcing amendment that we passed last night?

Mr. COURTER. While it may not be repugnant, it seems to be going in the other direction, certainly. There is a consensus in this body that we want to build up dual sourcing; we want to encourage companies to become involved and to submit bids; we want to expand the industrial base; and we want to increase competition. This seems to be going in the wrong direction.

I would just like to explain to my colleagues very quickly that I have been part of the military reform caucus. It is filled with great Members who have some wonderful initiatives. I voted in favor during the last few days for all of those initiatives, criminal penalties, revolving door legislation, allowable cost legislation, dual source legislation, creeping capitalism legislation. It is not that I am against reform. I think in this one instance we are going too far. It is untested, it is dangerous, it will shrink the industrial base, it will discourage good companies from competing. That is precisely what we do not want to do.

I remember last year when people urged me to hold off on my creeping capitalism amendment for 1 year so we could study it. We did. We brought it this year. It passed this year.

I urge the gentlewoman to withdraw her amendment. I am sure she will not; so, therefore, I offered my substitute urging a study. We can be back in 12 months and pass the precise language if it is important.

Mrs. BOXER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Chairman, I think it is extremely regrettable that at the very last minute in this debate the minority comes forward with their desperation argument that somehow this has something to do with small business. This has nothing to do with small business. It requires nothing new of small business.

I regret to say that I believe that if anyone took a moment to take a look at this matter they would know that it has nothing to do with small business. Why these statements are being made at the present time is something I do not exactly understand.

I think it is also regrettable at the very last minute to come forward with a so-called substitute that says,

Let's once again chuck our responsibility and call the GAO bureaucrats over here and let them do a study.

Well, I have read the Courter amendment. It does not say anything in here about when they should do the study. This amendment means nothing. All it is is an effort to sidetrack a very, very good effort by the gentlewoman from California [Mrs. BOXER] to bring forth some information that we need.

This amendment passed the other body unanimously, because all it does is ask for information that is already available. That is all that it does.

I think the question today is simply whether we are going to do our job or whether we are going to continue not doing our job. This scandal developed, fellows, on your watch. Do not come forward to us today and say to us we ought to suspend any further effort and let you do further studies. Nothing could be more preposterous as such a request under the circumstances at the present time. I think the American people are tired of being treated as outsiders, I think what you

are saying to us today is that we do not want any outsiders involved in this process. Well, the public is tired of being treated as outsiders, the public is tired of being treated as patsies, and the public is tired of being taken to the cleaners. I think we ought to vote the Barbara Boxer amendment in right now and be done with it.

Mrs. BOXER. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS of Illinois. Mr. Chairman, I rise in strong support of the Boxer amendment.

Mr. Chairman, the main ingredient to making good, wise choices for our national defense is good, solid information. We, in Congress, are entrusted with the responsibility of making these choices and of assuring that these decisions produce a strong national defense.

But, Mr. Chairman, wise decisions are hard to achieve when the information we need to make them is withheld or obscured.

We are asking that the procurement process be brought into the sunshine so that the information the Defense Department and defense contractors already have is made available. This way, Congress can make better informed choices.

The Boxer amendment is a simple request. It asks that cost and pricing information pertaining to DOD contracts be systematically recorded and categorized in a computer data base. By breaking down this information into such categories as direct labor and direct material costs, subcontractor costs, overhead costs, administrative costs and profit, we would have a way of comparing these costs over time to see where increases are occuring.

The Boxer amendment also proposes requiring contractors to record their proposed and actual standard hour measurement. By comparing how long a company's engineers say it should take to do a given job to how long it actually takes, we can get a better idea of a contractor's proficiency. We can see how, why and where military contracts continue to balloon and identify where the problems lie.

Efficiency measurement is not a new or untried idea. Private sector manufacturing has used this work measurement technique for many years to monitor labor efficiency and productivity. Using this technique in defense procurement will let us make an informed judgment on just how the lack of real competition in the defense industry is costing taxpayers billions of dollars and threatening this Nation's security.

There are already reports that Hughes Aircraft which was shut down last year because of shoddy workmanship was taking 17 times longer than it should have to make a Maverick missile. Contractors making weapons systems such as the MX and the B-1 bomber are escalating the costs of these already exorbitant systems by operating at only a 33-percent rate of efficiency.

This waste of money should not and need not continue. By putting information in a usable, categorized form, we, in Congress, as well as procurement officials in the Defense Department can begin to make the good decisions we need based on solid proven data.

Such an approach has already been passed by the other body. As defense contractors continue to fall short of their own production standards, we must provide and an incentive to increase these efficiencies. The "should cost" amendment is a step in the right direction and I urge our colleagues to support it.

Mrs. BOXER. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Chairman, I would like to thank the gentlewoman from California for yielding, and I want to rise in strong support of her amendment. I want to commend her for the leadership that she has shown in bringing this issue to the floor.

The debate, especially with the introduction of this last-minute desperation amendment, has been diverted away from the simplicity of the Boxer amendment. It is not complicated. It is not difficult. It certainly does not need to be studied further. It is about information.

When there was the debate about the SDI here on the floor, people were criticized for not wanting to spend billions of dollars to get more information. For very little money and very little trouble, we are asking that information that already exists about why our defense contracts cost what they do should be made available to this Congress and through us to the American people so that we can be accountable on something that the American people are very concerned about.

Everyone in this Congress and everyone in this country wants an adequate defense, and we want to get the very greatest value that we can for our defense dollar. And yet we do not know, we cannot explain. How many of us have been at community meetings and have been asked: Why do these things cost so much? Where is the problem? Why are we spending twice as much and getting no more in terms of weapons systems, in terms of efficiency?

And we cannot answer that question. This Member and I believe many other Members, Members who are going to support and pass this amendment, want to be accountable. We want to be able to answer that question; we want to know where the costs are. And if there is waste, we want to root it out. If there are new procedures needed, we want to support them. If there are better ways of doing things, getting more for less, we want to be there in front pushing for them.

I urge support for this amendment.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, recent disclosures indicate that many major defense contractors pay no taxes. Despite the fact that many of these companies exist because of the largesse of the Federal Treasury, they do not contribute 1 penny to the Federal Treasury.

What does this tell us? It tells us that the accountants for these defense contractors are working at peak efficiency. It suggests the defense contractor accountants and bookkeepers embody the highest standards of efficiency in our free enterprise system.

The Boxer amendment says we also want at least a semblance of efficiency in the production of the weapons that we buy. If these companies are efficient in avoiding the payment of taxes on the profits on the weapons we purchase, should they not also be as efficient in producing the weapons?

The disclosure of the information under the Boxer amendment will not put a new burden on business nor any burden on small business when you consider the scope of the contracts. But what it will do, and the reason it is being introduced, is to really expose inefficiency as it exists among defense contractors, not be Government-imposed standards, but by standards of their own company and of their own industry.

The Boxer amendment will allow Congress and the Defense Department to effectively monitor the production of weapons and also to determine which not-so-truly-needy corporations no longer deserve war weapons welfare.

I commend the Boxer amendment and ask my colleagues to join in voting for it.

Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, I oppose the substitute and support the Boxer amendment.

I am chairman of the House Small Business Committee, and I have heard a lot of talk about small business being upset about this amendment. No one has come to me nor to any members of

the Small Business Committee to oppose the Boxer amendment.

I hear a lot of talk about small business will have an undue burden placed on them because of this amendment. I do not know of any small business that is manufacturing MX missiles or Stealth bombers. They are almost totally unaffected by this.

One of the reasons why these birds have gotten away with this stuff for so long is when we come to the floor with a good amendment, all kinds of esoteric, complex, convoluted arguments are raised against the amendment. There is nothing complex about this.

If I am going to buy a new summer suit—I buy one new summer suit each year—I ask the man what the price is, how much it will cost to alter it, how much he will charge me to press it and when he will deliver it. That is all that is, a minor little contract laying out these costs.

Mr. Chairman, I rise in support of the amendment offered by the gentlelady from California [Mrs. BOXER] to require that information about the cost elements of major Department of Defense contracts be categorized, recorded and made easily accessible. I would like to first thank the gentlelady for having the insight to offer this amendment, which is identical to an amendment already adopted by the other body, and for her efforts to curtail skyrocketing military hardware costs.

Mr. Chairman, in recent months we have heard many horror stories involving excessive charges by defense contractors. In fact, just this month, information was provided to the Air Force which indicated extremely low-production efficiency levels among 10 contractors submitting such data. This apparent ineptitude has caused much distress to those of who are concerned about widespread inefficiencies. While the information requested by this amendment is in fact already maintained in more detail by the Department of Defense, it is not made available to the Congress in a timely fashion. We, as Members of Congress, have the arduous task of balancing expenditures and revenues for a nation which has a defense budget that has more than doubled over the past 4 years, and consumes some 29 percent of the total annual budget. Therefore, if there are some avenues by which we can more effectively monitor the escalating expenditures of this Government on defense, or any other Government sponsored program, than I suggest that we all should be willing to explore those avenues.

Mr. Chairman, the real issue that this amendment raises is whether this Congress should have the prerogative to keep track of the costs of our weapon systems which would enable us to make better choices as we consider military budgets and appropriations. To put this in context, let us imagine how one would react if a request for a particular item were made through a mail order catalog company who, when the product reached its destination, charged the customer twice the price suggested in the catalog without any clear explanation. I am not attempting to make an analogy between defense procurement and the mail order catalog business, however in effect, we in the Congress have made enormous appropriations to a defense procurement process which appears to rely solely on the good will of the contractor to hold down costs while the contractor has no real incentive to do so.

Mr. Chairman, this amendment simply seeks to allow the Department of Defense and Congress to determine whether money budgeted for weapons programs is being spent in the most prudent and effective manner possible. I would say to those critics of this amendment who would rather continue to rely on the charitable spirit of defense contractors that any method which enables us to gain some insight into exorbitant military procurement costs is not only a worthwhile proposition, but an ethical responsibility. Vote yes on the "should cost" amendment.

□ 1310

Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Let me read to you from the amendment:

> Nothing in this section shall require the submission of information to be submitted under this section if the contractor does not maintain such information on the date of enactment of this section.

I echo what the chairman of our Small Business Committee has said. They said we have not had hearings. Let me tell you, we have had hearings on this matter in our Small Business Committee. We were told in those hearings that indeed you can compute your standard hours very easily.

The real issue here is whether we ought to have the information or should not have it. Somebody mentioned that sometimes the Congress is guilty. True enough. If we are, would not information help us to know what is wrong and what we ought to do differently? I cannot imagine for the life of me why we would say that we should not have the information as to what the costs are and what it is costing. That is all this amendment does.

If the Members of the House do not think we ought to know what is happening, then you ought to vote against Boxer. If you think maybe we ought to know what is happening, then my gosh, it seems to me it is very clear how we should vote. Surely, it is clearly not any problem to small business.

The CHAIRMAN pro tempore. The Chair will inform the gentleman from Alabama [Mr. DICKINSON] that he has 3 minutes remaining and the gentlewoman from California [Mrs. BOXER] has 5¼ minutes remaining.

Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the amendment of the gentlewoman from California and in opposition to the amendment to the amendment. Let me just make a couple of brief points.

First, in the colloquy between the gentleman from New Jersey and several others with regard to his amendment to the Boxer amendment, it was asserted that somehow the Boxer amendment was inconsistent with the dual-sourcing amendment that was passed last night. Let me be as clear as I possibly can as the author of the dual-sourcing amendment, that there is certainly nothing in the Boxer amendment that is inconsistent with the dual-sourcing amendment.

The Boxer amendment simply calls for information, calls for critically important information, but is not at all inconsistent with the concept of increasing competition in the defense industry. In fact, this information can only enhance the possibilities of added competition in the defense industry.

Second, with regard to any issue of changing the language in this amendment, that points to one of the most significant elements of the language of this amendment itself, and that is that this is the exact same language that was already included by Senator GRASSLEY, supported by Senator GOLDWATER, and passed unanimously by the Republican-controlled Senate.

Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. I thank the gentlewoman for yielding.

Mr. Chairman, the Courter amendment is no different than the Packard Commission: It is veneer, it is gloss, it is a fig leaf. The Pentagon is rotting; the Pentagon is out of control. There is no way that this Pentagon can heal itself. They are offering us up sacrificial lambs as symbols of what should be done, but in fact no fundamental change is in fact possible without Congress itself interjecting itself into the process.

The question here is one of control: Who will control, the Congress or the Pentagon? The Boxer amendment says that finally, at last, with all the frustrations of the public finally being felt in this body, that Congress will begin to reassert itself. The Boxer amend-

ment is a first step on the way to us once again saying to our taxpayers, our constituents, that we are not going to allow the Pentagon to pour their hard-earned dollars down the rathole of defense contractors that have $400 multidirectional impact generators, or something that they call hammers that they can buy at their local hardward stores. Their hard-earned dollars are being drained out of their pockets.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I thank the gentleman for yielding to me.

Mr. Chairman, I rise with great hesitancy but yet I feel forced to do it because for the first time in 2 days, some have resorted to partisan politics. It has been now 3 years in trying to reform things. I do not want to stand on this floor and accuse Jimmy Carter on your watch of having tremendous overruns in the C-5 or in the M-1 tank. We have got to go down this road together.

We have worked on our committees, we went down the road in a bipartisan fashion now for 2 days in an attempt to forge a relationship here so that both sides could get together to put together a package that makes sense in military reform. I think it is a dark day on this floor when we now start pointing fingers at each other and raising partisan objections to this.

Mr. COURTER is a military reformer, and there are a lot of Johnny-comelatelys to this issue. He has spent a lot of time on reform and I resent the implication that somehow he is being partisan. He is a good man, and he ought to be praised for his hard work in this Congress.

Mrs. BOXER. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I rise in support of the initiative and amendment offered by the gentlelady from California. Procurement abuse has been tolerated for far too long by Congress. Admittedly, this amendment itself will not address or redress all of the troublesome procurement problems, but the development and maintenance by the Department of Defense of a should-cost list is a much needed policy reform.

This kind of information should make if easier for procurement officers to confirm the reasonableness of the cost for a particular contract item. Presently, much of the information upon which these procurement officers rely is provided almost exclusively by the contractors themselves.

We all have examples of procurement abuse and I would like to add one more to the list. This example involves the sale of two pair of duckbill pliers made by a company in my district to the Air Force. These pliers were sold by the Channelock Co. for $5.71 a pair. After being modified by a second company, they were sold to Boeing Military Airplane Co. [BMAC] for $80 a pair. The BMAC then billed the Air Force for $1,496 for two pair of pliers. After this charge was questioned, BMAC offered to reduce the cost of the pliers to $90 a pair and then increased the charges it made for management services so that the total cost of the contract remained the same.

In talking with officials of the Channelock Co. I was told that the cost for the pliers in question—after being coated with a black oxide, having two grooves cut in them, and having an identification number engraved on them—should have been less than $20 a pair. This is less than the $80 a pair that CFM International billed BMAC and substantially less than the $748 originally billed the Air Force.

While it is difficult to imagine that any procurement officer woud need a "should cost" list to determine whether the price charged for the pliers was inflated, unrealistic, and abusive, its availability and potential use may have led BMAC to charge a fair and reasonable price from the outset. Such a list could also serve to circumscribe and limit the conduct of contractors who may be inclined to inflate the price of certain items believing that the procurement officer may turn to them for an explanation of its reasonableness. In any event, contractors would also know specific prices DOD would tolerate for specific items and both the contractor and the taxpayer would enjoy some savings by avoiding cost disputes.

I am personally convinced that the current procurement system is abused and ineffective. I suspect that many of my colleagues have concluded, beyond a reasonable doubt, that there exists little incentive or control within the current procurement system to hold down costs and to provide reasonable prices for goods and services. I would strongly urge the adoption of this amendment as one means to help reestablish congressional responsibility for the use of taxpayers dollars for defense purchases.

More money has never guaranteed better defense. Reform of DOD procurement policy with this "should cost" amendment is a meaningful first step in this effort. I urge my colleagues to support this amendment.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I am not a member of the committee; I do serve on the Appropriations Committee, Labor, HEW, and I suggest that the Congressman from Massachusetts is correct. The Pentagon is out of control. I would like to suggest that the whole Federal Government is out of control. We have a major deficit.

To me, the only way to break this procurement system loose is to get competition into the system. Frankly, as a former small businessman, I think this is a counterproductive amendment. I do think Mr. COURTER has an excellent amendment that takes a more indepth look at this proposal. It may have some merit in certain applications. I am still not sure whether it includes all of research or not. Mr. STRATTON from New York says it does not; I hope he is correct. Small business wants to compete but not be burdened with excessive regulations.

As I read the amendment, it does include research, and obviously this amendment would apply. So I oppose the Boxer amendment and support the Courter amendment.

Mrs. BOXER. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentlewoman for yielding.

Mr. Chairman, I have nothing ill to say of the amendment offered by the gentleman from New Jersey; simply a question: Why has it not been done months before. What it says, for those who have not had a chance to read it is that the General Accounting Office should do a study of this subject and the Armed Services Committee should later have a hearing.

There is no need for the House of Representatives to tell the Armed Services Committee that it has permission to ask the GAO. If the Armed Services Committee had wanted to have a GAO report, I know of no obstacle and no one who tried to prevent them from doing it.

If the Armed Services Committee subsequently wants to have hearings, they can do that. It is clearly an effort the gentleman is entitled to make to kill the bill in having that vote on it first. It does nothing.

We are told that we have not enough chance to look at this. It was put in here by the Senator from Iowa on May 24; the exact language has been in here for a month. If there were in fact substantive problems with this we would have had substantive amendments to deal with it. The Armed Services Committee and those others who do not like this amendment have seen it for at least a month, and of course for some time before that.

It has been part of the Senate bill for over a month. The absence of any specific amendment to change it means that the arguments about small business and the other arguments made really do not apply, because if

they did, we would have had specific amendments.

I sympathize with some of my conservative friends. They are in the position some of the liberals are in when we get anticrime bills, because you know people want to do it, and you know it is popular, so what do you do? You do not have any specific amendments and you do not make any substantive arguments you say let us have hearings; this is complicated; let us have more time. Well, it has not worked on the one side, I do not think it ought to work on the other.

Mr. DICKINSON. Mr. Chairman, I yield the balance of my time to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. I thank the gentleman for yielding.

Mr. Chairman, I be asking the gentlewoman from California for time to advocate her amendment if the amendment were more selective. I have scrutinized the references that are made in the first paragraph to section 2306, hoping that it narrowed this amendment. But section 2306 referred to does not. It refers to several categories of defense contracts and the largest figure therein is $100,000, not $100 million. Not a million dollars, $100,000.

□ 1320

Both by that factor and the factor that subcontracts are included and the general contractor must report these standard engineering whatever costs, it is reaching small business and it is going to stifle competition from small business.

If this amendment called for a selective utilization of this data in those instances where it is applicable, germane, and helpful, I would applaud it; but again, we are trying to do more than make it realistic or practical to do. We are going to build in a vast overhead on the part of industry in many instances where it accomplishes nothing, while at the same time generating a great deal of cost to the Government to maintain that data.

Mrs. BOXER. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise in strong support of the Boxer amendment.

Mr. RUSSO. Mr. Chairman, I rise in strong support of the amendment.

Mr. Chairman, I take the floor today to lend my strong support for the adoption of the should-cost amendment offered by the gentlelady from California. This amendment is a straightforward way to begin dealing with waste and abuse that exists in the Department of Defense. It would require that cost and pricing information pertaining to several categories, including labor, material costs, and subcontractor costs be regularly recorded and categorized. This information is already collected by the Defense Department; however it has become apparent that the Congress needs to require DOD to share this information with us.

Sometimes we in Congress show our concern over defense waste and abuse by invoking the magic word—"efficiency." Well, now is the time to begin not only invoking this word but by insisting that a concern for efficiency become a regular part of the process at the Pentagon.

By mandating that DOD categorize and release this information to Congress, we can better understand how much money is really needed for our defense. By authorizing and appropriating defense dollars blindly, without really knowing where the money goes, how it is spent, and what it buys, Congress sends a message to every clever contractor that waste and abuse will be tolerated. Moreover, the message the Soviets have probably gotten from our inability to deal with defense waste, whether it results in gold-plated ash trays or coffeepots, is that our professed concern for national security is not quite strong enough to deter the kind of greed that also erodes our Nation's strength.

Recently, a member of the other body received, after much delay, some information regarding defense contractors efficiency rates. So far this information displays a mind boggling lack of efficiency among defense contractors. The average efficiency rate for defense contractors is only 33 percent. As opposed to a private sector average of 95 percent. No matter how it is rationalized, there is no reason for this degree of waste and inefficiency. We must send a message to the defense contractors, to the Pentagon, and to our constituents, that these practices will not be tolerated.

I strongly encourage my colleagues to vote in favor of the bipartisan amendment offered by the gentlelady from California. The information we need is there; it just needs to be categorized and reported to Congress upon request. This amendment would apply to both ongoing contracts and future contract negotiations. By employing the information required by this amendment, Congress and DOD will be able to track the outlays of tax dollars for categories of items, thus making abuses easier to discover and correct before they become headlines and embarrassments.

In this case, a little information is a very healthy thing; it will go a long way toward introducing efficiency to the Pentagon and the defense contract system. I urge my colleagues to join me in this effort.

Mrs. BOXER. Mr. Speaker, I yield myself the balance of my time.

Mr. Chairman, I want to say to my friends on both sides of the aisle that this issue is not partisan at all. After all, I have worked with Members of the other party on this very legislation, some of them here today, some of them in the other body.

All I can get from the opposition, all I can get, and I have listened carefully and I have taken notes, is that for some reason they do not feel that this Congress needs or deserves or should have this very simple, straightforward information on contracts. So I would ask my friends on both sides of the aisle this question:

Why should we be afraid of information? Why should the great Congress of the United States of America be afraid of getting information? It is a tool that we need to make intelligent decisions. That is all the Boxer amendment is.

I want to state to my colleagues that this Member worked for hours, worked for hours, with the Committee on Armed Services trying to reach a compromise, and the message to this gentlewoman was, "We will fight you. We do not want this." We never got the Courter language until 2 minutes ago and it is scribbled down on a piece of paper because it looks like we are going to win. So they come forward with this substitute that is no substitute at all.

So I say to my friends that this Congress is gaining respect in America today for one reason: We are standing up on these issues. We are being counted on these issues, and we are beginning to win on these issues. I say that this Boxer amendment is a humble step to gain the information we need to bring sanity to the whole business of defense procurement contracting.

Before I yield to the gentleman from Washington, I just would ask that we vote "no" on this Courter substitute. It is not a good substitute. And then vote up the Boxer amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mrs. BOXER. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentlewoman for yielding.

Mr. Chairman, I want to commend the gentlewoman for a very good amendment. It has been adopted unanimously in the other body. I think we ought to have this information in order to better assess these contracts. This is a positive amendment.

Mrs. BOXER. I thank the gentleman.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from New

Jersey [Mr. COURTER] as a substitute for the amendment offered by the gentlewoman from California [Mrs. BOXER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 232, answered "present" 1, not voting 11, as follows:

[Roll No. 193]

AYES—189

Archer	Hammerschmidt	Ortiz
Armey	Hansen	Oxley
Aspin	Hartnett	Packard
Badham	Hendon	Parris
Barnard	Hiler	Pashayan
Bartlett	Hillis	Pursell
Barton	Hopkins	Quillen
Bateman	Horton	Ray
Bentley	Hubbard	Regula
Biaggi	Hughes	Rinaldo
Bliley	Hunter	Roberts
Boehlert	Hutto	Rogers
Boulter	Hyde	Roth
Breaux	Ireland	Rowland (CT)
Broomfield	Jenkins	Rowland (GA)
Broyhill	Johnson	Rudd
Burton (IN)	Jones (OK)	Saxton
Byron	Kasich	Schneider
Callahan	Kemp	Schuette
Campbell	Kindness	Schulze
Carney	Kolbe	Sensenbrenner
Carr	Kramer	Shelby
Chappell	Lagomarsino	Shumway
Chappie	Latta	Shuster
Cheney	Leath (TX)	Siljander
Clinger	Lent	Sisisky
Coats	Lewis (FL)	Skeen
Cobey	Livingston	Skelton
Coble	Lloyd	Slaughter
Combest	Loeffler	Smith (NH)
Conte	Lott	Smith (NJ)
Coughlin	Lowery (CA)	Smith, Robert
Courter	Lujan	Snyder
Craig	Lundine	Solomon
Crane	Lungren	Spence
Daniel	Mack	Spratt
Dannemeyer	Marlenee	Stangeland
Darden	Martin (IL)	Stenholm
Daub	Martin (NY)	Strang
Davis	Mavroules	Stratton
de la Garza	Mazzoli	Stump
DeLay	McCain	Sundquist
Dickinson	McCandless	Sweeney
Dornan (CA)	McCollum	Swindall
Dreier	McCurdy	Tauzin
Duncan	McDade	Taylor
Dyson	McEwen	Thomas (CA)
Eckert (NY)	McGrath	Thomas (GA)
Emerson	McKernan	Valentine
English	Meyers	Vander Jagt
Fiedler	Michel	Volkmer
Fields	Miller (OH)	Vucanovich
Flippo	Miller (WA)	Walker
Fowler	Molinari	Weber
Frenzel	Monson	Whitehurst
Fuqua	Montgomery	Whitley
Gallo	Moore	Whittaker
Gekas	Moorhead	Wolf
Gephardt	Morrison (WA)	Wortley
Gingrich	Myers	Wylie
Gregg	Nelson	Young (AK)
Grotberg	Nichols	Young (FL)
Hall, Ralph	Nielson	Zschau

NOES—232

Ackerman	Applegate	Bereuter
Addabbo	Atkins	Berman
Akaka	AuCoin	Bevill
Alexander	Barnes	Bilirakis
Anderson	Bates	Boggs
Andrews	Bedell	Boland
Annunzio	Beilenson	Boner (TN)
Anthony	Bennett	Bonior (MI)
Bonker	Hamilton	Porter
Borski	Hatcher	Price
Bosco	Hawkins	Rahall
Boucher	Hayes	Rangel
Boxer	Heftel	Reid
Brooks	Henry	Richardson
Brown (CA)	Hertel	Ridge
Brown (CO)	Howard	Ritter
Bruce	Hoyer	Robinson
Bryant	Huckaby	Rodino
Burton (CA)	Jacobs	Roe
Bustamante	Jeffords	Roemer
Carper	Jones (NC)	Rose
Chandler	Jones (TN)	Rostenkowski
Clay	Kanjorski	Roukema
Coelho	Kaptur	Roybal
Coleman (MO)	Kastenmeier	Russo
Coleman (TX)	Kennelly	Sabo
Collins	Kildee	Savage
Conyers	Kleczka	Schaefer
Cooper	Kolter	Scheuer
Coyne	Kostmayer	Schroeder
Crockett	LaFalce	Schumer
Daschle	Lantos	Seiberling
Dellums	Leach (IA)	Sharp
Dicks	Lehman (CA)	Shaw
Dingell	Lehman (FL)	Sikorski
DioGuardi	Leland	Slattery
Dixon	Levin (MI)	Smith (FL)
Donnelly	Levine (CA)	Smith (IA)
Dorgan (ND)	Lewis (CA)	Smith (NE)
Dowdy	Lightfoot	Smith, Denny
Downey	Lipinski	Snowe
Durbin	Long	Solarz
Dwyer	Lowry (WA)	St Germain
Dymally	MacKay	Staggers
Early	Markey	Stallings
Eckart (OH)	Martinez	Stark
Edgar	Matsui	Stokes
Edwards (CA)	McCloskey	Studds
Edwards (OK)	McHugh	Swift
Erdreich	McKinney	Synar
Evans (IA)	McMillan	Tallon
Evans (IL)	Mica	Tauke
Fascell	Mikulski	Torres
Fawell	Miller (CA)	Torricelli
Fazio	Mineta	Towns
Feighan	Mitchell	Traficant
Florio	Moakley	Traxler
Foglietta	Mollohan	Udall
Foley	Moody	Vento
Ford (MI)	Morrison (CT)	Visclosky
Ford (TN)	Mrazek	Walgren
Frank	Murphy	Watkins
Frost	Murtha	Waxman
Garcia	Natcher	Weaver
Gaydos	Neal	Weiss
Gejdenson	Nowak	Wheat
Gibbons	O'Brien	Whitten
Gilman	Oakar	Williams
Glickman	Oberstar	Wirth
Gonzalez	Obey	Wise
Gordon	Olin	Wolpe
Gradison	Panetta	Wright
Gray (IL)	Pease	Wyden
Gray (PA)	Penny	Yates
Green	Pepper	Yatron
Guarini	Perkins	Young (MO)
Gunderson	Petri	
Hall (OH)	Pickle	

ANSWERED "PRESENT"—1

Derrick

NOT VOTING—11

DeWine	Hefner	Manton
Fish	Holt	Owens
Franklin	Luken	Wilson
Goodling	Madigan	

□ 1340

The Clerk announced the following pairs:

On this vote:

Mr. Madigan for, with Mr. Manton against.

Mr. Franklin for, with Mr. Owens against.

Mr. AuCOIN, Mr. BEREUTER, Mrs. ROUKEMA, and Messrs. PETRI, GLICKMAN, GORDON, MACKAY, MOLLOHAN, BONER of Tennessee, and FASCELL changed their vote from "aye" to "no."

Ms. FIEDLER, Mr. HYDE, and Mr. VOLKMER changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROWN OF COLORADO TO THE AMENDMENT OFFERED BY MRS. BOXER

Mr. BROWN of Colorado. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN pro tempore. The Chair will state that under the time limitation, there will be no time for debate on this amendment.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Colorado to the amendment offered by Mrs. BOXER: In subsection (a)(1) insert in place of "section 2306", "section 2306(f)."

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado [Mr. BROWN] to the amendment offered by the gentlewoman from California [Mrs. BOXER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROWN of Colorado. Mr. Chairman, I demand a recorded vote.

A recorded vote was orderd.

The vote was taken by electronic device, and there were—ayes 276, noes 147, not voting 10, as follows:

[Roll No. 194]

AYES—276

Alexander	Carr	Edwards (OK)
Anderson	Chappell	Emerson
Andrews	Chappie	English
Annunzio	Cheney	Erdreich
Anthony	Clinger	Fawell
Applegate	Coats	Feighan
Archer	Cobey	Fiedler
Armey	Coble	Fields
Aspin	Coleman (MO)	Flippo
AuCoin	Coleman (TX)	Foley
Badham	Combest	Fowler
Barnard	Conte	Franklin
Bartlett	Conyers	Frenzel
Barton	Coughlin	Fuqua
Bateman	Courter	Gallo
Bedell	Craig	Gejdenson
Bentley	Crane	Gekas
Bereuter	Daniel	Gilman
Bevill	Dannemeyer	Gingrich
Biaggi	Darden	Glickman
Bilirakis	Daschle	Gradison
Bliley	Daub	Green
Boehlert	Davis	Gregg
Boggs	de la Garza	Grotberg
Bosco	DeLay	Gunderson
Boulter	Derrick	Hall (OH)
Breaux	Dickinson	Hall, Ralph
Broomfield	Dicks	Hamilton
Brown (CO)	DioGuardi	Hammerschmidt
Broyhill	Dornan (CA)	Hansen
Burton (IN)	Downey	Hartnett
Byron	Dreier	Hatcher
Callahan	Duncan	Hendon
Campbell	Durbin	Henry
Carney	Dyson	Hiler
Carper	Eckert (NY)	Hillis

Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kindness
Kolbe
Kostmayer
Kramer
LaFalce
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Mikulski
Miller (OH)
Miller (WA)
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
O'Brien
Olin
Oxley
Packard
Parris
Pashayan
Penny
Pickle
Porter
Pursell
Quillen
Ray
Regula
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Russo
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Whitten
Wirth
Wolf
Wortley
Wright
Wyden
Wylie
Yates
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—147

Ackerman
Addabbo
Akaka
Atkins
Barnes
Bates
Beilenson
Bennett
Berman
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Chandler
Clay
Coelho
Collins
Cooper
Coyne
Crockett
Dellums
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IA)
Evans (IL)
Fascell
Fazio
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Garcia
Gaydos
Gephardt
Gibbons
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hawkins
Hayes
Hertel
Howard
Hoyer
Jacobs
Jones (NC)
Kastenmeier
Kildee
Kleczka
Kolter
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McHugh
Mica
Miller (CA)
Mineta
Mitchell
Moakley
Mrazek
Murphy
Neal
Nowak
Oakar
Oberstar
Obey
Ortiz
Panetta
Pease
Pepper
Petri
Price
Rahall
Rangel
Reid
Richardson
Ridge
Rodino
Roe
Rostenkowski
Roybal
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Smith (FL)
Solarz
St Germain
Stallings
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Williams
Wise
Wolpe
Yatron

NOT VOTING—10

DeWine
Fish
Frost
Goodling
Hefner
Heftel
Holt
Luken
Owens
Wilson

□ 1400

Mr. BRYANT and Mr. MOAKLEY changed their vote from "aye" to "no."

Mr. SHARP, Mrs. KENNELLY, Ms. MIKULSKI, Mrs. BOGGS, and Messrs. SIKORSKI, HALL of Ohio, LONG, PENNY, KANJORSKI, WYDEN, BEVILL, ANTHONY, RUSSO, GEJDENSON, DURBIN, JONES of Tennessee, AuCOIN, and YOUNG of Missouri changed their votes from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Am I correct, Mr. Chairman, in my understanding that the Boxer amendment is the next item of business?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. DICKINSON. Mr. Chairman, am I also correct in my belief that an amendment would lie at this time?

The CHAIRMAN pro tempore. The gentleman is correct; and it would not be debatable.

Mr. DICKINSON. Mr. Chairman, in the interest of the hour and the shortness of time, I will neither offer an amendment nor ask for a rollcall vote.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from California [Mrs. BOXER], as amended.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 384, noes 31, not voting 18, as follows:

[Roll No. 195]

AYES—384

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lundine
Lungren
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shuster

Sikorski	Stenholm	Vucanovich
Siljander	Strang	Walgren
Sisisky	Stratton	Walker
Skeen	Studds	Watkins
Skelton	Sundquist	Weaver
Slattery	Swift	Weiss
Slaughter	Swindall	Wheat
Smith (FL)	Synar	Whitley
Smith (IA)	Tallon	Whittaker
Smith (NE)	Tauke	Whitten
Smith (NH)	Tauzin	Williams
Smith (NJ)	Taylor	Wirth
Smith, Denny	Thomas (GA)	Wise
Smith, Robert	Torres	Wolf
Snowe	Torricelli	Wolpe
Snyder	Towns	Wortley
Solarz	Traficant	Wright
Solomon	Traxler	Wyden
Spratt	Udall	Wylie
St Germain	Valentine	Yates
Staggers	Vander Jagt	Yatron
Stallings	Vento	Young (AK)
Stangeland	Visclosky	Young (FL)
Stark	Volkmer	Young (MO)

NOES—31

Armey	DeLay	Monson
Badham	Dickinson	Quillen
Bartlett	Frenzel	Shumway
Barton	Grotberg	Spence
Bateman	Hartnett	Stump
Boulter	Hillis	Sweeney
Carney	Kindness	Weber
Combest	Mack	Whitehurst
Courter	McCandless	Zschau
Crane	Michel	
Daniel	Molinari	

NOT VOTING—18

Broyhill	Holt	Rangel
Burton (CA)	Luken	Shelby
DeWine	Matsui	Stokes
Fish	Mitchell	Thomas (CA)
Frost	Owens	Waxman
Hefner	Pepper	Wilson

□ 1420

Mr. CALLAHAN and Mr. McMILLAN changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: At the end of Title VIII (page 143, after line 19), add the following new section:

SEC. 802. WAR PROFITEERING PROHIBITION ACT.

(a) Section 102 of the Renegotiation Act of 1951 (50 U.S.C. App. 1212) is amended by adding at the end thereof the following:

"(f) CERTAIN AMOUNTS RECEIVED AFTER OCTOBER 1, 1985.—Notwithstanding the provisions of subsection (a), the provisions of this title shall not apply to contracts with Departments, or related subcontracts, to the extent of the amounts received or accrued by a contractor or subcontractor during the period beginning on October 1, 1985, and ending on the date of the enactment of this subsection.".

(b) The last sentence of section 102(c)(1) of the Renegotiation Act of 1951 (50 U.S.C. App. 1212(c)(1)) is amended to read as follows: "For purposes of this title, the term 'termination date' means September 30, 1988.".

(c) Section 105(a) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(a)) is amendming by inserting after the sixth sentence thereof the following: "The Board shall renegotiate all contracts and subcontracts by division and by major product line within a division of the contractor or subcontractor.".

(d) Section 105(f) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(f)) is amended—

(1) in paragraph (1), by inserting ", or $4,000,000 in the case of a fiscal year ending after the date of the enactment of the Renegotiation Act Amendments of 1985" after "June 30, 1956" each place it appears therein;

(2) in the second sentence of paragraph (3), by inserting "the $5,000,000 amount," after "the $1,000,000 amount, "; and

(3) in the last sentence of paragraph (3), by striking out "$1,000,000" each place it appears therein and inserting in lieu thereof "$5,000,000".

(e) The amendments made by this section shall take effect on the date of the enactment of this Act.

Mr. GONZALEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DICKINSON. Mr. Chairman, I reserve a point of order on the amendment.

Mr. GONZALEZ. Mr. Chairman, everything that has been done during this very exhaustive consideration of this title is certainly a very responsible attempt on the part of the committee, as well as various and sundry Members of the House, to correct what is a shocking situation, one in which about 45 out of the top 100 contractors are under criminal investigation—they are either indicted or convicted—in which horrendous situations have been brought to the attention of the people and the Congress. But I predict that despite what we have done here, unless we address the real crying issue today, which is 95 percent of the procurement process on the defense level, known as the negotiated contract, that we will continue to see horrendous situations. So what I offer here by way of this amendment is a revival of the renegotiation process, which has a very illustrious history.

War profiteering, that is a very hard sounding phrase, but it is one that has plagued the Nation ever since George Washington was suffering with his troops on the Delaware, it is one that at every point of conflict has victimized the American public and our leaders. During the Civil War we had as a result the so-called Lincoln Law, which was the only protection that the American taxpayer had, even after and during World War I. But then with the advent of these tremendous world conflicts and the complete concentration of the American economy, in the process of fighting, waging and winning the war, other means had to be devised, and during World War II we had the emergence of what turned out to be the renegotiation board. It is part today of title 50 in that part of the code that has to do with defense.

In 1967—that is 18 years ago to the month—I took to the floor in order to try to preserve the renegotiation board, which was about to be killed. At that time, that activity was under the jurisdiction of the Ways and Means Committee. The procurement level, because of Vietnam, had reached $45 billion. That was an astronomical sum in terms of 1967.

After 15 speeches and holding up a little bit of action, we managed to convince the chairman of the Ways and Means Committee to have a hearing, and the act was extended for 2 years. When we had the committee reorganization reform, I was instrumental in getting the then chairman of the Rules Committee to change the jurisdiction from the Ways and Means Committee to the Banking Committee where I have served since I came up 24 years ago and where that jurisdiction is today.

But the essential point here today is that ever since this was allowed to expire in 1979, the American people are stripped naked of any kind of protection in the very sector in which protection is needed; that is, from the excess profit or, let's speak bluntly, the war profiteering angle.

No segment of American industry today is as profitable as the defense industry. On the whole, defense contractors enjoy profitability at levels twice those of nondefense manufacturers. Why is this? The answer is simple: Unbridled, unmitigated, unashamed profiteering. My amendment would restore the one and only tool that has been proven to discourage profiteers, and to recover for the taxpayers the kind of excessive, unwarranted profits that we read about every day.

War profiteering is nothing new. Dishonest contractors plagued the Union Army, crooked contractors took every conceivable advantage of the fast money to be made on the Spanish-American War, and it was no different in any other war in any other time. The Truman committee revealed graft and corruption on a wide scale in World War II. We should not be surprised that what has always happened before, is happening again, now that the Pentagon has oceans of money to spend and its biggest problem is to figure out how to spend it all. There are plenty of contractors out there willing to help.

Is there excess profit? How can you doubt it, with all the horror stories of the past 2 years, the horror stories that seem to crop up every week?

Is there corruption? With 9 out of the 10 biggest military contractors under criminal investigation, and 45 out of the top 100 under criminal investigation, can there be any doubt of corruption?

The question is not whether we have a problem, but what to do about it. I propose reinstating the Renegotiation Act—the one sure way that the Federal Government ever had to get back excessive profits taken by defense contractors.

Until its expiration 5 years ago, the Renegotiation Act operated in a very simple, straightforward way. It established a board that would examine military contracts, determine what a fair profit was, and obtain refunds if there were excess profits—which is to say, profits that were over and above a reasonable return on investment, and over and above a reasonable reward for risk taken. If there were appeals from decisions of the board, the Tax Court would act as referee and make the final determination.

Why does this approach make sense?

In the first place, military contracting is a business in which the normal rules of competition simply do not exist. There are not enough shipbuilders who can do military work, to establish any real competition for the work of building submarines, for example. The Navy can choose from two or three shipyards at most—and all those yards do is split up the work. They don't need to compete for it, because there is plenty for everybody. The Air Force can choose from two builders of large aircraft, or two or three builders of high performance planes. They have two jet engine makers. In no case does any manufacturer have much need to compete, because all of them have as much business as they care to handle.

In military procurement, competition for a major contract is the exception, not the rule. Close to 90 percent of military contracts are negotiated, not let on the basis of competition. There is one company that makes tanks, and one only. There is one company that has manufactured most military trucks, for generations. Is it any wonder that the new generation of the venerable jeep costs as much as a heavy-duty civilian truck? Lack of competition for this business is largely why, but that lack of competition is a way of life in the defense business.

In this Pentagon world without competition, it is no wonder than an ordinary hammer or screwdriver can cost the Pentagon hundreds of dollars, or why an ashtray can cost $1,000, or why a 2-cent part can cost $100. That is the way it has always been.

The Renegotiation Act allowed the Government to recapture profits that were made unfairly, or in excess of any reasonable standard. This helped discourage the kind of cheating and gouging that goes on now.

Today, if there is obscene profit on an ordinary or even an exotic item, the Government can only go to the contractor and beg, "please, do me a favor, and reduce your markup to something reasonable, like 500 or 600 percent." But under the Renegotiation Act, the Government can say, "Look, pal, you cheated me, and I want some money back. Do yourself a favor, and give me a fair price. Otherwise, I'll see you in court."

And that is what it takes.

The Renegotiation Act was effective; it recovered hundreds of millions of dollars for the Government, what is more important, it discouraged the overpricing of billions of dollars in other contracts. It was a watchdog, and it had teeth.

Now that we see scandal all around, there is no need to appoint commissions to investigate; what we need is to bring the Renegotiation Act back, and start taking back some of what's been stolen from the taxpayer by unscrupulous contractors.

I urge the adoption of my amendment.

If we were to have a measure of even a modicum of protection under the system that prevailed while the board was alive, even as it was shorn of most of its power in Congresses from 1968 to 1979, my calculations are that at the present level and the present system of unaccountability, the American taxpayer would be able to have retrieved no less than $10 billion in war profiteering.

So that I feel that even though I know full well—and I do not expect to belabor the committee or the members with this amendment at this time——

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. As I said, war profiteering is nothing new. It has plagued our country all through its history. There is no question of corruption. Nine out of ten of the biggest military contractors are under criminal investigation, 45 of the top 100 likewise. The question is not whether we have a problem but what do we do about it.

I am convinced, and sincerely so—and I have been making this effort since the demise of the board, even though the law is intact, and this is the reason why my amendment is addressed to this title, which is labeled the procurement process. It has to do with reviving, actually, putting life into title 50, which is still part of the law, the corpus of our statutory law.

So that I end up by thanking the ranking minority Member and my neighbor and, of course, the distinguished chairman, the gentleman from Wisconsin [Mr. ASPIN], for allowing me to at least present the amendment and be heard on it.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from Alabama [Mr. DICKINSON] insist on his point of order?

Mr. DICKINSON. Yes, Mr. Chairman, I do insist on my point of order.

I make a point of order on the amendment offered by the gentleman from Texas, in that it is nongermane under the rule. The subject matter falls principally outside the jurisdiction of this committee, and the Renegotiation Act to which the amendment applies includes a variety of departments in the executive branch over which this committee has no juridiction or oversight or authority, and nothing in this bill pertains to it or would give rise to the amendment.

So I would insist, reluctantly, on my point of order. The amendment is well intended, and I cannot argue with the thrust of that either, but I do think at this point is not germane, and I do insist upon my point of order.

□ 1430

The CHAIRMAN pro tempore. Does the gentleman from Texas wish to be heard?

Mr. GONZALEZ. I thank the Chair.

I will not belabor the point. I think I could make a case for arguing the germaneness of this amendment, but I will not do so because I think I would be at the sufferance and the patience of the Member that I think has been fully aware. At the proper time, I hope that I can get the subcommittee, of which I am the ranking member, to revise this, get it out through those channels, and bring it before you.

I thank the gentleman.

Mr. DICKINSON. Let me say I would be glad to assist the gentleman in any way that I can when that time comes.

Mr. GONZALEZ. Well, that means very much and I am deeply grateful.

The CHAIRMAN pro tempore. The Chair is prepared to rule on the gentleman's point of order.

The amendment would make certain changes in, and extend the provisions of, the Renegotiation Act of 1951. That act was originally in the jurisdiction of the Committee on Ways and Means, but the Committee Reform Amendments of 1974 transferred specific jurisdiction over renegotiation to the Committee on Banking, Finance and Urban Affairs. The act covers contracts for procurement and construction necessary for the national defense, but the act covers not only the Department of Defense and the military departments, but also the Maritime Administration, the General Services Administration, the Atomic Energy Commission, the National Aeronautics and Space Administration, the Federal Aviation Agency, and such other agencies having a connection with the national defense as the President may designate. The title of the bill under consideration deals with

procurement for the Department of Defense and the military departments, and not with other agencies outside the jurisdiction of the Committee on Armed Services.

Since the subject matter of the amendment goes beyond the coverage of the title and bill under consideration, and since it falls squarely within the jurisdiction of another committee, the Chair sustains the point of order.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Chairman, in September 1976, the Congress refused to extend the Renegotiation Board's authority to act. The Renegotiation Board's funding was terminated and the Board disbanded in March 1979. One of the principal reasons for Congress' termination of the Renegotiation Board's activities was that it was spending more money than it was recovering. In July 1981, Congress repealed the Vinson-Trammel Act in favor of a wartime profit control.

In 1976, the Renegotiation Board made excessive profits determination of $40 million before allowance for Federal taxes, or roughly $20 million after taxes. Approximately 85 percent of the dollars determined to be excessive profits were challenged in court. In that year, the courts resolved 29 cases in favor of contractors, reducing the Government's recoveries by 65 percent.

In June 1981, the House Armed Services Subcommittee on Procurement and Military Nuclear Systems determined that there was no peacetime need for renegotiation. Therefore, the law was amended to provide the President authority to control contractor profits during wartime or in a declared period of national emergency. That authority is effective today.

A newly established Renegotiation Board would have to hire a large staff in order to perform its mission. The mission, cited in the amendment, would be to renegotiate Federal contracts and subcontracts "* * * by division and by major product line within a division of the contractor or subcontractor." The Board could not rely on the Defense Contract Audit Agency or other elements of the Department of Defense or other executive agencies for assistance in accomplishing this effort. As shown in testimony on May 15, 1985 in a joint hearing of the House Armed Services Committee's Seapower and Investigations Subcommittees, the personnel resources of DCAA are limited and do not enable it to audit all the completed contracts for which it is already responsible.

The costs incurred by the Department of Justice and other Federal agencies in pursuing renegotiation cases would also be very high. History demonstrates that approximately 85 percent of the profits found to be excessive will result in legal actions.

Renegotiation will cause industry to incur large additional costs of record-keeping and reporting. The amendment requires renegotiation by product line and by company division. It is not clear whether any contractors record or report profits by product—as the amendment apparently requires—or would be required to establish additional records solely to meet this requirement.

Mr. ASPIN. Mr. Chairman, for purposes of a colloquy, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, among the provisions included in the measure before us today is the contracting for educational services for members of the Armed Forces, civilian employees of DOD, or the dependents of such members or employees. Among the recommendations of the Committee on Armed Services is a direction to the General Accounting Office [GAO] to study the overseas educational needs of our military, the structure required to adequately ensure quality cost-effectiveness in meeting those needs. This GAO study would not be due until 1986. Meanwhile, the language of the measure in section 801(b), effective upon enactment, calls upon the Secretary of the concerned service to balance twin administrative responsibilities of avoiding unnecessary duplication of courses with the feasibility of access of more than one provider of education.

Mr. Chairman, my questions are these: Would the distinguished chairman of the Armed Services Committee agree with me that in order to provide the highest quality of education services, the Secretary of the concerned service may take into account such factors as the following: the quality of instructional personnel of the institutional providers; the choice of offerings available to the service members; the instructional programs offered; the experience, stability, and track record in offering similar services under similar conditions; cost to the service member of the particular offerings; and plans for accepting on transfer course credits between cooperating institutions?

Mr. ASPIN. I believe the gentleman is correct. Those are the factors that we ought to take into account.

Mr. HOYER. Would the chairman assure me that I am correct in my understanding that it is the Secretary of the concerned service who continues to have the authority to exercise normal administrative discretion decision in making awards to educational providers to comply with the nonduplication instruction?

Mr. ASPIN. I believe the gentleman is correct.

Mr. HOYER. Am I assured by the chairman that the committee will maintain this position affirming in conference the normal administrative authority and discretion of the concerned service Secretary to make these decisions?

Mr. ASPIN. The gentleman will advise the Member from Maryland that of course we always do the very best to uphold the position of the House, but of course, you know the other body tends to be a very obstinate negotiating partner at times. We will do the best we can.

Mr. HOYER. I thank my good friend from Wisconsin.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman.

Mr. DICKINSON. I had had no previous discussion as to this subject matter and are we talking about elementary and secondary education or are we talking about higher education here?

Mr. ASPIN. I yield to the gentleman from Maryland for his response.

Mr. HOYER. I thank the gentleman.

We are talking about higher education and I want to inform the ranking member that I want to apologize for not giving him a copy of this; I only had two copies and I should have talked to you before I raised the question.

Mr. DICKINSON. There is nothing new about that.

Mr. HOYER. If the gentleman would yield further, as the gentleman knows, I represent the district in which the University of Maryland is located. They have the largest extension university service in the world, both in Europe and in Japan. There is language in the gentleman's report. I just want to assure myself the Secretary will follow through on the normal procedures before making a decision to modify in any way the choice and selection and availability of the University of Maryland's extension services, university services in the European theater and in Japan.

Mr. DICKINSON. If the gentleman would continue to yield, I would say to the gentleman that I am well aware of the University of Maryland's extension service. As a matter of fact, my son quit his job here in Washington and went to Munich to matriculate with the University of Maryland there where he graduated recently. He also works for the University of Maryland there. I realize that they are the largest college offering an extension course in the world.

I would say also that Troy State University in my district is the second largest. I have a real interest in the subject matter that the gentleman is discussing. There is a concern abroad

that they are trying to proliferate this to let 2-year colleges or junior colleges get in the act, which has caused a great deal of concern to the University of Maryland and Troy State University, and I do not know that that has been resolved yet. Perhaps we can handle that when the time comes.

I concur in what my chairman has said; we have no problem with that.

Mr. HOYER. If the gentleman will yield further, I want to thank the ranking member for his views and thank the chairman for his definitive answers to my questions.

The CHAIRMAN pro tempore. The time of the gentleman from Wisconsin [Mr. ASPIN] has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 1 additional minute).

Mr. ASPIN. Mr. Chairman, as I understand it, we have now finished all of the title VIII, and we are now going back to pick up the amendments that are in the RECORD for titles I through IX.

Mr. Chairman, I ask unanimous consent that during subsequent consideration of titles II through IX, except VIII, the amendments previously permitted to be offered only be in order when those titles are redesignated, seriatim, by the Clerk.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman.

Mr. DICKINSON. I have no objection to the request. I would just like to ask as a matter of record so the Members can understand: Where does this leave us in connection with title X? Are new amendments still in order to be offered there, or is it your intention to, since everybody has had at least 2 weeks to print any proposed amendments, close title X?

Mr. ASPIN. The unanimous consent that I requested said nothing about title X.

The CHAIRMAN pro tempore. The time of the gentleman from Wisconsin [Mr. ASPIN] has expired.

(On request of Mr. DICKINSON and by unanimous consent, Mr. ASPIN was allowed to proceed for 1 additional minute.)

Mr. ASPIN. I yield to the gentleman.

Mr. DICKINSON. I do not want to catch anybody off base. If there has been an agreement otherwise, I would like to know it. Absent of an agreement, I would like to say that if anybody does not have an amendment printed by now, let us close out amendments and finish this bill.

Mr. ASPIN. If the gentleman would withhold on that, we are still trying to work some language on some and I think it would be better if we had the flexibility to offer amendments to title X.

Mr. DICKINSON. I thank the Chairman.

The CHAIRMAN pro tempore. The Clerk will designate title II.

The Clerk redesignated title II, "Research, development, test, and evaluation."

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California:

At the end of title II (page 29, after line 14) add the following new section:

SEC. 207. LIMITATION ON TESTING OF ANTISATELLITE WEAPONS.

The Secretary of Defense may not carry out a test of the Space Defense System (antisatellite weapon) against an object in space until the President certifies to Congress that the Soviet Union has conducted, after the date of the enactment of this Act, a test against an object in space of a dedicated anti-satellite weapon. The prohibition in this section expires on October 1, 1986.

Mr. BROWN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would like to see if we could get a time limit on the Asat amendment here that the gentleman from California is offering. I would propose—and I have discussed it with the gentleman from Alabama and others, the gentleman from New Jersey and the gentleman from California—I would propose an hour each on this amendment, with 1 hour to be controlled by the gentleman from California [Mr. BROWN] and the second hour to be controlled by the gentleman from New Jersey [Mr. COURTER].

□ 1440

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

There was no objection.

Mr. BROWN of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to offer an amendment to H.R. 1872, the fiscal year 1986 Department of Defense authorization. The amendment establishes a 1-year moratorium on tests against objects in space unless the President certifies that the Soviet Union has conducted a test of an Asat against an object in space after the date of enactment of this bill. I am pleased to be joined by my colleague Representative LAWRENCE COUGHLIN in offering this amendment. Congressman COUGHLIN and I are also pleased to be joined by a number of our colleagues in this bipartisan effort to avert a costly and dangerous arms race in space. Our colleagues are Representatives MOAKLEY, SNOWE, DICKS, LEACH, FOLEY, FRENZEL, SEIBERLING, ZSCHAU, FAZIO, PURSELL, MCHUGH, CHANDLER, LEVINE, PORTER, and MRAZEK.

The House passed an identical measure last year, which Congressman COUGHLIN and I offered as an amendment to the fiscal year 1985 defense authorization bill. The House/Senate conference on the defense appropriations bill approved a 5-month test moratorium which expired on March 1, 1985. Under this compromise, three Asat tests against targets in space were allowed after March 1, 1985, pending a Presidential certification that such tests would not be detrimental to reaching a negotiated agreement with the Soviet Union to limit Asat weapons. However, due to a number of technical difficulties, the Air Force has not yet conducted one such test.

Two tests of the Asat missile were conducted against points in space in 1984; both tests were allowed under the fiscal year 1985 House amendment and the final House-Senate compromise. Tests against points in space are also allowed under the Brown-Coughlin amendment. The Senate placed no limits on Asat tests during its consideration of the fiscal year 1986 Defense authorization bill. However, in order to conduct more than three tests of the Asat the President must submit a report to Congress similar to the certification report required under current law.

I would like to make it clear that this amendment does not cut funding nor prevent testing of the Asat weapon. Our Asat research program will continue under the amendment with flight testing and testing against points in space permitted. Only tests against objects in space are prohibited by the Brown-Coughlin amendment.

Mr. Chairman, preventing a U.S.-Soviet Asat competition is clearly in the national security interest of the United States. Although U.S. Asat technology is superior to what the Soviets currently have, one cannot conclude that the United States would therefore be at an advantage in an Asat race with the Soviet Union. This is because the United States relies heavily, more heavily than does the Soviet Union, on sophisticated satellites for monitoring Soviet military activities and for other intelligence operations. Satellites are critical to the command and control of our own military forces. Bilateral advances in Asat weaponry will therefore place the

United States at greater risk than the Soviet Union.

A moratorium on testing remains the best first step toward negotiating an Asat treaty. The U.S. F-15 Asat is both superior to the Soviet Asat and more difficult to verify. As the United States succeeds with further tests and the Asat approaches operational readiness, the Soviet Union is likely to abandon its 3-year Asat test moratorium and forge ahead in an effort to match U.S. Asat technology.

An Asat weapons race will contribute dangerously to the arms race. the deployment of Asat's will heighten the potential for instability in a crisis. Asat advances also add momentum to the current trend toward deployment of other costly, destabilizing space-based weapons systems.

Mr. Chairman, the moratorium approved by the Congress last year has been a success. Neither the Soviet Union nor the United States have tested an Asat weapon. We are currently in negotiations with the Soviet Union to try and reach an arms control agreement which would include limits on Asat's. It would be unwise to launch the United States into an undesirable Asat arms race, detrimental to our national security, which we can avert by refraining from testing.

It is my intention to allocate one-half of my hour to the distinguished gentleman from Pennsylvania [Mr. COUGHLIN], the cosponsor of the amendment, and I hope that we can proceed in some reasonable order in alternating the pros and the cons on this amendment. It is not my intention to belabor this point, and if we can finish in less than 2 hours, I would be more than happy to do that.

This is the third year that we have had Asat debates, and as I indicated in 1983 when the issue was first brought to the floor, and at that time Asat's were just a gleam in the eyes of most Members of Congress and the public, this was a subject which had very large implications. It was one which deserved considerable debate.

This issue needed to be understood by Members of Congress and to the fullest extent possible it needed to be understood by the American public. Basically, the final decision is going to be, in accordance with the great tenets of our democratic process, determined by the will of the majority, both here in the House and throughout the country.

The question of antisatellite weapons is one which is central to the arms control negotiations now taking place in Geneva. It is central and almost essential that if there is to be any satisfactory outcome, and it is by no means assured that there will be, that it include an agreement on the question of antisatellite weapons, as well as an agreement on a space-based ballistic missile defense system. The issues are closely interconnected. Let me give my colleagues one illustration of why they are interconnected.

We performed an SDI test aimed at determining whether we can develop an adequate laser missile defense system a week or two ago in Hawaii on the shuttle. It was successful. A laser operating in Hawaii engaged and tracked the shuttle for a reasonable period of time. Not only the shuttle, but basically a target on the shuttle about the size of a dinner plate.

This was conducted under the Space Defense Initiative, aimed at the developing of pointing and tracking mechanisms to be used in antimissile defense, but it was not used against a missile, it was used against a satellite, a very vulnerable satellite which would quite easily have been destroyed by a laser operating at the power and the lethality which we already have in our inventory.

So, in effect, it was a very successful antisatellite test, so we cannot avoid considering the overlaps between the antisatellite situation and the space-based antiballistic missile system.

I say that in order to lay the groundwork for indicating that this is an important policy decision that we are making, and I want to pay tribute to those Members who, in cosponsoring this amendment with me, have recognized that it really is a significant amendment and one which is entitled to the full and enlightened consideration of the Members.

First of all, as I mentioned before, the gentleman from Pennsylvania [Mr. COUGHLIN] joined with me last year in offering the amendment which the House passed, as all of my colleagues recall, last year by a fairly substantial margin. Our other colleagues, joining us include Representatives MOAKLEY, SNOWE, DICKS, LEACH, FOLEY, FRENZEL, SEIBERLING, ZSCHAU, FAZIO, PURSELL, MCHUGH, CHANDLER, LEVINE, PORTER, and MRAZEK. I hope that some of these gentlemen, at least, will appear on the floor in order to make some contributions to this debate.

But I want to avoid in this debate trying to cover too much ground that we have already covered before. I think that the key arguments have been brought out on both sides. Let me briefly indicate what we are trying to do here.

We are trying, as we did last year, to set a moratorium on any additional tests of our existing miniature homing vehicle antisatellite weapon. We have the weapon. It is ready to go. It is in the final testing stages. The test series is supposed to be 12 tests, 2 of these against points in space which have already been completed successfully, the remaining 10 against an actual instrumented target in space. Three of those tests are allowed to be completed this year.

If the tests are successfully completed, the Department will declare initial operating capability and proceed with the procurement of the system. In other words, at that point, at the completion of the tests, the Department is free to go ahead with the deployment of a $4 billion-some system.

At that point, of course, it would no longer be possible for the Soviets to determine what we are doing, or anybody else. We would be committed to go ahead and deploy the system. However, the Soviets, who have a voluntary moratorium, have not tested for several years and have offered to sign an arms control treaty on satellites if we are agreeable and if we do not pursue these tests to completion. At that point, they would have no way of verifying what we were doing with our system.

I think that as long as the Geneva talks are in process that it is in our best interest to accept the Soviet offer, which was made in good faith and which they are keeping of not testing as long as we do not. This is all that this amendment does. It says as long as they do not test, we will not test.

What I am worried about is that we will be nibbled to death by the Department of Defense, which wants to go ahead and conduct these tests. They are allowed three tests this year if they can make them. Actually, they have not made any. They may make one next month. But I am aware that the Department thinks that if they get two successful shots against a target that they could declare initial operating capability without finishing the tests.

Many of my good friends have suggested that I make some compromise to allow them just to complete six tests, or something like that. I would like to do that, but when the man in charge of this program over in the Department of Defense says that if they get lucky and conduct two good tests in a row that they can declare initial operating capability, how do I achieve my purpose of restraining this system under those circumstances. I am merely seeking to restrain this—not to cut out money—to restrain the test program while the talks are in progress so that we have a glimmer of hope of avoiding the development of a hugely expensive weapons race in space.

□ 1450

I am not talking about keeping the military out of space. We have been through that before. The military is already in space. We want them in space, but when we have to cross this rather fragile threshold where we have weapons that are being used in space, the sky is the limit and we are into something that I hope we can avoid going into.

That is the only purpose of my amendment, and I present it to the Members on that basis.

I want to make one other argument in support of this amendment, and then I will relinquish the rest of my time to some of my colleagues. We have a situation where both sides, we and the Soviets, have been testing now for a number of years the next generation of antisatellite weapons. I am talking about sophisticated beam weapons and various other sorts of things. We know they are testing, and they probably know we are testing. We have these beautiful pictures of their laser test ranges, and so on. We think they may have actually demonstrated them in space, similar to what we did in the test at Hawaii against the shuttle.

The Defense Department's book on Soviet military capability lays out what they are doing very carefully, and I urge my friends to read this because I rely very heavily on what Secretary Weinberger says about what is going on in the Soviet Union. In this book, "Soviet Union Military Power—1985," after discussing the Soviet development in lasers and directed energy beams, and so on, he says the following: "The Soviets apparently believe that these techniques offer greater promise for future antisatellite application than continued development of ground-based orbital interceptors equipped with conventional warheads."

I think Weinberger is trying to come up with a reason why they have not tested in the last several years, basically saying that they have a better system in the mill and they are going ahead with that. And that happens to be exactly true.

Now, we are crazy if we spend $4 billion to $15 billion—and the General Accounting Office gives that kind of a range on our Asat system—for a system that is last year's technology when we are already demonstrating that we have the new directed beam technology that would be far more effective.

I am making that kind of argument to those Members who are concerned about wasteful and duplicative military systems that we do not really need, because this is the classic example. We had one such system deployed, an Asat system, back in the 1960's, and we finally discarded it because it was not worth a damn, and furthermore we entered into a treaty which prohibited its particular technology, namely, nuclear explosions in space.

I say that to those Members who say, "We let those SOB's in the Soviet Union get way ahead of us while we have been sitting on our hands." We have had antisatellite weapons for 25 years. We have a fully competent system deployed. We have been leapfrogging each other. I say this is the time to look at that picture and decide if we may want to do our leapfrogging without spending $4 billion on a model T technology.

Mr. Chairman, those are the two arguments we are presenting. I think they are good arguments. I think they contribute to the security of this country, and I urge my colleagues to consider them very carefully when they vote on the Brown-Coughlin amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. COURTER. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado [Mr. KRAMER].

Mr. KRAMER. Mr. Chairman, our colleague, the gentleman from California, is very well informed on this issue. He is knowledgeable and he has great expertise, but, unfortunately, I believe, despite those qualifications, his bottom-line conclusion is absolutely 100 percent completely dead wrong.

I would hope that we would reject this amendment for a variety of reasons, probably the most important of which is the fact that the situation today is one in which the Soviets, any rhetoric to the contrary notwithstanding, enjoy a total and complete monopoly on antisatellite capability. They have had since 1971 a reliable and operational antisatellite capability that has been completely integrated into the Soviet strategic forces. They have had at least nine successful on-orbit kills, or, in other words, successful tests, the very type of tests of which we have had none and which this amendment, if adopted, would totally and completely preclude.

The Soviet antisatellite capability from its co-orbital system today literally puts at risk all of our reconnaissance capability, all of our eyes and all of our ears, and in fact puts at risk most of our other military space-borne assets—in fact, everything out to a distance of approximately 3,000 miles.

The simple fact of the matter is that we have a system today that is in development, is untested, and on which we cannot rely or know its capability until such time as it is tested, the very testing of which would be precluded by the adoption of this amendment.

Arguments have been made that somehow our capability, which is in development, which is not yet operational, is already far better than what the Soviets have, but the reality of the matter is that despite which system you might compare it with, assuming that ours works—and we do not know the answer to that yet—the intercept time for both systems is about the same.

But let us go one step further than that, because in all likelihood—and I think this is an extraordinarily important point for those who are very antsy and apprehensive about research in directed energy systems—today there is only one nation on this planet that has in effect weaponized directed energy systems, and that is not the United States; it is in the Soviet Union. Today the Soviets have in existence at this very minute we are sitting in this chamber ground-based lasers at their facilities at Sary Shagan which are supposedly research and development devices, but which yet today incredibly have the capability—and that is not clearly known by the American people—incredibly have the capability of actual direct antisatellite applications.

So in reality they have at least two systems, and perhaps more, one being co-orbital, similar to what the test on the F-15 would provide for us, if allowed, and they have weaponized directed energy. They are the only military nation on the face of this planet today that has weaponized space. So those who come in front of us today and say we cannot proceed with tests because somehow we are going to weaponize space need to look to the example of the Soviet Union, which has already weaponized space.

Furthermore, the Soviets are actively developing a space plane. Some of the Members may have seen the prototype picture of that space plane that was pulled out of the Indian Ocean about a year-and-a-half ago. It was in Aviation Week. And when that comes on line and is probably deployed within the next several years, it, too, it is believed by most experts, will have an antisatellite role.

Lastly, I did leave off the large Galosh system that surrounds Moscow today, of which there are 100 launchers and which has a nuclear capability and, of course, could be used in an antisatellite mode.

So they have potentially at least three systems.

□ 1500

If we want results in Geneva, I do not think we can make statements like, "You go ahead and we will watch you." If we want to put pressure on the Soviets to come to the bargaining table and make meaningful concessions, there has got to be apprehension and anxiety on their part about what we can do or could do or will do if they do not negotiate in good faith. But if we give up all of our marbles before we get to the marble game, there is not much chance of playing in a marble game.

I would hope that we would continue with what has served us well, I believe, over the last year and that is present law. For those of us who may not recall this, let me if I might just share with you what existing law is as adopted by this body last year in the fiscal year 1985 continuing resolution, and I think that is a good middle-ground approach with which all of use can live

and which has served us well and which will continue to serve us well. That provision prohibits an antisatellite test on our part against an object in space, which is what the gentleman's amendment addresses itself to, unless the President certified to Congress that: First, the United States is trying in good faith to negotiate the mutual and verifiable limitation on antisatellite systems with the Union of Soviet Socialist Republics; second, that pending such agreement, a test of our system against an object in space is necessary to avert clear and irrevocable harm to the national security; and third, then once certification is made only three tests against objects in space can be conducted.

Now the Senate in its fiscal year 1986 authorization bill has passed a provision that is quite similar to the one that is already in existence, and I would hope that we could continue present law. There has not been any dramatic explosion of military weaponization of space on the part of the United States. even though present law would allow those tests to take place, none have taken place. But let us not tie our negotiators' hands in Geneva. If we want arms control, let us have something to negotiate with.

But if we say we are not going to ever get into the game, we cannot ever expect a good result from the contest we are in, and that is a struggle between East and West. Hopefully in years to come that will be a nonmilitary struggle; but today, in the world as it is, there is military competition. For us to forego and totally unilaterally declare that space is a sanctuary as far as we are concerned, but we will allow the Soviet Union to totally control its environment, would be a very, very serious mistake.

I know that while the gentleman from California comes forward in good conscience and offers an amendment that he believes in, I hope that the bottomline will be that—the debate has been made and the argument is in place—but we will not do anything in this body today that will severely jeopardize the military capability of this country and our national security.

Mr. BROWN of California. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Chairman, I rise today in strong support of the Brown-Coughlin amendment which would continue the limitation on antisatellite weapon testing which was adopted by the House last year.

It is not the security interests of the United States to deploy Asat's. The United States—more so than the Soviet Union—is highly dependent on its space based military assets for vital communication, early warning navigation, intelligence and treaty verification purposes.

Going ahead with advanced Asat technologies that threaten these satellites will raise rather than lower the chances of a devastating nuclear war. With the central nervous systems of the immense superpower war machines already in orbit, just the existence—let alone the use—of these weapons will turn every computer malfunction and unexplained mechanical failure into a pretext for war. Asat's will place Armageddon on a hair trigger.

A continued adherence to the Asat testing moratorium would not put the United States at any disadvantage.

The Russian antisatellite weapon is ungainly and unreliable. It is launched atop a huge SS-9 rocket booster, and has achieved a 50-percent success rate to date. Most importantly, the Soviet system does not have the range to threaten most crucial U.S. military satellites. It only makes sense that we should try to prevent the Soviets from refining and perfecting new Asat technologies that might eventually threaten our important satellites.

The U.S. Asat will be clearly superior to its Soviet counterpart. It is small enough to be carried aloft by a high flying F-15 fighter aircraft. Once the missile is fired from an F-15, it is propelled by a two-stage rocket. The intended target is actually destroyed by a 12-by-13 inch cannister, called a miniature homing vehicle, which simply rams the satellite at high speed.

Because of its small size, the new U.S. Asat would be a verification nightmare—thus precluding the chance for a future agreement banning Asat's. Once the U.S. weapon is fully tested, every F-15 will be a potential Asat platform in Soviet eyes. In contrast to the current Soviet system, the American weapon could threaten many crucial Soviet communications and early warning satellites.

It is important to note that a moratorium on testing as the Brown-Coughlin amendment calls for is verifiable. Any abrogation of the Asat test moratorium by the Soviets, would be immediately detected by the defense support program early warning satellite, as have all other Soviet tests.

Mr. Chairman, I urge my colleagues to recall the old adage, "an ounce of prevention is worth a pound of cure." It is much easier and practical to ban weapons which are still in the testing stage than to negotiate away weapons which are already operational.

Let us approve the Brown-Coughlin amendment and let us reject a new extension of the arms race that will add nothing to our security and only serve to bankrupt our National Treasury.

Mr. COURTER. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Chairman, I rise in opposition to the Brown amendment.

For almost two decades now we have watched the Soviets progressively develop their antisatellite capability.

Early in the Carter administration the United States, not the Soviets, initiated talks aimed at the achievement of an Asat Treaty. As you know, our initiatives then and our later efforts have failed for specious reasons on the part of the Soviets.

Simply stated, there is no incentive for the Soviets to negotiate in good faith while they have an effective, fully deployed Asat system and the United States only has a system that is untested and years away from operational capability.

Once we began to get serious about developing our Asat capability and began to set hardware development in motion, the Soviets became interested. In fact, on the eve of our Asat testing, they boldly announced to the world that they would not do Asat testing if we would not test our untested system. Their Asat is not in the test phase; it is operational: They simply don't need any more testing. They have said nothing about how or when they propose to dismantle their already existing capability.

Through the years the Soviets have continually surprised us with their so-called primitive technologies—especially in the space arena.

How many remember the shock of sputnik, the prestige of the first man in space, or the intriguing first photograph of the back side of the Moon? Who remembers the world's first kill of a satellite in space with an Asat rocket. In all these instances the Soviet Union was first.

How many of us today are aware of, or concerned about the Soviet space system, in orbit today, which can quickly locate and target United States and Allied navies? And how many of us worry about what that capability will be tomorrow?

The Soviets have long recognized and appreciated the critical military role that space systems can play in the event of a conflict. That's why they have an operational capability Asat. Today, at will, the Soviets can wipe out many of our most critical space systems.

Mr. Chairman, the crucial issues relevant to the proposed amendment are not the ones which deal with an arms race in space, or the availability of time to negotiate a treaty, or the formulation of a paper "bargaining chip." The crucial issue we must face up to is that which deals with our national security and the security of our allies. Soviet space systems are a threat today—not because they have an Asat, but because of the real time direct support their satellites are designed to provide to their military forces.

The proposed amendment would provide us nothing but an inexcusable

disruption in the development of an overdue, badly needed capability. I am opposed to it for that reason and urge you, as a matter fundamental to our national interest, to reject the Brown amendment.

□ 1510

Mr. BROWN of California. Mr. Chairman, the gentleman from Massachusetts [Mr. MAVROULES] is going to control the time as my designee, if there is no objection from anyone.

Mr. MAVROULES. Mr. Chairman, at this time I yield 9 minutes to the gentleman from Pennsylvania [Mr. COUGHLIN] who happens to be the coauthor of the Brown amendment.

Mr. COUGHLIN. Mr. Chairman, as a coauthor of the amendment together with the gentleman from California [Mr. BROWN], and a bipartisan coalition of Members, I urge the adoption of the amendment.

A year ago my colleague from California and I offered this same amendment to refrain from Asat testing against targets in space so long as the Soviet Union does likewise, and all of the arguments, all of the arguments which persuaded this House to adopt that amendment a year ago are as compelling today as they were then.

First let us talk about the Soviet capabilities. Yes, the Soviets have an Asat system that has been tested. But, as has been said, it is a very primitive system. It involves launching an orbiter from a rocket and maneuvering that orbiter next to the target satellite and destroying it by detonation. It is a technology that the United States rejected years ago. It cannot be used against our high orbiting satellites and most of our important satellites are in high orbit today, including our early warning, our communications, our arms control and verification satellites. They are all in high orbit.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me?

Mr. COUGHLIN. I will be glad to yield to my colleague from California.

Mr. BROWN of California. First let me compliment and commend the gentleman again for his active role and interest in this subject.

On the point that he is making with regard to the capability of the Soviet satellite, the Members of the House were deeply concerned about this last year and they included in the Armed Services authorization bill a requirement that the Department of Defense make a study of satellite survivability. That study has been made and is in the files of the Armed Services Committee and the House Select Committee on Intelligence. It is a classified report and it indicates and gives the reasons why no critical U.S. satellite can be threatened by the Soviet present Asat capability.

I wanted to make that point because I think that is the point the gentleman is making, and I wanted to buttress it with the classified report from the Department of Defense.

Mr. COUGHLIN. I thank the gentleman, and that is exactly the point that I was going to make. It is that the Soviet antisatellite system is really effective only against the low orbiting satellites which are primarily weather and reconnaisance satellites, and those satellites are right now, today, being made so that they can detect and evade any attack upon them by the Soviet satellites.

So insofar as attacking high orbiting satellites, the Soviets have no capability. And insofar as attacking our satellites in low orbit, it has potentially no capability.

So in a very real sense the Soviets do not have an Asat capability that is any threat to us at all at this time.

Second, let me look at the position of the United States and our capability. The United States system, as our colleague from Massachusetts pointed out, is a much more sophisticated system. It involves launching a device from an F-15 that makes a direct hit on an enemy satellite. It is a very costly system. The cost has escalated from about $500 million to $600 million, up to now $4.1 billion just for the development of it; that is not for all the deployment of it. That is just the development. And it could go as high as $15 billion once it is all developed.

But it is a very, very sophisticated system. It has been tested successfully twice against points in space. It has not yet been tested against an object in space.

So then what is our posture? What is the posture of the United States should this amendment be adopted?

The posture would be that the Soviets would have an antisatellite system that has been tested but that is not effective against our satellites, and we would have an antisatellite weapon that has not been tested but would be effective against a wide range of Soviet satellites.

The beauty of what we are proposing, in my judgment, is that it is so easily verifiable, because we can detect easily any test of the Soviets against a target in space. If they test, we test. If they do not test, we do not test. It is an arms control method and an arms control proposal that is real and that can be put into place in the immediate future.

It has been brought up here that the Soviets are testing directed energy antisatellite weapons. Those, too, are low power lasers that are easily defended against. Our satellites can be equipped to defend against those.

Any test of a high powered laser would be easy for us to detect, so, again, if the Soviets test, we test. We know when they test. We can detect those tests and so that this moratorium on testing is verifiable.

Let me say that Gerard Smith, who has worked on arms control under all the past Presidents since President Truman, and who was the man who negotiated the SALT I agreement under President Nixon, has again endorsed the Brown-Coughlin Asat amendment. This does not take a penny out of the Asat program. It will give the Air Force time to work on their 30 technical concerns which an independent Air Force technical review group identified last month in the Asat system.

And this is the time, I really believe, to head off a costly and destabilizing race in space in a way that is totally verifiable. I believe right down to the bottoms of my shoes that the most successful way we can achieve arms control in the near run is to have some kind of a ban on testing because it is only testing that we can truly verify by national technical means, and we can verify that and keep our Nation's security very healthy.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I will be happy to yield to my dear friend and colleague from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I have a question, because honestly, we have a significant difference of opinion as to the state of the art of verification. The gentleman from Pennsylvania is saying that verification of testing in Asat's is easy, that we can do it with national technical means. The question I have is if an Asat, which is a ground based laser, which is similar to the Soviet laser that they are testing at Sary Shagan testing grounds is utilized in an Asat method in order to blind a satellite interfering with its functions, how can national technical means verify that it has been tested?

□ 1520

It seems to me when I have gone through this with the Department of Defense, gone through this with the SDI office and they are telling me quite differently than apparently you gained your knowledge. They are saying that that type of a test cannot simply be verified.

Mr. COUGHLIN. A low-level laser could not be verified. But the satellites can be protected against a low-level laser attack.

Mr. COURTER. So the gentleman does admit by that statement that we may be able to defend against it but we cannot verify the test, is that conceded by the gentleman?

Mr. COUGHLIN. We cannot verify the test by a low-level laser that can easily be defended against. So it is not a threat to us to have that kind of a test.

Mr. COURTER. If the gentleman is saying what we have to do is employ defenses in our satellites because we cannot verify the test, it seems to me that the amendment does not have a great deal of sense.

Mr. COUGHLIN. What we are concerned about is whether the Soviets have any capability to interfere with out security interests, and I am saying they do not.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. Yes, I yield to the gentleman from Washington.

Mr. DICKS. People from Lawrence Livermore Laboratory, that distinguished group, who have stated clearly that they can counter lasers, all you have to do is build this into the satellite capability.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. COUGHLIN] has expired.

Mr. BROWN of California. Mr. Chairman, I yield another minute to the gentleman from Pennsylvania.

Mr. DICKS. Will the gentleman continue to yield,

Mr. COUGHLIN. I yield to the gentleman.

Mr. DICKS. There is nothing in this amendment that prohibits the United States from developing lasers and all these other nondedicated systems as well. So we are still in the same position. The point is that what we are restricting here are dedicated systems, not nondedicated systems.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I would be happy to yield.

Mr. KRAMER. Let me respond briefly to the gentleman from Washington. Yes, theoretically we could develop a ground-based laser antisatellite system but the fact of the matter is we have not and we are years away from that kind of capability. The reality is that the Soviets have an operational system and we do not.

Mr. COUGHLIN. If I may reclaim my time, the thing is that the Soviets do not pose a threat to our satellite system which is very vital to our national defense and to our Nation because we are much more dependent upon satellites than they are both in our national defense and in other ways in our country.

The CHAIRMAN pro tempore. The gentleman from California [Mr. BROWN] has 33 minutes remaining; the gentleman from New Jersey [Mr. COURTER] has 49 minutes remaining.

Mr. COURTER. Mr. Chairman, I yield myself such time as I may consume.

What I would like to do is spend a minute rebutting some of the statements. It was an interesting dialog that the gentleman from Pennsylvania and I had with regard to lasers being utilized in an Asat mode. It seems to me there is an acknowledgement by one of the two prime sponsors of the amendment that we, the United States, using whatever means we have, national technical means being normally the means we use, simply cannot verify the test of an Asat system if it is a ground-based laser. The point I am trying to make is the fact that in order for us to test, the amendment says that the President of the United States has to certify that the Soviets have tested. If it is conceded that we cannot verify whether they have tested or not, the amendment has a tragic flaw. It means that the Soviet Union can test Asat's using lasers, we never can verify the fact that they did it, and that would prohibit us from having any type of Asat test whatsoever.

I think there is a tremendous flaw in the Brown amendment in the fact that it permits the Soviet Union to test in an area where we cannot identify, acknowledged by one of the authors of the amendment, and it prohibits us from doing any test whatsoever.

The Brown amendment is also flawed—and I have great respect for the gentleman from California—because it does not require the dismantling of an operable Soviet system, and a prohibition of further testing will not affect as much a system which is already in production, a system which already has operational capability and would affect dramatically a system which is only in research and development, which is ours. So it is a one-sided amendment. It is an amendment that permits the Soviet Union to test low-orbit Asat lasers, a system that permits them to continue to deploy a system that does in fact put some of our military assets in jeopardy. It was indicated by the proponents of the amendment that the Soviet co-orbital Asat system does not jeopardize our assets. The point is that it does. The Soviet Union has a capability at the present time of observing, using RORSAT's and ELINT's, the exact locations of our battleships and the precise locations of our aircraft carriers and our battle groups. The Soviet Union's satellites, therefore, perform an extreme and dangerous function if there is a conflict that occurs. The Soviet Union because of their capabilities can do something to us; we in fact cannot do something to them.

I would also like to point out that this body often talks about the importance of deterrence. As a matter of fact that is the rationale of the strategic doctrine that we have today. It is the fact that both sides have similar capabilities. If both sides have sufficient chemical weapons, then chemical weapons will not be utilized. The danger occurs when one side has its capability and the other does not. The danger occurs when the Soviet Union has chemical weapons and we do not have chemical weapons that can be deployed. The danger occurs when the Soviet Union has ICBM missiles that have certain capabilities and we do not. If deterrence works, if that is the reason we should build the Midgetman missile, if that is the reason that proponents argue that our chemical weapon stockpile is a sufficient deterrent because deterrence works, obviously and logically deterrence should also work in the area of Asat's. They will be less inclined to deploy and to utilize an AsatAT weapon if we could respond in kind. Our only response now would be perhaps using chemical weapons or nuclear weapons. So there is a deterrence argument that this body has agreed to when it comes to other types of systems and I wonder why deterrence does not work also in the area of Asat's.

I would like to go on because the question here is extremely important. It has to do with verifiability of Asat weapons. I talked for a moment about the impossibility of the United States, and the President of the United States, ever to certify under this amendment, in case the Soviet Union tests a laser Asat weapon. I would like also to mention the fact that it is very difficult to determine what caused the malfunctioning of a satellite when it is 100 miles in orbit. It may be because of a laser beam that was directed, it may be because of directed energy, it may be because of microwave energy that was beamed and blinded a particular satellite.

Also I might mention the fact that the Soviet Union normally and often in their satellites has procedures where they rendezvous and where they dock. How does the President know whether or not that is a test of antisatellite weapons. The rendezvousing process is obviously necessary in the system they have deployed today. So once again the amendment makes it impossible for the President to certify because the simple rendezvousing of satellites may in fact be part and parcel of a Soviet co-orbital Asat system test.

□ 1530

Finally, the Soviet Union, Mr. Chairman, has more than the co-orbital Asat system; they have the co-orbital deployed Asat system; they, according to all the reports we get from the Federal Government, have 10,000 scientists that are dedicated to the military use of lasers, probably in an Asat mode; they are testing their Asat laser weapons at Sary Shagan Test Grounds; they have the Galosh ABM system which, to the best of our knowledge, may have been tested in an Asat mode and may have some Asat capabilities; they are testing electronic countermeasures. According to the Government reports, the Soviet Union

is ahead of us when it comes to microwave technology, when it comes to laser technology, when it comes to other types of directed energy.

So the amendment, although well-intentioned, does create terrible problems in verification and in fact should not be voted in favor of.

I yield first to the gentleman from Pennsylvania, then very quickly to the gentleman from Washington.

I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Let me just say in terms of the threat posed by Soviet EORSAT's or surveillance satellites, we have other means of combating those, particularly electronic countermeasures.

Vice Adm. Gordon Negler, the Director of Command and Control of the Office of the Chief of Naval Operations has stated, and I quote:

I do not agree with the statement that it is very, very easy to target an aircraft carrier by RORSAT or ELINT. We can avoid that.

So that is not a valid argument, as I see it.

Mr. COURTER. Reclaiming my time, it is a very valid argument; it is an argument that was made by witness after witness before the House Armed Services Committee, and all you have to do is to go downtown and you will get that argument again.

It does put in jeopardy our military arsenal at sea.

I yield to the gentleman from Washington.

Mr. DICKS. I would just like to reiterate what my friend from Pennsylvania just said, and I appreciate the gentleman from New Jersey yielding. I will yield at a later point when I have time.

The point is, Admiral Negler very clearly said before our committee that there are other ways to deal with these low-orbit satellites, and that you do not need to have this Asat capability.

The Navy is perfectly capable of dealing with the RORSAT and the EORSAT low-level satellites, and it does not pose any significant threat.

The other point I would make is the gentleman wants to talk about lasers all day, what we are here talking about is the F-15, and the miniature homing vehicle. That is what we are talking about.

Mr. COURTER. If the gentleman will permit me to take back my time, the amendment is not restrictive, I point out to the gentleman. It does not only have to do with the F-15 system; it does not have only to do with the Soviet testing of a co-orbital Asat system.

The amendment is broad-reaching; it talks in terms of all Asat capabilities; it prohibits the United States from testing any Asat weapons unless the Soviet Union has tested.

The point is, one of the authors of the amendment said that it is impossible to verify whether there has been an Asat test using lasers. So the amendment is simply flawed.

Mr. DICKS. That is inaccurate.

Mr. COURTER. Does the gentleman want me to yield?

Mr. DICKS. The gentleman from New Jersey, that is simply inaccurate.

Mr. COURTER. Does the gentleman want me to yield?

I yield to the gentleman from Colorado.

I have not yielded to the gentleman from Washington. I am yielding to the gentleman from Colorado.

And that is accurate, by the way.

Mr. KRAMER. I thank the gentleman for yielding.

I heard some statement from supporters of the amendment that concern me a great deal and I wanted to check them out for accuracy, because perhaps I was misinformed and was proceeding on a misapprehension.

I had always been under the assumption, and everything I had read indicated that our satellites were basically in jeopardy out to 3,000 miles from the Soviet capability as it exists today and as it has been tested.

So, I went back and did a little quick phone check to see whether perhaps I was incorrect and that the supporters of the amendment were providing some very valuable information in saying that our satellites that we needed were really not at risk.

So I have not heard anything on the phone to convince me that indeed, that our highest, our highest value targets would not be at risk from present Soviet capability.

I would like to share with you some information that was in an unclassified setting in the June 1985 issue of "Defense Electronics Magazine," an authoritative source at page 66. They list at a minimum the following satellites that are presently at risk from existing Soviet capability:

First, all of our high resolution photoreconaissance satellites; second, our Navy and our NSA ocean surveillance and signal intelligence satellites; and third, all DOD weather satellites.

Now you may want to debate what is a high value or not so high a value target, but I would suggest that these are our highest, highest value targets and that literally, the statement that we made before in our original presentation that the Soviets have the capability of taking away our eyes and ears today is a correct one.

Mr. COURTER. Mr. Chairman, I will conclude in just 30 seconds.

I would like to read from a report which is not classified. It is open for all to see from our Government, and I will show it to whomever has an interest. It simply basically confirms and corroborates my statement with regard to Soviet laser capabilities in an ASAT mode.

It says, "They" meaning the Soviet Union, "already have a ground-based laser that could be used to interfere with the United States satellites. In the late 1980's, the Soviets could have prototypes of ground and space-based laser weapons for usage on satellites and ballistic missiles."

Mr. Chairman, I reserve the balance of my time.

Mr. MAVROULES. Would the Chair clarify whatever time is remaining at this point?

The CHAIRMAN pro tempore. The gentleman from California [Mr. BROWN] has 33 minutes remaining and the gentleman from New Jersey [Mr. COURTER] has 36 minutes remaining.

Mr. MAVROULES. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. CHANDLER. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Washington.

Mr. CHANDLER. Mr. Chairman, I rise in support of the Brown-Coughlin amendment. I am a cosponsor of this bipartisan measure because I firmly believe it is in the long-term national security interests of the United States.

The amendment would prohibit the use of funds for testing of an antisatellite weapon against an object in space only as long as the Soviet Union continues to abide by its own declared moratorium on such tests. Our amendment would not cut Asat funding or prevent any tests other than tests against actual targets in space.

This amendment is a significant effort to head off a new arms race in space and to allow time to pursue negotiations with the Soviets on Asat's. As representatives of the American people, we should do whatever we can to discourage the Soviets from developing more advanced Asat's, and get them to dismantle their existing system. We can best achieve this worthy goal through a negotiated agreement which bans the testing of these weapons.

The United States is currently far ahead of the Soviets in Asat technology, and our most important military satellites are presently beyond Soviet range. I am concerned that we could easily lose this lead. Our testing of this weapon could lead the Soviets to increase their efforts in developing antisatellite weapons. Since the United States relies more heavily on satellites than the Soviets, our own security interests would best be served by limiting the Soviet capability to destroy our satellites.

We must work toward a verifiable Asat arms control agreement. The United States has a very extensive space surveillance capacity which allows us to watch all Soviet activities in space, and to assess their military significance.

Congress acted wisely last year in adopting the Asat test ban. The same convincing arguments that prevailed last year still hold true today. I urge my colleagues to adopt this measure, and oppose any attempts to weaken it.

Mr. AuCOIN. Mr. Chairman, I want everybody here to look at this book I have in my hand. This book, published every year by the Reagan administration, tells us why we have to pass the Brown-Coughlin amendment.

This book is called "Arms Control and Disarmament Agreements." In here you can find the text of every arms control agreement to which America is a party.

If you look at this book closely, you'll see something odd about it. What I have here is the 1980 edition. It's more than 5 years old. I haven't even bothered to ask for a later copy, and do you know why?

There's no difference between the two! The 5-year-old model is exactly the same as the new model. During the last 5 years there have been no arms control treaties concluded. None at all.

I'm not laying blame. I'm merely stating facts.

And I'm not making this statement in a partisan way. The last full-term Republican President concluded seven arms control treaties. But it's a fact that on arms control this current administration's trophy case is bare. The American people's hopes for peace and arms control are having a very bad season—in fact, they've had five bad seasons in a row.

Nevertheless, there's one—only one—bright spot on this dismal record.

Today we have real arms control protecting us from one of the most destabilizing weapons in the world: the antisatellite weapons some future Soviet leader could otherwise use to blind us to the approach of a surprise attack. We have this protection because of the Brown-Coughlin amendment on the Defense bill we passed last year.

So long as this amendment stays in force, no Soviet leader will be able to blind our warning systems.

This is arms control that works. It's not written down in any treaty, but it works anyway. It's tacit arms control, a bilateral moratorium between the Congress and the Soviet Union. Since we put it in effect, the Soviets have conducted no Asat tests. None at all. That's control.

Now you have been told today that the Soviets have a deployed Asat and we don't. Let me tell you about their so-called Asat.

Technologically, it's straight out of the Stone Age. The heat-seeking version has failed every one of its tests. The radar-guided version is easily deceived. At best, the entire Soviet Asat system is less advanced than the one we deployed for 10 years and then retired a decade ago because it wasn't any good. The Asat the Soviets have today is as near to useless as a weapon can be.

But just because the Soviets don't have Asat technology today, doesn't mean they won't get it in the future. On the contrary, there's every reason to believe that in time, and with testing, an effective Soviet Asat can be built. Our essential early warning systems can be made vulnerable to a Soviet first strike.

But continuing the Brown-Coughlin amendment will prevent this. If the Soviets don't test, they can't have a workable Asat. On the other hand, if the Soviets do test—all bets are off and the Brown-Coughlin amendment holds no force. It tells the Soviets to put up or shut up.

My friends, if we want the Soviets not to have an effective Asat, we have to be willing to give it up ourselves. But since Asat's are only good for a first strike and we're not going to do that, we have no need for an Asat. Our need is to keep the Russians from getting one that works.

We have a good thing going here with the Brown-Coughlin amendment. For the sake of the military security of the American people, let's not give it up.

□ 1540

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Chairman, first of all, I would like to put this debate in the context in which we find ourselves parliamentary here.

The Armed Services Committee has discussed this in committee. The President's request was for $149 million to proceed with the testing and development of Asat in fiscal year 1986. The committee cut out $48 million and left in the committee recommendation $101 million with no restriction on testing for fiscal year 1986.

The Brown amendment would propose that there be the restriction on the testing in fiscal year 1986 subject to testing being able to come back in upon the certification by the President that testing had resumed by the Soviets.

Now, let me share with you, from my perspective, why we ought to support the committee position instead of the Brown amendment.

Let us not overlook the fact that the Soviets have tested for a number of years and have an operational Asat system.

Is it as advanced as ours? Well, if ours works as planned, maybe our technology could be said to be more advanced. But the U.S.S.R. has the Asat and it is operational.

What is the U.S. Asat system? I have flown in the F-15, simulating the launch of the Asat missile. But the missile itself is only one component of the full Asat. The weapon system, the 2-stage missile launched from an F-15, is one component. Another component is the surveillance segment to provide the targeting data. It uses the existing radar and optical sites. The third component is the command and control.

As we research and develop, as we test, we are learning new technologies. Why limit ourselves at this point?

Now, understand, please, that the U.S. Asat is designed to destroy specified low-altitude space targets. It is not going to threaten those Soviet geosyncronous satellites—any of the ballistic missile early warning or the important communications satellite.

The test is a 12-flight test series. Two have been completed. The January 1984 test for America was a success. The infrared probe flight in November 1984 was a partial success. We received data to allow us to proceed to the next intercept test. The Air Force considers all 12 test flights as an integral part of making our system operational. The Soviets already have that capability, and they have already gone through the testing. Whether theirs is more technologically crude than ours, is not the question. The issue is that they have an operational Asat. We ought to complete our test as the committee has so determined. It seems to me that it just makes sense to proceed.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I would be happy to yield when I finish my statement.

Now, I think that you would have a number of consequences if a testing moratorium were required. The cost of production is one. There would also be a delay of 18 to 24 months to complete the planned program. After these next two intercept flights there are eight more needed. Delays would require recertification of existing contractors that additional cost for recertification usually will cost $1 to 3 million per subcontractor.

In conclusion, before I yield to the gentleman—and I will be happy to hear his comments—we have a system, we are putting it together, we have had one successful test, we had a partially successful test aiming at a point in space we think the technology is here. Now let's complete the system.

I yield to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. I thank the gentleman for yielding.

If the United States develops an operational system which the gentleman has said would be superior to the Soviet system, does not the gentleman think the Soviets would then want to improve their system or develop a system that is better than ours?

Mr. NELSON of Florida. Notice I did not say that ours was superior. Ours

does not operate yet. Arguments had been made on this floor that the Soviet system is alleged to be more crude than our technology. I do not know that for a fact. But the fact is, they have an operational system and they can knock out our low-earth orbit satellites. We are developing that technology, but do not have it operational as the Soviets do. It seems to me that we ought to test ours to see if it works.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

I think, simply put, the Soviets have successfully tested a number of times their coorbital Asat system against an object in space, and we have not.

Mr. NELSON of Florida. I thank the gentleman.

Mr. MAVROULES. Mr. Chairman, I yield 6 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I am proud to be a cosponsor of this amendment which I believe can play a positive role in avoiding an uncontrolled arms race in space.

I commend the dedicated efforts of the gentleman from California and the gentleman from Pennsylvania on this important issue.

Over the past year, both the United States and the Soviet Union have observed an informal moratorium on the testing of antisatellite weapons against objects in space. It is one of the few areas where voluntary mutual restraints have worked and had a positive impact on the prospects for arms control.

□ 1550

The Soviet Union last tested its Asat in June 1982, and has indicated its intention to continue to refrain from testing so long as the United States shows similar restraint. The Soviet system is not a major threat according to testimony provided by then U.S. Air Force Chief of Staff, Lew Allen in 1979.

He stated that the Soviets have not had a test program that would cause us to believe it is a very credible threat. Since that time, the Soviet system failed three times and encountered only one partial success. In the words of Leslie Dirks, a former CIA official, "It does not work. Anyone who has followed it closely would have to agree."

What tests have been successful in the Soviet system have involved a primitive radar sensor that is extremely vulnerable to countermeasures. All tests of the more advanced infrared optical sensor ended in total failure. The U.S. system has not been without its problems. Testing problems are the stated reason that the administration has not provided the certification required by the conference agreement on the fiscal year 1985 authorization act, and why no U.S. tests have taken place against an object in space. The program has also encountered substantial cost growth.

Now listen to this, those of you who are cost conscious, costs have grown from $1.5 billion in November of 1982 to more than $4 billion today. An increase of over 250 percent. The Asat moratorium is important in my judgment because it provides an opportunity to seek negotiated limits on such weapons without the process that technological developments wil overwhelm any such negotiations before they have had a chance to succeed.

The current systems are limited to low altitude satellite coverage. But the advance of technology will inevitably lead to improved systems that can attack higher altitude satellites that provide the critical early warning of missile attacks that is the cornerstone of deterrence.

So what we are doing here if we drive forward with our system, is that we are going to force the Soviets to do the same thing. They are going to go into higher altitude; they are going to threaten the very early warning satellites that are essential for our national security, and essential for our ability to respond.

Beyond that and even more incredible, by driving this technology forward, we are going to give them the capability to counter the SDI program by being able to attack SDI systems in space. So it makes no sense for us to drive this technology forward because it simply is the most significant way to counter the strategic defense initiative.

In light of this, I am disappointed that the administration has not even developed a position on Asat arms control to present at Geneva. Without such a proposal, I find it hard to determine how they expect to be able to certify to us in this Congress that they are negotiating in good faith on this issue, and that a resumption of U.S. testing and the inevitable Soviet response will not undermine prospects for an agreement limiting these weapons.

This is an amendment that the House adopted last year. I think it is vitally important that we develop countermeasures so that we can protect our satellites in space but in my own view this amendment is absolutely essential because the most important thing it is going to do is protect our own satellites that are critical to our own deterrence.

Mr. McHUGH. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman.

Mr. McHUGH. I thank the gentleman for yielding, and I want to compliment him on his remarks. I think he has made the point very well. I think the vote that we are facing here is perhaps the most important one in terms of preserving the security and invulnerability of our satellites. I think the gentleman has stated the case very effectively, and I want to associate myself with his remarks.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman.

Mr. COURTER. I have just two areas of inquiry of the gentleman.

No. 1, does not the gentleman concede that an operation in space with Soviet satellites simulating rendezvousing and docking, which they do on a regular basis, could very well be part and parcel a test of an Asat system.

No. 2, does the gentleman in the well believe in deterrence, and if so, if we have a similar capability, would that not deter the Soviet Union from utilizing that in an operational mode.

Mr. DICKS. Let me take your last question first. In my own view, of course I believe in deterrence, that is why I am not prepared to go down the road to the strategic defense initiative like my friend from New Jersey which will upset deterrence in the broader context.

Let me focus on this just for a moment. In my own view this is one area where restraint is in our own interest.

Mr. COURTER. So deterrence works in some areas, but not here.

Mr. DICKS. Yes. It is a case-by-case analysis.

Mr. COURTER. So you do not believe that deterrence works here?

Mr. DICKS. I think we have a lot of other things that can deter the Soviet Union, but let us not do something that is foolish and drives the arms race in a way that makes it more dangerous for us.

Mr. MAVROULES. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. McHUGH].

Mr. McHUGH. Mr. Chairman, I rise in support of the Brown-Coughlin amendment and urge its adoption.

The basic purpose of this amendment is to preserve the invulnerability of our most sensitive satellites, an invulnerability that is absolutely critical to the security of the United States. The amendment would do this by seeking to delay the testing and deployment by both superpowers of antisatellite weapons [Asat's] that would threaten the other nation's most sensitive satellites. Since neither party has yet deployed Asat's with this capability, such a delay would place neither side at a significant disadvantage, but it would afford both parties additional

time to negotiate a formal agreement banning their testing and deployment.

We all recognize that our security interests would be damaged if the satellites we have deployed in space were placed at risk. We rely upon those satellites to collect vital intelligence information, including information related to Soviet military activities and to Soviet compliance or noncompliance with arms control agreements. If the Soviets were to take concrete steps toward war, it would be those satellites that would give us early warning.

Furthermore, we are dependent upon satellites for communication. Our military forces are spread across the globe. In peace and war they must rely upon satellites for timely information and communication. In the event of a political crisis or an active conflict, we would also need to use this sophisticated technology to communicate effectively with our allies and adversaries.

In all of those situations there are no satisfactory substitutes for our satellites. It is clear, therefore, that anything that puts those satellites in risk is both threatening and destabilizing.

Both superpowers have a stake in protecting their satellites. However, the United States has a greater stake because we are more dependent on satellites for intelligence and communication. Since we and our allied nations are open societies, the Soviets have a much easier time collecting intelligence in our countries than we have in gathering information behind the Iron Curtain. Our free and competitive press, which is fundamental to a democracy, makes the job easier for them. Technical and scientific journals, as well as technology transfers in the open market, also contribute to their advantage in this area. The relatively closed nature of Soviet society means that we must rely more heavily on covert and technological methods of collecting vital information.

In relative terms, we are also somewhat more dependent on satellites for communication. The Soviet Union is still primarily a continental power, whereas the United States is a global power. By and large, the most sensitive areas of the world, those areas where the vital interests of the superpowers intersect, are closer to the Soviet Union than to the United States. Accordingly, our forces tend to be farther removed from their homeland when positioned in such areas than their Soviet counterparts. To this extent we are more dependent on satellite communication than the Soviets.

At this time our most critical satellites are not vulnerable to Soviet technology. They do have a primitive Asat system of a type we abandoned some years ago, but it does not threaten our most sensitive satellites. Those satellites are deployed in orbits higher than the current Soviet system can reach. However, it is inevitable that if we complete the testing and deployment of our much more sophisticated and accurate Asat's, and thereby place the Soviets' most important satellites at risk for the first time, they will follow suit. This has been the pattern of the arms race since World War II.

Mr. Chairman, I believe that our security interests would be far better served by a moratorium on the testing and deployment of Asat's, a moratorium which would keep satellites on both sides invulnerable to attack, than by a policy which would surely lead to satellites being placed at serious risk. In the latter circumstance, the confidence we now have in our ability to collect information and to communicate in a crisis situation will be diminished. A vital asset will be compromised, and the result will be not only escalating costs for weapons in space, but an escalation of instability in the superpower relationship.

The Soviet Union and the United States have a common interest in promoting stability, and for this reason I urge my colleagues to adopt the Brown-Coughlin amendment.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the amendment.

For some time now, we have heard opponents of the Asat Testing Program say that the moment the United States tests its outer space missile defense, the heavens will forever belong to the military.

Once again, it's the same old story. The United States alone bears full responsibility for writing a new chapter in the continuing saga of the global arms race. If only we restrain ourselves, they contend, the Soviets will do likewise and the door to success at Geneva will magically be opened.

Well, Mr. Chairman, I don't believe in either hypothesis.

I view the testing of Asat as a means of demilitarizing outer space—a goal I think all of us can embrace.

What the opponents of Asat testing fail to take seriously is the Soviet Union's continued research and testing of their anti-satellite defense.

While it is true the Soviets have had testing failures, they have also recorded many successes. For example, in 70 percent of the tests employing the radar guided satellite which explodes on command near the target, the Soviet Asat system has worked.

With that kind of success rate and no sign the Soviets plan to cut back on their Asat testing, I contend outer space already has been militarized and it hasn't been because of the United States.

We also know that the Soviets consider the development of their Asat as vital to their overall strategy in fighting a nuclear war with the United States.

In a 1982 Soviet war exercise, a simulated first strike against the United States began with an attack by the Soviet Asat system against U.S. communciation satellites.

Our objective now should be to persuade the Soviet Union that continued development of their Asat will bring an appropriate response from the United States.

We know from past experience that the Kremlin isn't about to unilaterally abandon or limit any weapons program. So, If we are serious about placing Asat on the Geneva bargaining table and truly working toward the demilitarization of space, we need to demonstrate our own system's effectivness now while the Asat concept is still in its infancy.

Success of our Asat Program will attract the attention of the Soviet negotiators in Geneva much quicker than conciliatory speeches from this body.

Let us not underestimate the Soviet Union's ability to improve on the Asat system. And let us not doubt their motives in deploying an antisatellite space defense. To do either is not only shortsighted—It is dangerous.

□ 1600

Mr. MAVROULES. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of the Brown-Coughlin amendment. The amendment would simply impose a moratorium on further testing of the U.S. Asat weapon against objects in space, as long as the Soviets abide by their own moratorium, as they have done since 1982, as has already been pointed out.

This bipartisan amendment passed the House overwhelmingly last year. None of the arguments or the issues have changed since the House passed Brown-Coughlin in 1984. The justification for its adoption again this year is just as compelling as it was a year ago.

The amendment would keep open the possiblity of a mutual and verifiable ban on Asat's before it is too late to avert a dangerous and destabilizing Asat race. That is all the amendment would do. It would not cut 1 penny in Asat funds. It would not impose a unilateral testing moratorium, or any moratorium lasting beyond the next fiscal year. If the Soviet Union resumes Asat testing, we would be free under this amendment to resume ours.

Deployment of the U.S. Asat will not in any way protect American satellites from a Soviet attack contrary to some of the arguments that were made in last year's debate. The crude Soviet Asat cannot protect their satellites

from a U.S. attack. The purpose, therefore, of Asat deployment by the United States would be to give us the ability to knock out the Soviet satellites that could monitor our military activities in a time of war.

Obviously, however, deployment of Asat weapons by the United States will inevitably lead to an all-out Soviet effort to match our advanced capability, putting both countries' satellites at risk. The United States is far more dependent on our satellites than is the Soviet Union. Over 70 percent of all long distance U.S. military communications travel by satellite; by 1990 that figure may exceed 90 percent. We must maintain links to our military forces around the world in order to provide a credible deterrent to Soviet aggression. An all-out Asat race would threaten our ability to monitor the Soviet Union, communicate with our Armed Forces, and engage in a measured evaluation of any potential threat. In a time of great tension, the destruction of monitoring satellites of either side would cause the other side to assume that it was about to be attacked, and that it had better strike first. So even an accidental failure of observation or communications satellites could trigger a nuclear holocaust if in fact, both sides have Asat capability.

The existing Soviet Asat system is a crude co-orbital system, which must be launched into space by a large conventional rocket booster, orbited and maneuvered near its target, and then detonated. The U.S. Asat is far more advanced, and would attack its target on a direct intercept course, destroying the target by impact. The Soviet Asat has only limited low-altitude capability. Most of our important satellites are well beyond its range. And the Soviets had a notable lack of success in fielding an improved guidance system for their Asat prior to their 1982 testing moratorium.

The deployment or launch of the existing Soviet Asat's can easily be monitored by our own satellites. By contrast, the U.S Asat is small and easily concealable.

Once we have deployed our testing program and have moved forward with deployment, there will be no national technical means of verifying how many of our small Asat's have been deployed and, therefore, no foreseeable way to induce the Soviets to accept a ban.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. SEIBERLING] has expired.

Mr. MAVROULES. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding this additional time to me.

Mr. Chairman, a verifiable agreement is possible only now, before we complete the test program. On-site inspection, according to the administration, would be needed to verify a treaty. Indeed, on-site inspection would be needed if the United States and the Soviet Union were to negotiate a total ban on possession of these weapons, but that is not necessary to end the Asat threat. That can be done by agreement prohibiting flight tests of Asat's against targets in space, and such a ban can easily be verified by national technical means.

The Soviets have offered to negotiate a ban on Asat's. We ought to be exploring that offer in utmost seriousness. Last year this House showed wisdom in adopting this amendment. Some of the arguments that are made in opposition to it are like the self-fulfilling prophesies of every one of these weapons systems, whether we talk about MIRV or all the others that have produced the horrendous nuclear arms race that we now find ourselves in.

It is time we adopt a different self-fulfilling prophesy, a prophesy that if we show restraint, the other side, which has offered to do so, will in its own interest join us in that effort. Our Nation's security interests will be well served in that circumstance. The Brown-Coughlin amendment will help achieve that goal. It deserves the full support of the House.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. I thank the gentleman for yielding this time to me.

I rise in opposition to the Brown-Coughlin Asat amendment.

Mr. Chairman, the amendment is unfortunate from several different perspectives, in spite of the fact that I have a great deal of respect and admiration for my colleague, the gentleman from California [Mr. BROWN].

I think it is premature in the sense that it calls for a unilateral ban on Asat tests, while the United States is still analyzing what type of selected limits can be applied to various space systems or activities to deal with ASAT concerns.

It is ill-advised because it naively ignores the asymmetry regarding openness between the United States and the Soviet Union. The Soviets would clearly have a far easier time verifying compliance with limitations on the U.S. Asat system than we have on the Soviet system. For example, it is not clear how many Soviet interceptors or boosters have been manufactured and the U.S.S.R. can easily maintain a covert inventory of interceptors.

This amendment also blurs the issue of the difficulty with verification for Asat systems. For example, ground-based laser tests of an Asat weapon in the U.S.S.R. can be readily concealed. Also, determining whether test articles in space have been damaged or how they have been damaged is extremely difficult.

This amendment ignores the difficulty in defining what constitutes an Asat weapon for arms control purposes, since there are technologies and systems designed for purposes other than Asat which may be difficult to exclude from a broad Asat definition. On the other hand, there are technologies and systems which could have an Asat application which might not be included in an Asat definition.

This amendment does not appear to recognize the additional deterrence strength which the United States would have with an operational Asat capability so that we could respond in kind to the Soviet destruction of a United States satellite without further escalation.

Finally, this amendment could obviously constrain elements of the strategic defense initiative [SDI] Program, since it is well known that Asat systems are strongly linked to SDI technologies through ballistic missile defense [BMD] requirements. As last year's OTA background paper prepared by Dr. Carter of MIT emphasized, there is a strong connection between directed energy weapons technologies, including lasers and particle beams, and kinetic energy weapons, such as rail guns and smart rocks, and the development of potent antisatellite weapons. There is no delineation as to how this prohibition might affect elements of the SDI Program. In fact, they may prefer that it have a definite inhibiting effect. Just as I contended last year when the gentleman from California offered this amendment, I maintain that it undermines the U.S. capability to perform RDT&E on promising BMD systems for SDI, arrests progress on our own ASAT development, the two-state SRAM/Altair booster, and blurs the focus in terms of delineating a clear U.S. arms control position on defensive systems.

As Paul Nitze has stated:

> Banning ASAT-capable systems presents great difficulties. Once an ASAT weapon such as the Soviet coorbital ASAT has reached operational stage, monitoring its deployment is a difficult matter. Even where we define a way to limit the declared United States and Soviet ASAT systems, most satellites will still be vulnerable to attack, especially by nuclear weapons.

As the respected expert, Dr. Harold Agnew, has indicated and Mr. Nitze confirms, "Any ballistic missile capable of lofting a nuclear weapon to orbital altitudes, has some inherent Asat capability." Thus, it appars to me that in addition to constraining our U.S. R&D activities in these critical defensive technology areas, this amendment raises questions without qualification about what systems should be limited. I believe that these complex matters are better left to the negotiators at Geneva to sort out very deliberately.

I hope that my colleagues will defeat this amendment.

□ 1610

Mr. MAVROULES. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. McCURDY].

Mr. McCURDY. Mr. Chairman, it is amazing how time has a way of making a lot of these issues almost moot or certainly less pressing. As Members will recall, last year we had a lot of concern about this amendment and the adoption of the Brown-Coughlin amendment. As a matter of fact, I even offered an alternative amendment which came very close to defeating the amendment offered by the gentleman from California.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me at this point?

Mr. McCURDY. I yield for just a minute to the gentleman from California, yes.

Mr. BROWN of California. Mr. Chairman, I want to pay tribute to the gentleman for the contribution he made. It so happens that what we finally ended up with in conference is essentially what the gentleman offered. I am not sure that is a tribute to the wisdom of the gentleman's offer, but it does indicate that he was on the right track.

Mr. McCURDY. Mr. Chairman, I appreciate the gentleman's contribution, and I say that that is exactly right. The position I did offer was what we ended up with.

Unfortunately, at the time there was a great deal of concern on the Republican side of the aisle and with some of the senior members of the committee that the position I had taken was not strong enough, and the mood was that they felt they could win the entire battle and defeat the Brown amendment outright. That proved not to be the case.

I learned a very valuable lesson from that experience. I learned, first of all, that we do not always have to be concerned about a unilateral action by this body, and certainly the gentleman from California, with whom I serve on the Intelligence Committee and also the Science and Technology Committee, is a very valued member, and as a matter of fact, he is quite reasonable when it comes to working with the other body and coming up with what I think is an appropriate package.

I feel very secure that the gentleman will be very cooperative in working with us to make sure that the final package is a reasonable package and one we can all live with. Last year that was the case. The conference committee came back with a very reasonable package.

But the point I want to make here today is, as I indicated at the outset, that I intend to support the amendment offered by the gentleman from California [Mr. BROWN] and cosponsored by the gentleman from Pennsylvania [Mr. COUGHLIN]. I probably would not have drafted it in this particular way, but I think, with the addition and the support of the Hoyer amendment, assuming it is introduced and will be accepted, that with that amendment and the conference action this can be a viable budgetary restraint and arms control policy.

My colleagues must realize that with the movement toward SDI, with the $2.5 billion we approved earlier this week for research and development on SDI and the incredible increase in costs of this program from $1.5 billion to nearly $4 billion there are some budgetary concerns with this issue, and also that some of my colleagues on this side have been arguing that the laser capability in the future is going to be the danger. I happen to agree. I do not think the existing deployed Asat system of the Soviets is the major threat. The future threat is what we should be concerned with, and that is where the support for SDI is an important aspect of this total bill. And this Member has supported the research and development in that area.

But let me say again that the Department of Defense has not even used all of the 1985 authorized moneys. Members have stood here in the well and said the danger is that we are going to have all these tests, we are going to deploy this system overnight, and that violates our arms control policy, et cetera. The fact is that they did not complete all the tests. There are technical problems in this program, severe technical problems, and there are budgetary problems.

My position is quite clear, that I believe we should exercise some restraint from an arms control position and also from a budgetary position and do this reasonably. But I would also say at this point that I hope the gentleman from Maryland will offer his amendment. I think it is a very vital component of the Brown-Coughlin amendment. I believe in conjunction they will be a very valuable contribution, and that once we get to conference, we will come back with a very reasonable package.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to my friend, the gentleman from California.z

Mr. FAZIO. Mr. Chairman, I want to compliment the gentleman from Oklahoma [Mr. McCURDY] for the position he has taken. I think in joining the Brown-Coughlin team, he makes a very significant addition. The gentleman is known for the very cautious and conservative approach he has taken to these arms-control-related issues.

The CHAIRMAN pro tempore. The time of the gentleman from Oklahoma [Mr. McCURDY] has expired.

Mr. MAVROULES. Mr. Chairman, I yield 2 additional minutes to the gentleman from Oklahoma [Mr. McCURDY].

Mr. FAZIO. Mr. Chairman, will the gentleman yield further?

Mr. McCURDY. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I am sure the gentleman's position will have a good deal of influence on those who are somewhat concerned about showing any weakness in dealing with the Soviets on some of these very crucial issues. We all worry about having our satellites, particularly our communications satellites, go out in a time of stress and international conflict.

I think the gentleman feels very strongly, however, that we need to engage in some confidence-building activity in the arms control area. It is clear that in this context the Soviets have made clear their willingness to negotiate with us on this system. We can all debate about the reasons why they have made that offer, but I would simply like to point out the gentleman in the well would not be with us on this issue if it were not for the confidence that he has that this is one area where we can extend the olive branch to the U.S.S.R. and get a response, and I appreciate that.

Mr. Chairman, I rise in strong support of this amendment, and I commend my colleagues from California and Pennsylvania, Mr. BROWN and Mr. COUGHLIN, for their excellent leadership on this matter.

Last year, I spoke on behalf of their amendment. This year, I agreed to become a cosponsor. I firmly believe that to move forward on the testing of our Asat at a time when the Soviets are continuing their testing moratorium runs counter to our goal of reaching an arms control accord on this weapon.

The Soviets have not tested their Adat since June 1982. That was the date of the sixth test failure of their infrared optical sensor Asat. That system, had it worked, was only capable of reaching our low orbit satellites, not our early warning navigation and communication satellites.

The current concern over a Soviet laser system is overstated. Although certain tests of lasers might be difficult to detect, Michael May, associate director of Lawrence Livermore National Laboratory, has stated that "installation of a high-powered laser system would be detectable." May also added that low-power lasers that might be able to avoid detection would be effective against U.S. satellites only if American weapons designers are "remarkably careless" and fail to deploy simple countermeasures. In fact, such

countermeasures are already being developed.

Furthermore, we can ensure the survivability of our existing and future space systems by moving more satellites to high orbit, equipping others with the ability to detect and resist attack by maneuvering and other means, by creating a more redundant force structure, and by negotiating strict limits on existing and future Soviet Asat systems. Again, according to Livermore's Michael May, "making space systems survivable should make Asart's susceptible to negotiations, because it would substantially increase the cost, time, and risk involved in an attack, thereby diminishing the prospect and significance of any cheating." Extension of the informal Asat test moratorium would be the first step toward negotiated limits.

The U.S. Asat weapon was originally designed to induce Soviet willingness to negotiate limits on Asat weapons. The program has fulfilled that purpose. The Soviet Union has maintained the testing moratorium and has offered to dismantle its existing Asat system within the context of a negotiated Asat treaty. There is no need to put additional pressure on the Soviet Union, since it has already agreed to limit its Asat systems in return for equivalent U.S. concessions.

The primary U.S. interest in space must be to guarantee the continued safety of our vital military satellites and to ensure our continued access to space. Deployment of the U.S. Asat will do nothing to achieve these goals, since it will not stop the development of advanced Soviet Asat's. The only way to head off future Soviet Asat systems is through the negotiation of a treaty banning or restricting these new technologies.

The Asat testing moratorium passed by the House last year and proposed again this year by Representatives BROWN and COUGHLIN would prohibit testing of the U.S. Asat only as long as the Soviet Union refrains from testing its Asat weapon. In fact, the Brown-Coughlin amendment allows U.S. testing if the Soviets test any Asat weapon, including laser Asat's.

This amendment makes sense. I urge adoption.

□ 1620

Mr. McCURDY. Mr. Chairman, if the gentleman will allow me to reclaim my time, I would say this also; that as a member of the Intelligence Committee, in addition to Armed Services, that if I did not have confidence that through other areas of work that I'm involved in, that we have some safeguards and redundancies and abilities to not only protect ourselves, but to provide some deterrence to the Soviets and that I felt this was a unilateral step that would destroy or take down a very vital component of our defense posture, I would not take that position; but I am confident that we have those measures and that because of the budget problems and the arms control position that we should be taking, that this is a very valuable amendment and I urge support for the Brown-Coughlin amendment.

Mr. COURTER. Mr. Chairman, I yield 9 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I appreciate the gentleman yielding.

I was fascinated by the discussion early on of those supporters of the Brown-Coughlin amendment who seem to dismiss the importance of low-level satellites, arguing that if the Soviets did not have the capability to take satellites out at our highest ranges, which give us the early warning capability, or perhaps even at moderate ranges, we need not worry because all they can affect are low-level orbiting satellites.

I was concerned that somehow the impression is left that anything we have that orbits at a low level should not be something we should be concerned about. If they have the capability and we do not, we do not need to worry about it, because what they take out is nothing more than a weather forecast on channel 4 tonight at 11 o'clock.

I would, for a second, like to enter into a brief colloquy with my colleague, the gentleman from Florida [Mr. NELSON], who is very well informed on this issue, and wish the gentleman would comment.

May I ask the gentleman from Florida [Mr. NELSON] if he has any comment in terms of the importance of low-level satellites. Is it not true that many of these low-level satellites, particularly those that are armed with optical sensors, are critical in terms of strategic planning by this country? I wish the gentleman would comment on that.

Mr. NELSON of Florida. Mr. Chairman, I thank the gentleman for yielding.

I can share with the gentleman that just having come from Germany visiting with the U.S. Army there and trying to appreciate something, for example, of the problems facing a NATO commander in the European theater; a NATO commander needs to have all of the Asat's at his command in order to make informed and proper judgments about a potential battle, not the least of those would be information from our weather satellites which are subject to being struck by the existing operational system of the Asat of the Soviets, or our surveillance Asat's including optical sensors. Now, all that is information that is important to make intelligent judgments.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. KASICH. Mr. Chairman, I yield to the gentleman from New Jersey, who I believe has a comment on this question of the importance of low-level satellites.

Mr. COURTER. Mr. Chairman, I would like to go on, and I appreciate the contribution of the gentleman from Florida. He is an expert in this area. It is something that is very important. Information on navigation and weather, for example, is extremely important in order to make very important and crucial decisions that affect the command and deployment.

These are a list of U.S. space Asat's that are vulnerable to what has been characterized as a nonthreatening Soviet Asat, even though we do not have any Asat at all.

There is photographic intelligence, reconnaissance; we use photographs obviously to determine compliance with the treaties that are so important.

I am sure people would not argue that treaty compliance and verification is something trivial to be dismissed as an unimportant asset. They are threatened by the Soviet coorbital Asat system.

It has been mentioned that our low-level weather satellites are threatened.

Our ocean electronic intelligence gathering capability satellite is threatened by the Soviet Union Asat system, which is operable, which has been tested against an object in space and ours has not.

Low-orbit navigation satellites that we utilize constantly are threatened by the Soviet Asat system.

And something that is constantly launched from the gentleman's district in Florida, our manned vehicles, they all fly at low levels. They at the present time are in jeopardy by Soviet Asat capabilities, because they fly in low orbits.

I would like to have someone on the other side to say that our manned vehicles in space are not crucial, are not important and are not threatened by the Soviet Asat.

The gentleman from Ohio has the time.

Mr. BROWN of California. Mr. Chairman, would the gentleman like to yield to me to respond to that?

Mr. KASICH. I am glad to yield to my colleague, the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the situation with regard to low-level satellites is as follows: The low-level orbiting navigational satellites are already being replaced by the new NAVCAR system and that is not approachable by the Soviet system.

The shuttle has maneuvering capability and it cannot be threatened because it has the ability to maneuver out of the way of any approaching hazardous object of any kind.

Mr. COURTER. Mr. Chairman, if the gentleman would permit me one further statement.

Mr. KASICH. I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I am not sure you could navigate away from a laser beam, but go ahead.

Mr. NELSON of Florida. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I am glad to yield to my colleague, the gentleman from Florida.

Mr. NELSON of Florida. Mr. Chairman, I thank the gentleman for yielding.

The fact is that the Asat's we have talked about, and we are being very careful in how we choose our words here for obvious reasons; but the Asat's we have talked about, weather and other surveillance Asat's, including optical sensors, are present Asat's that are very important to a battlefield commander.

I want to make one other point. We have spent something, I do not know the exact figures, but we have spend something in excess of $500 million to this point in developing our Asat capability. Now, why not go on and complete the program as the Armed Services Committee has provided in its fiscal year 1986 bill.

Mr. KASICH. Mr. Chairman, I think the important point is made here and, of course, the gentleman from New Jersey who earlier entered into this discussion with one of the proponents of the Brown-Coughlin amendment and argued that we do not need to worry about laser testing because we have the national technical means to verify; but if at the same time they have the capability to take out satellites that allow us to have national technical means capability, it seems kind of silly to argue that we have the capability, when they have the ability to take that system out.

This is a vital component of being able to determine national technical means.

Mr. Chairman, I would like to ask the gentleman from New Jersey one question. If I could ask the gentleman from New Jersey in his judgment, when we talk about the deployment of Soviet SS-20 mobile missiles or the shorter-range missile with a nuclear warhead on it that is mobile, does it not make good sense to have satellite capability that perhaps has optical sensor capability that can actually see down to where those SS-20's are, and we know how difficult it is to find them, or even the shorter-range and perhaps more mobile system, does it not make more sense to have the capability to see these systems in time of crisis?

Mr. COURTER. Mr. Chairman, the gentleman raises a very good point. Those satellites that give us that capability are at the present day, if the Soviet Union should deploy or proliferate their system, which they may be doing, because construction cannot be vertified. They have a system that works that threatens some satellites that are extremely important to national security. Since they have tested it, they know it works. It has worked on a number of occasions. They could be constructing these things under a roof and we would not know anything about it; so the gentleman's point, I think, is very well taken.

I would like the gentleman, if he would, and if not, I will, I think there is a feeling that the amendment that is proffered, the Brown amendment, basically restates present law, but that is not the case. As the gentleman knows, the law is such that at the present time we can test our Asat system to see if it is functioning, to see if it will work, to see if we can have that technology on line so that we could deter the Soviet Union from using their Asat system.

So I want those who are listening carefully to the debate to recognize that the amendment of the gentleman from California [Mr. BROWN] dramatically changes the law that we are living with today, dramatically changes the status quo.

Mr. KASICH. Mr. Chairman, I appreciate the gentleman's contribution and I think that this colloquy has been particularly enlightening, when we have seen proponents of Brown-Coughlin argue that we do not need to worry about low-level satellites, that they do not really offer a significant contribution. I think we clearly see that they do, in weather and in detection of mobile systems, in the area of navigational capability, in areas regarding ocean intelligence and a variety of areas.

The system that we test or the system that we want to move forward on gives us no more capability than what the Soviets already have and it makes no sense to allow them to have the abilility to inflict this kind of damage that is significant on our resources, without us having the same kind of capability.

□ 1630

We have heard the argument again and again and again, and the question comes down to this: Should we develop a system that gives us the same kind of capabilities that the other side has? I believe that we ought to.

Mr. PORTER. Mr. Chairman, I am in strong support of the Brown-Coughlin amendment to continue the United States-Soviet moratorium on the testing of antisatellite weapons.

Mr. Chairman, it is no surprise to anyone in the House that the Federal Government is operating with $200 billion deficits as far as the eye can see. We have run up nearly a trillion dollars in debt over the last 5 years alone and are swiftly approaching a total indebtedness of $2 trillion.

Until we rein in spending on all programs, including defense, we will threaten our children's future with an intolerable burden of debt. Before my son's taxes go to pay for a single rifle to defend his liberties, his taxes will be swallowed up for interest payments on the debt that will surpass the size of our defense budget in the 1990's.

The projected development costs of the Asat program have risen almost as fast as this deficit. In 1978, Aviation Week reported that the proposed system would cost $500 million. Two years later, the price of the system had roughly tripled to $1.4 billion. The costs have continued to rise since then, $3.5 billion in 1983 all the way up to our latest estimate in March of over $4 billion. All of this would be spent before the first system was deployed. Eventual costs of a deployed Asat system could be up to $15 billion.

Without further testing in space, neither side can develop reliable weapons to threaten each others vital communications and warning satellites. Both sides will be able to depend on the timely and accurate information provided by satellites to help manage crises and avert war.

The beauty of this amendment is the fact that if the Soviets break the moratorium, it would expire, allowing us to resume Asat testing. If they do not test, then both sides would not be forced to mortgage our children's future in order to defend vital military satellites.

Mr. Chairman, I commend Mr. BROWN and Mr. COUGHLIN for their strong bipartisan leadership on this issue. I urge my colleagues to continue the precedent set in this House last year and to support the Brown-Coughlin amendment.●

Mr. MAVROULES. Mr. Chairman, might I inquire of the gentleman from New Jersey if he has any other requests for time.

Mr. COURTER. Mr. Chairman, I have the possibility of a request and would like to use some time to sum up, if I may. But other than that, no.

I understand, if the gentleman will permit me to go on, that there is a Hoyer amendment, and I think it would be appropriate to have that introduced at this time. We have no amendments to this amendment.

Mr. MAVROULES. I appreciate that.

May I ask clarification of the Chair as to the time remaining.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES) has 10 minutes remaining and the gentleman from New Jersey [Mr. COURTER] has 11 minutes remaining.

Mr. MAVROULES. Mr. Chairman, I yield 7 minutes to the gentleman from Maryland [Mr. HOYER] for the purposes of offering an amendment.

AMENDMENT OFFERED BY MR. HOYER TO THE AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. HOYER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOYER to the amendment offered by Mr. BROWN of California: At the end of title II (page 29, after line 14) add the following new section:

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amount authorized to be appropriated for the Air Force in section 201(a)(3), there is authorized to be appropriated for the Air Force for fiscal year 1986 for research, development, test, and evaluation $20,000,000 to carry out the satellite survivability project of the Air Force Space Survivability Program.

(c) REPORT.—The Secretary of the Air Force shall transmit, not later than February 1, 1986, to the Committees on Armed Services of the Senate and the House of Representatives a report describing the development of long-term survivability criteria and research investment strategies to improve the survivability of satellites of the United States in view of the current and anticipated capability of the Soviet Union with respect to antisatellite weapons.

Mr. HOYER [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, the amendment I am offering is the amendment that was earlier referred to by a number of speakers, particularly the gentleman from Oklahoma [Mr. MCCURDY]. The amendment that I offer adds $20 million to the Air Force's Space System Survivability Program. It is, from my perspective, a supporting amendment to the Brown-Coughlin amendment pending before the Committee.

It is, as well, however, an amendment which can be supported by those who believe that Brown-Coughlin ought not to be supported, so to that extent I believe I have the support for this amendment from both proponents and opponents of the Brown-Coughlin amendment.

Mr. COURTER. Mr. Chairman, will the genteleman yield?

Mr. HOYER. I will be glad to yield to the gentleman from New Jersey.

Mr. COURTER. I do not want to interrupt the gentleman's statement and perhaps he will be given additional time.

I will accept the amendment but I would like to engage the gentleman in a low key dialog at the end of his statement, if I may.

Mr. HOYER. I would be glad to do that.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I am glad to yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman's amendment is precisely in accordance with the most important, highest priority needs for protecting our satellites, and I certainly am willing to accept it.

Mr. HOYER. I thank the gentleman for his statement.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I will be glad to yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I just want to congratulate my colleague on offering this amendment. It is certainly an addition to the Brown-Coughlin amendment which we welcome, and I thank him for offering it.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield to me?

Mr. HOYER. I am glad to yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, we have had an opportunity to review the gentleman's amendment and we are willing to accept it on this side. I do not know how the gentleman from New Jersey feels, but we have seen it on this side.

Mr. COURTER. Mr. Chairman, I indicated, and perhaps the gentleman did not hear at the time, that we will accept it, but I wanted to engage the gentleman in a short dialog at the end of his statement.

Mr. HOYER. Mr. Chairman, my amendment increases satellite survivability funding in the USAF Space Systems Survivability Program by $20 million. First, however, I commend my colleagues from both sides of the aisle, Mr. BROWN and Mr. COUGHLIN for their leadership on this issue. I strongly support the hard work they have done to build a strong, bipartisan consensus on a very difficult, complex issue such as this which has far reaching implications in the future for the security of this Nation.

The Hoyer amendment is intended as a complement to the Brown-Coughlin amendment. The purpose is to emphasize that making satellites more survivable to a broad range of disruptive and destructive threats is an important complement to developing deterrent Asat capabilities. The additional $20 million will go into the USAF Space System Survivability Program (No. 63438F). This particular program is composed of three projects; all funds will go into the Satellite Survivability Project (No. 2612). The work is managed by the USAF System Command Space Division. The following table summarizes the program funding history.

FUNDING HISTORY[1]

[Dollars in thousands]

Fiscal year—	Element						
	1981	1982	1983	1984	1985	1986	1987
Survivability planning and analysis (No. 2611)				1,400	500	600	700
Satellite survivability (No. 2612)				11,311	3,319	3,173	4,288
Ground station/link survivability (No. 2613)				16,800	1,700	500	500
Program total	0	11,000	20,500	29,511	5,519	4,273	5,488

Note.—(1) FY81–FY84 are actual figures; FY85–FY87 are estimated figures. Total estimated costs for the program and projects are unavailable.

The United States has placed high importance on utilization of space. We have deployed valuable, sophisticated long-lived satellites. U.S. satellites serve critical functions, among them: Establishing critical communication links among allied nations; enhancing global security; monitoring military exercises; intelligence gathering; early warning of ballistic missile attack; crisis management; real time reconnaissance; and verification of arms control. As the United States broadens its use of space, satellites will increasingly become high value targets.

We should be looking ahead—15 years from now—to a time when our military readiness and national security are even more dependent upon reliable and secure satellite assets. If our satellites remain vulnerable to a broad range of attacks—from spoofing and blinding to destruction—then we cannot be confident of our ability to deter Soviet provocations in space. Such an omission opens the door for the use of satellite targets as a distinct rung on the escalation ladder in a conflict.

Reference to the program funding history shows that we have not expended a significant amount of effort or funds to make these systems survivable. We are single-mindedly pursuing the development of retaliatory Asat weapons with little regard for pacing Asat technology with satellite survivability technology. Single-minded pursuit of Asat weapons may undermine U.S. efforts to deter attacks on our satellites. Without developing satellite survivability technology, the Soviets could attack our satellites by blinding the sensors, jamming communications and disrupting the electronics. Relying on Asat's to retaliate against such provocations by destroying Soviet satellites could constitute an escalatory response. Clearly, the relatively low priority attached to survivability measures should be altered. My amendment seeks to do that.

The $20 million will go into project No. 2612 which develops prototype satellite survivability technologies for the 1990's, as well as systems level capabilities to counter current co-orbital and future direct-ascent nuclear and laser Asat threats. This program emphasizes demonstration of sensor survivability and laser hardening technologies, and development of devices to counter laser jamming.

Mr. Chairman, as I indicated earlier, my amendment is intended to complement the BROWN-COUGHLIN amendment which I strongly support. In March 1984, the administration released its Report to the Congress on U.S. Policy on Asat Arms Control. In that report it was stated that one of the factors which impeded identification of effective Asat arms control measures is the diverse sources of threats to U.S. satellites. Within its discussion of options to counter the Soviet threat to U.S. satellites, the President's report noted that deterrence provided by a U.S. Asat capability is not sufficient to protect U.S. satellites. Due to the potential for covert development of Asat capabilities and because of the existence of nonspecialized weapons which may have Asat capability the report concluded that the U.S. "must continue to pursue satellite survivability measures to cope with both known and technologically possible, yet undetected, threats." It is the residual Asat capability and non-Asat threats currently known and those yet undetected that the Hoyer amendment addresses. Such threats include the Soviet Golash ABM system could be used in Asat mode; electronic interference measures such as jamming, blinding of optical sensors and spoofing; direct attacks by nonnuclear means; and ground segment attacks.

Funding the satellite survivability program within the context of an Asat testing moratorium will significantly enhance the survivability of critical U.S. satellites. Improved survivability increases the cost, the time, and the risk involved in any attack on U.S. satellites. Deterrence will be strengthened and national security will be enhanced with the Hoyer amendment.

Mr. Chairman, I want to add that my amendment also calls upon the Secretary of the Air Force to transmit, no later than February 1, 1986, to the Committees on Armed Services of the Senate and the House of Representatives a report describing the development of long-term survivability criteria. This report will also deal with research investment strategies to improve the survivability of satellites of the United States in view of the current and anticipated capability of the Soviet Union with respect to Asat weapons. Mr. Chairman, it is the intent of the amendment that the report will be a comprehensive, well-thought-out study dealing with U.S. policy on satellite survivability as well as a description of technological criteria to develop such measures. The report will serve as an important guide as we begin to initiate key technological developments in the area of satellite survivability.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I will be glad to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, based on extensive hearings conducted by my Subcommittee on Arms Control, International Security and Science in the last Congress and continuing this year, it is my belief that the Congress should make a strong statement in support of a moratorium on the testing of our antisatellite [Asat] weapon against targets in space for as long as the Soviets do likewise. This would demonstrate a strong U.S. commitment to prevent an arms race in space.

So, Mr. Chairman, I rise in strong support of the Hoyer amendment now pending to the Brown and Coughlin amendment to preserve the moratorium on Asat testing. Support of this amendment would be a major step in averting the arms race in space and in this way would complement the arms control talks in Geneva.

Beyond this, it is equally important that the United States and the Soviet Union engage in negotiations to strictly limit the use of antisatellite weapons.

Last Congress, the Subcommittee on Arms Control began a series of hearings on "Arms Control in Space." We examined the arms control and budgetary implications of the administration's space policy with emphasis on the strategic defense initiative and on U.S. Asat policy.

This Congress, the subcommittee continues its examination of these issues. Already this year, the subcommittee has heard testimony from the Honorable GEORGE BROWN and the Honorable NORM DICKS who cosponsor legislation that seeks to limit Asat's and other space-based or space-directed weapons. The resolution also reaffirms U.S. commitment to the ABM Treaty.

From our hearings, it is evident that Asat weapons threaten to undermine the ABM Treaty and the future of arms control. The ABM Treaty does not limit Asat's per se. It does, however, prohibit Asat's from being tested or used in an ABM mode. However, ABM technologies can be tested under the guise of Asat testing thereby circumventing and undermining ABM Treaty restrictions. Not to mention the fact that as Asat systems are perfected they could be used as part of an ABM defense in direct violation of the ABM Treaty. This just underscores the need for a separate treaty strictly limiting Asat systems.

In the interim, however, the Congress could aid the arms control talks in Geneva, by extending the moratorium passed by the Congress last year on Asat tests against targets in space for as long as the Soviets refrain from similar Asat testing. Such a moratorium would demonstrate Uniteed States seriousness about preventing an arms race in space and would enhance the likelihood of United States-Soviet agreement at Geneva in the area of space arms control.

For these reasons, I urge my colleagues to support the Brown-Coughlin amendment as it will be amended by the Hoyer amendment.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I thank the gentleman for his support and I yield to the distinguished gentleman from New Jersey.

Mr. COURTER. I thank the gentleman and appreciate the amendment very much. I think it is a good and valuable contribution to the bill.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

Mr. COURTER. Mr. Chairman, I yield the gentleman from Maryland [Mr. HOYER] 2 additional minutes.

Mr. HOYER. Mr. Chairman, I just wanted to make sure that by virtue of the fact that the gentleman proffered and offered this type of an amendment which purpose is valid and necessary to make more secure our space assets, it does not imply indirectly, and I know the gentleman does not imply, but it does not imply to those people reading the transcript or those people following this debate that the Department of Defense or the administration, or the Air Force or the Army has been negligent in this area to date.

□ 1640

Each one of the satellites that we have deployed, the new programs do

have hardening aspects, they do have defensive research and development to increase survivability of those assets.

I know that the MILESTAR satellite program has its own survivability study and dollars. The gentleman knows very well that the strategic defense initiative, I think, is one of the areas of research in title V has to do with survivability of space-based systems, sea-based systems and land-based systems. So it is an area we are spending an appreciable sum of money in.

The additional sum of money cannot hurt, and in some sense it will help, so in that I congratulate the gentleman.

If I may continue on one second and I will yield additional time to the gentleman, if he would like, I do appreciate the fact that the gentleman recognizes the importance of defending our assets, of defending our satellites, of research and development to utilize the various methods of defense.

Some can be stealth, mobility, active measures, other types of measures that may prohibit lasers from interfering with optics, et cetera, et cetera. I would hope that the gentleman in the future would be in the strategic defense debate as concerned about protecting Americans as he is about protecting satellites. I am sure the gentleman is. My point is, there is a relationship.

The CHAIRMAN pro tempore. The time of the gentleman from Maryland has expired.

Mr. COURTER. Mr. Chairman, I yield 15 seconds more to the gentleman from Maryland [Mr. HOYER].

The CHAIRMAN pro tempore. The gentleman from Maryland is recognized for an additional 15 seconds.

Mr. COURTER. Mr. Chairman, will the gentleman continue to yield?

Mr. HOYER. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman.

I would hope that the gentleman appreciates our concern. We want to broaden defenses. We want to broaden defenses to protect military hardware on the ground as well as our people.

Mr. Chairman, I yield 2 additional minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman.

First of all, the gentleman's first observation with respect to my premise is correct. It is not posited on the basis that we are now underfunding, per se, satellite survivability. However, as the gentleman I am sure knows, the satellite survivability program that this $20 million will be added to was initially expected to be substantial millions above what it now is. In addition, in testimony and in reports before the Committee on Armed Services, the Air Force said that this program was complementary to and in addition to that research which is being done on the strategic defense initiative effort with respect to survivability.

So the gentleman is absolutely correct.

In addition, I might say the gentleman has probably observed over time that I share the premise that we must defend not only the Nation but our people, and that it is important to go forward on a two-pronged attack. The reason I am supporting the Brown-Coughlin amendment, which I know the gentleman opposes, is because I think it is a useful pause to try to get to an arms control agreement with respect to antisatellite weapons. At the same time, I think it is important for America to move forward to strengthen the defensibility, the survivability of our assets, which view I know the gentleman shares.

Mr. Chairman, I thank the gentleman for his remarks.

Mr. MAVROULES. Mr. Chairman, I yield such time as he may consume to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I rise in support of the Brown-Coughlin amendment concerning antisatellite weapons [Asat's]. This amendment provides for continuing the current moratorium on testing of Asat's against an object in space unless the President certifies that the Soviet Union has conducted tests of its antisatellite system. The administration is currently constrained against conducting such tests unless the President should certify that tests are needed and do not violate four conditions laid down by Congress or unless the Soviets should conduct such tests. During the past year, this has not occurred, and the moratorium has been maintained.

I would like to remind my colleagues just how crucial this juncture is. At present, both the United States and the Soviet Union have restrained their Asat development. However, once we have passed the critical threshold of successfully testing an Asat against an object in space, most means of verifiability will no longer be relevant. Because we are much more dependent than the Soviets upon satellites for intelligence, command, control, and communication, we have a great deal to lose should both sides put an advanced Asat system on line. The destabilizing nature of these systems as well as the difficulty of bringing them under any arms control agreement once deployed should motivate us to vote today to prevent an irreversible step forward in the testing process.

In conclusion, I would urge my colleagues to support the Brown-Coughlin amendment. Should the Soviets move this competition into a new sphere, we will do so immediately. But for now, let us take advantage of this window of restraint and continue only with that ASAT testing which does not further destabilize our already precarious nuclear balance.

Mr. MAVROULES. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I rise in support of the Brown-Coughlin amendment which continues the limitations on antisatellite weapons testing. As passed last year by a bipartisan majority in the House, the Brown-Coughlin amendment would once again prohibit the testing of our F-15-launched Asat against an object in space as long as the Soviet Union does not conduct such tests. Now that we are in the midst of arms control negotiations with the Soviets, continuation of an Asat moratorium would provide our negotiators with greater bargaining flexibility and would demonstrate our resolve to prevent a costly and destabilizing arms race in space.

Let us be clear about the intent and purpose of the Brown-Coughlin amendment. Continuation of our Asat test moratorium would be entirely conditional on the Soviet's abiding by a similar test moratorium, which they have observed since June of 1982. This amendment not only provides for a bilateral agreement, but also for a verifiable one. Just as the United States Government has closely monitored Soviet Asat tests in the past—learning that many of them have been unsuccessful—it will continue to monitor Soviet tests with a variety of early warning satellites and ground based radars and cameras.

As neither nation possesses a fully reliable and operational Asat, continuation of a test moratorium provides us both with an ideal opportunity to negotiate limits on future space weapon testing and development. Such an agreement would serve the overriding interests of both nations to protect satellites which provide vital military, communications, reconnaissance functions necessary to security and daily survival.

While both the United States and U.S.S.R. have engaged for decades in the testing and development of primitive Asat's, the most recently tested American Asat is a more versatile, sophisticated weapons system. Unlike the United States Asat which is launched from an F-15 and provides no warning time to the target satellite, the Soviet rocket-launched Asat is slow in reaching its target, can only be launched from a limited number of sites, and can only attack satellites circling the Earth in a limited number of

orbit paths. Last year, the Office of Technology Assessment concluded that the ASAT weapons then being tested was "technically superior to the present generation of Soviet ground-launched Asats."

The Soviet Asat weapon has an altitude range of only 600 to 1,000 miles and threatens only low orbit satellites. Most of our early warning communications satellites are in higher orbit and we are currently working to move the most important of the low orbit satellites to higher altitudes. Therefore, rather than encourage the Soviets to improve their Asat capability so that it exceeds our own, or significantly threatens our most vital military and communications satellites, we should now negotiate with them from our position of security and superiority.

I am concerned that if the United States resumes Asat testing, we may face significant strategic consequences. In the immediate sense, we will undercut the flexibility of our negotiators at Geneva who now have the opportunity to discuss permanent limits on the testing and deployment of space weapons. Should we resume Asat testing we may lose the option to negotiate Asat limits before our system becomes fully operational, and casting doubt on our Nations' commitment to arms control.

Let us not be fooled into thinking that deployment of a U.S. Asat system will best serve the military and fiscal interests of our Nation. Targeting Soviet satellites will do nothing to protect our own satellites or threaten the survivability of a Soviet Asat system, and would instead incite the Soviets to upgrade their own space weapon capabilities.

As our Asat was originally designed to induce the Soviets to negotiate limits on Asat weapons, it has already fulfilled its deterrent function. The Soviet Union has for several years observed its own testing moratorium and has offered to dismantle its existing Asat system under the guise of a negotiated Asat treaty. Now is the time to call the Soviets' bluff and challenge them to agree to a formal Asat weapons limitation agreement.

In a certain sense the United States has a greater stake in reaching an Asat agreement than do the Soviets. Our Nation is more dependent upon the use of space with over 70 percent of all long distance military communications travel taking place via satellites. If we are truly interested in promoting a stable military balance, then we must protect our satellite links to military stations and armed forces worldwide to deter any potential Soviet military action. Additionally, since our nations rely on satellites to monitor compliance with arms control agreement, any threat to either nation's means of technical verification would jeopardize the enforcement of any existing or future arms limitation agreements.

Rather than spend billions of dollars to engage the Soviets in an unrestrained ASAT competition, we should resume an ASAT test moratorium and negotiate a permanent limit on ASAT weapons. Adoption of the Brown-Coughlin amendment will renew our Government's commitment to maintaining space as a sanctuary where man can pursue his greatest technological and scientific feats for peaceful purposes.

Mr. WEISS. Mr. Chairman, I want to commend the sponsors of the Brown-Coughlin amendment for their leadership on this important issue.

All our experience with negotiations involving nuclear, chemical, and conventional weapons suggests that the best time to stop an arms race is before it begins. If one side has successfully tested and developed a new kind of weapon, it is much harder to obtain mutual limitations on the deployment of that weapon. The reason for this is simple. The side that doesn't have the weapon naturally wants to catch up with the side that does. Once both sides have it, problems in detecting surreptitious production, stockpiling, and deployment complicate tremendously the task of negotiating an arms control agreement.

The Brown-Coughlin amendment provides us with a rare opportunity to prevent the inexorable progression of development, testing, and uncontrolled deployment. Neither side now has a reliable antisatellite weapon. If the current moratorium on testing is extended, neither side will be able to develop such a weapon.

This would not only help to prevent the weaponization of space, it would also protect our national security. Many American satellites gather valuable information about Soviet military activities and help us to monitor Soviet compliance with arms control agreements. If antisatellite weapons are developed and deployed, the Soviet Union will be able to deprive us of these vital sources of intelligence.

The antisatellite arms race should be stopped in its tracks. By giving the negotiations in Geneva time to work, the Brown-Coughlin amendment gives us the means to do so. I urge its adoption.

The CHAIRMAN pro tempore. For the information of the membership, the Chair will advise the time remaining: The gentleman from New Jersey [Mr. COURTER] has 6¾ minutes remaining; the gentleman from Massachusetts [Mr. MAVROULES] has 3 minutes remaining.

Mr. COURTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from Massachusetts [Mr. MAVROULES]. This obviously is the end of the Asat debate for 1985, at least in the authorization bill.

I would like to use a few minutes of my remaining time, and I am sure I can do this without utilizing all of it, to point out I think some of the salient points made by those people who oppose the Brown amendment, the very erudite and articulate gentleman from California. I think it is important to recognize and reemphasize the fact that we are dealing with a position of asymmetry. The Soviet Union, having Asat capability, it is argued that their capability does not threaten some of our assets. But indeed I think it has been pointed out that it does threaten many of our military assets that are extremely important. So I do not think it is good public policy to have a strategic balance that is not in balance, where one side has assets that the other side does not. Second, that dovetails into the deterrence argument, I believe, and I think most people accept the fact that deterrence so far has worked.

I want to move toward deterrence using defensive systems. But we argue this way when we deal with intercontinental ballistic missiles, that it is important to have parity; deterrence works, mutually assured destruction has worked so far; dealing with binary or chemical weapons, the argument is should we denude ourselves of chemical stockpiles and have nothing? The argument always is, of course, we should maintain a deterrence because it prohibits the other side from utilizing that which they now have. I think the deterrence argument works in satellites as well as it works in other areas of defense. If the Soviet Union knows that we have an operable system that is roughly equivalent to theirs, and it is important to point out that our Asat system which the Brown amendment covers does not engage as high as the Soviet Asat system; it is certainly a low-level type of system. It is important, I think, to recognize that deterrence works, it is accepted in other arguments, and I think it can be accepted here.

Finally, Mr. Chairman, I have real problems with verifiability. The gentleman argues in his amendment basically that the President of the United States, in order for us to go forward in testing, has to certify that the Soviet Union has tested a dedicated Asat system. I do not know what a dedicated Asat system is necessarily. But I do know that their laser technology that they are testing now has Asat capability, their docking and maneuvering satellites, which they do on a routine basis, may be tests of Asat weapons.

Their Galosh ABM system may be tested in an Asat mode. They are superior than we in some of the direct energy areas, particularly microwave technology and perhaps even some

particle beam areas. And those cannot be corroborated by national technical means. I suppose if a satellite were in the precise location to determine whether a ground-based laser was being utilized in an Asat mode it would be blinded and would not be able to report back. So I do not think the President can certify tests, because they are not verifiable. For those various reasons, I urge my colleagues to reject the Brown amendment, to continue with the status quo, which requires various types of certification with regard to arms control agreements, the fact that we must be plowing forward in this important area.

Mr. Chairman, I urge my colleagues to vote "no" on the amendment, and I yield back the balance of my time.

Mr. MAVROULES. Mr. Chairman, I now yield the remaining 3 minutes to the maker of the amendment, the gentleman from California [Mr. BROWN].

Mr. COUGHLIN. Mr. Chairman, will my colleague yield?

Mr. BROWN of California. I will be happy to yield to my friend, the gentleman from Pennsylvania

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, just let me say to my good friend from New Jersey [Mr. COURTER] that there is a great difference I think to emphasize here between a capability and a threat. The Soviets have a capability but that capability is not necessarily a threat, even to our low-orbit satellites, because they could be hardened against the threat

Mr. BROWN of California. I appreciate the gentleman making that point. I have alluded to it myself on occasion, but I think it needs to be repeated.

May I take this time to express my very high regard for the gentleman from New Jersey and the quality of his presentation in this debate.

□ 1650

I think he has demonstrated a firm understanding of the elements involved in this problem; he has been judicious and restrained and I frankly have been very pleased, and I want to express my appreciation to him.

There are some issues on which we, of course, have some differences. For example, key to his argument is this question of asymmetry. Now, this is a fundamental problem that sort of drives the whole arms race.

We have a chart over here that shows the history of testing by the Soviets and the United States. We began designing, deploying, testing Asat's back in the 1960's, and we deployed our nuclear-tipped system out in the Pacific.

Of course, the Soviets looked at it and said, "Look, that's asymmetrical. We don't have anything." So they began to design and test a system.

We decided our system was not any good; and scrapped it. According to the Soviet Military Power, 1985 book, the Department of Defense apparently thinks that the Soviets may have decided that their coorbital system is not any good, and are proceeding to the next generation.

I think that what we have to look at is the realities of the situation and the realities to me are evidenced in what we are each doing in the next generation of technology.

I would tell everyone in the Congress that if we do not enter an arms control mode here, that what we are going to see is not the deployment of a coorbital or a miniature vehicle satellite system; we are going to see satellite-based directed-beam weapons, rail gun weapons; a whole host of sophisticated, in-space kind of activities, and I know and you know what it is going to cost to engage in this; and we are going to be less secure.

I look at it from the standpoint of, will we be less secure or more secure? I thoroughly agree with the need to provide survivability.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER] to the amendment offered by the gentleman from California [Mr. BROWN].

The amendment to the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. BROWN], as amended.

RECORDED VOTE

Mr. BROWN of California. Mr. Chairman, I demand a recorded vote.

The vote was taken by electronic device, and there were—ayes 229, noes 193, not voting 11, as follows:

[Roll No. 196]

AYES—229

Ackerman	Bustamante	Evans (IA)
Addabbo	Carper	Evans (IL)
Akaka	Carr	Fascell
Anderson	Chandler	Fazio
Annunzio	Clay	Feighan
Anthony	Clinger	Florio
Applegate	Coelho	Foglietta
Aspin	Collins	Foley
Atkins	Conte	Ford (MI)
AuCoin	Cooper	Ford (TN)
Barnes	Coughlin	Fowler
Bates	Coyne	Frank
Bedell	Crockett	Frenzel
Beilenson	Daschle	Garcia
Bennett	Daub	Gejdenson
Berman	de la Garza	Gephardt
Biaggi	Dellums	Gibbons
Boehlert	Derrick	Glickman
Boggs	Dicks	Gonzalez
Boland	Dingell	Goodling
Boner (TN)	Dixon	Gordon
Bonior (MI)	Donnelly	Gradison
Bonker	Dorgan (ND)	Gray (IL)
Borski	Dowdy	Green
Bosco	Downey	Guarini
Boucher	Durbin	Gunderson
Boxer	Dwyer	Hall (OH)
Brooks	Dymally	Hamilton
Brown (CA)	Early	Hawkins
Bruce	Eckart (OH)	Hayes
Bryant	Edgar	Heftel
Burton (CA)	Edwards (CA)	Hertel
Hopkins	Miller (CA)	Schumer
Horton	Miller (WA)	Seiberling
Howard	Mineta	Sharp
Hoyer	Mitchell	Sikorski
Hughes	Moakley	Slattery
Jacobs	Mollohan	Smith (FL)
Jeffords	Moody	Smith (IA)
Johnson	Morrison (CT)	Snowe
Jones (NC)	Mrazek	Solarz
Jones (OK)	Murphy	Spratt
Jones (TN)	Natcher	St Germain
Kanjorski	Neal	Staggers
Kaptur	Nowak	Stallings
Kastenmeier	Oakar	Stokes
Kennelly	Oberstar	Studds
Kildee	Obey	Swift
Kleczka	Olin	Synar
Kostmayer	Ortiz	Tallon
LaFalce	Panetta	Tauke
Lantos	Pease	Torres
Leach (IA)	Penny	Torricelli
Lehman (CA)	Pepper	Towns
Lehman (FL)	Perkins	Traficant
Leland	Pickle	Traxler
Levin (MI)	Porter	Udall
Levine (CA)	Price	Vento
Lipinski	Pursell	Visclosky
Long	Rahall	Volkmer
Lowry (WA)	Rangel	Walgren
Lundine	Regula	Waxman
MacKay	Reid	Weaver
Manton	Richardson	Weiss
Markey	Ridge	Wheat
Martinez	Roberts	Whitley
Matsui	Rodino	Williams
Mavroules	Roe	Wirth
Mazzoli	Rostenkowski	Wise
McCloskey	Roukema	Wolpe
McCurdy	Roybal	Wright
McHugh	Russo	Wyden
McKernan	Sabo	Yates
McKinney	Savage	Yatron
Meyers	Scheuer	Zschau
Mica	Schneider	
Mikulski	Schroeder	

NOES—193

Andrews	Eckert (NY)	Lloyd
Archer	Edwards (OK)	Loeffler
Armey	Emerson	Lott
Badham	English	Lowery (CA)
Barnard	Erdreich	Lujan
Bartlett	Fawell	Lungren
Barton	Fiedler	Mack
Bateman	Fields	Madigan
Bentley	Flippo	Marlenee
Bereuter	Franklin	Martin (IL)
Bevill	Frost	Martin (NY)
Bilirakis	Fuqua	McCain
Bliley	Gallo	McCandless
Boulter	Gaydos	McCollum
Breaux	Gekas	McDade
Broomfield	Gilman	McEwen
Brown (CO)	Gingrich	McGrath
Broyhill	Gregg	McMillan
Burton (IN)	Grotberg	Michel
Byron	Hall, Ralph	Miller (OH)
Callahan	Hammerschmidt	Molinari
Campbell	Hansen	Monson
Carney	Hartnett	Montgomery
Chappell	Hatcher	Moore
Chappie	Hendon	Moorhead
Cheney	Henry	Morrison (WA)
Coats	Hiler	Murtha
Cobey	Hillis	Myers
Coble	Hubbard	Nelson
Coleman (MO)	Huckaby	Nichols
Coleman (TX)	Hunter	Nielson
Combest	Hutto	O'Brien
Conyers	Hyde	Oxley
Courter	Ireland	Packard
Craig	Jenkins	Parris
Crane	Kasich	Pashayan
Daniel	Kemp	Petri
Dannemeyer	Kindness	Quillen
Darden	Kolbe	Ray
Davis	Kramer	Rinaldo
DeLay	Lagomarsino	Ritter
DeWine	Latta	Robinson
Dickinson	Leath (TX)	Roemer
DioGuardi	Lent	Rogers
Dornan (CA)	Lewis (CA)	Rose
Dreier	Lewis (FL)	Roth
Duncan	Lightfoot	Rowland (CT)
Dyson	Livingston	Rowland (GA)

Rudd	Smith (NJ)	Thomas (GA)
Saxton	Smith, Denny	Valentine
Schaefer	Smith, Robert	Vander Jagt
Schuette	Snyder	Vucanovich
Schulze	Solomon	Walker
Sensenbrenner	Spence	Watkins
Shaw	Stangeland	Weber
Shelby	Stenholm	Whitehurst
Shumway	Strang	Whittaker
Shuster	Stratton	Whitten
Siljander	Stump	Wolf
Sisisky	Sundquist	Wylie
Skeen	Sweeney	Young (AK)
Skelton	Swindall	Young (FL)
Slaughter	Tauzin	Young (MO)
Smith (NE)	Taylor	
Smith (NH)	Thomas (CA)	

NOT VOTING—11

Alexander	Holt	Stark
Fish	Kolter	Wilson
Gray (PA)	Luken	Wortley
Hefner	Owens	

□ 1710

The Clerk announced the following pairs:

On this vote:

Mr. Owens for, with Mrs. Holt against.

Mr. Fish for, with Mr. Wortley against.

Mr. ANDREWS changed his vote from "aye" to "no."

Mrs. JONES of North Carolina and Mrs. BOGGS changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FOGLIETTA

Mr. FOGLIETTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGLIETTA: At the end of title II (page 29, after line 14) add the following new section:

SEC. 207. LIMITATION ON STRATEGIC DEFENSE INITIATIVE PROGRAMS.

None of the funds appropriated pursuant to authorizations of appropriations in this title for Strategic Defense Initiative programs may be used for development, demonstration, test, or evaluation of the use of weapons powered by nuclear explosions in space.

Mr. FOGLIETTA. Mr. Chairman, the debate this year on the strategic defense initiative is strictly about research and development. The funds being authorized in H.R. 1872 are for R&D, and R&D only. The amendment I am offering does not restrict the research of any potential strategic defense technology. It does not affect the development of any strategic defense technology except technologies powered by nuclear explosions.

Let me repeat this point. This amendment does not prohibit research into any technology, and prohibits development only of nuclear weapons systems.

Several different types of defensive weapons are being pursued under the strategic defense umbrella.

There are two basic classes of weapons, directed energy and kinetic energy. Directed energy weapons will use laser beams to impact or burn through an enemy missile skin. Kinetic energy weapons will use projectiles—some as small as subatomic particles—to punch or shock a Soviet missile.

These two classes of strategic weapons, directed energy and kinetic energy or particle beam weapons, are being considered for use in all phases of an enemy ballistic missile attack. Most of these defensive weapon technologies will use a conventional power source.

My amendment does not affect research and development of these weapons in any way.

There are, however, strategic defense technologies that would utilize nuclear explosions, literally a detonated nuclear bombs, for their power. My amendment prohibits the expenditure of funds for the development of these kinds of technologies.

Why should we be opposed to development of these technologies? There are sound political, moral, diplomatic, and military reasons to do so.

This amendment will bring the strategic defense initiative within the program's stated goals. President Reagan characterized the strategic defense initiative this way, and I quote:

Our intent is to shift the deterrent balance from one which is based primarily on the ultimate threat of devastating nuclear retaliation to one in which non-nuclear defenses play a greater role.

Now, let me emphasize the President said "Non-nuclear defenses."

Defense Secretary Weinberger marches to the same drum beat as the President. Last November he stated clearly, and I quote:

(The Strategic Defense Initiative) would be designed to destroy Soviet missiles so that they would not even get into the atmosphere and to destroy them with non-nuclear means. That's what we're working on, and that's what I think it is essential to get.

Again, let me emphasize that Secretary Weinberger said "non-nuclear means * * * that's what we're working on * * *".

Unfortunately, despite these specific mission statements, work is ongoing toward the development of nuclear weapon-powered SDI technology.

It is thus left to us, in this body, to make the strategic defense initiative what the President says he wants it to be.

When the stated mission on the strategic defense initiative is to rid the world of nuclear weapons, continuing to develop new nuclear weapons to use as part of the program designed to rid us of them, is hypocritical.

Second, there are political dangers here for the administration. The American people have never long tolerated politicians who are not straightforward with them. And pursuing nuclear weapon strategic defense technology against all public statements casts a cloud over the entire program and threatens its public support.

Third, these defensive nuclear weapons are proposed to be deployed either on Earth or in space. If based in space, they will violate the Threshold Test Bank Treaty, the Outer Space Weapons Treaty, and the Anti-Ballistic Missile Treaty. At a time when there seems to be plenty of confusion over whether either or both of the superpowers are violating arms agreements, there is absolutely no doubt about the treaty violations resulting from the pursuit of space-based nuclear weapons.

If, on the other hand, an x-ray laser, or other similarly powered technology is deployed on Earth, its military value will be drastically lessened. There are proposals to base these systems in fixed, land-based silos, or on submarines. If they are deployed on submarines, they will be useless in anything but a first strike. As this House knows, submarines have to remain underwater to remain invulnerable. But when they are submerged, they are also nearly out of touch. For an x-ray laser, or other pop-up system to be of military value, it would have to be launched extremely quickly, something which would be impossible for a system based on a submerged submarine, A land-based system would be more responsive, but suffers from other problems. Why? Because to be of value militarily, timeliness is of the essence, and the time lost to confirming an attack, launching into position, and targeting would prevent using this nuclear defense before the multiple warheads on each Soviet ICBM separated, thereby greatly complicating—if not making impossible—our defense task.

We are thus left with a choice between a system which is totally illegal or one which is ineffective. In either event, detonation would produce such serious after effects that a number of our surveillance satellites could be damaged.

Everyone in this Chamber is aware of the destructive force of even a small nuclear explosion. By today's standards, Hiroshima was a small nuclear explosion. The blast effects of a small nuclear explosion in space would be great; the debris and electomagnetic pulse following a nuclear blast in space could damage all our systems—like satellites—which are not hardened.

Mr. Chairman, I want to dwell on this point about the deployment of a nuclear weapons system a bit further.

The underlying goal of any defensive policy should be—has to be—to bring a greater degree of stability to the relations between the superpowers. A space-based x-ray laser which violates many of our standing international treaties automatically decreases stability. An Earth-based system would also decrease stability, because

it could not be launched into position until after confirmation of a Soviet attack, and this confirmation must be absolute. Any uncertainty leaving open the possibility of launching nuclear weapons powered strategic defense technology mistakenly into space during a false alarm risks pushing us over the brink to nuclear war. The Soviets would have to interpret any premature launch as a prelude to a preemptive strike by the United States—because the nuclear weapon powered x-ray laser is also ideally suited as an antisatellite system. That is, an offensive weapon. A premature launch on our part, without confirmation that an attack was underway, would, therefore, precipitate a crisis where none existed.

Mr. Chairman, colleagues, there are many other strategic defense technologies under investigation that offer more promise that the nuclear weapon powered systems this amendment would prohibit. And these more promising technologies do not carry with them the liabilities of limited military usefullness and political and moral impalatibility.

This amendment does not prohibit the Departments of Defense and Energy from studying and researching Soviet efforts and developments in nuclear weapons powered technology, for clearly we must know with as much certainty as possible what the Soviets are up to.

While it is true that this program is not scheduled to go into development this year, direction from Congress on this question is critical now. It is critical because pursuit of this technology runs counter to stated policy and common sense. It is true because pursuit of this technology means that the President, the administration, and by association the Congress, have misled the American people about what type of a program this is. I do not believe that it is in anyone's interest. Indeed, if the public comes to feel we have lied to them about this very visible aspect of SDI, they will wonder if we are not similarly misleading them on other aspects of SDI as well. The effect of such doubt would be to damage the credibility of the White House, the Congress, and of the SDI.

This Nation's stated purpose with the SDI is to preserve this Nation and our allies, and to make it safe from attack. It is to promote stability, and therefore peace. It is a moral purpose more than a military one, a philosophical statement more than a political one. For the SDI to work, it must be developed on both the technological and public relations fronts. These two must act together, not in opposition. Pursuit of a new generation of nuclear weapons—defensive or offensive—will greatly diminish our ability to achieve the President's goal, will cloud the moral high ground we have taken, and will threaten the SDI as a whole.

I urge my colleagues to support this amendment.

AMENDMENT OFFERED BY MR. BADHAM TO THE AMENDMENT OFFERED BY MR. FOGLIETTA

Mr. BADHAM. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BADHAM to the amendment offered by Mr. FOGLIETTA: In the section proposed to be inserted by the amendment—

(1) insert "or title IX" after "this title";

(2) insert "advanced" after "may be used for"; and

(3) strike out the period at the end and insert in lieu thereof "in a manner inconsistent with any of the treaties known as the Limited Test Ban Treaty, the Threshold Test Ban Treaty, the Outer Space Treaty, or the Antiballistic Missile Treaty.".

Mr. BADHAM [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. RUSSO). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BADHAM. Mr. Chairman, many of us believe that the gentleman from Pennsylvania has an excellent idea to prevent us from doing something that would jam up against or indeed go through and beyond test ban treaties, threshold tests, and antiballistic missile treaties, outer space treaties, and so forth.

The amendment, basically, is a good one. What my amendment does to the gentleman's amendment I believe makes it a little better. It inserts the word "advance" so that none of these funds appropriated pursuant to the authorization may be used for advanced development and powered by nuclear explosions, in a manner inconsistent with limited Test Ban Treaty, the Threshold Test Ban Treaty, the Outer Space Treaty, or the ABM Treaty. What it does, in my view, is give credence to the Foglietta amendment and does it in a way that I think would be agreeable.

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman.

Mr. FOGLIETTA. I thank the gentleman.

Mr. Chairman, I have seen and read the amendment offered by the gentleman from California, and I am happy to accept that amendment to my amendment.

Mr. BADHAM. I thank the gentleman.

□ 1720

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I would be happy to yield to the gentleman from New York.

Mr. CARNEY. I thank the gentleman for yielding.

Mr. Chairman, could I get an explanation as to what is meant by nuclear explosion? Would that exclude the utilization of a small nuclear powerplant that would not explode?

Mr. BADHAM. No, it would not.

Mr. CARNEY. So they could be studied and they could be advanced.

Mr. Chairman, if I could, I would ask the gentleman from California [Mr. BADHAM] to yield to the gentleman from Pennsylvania to explain the difference.

Mr. BADHAM. I would be more than happy to yield to the gentleman from Pennsylvania [Mr. FOGLIETTA] for a response to the gentleman from New York.

Mr. FOGLIETTA. I thank the gentleman from California. The gentleman said "could they study." Let me emphasize again, this amendment does not restrict the research or study into any of these plants. It merely restricts the advanced development of any of these nuclear explosive or nuclear power devices.

Mr. CARNEY. A development in a nuclear power device of a nonexplosive nature, could that take place under this?

Mr. FOGLIETTA. Yes, it could.

Mr. CARNEY. It is just an explosive device.

Mr. FOGLIETTA. That is correct.

Mr. CARNEY. I thank the gentleman, and I thank the gentleman from California.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, We have examined the amendment on this side of the aisle and we accept it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. BADHAM] to the amendment offered by the gentleman from Pennsylvania [Mr. FOGLIETTA].

The amendment to the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FOGLIETTA], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title II? Hearing none, the Clerk will redesignate title III.

The Clerk redesignated title III, "operation and maintenance."

The CHAIRMAN pro tempore. Are there amendments to title III? Hear-

ing none, the Clerk will redesignate title IV.

The Clerk redesignated title IV, "Military personnel authorizations."

The CHAIRMAN pro tempore. Are there any amendments to title IV? If not, the Clerk will redesignate title V.

The Clerk redesignated title V, "Defense personnel policy."

The CHAIRMAN pro tempore. Are there any amendments to title V? If not, the Clerk will redesignate title VI

The Clerk redesignated title VI, "Compensation and other personnel benefits."

The CHAIRMAN pro tempore. Are there any amendments to title VI? Hearing none, the Clerk will redesignate title VII.

The Clerk redesignated Title VIII, "Civil defense."

The CHAIRMAN pro tempore. Are there any amendments to title VII? Hearing none, the Clerk will redesignate title IX.

The Clerk redesignated title IX, "Department of Energy, national security programs."

The CHAIRMAN pro tempore. Are there any amendments to title IX? Hearing none, the Clerk will redesignate title X.

The Clerk redesignated title X, "General provisions."

The CHAIRMAN pro tempore. Are there any amendments to title X?

AMENDMENT OFFERED BY MR. HUTTO

Mr. HUTTO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUTTO: Page 172, after line 20, insert the following new section:

SEC. 1016. TWO-YEAR EXTENSION OF PROHIBITION ON CONTRACTS FOR THE PERFORMANCE OF FIREFIGHTING AND SECURITY FUNCTIONS.

(a) EXTENSION OF PROHIBITION.—Section 1221(a) of the Department of Defnese Authorization Act, 1984 (Public Law 98-94; 97 Stat. 691), is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1987".

(b) REPORT.—(1) The Secretary of Defense shall submit to Congress a written report containing—

(A) an assessment of the special needs of the Department of Defnese with respect to firefighting and base security; and

(B) an assessment of how those needs are met by both Federal employees and contract personnel.

(2) The report shall be prepared in consultation with the Administrator of the United States Fire Administration of the Federal Emergency Management Agency and shall include the comments of the Administrator on the report.

(3) The report shall be submitted not later than March 1, 1986.

Mr. HUTTO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HUTTO. Mr. Chairman, I rise in support of this amendment, which is offered with the active support of the gentleman from Virginia [Mr. WHITEHURST], the gentleman from California [Mr. FAZIO], and a number of other Members.

The basic purpose of the amendment is to extend for 2 years, to October 1, 1987, the existing prohibition on contracting out the functions of firefighters and security guards at military installations.

My amendment also would require a report from the Secretary of Defense not later than March 1 of next year. The report shall be in consultation with the Administrator of the U.S. Fire Administration of the Federal Emergency Management Agency and shall include the comments of the Administrator.

Two years ago, after consideration of the fiscal year 1984 Defense authorization bill, the Congress approved an amendment whereby funds appropriated to the Defense Department may not be obligated or expended before October 1, 1985, for the purpose of entering into a contract for the performance of firefighting or security guard functions at any military installation or facility.

This prohibition does not, and will not under my amendment, apply to a contract to be carried out at a location outside the United States, including its commonwealths, territories, and possessions, at which military personnel would have to be used for the performance of these functions at the expense of unit readiness. The prohibition would not apply to a contract to be carried out at Government-owned, but privately operated installation or to a contract, or the renewal of a contract, for the performance of a function being performed by contractor personnel on the date of the enactment of the fiscal year 1984 Defense authorization bill, September 24, 1983.

The prohibition language of 2 years ago required the Secretary of Defense to submit to Congress a written report containing an assessment of the special needs of the Defense Department with respect to firefighting and base security and an assessment of how those needs are met by both Federal employees and contract personnel. The report was to be prepared in consultation with the U.S. Fire Administrator of the Federal Emergency Management Agency [FEMA].

Mr. Chairman, the Defense Department's written report falls considerably short of assessing how the special needs of that Department for firefighting and security guards are being met by both Federal employees and contract personnel. The report was accomplished with little or no input from FEMA. The Director of FEMA has indicated that, quote, no substantial input was sought from FEMA by DOD, unquote, and agreed, quote, that a more detailed study should be accomplished, unquote.

In my view, there is no clearer example than firefighting and base security of an "inherently governmental activity", that should not be contracted out because its responsibilities are so closely related to that of the military commander—to provide for the safety and security of the people and facilities of the military installation. I am firmly convinced that these functions are absolutely essential elements in the ability of the base commanders to both perform and preserve the overall mission of our installations.

Federal firefighters and security guards are highly trained specialists and have to meet stringent standards to perform their duties where highly complex, unique, and dangerous military related facilities and equipment are involved. Contract personnel may not have such specialized training, and lower standards could pose a serious threat to safety and readiness.

Contract firefighters and security guards could strike whereas Federal employees are prohibited by law from doing so. A strike at a military installation could pose a serious risk to safety, military operations, and readiness.

Experience has shown that the Secretary of Defense is not always on top of matters involving contracting out. Most recently, the Secretary of Defense was unable to identify core logistics functions despite the strong and detailed recommendations of his commanders in the field. Likewise, he may not have the latitude to identify and exempt from contracting out readiness-essential firefighting and security guard functions without statutory guidance.

While I support the basic objective of cost effectiveness under OMB Circular A-76, I strongly favor the firefighting and security guard functions staying under the direct control of the base commander.

In summary, my amendment simply extends for 2 more years the existing prohibition on contracting out of firefighting and security guards. Furthermore, I believe neither the Defense Department nor the Congress can adequately consider the matter of cost, relative to the safety and security associated with the contracting out of emergency services, without the special expertise of professional firefighters from FEMA's U.S. Fire Administrator, an agency and office independent of the Department of Defense.

These considerations are too important not to consider. I urge your support of my amendment.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I would be happy to yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

Mr. Chairman, on this side of the aisle we have had an opportunity to look at the amendment offered by the gentleman from Florida [Mr. HUTTO] and we are prepared to accept it on this side.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, we, too, have had an opportunity to examine the amendment offered by the gentleman from Florida [Mr. HUTTO]. We think it has merit and we will accept it on this side.

Mr. HUTTO. I thank both of the gentlemen from Alabama.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Florida [Mr. HUTTO].

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. HUTTO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS: At the end of title X (page 200 after line 4) add the following new section:

SEC. 1050. CEILING ON FUNDS FOR CONTRACTING-OUT.

None of the funds authorized for appropriation or otherwise made available by this act shall be used to increase the dollar expenditures to contract out for services, as governed by Office of Management and Budget Circular A-76, beyond the level of expenditures for such payments in fiscal year 1985, except those expenditures necessary to meet wage rate increases required by the Service Contract Act and those expenditures necessary to initiate new contracts for services legally binding on September 30, 1985.

Mr. DICKS. Mr. Chairman, annual expenditures to contract for services under OMB Circular A-76 have increased substantially from fiscal year 1980 to 1985. During this period, no substantive documentation has been brought forth to verify that contracting out actually saves dollar expenditures. Conversely, Department of Defense and GAO audit reports have provided cost information indicating that actual payments for service contracts are consistently higher than original contract estimates.

DOD's response to the 1984 authorization act showed that for 235 contracts, the actual contract costs were nearly $89 million higher than the original cost estimates for contract performance. A GAO report released on April 15 of this year, which examined 20 contracts, documents substantial contractor cost increases (35 percent overall) which reduce DOD estimated cost savings FPOM 42 to 7 percent over a 3-year period—or only 2.3 percent per year. These findings, based on estimated costs to actual payments, confirm that contracting out costs in DOD are rapidly escalating. Continuation of this trend will wipe out any savings and result in actual cost increases.

The House Budget Committee recognized the increased cost trends of contracting out in the budget resolution which subsequently was adopted by this House. The resolution included a recommendation to control spending for purchased service (contracting). This recommendation assumed that management of contracts and efficient Government operations will be improved if the unprecedented growth in contracting is curtailed.

This body has decided that as part of the deficit reduction effort, overall defense spending should be frozen. This amendment attempts to place this same disciplining standard on contracting out, where some of the largest cost increases have occured.

It is particularly targeted toward the 35 percent of the contracts examined by GAO whose increase from bids ranged from 57 to 78 percent. In my judgment more aggressive use of firm fixed contracts and post contract auditing can help curb these gross increases. This amendment provides the department with the incentive to take such steps in order to control costs.

The amendment applies only to contracting under circular A-76, it does not apply to personal services contracts.

The amendment specifically allows increases in contracting costs to meet wage rate increases required by the Service Contract Act and those expenditures necessary to initiate new contracts for services legally binding on September 30, 1985.

We have acted on a number of amendments designed to bring cost controls into the defense procurement system. This amendment insures that an increasingly large portion of defense spending is also addressed, that of contracting out.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment offered by the gentleman from Washington [Mr. DICKS] on this side of the aisle and we have no objection to it.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, we are in consonance with the gentleman from Alabama [Mr. NICHOLS]. We find the amendment offered by the gentleman from Washington [Mr. DICKS] is supportable and we support it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. DICKS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of title X (page 200, after line 4), add the following new section:

SEC. 1050. AUTHORIZATION FOR ADDITIONAL PROCUREMENT FOR CONVENTIONAL FORCES.

(a) FINDING AND PURPOSE.—The Congress finds that the United States should place greater emphasis on the improvement of the capabilities of United States conventional forces and that such an improvement would reduce the threat of nuclear war. Accordingly, this section provides additional authorization of appropriations for programs to improve conventional readiness capabilities of the Armed Forces.

(b) ARMY.—The amounts authorized to be appropriated in section 101 for the Army are increased by the following amounts:

(1) For weapons and tracked combat vehicles, $20,000,000.

(2) For ammunition, $474,100,000.

(3) For other procurement, $126,600,000, of which—

(A) $50,000,000 is for tactical and support vehicles;

(B) $41,100,000 is for communications and electronics; and

(C) $35,500,000 is for other support equipment.

(c) NAVY AND MARINE CORPS.—The amounts authorized to be appropriated in section 102 for the Navy and Marine Corps are increased by the following amounts:

(1) For weapons procurement, Navy, $142,500,000.

(2) For shipbuilding and conversion, $25,000,000.

(3) For other procurement, Navy, $62,500,000, of which—

(A) $15,000,000 is available only for the ship support equipment program; and

(B) $47,500,000 is available for aviation support equipment.

(4) For Marine Corps procurement, $99,300,000.

(d) AIR FORCE.—The amounts authorized to be appropriated in section 103 for the Air Force are increased by the following amounts:

(1) For missiles, $38,000,000.

(2) For other procurement, $12,000,000.

(e) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The increases provided by this section in the authorizations of appropriations in title I—

(1) are in addition to any increase in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any reduction in such authorizations provided in any other provision of this Act.

(f) ARMY PROGRAMS.—The additional authorizations provided by subsection (b) for the Army are available for Army programs as follows:

(1) The additional authorizations for weapons and tracked combat vehicles is for initial spares for tracked combat vehicles.

(2) From the additional authorization for ammunition, Army, additional ammunition is authorized in quantities and amounts as follows:

(A) For training ammunition shortfalls:

Cartridge 5.56 blank for squad automatic weapon, 3,278,000 units and $800,000.

Cartridge 7.62 training linked, 1,730,000 units and $600,000.

Cartridge 7.62 ball linked, 2,839,000 units and $800,000.

Cartridge caliber .50 4 ball 1 tracer, 1,197,000 units and $1,700,000.

Cartridge caliber .50 ball linked, 1,174,000 units and $1,400,000.

Cartridge caliber .50 4 ball 1 tracer, 6,281 units and $8,100,000.

Cartridge 30-millimeter target practice-tracer, 488,000 units and $5,500,000.

Cartridge 105-millimeter target practice-tracer, 125,000 units and $19,800,000.

Cartridge 105-millimeter discarding sabot-target practice M724, 84,000 units and $16,800,000.

Cartridge 120-millimeter training M865, 28,000 units and $17,000,000.

(B) For war reserve shortfalls:

Projectile 8-inch high explosive improved conventional munition, 117,000 units and $100,000,000.

Charge propelling white bag 188, 129,000 units and $28,200,000.

Projectile 155-millimeter high explosive improved conventional munition, 121,000 units and $51,700,000.

Projectile 155-millimeter remote, anti-armor mines M741, 29,000 units and $50,000,000.

Projectile 155-millimeter area denial artillery munition M731, 4,000 units and $17,600,000.

Fuze mechanical time M577, 517,000 units and $35,600,000.

Charge propelling 155-millimeter, green bag M3A1, 111,000 units and $6,200,000.

Charge propelling 155-millimeter, white bag M4A2, 115,000 units and $8,900,000.

Ground improved mine scatter system, antitank mine M75, 84,000 units and $16,800,000.

Cartridge 50-millimeter high velocity, high explosive, dual purpose M430, 1,440,000 units and $17,000,000.

Projectile 8-inch rocket assisted projectile, 14,000 units and $17,900,000.

120-millimeter cartridge armor piercing fin stabilized discarding sabot with tracer ME829, 25,000 units and $43,900,000.

120-millimeter cartridge high explosive, antitank, multipurpose with tracer M830, 3,000 units and $7,800,000.

(3) From the authorization for other procurement, Army, additional items are authorized in quantities and amounts as follows:

For five-ton trucks, 477 units and $50,000,000.

For five-ton trucks, 477 units and $50,000,000.

For utility landing craft, 7 units and $33,000,000.

For other support equipment spares, $2,500,000.

For Vinson, 6,558 units and $27,800,000.

For security voice improvement equipment, 286 units and $10,000,000.

For communications and electronics spares, $3,300,000.

(g) NAVY PROGRAMS.—The additional authorizations provided by subsection (c) for the Navy are available for Navy programs as follows:

(1) From the authorization for weapons procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Sidearm, 717 units and $59,500,000.

For AIM-9 L/M Sidewinder, 630 units and $40,000,000.

For drones and decoys, $15,000,000.

For aerial targets, $28,000,000.

(2) From the authorization for shipbuilding and conversion, two ships are authorized for strategic sealift in the amount of $25,000,000.

(3) From the authorization for other procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Skipper, 500 units and $12,500,000.

For low cost sonobouy, 150,000 units and $35,000,000.

For sealift support, 15,000,000, of which—

$3,000,000 is for modular causeway; and

$12,000,000 is for seasheds.

(h) MARINE CORPS PROGRAMS.—The additional authorization provided in subsection (c) for the Marine Corps is available for Marine Corps programs in quantities and amounts as follows:

For projectile 155-millimeter high explosive improved conventional munition (dual purpose) M483, 124,261 units and $50,000,000.

For M198 Howitzer, medium, towed 155-millimeter, 94 units and $45,000,000.

For Armored Vehicle Launched Bridge (AVLB), 8 units and $4,300,000.

(i) AIR FORCE PROGRAMS.—The additional authorizations provided in subsection (d) for the Air Force are available for Air Force programs as follows:

(1) From the authorization for missiles for the Air Force, 702,000 units and $38,000,000 are authorized for the AIM-9 L/M Sidewinder program.

(2) From the authorization for other procurement, Air Force, $12,000,000 is authorized for electronics and telecommunications.

Mr. BENNETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1730

Mr. BENNETT. Mr. Chairman, I rise to offer an amendment which will help change the questionable strategy of overspending for strategic weapons and underspending for our conventional forces.

Along with my distinguished friends and colleagues, the gentleman from California [Mr. FAZIO] and the gentleman from New York [Mr. DOWNEY], I propose to add $1 billion for procurement of conventional weapons to improve combat readiness for our Armed Forces. The $1 billion originates from cuts that have been made in the MX Program and does not represent an increase in the defense authorization above what the Budget Committee specifies.

I also particularly want to acknowledge the contribution of the gentleman from Oregon [Mr. AUCOIN], at whose instigation the Sidewinder missiles were added into this amendment for both the Navy and the Air Force. He has no parochial interest in these missiles; he suggested them only on the basis of their contribution to national defense, he made a persuasive case for them, and I thank him for it.

A major shortcoming that has hampered the military has been the failure to adequately meet the ammunition, support, and communications equipment needs of our Armed Forces.

General Rogers, the NATO commander, has pointed out many cases where we have deficiencies in the area of military readiness and combat sustainability. If Western Europe were attacked conventionally, according to General Rogers' testimony earlier in this Congress—and I am now reading:

NATO political authorities would face fairly quickly the decision to authorize release of theater nuclear weapons. This situation results primarily from a lack of sustainability with trained manpower, ammunition, and war reserve materiel.

It is important that we increase the readiness of our Armed Forces. This strengthens our ability to fight a conventional war in Europe and adds to conventional deterrence worldwide.

The main purpose of this amendment is to use funds which are not outside the budget, not outside the parameters of this bill, but which puts them in the conventional warfare protection so we do not have to go to a nuclear war in case we have such an encounter in Europe.

The items to be procured under this amendment represent a carefully crafted response to the readiness needs of the military identified by General Rogers and in full consultation with the services. The $400 million will be used to reverse ammunition shortfalls in the Army. Some of these items, such as the Sidewinder missile and the Davy Skipper and the rocket-propelled bomb, have significant advantages in cost effectiveness over other munitions. Savings are gained by advancing the purchase schedule for the M-198 howitzer and the Marine and Sidewinder missiles for the Air Force. Additional strategic sealift capability for the Navy is also included in this amendment.

Finally, this amendment will improve Guard and Reserve readiness. Advanced scheduled purchases of the Sidewinder missile permits the early versions of this equipment to be transferred to the units of those organizations.

The debate we are engaged in is not simply the size of the defense budget. Money alone is not the answer, nor are unlimited funds of the Federal Government possible in such a matter.

The real guts of this matter is to see to it that we have a strong enough situation in Europe that we can forestall the necessity of going to nuclear war.

Mr. Chairman, we should have, of course, the proper deterrence in the field of nuclear weaponry, but we should also be able to protect ourselves in the sense of not going unnecessarily to nuclear war.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I think this is an excellent amendment. This deals with items that are not very glamorous, transportation, ammunition, and material that the troops need. This is well thought out. I compliment the gentleman for it, and I support the amendment.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding.

In reading rather hastily the amendment as it was printed in the RECORD, I do not know that I understand the thrust of it. So far as I can tell, out of $1 billion there is only $40 million for the Air Force. Am I misreading it?

Mr. BENNETT. Mr. Chairman, that is about the figure, but the reason for this is that these are the items that the Appropriations Committee, after consulting with the authorization committee, the procurement committee, and after looking at the letter that General Rogers wrote us about the deficiencies he feels are most alarming in Europe, arrived at. The Navy does not get too much, either, and the Air Force does not get as much as the Army. The vast majority goes to the Army, and it is based upon the necessities as outlined by General Rogers, who is the NATO commander.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield further?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Of course, Mr. Chairman, we know General Rogers very well and have the highest regard for him. He has testified any number of times before our committee while he has been Cinceur [commander in chief, Europe] as to the state of readiness of the NATO forces and his concern. But my only problem is this: I am not going to oppose the amendment because I think we have made too serious a cut anyway, but I am bothered about the apportionment of $1 billion and only $40 million for the Air Force and very little for the Navy, with the bulk of it for the Army, which means there is going to be over $900 million for the Army, to the detriment of the other services.

Mr. BENNETT. Mr. Chairman, let me see if I can reply to that. Early on in the discussion on the floor, I had another amendment which I introduced on May 22, before anybody else captured that $4 billion, and of that $4 billion I provided under that amendment that it be equally divided among the three branches, because there are deficiencies in each which exceed all of this money.

Mr. DICKINSON. All right.

Mr. BENNETT. That is what I did. But that amendment was found defective by the House for two reasons.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has expired.

(By unanimous consent, Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, will the gentleman yield further?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, let me just say that I have no objection to the amendment. I am supportive of it. I think it is malproportioned, and perhaps we can work this out in conference.

Mr. Chairman, I thank the gentleman for yielding.

Mr. BENNETT. Mr. Chairman, I thank the gentleman very much.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, who will decide this? As the gentleman knows, I am widely interested in the Reserve Forces. Who will divide this nuts-and-bolts money up? Who makes that decision?

Mr. BENNETT. Who made the decision?

Mr. MONTGOMERY. Who makes the decision, and will the Reserves be included in this? That is very important. Now they have 50 percent of all the combat missions, and I would hope that the whole $1 billion would not go to the active forces. That is what I am saying.

Mr. BENNETT. Well, the Reserves could use the whole $1 billion, as far as that is concerned. Under my original amendment, they would have gotten $4 billion in all.

The gentleman from California [Mr. FAZIO] helped very materially in drafting this amendment, and I know he made reference to General Rogers' letter to me which set out things of this nature. Perhaps he can give the gentleman a better answer at this point.

Mr. Chairman, I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I appreciate the gentleman's yielding.

I certainly would like to point out that the Marine Reserves are particularly targeted in this amendment because we do want to improve the readiness of our Reserve Forces at the same time that we do what we can to bring our conventional forces up to their greatest capability. We are attempting here to emphasize those areas of the accounts that do tend to get overlooked at every point in the budget process.

We are providing training supplies which would be available both to the regular forces and the Reserves, including the Army as well. So I think we are following not only the dictates and the guidance of General Rogers but we have worked with the staff of the committee to do a great deal, I think, to extend the time in which we could sustain a conventional war in Europe.

We think we have added an additional 7 days to the stockpile in war reserves, for example. So it is a consensus amendment that we worked out with the full cooperation of the staff of the Committee on Armed Services, and I am very pleased to be able to join the gentleman from Florida [Mr. BENNETT] and my friend, the gentleman from New York [Mr. DOWNEY] in offering the amendment at this point.

Mr. Chairman, the package of amendments offered will redirect funds from the nuclear areas to the conventional forces—$1 billion of the slightly more than $1 billion saved on the nuclear forces will be used to bolster our conventional capabilities. The amendment to improve our conventional capabilities will work in three areas, training supplies, improving war reserve stock pile, and the improvement of sealift capabilities.

By improving conventional capabilities the amendment seeks to improve the staying power of our conventional forces in the NATO theater so that the use of nuclear weapons is further delayed; that is, raising the nuclear threshold.

1. TRAINING SUPPLIES

The amendment will procure ammunition for training of Army conventional forces. The ammunition covered will be the entire range, from small arms to artillery and tank munitions. These additions are identified by the Army as being necessary to improve the training of our forces, these funds were left out in the internal DOD budget process.

The amendment will provide $72.5 million in this area for the Army.

2. WAR RESERVES

The amendment will procure supplies that the military will need in the event of a conflict. These additions will add, on average 7 days to the stockpile. (NOTE.—that this varies the "runout" out time for various supplies depending on their existing base.)

The amendment will provide $401.6 million for the Army.

3. STRATEGIC SEALIFT

The amendment will add $25 million for the procurement of two ships,

presently the type of ship is not decided but it is thought that two tankers would be procured.

4. AIR FORCE

The amendment will provide a total of $50 million for the Air Force to be spent on communications equipment and Sidewinder air-to-air missiles—this would bolster the conventional staying power of the Air Force.

5. THE MARINES

The Marines will have their conventional capability bolstered by the procurement of additional pieces and shells. This will give the Marine Reserve units the same equipment as the active duty Marine units thus improving training, cooperation, and mobilization of the Reserves.

Mr. BENNETT. Mr. Chairman, let me just say that the gentleman from California [Mr. FAZIO], as well as the gentleman from New York [Mr. DOWNEY], has done a magnificent job, and I appreciate it.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield further?

Mr. BENNETT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I think my question has been partially answered. In looking at the report, it says: Improved Guard and Reserve Readiness. Advanced scheduled purchases of missiles will be transferred to the Reserve units, and also houses for the Marine Reserve will be considered to be transferred to the Reserve forces.

All I want to stress to the gentleman in the well is again that the Reserves have over 50 percent of the combat missions now and they are getting less than 10 percent of the equipment. I certainly hope that part of this $1 billion will go over to the Reserve forces.

Mr. BENNETT. Mr. Chairman, I will do my best to see that the Reserves get their proper amount.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman from Florida [Mr. BENNETT], a very senior member and a distinguished member of this committee. I think he has made a case that is very important, that if we are going to raise the threshold in Europe so as to avoid the use of nuclear weapons, tactical and battlefield, we have to do more to improve our conventional readiness and our conventional capability.

For my friends who are concerned about the use of strategic weapons, I would argue that this amendment is a very important indication and a very important way to improve conventional capability.

So, Mr. Chairman, I strongly support the amendment, and I want to commend my friend, the gentleman from Florida, for offering it. I think it is a good amendment and should be supported by the House.

● Mr. DOWNEY of New York. Mr. Chairman, I'm pleased to offer this amendment, together with my friends Mr. BENNETT and Mr. FAZIO.

For too long, we've wasted dollars we don't have building strategic nuclear weapons we don't need and are better off without. Most conspicuous among these is the vulnerable sitting duck MX target missile.

As a result of this inexcusable waste, we've had troops in Europe with equipment of terrific quality, but considerably less quantity than would be desirable. This means there is greater danger that we'd have to go nuclear to repel a Soviet invasion of Western Europe.

The Bennett-Fazio-Downey amendment is an attempt to improve this situation. We take a billion dollars we've saved on MX, and we put it into a billion dollars' worth of conventional missiles, ammunition, and so forth. This makes military sense, it makes national security sense, and I hope everyone will support it.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was agreed to.

□ 1740

AMENDMENT OFFERED BY MR. SAVAGE

Mr. SAVAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAVAGE: Insert the following new section at the end of the Title X, (page 200, after line 4):

SEC. 1050. CONTRACTING REQUIREMENTS.

(a) Except where compelling national security considerations require otherwise, not less than 10 percent of the amounts appropriated pursuant to authorizations made by titles I, II, and IX shall be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8 of the Small Business Act and regulations issued under such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act), provided, however, that whenever the Secretary of Defense or the Secretary of Energy proposes to waive the preceding requirements, the Congress must first be notified in writing including the justification therefor.

(b) The Secretary of Defense and the Secretary of Energy shall submit semiannual reports to the Congress on their compliance with the requirements in subsection (a) with a full explanation for any failure to comply with the requirements and a plan to remedy such failure. The first such reports shall be submitted to the Congress no later than May 1, 1986.

Mr. SAVAGE. Mr. Chairman, I have persistently expressed and consistently voted my believe that our defense spending is prioritized toward preparations for war, rather than the promotion of peace. Our foreign policy is based more upon might than upon right, oriented more to domination, rather than justice and prosperity in the world. Yet since that major issue has been decided to the contrary, I raise now another wrong in the $224 billion defense authorization bill before us today, that is, our defense spending has not been in the most efficient and economical manner in terms of maximizing the value of dollars spent on creating jobs and building our domestic economy.

The amendment I here propose simply addresses the latter issue to help maximize and target the value of every dollar we spend. In this time of huge Federal deficits, when every defense dollar is competing with a domestic program dollar, economy is of great importance and at a time when black Americans suffer unemployment hovering around 20 percent, three times that of whites, and is steadily increasing and when black-owned businesses are bankrupting at a rate higher than the overall rate of the awful Depression of the 1930's, some targeting of Government procurement is essential.

In addition, it is well known that research funds provide substantial support for the top research universities in this country. It draws the top-notch staff, builds the institutional infrastructure, attracts the technicians and allows for the procurement of advanced research equipment; however, of the $376 million spent in fiscal year 1984 for university research, faculty development, facilities and equipment, only $4 million, or just 1 percent went to historically black colleges and universities, and let me emphasize that this meager amount was even less than the amount such colleges received in fiscal year 1982; a reduction to greater unfairness in blatant violation of President Reagan's own Executive Order 12-320 of September 15, 1981, which ordered "the development of a Federal program designed to achieve a significant increase in the participation by historically black colleges and universities in federally sponsored programs."

And please take note of the fact that 89 of the 1,979 4-year colleges and universities in this country are black. That is almost 5 percent of the total, but receiving only 1 percent of the Federal RDT&E funds spent for defense.

Also, the Department of Defense small business reports show that minority-owned businesses received only 2.2 percent of 1984 Defense procurement dollars, less than $3 billion out of approximately $125 billion obligated.

Moreover, these records reveal that in 1984 less than 1 percent of RDT&E money went to minority businesses,

only a mere $128 million out of $15.6 billion.

This is outrageously unfair in the light of general population proportions and even more egregious if you look at the statistics of those who are defending our country. Consider these statistics: Black Americans constitute only 12 percent of our total population, but comprise 19.6 percent of our Armed Forces. Hispanics comprise 3.6 percent and other minorities 4 percent.

In other words, minorities account for 26.7 percent of our total Armed Forces.

My point is, if minorities comprise almost 27 percent of those who risk their lives and limbs in defense of this country in times of war, why should we not participate in at least 10 percent of the profits in preparation for war?

Finally, permit me to remind you that small businesses are the major source of new jobs in our economy and also that the percentage of minority employees is far higher in minority-owned businesses than in other business.

Therefore, my amendment simply proposes, as other authorizing legislation has provided, that at least 10 percent of the funds authorized for procurement in RDT&E in this bill be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals, historically black universities and other minority institutions.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois [Mr. SAVAGE] has expired.

(By unanimous consent, Mr. SAVAGE was allowed to proceed for 2 additional minutes.)

Mr. SAVAGE. Indeed, Mr. Chairman, if this bill authorizes spending one-quarter of a trillion dollars to protect our cherished freedoms and justice from military attacks by our enemies abroad, it should also respect that justice for our minority citizens at home. Do not shortchange us when handing out the money, then overcharge us when collecting service and sacrifices.

My distinguished colleagues, I plead for your support of this fairness amendment.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

□ 1750

Mr. CONYERS. Mr. Chairman, the amendment that I and my colleague from Illinois, Mr. SAVAGE, have offered to the fiscal year 1986 Defense Department authorization (H.R. 1872) provides greater opportunities for socially and economically disadvantaged small businesses, and the historically black colleges and universities to participate in defense contracting. Our amendment creates a 10-percent set-aside for funds appropriated for both procurement contracts; and research and development, testing and evaluation programs. I urge my colleagues, by adopting this amendment, to help us move forward in solving a very important social and economic problem.

I would like to appeal to my colleague, a member of the Armed Services Committee who just sought the floor, to please restrain himself from offering his amendment until the Conyers-Savage amendment is disposed of, and I hope favorably. I want to explain why. The reason is that the gentleman's amendment, if it is the one that I anticipate, is a sense of Congress resolution. I do not know whether it is parliamentarily in order or not, but I would ask the Members to consider the Conyers-Savage amendment which is not a sense of Congress resolution.

Mr. Chairman, the Conyers-Savage amendment would set aside not less than 10 percent of the Department of Defense's procurement and research and development funds for socially and economically disadvantaged businesses, historically black colleges and universities, and minority institutions. It is a bipartisan amendment.

I appeal to my friends on both sides of the aisle to join with us and review with me just a few statistics. Minorities in the armed services constitute 26 percent of the personnel. In 1984, minority businesses were awarded only 2.2 percent of the total dollars spent in the procurement area.

One of the primary concerns about increasing the contracts for minority businesses and institutions is whether they have the capacity to successfully complete them. The Small Business Administration, in an effort to upgrade the competency and effectiveness of minority small businesses, has instituted the certificate of competency program. The available statistics on it reveal that of the 6,200 contracts with a $1.7-billion value awarded to minorities, over 94 percent of them have been successfully completed, thereby saving the Government, us, $156 million as the result of lower project bids.

Minority small businesses are emerging in the high tech areas, and I want to say to the gentleman from Chicago, Mr. SAVAGE, that his district has a black businessman in the high-tech industry who has the largest contract so far ever awarded.

Let me yield to the gentleman for him to tell me how much it is.

Mr. SAVAGE. Sonicraft Corp. has had about $40 million out of a $268 million total contract in three phases, but has been canceled out of the last two phases and may not get any more.

Mr. CONYERS. I thank the gentleman. A $268-million contract is the largest minority business contract ever awarded by the Defense Department.

We are trying to change that, Mr. Chairman. We are trying to spread the action and the opportunity among the Nation's small businesses which we all know create jobs at a much higher rate than the larger multinational corporations.

Furthermore, historically black colleges and universities are moving into research contracts in a wide range of areas. These valuable institutions now engage in defense oriented research in the fields of math, computer sciences, materials, chemistry, physics, electronics, and biology.

So what we are saying is now the time has come to extend the set-aside concept which has worked with such excellence, and I want to thank the leadership and the members of the House Small Business Committee, especially its chairman, Mr. MITCHELL of Maryland who has worked tirelessly for many years to expand and enhance opportunities for socially and economically disadvantaged businesses.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. CONYERS] has expired.

(On request of Mr. DELLUMS and by unanimous consent Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. What we have been doing, my colleagues, is we have been gradually moving minority entrepreneurs into the real world of American business, and this is our opportunity now to move from an embarrassing 2.2 percent of Defense procurement funds to the 10 percent which should be the standard.

I plead with my colleague, the gentleman from Texas [Mr. BUSTAMANTE] not to confuse the issue with a sense-of-the-Congress resolution, while of good intentions, about minority businesses. I want to assure the gentleman I appreciate his concern. I know he has worked with us on many of these kinds of matters. But this is an issue that we want to deal with on its own merit. We do not want any resolutions of encouragement or praise about minority businesses. The minority business imput is gradually getting smaller every year, and that is why it has been the thinking of a number of Members in the Congress that we now need to bring the 10-percent set-aside to the Department of Defense procurement and research and development program areas.

I urge your consideration and favorable support for this amendment.

Mr. DELLUMS. Mr. Chairman, will my distinguished colleague yield to me?

Mr. CONYERS. I yield to the gentleman from California.

Mr. DELLUMS. First, let me thank my colleague for yielding to me. I

would like to associate myself with the remarks of the gentleman from Michigan [Mr. CONYERS] and the remarks of my distinguished colleague from Illinois [Mr. SAVAGE]. Next I would like to compliment them for bringing this item to the floor of the Congress.

I shall not in the few moments my colleague has yielded to me attempt to be repetitious because they have already offered all of the important and significant, most of the most important reasons why this amendment ought to be supported. I would simply like to focus my colleagues' attention upon one additional reason why we ought to support this amendment.

Yesterday we spent a number of hours, Mr. Chairman, and a number of additional hours today dealing with the scandalous situation that has occurred in the Department of Defense as a result of the lack of competition in the field of contracting. It would certainly seem to me that if we could rally together as reformers in this body to pass seven amendments to address this issue, that we certainly can see this amendment as an integral part of moving beyond that scandal.

I would simply say that small business is a way to increase competition and in increasing competition it would seem to me we minimize the potential for the kind of scandal that we have discussed over a number of hours over the last 2 days.

I would think that that is one additional argument beyond the arguments presented by my distinguished colleague from Illinois [Mr. SAVAGE] and the gentleman in the well, my colleague from the State of Michigan [Mr. CONYERS], who have argued diligently in support of this amendment to simply see this amendment as one additional way in which we can rally beyond the procurement, R&D scandals that have resulted in front-page headlines that have led my colleagues to pass seven amendments over the last several days. I hope this will be the eighth amendment, and I thank my colleague for yielding and yield back to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for his comments.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding and support the amendment.

As the ranking majority member on the Small Business Committee, and the former chairman of its oversight committee, I can certify to the fact that where we have forced the agencies and departments to go into set-aside programs to create great competition, the prices have come down, and we have gotten a better quality product.

So I commend the gentleman on the amendment and fully support it.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I thank the gentleman for his comments and yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I want to compliment the gentleman. I think his amendment makes an inordinate amount of sense. What you are really doing is breaking up the old boys' club.

□ 1800

And let us face it, David Stockman said 4 years ago, "The hogs are really feeding." They put an apple in his mouth and not the hogs.

What we have shown is when we have allowed competition to come in everybody wins. So that is what you are doing and that is very important.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. CONYERS] has expired.

(By unanimous consent Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. Mr. Chairman, I yield as much time as he may wish to consume to the chairman of the Small Business Committee, the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. I thank the gentleman for yielding.

Of course I rise in support of the amendment.

Mr. Chairman, I intend to seek some time on my own but I wanted to have this time to make sure that everyone understood what this amendment does. There have been several references to black businesses. But the language of the amendment is "socially and economically disadvantaged businesses." By using that language the gentleman is including Hispanics, blacks, native American Indians, Asian-Americans, and Aleutes. So I do not want anyone to think it is just for black businesses; it is for all of those categories which are delineated as socially and economically disadvantaged.

I wanted to make one more point while the gentleman is yielding time to me. It is interesting to note that under the past administrations you have seen a steady growth in minority business participation. It began, really, to his everlasting credit, under President Nixon. He initiated this effort. But, unfortunately, after we saw a steady growth in more recent years we have seen a steady decline.

I looked at the record of the Navy Admiral Zumwalt and it was a tremendously impressive forward movement. But now that is beginning to decline. So I think we need the amendment to get back on a growth pattern from which we have slipped very badly.

I thank the gentleman for yielding.

Mr. CONYERS. Mr. Chairman, I am glad the chairman of the Small Business Committee made that point. The Conyers-Savage amendment tracks the language and definition of minority and disadvantaged businesses that is in other set-asides already in the law. What we are really asking the Members this evening is for the set-aside provision to apply to the Department of Defense, which has the largest procurement program in the Federal Government.

I think the time has come to aid minority businesses, and additionally, to stop some of the fraud and buddy-buddy contracting, the non-negotiated contracts that are all too rampant in the defense industry. This is a great way to solve several of our social and economic problems.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to my colleague from Illinois, a cosponsor of the amendment with me.

Mr. SAVAGE. I thank the gentleman for yielding.

Mr. Chairman, I would merely refer to our amendment's language to clear up any possible confusion before it occurs because it is a very reasonably drafted proposal. While it asks, or requires at least 10 percent, it recognizes that there could be circumstances where this may need to vary. So it says "require 10 percent" except where compelling national security considerations require otherwise.

Then it says that the Secretary of Defense or the Secretary of Energy may waive the preceding requirements, meaning the 10-percent requirement, if they wish to; Congress must first be notified in writing including the justifications therefore and add that it must report semiannually where it is in compliance, with a full explanation of any failure to comply and also a plan to remedy such failure.

So what it does is it allows for areas where they may find for particular reasons, for justifiable reasons, that they could not meet 10 percent, then they can waive it. But Congress wants to maintain the right to monitor that waiver. And the reason for that is that the history of the Defense Department has not indicated good faith or sufficient concern in this area where fairness is so needed. It has to report twice a year where it stands, and if it falls short to point out why, and also what it proposes to do about it. So it is a completely reasonable and gradual bill.

Mr. CONYERS. Mr. Chairman, it is not coercive; that is what the gentleman is saying.

Mr. SAVAGE. Precisely.

Mr. CONYERS. Mr. Chairman, I yield to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the amendments offered by my colleagues from Illinois and Michigan, to require that 10 percent of the total amounts authorized by H.R. 1872, for procurement and research and development, be set-aside for socially and economically disadvantaged small businesses.

Set-asides are nothing new for the Members of this Chamber to consider. Based on a historical perspective, this body has previously supported similar actions. In 1977, when the Public Works Act was considered, the House acted almost unanimously to ensure that small socially and economically disadvantaged businesses would be assured that funds would be made available for them to participate in the program.

Since that provision somewhat changed the way in which "business as usual" was conducted, in 1980 the concept was tested before the U.S. Supreme Court. The court upheld the constitutionality of the set-aside and from all indications, it was highly successful in generating vitally needed participation and growth in public works projects by minority small businesses.

The same approach was used again in the Surface Transportation Act of 1982. As many of you know, that provision was successfully championed by the distinguished chairman of the Small Business Committee, PARREN MITCHELL. Again, the results were positive for the survival and growth of economically and socially disadvantaged small businesses.

Today, we are considering an authorization measure that when signed into law, will financially benefit hundreds of large and medium sized companies, thereby ensuring their continued growth and survival. Unfortunately, as it now stands, we cannot say that about its effect on minority small businesses.

During fiscal year 1984, socially and economically disadvantaged businesses received only a 2.2-percent share of the total defense procurement contracts awarded. Black colleges and universities and other minority institutions received only 0.9 percent of the contract funds awarded for research and development, testing and evaluation. I believe these percentages vividly illustrate the underrepresentation of minority participation in the awarding of defense contracts.

Support for increased minority participation in defense contracts was also expressed by our own committee on appropriations last year. It concluded that the share of Department of Defense procurements awarded to socially and economically disadvantaged small businesses could be increased to 10 percent. I believe, along with the sponsors of this amendment, that the goal is both realistic and fair.

We all know that small businesses remain the principal creators of jobs in the private sector. Minorities are increasingly becoming entrepreneurs, especially in the development of these enterprises. I believe it should be a priority that they be allowed to obtain their fair and equitable share of defense spending. Many of them are situated in communities that have been hard hit by the belt tightening efforts of the Reagan administration. The only way untold numbers of them will survive these tough economic times is by ensuring that a reasonable level of spending will be available for them to tap into.

I strongly urge my colleagues on both sides of the aisle to simply consider the continued survival of socially and economically disadvantaged small businesses. I am certain that if you do, you will vote in favor of the passage of this amendment.

□ 1810

Mrs. COLLINS. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I stand in support of this amendment offered by the gentleman from Illinois. I think it is a very worthwhile amendment, and perhaps one that should have been offered a very long time ago.

You know, when we stop to think about procurement itself in the United States of America, we find that there are all kinds of avenues which are closed to minorities all of the time.

Some years ago, we voted a 10-percent set-aside for a Surface Transportation Act, and my Subcommittee on Government Activities and Transportation has gone probably all over this country looking at whether that 10 percent set-aside, a worthy goal, has been met; and we find that it has not.

However, we find that there is an attempt, at least, to reach a 10-percent set-aside for minorities of all kinds.

Now when we talk about procurement, we must include defense, which nowadays is where the biggest portion of the Federal budget goes. Certainly we ought to have some kind of set-aside for minorities.

In the Midwest where I happen to come from, and where the author of this amendment happens to come from, we have not been getting a favorable return on our investment of tax dollars. This amendment, therefore, certainly provides one way to meet that objective; to see to it that the minorities have the opportunity to get into the procurement system.

What has happened heretofore is that you have had one or two minorities to come into the system; they are given some little, small contracts by the Department of Defense; the Department of Defense then finds for no reason whatsoever problems with the contract the way it has been executed, and the way the services are being done; it takes everybody in Congress to try to straighten that matter out; and then, in spite of our efforts, DOD takes the contract away.

Minorities do not get a fair shake when it comes down to procurement in the Federal Government. This amendment will assure that minorities who are readily accessible and available to participate in DOD contracting and who are qualified to provide needed services become a part of the procurement system. We want to be in the mainstream of American procurement, and what better opportunity is there to treat them fairly than this? I urge my colleagues to adopt this meaningful, worthwhile, fair amendment.

Mr. MITCHELL. Mr. Chairman, I move to strike the last word.

We have had quite a discussion on this, and I think the merits have been laid out in terms of this approach. I just wanted to say that with reference to the set-asides that I put on in the past, we have tried to demonstrate some flexibility when we move the process along, and I think that some kind of flexibility can be demonstrated if there is an agreement that No. 1, there is a need; No. 2, the constitutionality of this was approved in the Fuller-Love-Kreps case; and No. 3, that there is an agreement in terms of this approach.

Mr. DICKINSON. Would the gentleman yield?

Mr. MITCHELL. I yield to the gentleman.

Mr. DICKINSON. I am certainly in sympathy with the thrust of the amendment. I would like to correct, I think, some statements that were made here.

According to the information given to us by the Department of Defense, though, in fiscal year 1984, DOD awarded procurement contracts of $25,000 or over to more than 2,660 disadvantaged business firms.

So I think this shows some degree of sensitivity.

The value of such contracts was $2.7 billion of the total value of procurement contracts awarded in 1984. The fiscal year 1984 results represented a $300 million increase over the previous year.

According to DOD, the fiscal year 1984 results represented the highest dollar amount and percentage ever awarded by the apartment and the highest dollar amount awarded by any Federal agency.

In order to reach a 10-percent share, for instance, there would have to be at least a fivefold increase over what was done last year.

So, you know, just as a practical matter, we have problems with the total numbers. I think that the movement is in the right direction; I do not know that is going rapidly enough to

suit everyone here, but I do think that the amendment is well intended; we do not want to fight it; as a matter of fact, I am not going to ask for a roll-call vote over here.

I do agree with what the gentleman said; perhaps there have to be some adjustments in the total in figures, but we will work toward the results intended to be achieved.

Mr. STRATTON. Will the gentleman yield?

Mr. MITCHELL. I yield to the gentleman.

Mr. STRATTON. I think perhaps we have overlooked the fact that the House has already, on Friday, June 21, adopted the procurement outreach amendment of 1985, that is designed to provide one-stop service centers to promote DOD contracting opportunities for business concerns under the amendment.

This was a proposal that was offered by the Northeast-Midwest coalition, and I think it certainly provides the kind of entering arrangement for those who are interested in getting these contracts.

Mr. MITCHELL. May I reclaim my time? Because the gentleman is right. All of these are pieces, moving us in the right direction, and I am quite pleased that he brought this to mind, that that action was taken; and I think it makes good sense, and let us just keep on moving slowly and deliberately in that direction.

Mr. STRATTON. If the gentleman would yield, I think the next step is the amendment which we adopted last evening for the double sourcing. This means that those who are going to be interested in opportunities for DOD contracts, they are going to be available under that double sourcing in precisely the same way as any other business.

Mr. MITCHELL. I interpret double sourcing with reference to this particular set-aside.

I yield to the chairman of the committee.

Mr. ASPIN. Mr. Chairman, I think that the gentleman in the well is making a good case here, and I think that the amendment that we are talking about is something that basically we ought to go along with.

I know that some members of our committee have got some reservations about parts of it, but basically I think the thrust of the amendment is correct; and I hope we vote for this amendment.

● Mr. CROCKETT. Mr. Chairman, I rise in strong support of this proposed amendment to the Defense Authorization Act which would authorize a set-aside provision for minority businesses in defense contracting.

Expanding and enhancing the opportunities available to minority and economically disadvantaged businesses will benefit all of America. Allowing these businesses to compete in the extremely lucrative defense field will, I believe, not only provide many financial and employment opportunities for minorities and small businesspersons, but will also provide more competitive contracting for goods and services for our defense needs.

I urge my colleagues to support this amendment.●

● Mr. MINETA. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois. Mr. Chairman, the Surface Transportation Assistance Act of 1982 includes a provision similar to the amendment offered by the gentleman. While compliance with section 105(f) of the STAA has not been perfect and there is room for improvement, the transportation set-aside was successfully assisted in the mainstreaming of socially and economically disadvantaged members of American society.

Due to the size and importance of Defense procurement and research and development, a defense set-aside will provide an excellent opportunity to further the mainstreaming of socially and economically disadvantaged persons, which includes Americans of Asian descent and Hispanics.

Section 105(f) of the STAA was a step in the right direction. I support the amendment offered by Mr. SAVAGE because it allows us to continue in that direction.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois [Mr. SAVAGE].

The amendment was agreed to.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am going to try a unanimous consent request that I have been trying out on various Members here, and let us see if we can do it tonight.

I would like to ask—the proposal that I have is that, we are now on title X. We have in effect finished the defense bill; we are dealing now with things that are not directly related to defense, but tangentially to defense.

What I would propose is that we go until 10 o'clock tonight, taking as many of these amendments as we have been for the last few amendments, trying to dispose of them as quickly as we can; that we come in at 10 o'clock tomorrow morning, and we quit all amendments to title X. We finish by 2 o'clock tomorrow afternoon.

Now, let me just finish the rest of it. One other proviso: We have a big issue in the Foley amendment on Nicaragua. I would propose, as part of my unanimous consent request, that we make in order the Foley amendment first thing tomorrow morning.

That is going to be a big issue; we are going to have to debate that one; that one we need some time on, so that is the first issue out of the box 10 o'clock tomorrow morning.

□ 1820

At 2 o'clock we would end all debate on this title, title X. There would still be some amendments that have been printed in the RECORD. Under the rule, of course, any amendments that have been printed in the RECORD are entitled to 5 minutes and to a vote.

Following that, we have one more important part of the program, and that is the gentleman from California [Mr. DELLUMS] has a substitute amendment which he wants to offer. I think we need a 2 o'clock finish tomorrow plus an hour or so for the finals of title X in order to give the gentleman in the well a fair shot at explaining and a serious discussion of the gentleman's amendment which is an alternative defense budget and, hopefully, we can get people leaving here—is that right? The gentleman has 1 hour under the rule.

Mr. DELLUMS. That is correct.

If the gentleman will yield, it seems to me that the gentleman's request would be wholly reasonable if indeed we stop at 2 o'clock and then we have amendments printed in the RECORD, a series of them, that would probably lead us to maybe 4 or 5 o'clock. So then you have the gentleman from California taking the well with a substitute to the Armed Services Committee bill on which direction we ought to take with respect to Department of Defense authorization at 5 or 6 o'clock. Most Members will have airplane tickets in their pockets and half of the audience will be saying, "Vote, vote, vote," staff members will be sitting outside, cars ready to take them off, scurry them to the airport for the July 4 break, vacations and trips, and what have you. For the gentleman to be standing in front of that freight train at 5 o'clock in the afternoon trying to suggest that my colleagues engage in a serious debate on national security matters is a flight into fantasy.

One person should not run this show. I am simply saying that if the majority will of the body is to move in that manner, I would like to step out from in front of that train. But I am simply saying that I think it is terribly important that if we are going to have an honest debate that it certainly would not occur at 4 o'clock or 5 o'clock or 6 o'clock in the afternoon.

If the gentleman can assure me that we can debate sometime around 2 or 3 o'clock in the afternoon, when Members are not saying, "Vote," and not ready to scurry out the door, then it seems to me to be wholly reasonable. But to be a sacrificial lamb, this would be the second year in a row. You remember the last time I got on the floor at 2:30 in the morning. And I

think I speak better than that. I deserve a little more than that. The American people deserve that we talk about these serious matters at a little better time.

Mr. ASPIN. That is one of the reasons why I moved the quitting time up to 2 o'clock. I would guess that we would have maybe an hour or so of amendments left in the RECORD that we would have to dispose of under the 5-minute presentation. But I would hope that the gentleman would have a chance to get up on his amendment before 4 o'clock and be able to have a serious discussion on this thing before people get too anxious about leaving.

Mr. DELLUMS. If the gentleman will yield further, let me just make this one final effort: The gentleman from Wisconsin—and I am assuming my distinguished colleague, the ranking minority Member—is trying to finish the bill. That is the important issue here.

Would it not be fair, then, to attempt to finish title X of the bill, do all of the work and then come back with the only remaining item, the alternative, which would then give this gentleman a fair opportunity to offer a policy discussion to my colleagues unencumbered by 150 amendments.

Mr. ASPIN. Let me hear again what the gentleman is suggesting.

Mr. DELLUMS. Here is what this gentleman is suggesting: That you proceed to finish the markup of your bill. This gentleman is not attempting to impede that. What I am asking for is an opportunity to challenge the order of things, the philosophical direction of our military budget, at a time when Members are prepared to really engage honestly and intellectually and politically in a serious debate. If you could finish the bill tomorrow and then simply say there is one order of business remaining when we return, that would be the alternative, no other amendments prevailing, what is the problem with that?

The CHAIRMAN pro tempore. The time of the gentleman from Wisconsin [Mr. ASPIN] has expired.

(On request of Mr. DELLUMS and by unanimous consent, Mr. ASPIN was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. If the gentleman will yield for 1 additional second, this is not the RON DELLUMS' alternative, this is not an ego trip here. Twenty Members of the Congressional Black Caucus offered an alternative budget to this body that was virtually ignored. The alternative that this gentleman is presenting is being presented not only on behalf of myself but on behalf of 19 of my other colleagues. And I would simply think that this proposal should not have to be ignored in the same fashion that the overall presentation was ignored, and it seems to me that it is not reasonable for a discussion to occur at 4 or 5 o'clock on Thursday when everybody wants to get away for the Fourth of July break. I understand that. I am not a fool, I am not a kamikaze pilot.

Mr. DICKINSON. If the gentleman will yield, I might be able to assist here.

Mr. ASPIN. I have a proposal.

Mr. DICKINSON. Let me make a suggestion, if the gentleman will yield.

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. I have just discussed with the gentleman from Washington [Mr. FOLEY] here the prospect of a limitation of debate on his amendment on Nicaragua. At your suggestion, this will be the first up. He says—and he can speak for himself—he has no objection to a limitation of 2 hours, 1 hour pro and 1 hour con. That would take us to noon. That would still give us 2 hours. Well, I am just telling you what is possible. You can object or not. If that should be the case, then we would still have time, while the Members are here, to enter into the other amendments and debate. I do not know if you want to offer that, but I am just suggesting it.

Mr. ASPIN. Let me try a different idea: Suppose we were to do this at 2 o'clock, debate the gentleman's amendment; quit all amendments thereto at 2 o'clock, and then if the gentleman's amendment is not accepted by the Chair—the gentleman does not know, the Chair might not accept his alternative amendment—but if he does not and if the House does not vote for the gentleman's alternative, we can go back and clean up the amendments that are left under the 5-minute rule after the gentleman has had a chance on his amendment.

Would that satisfy the gentleman in the well?

Mr. DELLUMS. I would say to my full committee chairman that that is a reasonable request. I am simply saying I do not want to be up against a freight train. I am more than willing to discuss it. I am trying to be cooperative.

Mr. ASPIN. The gentleman has a legitimate concern. Let us do it that way.

Mr. DICKINSON. Will the chairman restate that?

Mr. ASPIN. Here is the proposal: We go to 10 o'clock tonight; we quit; we go in at 10 o'clock tomorrow morning; the first order of business is the Foley amendment; between now and then we do whatever we can in title X; the first order of business tomorrow is the Foley amendment; the Foley amendment is operating now under no time limit, and it operates as much as we can; at 2 o'clock, all debate on title X ceases; at 2 o'clock the gentleman from California is recognized for his alternative, and he has 1 hour under the rule; at the time he completes, then we go back to doing the amendments that were printed in the RECORD but which have not been voted on, and if those Members want to offer those amendments for 5 minutes, then we go to those amendments, and finish the bill, hopefully, soon thereafter.

Mr. DICKINSON. Well, this gentleman has no personal objection. I do not know that I can speak for the other Members.

Mr. ASPIN. Mr. Chairman, I request that unanimous consent.

The CHAIRMAN pro tempore. The Chair will state that the reason the Chair was sitting is that there was no unanimous-consent request pending. The gentleman did not make a unanimous-consent request. The Chair understood the gentleman from Wisconsin as making a broad proposal, to see if in fact he can get some agreement. Now that the gentleman has made his broad proposal to everyone and he has some sort of an understanding, does the gentlemen wish to state a unanimous-consent request?

Mr. ASPIN. Mr. Chairman, I make the unanimous-consent request.

The CHAIRMAN pro tempore. The gentleman will state his unanimous consent request.

Mr. ASPIN. Let me see if I can get it the same way twice.

We will go until 10 o'clock tonight; tomorrow morning we will start at 10; we will consider the Foley amendment on Nicaragua first out of the box; we will finish title X and all amendments thereto at 2 o'clock; at 2 o'clock the gentleman from California is recognized for 1 hour under his alternative amendment; at 3 o'clock, or whenever the gentleman from California is finished, we proceed with the amendments that have been printed in the RECORD that have not been heard under the procedure of 5 minutes on a side.

Mr. DOWNEY of New York. If the gentleman will yield, will there be any time limit on the Foley amendment?

Mr. ASPIN, No. Oh yes, 2 o'clock.

The CHAIRMAN pro tempore. The Chair will restate the unanimous-consent request. So that the gentleman understands, the unanimous-consent request can only be made as to when time ceases on title X and all amendments thereto.

Mr. ASPIN. All right.

The CHAIRMAN pro tempore. Neither the Chair nor the gentleman can dictate when the House will come into session tomorrow, nor when the consideration of amendments must begin.

The amendment of the gentleman from California does not take precedence over perfecting amendments to title X.

The Chair will state if the amendment of the gentleman from California is offered prior to some title X amendments and is defeated, then

other amendments printed in the RECORD to title X would then be in order.

Mr. ASPIN. We will state it any way the Chair wants it stated. I think everybody understand what we want to do.

□ 1830

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. CHENEY. Mr. Chairman, reserving the right to object, it is my understanding that the statement or the unanimous-consent request also included an understanding that we would begin with Foley as the first order of business in the morning?

I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. I would say to the gentleman if we cannot do that by unanimous consent, we can do that by gentleman's agreement or by whatever we do.

Mr. CHENEY. Mr. Chairman, with that understanding, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. HOPKINS. Mr. Chairman, reserving the right to object, does that mean that this evening we will take as many amendments as we possibly can on title X until 10 o'clock?

The CHAIRMAN pro tempore. The Chair would tell the gentleman that is correct according to the Chair's understanding.

Mr. HOPKINS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. MARKEY. Mr. Chairman, reserving the right to object, is it the understanding of the Chair that that unanimous-consent agreement includes the protection of all pending amendments at the point at which debate has concluded?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. MARKEY. Mr. Chairman, what is the Chair's understanding of what protection amendments would have?

The CHAIRMAN pro tempore. The Chair would state any amendment that is printed in the RECORD to title X is guaranteed 5 minutes for and 5 minutes against.

Mr. MARKEY. On each and every amendment that is pending at that point in time?

The CHAIRMAN pro tempore. That is correct.

Mr. MARKEY. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. HOPKINS

Mr. HOPKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPKINS:

Page 200, after line 4, insert the following:

SEC. 1050. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall, in accordance with the provisions of this section, carry out the destruction of the United States' stockpile of lethal chemical agents and munitions that exists on the date of the enactment of this Act.

(2) Such destruction shall be carried out in conjunction with the acquisition of binary chemical weapons for use by the Armed Forces.

(b) DATE FOR COMPLETION.—(1) Except as provided by paragraphs (2) and (3), the destruction of such stockpile shall be completed by September 30, 1994.

(2) If a treaty banning the possession of chemical agents and munitions is ratified by the United States, the date for completing the destruction of the United States' stockpile of such agents and munitions shall be the date established by such treaty.

(3)(A) In the event of a declaration of war by the Congress or of a national emergency by the President or the Congress or if the Secretary of Defense determines that there has been a significant delay in the acquisition of an adequate number of binary chemical weapons to meet the requirements of the Armed Forces (as defined by the Joint Chiefs of Staff as of September 30, 1985), the Secretary may defer, beyond September 30, 1994, the destruction of not more than ten percent of the stockpile described in subsection (a)(1).

(B) The Secretary shall transmit written notice to the Congress of any deferral made under subparagraph (A) within 30 days after the date on which the determination to defer is made or by August 31, 1994, whichever is earlier.

(c) ENVIRONMENTAL PROTECTION AND USE OF FACILITIES.—(1) In carrying out the requirement of subsection (a)(1), the Secretary shall provide for—

(A) maximum protection for the environment, the general public, and the personnel who are involved in such destruction; and

(B) adequate and safe facilities designed solely for the destruction of lethal chemical agents and munitions.

(2) Facilities constructed to carry out this section may not be used for any purpose other than the destruction of lethal chemical weapons and munitions, and when no longer needed to carry out this section, such facilities shall be cleaned, dismantled, and disposed of in accordance with applicable laws and regulations.

(d) PLAN.—(1) The Secretary shall develop a comprehensive plan to carry out this section.

(2) In developing such plan, the Secretary shall consult with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency.

(3) The Secretary shall transmit a copy of such plan to the Congress by March 15, 1986.

(4) Such plan shall provide—

(A) an evaluation of the comparison of onsite destruction, regional destruction centers, and a national destruction site both inside and outside of the United States;

(B) for technological advances in techniques used to destroy chemical munitions;

(C) for the maintenance of a permanent, written record of the destruction of lethal chemical agents and munitions carried out under this section; and

(D) a description of—

(i) the methods and facilities to be used in the destruction of agents and munitions under this section;

(ii) the schedule for carrying out this section; and

(iii) the management organization established under subsection (e).

(e) MANAGEMENT ORGANIZATION.—(1) In carrying out this section, the Secretary shall provide for the establishment, by May 1, 1986, of a management organization within the Department of the Army.

(2) Such organization shall be responsible for management of the destruction of agents and munitions under this section.

(3) The Secretary shall designate a general officer as the director of the management organization established under paragraph (1). Such officer shall have—

(A) experience in the acquisition, storage, and destruction of chemical agents and munitions;

(B) training in chemical warfare defense operations; and

(C) outstanding qualifications regarding safety in handling chemical agents and munitions.

(f) IDENTIFICATION OF FUNDS.—Funds for carrying out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account. Such funds shall not be included in the budget accounts for any military department. Funds for military construction projects necessary to carry out this section may be set out in the annual military construction budget separately from other funds for such project.

(g) ANNUAL REPORT.—Except as provided by paragraph (4), the Secretary shall transmit, by December 15 of each year, a report to the Congress on the activities carried out under this section during the fiscal year ending on September 30 of the calendar year in which the report is to be made.

(2) The first such report shall be transmitted by December 15, 1985, and shall contain—

(A) an accounting of the United States' stockpile of lethal chemical agents and munitions on the date of the enactment of this Act; and

(B) a schedule of the activities planned to be carried out under this section during fiscal year 1986.

(3) Each report other than the first one shall contain—

(A) a site-by-site description of the construction, equipment, operation, and dismantling of facilities (during the fiscal year for which the report is made) used to carry out the destruction of agents and munitions under this section, including any accidents or other unplanned occurrences associated with such construction and operation; and

(B) an accounting of all funds expended (during such fiscal year) for activities carried out under this section, with a separate accounting for amounts expended for—

(i) the construction of and equipment for facilities used for the destruction of agents and munitions;

(ii) the operation of such facilities;

(iii) the dismantling or other closure of such facilities;

(iv) research and development; and

(v) program management.

(4) The Secretary shall transmit the final report under this subsection not later than 120 days following the completion of activities under this section.

(h) PROHIBITION ON ACQUIRING CERTAIN LETHAL CHEMICAL AGENTS AND MUNITIONS.—(1) Except as provided in paragraph (2), no agency of the Federal Government may, after the date of the enactment of this Act, develop or acquire lethal chemical agents or munitions other than those designed so that—

(A) the lethal agent is generated only after launch or firing; and

(B) there is no need to destroy the lethal agent in order to render the munition permanently inoperative.

(2) An agency of the Federal Government may acquire lethal chemical agents and munitions other than those described in paragraph (1) if they are acquired for the sole purpose of protecting the national security through intelligence analysis or through research, evaluation, or testing of such agents or munitions. Any agent or munition acquired under this paragraph may be used only for the purpose described in the preceding sentence.

(i) RENOUNCING FIRST USE OF CHEMICAL AGENTS AND MUNITIONS.—It is the sense of Congress that the President should publicly reaffirm the position of the United States renouncing the first use of chemical agents and munitions under any circumstances.

(j) DEFINITIONS.—For purposes of this section:

(1) The term "chemical agent and munition" means an agent or munition that, through its chemical properties, produces lethal or other damaging effects on human beings, except that such term does not include riot control agents, chemical herbicides, smoke and other obscuration materials.

(2) The term "lethal chemical agent and munition" means a chemical agent or munition that is designed to cause death, through its chemical properties, to human beings in field concentrations.

(3) The term "destruction" means, with respect to chemical munitions or agents—

(A) the demolishment of such munitions or agents by incineration or by any other means; or

(B) the dismantling or other disposal of such munitions or agents so as to make them useless for military purposes and harmless to human beings under normal circumstances.

(k) EFFECTIVE DATE.—The provisions of this section shall take effect on October 1, 1985.

Mr. HOPKINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HOPKINS. Mr. Chairman, at this point I yield to the gentleman from Arkansas [Mr. ANTHONY].

Mr. ANTHONY. I thank the gentleman for yielding to me.

Mr. Chairman, I rise to support an amendment to title X of H.R. 1872. Our amendment is simple and straightforward. It will require the Secretary of Defense to carry out the destruction of the Nation's stockpile of lethal chemical munitions during the coming decade.

The amendment requires the Defense Department to put together a comprehensive plan, developed in cooperation with the Department of Health and Human Services and the Environmental Protection Agency. The goal would be to ensure that the destruction of this dangerous stockpile is done in a way which is consistent with local, State, and Federal laws as well as public health and safety standards.

Our amendment sets a target date of September 30, 1994, for the completion of the destruction program. In the event of war or national emergency, the Secretary of Defense could defer the destruction of 10 percent of the stockpile, if needed. In view of the report of the Chemical Warfare Review Commission that at present only 28 percent of the total tonnage of munitions could be put to use and only 7 percent of the agent in the munitions meets present Department of Defense requirements, this exception should allow adequate national security considerations to be met.

The amendment I am introducing presumes that binary chemical weapons will be approved by Congress and that the destruction program required by amendment can be completed in conjunction with the acquisition of binary weapons. However, the merits of this amendment do not turn on the issue of approval or disapproval of binary.

The reality is that the dangerous stockpile of chemical munitions has little military value and poses a tremendous danger to public safety in the eight sites where they are stored in the United States. They constitute an accident just waiting to happen. One of those sites is at Pine Bluff, AR, and I have a responsibility to my constituents to do everything I can to prevent a disaster there by working for the destruction of obsolete and dangerous munitions at that location.

Our amendment requires that all possible environmental considerations be taken into account during the destruction program. The first step in developing the plan would call for a report to Congress by March 15, 1986, evaluating a comparison of onsite destruction, regional destruction centers, and a national destruction site. The plan would also detail the methods and facilities to be used in the destruction process.

An annual report to Congress will be required describing the extent of destruction carried out each year and a schedule for the completion of efforts to eliminate the remainder.

I believe this is an amendment which can be supported by virtually all sides in the chemical weapons debate. It will increase public safety and reduce the dangers of an accident without endangering national security.

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky [Mr. HOPKINS] has expired.

(By unanimous consent, Mr. HOPKINS was allowed to proceed for 5 additional minutes.)

Mr. HOPKINS. Mr. Chairman, this is a very important moment for me and my colleague, the gentleman from Arkansas with whom I offer this amendment, and for our country.

This represents the culmination of several years of work and I am proud to be a coauthor of this amendment which mandates the destruction of America's unitary chemical stockpile.

It has been several days since we debated chemical munitions in title I, so I would like to review some of the pertinent facts about our current stockpile.

We have a sizable arsenal, but it has very limited use from a military perspective: 61 percent is in bulk storage with no weapons to accommodate its use and no facilities to load the weapons if we had them; 11 percent is irrepairable or obsolete; 25 percent is of limited use, meaning they are technically serviceable but no longer compatible with our battlefield doctrine; and all of which leaves only 3 percent of our stockpile militarily useful.

Worst of all, however, is the fact that this chemical stockpile is composed entirely of unitary munitions, meaning the lethal nerve gas already is mixed inside the bomb or artillery shell. In other words, unitary weapons are an accident waiting to happen.

And if it should, we face a risk to human life of unthinkable dimensions.

We are not talking about a catastrophe on some far-flung foreign battlefield. We must be concerned about an accident more likely to occur here at home, in our neighborhood, in our hometowns. And its victims would be our families and friends, our military and civilian personnel who handle and monitor these outdated, unstable weapons every day.

We spend $63 million each year just to monitor and maintain these weapons at eight depots in the United States. Common sense tells us it is time to consider a permanent solution to a problem that becomes more dangerous and deadly every day we allow these chemical weapons to deteriorate further.

The time has come to destroy these deadly instruments and the prudent, effective vehicle to do that is the amendment Mr. ANTHONY and I bring you today.

Our amendment requires destruction of the entire unitary chemical weapons stockpile by 1994.

It authorizes the formation of a new, separate management task force within the Army to study this problem and recommend a plan to rid America of this clear and present danger.

It requires the Secretary of Defense to send Congress a detailed recommendation for destruction of the stockpile by March 15, 1986.

And it requires the dismantling of any destruction facility which might be required to accomplish this task once the mission is completed.

Our amendment does not presume to dictate how, where or by what technical process these weapons should be destroyed. It mandates that the plan the Secretary of Defense presents to us next year shall have considered every possible alternative means of protecting the health and safety of our people during the implementation of that plan.

There is another point I think we should address and that is how much it will cost between now and 1994 to do this job.

The estimated total cost is $1.4 billion, which is sizable. But in this instance, I think it is also irrelevant, because the simple truth is, we have to do this job, we have to do it now, and we have to do it right.

I appeal for your support of this amendment because I am convinced beyond any doubt that it will let us meet this challenge in the safest and most effective way available.

And I make that appeal on behalf of a constituency that lives within the shadow of these weapons and deals each day with the sure knowledge that they would be the first casualties of an accidental detonation or release of these deadly munitions.

For their sake and the millions of Americans who share that unacceptable risk, we can no longer tempt fate by waiting for that accident to happen.

Many times before, you and I have heard our colleagues stand here and describe a problem of particular concern to them as "a ticking timebomb."

Ladies and gentlemen of the House, today that description truly is appropriate.

Other generations have found it convenient to pass on this deadly legacy to us.

I urge you not to allow the convenience of our generation to make us coconspirators to a catastrophe for our children.

Let us act now, while there is adequate time, before that unthinkable accident occurs.

□ 1840

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, consistent with what the committee has done on binaries last week, we have looked over the amendment, we think it is a very good amendment, and we would like to urge the committee to adopt the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of the bill, add the following new section:

SEC. . DRUG/INTERDICTION ASSISTANCE TO CIVILIAN LAW ENFORCEMENT OFFICIALS.

(a) IN GENERAL.—Section 374 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of Defense, upon request from the head of a Federal agency with jurisdiction to enforce the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), may assign members of the armed forces under the Secretary's jurisdiction to assist drug enforcement officials of such agency in drug searches, seizures, or arrests outside the land area of the United States (or of any territory or possession of the United States) if—

"(1) that assistance will not adversely affect the military preparedness of the United States;

"(2) the Attorney General verifies that the drug enforcement operation may not succeed without assistance by members of the armed forces; and

"(3) Federal drug enforcement officials maintain ultimate control over the activities and direction of any drug enforcement operation.".

(b) CONFORMING AMENDMENT.—Section 375 of such title is amended by inserting "(other than under section 374(d))" after "under this chapter".

Mr. BENNETT. Mr. Chairman, I am offering an amendment to the Defense Authorization Act which will allow members of the military to assist drug enforcement officials in drug searches, seizures, or arrests in drug interdiction operations outside the land area of the United States. This amendment is identical to H.R. 2553, the Military Drug Interdiction Assistance Act, which I have introduced in response to the need for stronger legislation in this area. This bill, which amends the Posse Comitatus Act, has solid bipartisan backing, and is supported by national and urban groups involved in the struggle against drugs.

The Posse Comitatus Act was enacted in the 1870's to prevent the military from being used to crack down on local vigilante groups, including the Ku Klux Klan. Congress has acted on numerous occasions to set aside the posse comitatus law to allow the military to assist in civilian law enforcement. These exceptions include using the military to remove trespassers from national parks and Indian lands, to protect foreign officials, and to execute arrests and warrants in relation to civil rights laws. None of these exceptions are of greater importance than our fight against the menace of drug infestation in our country. Actually, I can see no reason for not repealing entirely the Posse Comitatus Act but nothing so extensive is now sought by me.

In 1981 we changed the Posse Comitatus Act to allow the military to assist in the war against illegal drug traffic, by allowing the military to share information with civilian agencies, lend equipment, make training facilities available, and offer limited support, primarily surveillance, for drug interdiction. Within these overly restrictive limits, the military has done a fine job. At the time, I sought to make a complete exception for the drug war, but people along the Rio Grande achieved defeat of that approach and that battle is not reopened by my amendment today.

My amendment is a balanced approach to the problem. It is restricted to areas outside the land area of the United States, and therefore does not give rise to the Rio Grande concern of 1981. It provides that any assistance must not adversely affect military preparedness, and gives Federal drug enforcement officials ultimate control over any drug operation. As I mentioned, military assistance under these provisions, in drug searches, seizures, and arrests also can only take place outside the land area of the United States.

Drug trafficking has risen in the last 5 years by roughly 37 percent, from an estimated $70 billion to $110 billion worth of narcotics sales. Lives are ruined and families torn apart by drugs, while drug-related crime terrorizes our cities. The Southern States Governors' Association, the Gulf States Governors' Association, the National League of Cities, and many other public figures and groups have called for greater military involvement in drug interdiction. Our failure to stop drug trafficking is a national tragedy, and it will have a terrible impact on the fabric of our society if it is not halted.

Right now Navy ships must carry Coast Guard law enforcement officials when it comes time to search a vessel, seize drugs, and make an arrest. But there are not enough Coast Guard officials to put them on every ship in the Navy, and even if there were, it would waste millions of dollars for every Navy ship to have Coast Guard officials onboard with no regular Navy duties to perform. Under the present restrictions, drug smugglers can escape from Navy ships, which must helplessly await the arrival of Coast Guard personnel.

We must correct this situation. Allowing military personnel to assist in drug searches, seizures, and arrests will send a clear and unmistakable signal to every drug dealer and smuggler that we are serious about fighting this deadly scourge. Every time a mili-

tary plane is overhead or a Navy ship nearby at sea, a drug smuggler will know he has a real chance of being arrested, and his cargo seized. That will be a real possibility, and will be a real deterrent to drug trafficking.

We are not "turning loose" the military; we are taking a careful and necessary step to stop the insidious flow of drugs into our country. No actions will occur without the request of civilian authorities and under civilian control and direction. I urge your support for this measure.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has expired.

(On request of Mr. GILMAN, and by unanimous consent, Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in strong support of the amendment offered by the distinguished gentleman from Florida [Mr. BENNETT]. Drug trafficking and drug abuse are at epidemic proportions not only in the United States, but also on a global scale. The growing ruthlessness of the drug traffickers has resulted in the tragic murder of the Justice Minister of Colombia, a Drug Enforcement Administration agent in Mexico, and the placing of prices on the heads of this Nation's leading drug law enforcement officials.

Despite all the worthy efforts of this administration to stem the flood of drugs to our shores, and the record seizures they have reported, it is expected that more drugs will be available in this Nation during the current year than ever before in our history. These drugs are destroying the minds of our youth, and the moral fabric of our society.

The amendment offered by the gentleman from Florida [Mr. BENNETT], who has been an outstanding leader in our fight against narcotics trafficking and drug abuse, would allow members of the armed services to help civilian drug law enforcement officials in drug searches, seizures, and arrests outside the land area of the United States. The necessity for such action would have to be certified by the Attorney General, and any resulting joint operations would be directed by the Civilian drug law enforcement agencies involved in the operation. In addition, military readiness could in no way be impaired.

The simple fact of the matter, Mr. Chairman, is that we are at "war" with the drug traffickers. As a result of the posse comitatus statute amendments of 1981, the military has increased its assistance to civilian drug enforcement agencies in terms of support services and equipment, but the magnitude of the task they face cries out for increased assistance. There is a growing perception on the part of the general public that the armed services are the perfect source of such assistance while this Nation is not at "war." I am firmly convinced that the military must become more involved in our interdiction and intelligence gathering efforts, and the amendment before us would greatly enhance the ability of civilian enforcement agencies to deal with the drug trafficking situation.

The amendment affords more than adequate protections to the civil liberties of American citizens, and assures through certification by the Attorney General, that it will not be used except where necessary. The war on drugs, as with any war that we have ever fought, requires that we make every effort to protect this Nation and its citizens. The efforts of the drug traffickers are nothing less than a national security threat which must be met forcefully. The military assistance afforded by the amendment is a small but important step we should take if we are to ever hope for victory in the war against drug trafficking and drug abuse. Accordingly, I urge my colleagues to support the Bennett amendment.

Mr. BENNETT. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. ROBINSON TO THE AMENDMENT OFFERED BY MR. BENNETT

Mr. ROBINSON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON to the amendment offered by Mr. BENNETT: In that section titled; "DRUG-INTERDICTION ASSISTANCE TO CIVILIAN LAW ENFORCEMENT OFFICIALS".

At the end of subsection (d) insert the following language:

"The Attorney General of the United States shall promulgate regulations to carry out this subsection, including such provisions for training in civilian law enforcement practices and procedures as may be necessary. Any member of the armed forces assisting drug enforcement officials in drug searches, seizures, or arrests shall have been certified by the Attorney General to be competent in such practice and procedure."

Mr. ROBINSON. Mr. Chairman, first I would like to commend my colleague on the Committee on Armed Services, the gentleman from Florida [Mr. BENNETT], for bringing forth this amendment to the floor today, especially in view of the fact that drug trafficking is one of the most serious socioeconomic problems facing our country today.

My only concern with the amendment has been whether or not Members designated to participate in the program have received adequate training in the areas of search and seizure, the rules of arrest, and the rules of criminal procedure. I make that point because I can envision a day in which officers on a ship might be called upon to arrest some individual and they might be lacking in that training, and the end result would be that they would lose the case in a court of law.

I think any person that we designate to make an arrest or to search a vessel or to seize evidence must at least have a basic understanding of the Miranda warning, how to preserve the chain of evidence, what are the fruits of a crime, and generally some basic working knowledge about how to make an arrest and how to testify in court.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I yield to the distinguished gentleman from Florida.

Mr. BENNETT. Mr. Chairman, I compliment the gentleman on bringing this amendment in. It is something I had not thought about as carefully as he has.

I think the amendment is well structured, and I think it illustrates, to me at least, that it is good to have a sheriff that has been a practicing man in law enforcement in our House of Representatives. He is a courageous man, a thoughtful man, and I want to compliment him on his amendment and his performance here in Congress.

Mr. Chairman, I accept the amendment.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I yield to my friend, the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, there are a few questions I would like to ask the gentleman, particularly given his law enforcement background.

He is familiar with some of the difficulties we have in making successful prosecutions of cases, and he recognizes that by offering this particular amendment.

Could the gentleman tell us, for a law enforcement official who is going to be involved in making arrests as far as drugs are concerned, how many hours of training is it going to take to carry out that responsibility?

Mr. ROBINSON. Mr. Chairman, in most States the minimum requirement is something like 240 hours. That is to certify a law enforcement officer to have a basic understanding of all the laws of arrest and generally the procedure that one has to know to be involved in a day-to-day law enforcement operation.

In my opinion, the intent of this amendment is that in the Naval Academy and/or the naval training centers we could, for example, set a minimum number of class hours, let us say 200 hours, which would cover the basic rules of criminal procedure and rules of arrest that one would need to have a working understanding to carry out the mandate of this amendment.

Mr. ENGLISH. Mr. Chairman, if the gentleman will yield further, could he tell me, whenever he completed that 220 hours, would one be considered to be an expert then as far as narcotics is concerned? Would a law enforcement official then simply be told, "Now you are an expert. Go forth and make arrests. We are certain that you are going to be competent to do that job"? Or would he still have to undergo a period of training? Would he have to undergo being assigned to an experienced law enforcement official?

Mr. ROBINSON. Well, in the first place the intent of the amendment is not to make our sailors law enforcement officials. That is my understanding. What they would be is an adjunct to a law enforcement official. They would have to continue to receive on-the-job training to keep them up to date on all the Supreme Court rulings that seem to come out every day that hamper in effect law enforcement procedures. But one would have to have continuous training and have an update on the various laws in reference to what we are trying to do.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. ROBINSON. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I think the gentleman made reference to the fact that he would envision that this training would either take place at the Naval Academy, which I assume would involve that limited number of naval officers that would be going through the Academy, or those going through the normal training, OCS type of training. Would the gentleman say, then, that only officers would be qualified to be arresting officers in the Navy under these circumstances?

Mr. ROBINSON. No. I specifically stated naval training centers also, for example, the naval training center in San Diego.

My purpose in mentioning that is that these individuals would not be law enforcement officers. There is no way we can send all of our naval people to the FBI Academy or some of the other longer term law enforcement training academies, and I envision that the Attorney General can certify the training that they receive.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas [Mr. ROBINSON] has expired.

(On request of Mr. ENGLISH, and by unanimous consent, Mr. ROBINSON was allowed to proceed for 3 additional minutes.)

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. ROBINSON. Yes, I am glad to yield to my friend, the gentleman from Oklahoma.

Mr. ENGLISH. Then if we are involved in this here, we would have a commanding officer of a ship; he would in fact then have under him these one, two, or three—how many people would it take on a ship, in the gentleman's opinion, to receive this kind of training so that they would be in a position to board another ship to carry out a legal search, to recognize and understand the nuances of international law, and also to be certain that the arrests they made would hold up in a court of law?

Mr. ROBINSON. That is a very good point and a good question. I have thought about that, because I can also envision a scenario where a good defense lawyer—even though I do not care a lot for most lawyers, most of them are pretty good at issuing subpoenas—could subpoena the whole ship if we did not designate a limited number of officers to carry out the intent of this legislation. I had not thought about that exact limited number, but probably a conservative number would be maybe 20 people on a ship that would be designated to carry out the arrest functions only.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. ROBINSON. Yes, I am glad to yield to my friend, the gentleman from Oklahoma.

Mr. ENGLISH. Then, assuming we had these 20 people, let us assume that they did make an intercept and they made an arrest; then that Navy ship, of course, would have to tow that other ship back to the nearest port, and then we would get into the legal process itself. From the gentleman's experience as a law enforcement officer, how long would a law enforcement officer on a typical narcotics case be likely to be tied up in court?

Mr. ROBINSON. First of all, in the arresting process, perhaps a couple of hours in the process, not just to book one. But court cases inherently are passed and passed and passed, and I would say that one could go to court four or five times on an average drug case before the case went to the jury.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. ROBINSON. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. How long was that? What did the gentleman say?

□ 1900

Mr. ROBINSON. I have been in court four or five times on just motions to stall.

Mr. ENGLISH. Over a period of time, what would be the average? Are we talking about 1 month, 2 months, 5 months, 6 months?

Mr. ROBINSON. It normally takes in this country about 9 months for a criminal to come to the bar of justice.

Mr. ENGLISH. Mr. Chairman, if the gentleman will yield further, that means that these 20 personnel that we have had designated on the ship, of course, they could not have any other responsibility because at any given time they then would be removed and would find themselves in court up to 9 months. Of course, the ship could not stay in port awaiting that.

Could the gentleman assure me that under the circumstances, since they are naval personnel, they are under the command of the commanding officer of the ship, is the gentleman absolutely certain that that commanding officer could not be subpoenaed by the court to appear, thereby tying up the ship?

The CHAIRMAN pro tempore [Mr. KLECZKA]. The time of the gentleman from Arkansas [Mr. ROBINSON] has expired.

Mr. DANIEL. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the Robinson amendment. And the amendment offered by the gentleman from Florida [Mr. BENNETT].

Mr. Chairman, I yield to the gentleman from Arkansas to answer the question posed by the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ROBINSON. Mr. Chairman, I will be glad to answer my colleague's question.

Generally speaking, and there is no way that I can say no, they will not be subpoenaed, but I have been in various law enforcement and administrative positions prior to coming to the Congress for over 10 years as a director of public safety for the State of Arkansas. Most often, you do not subpoena the head of a law enforcement agency, unless there is a case of training or something.

I do not think we would see a captain subpoenaed. I think we ought to limit the number of officers designated just for the very reason the gentleman brought up.

Mr. Chairman, let me close by saying this. This will be a shot in the arm for all our Federal, State, and local law enforcement officials, that they can get the help of the U.S. Government.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I wonder, just to follow up a line of questioning that I think is very, very pertinent, could the gentleman tell us, would it makes sense, however, if the captain made the decision to stop a fishing vessel, for the captain to be subpoenaed, or whoever else is on the bridge at that time?

Mr. ROBINSON. Well, may I say to the gentleman from New Jersey [Mr. HUGHES], I respect the gentleman very much, but——

Mr. HUGHES. Well, if I were a defense attorney, I would certainly be subpoenaing the person making the decision to stop and the basis for stopping the vessel.

Mr. ROBINSON. Every law enforcement administrator in this country, whether it is the Director of the FBI or a police chief or a sheriff, they give orders every day to arrest folks. Most often, most defense attorneys do not subpoena law enforcement officers.

Mr. HUGHES. I think the point is that you could have a dozen people subpoenaed to appear before a grand jury for motions to suppress, which as we know, invariably delay and delay a trial, while we wait around for trial.

Insofar as training is concerned, I think the gentleman is rather conservative on the number of hours it would take to train; but granted, it is 220 hours or whatever, you would have to train half the fleet.

How can you tell what officers, first of all, are going to be on board a ship available to board a vessel? Is that not so? You would have to train a lot of officers because you are rotating officers on and off ships around the country.

Mr. ROBINSON. May I say to the gentleman from New Jersey [Mr. HUGHES], if the gentleman would listen to my point, I would like to see the training started in the Naval Academy and the naval training centers where they get this training as part of their basic training, along with the other courses they are required to take.

Yes, it will require a lot of training; but my point is that the effort will be worth it in the long run as far as trying to do something about the ever-increasing number of drugs smuggled into this country.

Mr. HUGHES. Mr. Chairman, will the gentleman yield further?

Mr. DANIEL. For one more question.

Mr. HUGHES. Mr. Chairman, we would have to make a basic modification of the training that takes place. I mean, the Drug Enforcement Administration and the other agencies have ongoing training programs just to stay ahead of defense attorneys.

In addition to everything else, you have got the logistical problems of transporting that vessel into port. You have to maintain the chain of custody, as the gentleman has indicated, which means that if you blow that, you blow the case.

Mr. ROBINSON. Correct.

Mr. HUGHES. It seems to me that what we are doing, we are going to have to restructure the entire training program of the fleet.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. DANIEL] has expired.

(At the request of Mr. ENGLISH, and by unanimous consent, Mr. DANIEL was allowed to proceed for an additional 5 minutes.)

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I guess the point or the thing that puzzles me a little bit is given the fact that we are talking about a law enforcement role, given the fact that the U.S. Navy today has been operating in conjunction with the Coast Guard using law enforcement officials aboard Navy ships to board suspect ships, I do not understand the logic then of not putting additional law enforcement officials on additional ships to carry out law enforcement functions. Why in the world would we take a law enforcement function and designate it to a person who is a professional sailor?

Mr. ROBINSON. Mr. Chairman, if the gentleman will yield, I think the Coast Guard is one of the better institutions in Government, but they have not been able to stop the flow of drugs coming into this country.

The focus of this bill is to augment what the Coast Guard, the DEA, the FBI, and others are doing.

My goal is to stop drugs coming into this country. I think we have these people already in place. They are being paid. They can serve dual purposes in the U.S. Navy.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield for just one brief moment?

Mr. DANIEL. Thirty seconds.

Mr. ENGLISH. Mr. Chairman, I would make one very quick point to the gentleman.

There is no question that we need to have more law enforcement officials on Navy ships making arrests.

The question before us is, Who is that going to be? Is it going to be Coast Guard officials or is it going to be U.S. military personnel?

I would suggest that professional law enforcement officials, rather than Coast Guard officials, are far better equipped to do that job than would be a professional sailor on his off time trying to keep up with all the nuances and changes in the law.

I thank the gentleman for yielding.

Mr. DANIEL. Mr. Chairman, I rise in opposition to the Bennett amendment, and particularly to the Robinson amendment. Let me say at the outset that no man in this House or in any other legislative body has done more to stay the flow of narcotics into this country than CHARLIE BENNETT. I admire him for his dedication, and compliment him on his persistence. However, in this instance, I must oppose this amendment.

My opposition is based on the fact that it will have the effect of degrading our military readiness.

While my subcommittee has enthusiastically participated in the effort to stop the drug inflow and will continue to do so, we do not believe that it serves the public interest for Armed Forces uniformed personnel to participate in arrest and seizure. This amendment, if implemented as written, would seriously hamper the Armed Forces, and especially the Navy, in its primary mission—that is, as the first line of defense in the waters off the United States. A ship's captain who is diverted to drug interdiction will no longer be meeting his first responsibility, to defend our shores and borders.

It is important to point out some of the examples of military cooperation with drug law enforcement efforts. In 1984, Active and Reserve aircrews flew nearly 3,100 sorties, totaling about 10,000 hours of flight coverage in support of civilian law enforcement agencies in the Caribbean area. Two Air Force aerostat radars, effective against low-flying and surface vessels, have been linked to the Customs Service in Miami, and the Tyndall Regional Operations Control Center, providing over 10,000 hours of coverage. During that year, the Air Force flew several types of missions in support of drug enforcement, and loaned various types of electronic equipment to civilian agencies.

The Navy provides significant support, in addition to air surveillance coverage. One ship of the hydrofoil squadron at Key West is always on alert, with a Coast Guard tactical law enforcement team embarked. Last year, 135 ship-days of such support was provided.

Jointly, the Army, Navy, and Air Force furnished 43 permanently assigned personnel to six National Narcotics Border Interdiction System regional centers. All four services participated in joint exercises with the Coast Guard, Customs, and DEA, providing radar support, aerial surveillance, and transportation of Coast Guard tactical law enforcement teams for boarding suspected drug vessels.

One of the most successful such efforts was Operation Hat Trick, an armada of Navy and Coast Guard vessels which steamed into waters off Colombia, backed up by other branches of the military, the DEA, and Customs. The operation had but one mission—to stop the fall drug harvest from leaving Colombia and entering the United States. The results were encouraging: over 600,000 pounds of marijuana and 6,200 pounds of cocaine were seized.

All told, drug enforcement agencies have made almost 10,000 requests for assistance, and almost 99.9 percent have been honored. The armed services are doing all they appropriately can, consistent with resources and primary mission responsibilities, Mr. Chairman.

To demand any more would degrade those mission efforts below an acceptable level.

Now, I wonder if the gentleman from Florida [Mr. BENNETT] would be willing to engage in a colloquy.

Mr. BENNETT. Mr. Chairman, I would be delighted to.

Mr. DANIEL. Mr. Chairman, if we are to use military personnel instead of carrying law enforcement officers on naval vessels to make actual seizures for certain arrests——

Mr. BENNETT. Mr. Chairman, I cannot hear the gentleman.

Mr. DANIEL. How will we handle the problem of the captain of a vessel, the officer of the deck underway, the commander of the boarding party, and the members of the boarding party——

Mr. BENNETT. Mr. Chairman, I hate to interrupt the gentleman, but I did not really hear the first part, so would the gentleman mind repeating the question?

Mr. DANIEL. Yes, sir. How will we handle the problem of the captain of a vessel, the officer of the deck underway, the commander of the boarding party, and the members of the boarding party itself having to spend 6 to 8 months ashore while subpoenaed in criminal prosecution of witnesses while the court case drags through appeals and other legal nuances?

Mr. BENNETT. Well, in the first place, there are three limitations that are very fundamental in this bill. They were read.

The first is section 1. The Secretary of Defense must find that assistance will not adversely affect the military preparedness of the United States; so if he feels that it will not be helpful to the preparedness of the United States, if it is contrary to preparedness, he just will not allow the thing to transpire. It is as simple as that. The Secretary of Defense will not allow it to occur.

In the second place, even if the Secretary of Defense says that it is not going to in any way interrupt the preparedness of the United States, even if he so asserts, that still is not enough. The Attorney General must verify that this particular operation may not succeed without assistance of the defense. These things all have to be there.

The third thing is the Federal drug enforcement official must maintain ultimate control.

So a lot of this stuff is just stuff. In other words, if the Secretary of Defense does not think it should happen, it will not happen. All he has to do is say, well, it is interfering with the preparedness of the United States and there will be nothing to it.

I do not think the gentleman really realizes what the purpose of this legislation is. I said when I spoke that the basic reason for this is that we have scores and scores of ships, actually we have about 500 or 600 ships that go up and down the coast of the United States, out at sea at times.

In Florida there are 40 ships. There are 40 naval ships in my hometown, thousands and thousands of military and naval personnel.

The CNO has said how enthusiastic he is about the program we have and how he wants to expand it.

□ 1910

He does not think it is against preparedness. He thinks it is in the nature of preparedness. It is in the nature of training. And when those ships go amidst the smugglers in Florida, the smugglers can escape, they know that a Navy ship cannot stop them. But if you pass this legislation they can.

The CHAIRMAN pro tempore [Mr. KLECZKA]. The time of the gentleman from Virginia [Mr. DANIEL] has expired.

(By unanimous consent Mr. DANIEL was allowed to proceed for 5 additional minutes.)

Mr. DANIEL. Mr. Chairman, I would remind the gentleman from Florida that the Secretary of Defense is adamantly opposed to this amendment and has so written the chairman to the effect.

I have two other questions, if I may.

How do we provide for successful prosecution of the apprehended smugglers with naval personnel who do not know how to conduct searches and seizures and arrest without giving a defense attorney numerous technicalities upon which to get a case dismissed?

Mr. BENNETT. You will not do that. They will know how under the amendment of the gentleman from Arkansas. They will know how.

So this was prepared before that amendment was offered.

Mr. DANIEL. And that is precisely why I opposed that amendment, because it would require so much time that it would degrade the readiness of our military force.

Mr. BENNETT. If it degrades the military preparedness of our country, then the Secretary of Defense will not have it.

You say the Secretary of Defense is opposed to this legislation. He says he is only opposed to it if it does degrade the preparedness, but he has not actually said that it does degrade the preparedness. And he also said a whale of a lot of other things that were categorically untrue, such as posse comitatus was part of the tradition of our country.

He overlooks great men like George Washington who put out 13,000 troops to put down 500 in the Whiskey Rebellion of Pennsylvania. He overlooks General Eisenhower, President Eisenhower, when he sent thousands of Federal troops to enforce the integration laws in Little Rock, and I can give you many, many other instances.

So Secretary Weinberger was just as incorrect when he said this, just as incorrect when he said that as when he appeared before our committee and told us, at least he implied to me, that they were going to harden the MX missile thing. We never learned. We never learned that they were not going to harden those missile things until after the debate was already over on the floor of the House, and then they came over from the Department of Defense and said, "We are not going to harden this missile site, had no intention of doing it, it would not be timely, it would be very expensive, we do not even know how to do it."

Now, that is the same Secretary of Defense.

I must say that Mr. Taft also took the same position with the type of legislation we had on reform legislation. He said there is nothing to it, we do not have a problem about contracting, none at all. And of course we do have a problem.

Congress makes the laws of this country.

Mr. DANIEL. Will the gentleman yield for a few other questions?

Mr. BENNETT. Yes, I will. I will try to make my answers shorter.

Mr. DANIEL. I would appreciate that.

How does the gentleman, how do we handle the question of deadly force?

Mr. BENNETT. Deadly force?

Mr. DANIEL. Yes, sir. For example, if a naval vessel with military personnel comes under fire or is met with other threatening tactics, are they going to be authorized to return fire with small arms, or ships' weapons?

Mr. BENNETT. Well, I tell you, the gentleman is reading, and he obviously does not have this on his own heart himself. He has to read these questions, and by the time he has read them—I have poor hearing myself. Is that listed on this as one of the questions?

You know, I have never been consulted about this. This is not an ordinary colloquy. I am not hearing it very well. I have never heard it before.

Mr. DANIEL. Well, the gentleman has the answers, so he must have the questions.

Mr. BENNETT. These are not questions. This is what my staff thinks.

If the gentleman will repeat the question, I will try to answer.

Mr. DANIEL. All right, sir. Let me read it or let me let you read it.

Mr. BENNETT. Yes, that would be better.

These have never been handed to me before, and that was really not an answer to the question, that was an answer that my staff thought.

How do we handle the question of deadly force? Well, you handle the question of deadly force by killing the enemy. If a naval vessel with military personnel comes under fire or is met with other threatening tactics, are they going to be authorized to return

fire with small arms or ships' weapons?

Now Mr. DANIEL, you know that that is not the sort of thing that people of thoughtful attention to what is good for our country say on the floor of the House. We do not list the tactical and strategic procedures. That is one of the most secret things we have. There is no reason to tell the smugglers exactly our mode of operation. That would be absolutely ridiculous to do, and it would be against the common interest of our country, and I could not answer it if I knew it, which I do not know.

Mr. DANIEL. Then I have one other question.

Mr. SHAW. Mr. Chairman, would the gentleman from Virginia yield to me, please?

Mr. DANIEL. Not at this point. I have one other question.

Mr. SHAW. I would like to attempt to reply to the gentleman's question, if I could ask the gentleman to yield to me.

Mr. DANIEL. I was asking Mr. BENNETT.

Mr. SHAW. I realize that.

Mr. BENNETT. If you hand them to me I will read them.

Mr. DANIEL. If the object of the gentleman's amendment is deterrence, and that is what we discussed this morning, to let the drug smugglers know that every time they see a naval vessel they are in danger of arrest, why would his purpose not be served by having law enforcement boarding parties aboard? Why not let the law enforcement personnel be the ones to go ashore for court and legal proceedings so as not to disrupt fleet operations?

Mr. BENNETT. I am glad you asked me that question. I cannot speak on that in a minute, but I will do my best in 2 minutes.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. DANIEL] has again expired.

(By unanimous consent Mr. DANIEL was allowed to proceed for 2 additional minutes.)

Mr. BENNETT. The problem about that, the answer to that is I would much prefer having the civilian law enforcement people on the vessels. Of course I would prefer it.

But there is no way in which we are going to get them. It is just like we went through the other day about this reform. You know, it is very difficult to get the things up here. There are a thousand ways of killing it. We are seeing one way of killing a good bill here today, nit-picking it to death. That is all there is to it. It has nothing to do with the merits of it.

We are trying to use the great force of the U.S. Government to rid ourselves of one of the worst battles and confrontations in this country and we are being nit-picked to death. And if you kill this measure it will be nit-picking the bill, not because of the merits.

The problem about this situation is that the law enforcement personnel are just not going to be made available. It would take billions of dollars to produce the Coast Guard ships, it would take millions of dollars to put the people on the ships. And if you put the people on the ships you are going to have people that are going to be like riding the *Queen Mary, Queen Elizabeth I* or *Queen Elizabeth II.*

Mr. SHAW. Mr. Chairman, will the gentleman yield to me?

Mr. DANIEL. Mr. Chairman, I agree with the gentleman from Florida [Mr. BENNETT], that there is no greater, no more serious problem facing this Nation today than drug addiction and the drug smuggling which contributes to it. But that is not what we are talking about tonight.

What we are talking about tonight is whether or not uniformed personnel shall have the right to arrest civilians, and I am opposed to that.

I thank the gentleman and I yield back the balance of my time.

AMENDMENT OFFERED BY MR. ENGLISH AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BENNETT

Mr. ENGLISH. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLISH as a substitute for the amendment offered by Mr. BENNETT: Page 200, after line 4, insert the following new section:

SEC. 1050. STUDY ON DRUG-INTERDICTION ASSISTANCE TO CIVILIAN LAW ENFORCEMENT PERSONNEL.

(a) STUDY.—The Secretary of Defense shall conduct a study comparing—

(1) the potential effectiveness of assigning members of the armed forces under the Secretary's jurisdiction, with

(2) the potential effectiveness of increasing the number of tactical law enforcement teams on naval vessels,

for the purpose of determining ways to assist civilian law enforcement personnel in the interdiction of the illegal importation of narcotics into the United States. The Secretary shall submit the results of the study to the Congress not more that sixty days after the date of the enactment of this Act.

(b) CONSULTATION.—In conducting such study, the Secretary shall consult with the heads of agencies with jurisdiction to enforce the Controlled Substances Act (21 U.S.C. 801 et seq.) and the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.).

Mr. ENGLISH (during the reading). Mr. Chariman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BENNETT. Mr. Chairman, could I raise a point of order against the amendment?

I would like to raise a point of order against the amendment because if it is what I think it is, it is not germane to this bill. I have never seen it, it has never been handed to me. I have never read it.

The CHAIRMAN pro tempore. Does the gentleman reserve a point of order at this time?

Mr. BENNETT. Mr. Chairman, yes, I reserve a point of order. I do not mind the gentleman speaking about it.

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. BENNETT] reserves a point of order against the amendment.

The gentleman from Oklahoma [Mr. ENGLISH] is recognized for 5 minutes.

Mr. ENGLISH. Mr. Chairman, no Member of Congress has a more personal interest in the war against drug smugglers than does the gentleman from Florida. He has been relentless in his commitment to this national emergency, setting a determined example that we could all follow. However in this case, I feel that there is a better way to achieve the results that he seeks.

I am offering this amendment because I am concerned with the effect of vesting civilian police powers in our armed forces, allowing them to make arrests, searches, and seizures of civilians in a law enforcement role.

The Government Operations subcommittee which I chair has held 20 hearings on the drug interdiction problem, and we have enjoyed the consistant support of the gentleman from Florida, and shared some of his frustration, as well. As a result of those hearings, several points have become quite clear, and the most important of those points is that the military must be more involved in drug interdiction than in the past.

But, it is equally important to set clear parameters for the Department of Defense so that, while its assistance is maximized, we maintain a tradition in America—that law enforcement is a civilian mission, not a military mission. This concept was repeatedly stressed by the drafters of the Posse Comitatus Act amendment in 1981: the military is to assist, but the primary responsibility for drug interdiction remains with the Customs Service and the Coast Guard.

A glaring weakness in our interdiction capability is our inability to collect and process timely information which can be used by the interdiction agencies. This is the area where the military can be, and must be, more helpful. Secretary Weinberger has recently agreed to dramatic increases in assistance.

Last Friday, this body approved a measure to create a special Air Force wing with aircraft properly equipped to detect smugglers. The peacetime mission of this wing will be in direct

support of the interdiction agencies, with a direct correlation to its military combat mission. There will be no degradation to military preparedness—in fact, there will be an enhancement.

The wing will enhance the military intelligence capability of U.S. forces in the Caribbean, while at the same time providing us increased early warning of the smuggler en route to our shores.

But, the gentleman from Florida is attempting to address a specific problem—the arrest and seizure of smugglers on the high seas. This is a problem, but not one that requires the Defense Department to be mobilized as an international police force. I think that I have a better remedy to high seas smuggling, and I think that it will satisfy the intent of the gentleman from Florida without degrading combat readiness.

The Coast Guard presently has this interdiction mission. In recent years we have seen the posting of Coast Guard tactical law enforcement teams [TACLETS] aboard Navy ships. In the event that a suspected smuggler is detected, the TACLET, not Navy personnel, have performed the boarding, search, and arrest—all under civilian authority.

However, in recent years we have also seen the Coast Guard cut in manpower by the administration. In fiscal year 1985 they were cut 356 positions. In fiscal year 1986 the proposal is to cut another 651 positions. Surely it would be more cost effective, less damaging to military readiness, and more in keeping with our stated roles for the military, to restore these Coast Guard positions as TACLET personnel. Let them deploy with any Navy ship which will be operating in areas of high drug smuggling activity.

Successful prosecutions require seizures and arrests by trained law enforcement officials. Interdictions leading to convictions require the sophisticated use of informants, profiles, and trained interrogators. How many years would it take to train tens of thousands of military personnel in the subtle legal nuances of probable cause, search and seizure, international drug treaties, chain of custody of evidence, and all the other subjects which are the daily bread of our police agencies? How many hours of training time would be sacrificed from studying military doctrine? I don't think it could ever be done without a severe, unacceptable cost.

My amendment is far preferable to redefining the mission of the armed forces: My amendment is more logical response to a mission already with in the mandate of the Coast Guard. I am informed that both the Navy and the Coast Guard agree with this initiative, finding it far preferable to the proposed alternative.

I will commit to work with the gentleman from Florida, and with any other Members who share our concerns, to restore 500 positions to the Coast Guard for this purpose. The gentleman's objective will be reached. Every Navy ship that makes sense will be used, and will have properly trained and properly authorized personnel aboard to promote the war on drugs.

Again, we will not be redrafting DOD's mission. The Coast Guard is currently authorized 39,227 positions. It is currently under that number by more than 1,000. Let us restore the 500 positions and give the proper agency the means with which to carry out its responsibilities, rather than simply transfering that authority to DOD.

□ 1920

Mr. HILLIS. Mr. Chairman, will the gentleman yield to me?

Mr. ENGLISH. I would be happy to yield to my friend from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, I want to begin by complimenting the gentleman from Oklahoma [Mr. ENGLISH] on his amendment. I think this is the way to go. I certainly appreciate what my colleague from Florida [Mr. BENNETT] is attempting to do here.

I rise to reluctantly oppose his amendment. But I think that the route that the gentleman from Oklahoma [Mr. ENGLISH] suggests is the course that we should take.

Now I happen to have a rather lengthy copy of a letter from Secretary Weinberger to the chairman of the Committee on Armed Services. I am not going to read the whole thing, but I do think a couple of paragraphs here highlight some of the problem involved.

Picking this one paragraph:

The third reason we oppose this amendment centers on its impact on readiness. To the extent that the interdiction resulted in successful seizures and arrests, our commanders and their staffs frequently would spend extensive time in court. The negative impact on readiness could be substantial. As you know, it is always a struggle in the face of expanding priorities to insure that our personnel are adequately trained for their wartime mission. Drug interdiction duty would diminish significantly the funds and time available for such training. With few exceptions, such duty generally would not be an adequate substitute for military training. Our forces must be prepared to counter the destructive power of modern weaponry. Interdiction of the small boats and aircraft typically used by drug smugglers would not provide the realistic training needed to prepare most units to counter hostile military forces.

In summary, there is much we can do to assist those agencies which have the responsibility for drug interdiction. In the last year alone, we provided over 10,000 hours of aerial surveillance for civilian agencies and loaned them $88 million in equipment.

In this bill we recently included an amendment that would make the position, held by Gen. Dean Tice, a three-star general position to head up a defense drug task force over at the Department of Defense.

So DOD has not turned their backs on the problem. It is a matter of how do they do it effectively? I think the gentleman has hit the nail on the head, to give them some time to study the problem, bring back a plan and proceed along the route that he outlines and we can have an effective force that can counter the problem without an undue burden on the military, maybe, which has got to look at problems in the eastern Mediterranean or the Indian Ocean or some other area.

We can work together in this thing and make real progress.

Mr. ENGLISH. There are a couple of points I would like to make.

We have an awful lot of strong supporters in the Chamber tonight who have been involved in the war on drugs. I think there is a difference of opinion, certainly. But I would point out that the gentleman from Florida [Mr. BENNETT] says that the Secretary of Defense may do these things. He is not required to do it. He says he may.

We have already heard the Department of Defense and the Secretary oppose this particular approach. So it is doubtful should this amendment pass and even become law that it would ever be implemented.

I would suggest to those who strongly support this effort who really want to do something as far as fighting drugs on the high seas, that we have control over our fate. I would suggest that we restore those 500 positions with the Coast Guard as TACLET positions to be used specifically on U.S. Navy ships which are involved in drug waters. That makes sense. That is something that is certain, and certainly I think it makes sense to provide the Secretary the responsibility of reporting to this Chamber as to which of these two alternatives he finds to be the most cost effective, which he finds to be the most preferable.

We can implement it.

If we simply go with the word may, it is up to the Secretary. And I think every Member in this Chamber knows that the Secretary would never implement this particular proposal. Let us make dead certain we get after the drug smugglers on foreign waters and let us do it by putting Coast Guard officials on those ships to make arrests and arrests that we can be sure are going to stick in court.

Mr. BENNETT. Mr. Chairman, we do have a point of order that I would like to speak to.

The CHAIRMAN pro tempore. The gentleman from Oklahoma [Mr. ENGLISH] still has the floor.

Does the gentleman yield back his time?

Mr. ENGLISH. Mr. Chairman, I yield back the balance of my time.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from Florida [Mr. BENNETT] insist on his point of order?

Mr. BENNETT. I do. Mr. Chairman, I would like to say why I believe that it is not germane and it is not proper.

The thrust of the amendment, particularly as explained by the gentleman on the floor, is a Coast Guard amendment. This bill does not deal with the Coast Guard. He wants the Secretary to come with increasing the number of tactical law enforcement teams from the Coast Guard.

If I thought that was a possibility of being achieved by anything he is doing, I would be glad to do it. But he has already said they are cutting the Coast Guard personnel; they are not raising the Coast Guard personnel, they are cutting.

These people are not in existence.

□ 1930

So my point of order against it is the fact that it is really a Coast Guard amendment; it is not germane to this bill.

The CHAIRMAN pro tempore. Are there other Members who wish to be heard on the point of order?

Mr. ENGLISH. Mr. Chairman, first of all I would point out that the amendment does not have the words "Coast Guard" in it. I think we all recognize and understand what is meant by the amendment, but the words "Coast Guard" are not here. It directs the Secretary of Defense to conduct the study, and no one else.

The second point is that this was a recommendation by the administration that these people be cut.

As the gentleman aptly pointed out, the Congress has control over whether or not those cuts are going to take place; the Congress has the decision as to what those people will be used for, and the Congress can certainly designate 500 of these people to be used in tactical positions on Navy ships.

That is what the Secretary of Defense supports, that is what the Secretary of the Navy supports, that is what the Commandant of the Coast Guard supports.

The CHAIRMAN pro tempore. Are there other Members who wish to be heard on the point of order?

The Chair is ready to rule.

In reviewing both the Bennett amendment and the substitute by Mr. ENGLISH to the Bennett amendment, the Chair finds that the original amendment is a comprehensive authority, using Department of Defense personnel to assist Coast Guard and other law enforcement personnel for the purposes stated.

The English substitute however, does narrow the scope of the Bennett amendment by only calling for a study on the same subject matter.

On page 2 of the Bennett amendment the language on lines 1 and 2 does refer to Federal drug enforcement officials, maintaining ultimate control, which does include the role not only of DEA but also the Coast Guard.

Therefore, the point of order is overruled. The substitute amendment by Mr. ENGLISH is germane.

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Bennett amendment.

Mr. Chairman, let me say I listened to the words of the gentleman from Virginia [Mr. DANIEL]. I have tremendous respect for him, and I understand his concerns about readiness.

I also have a lot of respect for the gentleman from Florida [Mr. BENNETT], and let me say why I come down on his side of the argument; because we are involved in a war.

The Ambassador from Mexico to the United States visited the other day, and we sat down and talked, following Enrique Camerino's death in Guadalajara, about what Mexico was doing and what the United States is doing in Central America to try to stop the drug trade.

The Ambassador from Mexico told me that over 352 soldiers, Mexican soldiers, have been killed in the last 36 months in the drug wars. We are talking about battalion-sized actions, company-sized actions.

When Caro Quintero was at the airport at Guadalajara immmediately before his flight, after Agent Camerino had been killed, he was surrounded by a militia. He carried an automatic weapon.

Let me simply say that we need, in this situation, at least the threat of the use of our military forces. Now, a great deal has been said about how ineffective cost-wise the Bennett amendment is supposed to be, but it is not going to be ineffective and I will tell you why.

If you can stop a ship that has 10 tons of narcotics on board, even if you are paying a couple of people in the armed services that happen to make that boarding party and happen to have to appear in the court to follow up prosecution, if you can stop 10 tons of narcotics in bulk from coming into the United States, you have put off the possibility of literally thousands of prosecutions, against 8 ounces, 10 ounces, 12 ounces, 1 pound seizures of that same narcotic substance.

Let us face it; you are going to pay whichever way you go. If you pay somebody in the Coast Guard to board those boats, you are going to have to train them, you are going to have to pay them a living wage, and you are going to have to pay the sailors the same thing.

Let me also say, we do not need in many situations, to have experts in law enforcement.

They do not have to go through a school where they could qualify to be in a detective agency in a major city in the United States. You mainly need people, in a lot of these boardings and a lot of these apprehensions who can simply utilize weapons and use them well. The reason you need them is because you have a lot of weapons on the other side.

So you may have to board ships and boats with platoons of people, some of them carrying automatic weapons. I understand if you have a boarding and you have one Coast Guard officer, that Coast Guard officer can board that boat. He may be boarding a boat that has 15 or 20 or 30 people who are armed with automatic weapons. He cannot take Navy personnel with him. That is the understanding given to me by staff.

So let me say we are involved in a war, and that is precisely why even though I appreciate the arguments that have been made on the other side, that is precisely why the Bennett amendment should pass.

Mr. ROTH. Will the gentleman yield?

Mr. HUNTER. I yield to the gentleman.

Mr. ROTH. I thank the gentleman for yielding, and I think that the gentleman is making a very important point, because in this Defense authorization bill we are dealing with no war more immediate than the war on drugs, and we are having people killed all over the world, especially in Central and South America, who are trying to stem the tide of drugs coming into this country.

Mr. Chairman, we receive a good deal of mail here on Capitol Hill, but I was particularly struck by a letter I received today; and some other Members may have received it also, from the mayor of New York, Ed Koch; he talked about the precedent for this action.

Of course, we can find precedent for any piece of legislation that we address, but I think there is a real historical precedent for the actions that the Bennett amendment would include.

We know that international narcotics trade is analogous to the slave trade of the 19th century.

Mr. ROTH. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. HARTNETT. Reserving the right to object, Mr. Chairman, and I shall not object now.

Mr. Chairman, we are operating under the 5-minute rule, and this debate has extended on long, and it is

an excellent debate, but I think 5 minutes is adequate time for each Member to seek his or her own 5 minutes, and I would not object now, but in the future, any additional requests for 5 additional minutes I would like to put my colleagues on notice, I do intend to object.

Mr. Speaker, I withdraw my reservation of objection.

(On request of Mr. ROTH and by unanimous consent, Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. ROTH. Will the gentleman continue to yield?

Mr. HUNTER. Yes, and I would ask the gentleman to accommodate the other two gentlemen who would like to talk.

Mr. ROTH. Let me just tell my good friend from South Carolina who spoke just previously; it is great if you are a member of the committee, but if you are not a member of this committee, you cannot be recognized; so the 5-minute rule is great if you are a member of the committee.

But I think it is unfair to those of us who are not members of this committee, and who have something to say, that we have a chance to speak, too. Yes, I want to expedite the action, but I think that the members of the committee also should give us a chance.

Mr. HUNTER. I agree with the gentleman. I yield to the gentleman.

Mr. ROTH. Mr. Chairman, what I was pointing to is the precedent that is taking place here; that in the 19th century, Britain said that the slave trade was an evil that they were going to stamp out. They used the British Navy to stamp out the slave trade, especially in the Atlantic. This is analogous to what we are trying to do here with the crisis we had with drugs.

The crisis of drug smuggling today bears, I think, the same sort of moral imperative, and I think there is no greater threat to the internal security of our country than the illegal drugs in our society.

There is not a Member of this body that does not realize that fact. There are those who would oppose this amendment because of the precedent that it would set, but I think there is ample precedent in our own history and in other histories of the great democracies I think that would support this.

Someone here had mentioned that it is going to detract from the training that the people in our armed services receive. That is nonsense. There is no better training, in my opinion, that the people in the Navy can have, than to interdict the drug traffic.

So I think—and I realize the gentleman is asking me to sit down—but I think it is important that we take a look at some of these issues.

Incidentally, I want to repeat, there are many people that want to speak on this issue that are not members of the committee.

Mr. HUNTER. I appreciate that. I yield to the gentleman from Ohio [Mr. OXLEY].

I would ask my friend not to object if we get a little more time, because I think this issue is important, and you do have people off committee who want to be heard.

I yield to Mr. OXLEY.

□ 1940

Mr. OXLEY. I thank the gentleman from California for yielding.

Mr. Chairman, the gentleman from California made the statement that perhaps those involved in the military and drug interdiction need not have great skills in investigations and in law enforcement techniques.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. HUNTER] has expired.

(On request of Mr. OXLEY and by unanimous consent, Mr. HUNTER was allowed to proceed for 3 additional minutes.)

Mr. HUNTER. I yield to the gentleman from Ohio.

Mr. OXLEY. I thank the gentleman.

As was brought out by the gentleman from Oklahoma, the gentleman from Virginia and others, indeed if we were to engage these people in that type of activity, it seems extremely important that these people have the ability and the knowledge and the skills to effectuate arrests effectively, not only to interdict the drugs but to make the arrest and to make the convictions as well. It just seems to me that we are taking very, very big step here. We are changing public policy here in this country on the floor of the House we involve the military in this type of activity. I think that we are making a very serious mistake if we adopt the Bennett amendment, that we will regret it, in the long run.

I am a member of the Select Committee on Narcotics, as is the gentleman from California. I see our distinguished chairman on his feet. But it concerns me that we are setting a very, very difficult precedent here.

As far as I know, the Bennett amendment and the bill that was introduced had no hearings, as far as I know the DEA, the Customs and the Coast Guard have not asked for this type of legislation.

Mr. HUNTER. Let me tell my friend that I have heard his message.

I yield to a gentleman who is in favor of the Bennett amendment, the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I would like to point out at this point and I think it should be pointed out at this point in the debate that this issue is not new to this House. This issue was passed in 1981. I offered it as an amendment. It passed the House, and this particular portion got knocked out in conference. It is extremely important. It is not changing the complexion, it is not a directive from Congress to go out and send ships out and start making arrests. It is simply taking a very unreasonable restraint off of them should they choose to use it. That is all it does. That is all we are asking for with this amendment. I think that the Bennett amendment is excellent, it should pass this House unscathed.

Mr. HUNTER. I yield to the gentleman from New York [Mr. RANGEL], the chairman of the committee.

Mr. RANGEL. I thank the gentleman for yielding.

Mr. Chairman, I support the Bennett amendment. I do not think that it is a radical change from public policy. I would suspect that those who work very closely with the military would believe that there are certain jurisdictions that they have and that they should not go beyond that. Certainly we heard opposition from them when we were talking about posse comitatus.

Let us talk about what is happening today and what the Bennett amendment will have happen tomorrow when this becomes law, and that is, basically, for the average taxpayer it is difficult to understand how we can have all of those ships at sea, all of those people who are dedicated to protect our borders, and yet because we do not have the civilian personnel we should allow the tons of cocaine, marijuana and heroin to penetrate our borders and merely say because we have the military that we should wrap their hands up and not allow them to stop these people that are destroying the very fabric of the United States.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. HUNTER] has expired.

Mr. HUNTER. Mr. Chairman, I ask unanimous consent that I be given 5 additional minutes to yield to the gentleman from South Carolina.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. HARTNETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Bennett amendment.

Mr. Chairman, I would really wish that my colleagues were here in large numbers tonight, because of all of the amendments that we will consider to this Department of Defense authorization bill, this is the most important.

Mr. Chairman, I have heard the argument here this afternoon that we should not stop ships on the high seas. But I submit, Mr. Chairman, that we would quickly stop any submarine or any foreign vessel on the high seas

whose mission it was to destroy young American lives here in our country. And, most assuredly, if any submarine were headed this way with that mission, the mission of every drug smuggler is to destroy our economy and young American lives here in these United States.

We have the resources, Mr. Chairman and my colleagues, but do we have the will? We do not need to tell the Department of Defense how they should or should not board a ship, who should or should not be aboard a naval vessel. If we authorize the Secretary of Defense, the Department of Defense, to assist us in interdicting the infiltration of drugs into this country, we will have done America the greatest service of this century.

We spend hundreds of billions of dollars on missiles that have never taken any lives, in defense against missiles that have never taken any American lives, and yet day after day young Americans are dying in the streets and cities of our Nation from illegal drug abuse.

Our soldiers and sailors stand guard day after day on watch against a potential enemy who may or may not make an attempt to cross our borders, while drug smugglers by land, sea and air cross our borders unabated day after day after day.

The single most significant contribution, Mr. Chairman, that this Congress can make to future generations is not to balance our budget, not to eliminate the deficit that we spend year after year, but to stop the illegal flow of drugs which come day after day across our borders by land, sea and air.

And what greater contribution can a man or woman in uniform make to our defense and to our national security than to see to it that our young people do not have made available to them the illegal drugs that cross our borders by land, sea and air day after day.

No, Mr. Chairman, I do not want to hear, nor do the American people want to hear, all of the nitpicking and all of the hypothetical things that may come up over here as to how we could go about it legally. Suppose we destroy a ship laden with marijuana or with cocaine, suppose the arrests do not stick; at least we have destroyed tons and tons of illegal drugs that will not make their way into these United States. Suppose the arrests do not stick and we have to send those smugglers free; we have destroyed their contraband, and it is that much less illegal drugs that our young men and women in this country will have to put up with that would destroy their lives and destroy our economy.

I think what Mr. BENNETT is trying to do, Mr. Chairman, is the single most significant contribution that any Member of this House will make to our national defense on the debate on this very important bill. I commend him for what he has done, and I submit to my colleagues over there: Do not try to tell the Department of Defense how to handle this. They can work it out, the Secretary of Defense notwithstanding. And the largest contribution you will ever make to future generations is to stop the illegal flow of drugs.

If you have ever been a parent sadly awakened to the fact that your young son or daughter was a drug addict, with a ruined life and no future at all, you would not want to hold back on the one resource that we can commit as a nation, if we only had the will, to stopping this illegal flow of drugs, the assistance of our military services. I think we ought to take that opportunity and support the gentleman from Florida with his amendment and to put our Armed Forces to work for the benefit of America's future generations.

Mr. Chairman, I yield back the balance of my time.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from Florida [Mr. BENNETT].

This amendment would allow members of the Armed Forces, at the request of our civilian drug enforcement agencies, to go a step further in assisting drug interdiction operations outside of the United States, including those involving searches and arrests. It would not allow the Armed Forces to make such arrests within the borders of the United States, nor would it supersede the military's primary mission of military preparedness. There is a growing consensus in both civilian and military circles that because of the treat to our national security, narcotics interdiction has become a de facto mandate of the armed services.

This is not a new idea. Back in 1981, this House approved an amendment similar to the one we are now debating that was offered by another of my Florida colleagues, CLAY SHAW. That amendment authorized the armed services to cooperate with civil law enforcement officials in operations against drug smuggling and to participate in illegal drug seizures or arrests outside the land area of the United States. I supported that amendment because I believed at that time that the military could and should play a more active role in fighting illegal narcotics smuggling. The Senate did not fully accept the House language, though, because it was felt that DOD participation in seizure and arrest operations would adversely affect military preparedness. I disagreed with that analysis then and I disagree with it now.

Drug smugglers have openly declared war on the United States of America. These outlaws have no regard for the dignity of human life but only a greed for money. They do not care about the devastating effects of their poisons on our young people or on our future as a nation. It is time that we declare war on their crimes against our country. The military can and should play a vital role in this effort.

Since 1981, the military has been actively assisting civilian drug enforcement agencies by loaning and maintaining needed radar planes and other equipment. Six-man Coast Guard crews can now be found on board Navy ships. I am of the opinion that enhanced military involvement in fighting drug trafficking would serve an additional training function for our men and women in the military and would also assist in weakening the vicious cycle of drug profits which are then used to finance arms purchases in Central America.

What is at risk here is the sanctity of our borders and the lives of our youth. It makes good sense to utilize our vast military resources in moral combat against the trafficking of illicit and destabilizing narcotics. I urge our colleagues to support the Bennett amendment.

Mr. McKINNEY. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendment.

Mr. Chairman, I want to congratulate my good friend and colleague, the gentleman from Florida [Mr. BENNETT]. This amendment has been talked and studied to death. The only thing that has really died is American kids. I listened to these arguments about whether or not the military are going to do things that they are not trained to do, whether or not they are going to be in a legal condition; and let me tell you, because she would be the first person to be here, my daughter would tell you about what they are doing.

□ 1950

What they are doing, Mr. Chairman, is very simple. You know, you can worry about Russia and the bomb; you can worry about all of these things, but, in fact, Mr. Chairman, that is the end of the world. Slowly but surely in New York, Bridgeport, CT, Miami, Palm Beach, across the entire country our kids are being murdered by drug dealers. Is there any more important thing to do in honesty if we are going to spend $300 billion, maybe less, maybe a little more, on defense, what is defense without our kids?

When you have leaders of this country, socialites, doctors, lawyers, priests, ministers, all having terrible problems. Cocaine, the "in" drug. Yes, it is the "in" drug; it kills you. You never survive; you cannot beat it. Any weekend

"coker" who thinks he can live through it is just kidding himself. It will get him. And it gets our country.

We sit there, Mr. Chairman, we sit there with five naval air stations, one naval base, five Air Force bases in Florida alone, with great American kids flying airplanes, learning how to defend us from a foreign enemy and they are not allowed to interdict the greatest, slimiest, lousiest, cruddiest enemy we have got in this country, those people who would profit off of killing the kids of this country. Ask yourself a question: We are all frightened by it, we are all frightened of it. How many of those pilots, naval men, soldiers, who are giving their time to protect us are getting hooked by these animals?

Would you like to come down to 13th Street on the East Side of New York City and see what has been done to kids who are ministers' kids, lawyers' kids, judges' kids, Congressmens' kids; come along and see. Drug dealers are killing our kids. Is it not the job of the military to protect this country, its future, its kids, for God's sake?

Please, Dear God, what are we talking about? The Russians have to blow us up and we have to blow them up and there will not be any of this building to expound in. The drug dealers are killing us off. The only thing that every man and woman in here that I think has ever had a child has lived for, the next generation. We go home on a campaign and we talk about life for our grandchildren and life for our kids, and the drug dealers hit them in the restaurants, the schools, the country clubs.

Mr. Chairman, ladies and gentlemen, if I had the power in this place, I would turn around to my good friend, Mr. BENNETT, and say you have not gone far enough.

The biggest enemy is not those terrorists in Beirut; the biggest enemy is not the Russians; the biggest enemy is the human animal who sells drugs to our kids and in fact are destroying our future. You know, the most amazing thing in the world: No one is exempt, no one. No one is exempt from the clergy to the judiciary to the richest of all millionaires. When you pick up the newspapers and you say, "So and so's kid died of an overdose, how is that possible?"

You can run the most God-fearing, religious house you would ever want to run, but these animals will get you. Let the military get them. That is all Mr. BENNETT is saying. We spend money training people. Let them interdict the drug dealers and not worry about the Russians.

Mr. RANGEL. Mr. Chairman, I move to strike the requisite numbers of words, and I rise in support of the amendment offered by the gentleman from Florida [Mr. BENNETT].

Mr. RANGEL. Mr. Chairman, I support the Bennett amendment, and I think that you are really asking our taxpayers to be pretty sophisticated to believe that as these people bring tons of cocaine, estimated at 80 tons a year; 60 tons of marijuana; 10 tons of heroin into these United States, and while we have these ships out there and the airplanes to protect our borders, that we are saying that because these vessels are smugglers and not Communists and not people that are known to destroy the very fabric of our society, that our military is helpless. Let us face it, we do not expect the military to request getting involved. We had opposition when we were talking about posse comitatus. But I tell you one thing that we have a military that is not going to be second to any. They are not going to sacrifice military readiness merely because another part of these great United States asks for some assistance against what I would call terrorists that they have not got the resources to combat.

We are not talking as though we have two governments requesting assistance from a foreign government. We are talking about the Coast Guard who today work hand-in-hand with the Navy, and they run up the Coast Guard-flag ship, and they have the Coast Guard to man and to get and seize the evidence and to arrest the people that are involved. Now we know that because of budgetary reasons that we do not have the Coast Guard with the resources to do it.

We do have the Navy; we do have the ships, and we are not going to do anything that is going to cause us not to be militarily ready. Let someone take the floor and say why, if a sailor is at sea, why if a ship is not protecting our coastline, if the ship is not out on the high seas, why that sailor is less military ready than if he suspects that there is marijuana and cocaine, and heroin in the ship than if he expected that it was some saboteurs or there was some Communists on the ship.

Are we really saying that if we wanted the Russians to invade the United States all we have to say is to tell the military that this is a cocaine ship? That this is a heroin ship? Therefore, we need only civilians that are going to handle it? It is absolutely ridiculous and the American people are not going to stand for.

We have what Mr. BENNETT has put in the amendment, a sufficient amount of restrictions so that no one should be afraid. Even the Chief of Staff admits that the military is going to have to do more if we are going to get a handle on this war against drugs. This war has to be fought everywhere. We are trying so hard. LARRY SMITH will be having amendments in the foreign assistance bill to try to get the drug-producing countries to cooperate, but they have ignored us.

We are trying to desperately hard to get the local and the State officials to get a better handle on it, but they complain that they do not have the resources. We got the schools, the community leaders say, "Please educate our children so that they will not become addicted to drugs," and they say they lack the resources. Are we now saying that the U.S. Navy, our military forces, those forces who are out there, we are not talking about expanding the budget, with the direction of the Attorney General to make certain that we have civilian authority. To make certain that the Department of Defense under the leadership of the Secretary, not deviate from his mission that we are going to throw up our hands and say, "Yes, the taxpayers have spent trillions of dollars to build our national defense, but merely because of the nature of the enemy that we refuse to do to drug smugglers that we are willing to do to Communists."

I suggest to you that it does not make any sense to say that we are trying to merge the civilian authority with the military authority. If anything has worked, it has been posse comitatus. It has shown the cooperation that we can have with the military and the civilian authority, and I think that CHARLES BENNETT has thought out very well that we do not want to change the mission of our military, but our civilian authorities need help. We cannot depend on the FBI on the high seas, we cannot depend on the drug enforcement on the high seas, it is the Congress and not the administration that asked for additional personnel for Coast Guard. If we had those Coast Guard people today, we would not come begging and asking the military to give us additional assistance.

□ 2000

But as far as I am concerned, allowing the military help is not only going to not deter from our military readiness, but it is certainly going to make every Navy person, every Marine person that participates, a better defender of this great Nation of ours.

Mr. DANIEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, could we determine how many more Members desire to speak on this amendment? We have eight or nine Members. Let us see what we can do. We do not want to deny anyone because this is a very important amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, close at 8:30, 30 minutes from now.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. HUGHES. Mr. Chairman, reserving the right to object, and I do not intend to object, it is just that I want to make certain that even though there are five standing now, I will be assured of having 5 minutes, because I have remained throughout this debate. Other Members can come on the floor, I presume, and be recognized. Could the gentleman modify that to assure me?

Mr. DANIEL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end at 8:40.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. SHAW. Mr. Chairman, reserving the right to object, I have been standing on my feet now for approximately 1 hour, and because of seniority and committee assignments, that is all I have been able to do. I would want some assurance that the Chair would recognize those now standing.

The CHAIRMAN pro tempore. The Chair will state to the gentleman from Florida [Mr. SHAW] that there were eight Members standing at the time of the request. The gentleman has asked that the time for debate end at 8:40. That would leave 5 minutes for each of the Members who were standing.

Mr. SHAW. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, many excellent points have been made tonight. I am speaking, of course, in favor of the amendment offered by the gentleman from Florida [Mr. BENNETT] and against the substitute and against the other amendment to the amendment.

I think that an adequate case has been made in this Chamber many, many times, and certainly this afternoon and this evening, about the damage that drugs do to our youth. The question has been whether we will even have the ability to raise an army in this country should this unparalleled abuse of drugs continue. I would like for just a moment to review the history of posse comitatus, where we are, how we got there, and exactly what has happened in the meantime.

Reference has been made to a letter from the Secretary of Defense in opposition to what we are trying to do. For those of my colleagues who were here in 1981 when I offered my amendment which passed this House, which is very similar to the Bennett amendment, they were opposed at that particular time, but we did pass a substantial impact upon the posse comitatus and we did get the Defense Department involved for the first time in surveillance, giving information, and giving material and equipment.

But what we were not able to get out of conference was that important part of the Bennett amendment which would have allowed the Armed Forces of this country to make arrests and seizures; not requiring them to, but simply take that prohibition off of them, as it now is upon them.

Time went by and there was great resistance of the Department of Defense to do anything. As a matter of fact, I recall hearings before the Subcommittee of Government Operations of the gentleman from Oklahoma concerning what was going on in south Florida. At that time naval officers were testifying to that committee that they had no intention of getting involved in the war on drugs; whereupon, in that meeting I read a quotation which was a directive from the Vice President of the United States regarding the south Florida task force and what had happened there, and what he expected the naval forces to do.

It was not until the directive came directly from the White House before the Department of Defense got started in some small way. Now talk to our Armed Forces and it is a source of pride. It is a source of pride because it is a source of accomplishment.

But we have not done nearly enough. The gentleman from Virginia a few minutes ago asked the gentleman from Florida [Mr. BENNETT] why we do not do it with law enforcement. It is because we are properly funding our Armed Forces, but are not properly funding our law enforcement in this country. The military is getting all the money. It is time for us now to put them to work on law enforcement problems.

The question has been asked, how much force do you use to make an arrest? Do we sit here in the House and figure that out for the FBI? Do we sit here and figure it out for other law enforcement agencies in this country? Of course not. Do we sit here and explain to them how they should fly airplanes? Of course not.

We give credit to those who serve us in the administration, regardless of who it is, credit for some basic commonsense and some knowledge, so they will do the right thing for us. Sure, all of us would say, as the gentleman from New York [Mr. RANGEL] said, that we would like to have all the money we can to have an elite Coast Guard that was doing the job for us and there was no need for any other assistance. I would like to hear anyone in this House get up and try to make a case saying, "We are doing enough in the Caribbean. We are doing enough off of south Florida. We are doing all we can and no more assistance is necessary."

That is crazy. The question has been raised as to whether our Armed Forces personnel are going to be tied up in court, whether they are going to be subpoenaed in taking depositions and all the other things that are time consuming in the war against drugs for our law enforcement officials. We can make the same argument for the Coast Guard. The Coast Guard personnel are being subpoenaed in the same way. The same thing is happening. So if the problem is that bad, then the problem is even more acute and the Bennett amendment is even more important, so we can get the naval personnel and other Armed Forces personnel out there assisting us.

Remember that what the gentleman from Florida [Mr. BENNETT] is doing is simply taking an unreasonable restraint off of our Armed Forces. He is in no way and we here in this Chamber are in no way directing that they get involved or that they go out and make arrests, and make searches and seizures. But, by gosh, we are talking a war, we are talking about an assault on our shores and our youth by drug suppliers. We better be able to use our first line of defense, and that is the military.

Vote for the Bennett amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Florida [Mr. BENNETT].

From my past experience as a sheriff and working in law enforcement, I would just like to offer a few remarks here today. I have heard an awful lot of talk about the technicalities that this bill will develop. Let me say this: There are going to be technicalities, but it is time that the technicalities are in favor of the law enforcement personnel.

This does not say that we are just going to have a whole bunch of people going out and arresting people illegally and they are going to subpoena the whole ship in the trial. Certainly no U.S. Federal district court judge would allow that to happen once a bill of this nature is passed.

No. 1, this country is now in receipt of in excess of 60 metric tons, 2,200 pounds per ton, of cocaine, estimated, per year. Think about that. What this bill will do is expand the opportunity to America to do something it should have done 25 years ago and we would perhaps not have the problem we are facing today.

Does this mean that every sailor is going to become a drug agent? No; it does not. But once this amendment is agreed to and it becomes law, believe me, the Federal law enforcement offi-

cials will promulgate and devise a plan that will deal with the technicalities and contingencies and, believe me, they will get around those problems.

I think that is the main thing we have to be concerned about. If we look at the record, what are we doing now with what is available to America, and that is not putting down the DEA, that is not putting down the FBI, that is not putting down the Coast Guard. Ladies and gentlemen, we do not have enough people to handle the massive problem that we have faced in the last 50 years.

□ 2010

Sooner or later Congress is going to have to take the lead. Now, maybe the Secretary of Defense does not like it, and maybe certain military personnel may not like it, but that decision is not theirs when it comes to drafting the law. That decision and that responsibility is here. I think it is time that we exercise that right as legislators to create a workable solution, a workable program, and we have it at our fingertips right now.

I say to the gentleman from Florida, "Mr. BENNETT, I am honored to come up here for you." I think there has been a lot of talk about technicalities that has been brought in. There is a lot of drama that has surrounded this thing, but there really should be no drama. It is time for action. The position of Congress has been passive inaction.

You look at the record, and that speaks rather clearly to us. By supporting this measure, we will increase our law enforcement effectiveness on the influx of large drug-smuggling activities in this country. That is a goal we are all for, I am certain.

Second, if we would consider the substitute for this amendment, we would be studying it again, and if we need another 25 years, forget it. This decision now is one of action.

Mr. Chairman, I am just going to recommend very strongly that we take that step, and I assure the Members that the Federal law enforcement people will get around the technicalities and will turn some of the technicalities in their behalf. I commend the gentleman from Florida [Mr. BENNETT] for the action he has taken on narcotics in the past, and I commend him for his continued leadership.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, I rise in strong support of the Bennett amendment.

I want to pay tribute to the gentleman from Florida [Mr. BENNETT] for this amendment. I would hope that this amendment would be agreed to by unanimous vote.

Let me just read an article that was in the Wednesday, June 5, New York Times.

DRUG FIGHT BY MILITARY URGED

(By Charles Mohr)

WASHINGTON, June 4.—Gen. Paul F. Gorman, the former commander of United States armed forces in Latin America, said today that some specialized units of the armed forces could be used to help block narcotics traffic into the United States.

He said the military role could be accomplished with almost no cost and without cutting military readiness.

Other military officers and officials in the Defense Department have opposed using the military in anti-drug efforts, saying it might drain forces from their primary duties.

General Gorman, in testimony today to the Armed Services Subcommittee of the Senate Appropriations Committee, said military aid in antidrug efforts should be legally mandated," rather than rest on calls for informal cooperation.

The general, who retired May 1 as head of the Southern Command in Panama, described himself as an "ardent supporter" of using some specialized military units, particularly intelligence-gathering sections, to fight narcotics.

But he strongly opposed a suggestion that elite fighting units, such as the Army Special Forces, might be used to raid drug-producing areas in South America.

Even if a government in the area agreed, he said, raids would harm efforts to get local officials to take more vigorous action.

He also testified that giving the navy or other United States services the legal power make drug arrests was probably not necessary. He said small detachments from the Coast Guard, which can make such arrests, could be assigned to Navy ships in the Caribbean.

He said anti-drug patrols by the military would be a valuable training tool, and that he saw no incompatibility with antisubmarine patrol and antismuggling efforts.

Mr. Speaker, I went out to a drug rehabilitation program in my district, the Straight Program, about a month-and-a-half ago. I went there and they told me not that drugs were on the decline, but that drugs were on the increase. So for all of you who were watching or sitting there and thinking that we have a handle on the problem, we do not. It is increasing. When you think of the hurt and the pain and the suffering and the agony of those families that are impacted by this problem, you realize the importance of this amendment.

Mr. Chairman, I strongly urge my colleagues to rise and support this amendment by a unanimous vote.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, the quality of the debate on this issue has been, I think, excellent, and the quality of the amendment that was offered by the gentleman from Florida [Mr. BENNETT] is not only excellent, but it is an amendment that goes to the heart of an issue that so many of us have been thinking about and working on for solutions.

The gentleman from Connecticut [Mr. MCKINNEY] made some very, very important points, and they bear repeating, although that is not going to be of any real value. Let me just for a moment try to talk about the issue as I see it.

In south Florida—and the gentleman from Florida [Mr. SHAW] has already alluded to this—we have such major problems with drugs. So many of our young people are besieged and beset with the problem at every turn, in the schools, at home, and at the playgrounds. From the poorest of the poor, all the children of minorities, all the way up through every other kind of young person in this country, the availability of drugs is overwhelming, and yet we have not really begun to stem the tide.

The gentleman from New York [Mr. RANGEL], who stood in this well earlier, has been fighting this problem for years. Members who are speaking on both sides, for the Bennett amendment and possibly for the English amendment, all feel that the same goal needs to be accomplished. The question is, how do we get there? What methods are we going to use?

I want to commend the gentleman from Florida [Mr. BENNETT] not only for this amendment but for the fight he waged in 1981 on posse comitatus, aided very ably by my colleague and friend, the gentleman from Fort Lauderdale, FL, Mr. CLAY SHAW, because the need was there. The need is still there. They got some of what they wanted, but they did not get all of what was necessary.

I think it is important to remember that we have tried for years to get a coordinated effort going. The key word now in the last couple of years has been "coordination." If we are ever going to make a dent in the drug trade and in the trafficking done by these people who have no regard for your children and my children and the future of this country, it needs to be on a coordinated basis. We cannot coordinate the activities of law enforcement because of the unique problem of drugs unless you involve the Department of Defense.

We must remember that this is not a problem where you can push a button if you are sitting over in Russia and throw missiles at the United States by means of a weapon, an intercontinental ballistic missile. This needs to be delivered either through the air, on a small plane, or on a ship. Our local law enforcement people do not have the capability to fight that problem. That is why the Department of Defense needs to be involved.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, I rise in strong support of the Bennett amendment.

Mr. Chairman, we urgently need this amendment. I served on the Select Committee on Narcotics as a founding member. Over the decade and a half that I have been deeply interested in the drug problem in America, I have heard year after year from the Federal Bureau of Narcotics and Dangerous Drugs, now the Drug Enforcement Administration, that we were picking up no more than 5 to 10 percent of the drugs which the traffickers were attempting to bring into our country. Never, to the best of my knowledge, has any responsible law enforcement authority, Federal, State, or local, ever claimed that we were seizing more than 10 percent of the drugs aimed at our shores. Organized traffickers seem to outspend us, outman us and outgun us. In high-tech communications and transportation they are out of our reach.

If we ever are to seize a significant percentage of the drugs placed in the pipeline to our shores, to our cities, and into the arms and mouths of our youth, we must have the sophisticated high-technology communications, transportation, surveillance, intelligence, and sheer firepower that only our Armed Forces can provide. We have been in a war but we are fighting with muskets, smoke signals, and, a one-horse shay. Until we match the deadly skill and sophisticated equipment across the board that the resources of a $100 billion drug industry can sustain, we will continue to lose the drug war with the tragic consequences that can be seen in every town, hamlet and city of America.

Once the drugs have entered our country, our law enforcement system at all levels, Federal, State, and local, has proven helpless to stem the flow—such is the corrupting effect of the astronomical values created as drugs move across our borders and progress toward the ultimate sad destination in the bloodstreams of our youth. Under our democratic system and constitutional protection against arbitrary and unreasonable search and seizure, interdiction at our borders is an impossibility. Even if we had the will and the manpower, to effect the kind of personal intimate body searches necessary to surveille millions of visitors and returning Americans, entering our country by ship, plane, and car, they would be unacceptable by far, to the American public.

Experience indicates that once drugs have entered the country, we have utterly lost control. Our present system is utterly ineffective in interdicting drugs—we have, in effect, open borders.

We must achieve a vast leap forward—a quantum jump in effectiveness. Engaging our armed services in interdicting the flow of drugs into our country may be our last best hope.

Mr. SMITH of Florida. Mr. Chairman, the issue is simple. Shall we begin to finally make a dent?

The gentleman from New York [Mr. RANGEL] indicated that I have amendments to the foreign aid bill. I am the chairman of the International Narcotics Task Force on Foreign Affairs, and the gentleman from New York [Mr. GILMAN], who has been fighting this problem for years and is one of the most learned Members on this issue in this House, is my cochairman. He and I both realize, as all the Members do, the plight our country is in.

Let me remind the Members of one thing that has not been brought to the floor in this debate. Each succeeding year that drugs become and remain the major threat to our population that they are, there is more and more acceptance of drugs in this country. Who do you think will populate the seats in which you are now sitting 20 or 30 years from now? People that were raised in the drug culture, people that began to accept it more and more as a part of life.

That is what I am scared of. Thirty and 40 years from now we are going to have people who are tolerant of drugs because they lived through it, and the reason they lived through it is because we did not acquit our responsibility to our children and our grandchildren. The future of the United States is at stake, make no mistake about that.

Please, I urge the Members, remember that this affects every man, woman, and child in this country, your children and grandchildren. We are not getting cooperation from foreign governments, we are not getting cooperation from those people around the world over whom we have no control, but we do have control over our own law enforcement people and we have control over our Department of Defense. And the amendment provides the safeguards that are necessary, in my estimation.

Mr. Chairman, I urge the Members to vote for the Bennett amendment and against the English substitute.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, this is the kind of debate that I think one least likes to participate in because it is an extremely emotional one, and the intensity and genuineness of the emotion of the gentleman from Florida [Mr. BENNETT] are so obvious. Those who know him know of his story. And we heard from my dear friend, the gentleman from Connecticut [Mr. MCKINNEY], whose emotions are so real and so obvious and so directly tied to his own personal family experiences.

I nonetheless rise in support of the English substitute. I think sometimes, perhaps more often than not, it is unwise to legislate at times of great emotion or primarily for emotional reasons. One needs to step back, at least those of us who are in a position to do so, and think a little bit. I think we need to think about the things that distinguish this country from other countries.

No Member of this House is going to defend the drug trade. No Member is going to argue for one moment against the seriousness of the problem or the eloquence of Members who have spoken with extraordinary conviction, and in many cases from personal experience, about the dangers of it and the viciousness of it and the need to get it under control. That is not the question. That is not the question before the House.

□ 2020

The question is, what is the most effective way to go about doing that and what is the way most consistent with that which sets this Nation apart in the world from other nations?

I am not an attorney, but one of the things I always understood to be a distinctive feature of the United States of America is that we do not live under any semblance of martial law, that no citizen of this land, to my knowledge, ever needs to think seriously about or to fear being arrested by uniformed military personnel of the regular Armed Forces; that the U.S. Coast Guard has for a great many years been that agency of the Federal Government charged with enforcing the laws of the United States on the high seas.

I think it is at some peril to what we stand for as a nation in the world that we lightly and quickly and emotionally discard that distinction.

Let me also remind Members that if the Coast Guard is, and it clearly is, as Members have pointed out on both sides of this issue, insufficiently equipped to do its job, it seems to me the logical response to that is to adequately equip the Coast Guard.

Let me also remind Members that your Coast Guard Subcommittee in this last Congress, for among other reasons this very one, put a statutory minimum on military and civilian personnel in the Coast Guard.

Do you know what? The Coast Guard fell below that minimum. Do you know why? Because the subsequent appropriations that we adopted and the budget we adopted did not provide enough dollars even to keep the Coast Guard at the minimum level that we put into law to require that it be at.

The administration's budget request for next year would result in 833 fewer people in the Coast Guard, a loss of 600 military billets; 600 full-time Coast Guard military people would be lost under the administration's budget. It seems to me that that is where we ought to be looking.

May I also say that, while I think that is really what we ought to have in mind, I would also ask Members to think who in the military spoke for and who spoke against this? The Secretary of Defense, with whom I frequently do not find myself in agreement, has spoken very strongly against this proposition. The Coast Guard is very strongly opposed to this proposition.

It was General Gorman who was quoted a moment ago, former now retired General Gorman, who says he thinks it would be a good idea. I do not for a minute question the legitimacy of the arguments and the convictions of Members who have spoken; but with respect to General Gorman, let me remind Members what else he thinks is a good idea, particularly in Central America.

Let me ask Members to think for a moment, among other things, do you really want the Armed Forces of the United States in various parts of Central America saying that their principal mission is drug interdiction? I think we need to think about that.

There are a lot of things that I think we need to think about, but the most fundamental of all is the structure of responsibility in this Nation, the legitimate focus and locus of responsibility for civilian law enforcement. It is for very sound and traditional reasons in our land the responsibility of the Coast Guard.

We have short-changed the Coast Guard, we in the Congress, we in this country. They are a superbly competent organization, but they cannot act with insufficient funds.

Let us not say because this is a problem as serious as it is that therefore the only solution to it, the only institution this Congress seems willing generously to fund on a regular basis, is the Armed Forces of the United States.

We do not ask the Armed Forces to go after drunk drivers. Thousands and thousands of Americans are killed every year because of our problem with alcohol, which is a drug. I do not believe Members have suggested that we put the Army on the highways of the Nation, and there is a reason for that. That is not the job of the Army.

Let me suggest finally that under current law our uniformed military services, the Army, the Navy, the Air Force, can help and do help the Coast Guard. The only thing they cannot do, and that they would be allowed to do under the amendment of the gentleman from Florida, is actually to arrest an American citizen. That is reserved to civilian law enforcement agencies and to the Coast Guard.

Let me say finally again, no one has a deeper respect and affection for the gentleman from Florida and the gentleman from Connecticut than I, but I do not think that we should legislate solely out of that emotion.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Mr. Chairman, all the law enforcement agencies, civilian law enforcement agencies, that I am aware of are opposed to this amendment. The Drug Enforcement Agency, the Customs Service, the Coast Guard and the Immigration and Naturalization Service.

Let me add that civilian enforcement agencies last year requested DOD assistance in almost 10,000 cases. The DOD was able to respond effectively in more than 99 percent of those cases.

Let me assure this committee, the chairman and this committee, that we will continue that support. The only thing that we object to, as I said in the beginning, that we are opposed to the uniformed military having the power of arrest and seizure.

Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. HUGHES].

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Chairman, let me first of all see if I understand the parlimentary situation. As I understand it, there is pending a perfecting amendment offered by the gentleman from Arkansas [Mr. ROBINSON] to the Bennett amendment. That will be voted on first and then we will reach the substitute offered by the gentleman from Oklahoma before we get to the Bennett amendment. Am I correct?

The CHAIRMAN pro tempore [Mr. RUSSO]. The gentleman is correct.

Mr. HUGHES. I thank the Chair.

First let me just say to my colleague, the chairman of the committee, I appreciate him yielding the time today and his many courtesies.

I also want to say to my friend and colleague, the gentleman from Florida, that this is probably one of the more painful duties to get up and to differ with a colleague that you have so much respect for. The gentleman from Florida [Mr. BENNETT] has over the years that I have served in Congress been a great leader in this body, not just in areas of dealing with drug enforcement, but a whole host of areas. I think the gentleman knows that I check his vote on many issues just for some guidance as to whether I am voting correctly on many things, including matters that are within my own committee jurisdiction from time to time, as well as those of the armed services.

I say to my colleague, the gentleman from Florida [Mr. SHAW], I have the greatest respect for the gentleman from Florida [Mr. SHAW], a member of my Subcommittee on Crime, and has been for the 4 years I have served as chairman. He is a respected Member of the Congress. We just have a legitimate difference of opinion.

This has been a very emotional, eloquent debate. Many speakers have got up and talked about this tremendous problem that we have, the drug problem, and it is. I think the drug problem is the most serious domestic problem we have. It equals, in my judgment, the fiscal problems that we face in this country, and we are losing ground. In my judgment, we are losing ground. Even though we have made some strides, the price of heroin is down, the purity is up.

We are up to our gills in not just cocaine, but marijuana and heroin bumper crops.

At the same time we are seeing so much cocaine and heroin and other substances coming into this country, and we are growing it domestically; unfortunately, I have seen us not meet the challenge.

In the last Congress, many of my colleagues got up here on the floor and spoke in favor of the Bennett amendment, voting for a 5-percent cut across the board for the Justice, Commerce and appropriation bill, which cut deeply into the Drug Enforcement Administration, the FBI, which has some related jurisdiction; Alcohol, Tobacco and Firearms, and Customs were cut.

My colleague, the gentleman from Massachusetts, the chairman of the Coast Guard Subcommittee, alluded to the fact that we have seen some major cuts in this present budget cycle. The administration has proposed a 1,000-billet cut, 600 military personnel.

The Drug Enforcement Administration has been cut in this budget cycle. We are still reeling from the cuts that were effected in 1981. We closed down the Drug Diversion Investigative Units, the units that were so successful in fighting things like the diversion of licit into the illicit market, which account for about 60 to 65 percent of the deaths from overdoses in this country. We do not hear very much about the diversion of prescription drugs into the illicit market; but as my colleagues well know, they account for the overwhelming majority of overdoses. That is what we find quite often in school yards.

We still have not restored those cuts. We still do not have the Diversion and Investigative Units and in this budget cycle the administration proposes more cuts, more cuts in the Cooperative Investigative Units over-

seas. These are the intelligence-gathering units in source countries that provide us hard intelligence. That is really where we should be trying to provide resources.

What is wrong with the Bennett amendment? Well, the Bennett amendment is not a new idea, as my colleague, the gentleman from Florida, has indicated. In fact, we debated the Shaw provision, which was added on the House floor in 1981, both here on the floor and in conference. The reason why it was not accepted was because it is not practical.

My colleague, the gentleman from Florida, says that we do not ask a question about whether or not we are paying too much to the FBI in their enforcement efforts. Well, the FBI drive Fords and Chevrolets to chase traffickers, not flat-tops, not destroyers, not frigates.

I mean, what we are talking about is providing law enforcement authority to military personnel who are not trained. The Robinson amendment, which has been accepted by my colleague, the gentleman from Florida [Mr. BENNETT], will now provide training. That means we are going to train most of the fleet in law enforcement.

□ 2030

Well, I say to my colleagues that is not very practical. You cannot do that, just like you cannot tie up before a grand jury or before a court while we see arguments over motions to suppress the skipper of a flattop, or a destroyer, the commander or other commanding officers, people on the flight deck that participated in the decision to stop a particular fishing trawler. We are not going to be able to tow those vessels into port and provide the chain of custody that is required, provide the training that is required to make sure that we not only interdict those drugs, but successfully prosecute those offenders. Just arresting them, searching them, is only a very small part of the overall problem.

You are going to have people, naval personnel around the world tied up, being flown back to court, having postponements, having to fly them back to the port again, defense attorneys subpenaing a dozen, perhaps two dozen people on board those ships. I say to my colleagues that does not make sense.

Now, it has been suggested that we have not had hearings and there has been no testimony on the need to further modify the posse comitatus law. That is not so. In my Subcommittee on Crime I have had at least three hearings, one within the past month and a half on the subject of modifying once again the posse comitatus law, if it makes sense, if it will do something, if it will be effective. But all of the law enforcement agencies, every one, without exception, tell us that it does not need to be modified any further.

Now, who has more reason to request further support than the law enforcement community?

I have heard a lot of statements about the need to provide additional tools, and I want to tell you that we do need to look for ways that we can provide additional resources and new tools to the law enforcement community to deal with this problem of drug trafficking.

I want to tell you, my colleagues, I will take a back seat to nobody when it comes to trying to provide more tools for law enforcement. I spent 20 years of my life in the criminal justice system, 10 years in law enforcement, dealing with the problem, and 10 years in this Congress trying to provide new tools and resources to the law enforcement community. I will take a back seat to nobody when it comes to trying to provide the tools that we need to deal with the problem.

But this is not the way to do it. It does not make sense to provide this kind of authority, arrest authority, search and seizure authority, because it is not going to work. It is not cost effective. We do not have the wherewithal to provide training for the entire fleet. And it is not going to get us to where we want to go.

What we should be doing is we should be providing the billets that the Coast Guard require. We should be supporting the administration, and the administration has just come forward for some additional requests for the Drug Enforcement Administration. We should support that. We should support some testimony that I provided to the Committee on Energy and Commerce to provide additional resources to the task force operations in this country so we can increase the drug enforcement task forces that have been so successful.

We have 22 task forces. We need more task force operations around this country.

Mr. STRATTON. Mr. Chairman, will the gentleman yield for just a moment?

Mr. HUGHES. I will be happy to yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just want to commend the gentleman for what I think is a very eloquent and sensible discussion of this particular problem.

We have heard empassioned pleas of what the drug dealers are doing and certainly those were no exaggerations. But the gentleman from New Jersey has indicated very clearly that he also understands something about the operation of our military forces. And the gentleman is absolutely correct that this is not the way to go.

We need to fight this. We need to eliminate this traffic. But we cannot do it with the military forces of the United States.

Mr. HUGHES. I thank the gentleman and I would urge my colleagues to support the English substitute and defeat the Bennett amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Florida [Mr. BENNETT] to close debate.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Florida.

Mr. McCOLLUM. I thank the gentleman for yielding and want to take issue with the distinguished gentleman from New Jersey [Mr. HUGHES], my chairman of my Subcommittee on Crime. I strongly support the Bennett amendment and I urge its adoption. I commend the gentleman from Florida [Mr. BENNETT], my colleague, for offering it.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I thank the gentleman for his comments and I yield to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding and I rise in support of his amendment.

Mr. Chairman, let me review the legislation I am responsible for. Public Law 96-350 filled a loophole in Federal law which previously allowed most U.S. citizens and foreign nationals apprehended on the high seas by the Coast Guard for drug trafficking to escape prosecution in the United States. The law reinstated penalties for possession with intent to distribute any controlled substance, including heroin, cocaine, hashish, and marijuana on board:

First, a vessel in the United States, anywhere, by a U.S. citizen on board any vessel; second, any vessel within the 12 mile customs zone of the United States; third, a stateless vessel on the high seas; and fourth, by any person on board any vessel knowing or intending that it will be illegally imported into the United States.

Included are crimes of conspiracy or attempt to commit any of the above offenses.

Let me cite an example of how effective the Coast Guard narcotics interdiction program has become. Consider a recent report covering a 15-day period from September 1 to September 15, 1984. The Coast Guard in these few days seized four drug-laden vessels, two United States, one Haitian, and one stateless. These seizures resulted in the interdiction of 29,081 pounds of marijuana. For the first 9 months of 1984, the Coast Guard seized a total of 1,814,106 pounds of marijuana, 1,895.3 pounds of cocaine, and 2.2 pounds of heroin. These are dramatic figures which came about largely as a result of the change in law

mentioned earlier and a renewed commitment and mission on the part of the Coast Guard.

Sadly, since the time that I authorized this amendment the drug crisis in our Nation has worsened. Our borders, our shores, our airports remain open and porous for illegal drugs to flow into. It is imperative that we are confronted with a crisis that requires an entire mobilizaion of civilian and defense resources. That is the objective of the Bennett amendment, namely to allow members of the Armed Forces to assist—and I emphasize assist—drug enforcement officials in drug searches, seizures, or arrests outside of the land area of the United States. It is an effort to intensify and better coordinate our abilities to slow the flow of drugs into our Nation. How can we as national legislators do anything but support this proposition which addresses itself to this national menace.

Let us review those Federal agencies presently involved in administration and enforcement of Federal drug control laws:

Customs Service, Coast Guard, Border Patrol of the Immigration Service, the Drug Enforcement Administration, the FDA and FBI, the Bureau of Alcohol, Tobacco and Firearms, the FAA and IRS, the Office of Justice Assistance, the Agency for International Development, the Department of Agriculture, and finally the Bureau of International Narcotic Matters in the Department of State. What do all these agencies have in common? They are outside of the Pentagon. How can the Armed Forces continue to be exempt from this effort? I contend they should not be any longer.

The issue here is how to combat a seemingly relentless flow of foreign source drugs into the United States and into the bodies of millions of our citizens. We must recognize this enemy as we would any other enemy that kills our people. We must fight it. It is time that we enlisted the help of our armed services in this fight, for they could make a tremendous difference in the outcome.

The last thing we as a nation should do is accept the status quo with respect to drugs. We should operate from the premise that we cannot do enough and that we are not doing enough to combat this problem. The Bennett amendment is a responsible, significant, and sensible step forward and I urge that it be approved tonight.

A strong proponent of this approach is my good friend, the mayor of New York City, Ed Koch. He has long advocated the need for tapping our vast military resources to help interdict the importation of illegal narcotics into this country.

As Mayor Koch is quick to point out, the head of the Drug Enforcement Agency claims he needs an additional 40,000 agents to supplement the mere 2,000 agents he already has. Realistically, though, where in this time of fiscal austerity are we going to find the necessary $1 billion it would cost to hire an extra 40,000 DEA agents. The answer is simple: We are not.

Yet, as Mayor Koch has stated,

> Only the military offers ready personnel and equipment to do the job without any appreciable expenditures.

In a four-point program Mayor Koch has lobbied hard and effectively for, he proposes that: First, it ought to be an auxiliary mission of the Armed Forces to interdict, for a specified period, the importation of illegal narcotics into this country; second, the Navy should be authorized to stop and search vessels of any nationality if they have good reason to believe drugs are being smuggled into the United States aboard those vessels—if drugs are found, the Navy should be allowed to make arrests; third, the Army should be authorized to supplement U.S. Customs Service efforts to police ports-of-entry, making searches for illegal drugs, and again, if drugs are found arrests should be made; and fourth, the Air Force should be authorized to use its resources to intercept air drug smugglers, and to seize drugs and make arrests when necessary.

Finally, I want to observe that Mayor Koch, along with many other local leaders from around the country, have focused considerable local resources on the drug problem, and for good reason. There are half a million herion addicts in the United States and more than 25 million people who have used cocaine in America. Yet, it is important to note that these drugs are not produced in the United States, they are smuggled into this country. In fact, approximately 4 metric tons of heroin and 48 metric tons of cocaine crossed our borders last year.

The message, then, should be clear. We must declare war on this terrible drug smuggling problem and, what better way to fight a war than with the help of our Nation's military.

The Bennett amendment would allow that to happen and I strongly urge my colleagues to support it.

Mr. BENNETT. I thank the gentleman very much.

The substitute for this amendment is a provision for study by the Secretary of Defense, who has already said that it ought to be in the hands of the Coast Guard. And, of course, the Coast Guard would say that the Coast Guard ought to be strengthened. And I agree, the Coast Guard should be strengthened, and I will do everything that I can to help.

But, you know, in life you have to be ready for the emergency which occurs. One of the greatest men that lived in my entire lifetime was Churchill. Somebody asked him something about that one time and he said, "You know, I prepared for an emergency that might come, and it came to me."

Emergency is before America today. Are we going to measure up to it or are we going to nit-pick it to death, or are we going to say there are a thousand reasons why we ought to do it in some other way?

How do my colleagues think the amendment offered by the gentleman from Alabama [Mr. NICHOLS] got through the other day? A lot of people said to the gentleman why don't we do the same thing for all Government contracts, why not refer it to the Department of Justice or to something else.

Well, the truth is, I know with the gentleman from Alabama [Mr. NICHOLS], that sort of legislation never got out. There were a thousand ways to kill a bill and there is only one way to pass a bill, and he found that way to do it and he passed it, and that is what is here today.

There are a thousand ways to say no to this, a thousand, a million ways to say no, that there are lots of ways you could do it better. Sure, do it with the Coast Guard, or do it with the DEA or some other agency.

When? Never.

This is our opportunity. It is knocking on the door right now for us. It is a good opportunity and the opportunity is here. We ought to reach out to it and we ought to do it.

Now, what is it that worries people about this legislation? There is no reason to worry about the legislation at all. It is a discretionary piece of legislation.

It provides that the Secretary of Defense will not do this unless, unless the assistance will not adversely affect the military preparedness of the United States. That is written in the statute. That is the No. 1 paragraph.

The No. 2 paragraph is the Attorney General must verify that this particular operation may not succeed without assistance from the Armed Forces. That has got to be verified, it has got to be stated. Those are restrictions against getting into it.

Then the third thing is that the Federal drug enforcement officials maintain control over the activities and the direction of the drug enforcement operation.

There is no reason to worry about this legislation at all. This legislation is purely discretionary.

We have billions of dollars of opportunity to use, and facilities, our ships, and our personnel. We do not have it in the Coast Guard. The Coast Guard has stated that it would need $2.3 billion in additional operating costs just to operate, operating costs, not building the ships. But they said in ships they would need 35 new ships, and that would only intercept 75 percent

of one drug coming into the United States. Only 15 percent of the drugs coming into the United States are being stopped, and 85 percent get in.

Gentleman, you may think I am emotional about this, but I am trying to say, without deep emotion, but on behalf of generations yet to come in this country, we do not want to destroy our country by drugs. We want to do what is our responsibility at this time.

Every person in this Chamber should prayerfully approach this question. Is a vote for the Bennett resolution, and it is also the Shaw resolution and many other people, it is not just my name, is that a thing which is destined to probably help? Are the other alternatives things that probably will not help?

Well the other alternatives probably will not help. This can help now.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

I ask my colleagues to bear in mind that we are confronted with an enemy. Our military is there to protect our national security. This is a national security issue.

Please support the Bennett amendment.

● Mr. AuCOIN. Mr. Chairman, I'm pleased to be associated with this amendment, and particularly with the component dealing with Sidewinder missiles.

I've long been concerned that too many times we fail to exploit our successes. The Sidewinder missile, particularly the AIM-9L and AIM-9M versions, are possibly the greatest success in the history of American military technology.

Not only are they far superior to any deployed Soviet counterpart; they are reliable, reasonably priced, and almost impossible to defeat. When a Mig pilot sees one of these missiles launched at him, he knows his only option is the ejection seat. And with the AIM-9M, the newest version, the missile provided in this amendment, the Mig pilot has another problem; most likely, he'll never see the missile coming at him.

Mr. Chairman, this is high tech that works. But it has a problem—or more precisely, we have a problem.

We haven't been able to afford to buy enough of them. The best missile in the world is no use if you don't have it. And the fact is that today, and next year, and the year after that, our pilots were slated not to have enough Sidewinders.

We just haven't had the money. We've been wasting it on things like MX—high-priced strategic nuclear weapons that serve no purpose other than to increase the probability of nuclear war.

I'm pleased that now we are finally beginning to get our military priorities in order.

Last week, we reduced procurement of the MX Glassjaw missile to its proper level, which is zero. By so doing, we saved a shade more than $1 billion.

Now the Bennett amendment will take this money and plow it back into badly needed conventional military strength for U.S. forces in Europe. Part of this added strength—part of this turning glass into gold—is the force of additional Sidewinder missiles we can now purchase. Navy pilots will get 630 additional Sidewinder missiles; Air Force pilots will get 702 additional missiles. These missiles alone, carried by F-14, F-15, F-16, and F-18 fighters, will constitute a more effective air-to-air force than has ever been used in any air conflict in history.

I'm pleased and honored to have been able to play a part both in creating this amendment and in freeing up the funds to make it possible. I urge that the amendment be passed without delay.●

□ 2040

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Arkansas [Mr. ROBINSON] to the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was rejected.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH] as a substitute for the amendment offered by the gentleman from Florida [Mr. BENNETT].

RECORDED VOTE

Mr. DANIEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 81, noes 328, not voting 24, as follows:

[Roll No. 197]

AYES—81

Aspin	Glickman	Oxley
Atkins	Gonzalez	Pease
AuCoin	Gunderson	Ray
Barnard	Hillis	Rodino
Barnes	Hoyer	Roybal
Bateman	Hughes	Rudd
Bates	Hutto	Sabo
Bonior (MI)	Jeffords	Seiberling
Bonker	Jones (OK)	Stark
Boxer	Kastenmeier	Stenholm
Burton (CA)	Kildee	Stokes
Chappie	Kindness	Stratton
Clay	Kleczka	Studds
Coleman (TX)	Kolbe	Synar
Coyne	Leath (TX)	Valentine
Daniel	Lehman (FL)	Vento
Dellums	Leland	Watkins
Dymally	Lowry (WA)	Waxman
Edgar	Markey	Weaver
Edwards (CA)	McCurdy	Weber
Edwards (OK)	McHugh	Weiss
English	Mineta	Whitehurst
Evans (IL)	Morrison (CT)	Williams
Fazio	Nichols	Wise
Ford (TN)	Nielson	Wolpe
Frank	Oberstar	Yates
Frenzel	Olin	Zschau

NOES—328

Ackerman	Flippo	McGrath
Addabbo	Florio	McKernan
Akaka	Foglietta	McKinney
Alexander	Ford (MI)	McMillan
Anderson	Fowler	Meyers
Andrews	Franklin	Mica
Annunzio	Frost	Michel
Anthony	Fuqua	Mikulski
Applegate	Gallo	Miller (CA)
Archer	Garcia	Miller (OH)
Armey	Gaydos	Miller (WA)
Bartlett	Gejdenson	Mitchell
Barton	Gekas	Moakley
Bedell	Gephardt	Molinari
Bennett	Gibbons	Mollohan
Bentley	Gilman	Monson
Bereuter	Gingrich	Montgomery
Bevill	Goodling	Moody
Biaggi	Gordon	Moore
Bilirakis	Gradison	Moorhead
Bliley	Gray (IL)	Morrison (WA)
Boehlert	Gray (PA)	Mrazek
Boggs	Green	Murphy
Boland	Gregg	Murtha
Boner (TN)	Grotberg	Myers
Borski	Guarini	Natcher
Boucher	Hall (OH)	Neal
Boulter	Hall, Ralph	Nelson
Breaux	Hamilton	Nowak
Brooks	Hammerschmidt	O'Brien
Broomfield	Hansen	Oakar
Brown (CO)	Hartnett	Obey
Broyhill	Hatcher	Ortiz
Bruce	Hawkins	Packard
Bryant	Hayes	Panetta
Burton (IN)	Heftel	Parris
Bustamante	Hendon	Pashayan
Byron	Henry	Penny
Callahan	Hertel	Pepper
Campbell	Hiler	Perkins
Carper	Hopkins	Petri
Carr	Howard	Pickle
Chandler	Hubbard	Porter
Chappell	Huckaby	Price
Cheney	Hunter	Pursell
Clinger	Hyde	Quillen
Coats	Ireland	Rahall
Cobey	Jenkins	Rangel
Coble	Johnson	Regula
Coelho	Jones (NC)	Reid
Coleman (MO)	Jones (TN)	Richardson
Collins	Kanjorski	Ridge
Combest	Kaptur	Rinaldo
Conte	Kasich	Roberts
Cooper	Kemp	Robinson
Coughlin	Kennelly	Roe
Courter	Kolter	Roemer
Craig	Kostmayer	Rogers
Crane	Kramer	Rose
Crockett	Lagomarsino	Rostenkowski
Dannemeyer	Lantos	Roth
Darden	Latta	Roukema
Daschle	Leach (IA)	Rowland (CT)
Daub	Lent	Rowland (GA)
Davis	Levin (MI)	Russo
de la Garza	Lewis (CA)	Savage
Derrick	Lewis (FL)	Saxton
DeWine	Lightfoot	Schaefer
Dickinson	Lipinski	Scheuer
Dicks	Livingston	Schneider
Dingell	Lloyd	Schroeder
DioGuardi	Loeffler	Schuette
Dixon	Long	Schulze
Donnelly	Lott	Schumer
Dorgan (ND)	Lowery (CA)	Sensenbrenner
Dornan (CA)	Lujan	Sharp
Dowdy	Lundine	Shaw
Downey	Lungren	Shelby
Dreier	Mack	Shumway
Duncan	MacKay	Shuster
Durbin	Madigan	Sikorski
Dwyer	Manton	Siljander
Dyson	Marlenee	Sisisky
Early	Martin (IL)	Skeen
Eckart (OH)	Martin (NY)	Skelton
Eckert (NY)	Martinez	Slattery
Emerson	Mavroules	Slaughter
Erdreich	Mazzoli	Smith (FL)
Evans (IA)	McCain	Smith (IA)
Fascell	McCandless	Smith (NE)
Fawell	McCloskey	Smith (NH)
Feighan	McCollum	Smith (NJ)
Fiedler	McDade	Smith, Denny
Fields	McEwen	Smith, Robert

Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Wheat
Whitley
Whittaker
Wirth
Wolf
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—24

Badham
Beilenson
Berman
Bosco
Brown (CA)
Carney
Conyers
DeLay
Fish
Foley
Hefner
Holt
Horton
Jacobs
LaFalce
Lehman (CA)
Levine (CA)
Luken
Matsui
Owens
Ritter
Thomas (CA)
Whitten
Wilson

□ 2050

Messrs. GROTBERG, KASICH, and MOAKLEY changed their votes from "aye" to "no."

Mr. COYNE and Mr. WEBER changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ENGLISH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 364, noes 51, not voting 18, as follows:

[Roll No. 198]

AYES—364

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Barnard
Bartlett
Barton
Bates
Bedell
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Grotberg
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Hopkins
Howard
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Kramer
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lujan
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Obey
Ortiz
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Russo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Whitley
Whittaker
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—51

Atkins
AuCoin
Barnes
Bateman
Bonior (MI)
Burton (CA)
Clay
Daniel
Dellums
Dickinson
Dymally
Eckert (NY)
Edwards (CA)
Frank
Frenzel
Gregg
Gunderson
Hoyer
Hughes
Jeffords
Kindness
Kolbe
Lehman (FL)
Leland
Lowry (WA)
Markey
Mineta
Nichols
Nielson
Oberstar
Olin
Oxley
Ray
Rodino
Roybal
Sabo
Seiberling
Stark
Stokes
Stratton
Studds
Synar
Torres
Vento
Visclosky
Weaver
Weber
Weiss
Wheat
Whitehurst
Yates

NOT VOTING—18

Badham
Beilenson
Brown (CA)
Conyers
DeLay
Fish
Hefner
Holt
Horton
Jacobs
LaFalce
Luken
Matsui
Owens
Ritter
Thomas (CA)
Whitten
Wilson

□ 2110

Mr. LELAND and Mr. TORRES changed their votes from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 200, after line 4, insert the following new section:

SEC. 1050. COMPENSATION FOR MILITARY PERSONNEL AND MEMBERS OF THEIR FAMILIES WHO ARE VICTIMS OF TERRORISM.

(a) AUTHORITY TO MAKE PAYMENT.—If an individual who is a member of the Armed Forces or a family member of a member of the Armed Forces is a victim of a hostile action directed against the United States, the President may make a cash payment under this section to that individual and to any family member of that individual (including the member of the Armed Forces).

(b) MATTERS FOR WHICH PAYMENTS MAY BE MADE.—A payment authorized by subsection (a) may include—

(1) expenses for medical and health care and other expenses related to such care to the extent that such care—

(A) is incident to the hostile action; and

(B) is not covered by any Government medical or health program or by insurance; and

(2) an amount based on the nature of the hostile action and the effect of the hostile action on the individual, taking into consideration the treatment received by the individual, the duration of the individual's captivity (if any), and any other factor that the President considers appropriate.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "hostile action" includes terrorist actions, wherever they occur, and includes captivity and physical violence. Such term does not include actions by enemy forces during the time of war in a theatre of war.

(2) The term "family member" has the meaning given that term in section 101(3) of the Hostage Relief Act of 1980 (5 U.S.C. 5561 note).

At the end of part B of title X (page —, after line 20) add the following new section:

SEC. 1016. SDI OVERSIGHT COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the "Congressional Commission on Strategic Defense". The Commission shall monitor the progress of programs of the Department of Defense known as the Strategic Defense Initiative (hereinafter in this section referred to as "SDI") and particularly shall—

(1) study the feasibility and technology of SDI programs;

(2) review the spending and contractual patterns of SDI programs;

(3) review strategic defense programs of the Soviet Union; and the Soviet response to SDI; and

(4) study the effect of the SDI programs on military doctrine and stability and on arms control and other international agreements.

(b) MEMBERSHIP.—(1) The Commission shall be composed of eight members appointed for the life of the Commission. The members of the Commission shall be appointed as follows:

(A) Two members shall be appointed by the Speaker of the House of Representatives.

(B) Two members shall be appointed by the Minority Leader of the House of Representatives.

(C) Two members shall be appointed by the Majority Leader of the Senate.

(D) Two members shall be appointed by the Minority Leader of the Senate.

(2) Members of the Commission shall be appointed based upon recognized expertise in matters relating to the Strategic Defense Initiative, including expertise in the fields of defense policy, defense technology, and arms control, and shall be selected from among persons who are particularly qualified by reason of training, experience, and knowledge for services on the Commission. No officer or employee of the United States, including a Member of Congress, may be a member of the Commission.

(3) In the event of a vacancy in the Commission, the vacancy shall be filled in the same manner as the original appointment.

(c) CHAIRMAN.—The members of the Commission shall select one of the members of the Commission to be the chairman of the Commission.

(d) SUPPORT SERVICES.—The Commission shall receive necessary support services including staff from the Comptroller General of the United States and the Director of Congressional Office of Technology Assessment.

(e) REPORTS.—(1) The Commission shall submit to Congress an annual report and such other reports as it considers appropriate. Each report by the Commission shall be submitted in both a classified and unclassified form.

(2) The Commission shall submit to Congress such reports as it considers appropriate on any report to Congress by the Secretary of Defense concerning the Strategic Defense Initiative.

(3) Reports to Congress by the Commission shall be submitted without intervening review or approval within the Executive branch.

(f) TERMINATION OF COMMISSION.—The Commission shall cease to exist on October 1, 1990.

Page 193, after line 3, insert the following new part (and redesignate Part E and the succeeding sections accordingly):

PART E—STRATEGIC DEFENSE INITIATIVE COMMISSION

SEC. 1041. PURPOSE.

The purpose of this part is to establish a commission on the strategic defense initiative which will assist the United States—

(1) to more definitively delineate the President's objectives for the Strategic Defensive Initiative program as expressed in his March 23, 1983, speech on that program; and

(2) to revalidate the content of the Strategic Defense Initiative program by determining if its research programs are meeting the objectives set forth by the President.

SEC. 1042. ESTABLISHMENT.

Not later than 30 days after the enactment of this Act, the President shall establish a Strategic Defense Initiative Commission (hereafter in this part referred to as the "Commission").

SEC. 1043. DUTIES.

The duties of the Commission shall be—

(1) to identify those elements of the Strategic Defense Initiative program which can demonstrate the Strategic Defense Initiative's technical feasibility to determine the timetable for the demonstrations occurring, and to project the costs of those demonstrations;

(2) to determine if the creation of an organization and administrative project office within the Strategic Defense Initiative Organization (SDIO) of the Department of Defense would provide for better program management to enhance the program's efficiency;

(3) to set milestones for the program; and

(4) to develop a transition plan which provides for a stable incorporation of strategic defense systems into our national security posture in the future.

SEC. 1044. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—(1) The Commission shall be composed of five members appointed by the President. The members shall be selected from among individuals from Federal, State, and local governments, industry, business, academia, the military, and the general population who, by reason of their background, education, training, or experience, possess expertise in national security, scientific and technological pursuits, or the use and implication of the use of such pursuits.

(2) An individual serving in one of the following positions may not be a member of the Commission:

(A) A position in Schedule C of subpart C of part 213 of title 5, Code of Federal Regulations.

(B) A position filled by noncareer executive assignment under subpart F of part 305 of title 5, Code of Federal Regulations.

(C) A position in the Executive Schedule under subchapter II of chapter 53 of title 5, United States Code, other than a career Executive Schedule position.

(b) VACANCY.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this section without regard to section 5311(b) of title 5, United States Code.

(c) CONTINUATION OF MEMBERSHIP.—If any member of the Commission begins service in a position described in subsection (a)(2), that member may continue as a member of the Commission for not longer than the seven-day period beginning on the date that member begins such service.

(d) TERMS.—Members shall be appointed for the life of the Commission.

(e) BASIC PAY.—(1) Members of the Commission shall each be paid at a rate not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission who are full-time employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(f) CHAIRMAN.—The Chairman and Vice Chairman of the Commission shall be designated by the President.

(g) MEETINGS.—The Commission shall meet at the call of the Chairman.

SEC. 1045. STAFF OF COMMISSION.

The Commission shall appoint and fix the compensation of such personnel as it deems advisable, except that rates for individuals may not exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-15 of the General Schedule. The Chairman of the Commission shall be responsible for—

(1) the assignment of duties and responsibilities and the supervision of such personnel; and

(2) the use and expenditure of funds available to the Commission.

SEC. 1046. POWERS OF COMMISSION.

(a) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(b) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 1047. REPORT.

Not later than six months after the date of the enactment of this Act, the Commission shall submit, in both a classified and an unclassified manner, to the President and to each House of the Congress a report of the findings. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 1048. TERMINATION.

The Commission shall cease to exist upon the submission of its fiscal report pursuant to section 1047.

At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1024. REPORT ON RETENTION OF BASIC POINT DEFENSE MISSILE SYSTEM.

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the removal of the Basic Point Defense Missile System for naval amphibious vessels.

(b) REPLACEMENT OF THE BASIC POINT DEFENSE MISSILE SYSTEM.—(1) The report shall consider the current plans to replace the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(2) The report shall include an assessment of the effectiveness of the anti-air warfare capabilities of amphibious vessels. This as-

sessment shall be used by the Secretary of the Navy in considering augmenting rather than replacing the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(c) LIMITATIONS ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM.—The Secretary of the Navy may not remove the Basic Point Defense Missile System from amphibious vessels until the report is submitted.

On page 200 of the bill, after line 4, insert the following new section:

SEC. 1050. PROVISION OF HOME HEALTH CARE.

Home health care may be provided to a chronically ill dependent of an active duty member of the uniformed services, provided that such care is medically necessary or appropriate; cost effective; and the beneficiary is not covered for such care under any other public or private health insurance plan.

At the end of Title X, on page 200, after line 4, insert the following new section:

SEC. . EDUCATION OF HIGH SCHOOL STUDENTS RESIDENT ON THE WEST POINT MILITARY RESERVATION.

(a) The Department of Defense may enter contractual arrangements pursuant to Section 6 of the Act of Sept. 30, 1950, 63 Stat. 1107, 20 U.S.C. § 241, for the public education of high school students residing on the West Point military reservation.

(b) Contracts pursuant to section (a) above shall be funded from Department of Defense appropriations. The total cost of such contracts shall not exceed the cost per student for education in comparable communities in the state, less any state and federal contributions attributable to the education of the students concerned.

At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1650. STUDY OF MEASURES TO ENHANCE CRISIS STABILITY AND CONTROL.

(a) The Secretary of Defense shall conduct a detailed and complete study and evaluation of additional measures which both enhance the security of the United States and reduce the likelihood of nuclear weapons use by contributing to crisis stability and/or crisis control capabilities, including specific consideration of the following measures:

(1) Increased redundancy of direct communications link circuits, including the creation of new survivable circuits and terminals, located outside the national capitals which have access to the command and control system of the country in which they are located.

(2) Establishment of redundant, survivable direct communications links between and among all nuclear-armed states.

(3) Conclusion of an agreement creating "non-target" sanctuaries only for certain direct communications link circuits to enhance survivability of communications.

(4) Creation in advance of standard operating procedures for communicating, and possibly cooperating, with the Soviet Union and other states in the event of nuclear attacks by third parties on either the United States or Soviet Union.

(5) Addition to the Incidents At Sea agreement of a prohibition on the "locking on" of fire control radars on ships and planes of the other side, an agreement on the separation of naval forces during specified periods of crisis, and other such measures relevant to the Incidents At Sea agreement.

(6) Placement by the United States and the Soviet Union of unmanned launch sensors in the land-based missile fields of both countries.

(7) Establishment of anti-submarine operations free zones designed to enhance the security of ballistic missile submarines.

(8) Installation of permissive action links aboard the ballistic missile submarines of the United States, which might possibly be activated or deactivated at various levels of alert, and encouragement of the Soviet Union to do the same.

(9) Establishment of training programs for National Command Authority officials to familiarize them with alert procedures, communications capabilities, nuclear weapons release authority procedures, and the crisis control and stability implications thereof.

(10) Include in standard operating procedure the relocation in a crisis of a National Command Authority official outside Washington, D.C. to a secure location with access to the strategic command and control system, and announce the institution of this procedure to relevant foreign governments.

(b) The Secretary of Defense shall submit a report of the study and evaluation under subsection (a) to the Committees on Armed Services and Foreign Relations of the Senate and the Committee on Armed Services and Foreign Affairs of the House of Representatives by January 1, 1986. Such report should be available in both a classified, if necessary, and unclassified format.

Page 200, after line 4, insert the following section:

SEC. — SENSE OF THE CONGRESS CONCERNING ESTABLISHMENT OF TRAVEL OFFICES OR ACQUISITION OF TRAVEL SERVICES.

It is the sense of the Congress that the Secretary of each military department should provide, in the establishment of travel offices or the acquisition of travel services for official travel, for free and open competition among commercial travel agencies, scheduled airline traffic offices (SATOs), and other entities which provide such services

Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ENCOURAGEMENT OF TECHNOLOGY TRANSFER.

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2362. Encouragement of technology transfer

"(a) The Secretary of Defense shall encourage, to the extent consistent with national security objectives, the transfer of technology between laboratories and research centers of the Department of Defense and other Federal agencies, State and local governments, colleges and universities, and private persons in cases that are likely to result in the maximum domestic use of such technology.

"(b) The Secretary shall examine and implement methods, in addition to the encouragement referred to in subsection (a), that are consistent with national security objectives and will enable Department of Defense personnel to promote technology transfer in cases referred to in subsection (a)."

(b) REPORT.—(1) The Secretary of Defense shall, not later than April 1, 1986, transmit a report to the Congress concerning the implementation of the amendment made by subsection (a).

(2) Such report shall contain—

(A) an analysis of the funding in the Department of Defense budget request for fiscal year 1987 that is allocated to domestic technology transfers by laboratories and research centers within the Department of Defense;

(B) an assessment of the safeguards necessary to protect national security objectives in any domestic technology transfer by the Department of Defense;

(C) guidelines to ensure that such transfer of technology results in benefits primarily to persons in the United States rather than competitors in other countries or competitors controlled by entities in other countries; and

(D) any legal or other problems concerning such technology transfer that would require legislation to resolve.

(c) TECHNICAL AMENDMENTS.—The table of sections for such chapter is amended by adding the following new item at the end thereof:

"2362. Encouragement of technology transfer.".

Page 176, after line 8, add the following new section:

SEC. 1024. ANNUAL REPORT ON NUCLEAR WINTER FINDINGS AND POLICY IMPLICATIONS.

(a) CONTINUED PARTICIPATION IN INTERAGENCY STUDIES.—Notwithstanding any limitation in any other provision of this Act, the Secretary of Defense, in accordance with section 1107(a) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), shall participate in any comprehensive interagency study conducted on the atmospheric, climatic, environmental, and biological consequences of nuclear war and the implications that such consequences have for the nuclear weapons strategy and policy, the arms control policy, and the civil defense policy of the United States.

(b) ANNUAL REPORT ON NUCLEAR WINTER FINDINGS.—(1) Not later than March 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), concerning the subject described in subsection (a). The Secretary shall include in such report the following:

(A) A detailed review and assessment of the findings in the current body of domestic and international scientific literature on the atmospheric, climatic, environmental, and biological consequences of nuclear explosions and nuclear exchanges.

(B) A thorough evaluation of the implications that such findings have on—

(i) the nuclear weapons policy of the United States, especially with regard to strategy, targeting, planning, command, control, procurement, and deployment;

(ii) the nuclear arms control policy of the United States; and

(iii) the civil defense policy of the United States.

(C) A discussion of the manner in which the results of such evaluation of policy implications will be incorporated into the nuclear weapons, arms control, and civil defense policies of the United States.

(D) An analysis of the extent to which current scientific findings on the consequences of nuclear explosions are being studied, disseminated, and used in the Soviet Union.

(2) Not later than March 1st of 1987, 1988, 1989, and 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), containing—

(A) a detailed update of the items contained in the report described in paragraph

(1), taking into account any scientific studies and findings made by other agencies within the Federal Government or entities outside the Federal Government; and

(B) the results of any study in which the Secretary has been participating under subsection (a).

Insert the following at the end of part C of title X (page 176, after line 8):

SEC. 1024. REPORT ON RETIREMENT BENEFITS OF PHILIPPINE SCOUTS.

(a) IN GENERAL.—The Secretary of the Army (hereinafter in this section referred to as the "Secretary") shall conduct a study of—

(1) the disparity between the pay received by members of the Philippine Scouts who served during World War II and the pay received by other members of the United States Army during such war who had grades and lengths of service that correspond to the grades and lengths of service of such members of the Philippine Scouts; and

(2) the effect of this disparity on the retirement benefits of such members of the Philippine Scouts and their survivors.

(b) PARTICULAR SUBJECTS OF THE STUDY.—In carrying out such study, the Secretary shall—

(1) compile a list of all persons who served as members of the Philippine Scouts during the period beginning December 7, 1941, and ending December 31, 1946;

(2) compile a list of persons described in paragraph (1) who are alive on the date of enactment of this Act;

(3) determine the amount of basic pay each person described in paragraph (2) received for services rendered as a member of the Philippine Scouts during the period described in such paragraph and compare it to the amount of basic pay each such person would have received as a member of the Philippine Scouts during that period if the rates of basic pay during such period for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army with corresponding grades and length of service during such period;

(4) determine the amount of retired pay that each person described in paragraph (2) is entitled to receive as retired pay from the Army as a result of service rendered as a Philippine Scout and compare it to the amount such person would receive with respect to periods beginning after the date of enactment of this Act if the rate of basic pay payable to such person during the period described in paragraph (1) had been the rate of basic pay payable to any other member of the United States Army with the corresponding grade and length of service during such period; and

(5) determine possible options, and the costs of each, for recalculating the retirement pay of persons described in paragraph (2), including survivor benefits, in order to remedy the disparity in pay received by such persons during their service as Philippine Scouts.

(c) REPORT.—(1) The Secretary shall transmit, within one year after the date of enactment of this Act, to the Armed Services Committees of the Senate and House of Representatives a report containing the findings and conclusions of the Secretary with respect to each of the matters described in paragraphs (1) through (5) of subsection (b).

(2) If the Secretary determines that—

(A) the documents necessary to compile the lists and make the determinations under subsection (b) are not attainable through reasonable efforts; or

(B) the cost of compiling such lists and making such determinations is excessive,

the Secretary shall make a report as soon as practicable to such Committees with a justification of such determination.

(3) If a report is made to the Committees under paragraph (2), the report to such Committees under paragraph (1) shall be based on the best information that can be reasonably obtained without excessive costs.

At the end of title X add the following new section:

SEC. 1050. STUDY BY SECRETARY OF DEFENSE.

The Secretary of Defense shall make a study of the desirability of reinstating the death penalty as an alternative penalty for persons convicted of espionage relating to the national defense, and report to the Congress the results of such study, together with any related recommendations for legislation, not later than the thirtieth day beginning after the date of the enactment of this Act.

At the end of title X, on page 200, after line 4, insert the following new section:

SEC. 1050. Report on establishing needs-based survivor benefit annuity program for surviving spouses of certain retired reservists.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress a plan for establishing a needs-based survivor annuity program for surviving spouses of members of the uniformed services who—

(1) died prior to September 30, 1978; and

(2) at the time of death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact they were under 60 years of age.

(b) SCOPE OF PLAN.—The plan shall take into consideration the surviving spouse's income for purposes of determining eligibility under the plan. In developing the plan, the Secretary of Defense should analyze a variety of options, including a plan similar to the Minimum Income Widows Program established pursuant to Public Law 92-425 and provide an accounting of the number of potential beneficiaries and the projected cost.

(c) DEADLINE FOR REPORT.—The report required by this section shall be submitted no later than December 31, 1985.

Page 167, after line 10, add the following new section:

SEC. 1002. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing an explanation of what the Department of Defense does in any fiscal year with funds that are not expended as a result of a decrease in the anticipated rate of inflation during that year.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal, or alternative proposals, for a budget system under which—

(1) funds that are appropriated to the Department of Defense for any fiscal year for procurement or for research, development, test, and evaluation would be appropriated to the Department without the addition of an amount for anticipated inflation during such fiscal year; and

(2) requests would be made to Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures that would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations that the Secretary considers appropriate.

Page 167, after line 10, add the following new section:

SEC. 1003. AUTHORIZATION OF APPROPRIATIONS FOR TRANSPORTATION OF NONLETHAL ASSISTANCE TO AFGHAN REFUGEES.

There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $10,000,000 for transportation of nonlethal assistance to persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union, as authorized in title III.

Page 167, after line 10, insert the following new section:

SEC. 1003. REPORT ON UNOBLIGATED BALANCES.

(a) REQUIRED REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives reports containing an estimate of the amount of funds in each appropriation account of the Department of Defense that at the time of the report—

(1) is available for obligation; and

(2) is in excess of the amount needed to carry out the programs for which the funds were appropriated.

(b) MATTERS TO BE INCLUDED.—Each estimate under subsection (a) shall include amounts attributable to—

(1) inflation savings;

(2) foreign currency savings;

(3) excess working capital fund cash; and

(4) all other savings.

(c) UNANTICIPATED INCREASE.—The report shall also identify unanticipated cost increases resulting from adverse economic trends.

(d) SUBMISSION OF REPORT.—The reports shall be submitted to Congress each year with the President's budget for the next fiscal year, with the April Budget Update, and with the Mid-session Budget Review. However, the first such report shall be submitted not later than 30 days after the date of the enactment of this Act.

Page 176, after line 8, insert the following new section:

SEC. 1024. REPORT CONCERNING ABILITY OF UNITED STATES INDUSTRIES TO SERVE UNITED STATES DEFENSE NEEDS.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congress a report with respect to—

(1) the effect on industries of the United States—

(A) of the record trade deficits experienced by the United States in recent years, and the record trade deficit projected for the United States in 1985; and

(B) of the present status of the United States as a net debtor nation;

(2) the ability of such industries to meet the production needs of the Department of Defense; and

(3) the ability of the United States to provide for the defense of itself and its allies.

(b) SPECIFIC REQUIREMENT.—The report required by subsection (a) shall include recommendations for actions to ensure that the industries of the United States are capable of meeting the production needs of the De-

partment of Defense in any time of national emergency.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted on or before November 1, 1985.

Page 200, after line 4, add the following new section:

SEC. 1050. AWARDS FOR COST SAVINGS DISCLOSURES.

(a) AWARDS TO CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—(1) The Inspector General of the Department of Defense may pay a cash award to any civilian employee of the Department whose disclosure of fraud, waste, or mismanagement to such Inspector General has resulted in cost savings for the Department. The amount of any award under this paragraph may not exceed whichever of the following amounts is less:

(A) $25,000.

(B) An amount that the Inspector General determines to be equal to one percent of the cost savings of the Department attributable to the disclosure, including cost savings projected for fiscal years following the fiscal year in which the disclosure was made.

(2) No award may be paid under paragraph (1)—

(A) before October 1, 1985; or

(B) after September 30, 1988.

(3)(A) The Inspector General shall submit to the Congress a report with respect to the effectiveness of the awards provision in this subsection, including the recommendations of the Inspector General—

(i) as to whether the awards provision should be continued after September 30, 1988; and

(ii) if the provision is continued, whether any modification in the provision is appropriate.

(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.

(b) AWARDS TO MEMBERS OF THE ARMED FORCES.—(1) Section 1124 of title 10, United States Code, is amended in subsections (a), (b), (c), and (f) by inserting "disclosure," before "suggestion".

(2) Such section is amended by adding at the end thereof the following new subsection:

"(i)(1) No award with respect to a disclosure may be paid under this section—

"(A) before October 1, 1985; or

"(B) after September 30, 1988.

"(2)(A) The Secretary of Defense, after consultation with the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall submit to the Congress a report with respect to the effectiveness of the provision in this section for awards for disclosures, including the recommendations of the Secretary—

"(i) as to whether the provision should be continued after September 30, 1988; and

"(ii) if the provision is continued, whether any modification in the provision is appropriate.

"(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.".

(c) CONFORMING AMENDMENTS.—(1) The heading of section 1124 of title 10, United States Code, is amended to read as follows:

"§ 1124. Cash awards for disclosures, suggestions, inventions or scientific achievements".

(2) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements.".

At end to Title X (page 200, after line 4) add the following new section:

SEC. 1050. AMERICAN STAGE EQUIPMENT FOR U.S. PATRIOTIC EVENTS.

"That it is the sense of the Congress that performing groups, in the armed forces of the United States should use domestically manufactured entertainment support items, such as pianos and organs, sound and lighting equipment, and other items essential for quality entertainment, at patriotic and ceremonial events in the Capitol Building, on the Capitol Grounds, and at all Federal buildings, unless there is no domestically manufactured item of comparable quality and price."

Page 200, after line 4, add the following new section:

SEC. 1050 AIRCRAFT FUEL CONSERVATION PROGRAM AND REPORT.

(a) ESTABLISHMENT OF PROGRAM.—(1) The Secretary of Defense shall establish a fuel conservation program for the purpose of reducing the use of fuel by military aircraft during takeoffs and other situations in which the Secretary determines that use of fuel may be reduced without lowering the safety standards officially in use by military aircraft personnel on the date of the enactment of this Act.

(2) The program referred to in paragraph (1) shall be established and implemented before the expiration of the 90-day period following the date of the enactment of this Act.

(b) SUBMISSION OF REPORT.—The Secretary of Defense shall submit to the Congress a report with respect to the program referred to in subsection (a) before the expiration of the 90-day period following the date of the enactment of this Act.

Mr. ASPIN [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, the amendment that I am offering is a compilation of amendments that the committee has reviewed and would in the course of the debate adopt. I offer the amendment to expedite consideration of these individual amendments. Let me summarize each of the amendments.

The amendment of the gentlewoman from Colorado [Mrs. SCHROEDER] to provide benefits to military personnel and their families who are victims of terrorism.

One amendment each by the gentleman from Pennsylvania [Mr. FOGLIETTA] amd the gentleman from California [Mr. HUNTER] establishing a SDI commission.

The amendment of the gentleman from California [Mr. HUNTER] requiring a report on retention of basic point defense missile system.

The amendment of the gentleman from New York [Mr. ADDABBO] to authorize CHAMPUS coverage for certain home health services and a demonstration project.

The amendment of the gentleman from New York [Mr. FISH] to authorize the Secretary of Defense to make West Point High School a section 6 school.

The amendment of the gentleman from California [Mr. STARK] requiring a study of measures to enhance crisis stability and control.

The amendment of the gentleman from Ohio [Mr. KASICH] encouraging competition in travel services.

The amendment of the gentleman from Pennsylvania [Mr. EDGAR] directing the Secretary of Defense to encourage the transfer of technology among the various levels of government and private and educational institutions.

The amendment of the gentleman from Colorado [Mr. WIRTH] requiring a report on nuclear winter.

The amendment of the gentleman from California [Mr. PANETTA] directing a report on Philippine Scouts.

The amendment of the gentleman from Arizona [Mr. RUDD] requiring a study of the death penalty for espionage.

The amendment of the gentleman from Colorado [Mr. BROWN] requiring a report on how the situation of widows of reservists who died before the enactment of the Reserve survivor benefit plan might be addressed.

The amendment of the gentleman from Oregon [Mr. WYDEN] directing a report on budgeting for inflation.

The amendment of the gentleman from Florida [Mr. MCCOLLUM] authorizing appropriations for transportation of nonlethal aid to Afghan refugees.

The amendment of the gentleman from Illinois [Mr. DURBIN] requiring the prompt reporting of unobligated balances.

The amendment of the gentleman from Alabama [Mr. ERDREICH] expressing the sense of Congress concerning thc defense expenditures of countries with positive balances of trade.

The amendment of the gentleman from Maine [Mr. MCKERNAN] authorizing awards for disclosure of waste, fraud, and abuse.

The amendment of the gentleman from Illinois [Mr. GROTBERG] expressing the sense of Congress that armed force bands use domestically manufactured equipment.

The amendment of the gentleman from Ohio [Mr. PEASE] requiring a report on aircraft fuel conservation.

I would urge the Members to support this comprehensive amendment.

□ 2120

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank my chairman for yielding.

Mr. Chairman, let me assure the membership of the Committee here that while we are offering these en bloc, each one has been looked at, the staff has studied them, they have not been casually accepted, we know what is in them. They are not controversial. We think they are good.

Mr. Chairman, I would urge that the Members accept the amendments. There are 20 of them. It is going to curtail the time considerably.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York [Mr. FISH].

Mr. Chairman, I would like to thank my distinguished colleague from Wisconsin [Mr. ASPIN] for introducing this amendment on behalf of the gentleman from New York [Mr. FISH] as part of a persistent effort to ensure quality education for high school students residing at the West Point Military Reservation. I strongly support this amendment as a viable long-term arrangement which will eliminate the annual need for a supplemental appropriation to rescue the Highland Falls-Fort Montgomery Central School District from a severe budget shortfall.

Since 1983, this school district has run a $300,000 deficit as a result of large Federal reductions in impact aid, which is provided to cover the education of federally connected students. Students from the West Point facility fall into this category because they are living on land that was ceded to the Federal Government by the State of New York. The high school at the Highland Falls district was particularly affected by this situation. Although the Highland Falls High School was originally built to accommodate the West Point students, local tax revenue cannot make up for the decrease in impact aid, which has amounted to a 41-percent reduction since 1981.

More importantly, local taxpayers should not have to bear the financial burden of educating secondary school students who do not reside in the local district. Indeed, Robert D. Stone, counsel for legal affairs of the New York State Education Department, ruled that the State has no obligation to provide tuition-free education to individuals who are not New York residents. The ruling applies to students at the West Point facility because legally, the ceded land housing the West Point does not belong to the State of New York, but rather the Federal Government.

Faced with a severe deficit in 1982, Highland Falls attempted to charge tuition to the U.S. Military Academy [USMA] students, but were threatened by the Justice Department with a freeze on all Federal aid. This no-win situation was resolved when Congress approved $200,000 for Highland Falls as part of the continuing resolution for fiscal year 1983. Unfortunately, relations between the West Point and Highland Falls Communities were severely eroded by the tuition proposal and still remain cool.

The following year, a similar funding crisis was averted by approval of $300,000 in the fiscal year 1984 supplemental appropriation, but the House Appropriations Committee made it clear that future attempts to resolve the funding problems in this manner would not be considered.

With several funding options blocked, the alternatives for Highland Falls-Fort Montgomery School District are bleak. The teaching staff has already been reduced by 25 percent, and the high school might have to be dissolved. In addition, the predicted budget shortfall for this year is predicted at $300,000.

Although the Highland Falls School District is the most heavily federally impacted school district in the Nation, there are approximately 4,000 other schools in the Nation facing the same types of difficulties. Clearly it is time for the Federal Government to assume its full responsibility for the education of students residing on ceded land.

This amendment would alleviate the situation at Highland Falls by establishing a section 6 arrangement for the education of high school students residing at West Point. Such an arrangement will save precious funds by preventing the need for the construction for a separate school on the grounds of West Point. It will also benefit students from both communities by preserving the opportunity for West Point students to mix with students from nonmilitary families, further enhancing the educational environment by providing a variety of students with different backgrounds and viewpoints.

By voting for passage of this amendment we will be building upon the good intentions behind the establishment of the U.S. Military Academy at West Point while preventing further erosion of this Nation's secondary education system. Accordingly, I urge my colleagues to join in support of this worthy amendment.

Mr. McKERNAN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Maine.

Mr. McKERNAN. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the chairman for his good judgment in including my amendment in his package of amendments to the Department of Defense authorization bill.

My amendment authorizes a modest Cash Awards Program for civilian Defense employess, and for members of the armed services, who disclose instances of waste, fraud or mismanagement in the Department of Defense.

Instead of punishing whistleblowers, as is so often the case now, we should be praising them. Instead of having to fear for their jobs, whistleblowers should be acclaimed for their actions.

I would appreciate the support of my colleagues in approving this important incentive for whistleblowers.

In recent days, we have had encouraging news about whistleblowers. Two men who exposed waste in the Federal Government—George Spanton and Vincent Laubach—have been vindicated after suffering punishment for their disclosures.

The Merit Systems Protection Board ordered Spanton's supervisors fired or demoted after finding that Spanton had been the victim of retaliation, and Laubach, who was fired after exposing waste at the Interior Department, has been ordered reinstated with back pay.

Yet, even with these positive developments, whistleblowers remain an endangered species in our society. Whistleblowing, unfortunately, has proved to be hazardous to one's health. The adversity faced by whistleblowers is perhaps best described by K. William O'Connor, Special Counsel of the Merit Systems Protection Board, who advises those who would disclose waste and fraud, "Don't put your head up, because it will get blown off."

Apparently, the Special Counsel's words are heeded throughout the system, because nearly 70 percent of workers who said they had firsthand knowledge of fraud or waste did not report it. The would be whistleblowers cited two basic reasons in this survey conducted by the MSPB in 1983: First, the belief that nothing would be done to correct the fraud or waste, and second, just plain fear.

We are giving whistleblowers the wrong signal. The amendment I am offering will give the right signal. This amendment will reward—rather than punish—Department of Defense whistleblowers for their actions.

This amendment continues a Cash Awards Program, which operated on a trial basis for 3 years, for an additional 3 years, through September 1988. The inspector general and the Secretary of Defense will be authorized to give

awards of up to $25,000 or 1 percent of the cost saving—whichever is less, to civilian DOD employees or members of the armed services who disclose fraud, waste or mismanagement. Previously, members of the armed services were not eligible for these awards, but they are clearly deserving of the same awards and incentives.

This amendment is similar to legislation introduced by my colleague from Colorado, Representative SCHROEDER—who is to be commended for her leadership on this issue—and passed by the House on February 26, 1985.

Unlike the legislation already passed by the House, which applied to all agencies, and called for awards of up to $10,000 or 1 percent of the cost saving—whichever is less—my amendment applies only to the DOD, and calls for a maximum award of $25,000, in recognition of the fact that armed services members are already eligible for cash awards of up to this amount for making suggestions which improve the efficiency or economy in defense programs.

My amendment also provides for reports by the inspector general and Secretary of Defense, on or before March 16, 1988, on the effectiveness of the program, including their recommendations on whether the program should be extended further.

These awards represent only a modest cost to the taxpayer. In the first 3 years of the program, only a few awards, totalling under $10,000, were bestowed on whistleblowers. While relatively few awards have been given thus far, the inspector general has testified in support of continuing the program, and I am hopeful that more whistleblowers will be so recognized in the next 3 years.

These awards are only a drop in the bucket compared to the millions of dollars which whistleblowers can save the Government. Yet, they send an important message to the recipients, and to all Americans. These awards tell Government workers everywhere that they will have strong support if they report waste of taxpayers' hard-earned dollars. It sends an important message to taxpayers, who see millions—even billions—of dollars being misused.

We spend much time on the House floor discussing waste, fraud, and mismanagement in the Defense Department. But we should also recognize that if it were not for some honest and courageous men and women who were willing to speak up about such abuses, we would be in the dark about how some of our billions of defense dollars are actually being spent.

Whistleblowers deserve our praise and appreciation, and I hope my colleagues will join me in helping to provide incentives for a more honest and efficient Government.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Illinois.

● Mr. DURBIN. Mr. Chairman, the amendment I am offering today will help us achieve a greater measure of control over one of the many abuses that has revealed the extend of waste, fraud, and abuse at the Defense Department. I would like to thank the members of the Democratic task force on defense waste, fraud, and abuse for their assistance and support on this amendment.

This amendment requires DOD to submit three reports annually to the Armed Services Committees of the House and Senate that are to contain an estimate of excess funds available at the Pentagon. These estimates will include savings from inflation, foreign currency, excess working capital fund cash, and all other savings. The report will also include unanticipated cost increases resulting from adverse economic trends.

A similar amendment was offered by Senator DIXON during Senate consideration of the fiscal year 1986 DOD authorization. Senator GOLDWATER, chairman of the Armed Services Committee, accepted it and it was adopted by the full Senate.

The timing of the reports required in my amendment will coincide with the legislative calendar. The first is due when the President submits his budget in January and Congress initially turns its attention to the budget for the next fiscal year. The second will be filed with the April budget update when the Armed Services Committees are generally marking up the authorization for the next fiscal year. The third and final report is to be submitted with the midsession budget review in July, when congressional attention is focused on the DOD appropriations bill.

I urge my colleagues to support this amendment because I think there is a pressing need for Congress to exercise greater control over the disbursement of our defense funds. Secretary Weinberger himself offered solid evidence of the existence of funds at the Defense Department far greater than those needed to carry out programs approved by Congress. These excess funds should be redirected to use our taxpayers' funds effectively—but they are not being redirected under current policy at the Defense Department.

Just as the Senate Armed Services Committee was preparing to mark up its version of the fiscal year 1986 DOD budget, which would allow defense spending to grow with the rate of inflation, Secretary Weinberger disclosed the existence of an additional $4 billion on hand at the Pentagon that could be spent on programs threatened with cuts.

There are two reasons why I find this disclosure particularly galling—and why it is essential that we take steps to curb additional abuses.

First, Secretary Weinberger's disclosure comes after he offered assurances that DOD's budget plan had been—and I quote—"scrubbed" of any excess funds. Even more importantly, it also comes after he made countless exhortations to Congress not to scale back our defense buildup any more because it would threaten our national security. In considering the Senate's plan to allow defense spending to grow with inflation, the Secretary concluded "that the new budget levels cannot be accommodated without seriously impacting the defense program.

An inflation-adjusted freeze in the defense budget, he said, would be the most dangerous thing you could do. In my view, with a $4 billion surplus in unaccounted for funds at his agency, any threat to national security due to a cutback in funding can only be in the mind of the Secretary. It also highlights the importance of congressional oversight in managing surplus funds because it is clearly not being adequately done at DOD.

Second, the existence of an extra $4 billion at the Defense Department, aside from the timing of its disclosure, represents an enormous pot of money. The difference in defense spending between the House and Senate budget resolutions is $9.9 billion; this $4 billion surplus would make up almost half the difference that the two Houses are now haggling over. Outside the Defense Department, an additional $4 billion would make an enormous difference in several programs. For example, the budget resolution passed by the House calls for reductions in fiscal year 1986 Medicare spending totaling $3.45 billion—even less than the $4 billion DOD surplus.

Of the $4 billion in excess funds, Secretary Weinberger indicated that $1.6 billion came from the surplus in this year's contingency account to cover inflation; $1.5 billion from money set aside but not yet obligated to contractors; and $900 millionin cash in various funds to pay bills. Under the terms of my amendment, all types of surplus funds would have to be included in one of the three annual reports.

There is ample evidence that surplus funds exist at DOD beyond the $4 billion revealed by Secretary Weinberger. The distinguished chairman of the Armed Services Committee, Mr. ASPIN, estimates that Congress has appropriated somewhere between $18 and $50 billion more than is needed for Defense Department programs over the last 4 years because of inflation overestimates at the Pentagon.

In this Administration, DOD has applied a special inflation prediction that is 30 percent higher than the general prediction used for the rest of the Government in developing and buying weapons and equipment. This inflation factor is added to cover the historically high costs of weapons. The end result, according to my colleague, Mr. ASPIN, is that the Defense Department has consistency overestimated in flation by an average of 1.7 percentage points a year. This added adjustment annually gives the Pentagon almost $5 billion more than it needs.

I understand that steps have been proposed to modify the method of calculating inflation costs at the Pentagon. Under current law, however, it is very difficult to keep track of these excess inflation estimates. By requiring DOD to submit three reports annually on excess funds, we will be able to keep much closer tabs on the money.

Under present policy, there are indications that surplus funds are not always being turned back to the Treasury to be applied against next year's funds. For example, the total surplus from lower inflation that was reported to Congrss by DOD has varied from $1 to $2 billion annually. These figurs are far lower than the $5 billion estimate of the chairman of the Armed Services Committee.

To make sure that these overestimates are accounted for and that all types of spending surpluses will be recorded, I urge my colleagues to accept my amendment to require reports on spending surpluses. As defense outlays have more than doubled since 1980 under this unprecedented peacetime military buildup, we have just begun to scratch the surface of the stories of misallocation of taxpayers' dollars. I believe my amendment will go a long way toward making sure that taxpayers' funds are spent wisely.●

● Mr. DONNELLY. Mr. Chairman, I strongly support the amendment sponsored by the gentleman from Illinois, [Mr. DURBIN]. The amendment requires three reports each year to the House and Senate Armed Services Committees by the Secretary of Defense which estimate the amount of funds in each Pentagon account that is available for obligation, and is in excess of the amount needed to carry out the programs for which the funds were originally appropriated.

The amendment will prevent further instances of "midnight surprises" like the one Secretary Weinberger presented to the Senate Armed Services Committee last month when $4 billion in surplus funds were unearthed. Congress cannot conduct effective oversight of Pentagon spending activities until Congress has access to periodic, accurate reporting of unspent funds. By instituting more frequent fiscal reporting, the House and Senate Armed Services Committees will not have to wait until the end of the fiscal year to redirect unspent funds into programs that actually require additional funds. It is my hope, and I know it is the hope of the amendment's sponsor, that enactment of this amendment will result in surplus Pentagon funds being returned to the Treasury for deficit reduction. Congress will have an enhanced ability to determine the validity of the Pentagon's inflation estimates. In this regard, Pentagon comptrollers have themselves stated that almost half of this year's $4 billion surplus was attributable to inflation overestimates.

This amendment is not controversial. Similar language has already been accepted by the Senate Armed Services Committee, and was approved without objection on the Senate floor.

Periodic reporting by the Secretary of surplus Pentagon account funds will insure that we in Congress have current information before us when critical defense budgeting decisions are made. It will help Congress provide more diligent stewardship of taxpayer funds.

This timely amendment seeks to improve congressional and executive branch oversight and management of defense spending. I commend the gentleman from Illinois [Mr. DURBIN] for sponsoring the surplus fund reporting amendment.●

Mr. ERDREICH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

(Mr. ERDREICH asked and was given permission to revise and extend his remarks.)

● Mr. ERDREICH. Mr. Chairman, we know full well how continued record trade deficits over the past few years have severely eroded our industrial base, caused economic dislocation and extensive job loss. But as yet, we have not fully studied the effect this erosion of our industrial base is having upon our ability to provide for our national defense.

With a tidal wave of imported goods, the production capacity of our own industries is lagging, and I am not at all certain that they can fulfill the defense requirements that must be met should a national emergency arise. Heavy industry, textiles, high technology—vital components of our economy necessary for maintaining a strong national defense—are all suffering major dislocations.

As Members of Congress, we are sworn to make certain that we can provide for the common defense, a promise we have made that we may not be able to keep.

My amendment to the Department of Defense Authorization Act requires the Secretary of Defense to submit a report to Congress by November 1, 1985, on the impact of trade deficits on the ability of U.S. industries to meet defense needs, and make recommendations to Congress on ways to ensure that U.S. industries can meet the production needs of the Defense Department during times of a national emergency.

The ability to meet our defense needs and provide for the protection of our citizens is directly linked to the well-being of our country's industrial base. Steel, for example, is a major component of almost every item of military equipment, and is our most important industrial material. But we in Jefferson County, AL, and other steel centers across the country know too well, through economic and job loss, the terrible effect that trade deficits have had on our steel industry.

My amendment calls on the Secretary of Defense to address the effect ot shrinking heavy industry on our national security. Wars are fought with steel and other metals, in guns, ammunition, tanks, aircraft, ships, and missiles. Motorized vehicles are absolutely necessary. Textiles are essential, as are sophisticated electronic systems.

But Mr. Chairman, I ask my colleagues to consider the terrible consequences that may result if our industries, on a rapid basis, cannot meet the challenge of increased production capacity should our national security be threatened.

I ask my colleagues in the House to support my amendment to the fiscal year 1986 Defense Authorization Act, to make certain that we take a long, hard look at our trade policies, current trade conditions, and our dubious status as a net debtor nation, before we are caught in the terrible crunch of not being able to provide the materials and equipment that are needed to defend our Nation and our people at a time when we need it most.●

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Oregon.

(Mr. WYDEN asked and was given permission to revise and extend his remarks.)

Mr. WYDEN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the package of amendments offered by the gentleman from Wisconsin [Mr. ASPIN].

Mr. Chairman, every Member of this body is aware that recently Secretary of Defense Caspar Weinberger said that he had found billions of dollars of unexpended funds at the Pentagon, much of which represents excessive inflation payments.

What is particularly outrageous about all this, is that the Pentagon receives payments for estimated inflation in advance. And top of that, they get a high inflation multiplier, a 30-

percent add-on, for major weapons systems.

My amendment seeks to change all this by requiring that within 90 days of the enactment of this bill, the Pentagon has to give Congress a plan for the procurement budget and the research and development budget under which the Department of Defense would get its inflation adjustment at the end of each fiscal year.

This is the kind of system under which our senior citizens are compensated for inflation under Social Security. Cost-of-living adjustments are calculated on the basis of the previous year's inflation rate. In my view, a system that is good enough for older Americans living on a fixed income is one the Pentagon should also be able to live with.

I urge my colleagues to support the amendment.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

● Mr. PANETTA. Mr. Chairman, an amendment I have authored is part of this omnibus amendment.

My amendment directs the Secretary of the Army to conduct a study of the disparity in pay and later retirement benefits received by the World War II veterans known as the Philippine Scouts as compared to their American counterparts of equal grades and lengths of service. This amendment does not authorize the payment of additional benefits but rather seeks to obtain authoritative figures on the scope and effect this disparity of pay has had on these brave U.S. Army soldiers.

As my colleagues will recall, although the Philippine Scouts were part of the U.S. Army since 1901 and fought and died alongside their American counterparts in the heroic defense of the Philippines during World War II, they never received the same pay or later retirement benefits. In fact while an American private was earning $30 a month, a Philippine Scout with comparable rank and length of service received only $9 for his exposure to the same hardships and dangers.

These veterans played an essential role in our Southern Pacific strategy after the attack on Pearl Harbor and the Japanese invasion of the Philippine Islands. It was the continued resistance on Bataan that denied the Japanese an essential base for the projected thrust into the South Pacific. Against overwhelming odds, faced with superiority in numbers and equipment, devoid of air cover against constant Japanese bombings, ravaged by malaria and beri-beri, these men helped hold on to the Bataan Peninsula for more than 3 months. Over 1,000 of them went on to fight another 5 weeks on Corregidor. Their protracted defense of these islands against incredible odds allowed the United States to recover from the first blows of the war and regroup for what would ultimately be a successful counterattack. It is tragic to note that one out of every two members of the Philippine Scouts who were captured by the Japanese following the Allied collapse at Bataan did not survive captivity and the infamous "Bataan Death March." The Scouts who were fortunate enough to escape capture, fled to the hills to organize guerrilla forces. These guerrilla forces eventually assisted in the 1945 liberation of the Philippine Islands. Yet despite all these sacrifices, the Philippine Scouts were paid only half as much as their American counterparts.

It has been over 40 years since Gen. Douglas MacArthur pledged that "every member of my command shall receive equal pay and allowances based upon the U.S. Army pay scale regardless of nationality." Many of the Philippine Scouts received equalized pay after the liberation of the Philippines but they have never received the back pay for the time they struggled against the Japanese at Bataan and Corregidor. This disparity in pay still affects the retirement benefits of those soldiers, many of whom have come to the United States and have retired after long military careers. Under my amendment, the Secretary of the Army would compile a list of all Scouts who served during World War II and determine for each living Scout the difference between his actual pay and the pay he would have received if he had been on an equal basis with U.S. soldiers. A similar calculation would be made for retirement or survivor benefits for those who went on to serve 20 years or more in the U.S. armed services. The Secretary would also provide options in this study for compensating these World War II veterans. I firmly believe it is time to fully determine the effect this disparity in pay has had on these brave soldiers. I urge my colleagues to support this amendment.●

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Pennsylvania.

[Mr. FOGLIETTA addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. EDGAR. Mr. Chairman, will the Gentleman yield?

Mr. ASPIN. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, today I am offering an amendment to H.R. 1872 which would attempt to get the most we can out of the billions we are spending on defense research and development. My amendment would give to the Department of Defense specific and direct authority to encourage, consistent with national security objectives, the transfer of technology from laboratories and research centers of the Department to other Federal agencies, State and local governments, colleges and universities, and private persons. The purpose of the amendment is to encourage the DOD to transfer technology to non-DOD sources, so that we can better facilitate the domestic use of such technology.

As a recent article in the New York Times by Harvard's Robert Reich noted, this year America will spend $107 billion on research and development—more than the combined research and development spending of Great Britain, France, West Germany, and Japan. More than one-third of this total wil be devoted to defense, including 85 percent of our research in advanced technologies, like lasers, sensing devices, and computers capable of simulating human intelligence. In comparison, Defense claims only 4 percent of West Germany's research and development budget and less than 1 percent of Japan's.

The trend toward militarization of research has heightened significantly over the last 4 years. In the late 1970's, only about half of federally sponsored research was defense related; now it is 70 percent. Research and development is the fastest growing major category in the defense budget. Much of this increase is due to the largest, potentially most important research and development project in our history: the strategic defense initiative.

The amount budgeted for SDI research—$1.4 billion this year, and, as this body just approved last week, $2.5 billion next—is not so large relative to the Nation's total research budget. But it covers the cutting edge. Measured by the numbers of scientists and engineers involved, and by the required technology and breakthroughs, star wars promises to be more significant than the Manhattan Project or the Apollo Moon Program.

The real importance of star wars may only tangentially relate to national defense. But the consequences for national economic development could be profound. The technology used to create x ray laser weapons could be applied to supermicroscopes; the know-how garnered in designing particle accelerators could be applied to irradiating food products. Spinoffs and applications as yet unimaginable could create whole new generations of telecommunications and computer-related products that could underpin information processing systems in the next century. Meanwhile, Japan is now vigorously pursuing commercial development of such technologies.

I use the SDI example because it is so timely and topical. But star wars re-

search is not the only manifestation of America's high-technology industrial policy run by the Pentagon. And my amendment addresses no specific program or project, such as SDI. Rather, the amendment applies to just one specific area in Defense research: the research effort by DOD's laboratories and research centers. This amendment would encourage the Secretary of Defense to promote technology transfer by these laboratories and research centers to non-DOD parties, both public and private. And the amendment carefully notes that such transfer would always be done consistent with national security objectives.

Mr. Chairman, my staff recently met with representatives of the Pentagon's Under Secretary of Defense for Research and Engineering. The staff came away with a very good impression of the personnel overseeing the DOD's laboratory and research center effort and the volunteer programs and technology transfer projects undertake to date. And to be fair, I believe the Pentagon does not always get the recognition it deserves in such transfer efforts. But the staff also came away with the knowledge that, unlike, say, the Department of Energy or NASA, the Department of Defense has no specific authority in its charter to undertake such technology transfer. Without such authority, technology transfer will always be a catch-as-catch-can arrangement within the DOD. Such a situation, whereby essentially no encouragement is given to technology transfer, leads, I believe, to a waste of national resources—resources that we can ill afford to neglect at a time when every research dollar counts.

We have all heard about waste in Government procurement, and DOD has come in for the lion's share of this criticism. But often we fail to realize that "waste" extends to our research dollar as well. In this connection the gentleman from Illinois, the minority leader of this body, said it well when, in testimony last month on Federal technology transfer efforts, he commented:

> I guess one of my pet peeves over the years is that we tend to fund so much in the way of research at the Federal level which seemingly just ends up on some shelf gathering dust. I can recall as a member of the Appropriations Committee asking the question time and again: "What has resulted from your research and what uses are we putting it to?" We frequently received rather elaborate answers to the first part of that question, but relatively little in the way of response when it came to practical application.

Mr. Chairman, we have got to be able to make the fullest use possible of all of this Nation's research base. The resources posed by our Federal laboratories and centers are a significant part of this base. At present, there are some 380 Federal laboratories, in a diversity of fields. They spend upward of $17 billion a year and employ one-sixth of the Nation's research workers. DOD's contribution in this effort is not a small one. There are 72 laboratories and 101 research centers in DOD, employing 105,000 scientists and engineers, with a budget of $6 billion. The technology transfer potential by such DOD laboratories is formidable. Yet as I said, these laboratories and centers have no specific and direct authority in DOD's charter to undertake such transfer efforts; what authority they do have comes to them indirectly, primarily through the provisions of the Stevenson-Wydler Act, which seeks, among other things, to promote technology transfer by all Federal laboratories.

A major concern I have with such an arrangement is that, as testimony before the Science and Technology committee recently revealed, DOD merely has permission to undertake technology transfer efforts; there is no mandate to encourage such efforts. And with no specific authority in its charter, DOD's effort at technology transfer will always remain, at best permissive. I think it is important that this body register its concern that in a time of significant threats to our international competitiveness, the charge to one of the key components of our Federal research base must be something more than just a permission to undertake technology transfer.

I am well aware that the Science and Technology Committee has held hearings of the reauthorization of the Stevenson-Wydler Act. I would not presume to intrude on the deliberations of that committee on the many factors which bear upon Governmentwide technology transfer efforts. I have followed the hearings of the committee and the efforts—which I fully support—to put more teeth into Stevenson-Wydler. In addition, I am particularly looking forward to the hearings scheduled later this fall on "Science in Government Laboratories" by the committee's Task Force on Science Policy.

The amendment before you today does not impinge any of these efforts. As I said, what it does do is give specific authority to DOD to undertake technology transfer—and encourages it to do so. It gives that authority in a place where it should be given: in the DOD authorization bill. Further, it requires the DOD to tell the Congress, in a report to be filed by April 1 of next year, of the resources allocated to such transfer.

In closing, Mr. Chairman, let me be clear about the intent of the amendment. It encourages technology transfer on the part of DOD's laboratories and research centers—but only when such transfer is consistent with national security objectives. In this connection, the amendment also seeks to have the DOD report to Congress on an assessment of the safeguards necessary to protect national security objectives in domestic technology transfer efforts by the Department. The amendment further requires the DOD to prescribe in its report next April guidelines to ensure that such transfer of technology results in benefits primarily to persons in the United States rather than competitors in other countries or competitors controlled by entities in other countries. In these times of a heightened awareness of our vulnerability to foreign intelligence efforts, it is important that we provide for these provisions.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

● Mr. ADDABBO. Mr. Chairman, this amendment would provide CHAMPUS reimbursement to the family of an active duty member of the military when medical or nursing care is required at home for a chronically ill child or spouse.

Currently there is no provision for these families even when it is more cost effective for them to provide care in the home as opposed to keeping the child in the hospital.

The parents of a chronically ill child or an ill spouse of an active duty soldier or sailor are told that CHAMPUS will pay for their treatment only in a hospital setting, not in the comfort of their home, even when the care is more expensive in the hospital.

This amendment would allow for the attending physician to determine the medical necessity of the care and the feasibility of providing that care at home.

The amendment would also allow CHAMPUS to do a comparison of the costs for the care provided in the hospital versus the cost of the care provided in the home. If this is a favorable cost outcome, the family will receive reimbursement from CHAMPUS for a portion of a reasonable cost for the nursing care needed in the home.

Of course, if the beneficiary is covered for this care by any other public or private health insurance plan, they would not be covered by this amendment.

This amendment would show the military families we are concerned and we care.

Mr. Chairman, I urge adoption of this amendment.●

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, I rise in support of the amendments offered, including my amendment to direct the Secretary of Defense to study the de-

sirability of reinstating the death penalty as an available option for persons convicted of espionage and to report to the Congress the results of that study within 30 days of enactment of this legislation.

The FBI recently uncovered what could prove to be one of the most serious and far-reaching cases of espionage against our country in the Walker spy case. Three members of the Walker family and one other individual have already been arrested in that case for passing sensitive information about our strategic sea-based forces to the Soviets. The Secretary of Defense has indicated that there have been "very serious losses" as a result of the Walker spy ring's activities.

The damage done to U.S. security by the Walker spy ring is grave in itself, but the fact is that we have also had more people arrested on espionage charges in the last year and a half than over any similar 18-month period in our Nation's history. Since January 1984, 19 persons have been arrested on espionage charges in the United States including the Walkers. Two others have been arrested on such charges abroad.

The crime of espionage is one of the most despicable that can be committed. It puts the lives of millions of Americans in jeopardy, and therefore it is rightly among the dozen or so Federal crimes for which the U.S. code currently includes death penalty provisions.

However, virtually all of these statutes were enacted prior to the 1972 supreme court decision in the landmark case of Furman v. Georgia. The court said in that case that the procedures by which the death penalty decision was reached resulted in decisions so arbitrary and capricious as to be cruel and unusual punishment, violating the 8th amendment.

The Court did not strike down the death penalty per se. Instead, in a series of 1976 decisions, the Court indicated support for procedures guarding against unlimited discretion, while at the same time providing for flexibility through consideration of aggravating and mitigating circumstances in each case.

Only the antihijacking death penalty provisions of Federal law were enacted recently enough to incorporate provisions which would satisfy Supreme Court concerns.

In January, I introduced legislation, modeled after the anti-hijacking death penalty, to establish constitutional guidelines for the imposition of the death penalty in espionage cases. Specifically, it requires a separate hearing on sentencing, timely notice by the Government of its intent to seek the death penalty, and requires specific aggravating and mitigating factors to be considered in the separate sentencing hearing. It prohibits discrimination as to race, color, national origin, creed, or sex, in any sentencing decisions.

Passage of such legislation will make the clearest statement that this behavior will not be tolerated, and that those who comtemplate doing irreparable harm to our security will be dealt with surely, severely, and justly.

The current available maximum penalty of life in prison for espionage is obviously not strong enough when individuals like the Walkers are willing to sell top U.S. defense secrets, worth billions of dollars to the American taxpayers, for relatively small amounts of money.

Since the crime of espionage affects the numerous systems authorized in the Defense authorization, I believe this is an appropriate time to ask the Defense Secretary to conduct a study of the problem and the desirability of reinstating the death penalty as an available option.

I urge my colleagues to accept this amendment and send a first signal that we are serious about dealing with those who threaten the security and well-being of the American people.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Ohio.

● Mr. KASICH. Mr. Chairman, I rise to support this block of amendments introduced by Chairman ASPIN. I would like to thank my committee chairman for acceptance my amendment which encourages competition and will help small businessmen get Government contracts by allowing travel agencies to compete with the existing travel procurement system.

Since 1953, Federal regulations prohibited Government employees from arranging official travel through travel agents. The reasons for this ban have been eliminated by improvements in the private sector. In May 1984, GAO lifted the ban on the use of travel agents by the Federal Government. The lifting of this ban followed testing by DOD and GSA.

The results from these tests proved that travel agents could efficiently meet the Federal Government's travel needs. In fact, when GAO lifted the prohibition they concluded that, "* * * the use of travel agents is feasible and that they offer a suitable option for making official travel arrangements."

GSA had 24 test sites and DOD had 3 (1981–84). Each branch of the military approved one test site. The Army test site was located at the tank automative command [TACOM] in Warren, MI. The Air Force test site was located at Travis Air Force Base [AFB] in Fairfield, CA. And the third DOD test site was the Marine Corps Development and Education Command [MCDEC] in Quantico, VA.

The test results compiled by Military Traffic Management Command [MTMC], here in Washington, concluded that travel agents can provide travel services better and cheaper than in-house systems, and equal to scheduled airline traffic offices, known as SATO's.

Since these tests began, a greater variety of travel services have been offered to the Government at no additional cost. Aside from providing airline reservations and tickets, which was all the existing system used to provide, travel agents provided care rental, bus, rail, and hotel/BOQ reservations. These expanded services are offered only on an extremely limited basis within the existing travel procurement system.

The savings from using travel agents will come primarily from the increased level of services, (that is bus, Amtrak, hotel, and car reservations) in addition to the increased rates of discounted air fares and the institution of other cost saving devices such as frequent flyer programs.

The travel procurement system saving the most money before the travel agent tests, the SATO system, serviced $831,678,863 of travel requests in 1983. 89.2 percent of these requests got a discounted fare, and total savings were $301,759,356. The average savings per installation was $892,779.10.

Contrasting this was the 89.5 percent discount rate for the first 6 months that TACOM racked up by using a travel agency from April 1983 to September 1983. This discount rate increased to 92.3 percent for the second 6 months October 1983 to March 1984, and during the last 12 months (June 1983–June 1984) 97.6 percent of travelers got discounted air fares. This high discount rate percentage resulted in total savings at TACOM of $1,890,554.86 during the first year of the test (1983). This was more than double the average SATO savings during 1983.

The travel agency at Travis AFB had a discount rate of 97.7 percent in the first 6 months of the test, and at MCDEC in the first 6 months 90.7 percent of all travelers got discounted air fares. Both of these figures are higher than the SATO average of 89 percent.

In every instance, testing showed travel agencies had a higher percentage of travelers receiving discounted air fares than the SATO average. While these figures are not in and of themselves conclusive proof that travel agents are the best method to acquire official travel, they certainly show that travel agents should be allowed to compete equally for travel centers.

Additional figures from TACOM show just how effective a travel agent can be in getting the Government the most for its travel dollar. In fiscal year 1983, $3.6 million were spent on air travel at TACOM and savings were $1.9 million. Both the amount and percentage of savings increased dramatically since the first year of testing (1983) due to the ability of travel agents to negotiate discounted air fares where none existed. In fiscal year 1984, $4.1 million were spent on travel at TACOM, while the travel agency at TACOM saved $2.8 million. In the first 8 months of fiscal year 1985 $2.8 million of air travel has been booked with a cost avoidance of $2.3 million.

Since fiscal year 1983, the travel agency at TACOM negotiated discounted air fares for eight pair cities where none existed, or where the discounted fare had been discontinued.

Detroit Metropolitan Airport.
La Guardia (NY).
Minneapolis.
Tampa.
Boston.
Atlanta.
Huntsville.
Baltimore.
Los Angeles.

In 1983, air fare for Government employees dropped from $181 one way from Detroit-La Guardia to $74; similar reductions were negotiated in the previously mentioned pair cities by TACOM's travel agency. Since SATO's are run by airlines using airline personnel they do not have the inclination or motivation to negotiate such fare reductions for the Federal Government.

In addition to negotiating lower air fares, the travel agency at TACOM negotiated a 10 percent parking discount at Detroit Metropolitan Airport for Federal travelers. Savings for this parking discount are estimated to be $10,000 per year.

TACOM's travel agency not only negotiated a 10% parking discount, it also negotiated special Government discounts on car rentals for TACOM travelers, and for the first time ever instituted a frequent flier program for official DOD travel. The travel office at TACOM projected savings from the frequent flier program to be over $100,000 per year at TACOM.

Savings such as these cannot be computed in advance, but they certainly add up over time, and if instituted at a large number of installations would reduce the amount the Federal Government pays for travel.

There is no question the existing travel system is saving money. However, allowing travel agents to compete equally with this system will result in even better service. Competition has been the driving force behind the changes I mentioned earlier, and competition can result in even more cost cutting innovations.

I want to compliment DOD for modifying its original instruction outlining how travel agencies can be used to procure DOD travel. This amendment supports DOD's latest revisions and sends a clear message to those who would fight implementation of competition in the procurement of travel within the military.

This amendment also clearly shows the congressional intention that the establishment of travel offices and the procurement or acquisition of travel services should be accomplished in a competitive fashion.

Once again I would like to thank Chairman ASPIN for accepting this amendment and including it in this block of amendments. Mr. Chairman, I urge every Member of the House to support these amendments.●

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Colorado.

● Mr. WIRTH. Mr. Chairman, I am pleased to join with my colleagues JIM LEACH, BUDDY ROEMER, and NEWT GINGRICH in offering this amendment. Our amendment would require the Department of Defense to submit an annual report to Congress on the science and policy implications of nuclear winter.

Last year, we offered a similar amendment which was unanimously approved by both Houses and enacted into law. That unanimity reflected a widespread concern, on both sides of the aisle and in both Chambers, that DOD must remain abreast of scientific research on nuclear winter. It also reflected Congress' concern that DOD should carefully examine the policy implications of this research, and how they might be incorporated into our arms control and civil defense policies.

My colleagues and I are convinced that the need for DOD to continue and upgrade its evaluation of nuclear winter has not diminished. If anything, it has increased. And that is why we offer this amendment today.

DOD itself has acknowledged the validity and importance of the nuclear winter theory. In its first nuclear winter report, DOD stated that a nuclear exchange between the superpowers would produce a massive climatic catastrophe. The Pentagon seems to take the nuclear winter theory seriously, and Congress should have a clear view of how DOD translates that seriousness into strategic policy. Our amendment provides that view.

Let me note at this point that Congress should approve this amendment with the expectation that DOD will meet the specific requirements outlined in our legislation. I think it is fair to say there was widespread disappointment with DOD's response to our first amendment. The report was a mere 17 pages long, and only 5 pages were devoted to the policy implications of nuclear winter.

Boiled down to its essentials, DOD's study said that we have to take nuclear winter seriously but that we do not need to change anything we are doing now or thinking of doing.

DOD's thesis and report were extraordinary. They bore no relation to Congress' request for a thorough evaluation of the implications of nuclear winter for our nuclear strategy, targeting and planning." The report barely hinted at any analysis of nuclear winter's implications for U.S. arms control and civil defense policies.

If the nuclear winter theory is indeed valid, as DOD suggests, then it changes the context in which we work to head off nuclear war. It carries implications for policy that our planners and an informed public must evaluate. It is not too much to ask that the Pentagon study those questions and share its findings as though our lives depended on the answers.

Because they do.

The prospect of nuclear winter means that we have to question our key assumptions about nuclear war. We have to ask whether the question of a successful first strike is moot, since either side who attempted one might be destroyed by the climatic effects of their aggression.

We have to ask whether our targeting policies—embodied in SIOP—should exclude urban areas, where huge stores of combustibles lie.

We have to ask about the policies of extended deterrence and civil defense. Do they make sense when nuclear winter renders battlefield conditions impossible and may last for weeks, if not months?

We have to ask about the relationship between star wars and nuclear winter. For example, a hard point defense would not protect our urban areas, the potential spawning grounds of nuclear winter. A leaky space-based ABM system might still let in enough missiles to trigger a nuclear winter. And worst of all, a pre-emptive Soviet first strike to beat the assembly of an American ABM system would almost certainly create the conditions for Earth's worst and shortest season.

DOD said in its report that star wars would help guard against nuclear winter. But it did not deal with any of the grim scenarios I just mentioned.

The American public and our scientific community have squarely confronted the specter and implications of nuclear winter. We can expect no less of the Pentagon.

My good friend Don Kennedy, who is the president of Stanford University, once remarked on the phenomenal nature of nuclear winter. Given recent

projections of the consequences of nuclear war, he said:

A major nuclear exchange will produce the greatest biological and physical disruptions of this planet in its last 65 million years—a period more than 30 thousand times longer than the time that has elapsed since the birth of Christ and more than 100 times the life span of our species so far. That assessment of prospective risk needs to form a background for everyone who bears responsibility for national security decisions, here and elsewhere.

The Pentagon bears that responsibility, and must seriously evaluate the questions arising from the amendment's provisions. It must look closely, yet comprehensively, at the climatic, environmental, and biological consequences of nuclear war. It must carefully examine the questions that arise from the nuclear winter theory's impact on our strategic thinking.

Our amendment provides DOD with the guidelines for that evaluation. Please support our amendment, and send a message to the Pentagon that its serious view of nuclear winter must be matched by a serious, detailed discussion of the subjects raised in the amendment and by the theory's implications.●

Mr. GROTBERG. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Illinois.

Mr. GROTBERG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I offer an amendment to title X. Mr. Chairman and Members of the House, I offer an amendment to H.R. 1872 and ask for a "yes" vote on the amendment offered en bloc, which is simple and straightforward, but very important especially considering the trying times our country and its people face. My amendment would state that it is the sense of the Congress that performing groups in the Armed Forces should use domestically manufactured entertainment support items, such as pianos and organs, sound and lighting equipment, and other items essential for quality entertainment at patriotic events in U.S. Government buildings and grounds, whenever possible.

It is important, Mr. Chairman, for us in the people's body to do our part to demonstrate the quality of our own American-made goods. During the orientation for new Members of Congress late last year, some of us had the rare opportunity to listen to the U.S. Navy Choir sing in Statuary Hall among the monuments to the great heroes of our country. But something caught my eye that December evening which disturbed me. It was the piano that was used to accompany our U.S. sailors. It was not a Wurlitzer, a Baldwin, or Steinway. It was Japanese. Now, I know that relations between our two countries have improved over the past 40 years, but it seemed to me to be more appropriate for a U.S.-made piano to be used during that special event in Statuary Hall.

I am reminded that the administration is in a delicate stage of trade negotiations with the Japanese at this very moment. Their willingness to open their domestic markets to our telecommunications industries, among others, will determine whether protectionist sentiment in the Congress and across the Nation will increase or subside. I hope that they will allow more importation of American products because free trade can only be beneficial to both countries.

It is with this thought in mind that I introduced House Concurrent Resolution 157 on May 23 which is nearly identical to the amendment I offer today. House Concurrent Resolution 157 was cosponsored by our colleagues, the gentleman from Wisconsin [Mr. ASPIN], the gentleman from Alabama [Mr. DICKINSON], and the gentlemen from Illinois [Mr. PRICE and Mr. ANNUNZIO], on the date of its introduction.

I am pleased to offer this amendment to H.R. 1872 and ask for its adoption.

Mr. BROWN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. Mr. Chairman, I rise in support of the most popular amendment in the history of Congress.

Mr. Chairman, I am pleased to offer an amendment to H.R. 1872, the fiscal year 1986 Department of Defense authorization, which would have the Secretary of Defense submit a plan to Congress to establish a military survivor annuity program for a group of forgotten widows of Reserve members.

Many of these Reserve service members, who honorably served our country in combat during World War II, were called to active duty to fight again during the Korean war. These reservists made family and career sacrifices to serve our country a minimum of 20 years. Frequently, they served as long as 30 and almost 40 years.

A 1972 law allowed reservist to join the Reserve components survivor benefit plan. However, if these reservists died after attaining service eligibility, but before reaching age 60, their spouses could not receive any portion of the reservists' annuities. The law was changed in 1978 to correct this inequity, but it only applied to reservists who died after 1978. Therefore, eligible reservists who died during the first 6 years the program was in effect, 1972–78 and their survivors were left out.

My amendment would require the Secretary of Defense to submit a plan to Congress by December 31, 1985, to establish a needs based survivor annuity program for this group of forgotten widows. In developing the plan, the Secretary should analyze a variety of options, including a plan similar to the Minimum Income Widows Program established pursuant to Public Law 92-425. The Secretary's report also would provide an accounting of the number of potential beneficiaries and the projected cost.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, I rise in support of the SDI commission.

Mr. Chairman, I believe we need a bipartisan special commission responsible to the Congress in order to obtain the necessary objectivity and detailed knowledge required to review, evaluate, and pass judgment on R&D projects of the strategic defense initiative.

I voted for 1986 funding for SDI at $2.5 billion because I believe we need to find out how much of the SDI concept is real and achievable and whether or not it can be fit into a total world strategy that will benefit the Nation.

SDI is a very attractive concept and it has captured the imagination of the vast majority of Americans. If accomplished in its totality it would be a giant step. But there is a greater likelihood that in the near term, certainly, it can only partially be accomplished. And so the job we have is to try to determine the reality of the ideas—what can be done and what cannot—what are the facts, what is the cost, what are the risks and probable consequences, what will it really do for us?

What do we know about SDI?

First, it's objective attractive.

Second, its technologies seem feasible but a substantial amount of development is ahead—some have said equal to 10 Manhattan projects. Some say it can't be done at all but more say that it can, that it's only a question of time and money.

Third, so far no estimate of time or cost beyond the $30 billion for the R&D phase of 5 or so years. Some say $100 billion—some say $1 trillion.

Fourth, political impact is very high. U.S.S.R. has reacted strongly. NATO allies divided. It's questionable whether much of it could be deployed or tested without revision of international agreements.

Fifth, the SDI will be a program over and beyond other normal and strategic needs. It could raise defense expenditures $100 billion per year. A plan to finance it needs to become part of the program.

Sixth, finally, success of the SDI depends on verification of many key assumptions. Among them are:

a. The SDI defensive program will inherently have a large cost advantage over an opposing offensive system.

b. The various space platforms and satellites required by the SDI system

can be made invulnerable to enemy attacks.

c. The necessary command and control computer system and its associated software can be constructed so that we could literally manage a war situation by automatic computer control. This requires hardware that cannot be incapacitated by enemy action, software that can be de-bugged sufficiently to function.

d. The SDI system cannot be circumvented, sabotaged or otherwise rendered ineffective by enemy action.

Over the next couple of years answers to these and other key considerations are going to have to be obtained.

The SDI concept has to be formed into a plan of what is doable and what is not.

We've got to figure out how to fit it into relations with other nations, develop the timing and cost and how it is to be financed.

This is not a simple matter. It's very complex, technical, political and emotional. I seriously doubt that normal committee oversight procedures will be sufficient for us to do the careful objective job which we must do.

Nor can we rely on the Pentagon program managers or other government agencies alone, My experience tells me that for something of this complexity we will need to know what's happening on the program. Someone who is objective, has experience and has the time has got to talk to the people doing the work. We've got to have available to us the judgment of those who have no special axe to grind, who have adequate staff help and who can help us ferret out the true possibilities both technically and strategically.

We have the responsibility to see that SDI does not acquire a life of its own before it has a clear plan, a realizable objective and is understood well enough so that we can manage it.

There are probably many ways this could be accomplished. The SDI Commission proposed in this amendment is a good approach—certainly it is not the only one. But it is clear that we need help and we're going to need it more with every day that passes.

I urge passage of the amendment.

● Mr. FISH. Mr. Chairman, the amendment I am offering today will bring to a close a matter of longstanding concern to the Department of Defense, the U.S. Military Academy at West Point, and many Members of Congress by establishing a section 6 arrangement for the education of high school students residing at West Point.

For many years, the high school students who live on West Point property have attended high school in the local community of Highland Falls. This has afforded these individuals the opportunity to mix with students of nonmilitary families and to get involved in extracurricular interscholastic activities which would not be available at a school composed solely of students of military families at West Point. The relationship between the local community and the Academy has been very cooperative over the years.

In 1981, following the cutbacks in impact aid made in the Reconciliation Act, the Highland Falls-Fort Montgomery Central School District faced a severe funding shortfall, which particularly affected the high school. In November 1982, the situation became so critical that the Highland Falls Board of Education sent out tuition notices to parents of students from West Point then attending the high school. The Justice Department sued to block this action, and tensions rose between the local residents and West Point. In December 1982, I raised for the first time on the floor of the House the distinctive problem of the Highland Falls School District and the funding problems it faced then and for the future without additional appropriations for impact aid in general or a specific appropriation for Highland Falls.

As part of the continuing resolution for fiscal year 1983, Congress approved $200,000 for Highland Falls, paid out of Defense Department funds to the Department of Education and in turn to Highland Falls. At this time, I first began discussing with both the Department of Education and the Department of Defense the establisment of a section 6 arrangement between the Department of Defense and the Highland Falls School District, among other options.

In May of 1983, I met with then-Secretary of Education Terrell Bell and Assistant Secretary Lawrence Davenport to discuss the long-term solution to the funding problems at Highland Falls. Secretary Bell recommended that his staff work with the Congress and the Department of Defense to develop a plan to resolve this matter. That same month, I appeared before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education to thank the chairman, Mr. NATCHER, and the ranking minority member, Mr. CONTE, for their assistance in obtaining the release of the $200,000 to Highland Falls, which had been unduly delayed by the Department of Education. In my testimony, I also cited the fact that the Department had not responded positively to the chairman's letter requesting that they formulate a long-term solution to the funding situation.

Several alternatives were proposed to the Department of Education in May of 1983, including transferring a grade from the section 6 elementary school at West Point to the high school in Highland Falls, which would enable the school to become a super A school under section 3 of the impact aid statute; weighing high school attendance more heavily than elementary school attendance, since West Point students only attended the high school; or changing the formula for funding section 2 and section 3 so those schools who received under, for example, $25,000 per year, would be eliminated from the program. All were rejected over a period of several months.

In November of 1983, despite additional funding for impact aid in fiscal year 1984, Highland Falls faced a shortfall, this time over $300,000. In April 1984, I requested this amount from the Labor, HHS, Education Appropriations Subcommittee, which included the funding in the fiscal year 1984 supplemental appropriation. The Appropriations Committee report included language indicating that the Department of Defense and the Department of Education should cooperate in solving the funding problem at Highland Falls on a long-term basis. At that time the report signaled it would be the last time a specific appropriation would be approved. In March of 1984, the Highland Falls-Fort Montgomery Central School officially requested a section 6 arrangement with the Department of Defense for educating the high school students residing at West Point.

As the end of the school year approaches on June 30, Highland Falls is faced with a funding shortfall. Their budget has been flat for several years, the number of teachers has been reduced by more than 25 percent, and property taxes are among the highest in the country. This is in an area where more than 95 percent of the land is owned by the Federal Government or has been set aside as State parkland. Approximately one-third of the local community is senior citizens living on fixed incomes. Property wealth is well below the State average, as is income per taxpayer. Even with the high tax rates, average operating expenditures are well below the State average.

For the past 3 years, Highland Falls has applied to the Department of Education for section 3(d)(2)(B) emergency funding. Despite the obvious need, they have been turned down each year, including fiscal year 1985. Studies indicate that Highland Falls has the highest combined section 2 and section 3 impaction in the country.

There is currently a shortfall of some $300,000 in the school district's budget. I have not asked the Appropriations Committee for additional funds, because the Department of Education has had 3 years to resolve this situation on a long-term basis, and has responded negatively to inquiries on behalf of the school district. The available options, which are all disastrous, include locking out the student

from West Point; sending tuition notices and risking another court battle; closing the high school and educating the local students in other buildings in the school district; closing the high school and sending the local students to other school districts, paying them tuition; or seeking assistance from Congress each year to carry the school through its annual budget shortfalls.

Mr. Chairman, since the Department of Education has failed to come up with a solution, I am today offering an amendment that would authorize the Department of Defense to enter into a contractual arrangement with Highland Falls for the public education of high school students residing on the West Point Military Reservation. Although the Secretary of Defense already has such authority, this clears the way for the Secretary to set up this arrangement without being subject to the vague and conflicting language of the 1981 Reconciliation Act which gives some authority in these matters to the Department of Education. A quality education for high school students residing at our Nation's primary military academy is clearly a military issue, one which is as important to the Nation's future as many of the other items which are included in the legislation.

The section 6 arrangement would provide the approximately $200,000 to $300,000 in funds above what is currently being provided under section 3 of the Impact Aid Act, and avoid my having to request a specific supplemental appropriation each year for Highland Falls. Section 2 payments would continue. The approval of my amendment would avoid any of the foregoing unfortunate consequences such as closing the school, and in fact save the Government the cost of building its own high school on West Point property for the approximately 200 students who currently attend school in Highland Falls.

This amendment has the support of many of my colleagues, including my good friend Mr. GILMAN, who for many years represented Highland Falls; Mr. STRATTON, the distinguished dean of the New York congressional delegation; the chairman and ranking minority member of the Labor, HHS, Education Appropriations Subcommittee, Mr. NATCHER and Mr. CONTE; and the chairman and ranking minority member of the Defense Appropriations Subcommittee, Mr. ADDABBO and Mr. MCDADE. I very much appreciate the assistance of Mr. HILLIS, a member of the West Point Board of Visitors, and the ranking minority member of the Armed Services Subcommittee on Military Personnel and Compensation; Mr. DICKINSON, the ranking minority member of the Armed Services Committee; and particularly the chairman of the Armed Services Committee, Mr. ASPIN, in offering this amendment on my behalf.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 200, after line 4, insert the following new section:

SEC. 1050. LIMITED COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) The Secretary of Defense is authorized and directed to institute a program of counterintelligence polygraph examinations for military, civilian and contractor personnel of the Department of Defense, military departments, and the armed forces whose duties involve access to classified information.

(b) The program instituted pursuant to subsection (a) shall provide that, in the case of such individuals whose duties involve access to classified information within special access programs established pursuant to section 4.2(a) of Executive Order 12356, a counterintelligence polygraph examination shall be required prior to granting access to such information and aperiodically thereafter at random while such individuals have access to such information.

(c) In the case of individuals whose duties involve access to classified information other than that information covered in subsection (b) of this section, a counterintelligence polygraph examination may be required prior to granting access to such information and aperiodically thereafter at random while such individuals have access to such information.

(d) A counterintelligence polygraph examination conducted pursuant to this section shall be limited to technical questions necessary to the polygraph technique and questions directly related to espionage, sabotage, terrorism and unauthorized disclosures of classified information.

(e) The authority of the Secretary of Defense under this section to provide for the use of polygraph examinations shall be in addition to any other authority the Secretary possesses on the date of enactment of this act to provide for such examinations under applicable laws and regulations.

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, at this point let me say that the gentleman in the well, the gentleman from Florida [Mr. YOUNG] is the originator of the amendment, but I offered it because I support it very much.

Due to the Walker spy ring and any number of things that have impacted the security and the secrecy and our ability to protect the secrets of this country, I think it is a very good amendment. The gentleman from Florida is more knowledgeable since he is the author of the amendment, and I would like to yield to him at this time.

Mr. YOUNG of Florida. I thank the gentleman for offering the amendment in my behalf and yielding the time to me.

As the gentleman said, this effort is directed at spy rings like we have just seen with John Walker and his naval espionage ring that operated for so long and compromised our antisubmarine warfare capability, we are not even sure how seriously yet.

In a very dramatic action, Mr. Chairman, the House has just overwhelmingly given our Government substantial tools in the battle against drug abuse and the importation of those illegal drugs. This amendment would give a similar set of tools to those people to whom we have given our national security responsibility. In hearing after hearing, those people charged with that responsibility have testified that one of the very best tools that they could have is the ability to randomly polygraph those persons who have national security clearances.

Mr. Chairman, the Army, this month, said that there were 481 incidents last year in which members of the Army were approached by KGB officers to become spies for the Soviet Union. The Central Intelligence Agency today polygraphs people who work for them as a condition of employment.

In a letter to us from the CIA, John McMahon, the Deputy Director, tells us that it is a very, very effective tool. At NSA, handling some of the most delicate and sensitive communications and transmissions, they have polygraph authority as a condition of employment.

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Mr. Chairman, I repeat, those people in the military who are working for defense contractors, who have the same access to information that the CIA has or NSA has, are not subject to that same polygraph examination.

The Director of the Office of Naval Intelligence testified, after the Walker case became public, that the very best tool that he could have in counterintelligence activity is a random polygraph.

Christopher Boyce, an ex-employee of TRW, convicted of selling secrets to the Soviet Union, in testimony before the other body about taking polygraphs said:

If I had known this, I would never have considered an act of espionage.

I have a statement from Stanislav Levchenko. Stan was a KGB major. He defected to the United States. Stan Levchenko authorized me to make this statement in his behalf:

In my point of view, the use of polygraphs by the United States Government as a part

of its security screening of government employees constitutes a serious obstacle for the Soviets in their penetration of U.S. Government agencies.

Mr. Chairman, there have been hearings and meetings on this subject prior to the revelation of the Walker case, and since the revelation of the Walker case, and those individuals who have the responsibility for our counterintelligence activities tell us repeatedly that the polygraph program is one of the best tools that they can possibly have.

Now, Mr. Chairman, I mentioned the letters from the CIA and I mentioned the letters from NSA. There is also a letter from the Secretary of the Navy endorsing this concept, but I want to tell you something else. In private industry in the United States, this type of polygraph is used extensively. I have a letter here from a gentleman who is in charge of security for Days Inn, a motel chain.

Now, Mr. Chairman, he says that their loss from employees exceeded more than $1 million a year, but was reduced in the first year they employed the polygraph, to only about $100,000, testifying to the effectiveness of the polygraph.

I say again, as Christopher Boyce said, had he known that a polygraph program would be in place, a counterintelligence polygraph, he would never have considered an act of espionage.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama [Mr. DICKINSON] has expired.

(By unanimous consent, Mr. DICKINSON was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, let me say before I yield to the gentleman, it is inconceivable to me and to most people outside of Government that the CIA that handles top secret and the most sensitive material, they may require a polygraph. The FBI may require a polygraph test. Our other sensitive intelligence-gathering agencies may require a polygraph test, but our military, and we have just seen what has happened with the Walker spy group, the Army, the Navy, the Air Force, under today's laws, they cannot require this polygraph test.

This simply gives the same tools to the military. How sensitive can you get when we are dealing with the most sensitive subjects that deal with this very vital part of the Government?

Mr. Chairman, the gentleman is making a good case. I would hope that the Committee would listen to him, because it is just so much commonsense, that I am surprised that it has not already been put into law.

Mr. Chairman, I yield to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Chairman, I would like to call to the attention of the Committee, we know about the Walker case and we know how much that case has compromised our ability to follow the Soviet submarines.

Walker had cryptological access. There is a test program presently in place in the Department of Defense allowing a limited number of polygraphs, but that test program would not have gotten to the Walkers, because it did not authorize the use of the polygraph at Walker's security clearance level.

Richard Kampiles—listen to this one now—Richard Kampiles was an enlisted man. Richard Kampiles sold to the Soviet Union for $3,000 the operating manual for one of our most sophisticated overhead sensor systems that gives us advance warning if the Soviets begin to do something that we ought to be concerned about.

Kampiles, in a position of having access to that information, should have known that he might have been polygraphed.

Now, we do not have the resources to polygraph everybody. We recognize that; but the fact that a polygraph program is in place will be a strong deterrent.

Listen to the words of Christopher Boyce, who was convicted of spying and said he never would have gotten into espionage had he known there was a polygraph program in place.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I would be very pleased to yield to the gentleman.

Mr. FAZIO. Mr. Chairman, I would like to address a question to the gentleman in the well.

I know we are all concerned about the problem of espionage and I think we all know that there are ways that we can make more efficient our approach to finding examples where people have broken codes and violated our constitutional protections. But what protection does the individual have under the gentleman's amendment? Is there any limitation on the kind of questions that might be appropriate to be asked under a polygraph? Is there something equivalent to a warrant, perhaps, that would make it proper?

Mr. DICKINSON. Mr. Chairman, before I yield to the gentleman to respond, let me say, what protection does the American citizen have against the spies if we cannot even subject them to this test? Why are we worried about them if they are not worried about us?

Mr. Chairman, I am glad to yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I understand. I am trying to be helpful. I do not mean to be antagonistic. I am looking for some sort of balance here so that when we provide this sort of right to the government, we also look to the individual rights of the employees of defense contractors or the Federal Government itself.

Mr. YOUNG of Florida. Mr. Chairman, if the gentleman will yield. I will respond to my colleague that we share the same concerns and we ran this through the legal department of practically everybody we could find that would be affected by this.

Section (d) of the amendment says that a counterintelligence polygraph examination conducted pursuant to this section shall be limited to technical questions necessary to the polygraph technique and questions directly related to espionage, sabotage, terrorism and unauthorized disclosures of classified information.

We definitely are not looking for any kind of a witch hunt. We are trying to pry into someone's personal life, so we do limit the use of the polygraph, as the gentleman suggests.

Mr. FAZIO. Mr. Chairman, will the gentleman yield for just one additional question.

Mr. DICKINSON. Of course, I am pleased to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I am just wondering if the gentleman could indicate who would authorize the decision to proceed on this?

Mr. YOUNG of Florida. The amendment directs the Secretary of Defense to institute a program of counterintelligence polygraph; recognizing that there are many people who should be polygraphed or should be part of the program, we do not have the assets and the capability of doing it immediately. The Secretary would have to determine that, phase in the program, as he has the assets or as we make the assets available.

Mr. FAZIO. Mr. Chairman, if I could indicate, I would only hope that the authority would rest at a very high level, so that it would be something that would be done only under the most sensitive circumstances.

Mr. YOUNG of Florida. Well, the Secretary of Defense is the highest level, other than the Commander-in-Chief.

Mr. FAZIO. Exactly.

Mr. NICHOLS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I want to compliment the gentleman from Florida on his amendment and his concern over the security of this country. The gentleman has discussed with me at some length, and I suppose the rationale of why he discussed it with me. I would like to give a little legislative history on this.

This comes from the authorization bill last year. When an effort was made to increase the people in the Defense Department who could be given polygraph tests, the gentleman from Texas [Mr. BROOKS] strongly objected

and we arrived at an agreement in which a limitation was placed at 3,500 in a test program that was to be completed in the 1985 fiscal year. That test program is still underway. I tried to get some figures on it this afternoon. I was unable to do so and I would like to engage the gentleman from Florida in a little colloquy a little later. Perhaps the gentleman has those figures, but that is the situation.

The situation in the Senate is simply this. The Senate has extended for 1 year only the 1985 current test program. The position of the Department of Defense is basically that they feel that they do not have sufficient employees who are trained to administer polygraph tests over and above what they now have under the training program. They have about 152 polygraph operators that administer these tests. They tell me they can do about 250 polygraph tests a year. That would equate out to somewhere around the 3,500 figure.

I am told that very little has been done on this. The gentleman from Florida might want to discuss that if he has some information on it.

□ 2140

But I thought I ought to set the record straight. That is where the issue is.

There is objection, strong objection to polygraph in general.

I expect to support the gentleman from Florida's bill. I think it is a good bill. But I thought it ought to be called to the attention of the House exactly where we are on this issue.

If the gentleman would answer, I would like to ask him if he has any current information on the 1985 tests and where we are?

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I would respond by saying my understanding is at this point they have done about 75 counterintelligence polygraphs. I would point out, if the gentleman would yield further, one of the problems is having the assets available to do the counterintelligence polygraphs along with the other types of polygraphs they are called on to do.

I recognize, and I think if we authorize this program, we are going to have to give them probably about $2.5 million, which does not sound like a lot of money in the battle against spies, but they need about $2.5 million next year in order to allow them to upgrade their training programs to get more polygraphers in place.

This is a brandnew program. That is why it is not underway.

But I would say to the gentleman it is time that we get started because the people of America are sick and tired of us paying for our national defense efforts only to see it stolen or bought from us by the Soviets and put into their national defense efforts, which makes ours half again as costly as it ought to be.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding and I rise in support of the Dickinson-Young amendment.

I would point out to the gentleman from Alabama that the Secretary of the Navy was on the Hill yesterday asking for this legislation and asking that he be given the authority to give polygraphs. And he said that is the best way for him to slow down espionage, not to have another Walker case. And if the Secretary of the Navy wants the authority I think we ought to give it to him.

I appreciate the gentleman yielding.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I appreciate the gentleman yielding and also rise in support of the Dickinson-Young amendment.

I would point out in answer to the gentleman's question that however many polygraphs actually have been administered, there are 164,000, give or take a few, 164,000 people in the armed services with the very highest security clearance in the Armed Forces of the United States. There are 4.3 million people with security clearances of one sort or another.

Now when you consider that they may have only taken 75 polygraphs and they are only authorized to perform 3,400 polygraphs, we are just basically scratching the surface. We are not even coming near, and I think the gentleman's amendment is well intentioned.

AMENDMENT OFFERED BY MR. BROOKS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. BROOKS. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOKS as a substitute for the amendment offered by Mr. DICKINSON: On page 200, after line 4, insert the following new section:

LIMITATION ON USE OF FUNDS FOR CONDUCTING POLYGRAPH EXAMINATION; REPORT

(a) None of the funds appropriated pursuant to an authorization of appropriations contained in this or any other Act may be used for the purpose of implementing paragraphs D.8 and 9, D.12.b and g, D.13.c, and E.1.g of Department of Defense Directive 5210.48, dated December 24, 1984, relating to polygraph examinations and examiners, except for the continuation of the test program authorized by section 1307 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2613). The total number of persons examined under the test program in fiscal years 1985 and 1986 may not exceed 3,500.

(b) Not later than December 31, 1986, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report on the use of polygraph examinations administered by or for the Department of Defense during the fiscal year 1986. The report shall include (A) the number of polygraph examinations conducted, (B) a description of the purposes and results of such examinations, (C) a description of the criteria used for selecting programs and individuals for examination, (D) the number of persons who refused to submit to the examination, (E) a description of the actions taken, including denial of clearance or other adverse action, when an individual either failed or refused to take the examination, (F) an explanation of the uses made of the results of the examinations, and (G) a detailed accounting of those cases in which more than two examinations were needed to attempt to resolve discrepancies.

(c)(1) The Secretary of Defense shall establish a continuing polygraph research program to support polygraph activities within the Department of Defense. The research program shall include evaluation of the validity of polygraph techniques used by the Department, polygraph countermeasures and anti-countermeasures, and developmental research on polygraph techniques, instrumentation, and analytic methods.

(2) The Secretary of Defense shall report annually the results of the polygraph research program referred to in paragraph (1) to the Committees on Armed Services of the Senate and House of Representatives, and the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives.

(3) Funds are hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 in the amount of $590,000 to carry out the continuing research program referred to in paragraph (1).

(d) This section does not apply—

(1) in the case of any individual assigned to, or detailed to, the Central Intelligence Agency or to any expert or consultant under a contract with the Central Intelligence Agency;

(2) in the case of any individual employed by, assigned to, or detailed to, the National Security Agency, any expert or consultant under a contract with the National Security Agency, any employee of a contractor of the National Security Agency, or any individual assigned to a space where sensitive cryptologic information is produced, processed, or stored; or

(3) in the case of any individual applying for a position in the National Security Agency.

(e) The provision of subsection (a) shall expire on September 30, 1986.

Mr. BROOKS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. YOUNG of Alaska. Mr. Chairman, reserving the right to object, I

wonder if the gentleman would be willing to allow us to see a copy of his substitute.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SENSENBRENNER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN pro tempore. The gentleman from Wisconsin reserves a point of order against the amendment.

Mr. BROOKS. Mr. Chairman, I rise to offer a substitute to the Young amendment concerning polygraph screening at the Defense Department. My amendment would continue the authority Congress granted the Department for this year to conduct a pilot program of polygraph screening until next year to enable Congress to better assess the merits of a counterespionage polygraph screening program. Concerned with questions regarding the polygraph's validity, accuracy, and susceptibility to countermeasures, Congress directed the Department of Defense to conduct a test program of 3,500 screening examinations this year. The Department has not conducted that program and my amendment would reauthorize it in the coming year.

I have been engaged in debate on the use and abuse of polygraphs for many years as a member, and now chairman, of the Government Operations Committee. That committee has overseen the Government's polygraph programs since the early 1960's. I need not review the history here, but I would emphasize that each time we have looked at them, we have concluded that there is no scientific basis for relying on the polygraph as a valid indicator of veracity. Now, in the aftermath of the revelations of the Walker spy ring—whose firm, I might add, performed polygraphs for Navy personnel—the cry for massive polygraph programs is once again heard. That hysteria to do something should not overwhelm our sound judgment.

Any informed decision on authorizing the widespread use of polygraphs must keep two important points in mind:

First, the polygraph is based on an extremely dubious scientific theory that a machine can determine one's truthfulness by measuring a few physical responses such as blood pressure, heartbeat and perspiration. Last year, the Government Operations Committee had the Office of Technology Assessment do a study of the available scientific literature on polygraph validity. OTA's report showed that, in 28 studies presenting "acceptable scientific criteria," correct guilty indications ranged from 35 percent to 100 percent when the polygraph was used in the performance of specific incident investigations. Correct innocent indications ranged from 12.5 percent to 94 percent.

The second point to keep in mind is that the OTA report concluded that there was no scientifically acceptable study to support the use of polygraphs for screening purposes. Use of the polygraph as a screening device necessitates our belief that this machine can determine in the abstract whether a person is a liar.

We should not confuse validity with utility. There is no question that the polygraph can be a very intimidating tool and may have some utility in that regard, just as the dunking stool, the rack, and the firing squad have had in past centuries. As former President Nixon says on the Watergate tapes about polygraphs, "I don't know how accurate they are, but I do know that they'll scare the hell out of people."

The proponents of the use of polygraphs for screening purposes seem to be willing to embrace its intimidation utility even in the absence of any scientific validity. Even that utility, however, ultimately rests on one's belief in the machine's validity. The person being examined must be convinced that the machine can determine when he is lying. That utility will evaporate quickly precisely in those instances when the Government needs it most—the detection of highly trained or sophisticated moles and spies. This is precisely why widespread reliance on the polygraph is especially dangerous in national security situations.

Last November, a former CIA employee and contractor, Karl Kotcher, was arrested in New York, along with his wife, for giving classified information to Czechoslovakian agents. He had passed polygraph screening exams during his employment with the CIA and he and his wife both passed lie detector tests during the FBI's investigation.

Another infamous American spy, Christopher Boyce—who sold U.S. satellite secrets to the Soviets in the mid-1970's—told the Senate Governmental Affairs Committee this spring that he was told by Soviet agents in Mexico that U.S. polygraph tests pose no problems for the KGB. Boyce indicated that the KGB agents told him "we have ways of having people pass polygraphs." Testimony before my committee indicated that there is a Soviet training school in the Eastern bloc which teaches Communist agents to beat the polygraph through countermeasures. Recently, a study by American scientists reported in the Journal of Applied Psychology found that college students in a mock crime investigation were able to fool two seasoned polygraph examiners almost 50 percent of the time by employing such countermeasures.

Mr. Chairman, reliance on a scientifically unsupported test for protection or our vital national secrets would be reckless. I oppose the Young amendment, which would mandate the screening use of polygraphs for over 100,000 of those with access to our most sensitive information and authorizes such use on millions more. Such a program would divert tremendous amounts of DOD's resources from more reliable full field background investigations.

My substitute amendment provides for a limited polygraph test program so that Congress may analyze the concerns many experts have regarding polygraph accuracy, validity, and susceptibility to countermeasures. This program is a reasonable and rational step toward exploring ways of enhancing our Nation's protection from espionage. We should continue to pursue that route, authorized by Congress last year, instead of going off half-cocked on some massive polygraph program that will create a false sense of security—the worst possible thing we could do at this time.

I urge all my colleagues to support my substitute amendment.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. BROOKS] has expired.

Mr. BROOKS. Mr. Chairman, I ask unanimous consent to continue for another 5 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. DICKINSON. Mr. Chairman, reserving the right to object, and I have no objection actually to impose, but I would like to inquire of the chairman of the committee, is it his intention to rise at 10 o'clock? It is now 10 minutes of 10.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we did talk about rising at 10 and, of course, we do have a commitment that we go to the Foley amendment tomorrow morning.

Is there any chance that we could wrap this thing up in the next 10 or 15 minutes? It does seem unlikely, but if we could we would like to.

□ 2150

Mr. DICKINSON. Certainly I do not want to curtail or in any way inhibit the gentleman from Texas from making his full statement. I just wanted to get some idea as to how long the Chairman is willing to go this evening. If we could wrap this up this evening so we could start with the Foley amendment.

Mr. ASPIN. I think if it was possible to get a vote on it, I would feel more comfortable voting on it tonight. We

could, of course, lay over until tomorrow, I think we ought to vote on it tonight.

Mr. DICKINSON. I thank the Chair. I will be circumspect in whatever time I consume. I am sure the gentleman from Texas will.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. YOUNG of Florida. Reserving the right to object. If I might further respond to the Chairman, this is a relatively important issue, as our own national security people tell us. I would hate to see it decided without at least reasonable opportunity to debate both the original amendment and the substitute by my friend from Texas.

Mr. ASPIN. If the gentleman will yield, I will take my lead from the gentleman from Florida. If the gentleman from Florida would like to debate this thing with the understanding that there is going to be no more votes tonight I would say we could be beyond 10 o'clock and continue and we would agree to vote on it tomorrow at the conclusion of the Foley amendment. Is that all right?

Mr. YOUNG of Florida. Mr. Chairman, further reserving the right to object, if possible, I do not think we are going to need a 2- or 3-hour debate here, I think 30 or 40 minutes could probably wrap it up.

Mr. ASPIN. We either have a vote at 10 o'clock or thereabouts or we have a vote tomorrow. If we have a vote tomorrow we can debate as long as anybody wants to stay here with the understanding there would be no more votes tonight. I think we could quit.

Mr. YOUNG of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. DICKINSON. Reserving the right to object, I do so in order to propound another inquiry of my chairman.

Assuming that we could wrap this thing up in the next 20 minutes or so and get a vote before 10:30, would the chairman be willing to go that long?

Mr. ASPIN. If the gentleman will yield, let us go to 10:15.

Mr. DICKINSON. OK. Let me ask is that all right with the gentleman from Texas in the well there?

Mr. BROOKS. If the gentleman will yield, I am not determining the length of time. I do not have that authority. If I did, we would have quit about 8 o'clock.

Mr. DICKINSON. Well, the gentleman would withdraw his substitute there we could get out of here a lot sooner.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas to proceed for an additional 5 minutes?

There is no objection.

The CHAIRMAN pro tempore. Does the gentleman from Wisconsin insist on his point of order?

Mr. SENSENBRENNER. No, Mr. Chairman, I withdraw my reservation on the point of order.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word, and I rise in opposition to the substitute.

Mr. Chairman, I have served with the gentleman from Texas for 20 years. I have great personal affection for him, I have great professional regard for him, we get along great. He is articulate, he is persuasive, but he is wrong.

Now, his argument is that because it is not 100-percent effective, do not do it. How ludicrous can you get? We see polygraphs used in our commercial enterprises, stores. He uses that as excuse why we should not do this because the KGB can train their agents to trick it. What the heck difference does that make? If it is only 50-percent effective, we need it. Now the National Security Agency, who is one of the most sensitive agencies that we have, they use it. The CIA uses it. The DIA, Defense Intelligence Agency, would like to use it, but they are under this 3,500 test program. They would like to use it. I do not know about the Secret Service. I do not know whether they use it or not. But the point is if it is only 10-percent effective, if the people out there that are going to be tested think there is a possibility that they are going to be tested with it and they had better not do it, it is effective. I do not care if you are a professional agent, you can get by with it and you are trained by the KGB, what we need is to give the tools to the people who are guarding the most sacred secrets of this country, give them an opportunity to ferret out these people. The Walkers were not professional KGB's, they were just ordinary citizens. They sold out for money. They were not trained and they were not subjected to this.

So I think it is shortsighted in the extreme to say because it is not 100-percent effective and we do not have 100-percent test results, that they are going to deny the same people who have the most sensitive secrets of this Government the right to randomly use the polygraph.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from California.

Mr. HUNTER. I thank the ranking member for yielding.

Let me say we have a few, over 30, submarine boats, Poseidons in the water right now, we have about six Tridents. And the security of the free world largely rests on our capability to keep ahead of the Soviets in submarine technology and submarine-detection technology. A few of the figures were cited, as few of the costs were cited in the argument against going ahead with this polygraph program; let me say we have just lost billions of dollars because of the fact that we have had our technology compromised, and if it costs $100 million, if it costs $200 million to get enough polygraph agents to be able to make the tests on those perhaps tens of thousands of people who have access to secret information that is critical to our survival, then we should go ahead with it. I commend the gentleman.

□ 2200

Mr. DICKINSON. Let me reclaim my time and tell you that the Soviets do not labor under this inhibition. By golly, you had better believe they use it.

I would be glad to yield to the gentleman.

Mr. NEAL. Mr. Chairman, I had the opportunity to sit through the hearings mentioned by the chairman of the Government Operations Committee, and I have been haunted by that testimony ever since.

I would like to emphasize what I think is the most important point made by the chairman of the committee. The problem is not, as the gentleman suggests, that you might pick up a few spies——

Mr. DICKINSON. A few?

Mr. NEAL. No; let me make the point. The point, the important point is, that because it is possible to defeat the veracity of these so-called lie detector tests by skilled people, the point is that if you depend on the lie detector test, it is very likely that you are going to get spies into sensitive spots because they know how to beat the test.

Mr. DICKINSON. Look, it is a tool; it is like any other tool. To say it is not 100 percent perfect, are you going to throw it out?

That is ridiculous.

I reclaim my time.

I yield to the gentleman.

Mr. SENSENBRENNER. I thank the gentleman from Alabama for yielding.

I have done some research into this issue on whether there is a constitutional objection to the use of the polygraph on a random basis, since the CIA and the National Security Agency have been using it for a number of years.

Mr. DICKINSON. Successfully.

Mr. SENSENBRENNER. Successfully. There is no case law on this subject, which to me indicates that the constitutional question is generally accepted; that it is constitutional for an

employing agency to use this technique.

Mr. McCURDY. I move to strike the requisite number of words, Mr. Chairman.

Mr. McCURDY. Mr. Chairman, if I could have the attention of the gentleman from Florida and the gentleman from Alabama, the authors of this amendment, I would like to ask a couple questions, if I might.

The gentleman from Florida has served on the Intelligence Committee; he is a very serious member, and I have some basic questions as to the effectiveness and the implementation of the gentleman's amendment.

As the gentleman's amendment states, those that have access to special access programs shall be required to have this polygraph.

Mr. Britt Snyder, the principal director of Counterintelligence and Security Policy, Office of the Secretary of Defense, Department of Defense, on June 26, before the Senate Armed Services Committee raised some questions as to this approach.

He said: The problem is that there are over 100,000 people in Defense with SEI access and polygraph examinations would be required by law for such persons.

He said, It would take us several years, given our limited number of trained operators, before we could consider using the polygraph in other programs of equal, if not greater, sensitivity.

My question is, it is not the question of effectiveness as the gentleman has been saying. I am not challenging that. What I am asking is, have you provided any funds in your amendment for the implementation? You state a requirement; have you provided any funds?

How many people are we talking about that are required to have this polygraph? Personally, I believe the Department has a habit of classifying too many documents and allowing too many people access to classifications; but the gentleman does not address those issues.

Would the gentleman respond and tell us how you really intend to implement the program?

Mr. DICKINSON. Let me answer, and then I will yield to the gentleman from Florida, or you have the time, so you can yield.

Mr. McCURDY. I yield to the gentleman from Alabama.

Mr. DICKINSON. If it is only 10 percent effective, only 10 percent; and you can deter or discourage or catch 10 percent of the people, it is worth it.

I do not care what it costs; I think it is worthwhile. We have hobbled the CIA; we have hobbled the DIA; we do not want to keep them handcuffed; we will not allow them to use a tool. That is all it is.

Mr. McCURDY. If the gentleman will let me reclaim my time.

If the gentleman will allow, there is not a person here who is arguing with that statement. The gentleman is merely asking you, how in the world does the gentleman intend to implement it, and what is the requirement under the amendment?

Mr. YOUNG of Florida. Will the gentleman yield?

Mr. McCURDY. I yield to the gentleman.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

We took into account the very point the gentleman made. We realize that it is a monumental task to do this, but we also say we had better get started. It is costing us a lot of money and a lot of our national security efforts are being compromised, but the amendment says that the Secretary of Defense shall institute a program, meaning that he will decide when, where, and who will be examined.

We recognize that it cannot be done immediately. There is no way it can be done immediately.

Mr. McCURDY. Subsection b, though, says "shall be required."

Mr. YOUNG of Florida. That is exactly correct.

Mr. McCURDY. That is not discretionary.

Mr. YOUNG of Florida. The program will be instituted by the Secretary.

The language was cleared with the Department of Defense, with their legal department, to make sure that we were not putting them in some kind of a time bind. We did not want to do that. Their legal opinion is, that this language allows them the time and the flexibility to institute that program.

Mr. BROOKS. Will the gentleman yield?

Mr. McCURDY. I yield to the gentleman from Texas.

Mr. BROOKS. I thank the gentleman and would like to point out that in conjunction with the business use of polygraphs, I have had some firsthand experience. In a business institution with which I am involved, they gave polygraph tests to people during the investigation of a theft. They identified a man they said was guilty based on the polygraph results. I said "it can't be so. He wouldn't steal a dime. Forget it." He is nervous as a cat. I said, "He's too nervous. He's too scared to steal."

About 3 weeks later they found out that somebody else stole that $60,000—the man the polygraph test said was guilty never had touched it; he was innocent as a newborn babe.

It should be noted that polygraph information is not admissible in courts, because they have determined that it is not any good. Let me tell you one other thing. If the gentlemen are going to rely on this foolish way of trying to determine veracity, you are going to implicate all the innocent people who are worried or upset about being interrogated with a polygraph machine. The good, hot shot criminals and spies are going to beat the rap.

If this polygraph thing were worth a cotton-picking thing, the wife of every Congressman in this place would buy one.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto end in 10 minutes, with 5 minutes being given to the gentleman from Alabama [Mr. DICKINSON] and 5 minutes being allocated to the gentleman from Texas [Mr. BROOKS].

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Mr. Chairman, I rise in strong opposition to the Brooks substitute and in strong support of the Young amendment.

I rise in support of the Young amendment to require counterintelligence polygraph examinations for Department of Defense personnel with access to the Nation's most sensitive national security secrets.

Such legislation is long overdue, and I commend the gentleman from Florida for his efforts to ensure that this Nation can protect the military and intelligence secrets upon which our security depends.

Mr. Chairman, the flood of damaging espionage cases in the past 10 years, of which the Walker case is only the latest example, has revealed appalling weaknesses in our personnel security practices.

We must tighten up those practices, to ensure that we can maintain our security. I believe that establishment of a counterintelligence polygraph program for DOD military, civilian, and contractor personnel who have access to sensitive secrets will contribute greatly toward improving our security posture.

The Young amendment to establish the polygraph requirement for DOD personnel is an immediate and pressing security requirement.

We cannot afford to wait any longer to protect our vital military and intelligence secrets. I urge my colleagues to support the Young amendment.

Mr. YOUNG of Florida. Mr. Chairman, could the Chair advise us as to the time on this side?

The CHAIRMAN pro tempore. The gentleman from Alabama has reserved the balance of his time.

Mr. BROOKS. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina.

Mr. NEAL. Based on the evidence that we have heard before the Gov-

ernment Operations Committee, if we entrust our national security to these gadgets, we are greatly endangering our national security.

There are people skilled in beating the polygraph test that can outsmart it, and would be perfectly willing to do so, and if we rely on it, those are precisely the people who we will be placing in positions of trust.

Now it is true on the other side; you might be able to scare a few people and catch some potential spies, very possibly so, but the real danger is placing reliance on a gadget of dubious scientific validity and greatly endangering our national security.

Mr. BATEMAN. Would the gentleman yield?

Mr. NEAL. I yield to the gentleman.

Mr. BATEMAN. The gentleman suggests that if we institute this program, that it is the only thing that we will be relying upon. That, I think, the gentleman will have to admit, is a preposterous notion; we are not going to drop anything else we are doing as ineffective; as proven to be in several instances, it is something in addition which is badly needed.

□ 2210

Mr. NEAL. Let me just make a point in about five more words, Mr. Chairman.

It is dangerous to our national security to entrust it, as is precisely the intent of the authors of this amendment to do, to a gadget of very dubious veracity.

I strongly support Chairman BROOKS' amendment.

Mr. BROOKS. Mr. Chairman, I reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. I thank the gentleman for yielding.

Mr. Chairman, in spite of the theatrics tonight, this is a very basic, very simple proposition. All that we are asking to do is that the Pentagon adopt the same system that has been in place for years in the Central Intelligence Agency and the National Security Agency. It has been used safely and effectively.

The Deputy Director of the CIA, John McMahon:

> I personally have no doubts that the polygraph is the most effective tool we have to identify and screen out individuals whose employment or affiliation could jeopardize our national security.

The Director of Naval Intelligence:

> Threat of polygraph we know is a very big deterrent to espionage.

Finally, the Director of NSA, Gen. William Odom:

> If the polygraph were removed from our system, that would seriously degrade the overall system.

It is a simple proposition. We are doing it today safely and effectively. There is no reason in the world why the Pentagon should not be subjected to the same restraints.

Mr. DICKINSON. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. DIOGUARDI].

Mr. DIOGUARDI. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the amendment of the gentleman from Florida. I was in the process of drafting legislation very similar to this when I heard about the amendment. I think any Member of this House should support this amendment strongly who feels, as I do, about the terrible breach of security by the Walker family. I think the bottom line here is that we have the means of preventing this kind of thing in the future, and with all due respect to Chairman BROOKS, I feel this is more than a gadget we are talking about. I think that for many years we have used this kind of lie detector situation in conjunction with people who know what they are doing.

Mr. BROOKS. Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Florida [Mr. YOUNG] and in opposition to the amendment offered by the gentleman from Texas. This issue is too serious to treat as a road show of "Saturday Night Live." We are talking about espionage. We are talking about secrets handed over to our mortal enemies. Everybody knows the polygraph is not perfect, it is not 100 percent, but it is a useful investigative tool. It is used by police departments around the country. The U.S. Supreme Court has held that it is not a violation of one's constitutional right to have to submit to a polygraph as a condition of employment when one is charged with an offense. We need to do something. We need to use a legitimate investigative tool.

So I urge that we respond to this Walker spy case, and others that we do not know much about, by requiring this. I support the amendment offered by the gentleman from Florida [Mr. YOUNG].

Mr. DICKINSON. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. YOUNG], the originator of the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas reserves the balance of his time.

Mr. DICKINSON. Mr. Chairman, I had understood the gentleman had yielded back his time.

The CHAIRMAN pro tempore. Without objection, the gentleman from Texas [Mr. BROOKS] reclaims his time and reserves the balance of his time.

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] has 2 minutes remaining.

Mr. DICKINSON. If the gentleman from Texas has some time——

The CHAIRMAN pro tempore. The gentleman from Texas [Mr. BROOKS] is the proponent of the substitute. The Chair would recognize the gentleman from Texas to close debate.

Mr. DICKINSON. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. YOUNG].

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. YOUNG] is recognized for 2 minutes.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the proposal of the gentleman from Florida [Mr. YOUNG], and I urge its passage.

Mr. YOUNG of Florida. Mr. Chairman, the Brooks substitute would extend the test program already in effect. Adm. John Butts, the Director of the Office of Naval Intelligence, said in a statement today that if you took the information the Walker ring had access to, it would not qualify or would not be within a special access program, as defined today, and thus would not be subject to a counterintelligence polygraph examination under the test program that Mr. BROOKS wants to extend.

Mr. Levchenko, a former KGB officer, tells us that it would frighten the Soviets away, that it would make it difficult.

Christopher Boyce said that he was afraid of a polygraph and would not take a job in the CIA because he knew he would have to take a polygraph.

Mr. BROOKS says the scientific community cannot prove the validity or the veracity of a polygraph machine. Those people are not in charge of our national security, Mr. Chairman. Admiral Butts is in charge of our security. John McMahon of the CIA is in charge of our security. General Odom and NSA are in charge of our security. John Lehman, the Secretary of the Navy, is in charge of our security. Give the people that we have entrusted the responsibility to protect our national security, the tool that they all claim will be one of the most effective tools they could have in getting rid of the spies. Give our country some tools to battle the spies and the potential spies and the traitors and the potential traitors, much like we just recently did with the Bennett amendment, where we gave our country the ability to fight those heinous people who supply our children with drugs.

I say oppose the Brooks amendment and vote for the Dickinson-Young amendment, and let us get on with the business of protecting our national security with a tool that has been proven to be effective.

The CHAIRMAN pro tempore. The gentleman from Texas [Mr. BROOKS] has 3 minutes remaining.

Mr. BROOKS. Mr. Chairman, I just want to say that, obviously, the tool is very defective. If you rely on a defective tool, you will be misreading the veracity of individuals, and the good criminals will survive and the moles will go deeper. We will be endangering this country, we do not protect it a bit with the Young amendment. The polygraph may be useful as an investigative tool but to screen 4 million people in the Defense Department. It is a waste of time. It would do nothing but obscure the facts. That is the truth of it. We should limit polygraphs to a careful controlled investigatory use. We should not rely on it to screen individuals who are under no suspicion of wrong doing. As a screening tool it is a false, false bellwether.

I ask the Members to vote for my substitute amendment, and I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. BROOKS] as a substitute for the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOKS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 121, noes 281, not voting 31, as follows:

[Roll No. 199]

AYES—121

Ackerman	Eckart (OH)	Lehman (FL)
Addabbo	Edgar	Leland
Akaka	Edwards (CA)	Levine (CA)
Andrews	Evans (IL)	Long
Anthony	Fascell	Lundine
Atkins	Fazio	Manton
Barnes	Feighan	Markey
Bedell	Foglietta	Martinez
Berman	Foley	Matsui
Boggs	Ford (MI)	McHugh
Bonior (MI)	Frank	Mikulski
Boxer	Frost	Miller (CA)
Brooks	Garcia	Mineta
Bryant	Glickman	Moody
Burton (CA)	Gonzalez	Morrison (CT)
Bustamante	Gray (PA)	Mrazek
Clay	Green	Neal
Coelho	Hawkins	Nowak
Coleman (TX)	Hayes	Oakar
Collins	Hertel	Oberstar
Cooper	Hoyer	Obey
Coyne	Hughes	Ortiz
Crockett	Jacobs	Panetta
Daschle	Jones (TN)	Pease
de la Garza	Kastenmeier	Perkins
Dellums	Kennelly	Pickle
Dorgan (ND)	Kildee	Rangel
Downey	Kostmayer	Reid
Dymally	LaFalce	Richardson
Early	Leach (IA)	Robinson
Rodino	Stallings	Visclosky
Roybal	Stark	Walgren
Sabo	Stokes	Waxman
Savage	Studds	Weiss
Scheuer	Swift	Wheat
Schroeder	Synar	Williams
Schumer	Torres	Wolpe
Seiberling	Towns	Wright
Sikorski	Traficant	Yates
Smith (FL)	Traxler	
Staggers	Udall	

NOES—281

Alexander	Florio	McCurdy
Anderson	Fowler	McDade
Applegate	Franklin	McEwen
Archer	Frenzel	McGrath
Armey	Fuqua	McKernan
Aspin	Gallo	McKinney
AuCoin	Gaydos	McMillan
Bartlett	Gejdenson	Meyers
Barton	Gekas	Mica
Bateman	Gephardt	Michel
Bates	Gibbons	Miller (OH)
Bennett	Gilman	Miller (WA)
Bentley	Gingrich	Moakley
Bereuter	Goodling	Molinari
Bevill	Gordon	Mollohan
Biaggi	Gradison	Monson
Bilirakis	Gray (IL)	Montgomery
Bliley	Gregg	Moore
Boehlert	Grotberg	Moorhead
Boland	Guarini	Morrison (WA)
Boner (TN)	Gunderson	Murphy
Bonker	Hall (OH)	Murtha
Borski	Hall, Ralph	Myers
Bosco	Hamilton	Natcher
Boucher	Hammerschmidt	Nelson
Boulter	Hansen	Nichols
Breaux	Hartnett	Nielson
Broomfield	Heftel	O'Brien
Brown (CO)	Hendon	Olin
Broyhill	Henry	Oxley
Bruce	Hiler	Packard
Burton (IN)	Hillis	Parris
Byron	Hopkins	Pashayan
Callahan	Howard	Penny
Campbell	Hubbard	Petri
Carney	Huckaby	Porter
Carper	Hunter	Price
Carr	Hutto	Pursell
Chandler	Hyde	Quillen
Chappell	Ireland	Rahall
Chappie	Jeffords	Ray
Cheney	Jenkins	Regula
Clinger	Johnson	Ridge
Coats	Jones (OK)	Rinaldo
Cobey	Kanjorski	Roberts
Coble	Kaptur	Roemer
Coleman (MO)	Kasich	Rogers
Combest	Kemp	Rose
Conte	Kindness	Rostenkowski
Coughlin	Kleczka	Roth
Courter	Kolbe	Roukema
Craig	Kolter	Rowland (CT)
Crane	Kramer	Rowland (GA)
Daniel	Lagomarsino	Rudd
Dannemeyer	Lantos	Russo
Darden	Latta	Saxton
Daub	Leath (TX)	Schaefer
Davis	Lehman (CA)	Schneider
DeLay	Lent	Schuette
Derrick	Levin (MI)	Schulze
DeWine	Lewis (CA)	Sensenbrenner
Dickinson	Lewis (FL)	Sharp
Dingell	Lightfoot	Shaw
DioGuardi	Lipinski	Shelby
Donnelly	Livingston	Shuster
Dornan (CA)	Lloyd	Sisisky
Dowdy	Loeffler	Skeen
Dreier	Lowery (CA)	Skelton
Duncan	Lujan	Slattery
Durbin	Lungren	Slaughter
Dwyer	Mack	Smith (IA)
Dyson	MacKay	Smith (NE)
Eckert (NY)	Madigan	Smith (NH)
Edwards (OK)	Marlenee	Smith (NJ)
Emerson	Martin (IL)	Smith, Denny
English	Martin (NY)	Smith, Robert
Erdreich	Mavroules	Snowe
Evans (IA)	Mazzoli	Snyder
Fawell	McCain	Solarz
Fiedler	McCandless	Solomon
Fields	McCloskey	Spence
Flippo	McCollum	Spratt
St Germain	Taylor	Whitley
Stangeland	Thomas (CA)	Whittaker
Stenholm	Thomas (GA)	Wise
Strang	Torricelli	Wolf
Stratton	Valentine	Wyden
Stump	Vander Jagt	Wylie
Sundquist	Volkmer	Yatron
Sweeney	Vucanovich	Young (AK)
Swindall	Walker	Young (FL)
Tallon	Watkins	Young (MO)
Tauke	Weber	Zschau
Tauzin	Whitehurst	

NOT VOTING—31

Annunzio	Hefner	Roe
Badham	Holt	Shumway
Barnard	Horton	Siljander
Beilenson	Jones (NC)	Vento
Brown (CA)	Lott	Weaver
Conyers	Lowry (WA)	Whitten
Dicks	Luken	Wilson
Dixon	Mitchell	Wirth
Fish	Owens	Wortley
Ford (TN)	Pepper	
Hatcher	Ritter	

□ 2230

Messrs. BATES, JONES of Oklahoma, KINDNESS, and MOAKLEY changed their votes from "aye" to "no."

Mr. ANTHONY changed his vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 333, noes 71, not voting 29, as follows:

[Roll No. 200]

AYES—333

Alexander	Broomfield	Dannemeyer
Anderson	Brown (CO)	Darden
Andrews	Broyhill	Daschle
Applegate	Bruce	Daub
Archer	Bryant	Davis
Armey	Burton (IN)	de la Garza
Aspin	Bustamante	DeLay
Atkins	Byron	Derrick
AuCoin	Callahan	DeWine
Badham	Campbell	Dickinson
Barnard	Carney	DioGuardi
Bartlett	Carper	Donnelly
Barton	Carr	Dorgan (ND)
Bateman	Chandler	Dornan (CA)
Bates	Chappell	Dowdy
Bennett	Chappie	Dreier
Bentley	Cheney	Duncan
Bereuter	Clinger	Durbin
Bevill	Coats	Dwyer
Biaggi	Cobey	Dyson
Bilirakis	Coble	Early
Bliley	Coelho	Eckart (OH)
Boehlert	Coleman (MO)	Eckert (NY)
Boggs	Coleman (TX)	Edwards (OK)
Boland	Combest	Emerson
Boner (TN)	Conte	English
Bonker	Cooper	Erdreich
Borski	Coughlin	Evans (IA)
Bosco	Courter	Evans (IL)
Boulter	Craig	Fascell
Boxer	Crane	Fawell
Breaux	Daniel	Fazio

Feighan	Long	Roth
Fiedler	Lowery (CA)	Roukema
Fields	Lujan	Rowland (CT)
Flippo	Lungren	Rowland (GA)
Florio	Mack	Rudd
Foglietta	MacKay	Russo
Foley	Madigan	Saxton
Fowler	Manton	Schaefer
Franklin	Marlenee	Schneider
Frost	Martin (IL)	Schroeder
Fuqua	Martin (NY)	Schuette
Gallo	Martinez	Schulze
Gaydos	Mavroules	Schumer
Gejdenson	Mazzoli	Sensenbrenner
Gekas	McCain	Sharp
Gephardt	McCandless	Shaw
Gibbons	McCloskey	Shelby
Gilman	McCollum	Shuster
Gingrich	McCurdy	Sikorski
Goodling	McDade	Sisisky
Gordon	McEwen	Skeen
Gradison	McGrath	Skelton
Gray (IL)	McHugh	Slattery
Gregg	McKernan	Slaughter
Grotberg	McKinney	Smith (FL)
Guarini	McMillan	Smith (IA)
Gunderson	Meyers	Smith (NE)
Hall (OH)	Mica	Smith (NH)
Hall, Ralph	Michel	Smith (NJ)
Hamilton	Mikulski	Smith, Denny
Hammerschmidt	Miller (CA)	Smith, Robert
Hansen	Miller (OH)	Snowe
Hartnett	Miller (WA)	Snyder
Heftel	Moakley	Solarz
Hendon	Molinari	Solomon
Henry	Mollohan	Spence
Hertel	Monson	Spratt
Hiler	Montgomery	St Germain
Hillis	Moody	Staggers
Hopkins	Moore	Stallings
Horton	Moorhead	Stangeland
Howard	Morrison (WA)	Stenholm
Hoyer	Murphy	Strang
Hubbard	Murtha	Stratton
Huckaby	Myers	Stump
Hughes	Natcher	Sundquist
Hunter	Neal	Sweeney
Hutto	Nelson	Swindall
Hyde	Nichols	Tallon
Ireland	Nielson	Tauke
Jeffords	Nowak	Tauzin
Jenkins	O'Brien	Taylor
Johnson	Olin	Thomas (CA)
Jones (OK)	Ortiz	Thomas (GA)
Kanjorski	Oxley	Torres
Kaptur	Packard	Torricelli
Kasich	Panetta	Traxler
Kemp	Parris	Udall
Kennelly	Pashayan	Valentine
Kindness	Penny	Vander Jagt
Kleczka	Petri	Volkmer
Kolbe	Pickle	Vucanovich
Kolter	Porter	Walgren
Kramer	Price	Walker
LaFalce	Pursell	Watkins
Lagomarsino	Quillen	Weber
Lantos	Rahall	Whitehurst
Latta	Ray	Whitley
Leath (TX)	Regula	Whittaker
Lehman (CA)	Reid	Wise
Lent	Richardson	Wolf
Levin (MI)	Ridge	Wright
Lewis (CA)	Rinaldo	Wyden
Lewis (FL)	Roberts	Wylie
Lightfoot	Robinson	Yatron
Lipinski	Roemer	Young (AK)
Livingston	Rogers	Young (FL)
Lloyd	Rose	Young (MO)
Loeffler	Rostenkowski	Zschau

NOES—71

Addabbo	Dellums	Hayes
Akaka	Dingell	Jacobs
Anthony	Downey	Jones (TN)
Barnes	Dymally	Kastenmeier
Bedell	Edgar	Kildee
Berman	Edwards (CA)	Kostmayer
Bonior (MI)	Ford (MI)	Leach (IA)
Boucher	Frank	Lehman (FL)
Brooks	Garcia	Leland
Burton (CA)	Glickman	Levine (CA)
Clay	Gonzalez	Lowry (WA)
Collins	Gray (PA)	Lundine
Coyne	Green	Markey
Crockett	Hawkins	Matsui
Mineta	Roybal	Towns
Morrison (CT)	Sabo	Traficant
Mrazek	Savage	Visclosky
Oakar	Scheuer	Waxman
Oberstar	Seiberling	Weiss
Obey	Stark	Wheat
Pease	Stokes	Williams
Perkins	Studds	Wolpe
Rangel	Swift	Yates
Rodino	Synar	

NOT VOTING—29

Ackerman	Hatcher	Roe
Annunzio	Hefner	Shumway
Beilenson	Holt	Siljander
Brown (CA)	Jones (NC)	Vento
Conyers	Lott	Weaver
Dicks	Luken	Whitten
Dixon	Mitchell	Wilson
Fish	Owens	Wirth
Ford (TN)	Pepper	Wortley
Frenzel	Ritter	

□ 1050

So the amendment was agreed to.

The result of the vote was announced as above recorded.

● Mr. PANETTA. Mr. Chairman, as the author of the Military Family Services Act, H.R. 1371, I am pleased today to stand before you and discuss the great strides we are in the process of making in advancing the cause, and improving the living standards of the men and women who serve this country in uniform, and of the families to whom they are responsible. This Defense Authorization Act contains many of the key elements in my bill. It contains programs for, and pledges equity to the military family; a unit from whom we expect so much, and repay so little. But I am also a little sad today, because I know the tragic catalyst that set into motion the chain of events that ultimately resulted in these improvements.

The 16th District—which I represent—has a large military population, and several military installations. My constituents on the Monterey Peninsula are proud to claim Fort Ord as our own, as well as the Defense Language Institute, and Fort Hunter Liggett, among others. We are proud because these institutions are unique. But, in many ways they are similar to military facilities the world over; the servicemen and women who work and live on these posts are subject to the same challenges and the same sacrifices.

Military families are special units because they have joined in the service of our country. Perhaps only one member of the family is a member of the Armed Forces, but it is the entire family that shares in that service. Since 1960, the percentage of married active-duty personnel has nearly doubled. Today, there are more than 2.1 million active-duty personnel in the service of this country, and they have almost 3 million dependents. That, Mr. Chairman, is an incredibly large figure, and one that is expected to continue growing in the coming years.

We expect so much of our uniformed personnel; we expect them to be willing to accept new assignments far away from family and friends, we expect them to pack up their families and move across the country, or the ocean, and we expect them to remain silent about the financial and emotional burdens such expectations inflict. Furthermore, the average military family moves once every 2 years, creating a vicious circle of financial troubles and personal stress from which a family cannot sufficiently recover before being forced to move again.

I believe this is too much to expect. And I am hopeful that the Department of Defense Authorization Act is a first step toward easing these burdens and lower these expectations.

First of all, the authorization recommends a 3-percent increase in the rates of basic pay, basic allowance for quarters, and basic allowance for military personnel to take effect next January. This, I believe, is a necessary step to allow the military family to keep up with a rising cost of living.

Second, the authorization would effect several adjustments in the variable housing allowance; recommending the elimination of certain windfalls and the payment of the variable housing allowance and the basic allowance for quarters in advance. These recommendations attempt to soften the problems caused by the chronic shortage of government housing in and around many military posts and the almost insurmountable challenge posed by having to make security deposits in advance when renting a housing unit.

It is especially hard to make these security deposits when you and your family have moved from one post to another at your own expense. By the time a military family gets to its new post, there is often not enough money to make downpayments on housing, and the military family is in debt from the outset.

Reimbursement may very well come later for some traveling expenses, but the Air Force estimates that for every $4 service members spend on permanent-change-of-station moves, only $1 is reimbursed. The Air Force also found that one-half of all Air Force personnel must either borrow money or utilize some portion of their savings to pay for these moves. These moves are Government ordered. Ought not the Government assume a greater share of the burden for this travel?

In order to address these problems, the DOD authorization recommends approval of the President's request to: First, increase the household goods weight allowance for all pay grades; second, provide a temporary lodging expense for up to 4 days at a maximum of $110 per day; third, reimburse junior enlisted members for the cost of dependent travel in the continental United States; and fourth, provide a

mileage reimbursement for dependents under 2 years of age. These are necessary steps, and the Committee on Armed Services has noted that they can all be achieved within the existing authorization.

The committee also recommended that the House approve the Defense Department's plan for providing dental care to active duty personnel and their dependents through the Civilian Health and Medical Program of the Uniformed Services [CHAMPUS]. This program, at a cost of $105 million in fiscal year 1986, is a worthwhile investment in our military personnel.

In other matters, the committee recommends lengthening overseas tour lengths to 36 months, in order to cut down on permanent change of station moves, and establishes an Office of Family Policy within the Department of Defense. This office would oversee existing military family programs and make program and policy recommendations.

All together, the programs in the Department of Defense authorization aimed at helping raise the standard of living for military personnel and their dependents, will cost $773 million. That is, without a doubt, a great deal of money. But this is not a frivolous expenditure. This is an investment in our Armed Forces and the military families who serve this country.

One of the unfortunate aspects of our annual discussions on the defense budget is the primary focus on weapons systems and research and development. These programs have, without doubt, important strategic and fiscal considerations. But they are not the only important aspects of the defense budget, because weapons systems and R&D are not the only important aspects of our national defense.

Weapons systems are, after all, only as good as the men and women who operate them; and research and developmental projects on which we spend billions are only as good as the men and women who work on them. Each year we appropriate billions of dollars on these expensive weapons and programs, and yet we balk when an opportunity comes to uplift the standard of living of our Armed Forces, on whom we depend so much.

The Armed Services Committee has forwarded a balanced program to begin to pay back all that our military personnel contribute. It is not an end; it does not have all the answers, but it is a good beginning. I ask you, Mr. Chairman, and all my colleagues to join with me in approving this funding for our military families. Let us begin to lessen the burden on these dedicated individuals, and try to ease the pang of sacrifice that touches so many of our uniformed men and women.●

● Mr. FAZIO. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Florida [Mr. HUTTO]. We, along with a number of our colleagues have actively worked together over the past several years to ensure that the Department of Defense does not contract out firefighting and police security services. We have done this because we believe that these functions are so crucial to the safety and operations of all of our military installations that they must be under the direct control of the base commanders.

Two years ago, the House overwhelmingly passed a similar amendment which placed a 2-year moritorium on contracting out of these functions. That amendment also required that the Department of Defense, in consultation with the U.S. Fire Administrator of the Federal Emergency Management Agency [FEMA], to submit to the Congress a report assessing the special needs of the Defense Department with respect to firefighting and security services, and assessing how these needs were met by Federal employees and contracted personnel.

In what appears to be a pattern that has developed within this Department of Defense on matters related to limitations on contracting out, Secretary Weinberger's report fell far short of the requirements set forth in the legislation.

Just this past Friday, the House overwhelmingly passed an amendment offered by Mr. NICHOLS to exempt from contracting our core logistics functions. His amendment was made necessary by the fact that Mr. Weinberger ignored the legislative mandate set forth in the fiscal year 1985 DOD Authorization bill to provide to the Congress a list of functions that are so vital to our national security that they should not be contracted out. Rather than comply with the clear intent of Congress, the Secretary submitted a list that set forth things—real estate, equipment, physical plant—instead of the people that perform these activities.

It would appear, that the Secretary has placed a higher priority on contracting out vital activities performed by our skilled and dedicated Federal work force, than on maintaining in-house capabilities.

Mr. Secretary, the House of Representatives is again today letting you know that we will not tolerate the type of response you have given the Congress. Firefighting and base security activities are essential to the ability of a base commander to perform his mission and to ensure the safety and security of his base and those who work and reside on it. These are "inherently governmental activities" and as such should only be performed by Federal employees. Since the Secretary has chosen not to define these activities as such, the Congress will place a moratorium on contracting out of these functions, until the Secretary through his report can convince us otherwise. Hopefully, this year, the Secretary will fully comply with this legislation.

I urge my colleagues to support this amendment.

● Mrs. MARTIN of Illinois. Mr. Chairman, I commend the Armed Services Committee for providing language which questions the policy of procuring foreign-made machine tools for use in our Defense Department arsenals, shipyards, and air logistic centers, etc.

Based on my analysis of this policy and its resultant effects, I believe continuation of the practice of DOD procurement of foreign machine tools—solely on the basis of price—poses a serious threat to national security. In addition, this practice has resulted in a significant loss of business for U.S. machine tool builders.

The U.S. machine tool industry is critical to the defense mobilization base and to the international competitiveness of our national economy. However, it has been severely crippled by a flood of subsidized imports. Last year, 48 percent of the machine tools installed in the United States were imported and the trend is continuing.

Our Nation must realize, as do all other industrialized nations, that life as we know it is impossible without modern machine tools. These tools are job makers in the truest sense. They help generate wealth, but they also do far more that that—they form the base for our entire industrial system, our mass production of goods, our economic strength and growth, our increased productivity, and our high standard of living. And last, but not least, machine tools are the foundation of a viable defense industry.

The United States is the only nation that procures foreign machine tools for their Defense Establishments if the required tools are available from domestic sources.

The unavailability of replacement machines, critical components, spare parts and service from foreign producers during a national security crisis, would directly threaten the continued operation of these essential and unique DOD facilities.

I think it is commendable that my colleague, congressman LEATH initiated action in committee to question this defense policy. Incidentally, he does not have a machine tool constituency in his district. I'm sure he sees this policy as a threat to national security and it certainly warrants prompt corrective action by the Department of Defense.

In addition, I am inserting a copy of language which appeared in Committee Report 99-81 of the fiscal year 1986 Department of Defense Authorization Act.

OVERSEAS PROCUREMENT OF MACHINE TOOLS

The committee is concerned that government owned facilities under control of the Department of Defense (arsenals, shipyards, air logistic centers, etc.) may be procuring a high percentage of foreign-made machine tools for use in these establishments. The unavailability of replacement machines, critical components, spare parts and service from foreign producers during a national security crises, would directly threaten the continued operation of these essential and unique defense facilities and would seriously compromise the security of the weapons systems produced by the foreign machine tools.

The committee questions whether the following Federal Supply Classes of metalworking machinery should be exempted from the provision of existing Memoranda of Understanding (M.O.U.) in the future. The classes in question are 3408, 3410-3419, 3426, 3433, 3441-3443, 3446, 3448, 3449, 3460, 3461. The committee, therefore, requests that the department undertake a review of existing machine tool procurement policy with particular emphasis on the ability of the U.S. defense industrial base to meet defense and related strategic requirements in the event of conflict or other disburbance in Europe that would disrupt our ability to procure additional machine tools and maintain those tools currently on hand. The results of review should be provided to the committee by December 31, 1985.●

● Mr. FRENZEL. Mr. Chairman, I support the Brown-Coughlin amendment to limit the testing of antisatellite weapons [Asat's].

The primary reason for our Asat Program is to counter a similar system developed by the Soviet Union. The Soviets have developed a system, with limited success. They, too, need to conduct many more tests before they can have a workable Asat.

For the moment, the Soviets have suspended testing of their Asat. So have we. The Brown-Coughlin amendment makes it clear that if the Soviets begin to test again, we can and should do likewise.

In the meantime, I believe that a limit on tests is a pretty sensible idea. It would preserve the ABM Treaty, at least for so long as the Soviets don't violate it. The costs of the Asat system is estimated to be high; perhaps $4 billion for our aircraft-based system.

Moreover, the Asat systems developed by the United States and the U.S.S.R. are relatively primitive. Experts indicate that ours is a little bit better. However, both are good only against satellites in low orbits. The satellites with very high military value, the ones which we would like to be to destroy, are in high orbits. Attacking them will require an Asat of much greater sophistication and cost. I fear that beginning with rudimentary Asat's may be only a downpayment on a terribly expensive new arsenal of weapons.

I am also concerned about the effect of Asat weapons on nuclear weapons and arms control. Satellite capability is essential to monitoring Soviet compliance with our current treaties, and warning against aggression, including nuclear attack. They are truly our first line of defense. One purpose of Asat weapons is to blind an opponent prior to an attack. As a result, Asat's have the potential to be terribly provocative.

The Brown-Coughlin amendment is a sensible, prudent approach. Should the Soviets choose to renew efforts in this area, we will, too. In the meantime, we contribute to restraint. I urge its adoption.●

● Mr. HOWARD. Mr. Chairman, I rise in strong support of the Boxer amendment. We are all too well aware of the numerous accounts concerning how defense contractors are overcharging the U.S. Government. It is my belief that this amendment will be a big step in preventing this type of abuse in the future.

We are told that defense contractors work with an average efficiency rate of 33 percent. Other private sector manufacturers work with an efficiency of 95 percent. Why? Is it because the competition in the nondefense private sector forces each company to try to be better than the others? Are defense contractors wasting the taxpayers money with their lack of an efficient work force? From the information we have now, that question is difficult to answer.

In order to understand how this efficiency occurs, we need facts. Without the necessary facts there is nothing that can be proposed to eliminate inefficiency. If adopted, the Boxer amendment will give us the facts. It gives us a readily available list, kept by the Department of Defense, of a contractor's cost and pricing performances—showing the proposed cost, the negotiated cost, and the actual cost of a contract.

Moreover, this amendment calls for detailed itemizing of labor costs, material costs, subcontract costs, overhead costs, general and administrative costs, fee or profit, recurring costs, and nonrecurring costs. All these would be systematically recorded for future use by Congress in determining how to increase the efficiency of defense contractors.

With this information we will be able to compare what it should take to accomplish a contract with what it actually takes a defense contractor to complete the contract. With efficiency ratings as low as 13 percent in some cases, these comparisons are useful in assessing the awarding of future contracts. The Boxer amendment would give us should-cost estimates of past contracts. This will provide insight so that in future defense contracts, an accurate rendering of expected work standards could be included to insure a higher efficiency rate than the alarmingly low ones seen from so many defense contracts now.

This amendment does not cost an exorbitant amount of money to implement. Most companies keep labor efficiency records stored for their own use. The data would just be forwarded to the Department of Defense. This is the first step toward a comprehensive examination of how well our defense contractors are using taxpayers' dollars. I strongly urge my colleagues to support the Boxer amendment.●

● Mr. RICHARDSON. Mr. Chairman, I wish to commend the Armed Services Committee for supporting the concept of buyout. Section 932 of the defense authorization bill provides for a one time payment of $41.1 million to Roane and Anderson Counties and the city of Oak Ridge, TN. This is much preferable to the yearly payments and increases the spirit of cooperation between the counties and the Department of Energy.

Section 932 also provides for a report to Congress by the Secretary of Energy on whether there is need for any further financial assistance payments to local government entities. I hope that the conference committee works out differences with the other body in favor of the buyout concept. I am aware that Los Alamos County is seeking the same sort of arrangement with the Department of Energy in fiscal year 1987 and that county officials are now completing a proposal to this effect. I think that this would be good for Los Alamos County and for the DOE and I trust that the subcommittee will act favorably on the buyout concept again new year.●

● Mrs. KENNELLY. Mr. Chairman, I rise to oppose the amendment to delete funds for the C-17.

Let me begin by quoting the senior Senator from Georgia. He said:

> Those who advocate a strong national defense, in both political parties must start asking, "Where are we going, and what are we getting?" Rather than simply "How much should we spend?"

Because I agree with that observation, I must disagree with this amendment. The C-17 Program is one that helps us get something critically important: a strong conventional defense.

Part of this strong conventional defense must be a strong airlift capability. Moving troops and equipment to where they are needed is a vital element of our national defense plan. And let me be very clear about this: The C-17 is the best airlifter to meet our needs, for two reasons: capabilities and cost.

The C-17 has capabilities that other aircraft don't have. It is the only aircraft that can provide both inter- and intra-theater capabilities. It can transport troops and equipment over great distances to the most primitive airstrips, making many possible combat areas accessible.

And the C-17 is cost effective. Between savings on personnel and other

operating expenses, the 30-year life cycle cost for the C-17 is $16 billion less than that of the next alternative.

Mr. Chairman, the C-17 won a 2-year-long competition. We have spent another 4 years in research and development. Last year, full engineering development began. The program is on track and there is absolutely no reason to derail it now.●

● Mr. KASTENMEIER. Mr. Chairman, I rise in support of the Brown-Coughlin amendment to prohibit the testing of antisatellite weapons against objects in space unless the President certifies that the Soviets, who have not tested their ASAT weapon system since 1982, resume ASAT testing.

The two superpowers are on the threshold of propelling the arms race into space. The United States and the Soviets are now developing weapons to destroy the satellites on which both sides increasingly depend upon for communications and intelligence gathering. The Soviet Union has already tested its ASAT system meant to kill low-orbiting American satellites a number of times over the years. The U.S. system is still undergoing preliminary testing. The Soviets ASAT program, however, is a cumbersome and inflexible ground launched one in comparison to the mobile, F-15 based U.S. system. It is beyond doubt that the U.S. air-launched satellite killer weapon is clearly superior to the Soviet version.

The Reagan administration is moving to complete development and deployment of the F-15 launched, direct ascent ASAT interceptor. It is the policy of the administration not to engage in any ASAT negotiations. The ASAT Weapons Program, however, is serious business. Successful ASAT's could paralyze the strategic defenses of the United States and the Soviet Union, depriving them of the means to control their own strategic forces and detect those of their foe. Many believe that the relative status and potential capabilities of the current United States and Soviet ASAT systems make it advantageous for the United States to agree to an immediate joint moratorium of further ASAT space tests, to be followed by negotiations banning ASAT's. This is the only sensible way to stop both sides from taking the dangerous plunge into the first phase of star wars.

Although the Reagan administration maintains that an Asat treaty is infeasible, there are many satellite designers and intelligence analysts who take issue with the administration's position. The administration maintains that Soviet compliance with a total Asat ban could not be adequately verified. But former CIA Director William Colby, last year claimed that the risk of undetected Soviet cheating pales in relation to the overall benefits of an ASAT Treaty. Writing in the May 1984 issue of Science, Mr. Colby said, "We are better off if an activity is essentially stopped, even with a possibility for marginal cheating, than we are if the technology is left unconstrained." Leslie Dirks, former CIA deputy director for research and technology stated in the same article, "I'm quite confident that testing things surreptitously in space is a hard thing to do, and the United States has a very robust detection capability in this area."

Administration officials also argue that the Soviets could secretly test the technology needed for so-called space mines or satellites capable of maneuvering near their targets and exploding on command. This position also has come under challenge. James Reynolds, a manager of aerospace activities for the Northrop Corp., who formerly managed the Navstar and Satellite Communication System Programs for the space division of the U.S. Air Force, reported in the May 1984 issue of Science, "The people who postulate this threat don't know a spacecraft from a frying pan. It is highly improbable." Reynolds further explained:

> You are talking about a complicated space system, with multiple rockets, sensors, payloads, and ground control. The mines must be situated next to everything of importance we have in space. And they must be on-line 24 hours a day, ready to detect evasive maneuvers and come after us, even though it takes twice as much fuel to follow as it does to evade. How much do you think the Soviets are willing to spend on this? How many mines will it take to guarantee 98 or 99 percent success? Virtually an infinite number! Now are they dumb enough to spend all their resources on that, or are they more likely to build more missiles or put more tanks in Eastern Europe? There's a smarter way to fight a war.

Mr. Chairman, since this administration has yet to produce an effective confidence-inspiring arms control policy, the Congress should delcare its support for beginning negotiations to ban Asat's by voting for the Brown-Coughlin amendment.●

● Mr. MANTON. Mr. Chairman, I rise in strong support of the amendments offered by my colleagues to reform defense procurement practices and to penalize those defense contractors who have abused the current system and violated the law. These are vital measures for our national defense and fiscal integrity and should have been adopted years ago.

Mr. Chairman, I support a strong defense. I believe that we must have the hardware and the manpower necessary to defend our Nation at home and abroad and to deter any attempt to undermine our Nation's security or its vital interests throughout the world. During the past several years, the President and the Congress have devoted a great deal of our Nation's resource and taxpayer's dollars to modernize our weaponry and upgrade our facilities. Many of these investments were long overdue and important to our Nation's continued defensive viability.

Unfortunately, in the process of spending more than $1 trillion on defense during the past 5 years, we have allowed many of the Nation's largest defense contractors to reap a massive windfall from fraudulent, abusive, and illegal contracting practices. These abuses, which fill the front page of our Nation's newspapers on an almost daily basis, must be stopped for two important reasons.

First, our Nation is facing a budget crisis of alarming proportions. In an ERA when budget deficits are exceeding $200 billion, we must spend every dollar wisely, particularly on such a vital function as our Nation's defense. Spending Federal tax dollars on $640 toilet seats. $7,400 coffee pots and $9,600 allen wrenches is outrageously wasteful. It is doubly so at a time when we are told we do not have the money to pay for vital domestic programs that protect the poor and the elderly and promote economic growth and development.

Second, this waste and abuse by defense contractors has eroded the quality of our weaponry and weakened our national defense. Due to insufficient field tests, inadequate inspection procedures and a general lack of competition among defense firms, the Pentagon has spent hundreds of millions of dollars on weapons that do not work properly. While the Pentagon is spending more, the Nation is getting less for its defense dollar.

Public outrage and congressional pressure have forced the administration to respond in an all too familiar way. The President has appointed another blue ribbon commission on defense procurement. But we do not need to study the problem further. Americans do not need an expert commission to tell them it is wrong to pay $44 for a 75-cent light blub.

Mr. Chairman, we must restore competition to defense contracting in order to lower cots, improve quality and eliminate waste. I urge Members to support these amendments that reform our defense procurement policies and get tough on those firms that cheat the American taxpayer.●

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. DICKINSON. Mr. Chairman, would the gentleman yield for a question?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding and wonder if our chairman would be kind enough to just recapitulate where we are and where we start off tomorrow morning at 10 o'clock.

Mr. ASPIN. Mr. Chairman, under the unanimous-consent agreement approved earlier today, when the House comes into session at 10 o'clock tomorrow morning, we will begin with the Foley amendment.

As I understand from the Speaker, we are not going to have 1 minute tomorrow so that we will be getting to the committee business right away. And then as soon as we go into the Committee of the Whole on the defense bill, the first business in order is the Foley amendment.

That will continue for as long as it takes with amendments thereto. There is no time limit on the Foley amendment.

At 2 o'clock, under the unanimous-consent agreement, at 2 o'clock all debate and all amendments to title X will end. At that point the gentleman from California [Mr. DELLUMS] under the rule has 1 hour of debate on his substitute amendment. We will then proceed for the 1 hour, or as much of the hour as the gentleman from California [Mr. DELLUMS] consumes.

At the close of that, we will consider amendments printed in the RECORD to title X which may not be offered but which are in the RECORD. Every Member who has an amendment printed in the RECORD is entitled to 5 minutes in support of his amendment, and 5 minutes in opposition, and a vote if they so desire.

Mr. DICKINSON. If the gentleman will yield further, am I correct in assuming now that all titles, including title X, have been closed out so far as amendments and what might be printed in the RECORD will be available tomorrow?

Mr. ASPIN. We can still have amendments printed tonight to title X. All amendments to the first nine titles have been closed out.

Mr. DICKINSON. Would the Chairman consider by unanimous consent closing out title X for amendments?

Mr. ASPIN. I think the trouble is we do have some people who want to put in the perfected version of an amendment in the RECORD tonight. It is not going to matter. We have so many amendments to title X that whether we add a few more or not is not going to matter.

It is going to be the general impatience of the House tomorrow. It is going to be one of those ragged ends where people are shouting "Vote, vote, vote" and we will see who has the guts to get up and offer their amendment against the avalanche of hisses that are going to accompany it, and it is going to be one of those kinds of endings. We will just see how long it lasts.

Mr. DICKINSON. If the gentleman would yield further, it is now 5 minutes to 11. Does the gentleman have any plans for breakfast?

Mr. ASPIN. I would hope we could finish this.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Just briefly, does the gentleman know whether or not the amendment printed in the RECORD by the gentleman from Washington [Mr. DICKS] on SDI is going to be offered tomorrow?

Mr. ASPIN. As I understand it, the gentleman is not going to offer his amendment.

Mr. McCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. McCANDLESS. Mr. Chairman, could you give us an idea of how many amendments are currently printed in the RECORD for purposes of just some kind of assessment?

Mr. ASPIN. I would say to the gentleman maybe 25.

Mr. McCANDLESS. I thank the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURPHY] having assumed the chair, Mr. GRAY of Illinois, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; had come to no resolution thereon.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks, and to include extraneous matter on the bill, H.R. 1872.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENDING THE TIME FOR WHEAT MARKETING QUOTA REFERENDUM

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 822) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Mr. Speaker, reserving the right to object, it is my understanding this has been cleared by the minority, by the minority members of the committee. But is this not the same amendment or bill that the administration had vehement objections to a couple of weeks back?

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. No; this is the bill that passed the House on suspension.

Mr. WALKER. It did pass the House on suspension. But as I recall, at the time it passed the House the administration was vehemently opposed to the passage of the bill. Is that not correct?

Mr. DE LA GARZA. Well, yes, and no. The Secretary of Agriculture has made some statements that he wants to continue with this referendum that would cost $1 million-plus. But the signals are mixed.

So I could not tell the gentleman yes, that the administration is vehemently opposed to it. But that there are some soundings to that effect, it is true.

Mr. WALKER. Well, have there been any changes in this bill since it passed the House in the language the gentleman is substituting?

Mr. DE LA GARZA. What we are dealing with here is the other body did not take our bill but passed their bill which makes it discretionary. We are now attempting to substitute again the House language as it passed here, with one exception, that rather than 30 days after sine die we said immediately after sine die.

We cleared with my distinguished colleague, the ranking minority leader, and also I discussed it with the majority leader in the other body who was agreeable to do this action tonight.

Mr. WALKER. Why can we not go to conference?

Mr. DE LA GARZA. The problem is that we will be adjourning tomorrow, and then if we wait until after the recess the action that needs to be taken, the Secretary would be forced to initiate the process because it has to be in July and it would be too late to stop the process. And all we hear from the Secretary is that he does not intend to hold it, but if we wait too long he is going to have to hold it.

Mr. WALKER. Further reserving the right to object, one more question. Did I understand the gentleman to say that the majority leader of the other body is in favor of this and therefore would take this bill? Is that my understanding of what the gentleman said?

Mr. DE LA GARZA. He told me that he had no objection to it when I dis-

cussed it with him. That is all I can quote.

Mr. WALKER. And so they are going to take this bill on the Senate side?

Mr. DE LA GARZA. That I do not know. That I do not know. But when I discussed it with the majority leader, he smiled, as he always does, and he said he had no objection.

I discussed it with the ranking minority leader over there and with the chairman of the committee, so whether they take it or not I do not know. But the assumption that I got sitting there with him was that go ahead and sent it over, and that is what I am trying to do.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

□ 2300

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty days after adjournment sine die of the first session of the Ninety-ninth Congress.".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DE LA GARZA: Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: 'Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, shall not be conducted before adjournment sine die of the first session of the Ninety-ninth Congress.'.".

Mr. DE LA GARZA. Mr. Speaker, S. 822, as passed by the Senate, will authorize the Secretary of Agriculture to postpone—until 30 days after adjournment sine die of the 1st session of the 99th Congress—the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The pending amendment is in the nature of a substitute for the text of the bill to require the Secretary to defer the referendum until after adjournment sine die later this year. The amendment is similar to H.R. 1614, a bill that passed the House on June 4, 1985. The Senate has not acted on that bill.

The amendment differs from H.R. 1614 only in that it mandates postponement of the referendum until after adjournment sine die instead of 30 days after adjournment sine die.

Mr. Speaker, the amendment is made necessary by the fact that the Secretary of Agriculture has consistently indicated, for the past several months, his intent to proceed with this referendum—which most would agree is a needless, costly, and confusing exercise. Therefore, granting the Secretary the discretion to postpone the referendum, as does the Senate-passed bill, will serve no purpose.

It is reported that Secretary Block has indicated that he might be willing to consider canceling the referendum scheduled for July 19, if he was given the authority. While I find such reports encouraging, acceptance of this amendment today and subsequent enactment of the bill will ensure that this exercise in futility is avoided while Congress works on developing legislation to supersede the referendum requirement.

BACKGROUND

The law currently in effect with respect to the Department of Agriculture's Wheat Program, enacted as part of the Agriculture and Food Act of 1981 and applicable to the 1982 through 1985 crops of wheat, suspends the applicability of the wheat quota and referendum provisions of the Agricultural Adjustment Act of 1938 to those crops of wheat.

In fact, these provisions of the 1938 act have been suspended and supplanted by Wheat Program provisions contained in periodic omnibus farm bills for every crop since 1965. However, without enactment of new legislation or an extension of the 1981 act, the program for the 1986 crop of wheat will be governed by the Agricultural Adjustment Act of 1938.

Under section 332 of the 1938 act, if the Secretary of Agriculture determines that the total supply of wheat in a marketing year, in the absence of a marketing quota program, will likely be excessive, he must proclaim a quota applicable to the marketing year not later than April 15 of the calendar year preceding the year in which the marketing year starts. On April 12, 1985, Secretary Block announced a marketing quota applicable to the 1986 crop of wheat under section 332.

Because the quota for 1986 has been proclaimed, under section 336 of the 1938 act, a referendum on the quota must be held by August 1, 1985, to determine whether producers favor or oppose imposition of the quota.

NEED FOR THE LEGISLATION

Congress is now considering an omnibus farm bill to govern the 1986 and succeeding crops of wheat and other commodities. The wheat program under the new farm bill, once enacted, will take the place of the out-of-date provisions that will be the subject of the referendum, so it is just good common sense to delay the referendum.

That is what the amendment will do. It will require the Secretary of Agriculture to defer conducting the 1986 wheat referendum under the 1938 act until Congress has had the opportunity to complete action on the 1985 farm bill. Specifically, the amendment will postpone the referendum until after the adjournment sine die of the 1 session of the 99th Congress.

Since the conducting of the referendum would involve substantial outlays, perhaps as much as $1 million, approval of the amendment will ensure that the outlay of funds is not made unless needed.

Further, since the Wheat Program under the 1938 act bears little relation to current realities, the referendum would not give our wheat producers a fair choice to vote on.

Therefore, I urge adoption of the amendment.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. SCHUMER. Mr. Speaker, on June 19 and 20 I was unavoidably absent from the House Chamber due to official business. As a result, I missed four recorded votes. I ask unanimous consent that it be recorded in the RECORD that on rollcall 170, I would have voted "no"; on rollcall 173, I would have voted "no"; on rollcall 180, I would have voted "no"; and on rollcall 181, I also would have voted "no."

The SPEAKER pro tempore. Without objection, so ordered.

A LONG OVERDUE HONOR

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. BENTLEY. Mr. Speaker, General Draza Mihailovic of Yugoslavia saved the lives of at least 500 U.S. airmen during the Second World War. A staunch anti-Communist and ally of the free world, he and his forces were betrayed to the Communists by James Klugman, deputy chief of the Yugoslav section of the British intelligence in Cairo.

Because of the influence of Klugman, Mihailovic's forces fought the Nazi successfully with few of the supplies allocated to them by the Allies. They were betrayed by Klugman, a lifelong Communist, so that the country could come under the influence of Russia at the end of the war. Tito, the Communist leader, had Mihailovic executed.

It is a strange thing that, now, when we have seen the true face of communism, when we have spent over a trillion dollars to defend the world against their threat—that many of the American Airmen who were saved by Mihailovic cannot get the support of our Government to build a monument to him on U.S. Government property.

They are told by our State Department that it would upset the present Communist government of Yugoslavia to honor this patriot and friend of our country.

I say "tough!"

I am including for insertion in today's RECORD the tragic story of Mihailovic's betrayal.

FREEDOM'S ALLY SHUNNED BY STATE

(By Milton R. Copulos)

The recent release of previously classified documents from the Top Secret WWII Office of Strategic Services, coupled with startling revelations from abroad, cast new light on one of the war's oldest controversies, and yield important insights into one of the Soviet Union's earliest and most successful disinformation campaigns.

Based on information contained in these documents, it is now clear that the leader of Yugoslavia's nationalist forces, Gen. Draza Mihailovic, was the victim of an active campaign of subversion conducted by James Klugman, a highly placed Communist agent in British Intelligence and close associate of master spy Kim Philby. So successful was Klugman's effort, that it continues to have foreign policy implications to this day.

Efforts are underway to correct the historical record. But the U.S. foreign service establishment refuses to acknowledge what is known today for fear of offending the government of Yugoslavia, one of the few Communist regimes not totally under the Kremlin's thumb.

The tragic story of Mihailovic began when a group of Yugoslav generals, incensed at their nation's signing of the Axis Pact, overthrew Prince Regent Paul, and placed the teenaged King Peter on the throne. Crying betrayal, Hitler ordered his generals to send 33 crack divisions into the country, and force it into submission. He also ordered massive bombing of Belgrade, Yugoslavia's capital, despite the fact that as an "open city" it was supposed to be immune from attack. Twenty thousand people died in the air raids.

Unable to mobilize, the Yugoslav Army quickly disintegrated before the German assault. But the country offered stiffer resistance than the Wermacht anticipated under the leadership of a formerly obscure colonel named Draza Mihailovic.

On hearing of the initial German attack, Mihailovic gathered what forces he could, along with a few pieces of artillery and a few tanks, and led his ragged force to a mountain redoubt.

To his surprise, first hundreds, then thousands and tens of thousands of former soldiers, peasants, and others who wanted to resist the Nazi invaders joined the trek to the mountains. They brought whatever weapons and supplies they could—often WWI-vintage rifles and a little goat cheese. But it didn't matter; all they wanted was to fight the Germans.

What the Yugoslav nationalists lacked in material, they more than made up for with ingenuity. They would hollow out lumps of coal, fill them with explosives, and sneak them into the coal bins on Nazi locomotives. They would loosen railroad ties to cause derailments, and no German patrol with less than full-squad strength could expect to return to its base safely if it ventured into the night.

Moreover, these actions were taken in the face of the harshest reprisals imposed by the Nazis anywhere up to that time. For every German soldier killed, 100 Yugoslavs were executed. In one instance, after some 70 soldiers had died in an engagement, the local Nazi commander emptied a local high school and killed all of the students in order to meet his quota of 7,000 executions.

News of Mihailovic's resistance was needed tonic to the Allies. At the time, France already had fallen and was under the rule of the quisling Petain regime; Britain was fighting a desperate battle for its own survival; and the U.S. had not even entered the war.

There was, however, a dark cloud hanging over the Yugoslav patriot's future. Intelligence reports coming from Yugoslavia began to suggest that Mihailovic might have been collaborating with his nation's German occupiers.

Meanwhile, Communist partisans under Marshal Tito, after initially sitting out the German invasion, and even helping local Nazi commanders identify guerrillas working with Mihailovic, suddenly declared war on Germany after Hitler invaded Russia. Rather than concentrating their efforts on the Germans, however, they spent most of their time attacking nationalist forces under Mihailovic. Still, reports of these actions never seemed to reach Allied headquarters, and, in fact, Tito's forces were credited at times with actions against the Germans which actually were carried out by nationalist forces.

These confused signals led U.S. General "Wild Bill" Donovan to send an agent into Yugoslavia, even though intelligence gathering there was under British operational control. What agent George Muslin found during his eight months with the Mihailovic forces was a poorly supplied, almost desperate band of guerrillas who nonetheless had been able to wage an effective campaign against the Germans. Moreover, they had rescued many U.S. pilots who had been shot down over Yugoslavia returning from bombing raids, and were getting no response on requests for aid in evacuating them.

What Muslin and the nationalists did not know, however, was that James Klugman, deputy chief of the British Intelligence station in Cairo, was trying to undermine the resistance—systematically altering intelligence reports favorable to Mihailovic, or unfavorable to Tito, in order to make it appear that the nationalists were at best imcompetent, and at worst collaborating with the Nazis. Documents now show that Klugman was also sabotaging supply efforts aimed at Mihailovic's forces, so that they received useless things like carbon paper instead of guns and ammunition, while Tito's forces received more arms than they could use.

In the end, Klugman's campaign—coupled with help from Stalin at Yalta, and ongoing cooperation from spy Philby—succeeded in getting the Allies to switch their support from Mihailovic to Tito, despite the fact that Mihailovic's forces were responsible for the rescue and evacuation of 512 American airmen.

Surprisingly, Mihailovic remained loyal to the Allied cause to the end, and held no bitterness towards the U.S. He chose to remain behind after the war, and was eventually caught, imprisoned, and executed by Tito for collaboration, a charge which had been fabricated by Tito's mole in Cairo.

Today, a group of former American airmen is trying to build a monument to Mihailovic in this country as a way of saying thanks for saving their lives. Ironically, the principal opposition comes from the State Department, which claims it might upset Yugoslavia.

Perhaps it might, but somehow it seems that making a small gesture of thanks to a loyal friend and ally is worth a little flack from the Balkans.

WE MUST COME TO TERMS WITH THE POPULATION PROBLEMS THAT PLAGUE THIS EARTH

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous material.)

Mr. SCHEUER. Mr. Speaker, I must disagree with my colleague from New Jersey [Mr. SMITH], on his statement that his amendments to the upcoming Foreign Aid bill would not reduce U.S. funding for international family planning programs.

First of all, the amendments are not needed because the bill already takes into consideration the problems Mr. SMITH wants to address.

The bill already prohibits the use of U.S. funds for population programs in the People's Republic of China.

The bill already requires the U.S. representative to the UNFPA to vote against funding for China.

And the bill already prohibits the use of U.S. population aid funds to pay for abortion as a method of family planning.

Second, let's take a look at what the Smith amendments would do to impor-

tant efforts to control population growth rates across the globe.

Passage of an amendment stating that abortion is not a method of family planning would enable the administration to deny funds to organizations such as the International Planned Parenthood Federation if any of its loosely affiliated subsidiaries used their own funds for any form of abortion-related activity.

Passage of another amendment which would prohibit U.S. funding for any organization which works in a country where coercive activity takes place would cripple the family planning efforts of the United Nations Fund for Population Activities in 115 developing countries.

Ironically, a cutoff of U.S. funds to UNFPA would punish the peoples of many nations who depend on the agency's family planning services, but would have little or no effect on China's program.

The United States provides more than 30 percent of UNFPA's funding, but as I said before, no U.S. funds are used in China.

The UNFPA Program in China amounts to a miniscule 1 percent of the funds China spends on its own to promote family planning.

The Chinese may resent the American intrusion into their domestic matters, but any action we take in Congress will have no affect on China's family planning programs.

A loss of U.S. funding for UNFPA will force women in many countries to resort to abortion because family planning services are not available.

A loss of U.S. funding for UNFPA will sentence the people of many nations to the pitiful effects of overpopulation: starvation, unemployment, poor health care and a life of misery and suffering.

Mr. Speaker, the international population programs provide nations with the wherewithall to reduce their population growth rates and provide their children with a brighter future.

I urge my colleagues to pay close attention to the language of these amendments when they reach the floor.

No one supports the reported activities taking place in China.

Coercion has no place in family planning programs.

But we must look at the long term need to come to terms with the population problems that plague many corners of our Earth.

THIS IS NOT POPULATION CONTROL—THIS IS BARBARISM

(By Christopher H. Smith)

The Post's editorial ["Family Planning Frenzy," June 12] against my amendments to the Foreign Assistance Authorization was long on accusations and very short on facts. Neither of my amendments would reduce U.S. funding for international family planning programs by one penny. Why, then, the near hysteria provoked by my proposals? If, as The Post implies, there is a hidden agenda in this debate, I would suggest that it belongs to some of the opponents of my amendments. For them, it is the legitimization of the notion that population control should go full speed ahead, regardless of the means used.

In 1983, following extensive reports concerning the coercive nature of the population control program in the People's Republic of China, a U.N. official expressed "grave misgivings" to Post reporter Michael Weisskopf, pointing out that the United Nations "could not assist a family planning program with an official coercive policy." Nonetheless, the evidence continued to mount. Foreign observers recorded the rounding up of pregnant women for forced abortions; women thrown into pig baskets and dragged to the abortion clinic, women desperately fleeing the hospital only to be captured hiding in the fields and dragged back for the abortion; women, photographed very late in pregnancy, held down on the operating table under the doctor's knife.

Literally millions of other women are annually compelled to submit to abortion through incarceration, brainwashing sessions, severe economic penalties and other somewhat less brutal but equally effective methods.

This is not population control. This is barbarism. And my amendments would ensure that the United States—and the U.N. agency that gets more than 30 percent of its budget from the United States—will have nothing to do with such practices. If the United Nations Fund for Population activities (UNFPA) wants to receive U.S. money it will have to convince the PRC to cease its brutally coercive practices or sever its ties to China's program.

And those ties are many and strong. In addition to providing outright grants, the United Nations gave a cash award to China's family planning director. According to the PRC, that honor for China's "most outstanding contribution to the awareness of population questions" put the "imprimatur of the world body on china's family-planning efforts."

Some of my colleagues propose to deal with that situation through cosmetic restrictions. The Kassebaum and Snowe amendments, praised by The Post, do little more than require the UNFPA to do something it has already done: set up a bookkeeping system that segregates, on paper, the U.S. contribution from the grants to China. That would make no difference at all. It is as if the United States had given money to the League of Nations, which then funded a Nazi census of European Jewry. Bookkeeping tricks cannot conceal responsibility.

A few months ago, The Post was properly outraged about all this. In an editorial on Jan. 10, following Weisskopf's incisive three-part series, The Post described China's policy as "openly coercive and brutal: mandatory abortion, induced stillbirth, the strangling of the newborn." As the editorial said, "That the state actively sanctions and sponsors these means underlines the dilemma."

So we agree about the problem. Why can we not agree upon a real solution, as opposed to sleight-of-hand legislation that changes nothing and keeps pregnant Chinese women under a reign of terror?

A NEW MOVIE: "RONALD REAGAN MEETS REALITY"

(Mr. FRANK asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. FRANK. Mr. Speaker, we are again indebted to the gentleman from Illinois, because Members of the House want to follow the rules, I believe, but sometimes it gets a little difficult. When the majority leader alluded to the other body, there were some objections on the other side; when Members on the other side wanted to repudiate the other body—and I certainly understand why they wanted to do it—there were no objections.

So we are getting a little selective in the enforcement of the rules, and I think it might help if we explained it. Let me say, speaking purely hypothetically, without reference to anyone having done anything, it is no violation of the rules for the President to lie; it is a violation of the rules for a Member of the House to point out that a particular President may have lied in a particular situation.

It is no violation of the rules for Members of the other body to break up a conference report because they want to cut Social Security, but it would be a violation of the rules here for Members to mention it. So if Members can keep that in mind, they may better understand all this.

The point, however, remains the same. We are in difficulty over the budget process now because the President of the United States, who said last year during his campaign that he would not reduce Social Security benefits, including the cost-of-living increase, has changed his mind. Of course, he has changed his mind, as the gentleman from Illinois pointed out, on a lot of things—about how to deal with hostages, about SALT II, and about a whole range of things.

Mr. Speaker, I think what we may finally be seeing is the final movie of Ronald Reagan. There was the genre of "Abbott and Costello Meet Frankenstein," and the "Three Stooges Meet Dracula." We have a new movie now called "Ronald Reagan Meets Reality."

Several quotes follow:

RONALD REAGAN IN DEBATE WITH WALTER MONDALE, OCTOBER 7, 1984

"With regard to Social Security, I hope there will be more time than just this minute to mention that. But, I will say this: a President should never say never but I'm going to break that rule and say never. I will never stand for a reduction of Social Security benefits to the people that are now getting them."

"Let's lay it to rest once and for all. I told you never would I do such a thing. But, I tell you also that Social Security has nothing to do with the deficit. Social Security is totally funded by the payroll tax levied on the employer and the employee. If you

reduce the outgo of Social Security, that money would not go into the general fund to reduce the deficit. It would go into the Social Security trust fund. So, Social Security has nothing to do with balancing the budget or erasing or lowering the deficit."

COST-OF-LIVING ADJUSTMENTS

"Well, I have to say my pledge during the campaign carried with it the clear implication that present Social Security beneficiaries would get the cost-of-living increases as well. I made that pledge and so, therefore I feel bound by it."

(Ronald Reagan—Human Events, December 6, 1984.)

POPULISM

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEAVER. Mr. Speaker, I wish to place in the CONGRESSIONAL RECORD an editorial from the July 1, 1985, edition of the Spotlight, a weekly paper published in Washington, DC. The Spotlight calls itself a "populist" paper and this editorial is certainly an example of populist philosophy. As one who has long called himself a nationalist, an isolationist and a protectionist, I find the central point of this editorial to be on target.

Many people are puzzled that "populism" has been espoused recently by both those who have been known as conservatives and those who have been known as liberals. Can it make sense for both sides of our political spectrum to espouse the same ideas? It certainly can. Populism is primarily two things: the little guy against the bigs, and secondly but just as important, protecting your own turf first. Our Nation has too long gone the way of the multinational corporations and banks and in doing so we have lost jobs—indeed, whole industries—to foreign nations; we have got ourselves into foreign swamps we cannot get ourselves out of, and we will likely get ourselves into a financial debacle that will cause an economic depression in our Nation. It is time to act for America first. It is time to protect our own shores, our own jobs and our own resources.

This editorial from the Spotlight casts light on one critical aspect of the populism we need in our Nation today:

POPULISM

By the time you read this the hostage situation may have been resolved. At least we hope it will be. But whether it is or not, we must make a very important point about it, a point which is valid and meaningful regardless of this particular incident, because there will be more such incidents in the future, that's certain.

The point is one that we have made often and lies at the core of the nationalist and populist philosophy which makes this newspaper different from every other one you read. It is simply that we have permitted our country to become enmeshed in the problems of others and there is simply no way we can win.

Our nation has abandoned nationalism and non-intervention in alien affairs and we will be confronted with tragedies like this—tragedies millions of times worse—so long as we permit the internationalists to continue profiting from their deceptive, ruinous policy of internationlism.

We have no business in the Mideast or anywhere else but in America. This simple wisdom was the guiding foreign policy of the United States from the beginning—a policy which was at the bottom of the growth and prosperity and which made America the most powerful nation on Earth.

We have more than enough problems here inside the United States than to try to solve the problems of others. We cannot afford to concentrate our national attention on insoluble problems of foreigners—about which we have no knowledge and neither the wisdom nor means to deal with—at the expense of our native problems.

America has become the most hated nation on Earth because of our meddling.

Internationalism solves no problems; it creates them. Internationalism creates not only more international problems but all sorts of domestic problems.

All of our current foreign problems and most of our domestic ones have been created by our past internationalist policy.

There is no way Secretary of State George Shultz or anyone else can choose good course of action when the underlying policy itself is fatally flawed.

What is wrong is very simple: We should not be meddling in the Mideast in the first place—or anywhere else, for that matter.

It is our meddling which is at fault. Even if you assume the good intentions of those who meddle, it is the meddling itself which must cause the problems and which must suck us deeper and deeper into the morass until we, ourselves, are swamped and suffocated by them.

The truth is, America is not God. We cannot solve our own problems; how then can we solve the problems of others?

Do you see the insanity—the criminal insanity of the policy of internationalism?

To continue to persist in this wicked policy must result in the total destruction of the United States.

This is our message for today and it has been our message since our first issue. It is our message for the future.

Withdrawing from the problems of others is the one and only way to avoid getting caught up and destroyed by these problems.

This means physical withdrawal. Bring our troops home. Defend our borders from aggression. Make it a crime for any American to meddle in the politics of any other country. Arrest and punish any foreigner meddling in our affairs.

You may not like this but would you prefer nuclear war? For that is exactly the alternative.

Unless our foreign policy is radically changed it can only lead to nuclear war, exactly as it inevitably produced World War I, World War II, Korea and Vietnam—four horrible misadventures conceived in treason and greed by the international criminals who literally murdered millions of people to make billions of dollars in profits.

The one and only way to save the United States is to totally junk the philosophy of internationalism—the stupid, childish philosophy that our State Department is wise enough and honest enough to solve the problems of the rest of the world—and to concentrate on solving our problems at home.

There is no other way. To persist in our policy of insane meddling means not merely more tragic incidents like the one we are presently experiencing but nuclear holocaust and its immeasurable consequences—consequences before which everything else pales to total insignificance.

TRIBUTE TO VENITA RITA CLAIR

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. EMERSON. Mr. Speaker, I was saddened last Saturday morning to note in the obituary column of the Washington Post the passing of a friend, Miss Venita Rita Clair, a longtime Capitol Hill staff person. Because of her long and effective tenure here I am sure there are many old friends who remember her well and who were unaware, as I was, of her illness. She died on Tuesday, June 18, at her home in Arlington of heart disease.

Venita's career spanned a period from the late 1930's into the mid-1970's. She worked successively for Representatives HAMILTON FISH of New York, Evan Howell of Illinois, Frances Bolton of Ohio, Charles Porter of Oregon, Robert F. Ellsworth of Kansas, and Gilbert Gude of Maryland.

I first knew Venita in 1961 when she was personal secretary and chief caseworker to Congressman Robert F. Ellsworth and I was a young staff assistant. She was a valued friend, mentor, and coworker. Most of her adult life was her work on Capitol Hill and the diligent pursuit of her responsibilities here. I am sure that among Venita's cherished memories was knowledge of the fact that in her service to many members she had been the instrumentality of helping thousands of constituents receive the effective assistance they sought. There are indeed countless lives in the country today who have benefited from the service of Venita Clair, who are unaware of her name, or what she did. I will be so presumptuous as to say, on their behalf, "thank you, Venita." And on behalf of those of us who knew her well, and whose lives are enriched by having known her, hail and farewell.

[From the Northern Virginia Sun, June 21, 1985]

VENITA CLAIR

Venita Rita Clair, 69, died Tuesday at her Arlington home of heart disease.

She was born Nov. 23, 1915 in New York City.

A graduate of Immaculata Seminary, she worked on Capitol Hill for a number of members of Congress beginning in the 1930's. She retired from the staff of Gilbert Gude of Maryland in 1972.

She was a member of the Order of Eastern Star, Lebanon Chapter 25, in Washington, D.C., and St. Mary's Episcopal Church, Arlington.

She leaves no survivors.

Funeral services and interment will be private.

[From the Washington Post, June 22, 1985]

VENITA RITA CLAIR

Venita Rita Clair, 69, a retired member of the staff of Rep. Gilbert Gude (R-Md.) who had also worked for a number of other congressmen, died of a heart ailment June 18 at her home in Arlington.

Miss Clair was born in New York City. She moved to Washington in 1933 and graduated from Immaculata Seminary.

She began her career on Capitol Hill in the late 1930s. She worked for Reps. Hamilton Fish (R-N.Y.), Evan Howell (R-Ill.), Frances Bolton (R-Ohio) and Charles Porter (R-Ore.). She then joined Gude's staff. She retired in 1972.

Miss Clair was a member of Lebanon Chapter No. 25 of the Order of the Eastern Star.

She leaves no immediate survivors.

THE STARS AND STRIPES FOREVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 5 minutes.

● Mr. QUILLEN. Mr. Speaker, today I am introducing, together with 36 original cosponsors, a bill to designate John Philip Sousa's patriotic masterpiece, "The Stars and Stripes Forever," the national march of the United States.

We have a national anthem and yet no national march.

Each of us can think of public occasions when the performance of a national march would be appropriate. By usage, recognition and popularity, "The Stars and Stripes Forever" is unofficially our national march. I believe we should now make this popular designation official.

"The Stars and Stripes Forever" is one of the most eloquent patriotic statements of all time and is recognized the world over as the American march. Composed on Christmas Day of 1896, the official premiere performance of the march that would resound throughout the world took place before President McKinley and a large crowd assembled for the unveiling of a statue of George Washington in Philadelphia on May 14, 1897.

Since that day down to our own times this forceful yet beautiful march has captured the hearts and the imaginations of Americans as our country's march. People the world over, likewise, recognize "The Stars and Stripes Forever" as the American march.

John Philip Sousa's masterpiece has become an American national symbol. I ask my colleagues to join me and 36 other Members as cosponsors of this bill to designate "The Stars and Stripes Forever" as our national march.

The bill's text:

That the composition consisting of the words and music known as The Stars and Stripes Forever hereby is designated the national march of the United States of America.●

THE MODIFIED RETIREMENT TEST ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GROTBERG] is recognized for 5 minutes.

● Mr. GROTBERG. Mr. Speaker, today I have introduced H.R. 2877, the Modified Retirement Test Act [MRTA]. The MRTA would increase the current Social Security earnings test limit of $7,320 to $24,580, which is the 1983 median family income for the United States. The earnings limit increase would be evenly phased in over 5 years and would apply to individuals 65 to 70 years old.

Under current law, Social Security recipients must give up $1 of Social Security benefits for every $2 worth of income earned over the $7,320 cap. By using Social Security benefits as an income floor and then imposing an income ceiling thru the earnings test limit, the Federal Government is ensuring that more senior citizens will crowd around the poverty level line.

Senior citizens need to become less dependent on Social Security. Sixty-five percent of senior citizens rely on Social Security for more than half of their income, 27 percent rely on Social Security for more than 90 percent of their income, and 15 percent rely on Social Security for 100 percent of their income. According to the U.S. Census Bureau, 22.4 percent of senior citizens have incomes below or within the poverty level.

By gradually raising the earnings test limit, senior citizens would have an incentive to continue to work and to raise their incomes above the poverty level without being penalized. The proposal would, thus, make senior citizens less dependent on Social Security.

Since senior citizens would work more, the Social Security tax base would be expanded and senior citizens would pay a larger amount of Social Security tax. The expanded base and reduced dependency on Social Security and Supplemental Security Income [SSI] would match the small loss that would result from raising the earnings test limit.

The MRTA would be phased in over 5 years. The phase-in period would give both the Federal Government and Social Security recipients an opportunity to adjust to the proposal.

I believe the MRTA would create the incentives necessary to make senior citizens less dependent on Social Security. At this point, I would like to insert a copy of the bill into the CONGRESSIONAL RECORD:

H.R. 2877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Section 203(f)(8)(D) of the Social Security Act is amended to read as follows:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(1)) before the close of the taxable year involved—

"(i) shall be $897 2/3 for each month of any taxable year beginning after 1985 and before 1986,

"(ii) shall be $1,185 3/4 for each month of any taxable year beginning after 1986 and before 1987,

"(iii) shall be $1,473 5/12 for each month of any taxable year beginning after 1987 and before 1988,

"(iv) shall be $1,761 1/12 for each month of any taxable year beginning after 1988 and before 1989, and

"(v) shall be $2,048 3/4 for each month of any taxable year beginning after 1989 and before 1990.".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to taxable years beginning after 1985. Notwithstanding paragraph (8)(C) of section 203(f) of the Social Security Act, nothing in this Act shall cause the failure of any new exempt amount (for individuals not described in paragraph (8)(D) of such section) to take effect as otherwise provided in such section.●

FEDERAL ANNUITY AND INVESTMENT REFORM ACT, H.R. 2869, THE FAIR PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. CHANDLER] is recognized for 5 minutes.

Mr. CHANDLER. Mr. Speaker, today I am introducing a comprehensive legislative package to provide the framework for the needed debate on a national retirement income policy and, specifically, the application of such a policy in reforming the Federal civilian retirement programs.

Over the past few years numerous reports dealing with postretirement cost-of-living adjustments [COLA's] and Federal pensions generally have been issued by several Presidential commissions, the Congressional Budget Office, the General Accounting Office, the Congressional Research Service, and other study and research organizations outside Government. A repeated theme in these reports is the need to take a long-term comprehensive view—that is, the need for a rational and financially sound national retirement income policy. One of the key elements in bringing about such a policy is the extension of Social Security coverage to Federal workers. The cornerstone of this policy is now in place as a result of Congress having adopted via the 1983 Social Security amendments the recommendations of the National Commission on Social Security Reform to place all new Federal workers hired after 1983 under the protection of the Nation's basic retirement system.

In addition to universal Social Security coverage, the various studies have focussed on retirement income goals and benefit adequacy, retirement ages, equity—as between high and low wage workers, long and short service workers, men and women, Federal and non-Federal workers, and different occupational classes—disparities in disability programs, inflation and cost-of-living adjustments, strengthening individual retirement savings efforts, and the adequacy and affordability of program financing; for example, the policies needed to avoid imposing insecurity of future retirees and impossible funding burdens on future working generations.

Those who have studied the Nation's retirement systems stress that new policies should be set not by taking narrow, shortsighted approaches to retirement issues but by fully recognizing the impact that retirement decisions have on the economy as a whole and the implications that today's retirement decisions will have for the decades ahead. Retirement policies should not create financial burdens which will become unacceptable and unsupportable by future workers, but instead should encourage savings, investment, and productivity in a fiscally sound manner. This is necessary if our Nation is to achieve noninflationary economic growth and stability with respect to the various segments of the economy and their related institutions.

My legislation builds on the themes of the above-mentioned studies by taking a long-term approach in establishing a "fair" retirement income policy in connection with the Federal Retirement Program. The FAIR acronym stands for my Federal Annuity and Investment Reform Act of 1985. The FAIR Program sets forth the necessary blueprint for building on the strengths and correcting the weaknesses of the present system of providing retirement income for civilian Federal workers.

Generally the FAIR bill—establishes a defined benefit and voluntary thrift plan arrangement comparable to those found in the private sector to provide supplementary benefits for those Federal employees newly covered under Social Security, conforms the provisions of the CSRS and the new Federal thrift plan to the standards required under the Employee Retirement Income Security Act of 1974 [ERISA], extends the full protections and standards of the Employee Retirement Income Security Act of 1974 [ERISA] to the pension plan or plans established by the U.S. Postal Service for those employees newly covered under Social Security and excluded from coverage under the Civil Service Retirement System, and provides for Social Security coverage for current civil service employees who elect coverage under both Social Security and the revised provisions of the Civil Service Retirement and Disability System applicable to new employees.

In designing the provisions of the FAIR bill, I have taken into consideration the viewpoints of others as to what elements should be included in a "National Retirement Income Policy." The Education and Labor Committee and its Subcommittee on Labor-Management Relations, on which I serve, have recently completed hearings focusing on what business, organized labor, and employee groups think should be included in such a policy.

Clearly, the decisions made for Federal employees with respect to key issues such as vesting, integration, retirement age, and cost-of-living adjustments will greatly influence pension plans offered by competing employers in private and State and local governments sectors. In designing a new plan, the needs of the employees; the impact upon labor-management relations; recruitment and retention incentives; and social policy implications must all be considered.

From the Education and Labor Committee's hearings, one area of consensus stands out—that any National Retirement Income Policy should consist of the three-legged stool relying on Social Security, supplemental employer provided plans and individual retirement savings. Today more and more employers provide a combination of defined benefit and defined contribution plans. While ensuring consistency with the to-be-defined national retirement income policy, I believe we can also encourage individual savings. The FAIR Program recognizes these elements and combines them in a manner to encourage recruitment and retention of competent employees.

First, in order to make the new system comparable with pension practices of major employers of the private sector, a combination defined benefit and defined contribution plan is included.

Unlike under the present system and following the private sector practice, no mandatory employee contributions to the defined benefit plan would be required under FAIR. To encourage the individual savings element of the three-legged stool, employees would be given an incentive to contribute to the defined contribution "Federal thrift plan" through matching employer contributions. When Social Security, the defined benefit and the voluntary defined contribution benefits are taken into account, the so-called Social Security tilt will have been addressed in a manner resulting in combined after-tax earnings replacements rates upon retirement which are roughly comparable at all Federal earnings levels.

The retirement needs of our increasingly mobile population suggests the Federal system be made more flexible with regard to retirement age. Although FAIR provides more comparability with the private sector by including a reduction for each year a person retires under the system's normal retirement age, the availability of the Federal thrift plan accumulations can supplement the defined benefit plan in a flexible manner.

The testimony from congressional hearings is replete with reference to numerous invaluable studies and reports including those from the Congressional Research Service, the General Accounting Office, and the Office of Personnel Management. Most indicate the need for a system comparable with the private sector but which is also affordable.

Current Federal pensions are often the subject of criticism, mainly centered around the cost-of-living adjustment and early retirement. In comparison to the present system, the Congress should investigate ways to make the new system more comparable with private sector practices. Why? In order that the new system will survive the test of time. Not only must Federal employees be provided a sound pension plan, but the design must also be acceptable by the American taxpayer. With Social Security as the base and with needed revisions in both the early retirement and COLA provisions, I believe the design approach of the FAIR bill provides a plan that is attractive yet more affordable than the current system.

Consideration should also be given to providing increased portability of

pensions for workers in both the Federal and private sectors. This is one issue which appears to have growing consensus for inclusion as an important element of a national retirement income policy. Throughout the Labor-Management Subcommittee hearings, frequent complaints were heard about the present situation in private and Federal plans where because of the mobility of the work force, "cashing out" of vast sums of pension assets results prior to retirement. These funds frequently are not reinvested for retirement purposes. Clearly, this is unfavorable both for the economy, which loses savings and capital formation, and for the individual who loses a future source of retirement income to supplement Social Security. The FAIR bill provides incentives for individuals to maintain their employee and employer contributions for retirement purposes and not use them for current consumption. On the other hand after-tax savings by employees are also encouraged so as to improve private sector capital formation and provide accumulated funds to meet other important employee financial needs.

To give further recognition to portability, FAIR continues the current 5-year vesting under the defined benefit plan and provides for immediate vesting under the new Federal thrift plan. Terminated employees with 10 or fewer years of service are given the option to directly transfer the present value of their benefits under the defined benefit plan into the Federal thrift plan. This would create additional funds for more mobile persons in the event of death or disability.

In the interest of honesty in governmental accounting, FAIR also requires each Federal agency to recognize the normal cost of each employee's retirement benefits. The normal cost of the military retirement system is now recognized in this manner and there is no reason to do otherwise in other Federal systems.

The reports of the Universal Social Security Coverage Study Group, several Presidential commissions, and other groups that have studied pension and retirement issues over the past few years have suggested major changes in Federal retirement policies. With the inclusion of new Federal workers under Social Security beginning in 1984, it is now time to move forward to bring about a more rational and defensible retirement structure for Federal workers. Unless Congress acts in 1985 to enact FAIR, or a variant, Federal employees covered under Social Security will be required to increase their Civil Service contributions from 1.3 percent to the full 7 percent paid by old employees, thus reducing take-home pay by 14 percent—7 percent for Civil Service and 7 percent for Social Security, including Medicare.

As a supporter of the private pension system and ERISA standards, I believe much can be learned from the private system in constructing a reasonable and financially sound Federal retirement structure. It is from this background that I have developed this comprehensive legislative program, the Federal Annuity and Investment Reform Act or FAIR.

The purposes and objectives of FAIR are, to provide Federal employees with a Supplemental Staff Retirement Program coordinated with Social Security which is comparable to good retirement programs operated by major employers in the private and State and local government sectors in order: first, that the Federal Government will remain competitive with other employers with which it must compete for qualified employees, and second, that retirement program and Social Security benefits combined will provide a reasonable level of benefit adequacy at all preretirement income levels; to provide Federal employees with enhanced portability of retirement benefits which will permit greater flexibility in retirement planning and which will instill in the system a greater measure of equity as between short-service and long-service employees; to strengthen the financing of the Civil Service Retirement and Disability System by maintaining the one system for both old and new employees, by requiring full dynamic normal costs to be contributed on behalf of new employees as well as current employees, by requiring full employer contributions to amortize the initial unfunded liability over 40 years as a level percentage of payroll, and by providing the opportunity for enhanced investment earnings of the system; to encourage individual retirement savings and to promote flexibility in retirement planning by providing to all Federal employees access to individual thrift retirement accounts [TRA's] in which they have a free market choice of investment and in which there is 100 percent immediate vesting of employees contributions and for new employees employer matching contributions up to 3 percent of basic pay; to restore the defensibility of Federal employee retirement benefits and maintain the affordability of the Civil Service Retirement and Disability System by providing for a more rational benefit structure, particularly as it relates to early retirement and postretirement COLA's; to provide a revised retirement program structure which is not disruptive to the present system of providing benefits, which is relatively simple to administer, and which is easily understood by employees; and to provide for comparability between the retirement system features—taking into account Social Security, Civil Service retirement, and the new Federal thrift plan—for old and new employees with respect to contributions made by and benefits received by such old and new employees, and the employer normal costs for all retirement and disability benefits computed on a dynamic basis for such old and new employees.

As a result of FAIR, an additional, direct benefit will accrue to the financial health of the Social Security old age, survivors, and disability trust funds. Since current employees may make an irrevocable election to come under both Social Security and the provisions of the CSRS and Federal thrift plan applicable to new employees, an additional employee and employer contribution of 5.7 percent of pay for each employee making the election will be made to the Social Security trust funds beginning in 1986. A high percentage of current employees can be expected to make the election on account of the following considerations—as under most private sector plans employees would not be required to make contributions to the defined benefit plan, so-called windfall Social Security reductions would be restored for current employees covered under the new system for 10 years or more, in most cases disability benefit levels would be increased, portability under Social Security would be available, the 3 percent employer matching contribution under the Federal thrift plan would be available, the new Social Security leveling option would be available, and the percentage of benefits already accrued would continue to apply to actual final pay.

In general, enactment of the FAIR Program will enhance the financial soundness of both the Social Security and Civil Service retirement trust funds and will instill into the system of Federal benefits new elements of equity, comparability, portability, and affordability.

Title I of FAIR establishes the Federal thrift plan. In designing a new supplemental retirement program for Federal employees newly covered under Social Security, both defined contribution and defined benefit approaches were considered—the present CSRS is of the defined benefit type. Neither approach standing alone was considered adequate to simultaneously meet the many objectives outlined above. In addition a defined benefit plan—if it is to meet ERISA standards—cannot, because of the redistributional aspects of Social Security, be devised to totally replicate current CSRS benefit replacement levels in every individual circumstance. A combination of both approaches, however, was found to provide the necessary mix of benefit adequacy, equity, flexibility, portability, and affordability.

The Federal thrift plan acting as a defined contribution supplement to

Social Security and the basic defined benefit Civil Service Retirement arrangement provides: first, flexibility in retirement planning for example, funds for earlier retirement or COLA supplementation; second, individual incentive for savings and capital accumulation; third, a source of funds to meet auto, mortgage, educational and other major financial needs; fourth, individual employee choice in selecting investment and annuity programs offered by qualified financial institutions; and fifth, portability—through permitted rollover of employee contributions and employer distributions from the Civil Service and other pension plans, and the continued investment by the individual of thrift retirement account accumulations after the termination of Federal employment.

Title I of the FAIR Act adds new subchapter IV, sections 8361 through 8372 (the provisions of the Federal thrift plan) to title 5, United States Code.

Section 8361 provides for coverage and definitions.

The employees and officials in all branches and agencies of the Federal Government—including civilian, foreign, postal, judicial, congressional, and military service—are immediately eligible to participate on a voluntary basis in the Federal thrift plan [FTP]. The one exception to the general coverage rule excludes employees already covered under similar defined contribution plans; for example, employees participating in the defined contribution plans maintained by the Federal Reserve Board and the Smithsonian Institution.

Under the rules establishing the Federal thrift plan, plan participants may establish one or more thrift retirement accounts [TRA's] in a "qualified investment program" maintained by qualifying "pension asset managers." Optionally participants could direct their own contributions to the new "Federal fund" in which all employer contributions would also be invested.

Employees who participate in the Federal thrift plan by establishing and contributing to thrift retirement accounts [TRA's] during their working years continue, even after termination of Federal employment, to be considered plan participants who direct the investment in their TRA's. Upon the death of a participant who was maintaining one or more TRA's who was an active or separated employee, the designated beneficiary with respect to each TRA is given the same status as a participant who may elect to continue such TRA's and direct the investments in such accounts—or, in the alternative elect a lump-sum or survivor annuity.

The establishment of the Federal thrift plan is provided for under section 8362.

Section 8363 provides for contributions and transfers among TRA's.

Annual employee contributions: Employee participants may contribute up to 10 percent of basic pay each year to thrift retirement accounts of their choosing. Employing agencies would deduct from basic pay the amount or percentage of pay elected by the employee to be withheld and transmit such amounts to the TRA designated by the employee. Employees could change their TRA designation once a year—or more often if permitted by regulations. The first 3 percent of pay contributed by the employee would be treated as a "salary reduction"—automatically exclude from gross W-2 wages as under so-called 401(K) private sector plans. Contributions over 3 percent would also be treated as a salary reduction unless the employee elects to make "after-tax" contributions which would be allowed to be withdrawn prior to retirement.

Federal employer contributions: Each year the employing agency will match on a dollar for dollar basis and contribute to the Federal fund the actual amount of employee contributions made in such year, up to a maximum amount equal to 3 percent of the basic pay of such employee. Employees newly covered under Social Security—termed post-83 employees—and current employees electing post-83 status are eligible for matching employer contributions. Employees newly hired or employed after a break-in-service become eligible for matching employer contributions after completing 1 year of service. The employee has an immediate and fully vested interest in the amount of employer contributions made to his or her account.

"Rollovers" among TRA's: A plan participant while designating only one TRA at any one time to receive employee and employer contributions, may establish one or more additional TRA's and transfer some or all of the amounts in any TRA to any other TRA. For example, a participant might initially designate a particular "money fund" as the TRA to receive employee contributions and periodically transfer amounts in such an account to other TRA programs; for example, involving stocks, bonds, certificate of deposits, mortgages, annuities, or other forms of investment offered by the same or another financial institution serving as a pension asset manager. From time to time the participant may wish to transfer funds—based solely on employee contributions previously made on an after-tax basis—to a TRA which allows the employee to make a withdrawal within the guidelines set forth under the Federal thrift plan for the purpose of meeting major financial expenses such as for a home loan, automobile, or education. At retirement the participant may wish to transfer his or her thrift retirement accumulations into a TRA offering a fixed or variable annuity.

While the terms of the Federal thrift plan do not restrict the number of TRA's a participant may maintain or the timing or frequency of transfers among a participant's accounts, the financial institution offering a TRA Program is not prohibited from establishing such restrictions or instituting penalties for early withdrawal or transfer.

"Rollovers" from other plans: Lump sum distributions to Federal thrift plan participants from other tax-qualified private or governmental pension, profit-sharing, thrift, et cetera, plans may be transferred and deposited to the credit of a TRA selected by the participant. If an employee who separates from Federal service elects to withdraw his or her accumulated employee contributions from the defined-benefit Civil Service Retirement and Disability System, the total amount of such accumulation is automatically transferred to a thrift retirement account of the employee's own choosing. The availability of these rollover provisions afford employees with a new means of pension portability and a deferral of taxes on such accumulations until later distributed.

Section 8364 provides for information to participants.

The board of the Federal thrift plan is required to prescribe regulations under which participants would be allowed to receive information about the particulars of thrift retirement programs offered by the various financial institutions in order that such persons may make informed investment choices among such programs.

Section 8365 provides for qualified investment programs.

In order for a TRA program offered by a "pension asset manager" to be eligible as a "Qualified Investment Program" under the Federal thrift plan, it must meet the following requirements. First, the program must be operated in accordance with the ERISA exclusive purpose rule of providing benefits to participants and beneficiaries and defraying reasonable administrative expenses.

Second, the program must meet any participant safeguards set forth in regulations, including the ERISA fiduciary standards requiring prudence and prohibiting self-dealing. The following fiduciary and enforcement provisions of ERISA are incorporated and made applicable to the Federal thrift plan by reference (sections 401(b), 404, 405, 406(b), 408, 409, 410, 413, 504, and 502 (a)(1)(B), (a)(2), (a)(3), (a)(5), (e), (f), (h), (i), (k)). The ERISA section 206(d) antiassignment and alienation provisions—together with certain exceptions for qualified domestic relations

orders—are also made applicable to the Federal thrift plan.

Third, participating financial institutions must at least annually provide participants with information on the status of their TRAS—the Board also has authority to receive such information, generally in summary form for all TRA's maintained by each participating financial institution.

Fourth, participating financial institutions would be required to provide participants with ERISA-like "summary plan descriptions" which describe the general features of the Federal thrift plan and the particular features of the TRA Programs offered by such an institution.

Fifth, participating financial institutions are prohibited from distributing amounts to participants unless first, the participant is eligible for disability or retirement benefits under another Federal Government pension plan or workers compensation program, second, the participant has been separated from Federal service for at least 31 days and the amount is transferred to a newly proposed pension portability vehicle to be established under title V of ERISA—termed a retirement-USA, or third, the participant has attained age 59½. Upon the death of a participant, the designated beneficiary or beneficiaries are eligible to receive distributions from the participants' TRA's. Regulations of the board would provide for procedures by which participants and beneficiaries would obtain written evidence of their eligibility for TRA distributions which in turn could be presented to and automatically accepted by the financial institution from which a distribution is requested.

Financial institutions offering qualified investment programs may—but are not required to—provide distributions to participants from their thrift accounts for purposes of, first, purchasing an automobile; second, making a down payment on a home or a home improvement; third, meeting the educational expenses of any member of the family; fourth, meeting general expenses in the case of hardship, or for any other purpose if the participant is otherwise eligible for a cash distribution—for example, in the event of retirement, disability, separation, or death. In order to encourage the maintenance of TRA's basically for retirement purposes, the amount of such a distribution is limited to the amount of the employee's own contributions which were elected to be made on an after-tax and not a salary reduction basis.

Under the Federal thrift plan a participant has a 100-percent vested interest that is, a "nonforfeitable right" as that term is defined under ERISA section 3(19)—in the amount in each of the TRA's maintained for such person regardless of whether the source of the amount is from employee contributions, employer contributions, investment earnings, or rollover transfers from other plans.

In accordance with regulations of the FTP board, the "pension asset managers" that may participate in the Federal thrift plan by offering "qualified investment programs" include—but are not limited to—banks, trust companies, federally insured savings and loan associations, registered investment companies—mutual funds—securities broker-dealers, and insurance companies.

The Qualified Investment Programs offered by such institutions may include any investment generally permissible under a private tax-qualified pension plan—or more familiar to some would be the investments offered by such institutions with respect to individual retirement accounts [IRA's]. By way of illustration such investments may include, but are not limited to stocks, corporate bonds, Treasury issues, certificates of deposit, guaranteed income contracts, mutual funds, mortgage funds, real estate funds, annuities, et cetera.

Section 8366 provides for a Federal fund.

A new Federal fund is established as part of the Federal thrift plan within which is invested employer contributions and any employee contributions optionally directed to the fund. The interest rate is to be set by the board.

The board is expected to obtain a rate of return on investments in line with private pension investment practices, as if the assets of the fund were actively managed. The rate of interest on the Treasury obligations in the Fund could not be less than the rate set under present law.

Section 8367 provides for enforcement.

In order to enforce the fiduciary and other standards applicable to investment programs, the board of the Federal thrift plan may exercise the investigative and civil enforcement authority similar to that provided the Secretary of Labor under ERISA.

The board may utilize the facilities and services of any Federal agency to carry out its functions.

Section 8368 provides for audits.

The ERISA-like audit and annual report requirements under chapter 95 of title 31, United States Code—as originally enacted under Public Law 95-595, the Federal Pension Plan Reporting and Disclosure Act—are applicable to the Federal thrift plan.

Section 8369 provides for FTP board.

The Federal Thrift Plan Board is composed of the Director of the Office of Personnel Management—or the Director's delegate—who serves as Chairman, the Secretary of the Treasury—or the Secretary's delegate—and the Director of the Office of Management and Budget—or a delegate.

Under section 8370, the board is authorized to prescribe any regulations necessary to carry out the provisions of the Federal thrift plan.

Section 8371 provides for tax qualifications.

Comparable to the situation for private plans, the Federal thrift plan is considered to be a tax qualified plan which meets the requirements of sections 401 (a) and (k) of the Internal Revenue Code and is considered to be a tax qualified trust which is exempt from tax under section 501(a) of such Code.

While those employee contributions made to the Federal thrift plan on an after-tax basis are not again taxed when distributed, the remainder of a participation's interest in a TRA is taxable at the time of distribution in the same manner as a distribution from a private tax qualified plan—that is, as ordinary income unless distributed as a lump-sum in which case a special 10-year income averaging method applies; special tax rules also apply in the case of annuities. Taxes on all investment income earned under a participant's TRA are, therefore, deferred until the time they are actually distributed.

Section 8372 provides for appropriations.

This section provides that appropriations be made to each employing agency to meet the employer matching contributions.

The provisions of title I establishing the Federal thrift plan are effective on the date of enactment, and employee and employer matching contributions to thrift retirement accounts [TRA's] would be allowed beginning January 1, 1986.

To bring the benefits and contributions of post-83 employees into conformance with the new program, the after-tax contributions—generally 1.3 percent of pay—deducted from such employees' pay pursuant to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 are transferred to employee accounts under the Federal fund.

Amendments to civil service retirement and disability system are provided for under title II.

Section 201 provides for the definition of post-83 employee.

Employees—including elected and appointed officials—currently covered under the Civil Service Retirement and Disability System—including those hired before the commencement of mandatory Social Security coverage on January 1, 1984—continue to accrue pension benefits under their old CSRS formula—for example, for general employees 1.5 percent per year of service for the first 5 years, 1.75 percent for the next 5 years, and 2 percent thereafter; special categories have varying accrual rates.

Except for the special categories, employees subject to CSRS hired in 1984 or later and who are covered under Social Security by reason of the 1983 Social Security amendments are defined to be "post-83 employees." For years of service after 1983, such post-83 employees would accrue CSRS pension benefits—in addition to Social Security—at the rate of 1.20 percent for each such year of service.

Unless they make an irrevocable election to be treated under the new provisions for "post-83 employees," persons employed in the special category positions—whether first employed before or after 1983 would first, continue to contribute to CSRS under present rules—i.e. their contributions would not be eliminated as for post-83 employees—and second, accrue CSRS pension benefits under the currently applicable formula. The special categories include law enforcement officers, firefighters, air traffic controllers, congressional employees, judges, all elected officials and those categories of employees hired before 1984 who are to be covered under Social Security as of January 1, 1984—for example, certain Executive Schedule and noncareer appointees in the Senior Executive Service.

Any current employee who is not automatically a "post-83" employee may make an irrevocable election to be treated as a post-83 employee. The election of such post-83 status would not affect any employee's past contributions or benefit accruals, but would change the level of future employee contributions—none—and future CSRS benefit accruals—1.20 percent—with respect to any years of post-83 service performed after the election is made. Any employee making such an election would also be automatically covered under Social Security as of the time of the election—this is accomplished as a result of an amendment to the Social Security Act contained in Section 302). Positive results with respect to both employee benefits and the financing of the Social Security and Civil Service Systems occur as the number of current employees electing post-83 status increases. Accordingly, a number of incentives—described earlier—are contained in the FAIR legislation in order to encourage current employees to elect post-83 status.

Section 202 provides for the exclusion of new postal workers under the CSRS.

Officers and employees of the U.S. Postal Service hired after 1983 and who are covered under Social Security are excluded from the provisions of the Civil Service Retirement and Disability System—but are included in the Federal thrift plan, unless covered under a new defined contribution plan established by the Postal Service. The Postal Reorganization Act gives the Postal Service full power and authority to establish a Pension Program through collective-bargaining for such new employees—as well as other employees. In the future all pension and disability costs would be borne fully by the Postal Service, without indirect Government subsidy, as is consistent with the independent corporate status under which the Postal Service is expected to operate. On the request of the Postal Service the Office of Personnel Management could provide for the transfer to the new postal pension plan of some or all of the benefits and related plan assets for current postal employees.

Section 203 provides for CSRS exclusion of new employees of the District of Columbia.

General employees of the District of Columbia hired after 1983 and who are covered under Social Security are excluded from coverage under the Civil Service Retirement and Disability System. This is consistent with the charter given the District of Columbia under home rule and will allow the District to establish a plan for general employees just as it has for police, firefighters, teachers, and judges.

Section 211 provides for contributions.

The employee contribution rate under the CSRS for "post 83 employees" would be eliminated with respect to service after 1983. By definition "post-83 employees" are covered under Social Security and such persons would contribute at the applicable OASDI contribution rate on earnings up to the Social Security maximum taxable wage base.

Agency contributions would, as under current law, continue to match the level of current employee contributions, but only until regulations are in place which would require full actuarial "normal costs" to be contributed—see section 212.

Section 212 provides for full actuarial funding required.

Under FAIR the financing and solvency of the Civil Service retirement system and disability fund is enhanced first, by maintaining the one existing fund to provide benefits for both current and post-83 employees, second, by requiring that total contributions be sufficient to meet plan "normal costs" using "dynamic actuarial" assumptions, third, by requiring 40-year amortization of initial unfunded liabilities, and fourth, by providing the opportunity for enhanced investment earnings—see section 221. As a result of requiring DRISA-like actuarial funding, agency budgets will on an ongoing basis reflect realistic costs of retirement and disability benefits and any chance that the Civil Service fund would become technically insolvent would be eliminated.

During the Social Security debate some employee groups expressed their fears that a "new" system for employees covered under Social Security would lead to the "freezing" of the present CSRS and the operation of a wasting trust, thus putting present employee benefits in jeopardy. The continuance of the present CSR trust fund under FAIR and the full actuarial funding of benefits for both current and post-83 employees should eliminate such fears since they would have no basis in fact.

As soon as practicable after enactment, OPM is to issue regulations requiring each employing agency to contribute to the CSRS.

First, for each post-83 employee, a percentage of basic pay based on the dynamic normal cost of benefits for post-83 employees, and second, for each current employee, the percentage applicable to post-83 employees plus the rate of employer contributions to OASDI—5.7 percent in 1986. The above contribution rates will achieve parity with respect to employer contributions for both current and post-83 employees when both Social Security and CSRS contributions are considered.

In addition to the agency and employee contributions made equal to the plan's normal cost, a Federal Government contribution is to be made to the CSR Fund each fiscal year after regulations are in place in the amount required to amortize, in 40 annual installments as a level percentage of payroll, the unfunded liability of the CSR computed as of the first such year.

Federal Government contributions are also to be made with respect to any subsequent net increase in unfunded liability arising from plan amendments, experience gains or losses, or changes in actuarial assumptions. Such contributions are determined annually on a rolling basis and are computed so as to be equivalent to the amount of the first installment, as if the cumulative net increase in unfunded liability were to be amortized in level installments over 15 years.

All actuarial determinations of normal cost and unfunded liability are to be made using dynamic actuarial assumptions which take into account future expected salary levels—including general pay adjustments reflecting inflation—and post-retirement cost-of-living adjustments. This requirement differs from the present law funding basis under which "static" actuarial assumptions ignoring inflation and COLA's are used, thus resulting in the understatement of true actuarial cost levels. The dynamic basis is currently prescribed in connection with the actuarial valuation and disclosure of unfunded liabilities required under Public Law 95-595.

Section 221 provides for the investment board.

Consonant with private pension fund practice, the bill establishes a fund investment board for the CSRS consisting of the Director of the Office of Personnel Management—or the Director's delegate—the Secretary of the Treasury—or the Secretary's delegate—and the Director of the Office of Management and Budget—or the Director's delegate. It is the function of the board to determine, in active consultation with the advisory panel on fund investments, the interest rate at which investments of the Fund are to be made. The membership of the board is the same as that for the Federal thrift plan board.

The board is expected to obtain a rate of return on investments in line with private pension investment practices, as if the assets of the CSR fund were actively managed. The rate of interest on the Treasury obligations in the fund could not be less than the rate set under present law.

Section 222 provides for the investment advisory panel.

An Advisory Panel on Fund Investments is established to advise and assist the Fund Investment Board of the CSRS and the Federal Thrift Plan Board. The seven-member panel is drawn from among individuals generally recognized for their expertise in finance and investment generally and in private or governmental pension funds in particular.

Changes to CSRS retirement benefits are provided under part D.

Unless otherwise indicated the provisions under present law relating to CSRS retirement benefits remain unchanged—for example, the immediate eligibility and 5-year vesting rules continue to apply with respect to current employees as well as post-83 employees.

The FAIR bill makes a number of changes with respect to the benefits for employees terminated before retirement in order to overcome the criticism often directed at the present provisions of the Civil Service Retirement System which tend to create benefit disparities favoring high-paid long-service employees while providing few, if any, benefits for shorter-service employees, lower paid employees, and employees experiencing greater job mobility because of occupational or family necessity—for example, engineers and women. Generally, the following provisions instill a greater measure of pension equity and portability with respect to the benefits of such persons: (1) Sec. 232 eliminates the "back-loading" as under present law with respect to the future benefit accruals for post-83 employees, (2) Sec. 234 provides for the tax-free rollover into the Federal Thrift Plan of accumulated contributions that may be withdrawn by a terminated employee, (3) Sec. 235 offers short-service employees the option to rollover the present value of their deferred vested benefits into the Federal Thrift Plan, (4) terminated employees may elect, pursuant to Sec. 241, a survivor annuity at the time of termination, and (5) the availability of Social Security and the fully vested amounts in the Federal Thrift Plan provide additional elements of benefit equity and portability.

Section 231 provides for reduction for early retirement.

As stated in the May 14, 1983, Washington Post editorial, "Those Federal Pensions," Federal pensions are currently much better than even the most generous private worker plans together with Social Security; for example, workers can retire at age 55 with 30 years of service on full unreduced pensions.

The FAIR bill takes a comprehensive approach to bringing about a more rational CSRS retirement structure with respect to deferred and early retirement benefits. The criticism of the Civil Service Retirement System will continue unless the present early retirement provisions are made more defensible and comparable to mainstream practices.

Therefore, section 231 provides that future retirement benefit accruals be reduced by 2 percent for each year actual age at retirement precedes age 65.

Post-83 employees would be able to retire under the same age-service provisions as under present law, but the amount of benefits based on service after 1983 would be subject to the 2-percent reduction factor. The 2-percent rule would not reduce the amount of any employee's benefit which is accrued prior to 1984.

It might be noted that the 2-percent early retirement adjustment factor is the same as the factor that currently applies to retirements under age 55. While the new 2-percent reduction under age 65 for early retirement is not equivalent to an "actuarial reduction," its application in combination with the post-83 benefit accrual formula discussed in the next section—is designed to produce early retirement benefit levels comparable to the levels found in the major private sector pension plans. The effect of the early retirement reduction is also mitigated for post-83 employees choosing the so-called Social Security leveling option—see section 237—and also for those having Federal Thrift Plan accumulations which can be converted to early retirement annuities.

Section 232 provides for retirement accrual to be 1.20 percent for post-83 employees.

Under the bill, post-83 employees as well as current employees electing post-83 status accrue CSRS retirement benefits at the rate of 1.20 percent for each year of service after 1983. The accumulated accrual percentage is applied to high-3 basic pay as is the case under present law. The retirement benefit so computed is then subject to the 2-percent early retirement adjustment discussed under section 231. The accrual rates under present law continue to apply to current employees and employees in special occupational categories who do not elect post-83 status.

The following objectives were used to develop the accrual rate, the early retirement factor and other new retirement features of the CSRS as applicable to post-83 employees who also accrue retirement benefits under Social Security:

First, combined retirement benefits from the revised CSR system and Social Security should, even coordinated, provide initial postretirement income levels close to preretirement after tax income levels for "full-career"—30 to 40 years—moderate-income, employees who retire at age 65 or later. Such benefits should not be less than the benefits provided current employees retiring under similar circumstances; second, postretirement adjustments should be provided to SCR pensions in order that initial levels of retirement income provided from Social Security and the CSR System not be significantly diminished because of future increases in the cost-of-living. The adjustments should be affordable, and they should be capped in order to maintain the fiscal integrity of the retirement system; third, revised CSRS retirement benefit structure should provide benefits comparable to those found under good retirement programs operated by major employers in the private and state and local government sector; fourth, for current employees electing post-83 benefit status, there should be no reductions in benefits already accrued; fifth, the revised CSRS benefit structure should be more equitable than the current one with respect to long-service versus short-service employees, especially as it applies to employees with split-service and occupations requiring job mobility; sixth, the provisions of the revised CSRS should meet ERISA standards and not be inconsistent with Internal Revenue Service regulations concerning the "integration" (coordination) of pension benefits with Social Security; seventh, the modified CSRS should be as simple to administer as possible and not be disruptive to the present system of delivering benefits; and eighth, the long-term costs to the Federal Government of the modified CSRS and the new Federal Thrift Plan plus the Government's contribution to Social Security should be more affordable than the current system.

While the current CSRS formula is "backloaded"—providing lower accruals for shorter-service employees—consistent with the objectives in five above the revised formula provides a

constant 1.20 percent for each year of service. The simpler formula coupled with the continuation of other benefit computational rules as under present law for example high-3 pay, aggregation and service repurchase rules, et cetera—meets the objectives in seven for a simple nondisruptive revision.

The constant formula of 1.20 percent, taking into account Social Security benefits, was found to achieve the target replacement rates without having to resort to a more complex "integrated" formula. A 100-percent Social Security offset formula for determining retirement benefits, as advanced in order proposals, was considered but rejected since the approach would be contrary to current Internal Revenue Service regulations on plan integration—see goal six above—would be administratively complex—see goal seven above—and would require a complicated and potentially inequitable attribution of Social Secretary benefits, especially with respect to shorter service employees—see goal five above. The 100-percent offset approach however, is utilized with respect to coordinating post-83 disability and survivor benefits with Social Security, since the offset approach with respect to such benefits does not violate the IRS integration rules, does not require inequitable attribution rules, and is the only approach guaranteeing the maintenance of current disability and survivor benefit levels.

An integrated formula is usually utilized in order to maintain a relatively constant "target" replacement rate at all income levels, since Social Security alone provides higher replacement rates for the lower paid. However, the annuity benefits available from savings accumulations under the Federal thrift plan bring the total benefits for employees having above average Federal earnings up to the target replacement rates for the lower paid—considering Social Security and CSRS benefits alone—thus allowing the simpler 1.20 percent formula to be used instead of a more complicated integrated one. The 1.20 percent formula accompanied by the Federal Thrift Plan is an approach similar to one advanced by the Universal Social Security Coverage Study Group, chaired by Joseph W. Bartlett, in its March 1980 report.

Section 233 provides for no post-83 minimum annuity.

The minimum retirement annuity under present law is necessitated since employees are not covered under Social Security. Since post-83 employees are covered under Social Security, a minimum is no longer necessary; thus the minimum is eliminated as being redundant.

Section 234 provides for the rollover of contributions of separated employees into TRA's.

Under present law an employee, upon early separation, may withdraw his or her contributions—without interest—resulting in the forfeiture of the employer purchased part of any deferred annuity. Section 234 provides that future withdrawals by either current or post-83 employees will automatically be rolled-over, tax free, into a TRA of the employee's own choosing.

Section 235 provides for portability for short-service employees.

Under this provision a terminated employee having 10 or fewer years of service may optionally choose to have the actuarial present value of the employee's deferred vested benefit directly transferred to the employee's account under the Federal Thrift Plan.

Section 236 provides for a 236 COLA limitation.

Under this provision the annuities payable with respect to post-83 benefits would have an annual cost of living COLA adjustment equal to 30 percent of the CPI. Based on a recent study commissioned by the Department of Labor, the 30-percent CPI COLA is comparable with the level of postretirement adjustments extended to salaried employees under major private sector pension plans.

Section 237 provides for a Social Security leveling option.

A new retirement annuity option, termed a Social Security leveling option, is extended to post-83 employees retiring early in order that they may have a more level lifetime income rather than an income which jumps significantly when Social Security benefits become available.

To illustrate the application of this option—a post-83 employee retiring at age 55 with 30 years service would be entitled to a CSRS pension of 36 percent of high-pay subject to the early retirement factor of 80 percent—2 percent per year reduction under age 65—equal to $5,760—in the case in which final high-3 pay is $20,000 expressed in current dollars; 10 years later at 65 the employee may elect to begin receiving Social Security benefits, thus nearly doubling the employees' retirement income level at such time; in the alternative the employee may elect the Social Security leveling option thus raising the person's initial level of retirement income at age 55 from $5,760 to say, about $9,500; at 65 when Social Security is elected and CSRS benefits are actuarially reduced under the leveling option, the person's total benefits would continue at the pre-65 level, subject to any applicable indexation.

An employee may elect that the increased CSRS benefit be paid under the leveling option up to any age selected between age 62 and 67, when Social Security becomes available, at which time CSRS benefits are actuarially reduced to maintain a level income.

Section 241 makes separated employees eligible for survivor annuity.

Under the provisions of this section both current and post-83 employees who separate with vested benefits before reaching retirement age may elect to have a 50-percent survivor annuity paid to a spouse. The value of the survivor annuity and the reduced deferred annuity is to be equivalent to the value of the unreduced deferred annuity. This option is an alternative to the provision in present law under which a survivor is paid the lump-sum value of the employee's contributions in the event of the death of the separated employee before age 62.

Section 242 provides for an offset of Social Security Survivor Benefits.

Under FAIR the combined survivor benefits from Social Security and the CSRS are the same as under present law. In order to accomplish this, the CSRS benefits for survivors of post-83 employees are reduced by the amount of survivor benefits to which such persons are entitled under Social Security. Since Social Security childrens benefits generally exceed current law levels, the new plan is simplified by eliminating such benefits—with the exception of certain transitional benefits.

Section 251 provides for disability eligibility.

The conditions under which CSRS disability benefits are available for post-83 employees is changed to include that such benefits would not be available as long as the employee is able to render useful and efficient service in a vacant civilian position in a Federal agency within a reasonable commuting distance from the last place of employment. The employee's pay could not be reduced even though the pay in the new position is rated as low as 80 percent of the pay level of the former position. This provision is consistent with recomendations to the Congress made by the General Accounting Office.

Section 252 provides for post-83 disability annuities.

Generally, the amount of the disability annuity under CSRS to which a current employee may become entitled in the future is unchanged from that under current law.

The amount of the disability annuity to which a post-83 employee may become entitled under CSRS, including Social Security disability, if applicable, is in most cases improved over the disability levels under current law. This is to bring the level of CSRS disability more in line with private sector practices. The CSRS disability amount for payment years prior to the Social Security normal retirement age, presently age 65, is equal to the larger of (A) or (B) reduced by the amount of any disability benefits the person actually receives under Social Security, where (A) is the actual amount of the employee's accrued early retirement

benefit taking into account the early retirement reduction factor, and where (B) is the lesser of first, the post-83 employee's high-3 pay, or 50 percent in the case in which the employee is receiving Social Security disability, or second, the alternative formula under present law but increased by 10 percent in the event the employee is receiving Social Security disability.

Upon attaining the normal retirement age under Social Security the disability benefits of a disabled employee are converted to normal retirement benefits and the individual would in addition be eligible to receive the full amount of Social Security benefits to which the person is entitled.

Section 253 provides that employee must apply for Social Security disability.

In order to maintain the integrity of the Civil Service Retirement and Disability System all employees applying for disability benefits under the CSRS must also apply for disability benefits under Social Security, unless exempted from such requirement under regulations prescribed by OPM.

Section 254 provides for Social Security disability offset.

Section 255 provides for a limitation of disability annuity based on excess earnings.

In order to encourage the rehabilitation of disabled employees and their return to full-time employment, the bill provides for the reduction in the amount of a disabled employee's annuity to keep the combined amount of the disability annuity and the amount of income earned by the disabled employee in other employment at a level not in excess of the final pay of the employee prior to disablement (adjusted for subsequent general pay increases).

This provision does not apply to a person receiving Social Security disability benefits or to a person enrolled in a rehabilitation program as described in section 256.

Section 256 provides for a disability rehabilitation pilot program.

Within 180 days after enactment the OPM is to establish a pilot program under which disabled employees—other than those receiving Social Security disability—would be provided vocational rehabilitation and the job placement counseling evaluation for purposes of determining the person's suitability for returning to the same occupation or another occupation for which the person is qualified by reason of training or experience.

The OPM may contract with the Secretary of Labor or with any insurance or other experienced vocational rehabilitation organization to provide such a pilot program. Within 5 years OPM would report to the Congresss on the effectiveness of such a program together with any recommendations for legislation to establish a permanent program.

Section 257 provides for long-term disability coverage for new employees.

As under present law, current as well as post-83 employees would not be eligible for CSRS disability benefits until they meet the 5-year service requirement. Under this section employees may purchase long-term disability coverage for the first 5 years of employment, from insurance carriers at group insurance rates, under a federally sponsored program managed by OPM.

Section 301 provides for ERISA coverage for new Postal Service Pension Plans.

As stated under section 202, Postal Service employees newly covered under Social Security are excluded from coverage under the Civil Service Retirement and Disability System. Any new pension plan or plans established by the Postal Service for new or other employees would, under this section, be subject to the provisions of the Employee Retirement Income and Security Act of 1974 [ERISA] and the related provisions of the Internal Revenue Code.

Section 302 contains Social Security amendments.

This section provides for Social Security coverage for current civil service employees who elect coverage under both Social Security and the revised provisions of the Civil Service Retirement and Disability System applicable to new employees. The so-called "windfall" reduction under Social Security would be made inapplicable to employees electing such coverage in cases in which such employees have 10 or more years of post-83 service.

Section 401 provides for transfer of administration to OPM.

This section brings within the Federal Government [OPM] the administration of Federal retirement benefits now administered by the District of Columbia—for example, in relation to benefits for the Secret Service, the Park Police and others.

The Federal Annuity and Investment Reform Act, is designed to meet the many objectives enumerated earlier and in summary first, the revised system will provide initial retirement benefit levels equal to or close to preretirement living standards for full-career "post-83" employees at moderate income levels (considering Social Security and CSRS defined benefits only); a similar retirement income target for higher-paid employees is achieved when the annuity income from Federal Thrift Plan accumulations is considered; second, the initial retirement income levels for full-career post-83 employees retiring at 62 or later—when Social Security becomes available—are enhanced over current levels and are then indexed at 30 percent of the CPI; the availability of Federal Thrift Plan accumulations would allow for additional COLA supplementation; third, the revised 1.20 percent CSRS formula and the new Federal Thrift Plan are designed to be coordinated with Social Security in order to bring about greater benefit comparability with the pension arrangements offered by major private sector employers; additional benefit comparability is accomplished through the introduction of the 2-percent early retirement adjustment factor applicable to post-83 service and the 30-percent COLA limitation; fourth, the revised system is much more equitable in the manner in which it treats shorter service and mobile employees as a result of the portability offered by the fully and immediately vested benefits under both the Federal Thrift Plan and Social Security, the introduction of a constant accrual rate which is not "backloaded" as under present law, the tax-free rollover of employee contributions and certain other distributions into TRA's, and the availability of a survivor option for terminated employees; fifth, the revised system meets ERISA benefit and funding standards, and extends the tax benefits attendant with tax-qualified plan status to employee distributions from the CSRS and the Federal Thrift Plan. Any new plans established for Postal Service employees would be subject to the protections of ERISA; and finally the health of the OASDI trust funds are enhanced by several billion dollars per year as a result of the employee and Federal employer contributions to Social Security on behalf of current employees who elect post-83 status (a large percentage is expected to elect such status due to a number of benefit incentives offered).

SERBIAN COMMEMORATION OF THE BATTLE OF KOSOVO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on June 28 Americans of Serbian descent and Serbs all over the world commemorate the Battle of Kosovo at which their fellow countrymen sacrificed their lives to defend their beloved homeland in the summer of 1389. The battle itself was fought on June 15, but in concordance with the Gregorian calendar, is celebrated on June 28.

At the Battle of Kosovo, under the leadership of Prince Lazar, about 25,000 patriots bravely fought to preserve their religious beliefs and the independence of their nation. During the battle, both Prince Lazar and the Turkish Sultan, Murad I, were killed. The Serbian knight, Milosh Obilich,

posing as a deserter from the Serbian forces, killed the Sultan while he was in his tent, and as a result, became immortalized in national songs and legends. Although the Serbs put forth a valiant effort against the enemy, the cavalry of the Turks was overpowering, leaving them in a state of servitude under Turkish rule.

Long before its decisive victory at the Battle of Kosovo in 1389, the Turkish Army had already begun its campaign to control the Serbian states. In the late 1300's, it initiated its expansion into Eastern Europe, and by 1371, had achieved its first victory over the Serbs at the Maritsa River.

It is the Battle of Kosovo, however, that holds the greatest significance for Serbs, because it marked the beginning of almost five centuries of Turkish domination, during which time the courageous Serbians, led by the Serbian Orthodox Church, did their utmost to sustain themselves against the inhumane, cruel treatment of the tyrannical Ottoman overlords. Subsequently, the gradual deterioration of the Turkish Empire in the late 18th and 19th centuries enabled the Serbians to regain their autonomy in 1930 and their independence in 1882.

At the end of World War I, the Serbians, Croatians, and Slovenians joined together and established a kingdom which 11 years later became known as the country of Yugoslavia. After the Communists overran the country in 1945, the official observance of the Battle of Kosovo was banned. Despite the efforts by the Communists to crush the Serbian way of life and culture, their spirit would not be destroyed, and the battle that took place on the field of Kosovo remains a source of inspiration for all people trying to achieve self-determination.

Mr. Speaker, the courage of Serbians to overcome tremendous odds in the name of freedom has strengthened the Serbian consciousness, has united the Serbs as a people, and has continued to be a vital part of their proud national heritage. Americans of Serbian descent have made strong and lasting contributions to the strength and greatness of the United States, and I am proud to join with American-Serbians in the 11th Congressional District of Illinois which I am honored to represent, and those throughout the Nation, who are commemorating the historic Battle of Kosovo. Their dedication to the ideals of individual liberty and principles of justice through human dignity has not wavered, as they continue to strive for the day when their homeland may once again join the free nations of the world.●

SPEAKER O'NEILL PROPOSES RAISING CERTAIN SOCIAL SECURITY TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH], is recognized for 5 minutes.

Mr. GINGRICH. Mr. Speaker, I want to report to the House this evening on your rather remarkable proposal to raise taxes on senior citizens, and I want to put into the RECORD the key excerpts from an Associated Press story by Cliff Haas, which was reported here in Washington today, and I quote:

Washington, Associated Press. As legislators sought ways Wednesday to revive collapsed budget talks, House Speaker Thomas P. O'Neill, Jr., suggested increasing the taxes paid by Social Security beneficiaries.

I quote further:

In response to reporters' questions about room for compromise on Social Security, O'Neill said he could support an increase in taxes on benefits for retirees earning above $25,000 a year or couples earning more than $32,000 a year. Under current law, such individuals and couples pay taxes on 50 percent of their Social Security benefits. O'Neill proposed raising that level to 85 percent. "Those people are freeloaders, to be perfectly frank" said O'Neill, 72, who is himself drawing Social Security benefits in addition to his $97,900 salary as House Speaker. Reagan, 74, has declined to accept Social Security benefits. Hours later, O'Neill apparently had second thoughts about his comment and issued a statement saying "This morning at my regular press conference I used an inappropriate term, freeloaders, to describe people like myself who retire with high incomes and escape paying a fair tax on our Social Security income. The fact is that since 1984 high-income recipients have been taxed on half of their Social Security benefits. I have long believed we should have gone further to ensure that I and others in high-income brackets pay a fair tax on our Social Security benefits." In a statement issued later the American Association of Retired Persons said "In addition to the call for increased taxes, O'NEILL's characterization of middle-income persons as freeloaders is insulting to the millions of Americans who have worked and saved to provide for themselves and their families in retirement." James Brown, a Social Security spokesman, said that taxing 85 percent of benefits instead of 50 percent would bring in an additional $23 billion from 1986 to 1990.

This Associated Press story should concern every Member of the House as we prepare to leave for the July 4 district work period. The Speaker of the House suggests that the job of Speaker is retired, suggests that he is a freeloader, and I am quoting here from his own words, suggests that we should raise taxes on senior citizens by $23 billion a year over the next 4 years, proposes that people who have high income begin at $32,000 a year.

Now in the first place I think to compare the Speaker of the House who at $97,900 salary plus his office and his perquisites, plus a chauffered limousine, drawing his Social Security in addition to all that, is in any position to understand whether or not people who are earning $32,000 a year as a couple in retirement are in his words high income. I think it is something that the average American, the average retired American will wonder about.

In the second place to suggest that the answer to the deficit is higher taxes and in particular higher taxes on our grandparents is something I think no American would believe possible.

When Walter Mondale, the Democratic standard-bearer of 1984, proposed raising taxes he carried one State and the District of Columbia and lost 49 States. The American people do not want tax increases.

□ 2310

Now the Democratic Speaker of the House has picked the most remarkable place to have a tax increase, and that is by raising taxes on retired Americans.

I hope that the White House will tomorrow absolutely repudiate this proposal to tax senior citizens and that President Reagan will pledge that he would veto any tax that Speaker O'NEILL proposed to tax senior citizens.

Furthermore, I would say to the Speaker, that if he honestly feels, and he used this word to describe himself, and I quote again from his own statement. Quote:

This morning at my regular press conference, I used an inappropriate term, freeloaders, to describe people like myself who retire with high incomes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members that it is now 11:12 p.m.

CHINESE THREATS AGAINST TAIWAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I have two items that I think are extremely important to the people of the United States tonight that have not been brought to their attention. I would like to do that right now.

First of all, we in 1979 recognized the Republic of China as the real power and excluded our ally, Taiwan,

as being the real spokesman for the Chinese people.

When we did that, we cut off relations with Taiwan, our seventh largest trading partner, and accepted the Red Chinese; the People's Republic of China, as the spokesman for the Chinese people.

The disturbing part of this, Mr. Speaker, in May and June of this year high-ranking officials of the People's Republic of China [PRC] have openly admitted that they—despite numerous agreen ents—are still considering using military force against Taiwan.

In May 1985, Hu Yaobang, the Secretary General of the Chinese Communist Party said in an interview that Peking "might consider a military attack against Taiwan in the next decade." He continued, "Everyone knows we do not have the military power (to attack Taiwan). This temporary period may last 4, 5 or 7, 8 years, . . . We have to wait until our economy is on the right track, military power is based on economic power. . . . In 7 to 10 years time, we may enjoy a strong economy equipped with modernized defense power. By then if most Taiwan people wish to return (to the mother country) and only a few say no, we will have to use some force on them."

On June 5, 1985, Ma Yuzhen, the spokesman of Peking's Foreign Ministry, confirmed Hu's statement by saying that the PRC has never ruled out the use of force against Taiwan.

I find this absolutely incredible. On January 1, 1979 the United States of America recognized the PRC as "the sole legal government of China, and . . . acknowledged that there is but one China and Taiwan is part of China." Our decision to give Taiwan this tremendous slap in the face was based partly on strong assurances from the PRC that they had given up all thought of a military reunification of China.

The PRC reiterated these assurances in the United States-China Joint Communique of August 17, 1982 stating its "fundamental policy to strive for a peaceful solution to the Taiwan question."

Our entire policy is predicated on the commitment by the PRC to a peaceful resolution of the Taiwan question. Now we find out that Communist China is just biding time until it builds up the strength to attack Taiwan.

Clearly the United States has an interest in maintaining some relationship with the Communist Chinese Government. But time and again we say that this relationship is not at the expense of Taiwan because China has committed itself to peaceful relations with Taiwan. We have even stated that "our future actions concerning arms sales to Taiwan are premised on a continuation of China's peaceful policy towards . . . Taiwan" and that "if they should (change this policy), we would . . . reexamine our position."

Mr. Speaker, when the Secretary General of Communist Party of China says that, in effect, the only reason China has not attacked Taiwan is that they do not yet have the ability to do so, I believe it is time to reexamine our policy. Should we be building up the PRC militarily and economically if they themselves say their new strength might be used against Taiwan? Or should we be giving more aid to proposed victims of this aggression, Taiwan?

These are difficult questions, Mr. Speaker, and I would urge my colleagues and our State Department to take them very seriously. Otherwise we may be "surprised" to find our ally Taiwan has become an unwilling addition to the People's Republic of China.

Taiwan has always been an ally of the free world; they are an ally of the United States; and now we are supplying militarily and economically the Red Chinese, the People's Republic of China.

They are telling us, after receiving our military aid and assistance and our economic aid and assistance, that they plan to violate their agreements with us, and possibly attack our friends on Taiwan within the next decade.

Because of this, Mr. Speaker, I believe we ought to reevaluate our position with Red China as far as trade is concerned, and get a very strong commitment from them that they intend to take no positive military action toward Taiwan, not only in the next decade, but for the rest of our lifetimes.

Taiwan is a free country; a country that believes in the concepts of freedom of religion, freedom of press, freedom of assembly, free elections; and we should not allow our friends, who have been allies ever since 1945, to be threatened by the Red Chinese, whom we are now doing business with.

The other thing I would like to point out today, Mr. Speaker, is that tomorrow, Mr. FOLEY, the majority whip of the House, is going to introduce an amendment which boggles the imagination.

His amendment would stop any type of military action against Nicaragua for any purpose whatsoever, with very, very few minor exceptions. I cannot imagine Mr. FOLEY, a leader of the Democrat-controlled House of Representatives, be so weak on communism as he appears to be in this amendment.

Mr. FOLEY, in my view, is indirectly giving aid and comfort to those people who are attacking the United States. Last week, four marines, four American marines, were killed by Communist guerrillas in El Salvador. Those Communist guerrillas have been supplied by the Communist Nicaraguan Government and Cuba and the Soviet Bloc.

Yet, Mr. FOLEY's amendment, if passed tomorrow, without amendment, would allow that to go on unabated. I think that is tragic.

I will be happy to yield to my colleague from California.

Mr. HUNTER. I thank the gentleman for yielding, and I think that in the least, this amendment is very badly timed, because it is a period of time in our history when America's back is absolutely against the wall. We are singling out Nicaragua, which is a haven for terrorist activities and a haven for terrorists from Libya, North Korea, North Vietnam and Bulgaria and other places; and we are essentially saying, "We are going to establish for you a certain type of sanctuary that will allow you to take certain acts and be absolutely sure that you will receive absolutely no response from the United States."

Let me lay out some of the acts that can be taken under Mr. FOLEY's amendment: In my estimation, Mig aircraft could now be introduced into Nicaragua, because they do not have the capability of either the 21's or the 23's; to reach the United States, and since under Mr. FOLEY's amendment we could only use force in Nicaragua if there is a "clear and present danger to the United States," because of that, under this amendment, it would appear to me that Mig aircraft could be introduced; an airliner, for example, traveling from Israel to Miami full of Israeli citizens could be hijacked and taken to Managua and because they were not United States citizens aboard, we would not be able to go in.

I think there are a couple of problems under the War Powers Act and the Rio Treaty in the way that the language in those two treaties is skewed to not allow the full use of the rights of the President of the United States under those treaties to be exercised.

The whole amendment is shot full of problems for the United States, and it absolutely ties our President's hands, and I think it sends exactly the wrong signal. Once again, if in fact the people who killed the four American marines have a base camp in Nicaragua, we cannot make a retaliatory strike against Nicaragua, because that would run against the Foley amendment; bump up against the Foley amendment.

So I think at a time when America's back is to the wall, when we are plagued by terrorism and when terrorists are looking at us for signals of weakness, we indeed will send them a signal of weakness if we pass the Foley amendment tomorrow.

Mr. DORNAN of California. Will the gentleman yield?

Mr. BURTON of Indiana. I yield to my colleague from California.

Mr. DORNAN of California. We are probably going to have a knock-down, drag-out fight on the floor on this Foley amendment, and I think again it addresses itself to several of the tragedies that can be attached to what is called the Vietnam syndrome; lack of trust in the Chief Executive of the United States of America, the Commander in Chief of our forces; the checks and balances built into our system; the cooperation between this Congress and the President of the United States when our citizens are under the gun, both in the Middle East, other parts of the world, and now even in the capital city of El Salvador, a country we are trying to help.

I know the gentleman has had a hamburger in that Chile's Restaurant where the slaughter took place. I have been in that restaurant at least six of my nine visits down there; these marines were off duty, in civilian clothes; they were singled out as a target.

During the debate on aid to the freedom fighters in Nicaragua, several Members on the other side brought to the well the Newsweek magazine that showed the alleged execution of a stool pigeon, a squealer who was fingering Contras for execution, and I say "alleged" with some hesitation, because I am not questioning whether the pictures are true, but there is an American investigation as to whether this was a staged event, these four execution pictures.

A Catholic priest in my district mailed the pictures to me and said, "This is reason enough alone why the whole House should cut off the President on any foreign support for his policy on what to do in Central America."

Well, I wonder if anybody is going to bring to the well tomorrow the current Newsweek issue that shows the bodies of these marines, lying in the street, outside of Chile's Restaurant.

One of the marines has his eye still open; this must be a very painful thing for his mother to see this picture of his last moments on this planet Earth; his wounds are wide open and gaping; all of his blood is drained out right there on the sidewalk. I think that marine has died in the cause of freedom every bit as much as any marine or soldier or airman or sailor died in Vietnam or any war, fighting against totalitarian oppression and communism.

□ 2320

Now, suppose there had been Congressman in that restaurant, like those two American businessmen, and they had been killed. I was not here when an American Congressman from the majority party, my good friend, Larry McDonald, was murdered by Soviet fighters over the Sea of Japan. I was not here to hear the oratory and passion, as I hope it was, that here was the first American cut down in the service of his country, trying to stand up for freedom. He was going to the 30th anniversary of the end of the Korean war, where 33,629 of our Americans died in combat and hundreds of thousands were wounded, divorces and lives disrupted, following the foreign policy of this country. I just think that to cripple our President, to hog-tie him, as the distinguished gentleman from southern California has said, to somehow or another create sanctuaries down there, especially, especially during a week when four marines have been murdered—now, I know my colleagues recall when Al Schaufelberger was killed, it was your freshman year, the gentleman from Indiana, was killed down there in El Salvador, he hit the cover of the news magazines. There must have been a dozen speeches. I watched on cable television because I was not in the House then, on Members getting up, saying, "Here we go, it is Vietnam, here we go with Vietnam again."

I only recall one speech from the other side of the aisle and several on this side when the marines were slaughtered. This marine killing story has been totally swallowed by the larger crisis of one American sailor murdered on a TWA airplane, and it is not a hostage taking, it is a kidnaping of American citizens.

My wife had to point out to me the other night that a hostage taking, the classic hostage scene on American television, is a couple of thugs are pushing over a 7-Eleven, they run out, and luck is not with them, it is with law enforcement, here is a police car, a shootout starts, and one of the thugs grabs an old lady on the sidewalk by the throat, puts a gun to her head and said, "If you don't let me go, I am going to kill this woman." And that is a hostage taking.

This is not a hostage taking where the Shiites are saying, "Fly me to Iran or we are going to hold these people temporarily to secure our safety." What they have done is exactly what the Lindbergh killer did, and that is when we reimplemented capital punishment, and it was a deterrent, kidnaping dropped out in this country dramatically until crime picked up in the last decade again.

This is a kidnaping of Americans overseas. They have now found the news value in releasing one man this morning, so now there are 39 left. But what about the seven others? What about Terry Anderson, the AP chief? How are we allowing these people to even use the name Allah or religion when they are holding three Catholic priests, one minister and pilgrims. That is supposed to be a sacred word in the Mohammedan faith, under the Muslim faith. A pilgrim is something that is respected. In their religion, you are supposed to make one pilgrimage in your life to the Holy City of Mecca. Well, these people were making Christian pilgrimages to the Holy Land, to walk in the footsteps of Jesus Christ. And they are holding pilgrims, priests and ministers, and doing it under the name of Mohammed. Well, that story is so offensive and humiliating to this country.

I think President Reagan is conducting himself with such great statesmanship during that crisis, that to see this other murder of four marines in the diplomatic corps guarding our Embassy—and this is the worst attack on marines in the diplomatic corps in the history of Marine service. There is no equal to it that I can find in history. Certainly, the Beirut bombing of our peacekeepers is our greatest peacetime tragedy of the corps, but this is a direct frontal attack on marines singled out not defending the Embassy or an Ambassador but a target in and of themselves. That is a first successful attack. There was one in Costa Rica a few weeks before I got there that has virtually gone unreported. In May of 1981 they blew off a bomb next to a marine vehicle traveling from the Marine house to the Embassy during a period when there had not been violence in Costa Rica for decades. So that was an unsuccessful attack, although they tore up the legs on one young marine sergeant named Steve Rialto, I think his last name was, that he had to be discharged from the corps. So that is a casualty in Costa Rica. But this is a successful, ugly attack on four Marines in our Diplomatic Service.

This story being swallowed must not be forgotten on this House floor. We know how to follow the news here. And to have this Foley amendment—with all the respect I have for Mr. FOLEY—submitted this week, as though the President of the United States is incapable of handling these emergencies and working with the House under the War Powers Act, as Mr. HUNTER has pointed out, to have a coordinated effort here to stop the solidification of communism on our own continent, it is just, as you said, it boggles the mind to think that this amendment is coming up.

One final thought on this. I made a 1-minute about the death of the marines the morning of the death. I could not believe. I went to bed with visions of a terrorist bombing in the airport at Frankfort, which most Members of this House have gone through. I think everybody on your distinguished Armed Services Committee, I know all the leadership on the Democratic side and our side has gone through that Frankfurt Airport, there to investigate and to support our

troops that have been in Europe for 40-some years, 41 years if you include the Normandy invasion year, and that could have happened to anybody, and the film was so immediate that there was no screaming on the film. The camera crew was one floor down and 100 yards away. It got up and started filming while the bomb dust and the debris was in the air, and then they pointed out—I thought there was no sound—"You will now hear the screaming start." I go to bed with that imagery. I wake up, doing sit-ups in front of the morning news show, and suddenly I see 4 marines dead in a restaurant I am visiting all the time going down to El Salvador. This has been an insane week for this country, the humiliation is magnifying itself, and the speech I made in that well I stand by, that the operational headquarters of the Farabundo Marti terrorist guerrillas tearing apart El Salvador, blowing up their school buses, dumping their bridges, trying to go after the few dams that are there, and utterly trying to destroy their whole power infrastructure, costing that country hundreds of millions of dollars of its capital infrastructure that will have to be built some day, invariably, with American-taxpayer-supported foreign aid from this country, I cannot believe that this whole House is not united, that the operational headquarters is right there in Managua and that this was a major effort by the Communist movement in Central America. This had to be approved by not only the highest levels, including the political factions, of the five major Communist groups, Marxist groups, in El Salvador, but it had to be signed off on by Danny Ortega and the commandantes, because they well knew the heat that they would bring on their own country if they allowed the marines to be killed when the operational headquarters sits there in Managua of the Communist front group.

So I just thank the gentleman for quickly taking this special order tonight. And, you know, under the rules of the House we are not supposed to refer to the gallery. But I have checked, we are entitled to refer to the great Fourth Estate that sits up in the Press Gallery, as Edmund Burke called them on the floor of the English Parliament, and Burke said the Fourth Estate, in the end, is the most powerful of us all. And I think that is still true. That is the way Thomas Jefferson wanted it, the founder of the great majority party in our country today. We all want the press to be free. But the press is finding itself manipulated by kidnappers and thugs and murderers in Beirut, and we must not let the press or this House find itself manipulated by well-meaning but poorly thought-through amendments on this floor to tie the hands of the President of the United States of America to do something about Communist terrorists who are cutting down marines now on the very continent of North America.

And you have alerted, I know, because you are so concerned about this, every viewer who is staying up late. I just called home, and they have not dumped out of C-SPAN's coverage of this House floor. Let everybody who is watching call 10 friends and get them to give up work if they have to—it is that important—sit in front of their C-SPAN screen tomorrow and watch this debate on the Foley amendment. This simply cannot happen while these marines have yet to be rested in the soil of their country at Arlington, who died serving their country and, yes, fighting communism on the continent of North America.

I thank the gentleman for taking out this special order.

Mr. BURTON of Indiana. I thank the gentleman for his contribution, both gentlemen from California.

I would just like to follow up on that by saying we are sending the wrong message if we allow the Foley amendment to pass. Today it was reported in the New York Times what the Farabundo Marti Communists in El Salvador have said about killing our marines. I would like to quote. It said.

"The June 19 attack in which 9 people died and 15 were wounded, including the 4 marines who died, constitutes a just action in legitimate defense of our people and our sovereignty," the 5 top military leaders of the Farabundo Marti National Liberation Front said in a communique read over the clandestine guerrilla radio Monday night."

They are bragging about killing our marines and wounding those innocent people in that restaurant down in El Salvador.

Mr. DORNAN of California. For the record, how many innocent people?

Mr. BURTON of Indiana. There were 9 people killed and 15 wounded, 24 people in all were killed or wounded.

Mr. DORNAN of California. I believe one was Guatemalan, one a Chilean, two American businessmen, and the rest Salvadoran citizens, and some of them so totally innocent that we thought the Communist guerrillas would say, "Well, we are sorry about the innocent victims." They said that anybody who goes to a restaurant that serves Americans, "You deserve to die." They are really playing the tough hand now.

Mr. BURTON of Indiana. Oh, there is no question. And I think the points you made should be restated, and that is that the headquarters for the Communist guerrillas in El Salvador is in Managua, Nicaragua. And if the Foley amendment passes, we are giving sanctuary to those Communist guerrillas and their headquarters and, in addition to that, we are going to make ourselves impotent if we have to react to them at some point in the future. I think it is going to be tragic.

I yield to the gentleman from California.

□ 2330

Mr. DORNAN of California. The word "sanctuary" mostly to students of history in our country was something out of the Middle Ages where the churches would give sanctuary to political prisoners. But that word certainly came into the ken of American citizens during the Vietnam war. What was the word "sanctuary" most applied to? The nation of Cambodia? What is the most common expression for the nation of Cambodia today? It is not sanctuary any more, it is called "The Killing Fields," and if we do not respond with a strong, bipartisan foreign policy now, some day what is going to be the sanctuary of Nicaragua is some day going to be called the killing fields of Central America.

Mr. BURTON of Indiana. I do not think there is any dobut about that, and if we want a Vietnam in our hemisphere, all we have to do is pass an amendment like the Foley amendment to give sanctuary to the enemy and we are going to get a Vietnam.

The best way to make sure we do not get a Vietnam is to take a strong hand in Central America and to make sure that the Communists do not achieve their objectives of expanding that revolution throughout Central America.

I yield to the gentleman from California.

Mr. HUNTER. I think one thing that the gentleman from California [Mr. DORNAN] brought up needs to be restated, and that is that we are at a time of crises in this Nation. Generally, in a time of national crises the Congress pulls together with the President. We vest him with more power, more authority, more trust because he is the one individual elected by all of us. Congress and the President cast aside their partisan battles and they come together and they try to fight the foe, to work together in a united way to do what is necessasry to protect this country and its citizens.

I find it very unusual at a time when our President has enormous pressures, when he is being pressured by people who have kidnapped American citizens in the Middle East, who offer to make martyrs of themselves and perhaps kill those citizens if they do not receive what they want from the President of the United States, when he is faced with his Marines, of whom he is the Commander-in-Chief, being murdered in El Salvador; when he has enormous pressures all over the world and he sees a string of terroristic events that have occurred in the last week, not limited to and including the

Indian airliner that blew up, possibly as a result of the tremendous exposure and publicity that was given the hijackers in the Middle East.

This President sees coming from this Congress not a reaffirmation of support, not a Congress standing strongly behind the President and saying we are with you and we will fight the partisan battles 6 months down the line as we get close to the next election, but for now we are all Americans. But we see this Congress coming to the President and attempting to strip away his authority and saying we really do not trust you. In this time of crises we want to send you one more manifestation of the fact that we do not trust you, we know you said you are not going to invade Nicaragua, but we want to put it in writing and let the world know that we do not trust our own President. Our response to the tremendous 2 weeks of violence that have come from terrorists and hijackers around the world is to assure some of them that in some cases, under the Foley amendment, there will be sanctuary in Nicaragua.

It is a very sad message to send and I would say one that is very inconsistent with the tradition of this House.

Mr. BURTON of Indiana. I think the gentleman makes a very valid point.

I yield to the gentleman from California.

Mr. DORNAN of California. Tonight was the "Accuracy in Media" 55-minute response, critique and response, of the 13-hour Karnow series on Vietnam that has been run twice. It was peculiarly structured in this 2-hour PBS show tonight because they did a bookend criticism, prologue and epilogue on this 55-minute Accuracy in Media criticism of the other series.

The Washington Post today, typically I guess, said that Charleton Heston's narration was ridiculously pompous; that remark was pompous, Heston was dignified and low-key. It said that the contribution of the Congressmen in the 55-minute piece was silly. There were only two Members of Congress. One was Senator STEVE SYMMS, a marine veteran, and the other a 6½-year POW, our own JOHN MCCAIN in this House, both of them were low-key, measured, and very scholarly. Nothing silly about it, so I do not know what the Post was trying to accomplish with that little biased piece of vicious reporting.

But in the piece MCCAIN said, because they gave a few seconds to the analogy between Central America and Vietnam, he said, yes, he can accept some comparisons. He said, but there was one great difference, and in the shortness of time he could only mention one. It came down to one word, and it happens to be a subject where our young Americans are flunking it in grade schools and high schools across this country. It does not sound as exotic as socioogical mood adjustment and things like that; it is just a simple word: Geography.

Geography is one of the main things that enable us to help people and not help other people. I remember when Tibet was invaded by Communist China. A Bertrand Russell discussion on television, where rarely some reporter had the guts to take him on, and said, What about this invasion of Tibet? He said it is not an invasion, and one of the great euphemisms of my lifetime, it is just burned in my brain. He said, it was not an invasion, it was, it was, well, China included Tibet. Hows that? Nice word. It included Tibet.

Now what can we do for the people in Tibet? The Soviet Union has three votes in the UN. A little SOP that we all know; Franklin Roosevelt said, we all know it but I do not think people out there in America are being taught this. One of them is the Ukraine. Now, I have been in the Ukraine, in Kiev. I have met with people quietly in their homes and they are suffering. What can we do to help them? Not bloody much can we do to help 2 milion Jews for example that want to get out of the Soviet Union.

What can we really do to help Afghanistan? It is up in the foothills of the Himalayas. We cannot get to them to help them. Every time we try to get aid to Pakistan, India gets uptight.

What could we do to help Vietnam we kept hearing over and over. It is a civil war 8,000 to 10,000 miles away. It was precisely, exactly opposite of the 24-hour clock from Washington, DC. Nine hours from L.A.; 12 hours from here.

But, El Salvador, it is getting to be a cliche on the House floor. When the Texans get up and the Floridians and the guys from New Mexico who are changing their vote now, I respect them for it, and the guys from Arizona like MCCAIN and California like us, and we say, hey, Santa Ana. You know, El Salvador is closer to my Santa Ana in my district in Orange County than I am to Washington, DC. My whole district is closer to El Salvador right now than I am speaking on this House floor to my district.

This word "geography" alone, should make this House fall in behind the President of the United States.

I am through and I am taking one of your words and I am going to key off on it on the floor tomorrow. They can be forewarned, my distinguished friend from Arkansas, get ready. The word is "trust." Trust the President of the United States. We are up against it now. We have got a war on terrorism and this communism struggle, what John Kennedy called a "Twilight Struggle" it is going to last for all of our life. We are into it now; we are locked and this House should get back, as I said on the floor the other day, to the old days of a bipartisan foreign policy. Maybe instead of having all these experts come in here all the time and take testimony in committees, maybe we should have just breakfasts, lunch, and a few pizza dinners among the Members on both sides of the aisle to hammer out a bipartisan foreign policy. I think that STEVE SOLARZ has made the first offer.

I will tell you there are men on the other side of the aisle that I will march anywhere with and they are trying to save their own party. I will take John Wayne, JACK MURTHA and follow him anywhere. I will take Gary Cooper, CHARLIE WILSON of Texas and I will follow him anywhere. I will take Randolph Scott, TOMMY ROBINSON of Arkansas, and I will follow him anywhere. We have got the people on both sides of the aisle in this House to get behind the President and give him some trust.

This is the 13th day of this kidnaping. Has not the President shown finally that he has the reserve, the cool, the dignity, and the judgment to try and save lives?

I made a speech on the floor respecting Jimmy Carter the other day. I said that if Carter came after a Reagan presidency, Carter would be a different President. Reagan has the advantage of learning through the suffering of Jimmy Carter's 444-day torment from November 4, a year out from the election, to the very inauguration day, these men in the name of Allah who are grinding an American President's face in the dust because he lost his incumbency over that vicious kidnapping of an entire Embassy.

We have got to trust the President of the United States and I want the other side to withdraw the Foley amendment or at least let us have an unlimited, wide open debate on why this is wrong to do this not just to ourselves but to the whole free world.

We are the leader whether we want it or not; historically we can only reject it in ignominy or accept the role of leadership, and trust is what I want to put in the President of the United States just as I trusted Jimmy Carter that he would handle the hostage crisis, and my heart went out to him when he had the guts to launch the Delta Force into the desert, and it was not Carter's fault that the military did not know how to pull off a correct rescue mission. Just read the recently released book on that whole mixed-up mess that they dumped on the President of the United States and did not carry it out right. They expected, and Carter had the guts to accept this: Fifty percent casualties of the hostages, the kidnap victims, and 50 percent casualties, minimum, among the Delta Force.

□ 2340

The scenes of that night, with all the engines running, the Israelis could turn off the C-130 engines at Entebbe so they could talk to one another. No communication. Screaming through cupped hands into one another's ears. The commander on site in the Army saying to the Marine helicopters, "You have to do this," and they said, "Well, who are you? Who put you in command?" No identifiable insignia. All of this over the din of these roaring engines. No proper spare parts.

And through all of this, when they are told to leave, grown, tough men start crying with rage. Some of the Army guys suggested, "Let us go in the jeeps and drive through a thousand miles of desert. Who needs the choppers?" because they were so committed to a rescue mission.

No, Jimmy Carter's place in history is going to be all right, and if I were President Reagan, I will tell you what I would do. I would have Carter moved into the White House tonight and live with him through the next few weeks so that they can share exactly what to do and unify these two parties.

ANDY JACOBS of Indiana got up the other day and made a pretty good speech about quiet courage that Carter had shown. JACOBS was quoting his mother. I appreciated that and I think Reagan is showing quiet courage right now and he is taking all these ignominious comparisons with Jimmy Carter right in stride. It demeans President Carter, it demeans Reagan the way the news media is handling this frivolous little thing. Every time I hear the comparison I hear the schoolyard kindergarten taunt, "Nyah, Nyah, Nyah, Nyah, Nyah, Nyah." That is all I hear now on the tube.

Let us trust our President and not put in this terribly ill-conceived Foley amendment.

Mr. BURTON of Indiana. I thank the gentleman for his very eloquent remarks.

Mr. DORNAN of California. If Mr. FOLEY withdraws his amendment, I will henceforth refer to him as THOMAS "RAMBO" FOLEY.

Mr. BURTON of Indiana. I thank the gentleman for that remark. I think I would likewise do the same thing.

Mr. Speaker, I just want to say that if the Foley amendment is not withdrawn and it passes tomorrow, it is going to show a split Congress to the American people and to the world. I am sure the people who will support it will unintentionally give aid and comfort to those who are enemies of the United States and the free world. I do not think they would do that intentionally, but unintentionally by supporting an amendment of this type, they are going to be giving aid and comfort to our enemies, the terrorists and the Communists in Central America.

We cannot send that message. It is the wrong message at the wrong time.

Mr. Speaker, I yield to my colleague, the gentleman from Georgia.

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Speaker, I just want to report to my colleagues that a citizen back home in Atlanta, Ken Poss, who is a decorated Korean war veteran, was watching this discussion and called to say that it really bothers him that here we are, on the 35th anniversary of the beginning of the Korean war, and Democrats like our good friend, Mr. FOLEY, of all people, should recognize that had there been a Foley amendment to Korea that Harry Truman would have had his hands tied, he would have been helpless, he could have done nothing.

Had there been a Foley amendment in other situations, John F. Kennedy would have been helpless.

I think the tragedy, as Mr. Poss points out, is that we lost 54,000 men fighting for freedom, and the result today is that South Korea is free, it is vastly wealthier than North Korea, it is an American ally, and we stopped the tide of communism in Korea.

Now, what do we have today? Here we are, the last day tomorrow before we break for the Fourth of July, the most patriotic, the most stirring holiday in the American season, here we are in a week in which we are faced with terrorists taking on American Marines and killing them in El Salvador, we have terrorists killing an American sailor in the Middle East, holding Americans hostage in the Middle East, and what does the ostrich wing of American life suggest we do? Does it suggest that we massively increase our forces? Does it suggest that we strengthen our Central Intelligence Agency human intelligence? Does it suggest that we get a better ability to stop the Nicaraguan Communists from financing the El Salvadoran Communists who killed American marines?

No. On the last day we are in session before the Fourth of July, the ostrich wing of American life, led by Democratic ostriches who, with some Republican ostriches candidly voting right along with them, are going to vote to weaken America's position in Central America, are going to vote to create a sanctuary in Nicaragua, and that is precisely what the Foley amendment does.

The Foley amendment is a sanctuary for guerrillas and sanctuary for terrorists amendment. It creates an environment in which if you were a guerrilla in El Salvador, all you had to do was scamper back into Nicaragua and the Foley amendment will protect you. It is an amendment which says if you end up killing a few Americans here and there, the President cannot do anything until he comes to this Congress.

I would suggest to anybody who has watched this Congress, how are you going to terrify a terrorist if they know that you have to come to the House and the Senate to get anything done? I think that our good friend from California's description of the scene in Desert I is important. War is, by definition, chaotic and confusing. Counterterrorist actions are chaotic and confusing. There would have been no rescue at Entebbe if the Israeli Government had had to go to the Israeli version of the Congress to ask the Knesset for permission. If there had been a Foley amendment on Uganda, the Israelis could not have acted if there had been an Israeli Foley.

So here we are, on the last day before the Fourth of July break, faced with a crisis in the Middle East, faced with Americans being killed in Central America, and the ostrich wing of the Democratic Party will take a leading role in the morning in crippling America's capacity to act in Central America. It is the most mind-boggling ability to walk away from reality that we have seen since the decision by the isolationists weeks before Pearl Harbor that we would not fortify Guam because there would never be war with Japan.

What we have is absolute proof that, as George Will said, there is a war against Americans, and I want to repeat the quote because George Will caught it perfectly. There is a war against Americans, and in that setting, what is the response of the ostrich wing to having war waged against us? What do they say to the parents of the sailor who was killed? What do they say to the parents of the four young marines who were killed?

Well, we will sure show the terrorists. We will declare a sanctuary. We will legally prohibit the President from doing what is necessary as long as they can get home, almost like a game of tag, claim their touchdown base if that base is Nicaragua.

It is, I think, one of the most remarkable experiences in recent American government to have us do this.

Mr. BURTON of Indiana. If I might just interrupt for just a second, the chief PLO terrorist, Yasser Arafat, was in Managua not too long ago, and when he was down there he made the statement that the road to Jerusalem leads through Managua. Here is one of the leading terrorists in the world, and he is from the Middle East, as are the Shiite Moslems who are holding our Americans hostage over there right now.

Yet we are planning with the Foley amendment, if we pass that tomorrow, to give sanctuary to a country that has PLO terrorists, and Bulgarian terror-

ists, and the Red Brigade from Italy down there, all the fellow travelers of the Communists and the terrorists throughout the world, and who are mortal enemies, in my view, of the United States of America. I think it is a terrible message to send, and I thank the gentleman for his input.

Mr. GINGRICH. Let me just thank, if I may, the gentleman from Indiana for taking this time, this late at night, and we appreciate the staff staying here, but I think that it is very important that every Member, Republican or Democrat, ask himself tomorrow before they vote on the Foley amendment, is it really at this historic moment the signal you want to send the world, the signal you want to send the Shiites, the signal you want to send the Communists in Nicaragua, the signal you want to send the Communist guerrillas in El Salvador, is the last message you really want to send before going home for the Fourth of July that we are proud to announce we are creating a sanctuary in Communist Nicaragua and we are proud to announce, by George, that we have reacted to the terrorists. We have crippled Ronald Reagan.

I think the word "trust" is important. You have to trust somebody in life, and we are either going to trust the President of the United States or we are going to trust the Communist government of Nicaragua, and to vote for the Foley amendment tomorrow is to say literally that you have more fear of the President of the United States than you have fear of terrorists or fear of Qadhafi or fear of Arafat or fear of the Nicaraguan Communists.

It will be a most remarkable and historic vote, and I thank the gentleman for this special order.

□ 2350

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for his contribution.

In closing I would just like to say that about a week and a half ago in Managua, Nicaragua, 400,000 people, one-tenth of the total population of that country, turned out to greet Obando Cardinal Bravo when he came back from the Vatican after being made a cardinal. He was greeted by cheers, saying, "Christianity, yes; communism, no."

They were tearing down the signs that had been put up by the Communist Sandinista government in that country. One-tenth of that population. If that were to occur in the United States of America, we would have 23½ million people demonstrating in one spot against a specific policy.

Those people want freedom down there. No longer can the liberal Members of this House say that the people of Nicaragua do not want freedom and do not want change, because they do.

The liberal Members of this House cut off humanitarian aid, voted against it, about 6 to 8 weeks ago and yet once Daniel Ortega went to the Soviet Union and embraced the Communist leaders over there, they were forced to vote for $27 million in humanitarian aid.

I hope we do not make another mistake like that tomorrow, because I think the House will rue the day if they do and they will have to rescind their action with a great deal of embarrassment in the not too distant future.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. OWENS (at the request of Mr. WRIGHT), on June 26 and 27, on account of illness.

Mr. FISH (at the request of Mr. MICHEL) for today, on account of minor surgery.

Mr. HEFNER (at the request of Mr. WRIGHT), on June 26 and 27, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCCANDLESS) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. QUILLEN, for 5 minutes, today.

Mr. BOULTER, for 60 minutes, today.

Mr. SWINDALL, for 60 minutes, today.

Mr. GROTBERG, for 5 minutes, today.

Mr. CHANDLER, for 5 minutes, today.

Mr. GINGRICH, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, on June 27.

(The following Members (at the request of Mr. BRUCE) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RUSSO, to revise and extend during the debate on the Boxer amendment, in the Committee of the Whole, today.

Mr. WEISS, to revise and extend immediately before the vote on the Brown-Coughlin amendment, in the Committee of the Whole, today.

Mr. OBEY, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,287.

(The following Members (at the request of Mr. MCCANDLESS) and to include extraneous matter:)

Mr. GALLO.

Mr. BROWN of Colorado.

Mr. RINALDO in two instances.

Mr. ROBERT F. SMITH.

Mr. SOLOMON in two instances.

Mr. CAMPBELL.

Mr. O'BRIEN.

Mr. LIGHTFOOT.

Mr. BURTON of Indiana.

Mr. GUNDERSON.

Mr. RITTER.

Mr. SHUMWAY.

Mr. ROTH.

Ms. SNOWE.

(The following Members (at the request of Mr. BRUCE) and to include extraneous matter:)

Mr. DYSON in two instances.

Mr. HAMILTON.

Mr. FLORIO.

Mr. FEIGHAN.

Mr. GARCIA.

Mr. LELAND.

Mr. VENTO.

Mr. ROSTENKOWSKI.

Mr. WHEAT.

Mr. RAHALL.

Mr. TALLON.

Mr. WALGREN.

Mr. SMITH of Florida.

Mr. MAZZOLI in two instances.

Mr. SOLARZ.

Mr. DORGAN of North Dakota.

Mr. DOWNEY of New York.

Mrs. KENNELLY.

Mr. MARKEY.

Mr. KAPTUR.

Mr. EDGAR.

Mr. FAZIO.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 47. An act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 413. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 52 minutes p.m.) the House adjourned until tomorrow, Thursday, June 27, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1584. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), Department of the Army, transmitting a draft of proposed legislation to amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff; to the Committee on Armed Services.

1585. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed Letter of Offer to the Coordination Council for North American Affairs for defense articles and services estimated to cost $94 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1586. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1587. A letter from the Chairman, Securities and Exchange Commission, transmitting an evaluation of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1588. A letter from the General Counsel, Foreign Claims Settlement Commission, Department of Justice, transmitting an evaluation of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1589. A letter from the Commissioner, Immigration and Naturalization Service, transmitting waivers granted from certain admissibility requirements for refugees, pursuant to INA, section 207(c)(3) (94 Stat. 103); to the Committee on the Judiciary.

1590. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, Department of Commerce, transmitting the fourteenth annual report of the National Advisory Committee on Oceans and Atmosphere, together with comments and recommendations, pursuant to Public Law 95-63, section 4(b); to the Committee on Merchant Marine and Fisheries.

1591. A letter from the Acting Administrator, General Services Administration, transmitting the update to fifteen building prospectuses where the cost and asbestos levels within each need review, pursuant to Public Law 86-249, section 7(a) (86 Stat. 217); to the Committee on Public Works and Transportation.

1592. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend section 4114 of title 38, United States Code, which would authorize the Veterans' Administration (VA) to make temporary and part-time appointments of certified or registered respiratory therapists, licensed physical therapists, and licensed practical or vocational nurses for periods in excess of 1 year; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1603. A bill to amend the Securities Exchange Act of 1934 to authorize the Securities and Exchange Commission to subject banks, associations, and other entities that exercise fiduciary powers, to the same regulations as broker-dealers, pursuant to section 14(b) of the Securities Exchange Act of 1934 with an amendment (Rept. No. 99-181). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHANDLER:

H.R. 2869. A bill to improve the benefit structure, comparability, and financial soundness of the retirement and disability programs for the civilian employees of the Federal Government by requiring full actuarial funding of the civil service retirement and disability system, by establishing a more equitable and portable retirement structure for post-1983 employees under a new Federal thrift plan with matching employer contributions and a revised set of defined benefits under the civil service retirement and disability system, taking into account benefits otherwise provided under the Old-Age, Survivors, and Disability Insurance Program under title II of the Social Security Act, and by providing a more defensible benefit structure as it relates to early retirement, cost/living adjustments, and deferred benefits for separated employees; jointly, to the Committees on Education and Labor, Post Office and Civil Service, and Ways and Means.

By Mr. BOSCO:

H.R. 2870. A bill to amend the Federal Aviation Act of 1958 to prohibit the acquisition of an air carrier by another air carrier, or by the person controlling another air carrier, which is operating under the protection of the bankruptcy laws; to the Committee on Public Works and Transportation.

By Mr. CAMPBELL:

H.R. 2871. A bill to amend the Tariff Act of 1930 to require that revenues from tariffs levied on imports of textile machinery shall be segregated from the general revenues and allocated to a textile machinery fund, the purpose of which will be to support research for the modernization of the American textile machinery industry; to the Committee on Ways and Means.

By Mr. DASCHLE:

H.R. 2872. A bill to make producers who convert certain wetland to the production of agricultural commodities ineligible to receive certain financial benefits with respect to the production of any agricultural commodity; to the Committee on Agriculture.

By Mr. ECKART of Ohio (for himself, Mr. BLILEY, and Mr. EDGAR):

H.R. 2873. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the private sector, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. FLIPPO (for himself and Mr. FRENZEL:

H.R. 2874. A bill to amend the Internal Revenue Code of 1954 to require conformity between the loan loss reserve accounts maintained by certain financial institutions for tax purposes and for financial statement purposes; to the Committee on Ways and Means.

By Mr. GALLO:

H.R. 2875. A bill to amend title XIX of the Social Security Act to permit States to cover certain individuals requiring extensive home care under a home- or community-based waiver, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GEJDENSON:

H.R. 2876. A bill to amend the Energy Policy and Conservation Act to improve the administration of the Federal Energy Conservation Program for consumer products, to enhance consumer information programs, to encourage the purchase of more energy-efficient appliances, to implement efficiency standards for certain appliances and to improve environmental quality by reducing acid-producing emissions threatening public health and safety, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GROTBERG:

H.R. 2877. A bill to amend title II of the Social Security Act to increase the amount of excess earnings an individual who has attained retirement age may earn before suffering deductions from benefits; to the Committee on Ways and Means.

By Mr. PICKLE (for himself, Mr. ANDREWS, and Mr. DELAY):

H.R. 2878. A bill to amend title 23 of the United States Code to encourage the use of native wildflowers in highway landscaping; to the Committee on Public Works and Transportation.

By Mr. QUILLEN (for himself, Mr. ADDABBO, Mr. APPLEGATE, Mr. BADHAM, Mr. BARNARD, Mr. BEVILL, Mr. BONER of Tennessee, Mr. COATS, Mr. COOPER, Mr. DAUB, Mr. DUNCAN, Mr. DYMALLY, Mr. FRANKLIN, Mr. FRENZEL, Mr. FROST, Mr. GEKAS, Mr. HORTON, Mr. JENKINS, Mr. KASICH, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LATTA, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. MARTINEZ, Mr. MATSUI, Mr. NICHOLS, Mr. RANGEL, Mr. RUDD, Mr. SHUMWAY, Mr. SILJANDER, Mr. STRANG, Mr. STUMP, Mr. SUNDQUIST, Mr. SUNIA, Mr. WILLIAMS, and Mr. YOUNG of Alaska):

H.R. 2879. A bill to designate "The Stars and Stripes Forever" as the national march of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. RINALDO (for himself and Mr. BARNARD):

H.R. 2880. A bill to amend the Federal Trade Commission Act to provide an immunity for Federal credit unions subject to the Federal Credit Union Act; to the Committee on Energy and Commerce.

By Mr. TRAFICANT:

H.R. 2881. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to modify criminal penalties for certain drug offenses; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. WYDEN (for himself, Mr. TAUKE, Mr. GEPHARDT, and Mr. GRADISON):

H.R. 2882. A bill to provide for the establishment of a clearing house and for studies on how to collect and analyze statistics and other information on the aggregate cost, utilization, and quality of health care services in order to provide for greater efficiency and quality in the purchase of health care services; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BERMAN (for himself and Mr. MOORHEAD):

H.R. 2883. A bill to amend title 28, United States Code, to increase the number of U.S. bankruptcy judges authorized to be appointed for the central district of California; to the Committee on the Judiciary.

By Mr. BLAZ:

H.R. 2884. A bill to transfer certain land owned by the United States in Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GIBBONS (by request):

H.R. 2885. A bill to implement the Nairobi Protocol to the Florence Agreement on the Importation of Education, Scientific, and Cultural Materials, and for other purposes; to the Committee on Ways and Means.

By Mr. LAGOMARSINO:

H.R. 2886. A bill to amend title 3, United States Code, with respect to reimbursing States and localities for expenses they make at the request of the Government for the protection of the President of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. SOLARZ:

H.R. 2887. A bill to authorize the erection of a monument given to the American people as a gift of the Kingdom of Morocco, on public grounds in the District of Columbia; to the Committee on House Administration.

By Mr. LIGHTFOOT:

H.J. Res. 327. Joint resolution designating the week beginning September 15, 1985, as "National Independent Free Papers Week"; to the Committee on Post Office and Civil Service.

By Mr. SUNDQUIST:

H. Con. Res. 171. Concurrent resolution expressing the sense of the Congress that the U.S. Ambassador to the United Nations should seek a vote in the U.N. General Assembly on a resolution condemning the June 1985 kidnapping of U.S. citizens by Lebanese Shiite Moslems; to the Committee on Foreign Affairs.

By Mr. DORNAN of California:

H. Res. 207. Resolution concerning the policy of the United States toward international terrorism against the United States and its citizens, and for other purposes; to the Committee on Foreign Affairs.

By Ms. FIEDLER:

H. Res. 208. Resolution entitled: the "International Terrorism Control Treaty"; to the Committee on Foreign Affairs.

By Mr. BURTON of Indiana:

H. Res. 209. Resolution expressing the sense of the House of Representatives that Fidel Castro's actions in limiting the free flow of information, and in limiting the right of Cubans to travel in and out of their country freely, are both a violation of the Cuban people's internationally recognized human rights and a major obstacle to improved United States-Cuban relations; to the Committee on Foreign Affairs.

By Mr. MARKEY (for himself, Mrs. SCHNEIDER, Mr. TAUKE, Mrs. BOXER, Mr. STARK, Mrs. JOHNSON, Mr. WAXMAN, Mr. WIRTH, Mr. LELAND, Mr. WALGREN, Mr. SIKORSKI, Mr. CHANDLER, Mr. LEACH of Iowa, Mrs. SCHROEDER, Mr. MARTINEZ, Mr. MRAZEK, Mr. BEILENSON, Mr. BEDELL, Mr. JEFFORDS, Mr. MORRISON of Connecticut, Mr. ACKERMAN, Mr. WEAVER, Mr. SCHUMER, Mr. FRANK, Mr. MINETA, and Mr. VENTO):

H. Res. 210. Resolution to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standards; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

187. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to Farm Credit Relief Act of 1985; to the Committee on Agriculture.

188. Also, memorial of the Legislature of the State of California, relative to apricots; to the Committee on Education and Labor.

189. Also, memorial of the Legislative Research Commission, Commonwealth of Kentucky, relative to the death penalty; to the Committee on the Judiciary.

190. Also, memorial of the Legislature of the State of Louisiana, relative to State and local taxes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FROST introduced a bill (H.R. 2888) for the relief of Hilma C. Henderson; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1: Mr. ST GERMAIN, Mr. FAUNTROY, Mr. LUNDINE, Ms. OAKAR, Mr. VENTO, Mr. GARCIA, Mr. MITCHELL, Mr. SCHUMER, Mr. FRANK, Mr. LEHMAN of California, Mr. MORRISON of Connecticut, Mr. COOPER, Ms. KAPTUR, Mr. ERDREICH, Mr. LEVIN of Michigan, Mr. CARPER, Mr. TORRES, Mr. KLECZKA, Mr. KANJORSKI, Mr. MANTON, Mr. FUSTER, Mr. WILLIAMS, Mr. SMITH of Florida, Mr. HAYES, Mr. CONYERS, and Mr. KILDEE.

H.R. 6: Mr. YOUNG of Missouri and Mr. PERKINS.

H.R. 237: Mr. BURTON of Indiana, Mr. DANNEMEYER, Mr. HUNTER, Mr. HUTTO, Mr. KOLTER, Mr. NEAL, Mr. ROTH, Mr. SUNDQUIST, and Mr. SYNAR.

H.R. 472: Mr. VALENTINE, Mr. SNYDER, and Mr. SENSENBRENNER.

H.R. 479: Mr. FEIGHAN and Mr. GUARINI.

H.R. 481: Mr. BUSTAMANTE, Mr. HORTON, Mr. HUTTO, Mr. JONES of North Carolina, Mr. LAGOMARSINO, Mr. LEATH of Texas, Mr. NICHOLS, Mr. WALKER, and Mr. WORTLEY.

H.R. 585: Mr. MICA.

H.R. 704: Mr. LOWERY of California, Mr. CHENEY, and Mr. EMERSON.

H.R. 822: Mr. FLORIO and Mr. STAGGERS.

H.R. 887: Mr. HAYES and Mr. MORRISON of Connecticut.

H.R. 1006: Mr. BADHAM.

H.R. 1066: Mr. JEFFORDS, Mr. FORD of Tennessee, Mr. SEIBERLING, Ms. MIKULSKI, Mr. MATSUI, Mr. PANETTA, Mr. LUNDINE, and Mr. MRAZEK.

H.R. 1068: Mr. MORRISON of Connecticut.

H.R. 1207: Mr. ADDABBO.

H.R. 1215: Mr. PARRIS.

H.R. 1272: Mr. DORGAN of North Dakota and Mr. JENKINS.

H.R. 1284: Mr. CONYERS, Mr. VENTO, Mr. MACKAY, Mr. MARTINEZ, Mr. DICKINSON, Mrs. BOGGS, Mr. GLICKMAN, Mr. DYSON, Mr. STUDDS, Mr. HANSEN, Mr. BONKER, Mr. HAMILTON, Mr. ECKART of Ohio, Mr. DASCHLE, Mr. DORGAN of North Dakota, Mr. MARKEY, Ms. MIKULSKI, Mr. LAGOMARSINO, Mr. RINALDO, Ms. KAPTUR, Mr. WILSON, Mr. CROCKETT, Mr. SOLARZ, and Mr. SKELTON.

H.R. 1316: Mr. TORRICELLI.

H.R. 1361: Mr. MCCLOSKEY.

H.R. 1423: Mr. PARRIS and Mr. MURPHY.

H.R. 1435: Mr. GRAY of Pennsylvania, Mr. MOLLOHAN, Mr. PASHAYAN, Mr. DREIER of California, Mr. DIOGUARDI, Mr. BUSTAMANTE, Mr. FOGLIETTA, and Mr. STAGGERS.

H.R. 1443: Mr. LOWRY of Washington.

H.R. 1471: Mr. TRAXLER.

H.R. 1550: Mr. MCCAIN.

H.R. 1562: Mr. CARNEY, Mrs. VUCANOVICH, Mr. SIKORSKI, Mr. HUNTER, Mrs. BOGGS, Mr. WALKER, Mrs. LONG, Mr. DREIER of California, Mr. VISCLOSKY, and Mrs. ROUKEMA.

H.R. 1575: Mr. CONYERS, Mr. DOWNEY of New York, Mr. HAYES, Mr. STOKES, Mr. LEHMAN of Florida, Mr. FUSTER, Mr. ROE, Mr. BERMAN, Mr. FOGLIETTA, Mr. LELAND, Mr. TOWNS, Mr. MRAZEK, Ms. MIKULSKI, Mr. WHEAT, Mr. OWENS, Mr. FROST, Mr. MARTINEZ, Mr. FRANK, Mr. SABO, Mr. TORRES, Mr. WOLPE, Mr. RANGEL, Mr. MOODY, Mr. FORD of Tennessee, Mr. ADDABBO, Mr. HAWKINS, Mr. CROCKETT, Mr. EDGAR, Mr. BOEHLERT, and Mrs. HOLT.

H.R. 1769: Mr. HUBBARD.

H.R. 1893: Mr. HENDON.

H.R. 1906: Mr. TORRICELLI.

H.R. 1964: Mr. ROSE.

H.R. 1973: Mr. VANDER JAGT, Mr. FOGLIETTA, and Mr. MONTGOMERY.

H.R. 1977: Mr. HAMILTON.

H.R. 2078: Mr. ARMEY, Mr. CRANE, Mr. DANNEMEYER, Mr. EDWARDS of Oklahoma, and Mr. WORTLEY.

H.R. 2189: Mr. MCEWEN, Mr. MURPHY, Mrs. JOHNSON, Mr. QUILLEN, and Mr. CROCKETT.

H.R. 2235: Mr. WALGREN, Mr. OWENS, and Mr. SEIBERLING.

H.R. 2262: Mr. VALENTINE.

H.R. 2401: Mr. TORRES, Ms. KAPTUR, Mr. SISISKY, Mr. BIAGGI, Mr. ERDREICH, Mr. SIKORSKI, Mr. MCCLOSKEY, and Mr. BROOKS.

H.R. 2484: Mr. BUSTAMANTE, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. MATSUI, Mr. SMITH of Florida, Mr. EMERSON, Mr. YOUNG of Alaska, Mr. ORTIZ, Mr. VALENTINE, Mr. MARTINEZ, Mrs. VUCANOVICH, Mr. SAXTON, Mr. FAZIO, Mrs. BENTLEY, and Mr. MARLENEE.

H.R. 2587: Mr. DIOGUARDI, Mr. FAZIO, Mr. FRANK, Mr. MINETA, and Mr. YOUNG of Alaska.

H.R. 2601: Mr. DYMALLY, Mr. BIAGGI, Mr. BERMAN, Mr. FAUNTROY, Mr. SCHEUER, Mr. ACKERMAN, Mr. MILLER of Washington, Mr. LAGOMARSINO, Mr. DEWINE, Mr. SCHUMER, Ms. MIKULSKI, Mr. WEISS, Mr. LEVINE of California, Mr. FROST, Mr. SILJANDER, Mr. KOLTER, Mr. BATEMAN, Mr. SISISKY, Mrs. HOLT, Mr. MATSUI, Mr. FISH, Mr. DIOGUARDI, Mr. FEIGHAN, and Ms. FIEDLER.

H.R. 2620: Mr. MAZZOLI, Mr. HAYES, and Mr. TRAFICANT.

H.R. 2697: Mr. GRAY of Illinois, Mr. WILSON, Mr. PORTER, Mr. GINGRICH, Mr. ROBINSON, and Mr. EDWARDS of Oklahoma.

H.R. 2743: Ms. KAPTUR, Mr. LEVINE of California, Mr. FLORIO, Mr. MITCHELL, Mr. GLICKMAN, Mr. BEDELL, Mr. TOWNS, Mr.

EVANS of Illinois, Mr. LEVIN of Michigan, Mr. BARNES, and Mr. VENTO.

H.R. 2746: Mr. FAZIO.

H.R. 2781: Mr. DE LA GARZA and Mrs. COLLINS.

H.R. 2794: Mr. DYSON, Mr. CLINGER, Mr. ROSE, Mr. FISH, Mr. SAXTON, Mrs. BENTLEY, Mr. WHITEHURST, Mr. WORTLEY, and Ms. KAPTUR.

H.J. Res. 3: Mr. TORRES, Mr. HAWKINS, Mr. KLECZKA, Mr. HENRY, Mr. BIAGGI, Mr. YATRON, Mr. DONNELLY, Mr. HERTEL of Michigan, Mr. TRAFICANT, and Mr. DERRICK.

H.J. Res. 7: Mr. DELAY.

H.J. Res. 27: Mr. GIBBONS, Mr. COLEMAN of Missouri, and Mr. SWEENEY.

H.J. Res. 79: Mr. MORRISON of Connecticut, Mr. EVANS of Illinois, and Mrs. LONG.

H.J. Res. 142: Mr. DOWNEY of New York, Mr. HENRY, Mrs. BOGGS, Mr. DELLUMS, Mr. BUSTAMANTE, Mr. FOGLIETTA, Mr. DE LUGO, Mr. BEDELL, Mr. KOLTER, Mr. BATES, Mr. FUQUA, and Mr. FISH.

H.J. Res. 156: Mr. VENTO, Mr. FEIGHAN, and Ms. KAPTUR.

H.J. Res. 164: Mr. EVANS of Illinois and Mr. HAMILTON.

H.J. Res. 178: Mr. EMERSON, Mr. MARTIN of New York, Mr. SKELTON, Mr. FRANKLIN, Mr. HERTEL of Michigan, Mr. MILLER of California, Mr. HUNTER, Mr. DYMALLY, Mr. LAGOMARSINO, Mr. COELHO, Mr. YOUNG of Alaska, Mr. WEAVER, Mr. BARNES, Mr. FAZIO, Mr. MILLER of Washington, Mr. MANTON, Mr. EARLY, Mr. LEVIN of Michigan, Mr. ROBERTS, Mr. LIGHTFOOT, Mr. EVANS of Illinois, Mrs. LONG, Mr. ACKERMAN, Mr. MORRISON of Connecticut, Mr. SHUMWAY, Mr. FAUNTROY, Mr. SOLOMON, Mr. WALGREN, and Mr. HENRY.

H.J. Res. 218: Mr. LOTT, Mr. BARTLETT, Mr. MCKERNAN, Mrs. BOGGS, Ms. SNOWE, Mr. DAVIS, Mr. SHELBY, Mrs. KENNELLY, Mr. FRANKLIN, Mr. HEFNER, and Mr. MONTGOMERY.

H.J. Res. 250: Mr. MCEWEN, Mr. HORTON, Mr. MARTIN of New York, Mr. HUNTER, Mr. MURPHY, Mr. BONER of Tennessee, Mr. LIGHTFOOT, and Mr. KANJORSKI.

H.J. Res. 274: Mr. MCCOLLUM.

H.J. Res. 295: Mr. EDGAR, Mr. EVANS of Illinois, Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANDREWS, Mr. APPLEGATE, Mr. BERMAN, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOEHLERT, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mr. BOUCHER, Mrs. BOXER, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CARNEY, Mr. COELHO, Mr. CONTE, Mr. DANIEL, Mr. DASCHLE, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. FAZIO, Mr. FLORIO, Mr. FRANK, Mr. FROST, Mr. FUQUA, Mr. GUNDERSON, Mr. HAYES, Mr. HEFTEL of Hawaii, Mr. HOYER, Mr. HUGHES, Mrs. JOHNSON, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KLECZKA, Mr. KOLTER, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEVIN of Michigan, Mr. MCGRATH, Mr. MCKERNAN, Mr. MADIGAN, Mr. MARKEY, Mr. MARTINEZ, Mr. HORTON, Mr. MINETA, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MONTGOMERY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. MURPHY, Mr. NATCHER, Mr. NEAL, Mr. OBERSTAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. OWENS, Mr. PARRIS, Mr. PASHAYAN, Mr. PEPPER, Mr. PERKINS, Mr. PRICE, Mr. RAY, Mr. REID, Mr. ROE, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STOKES, Mr. STUMP, Mr. VENTO, and Mr. WEISS.

H.J. Res. 296: Mr. YOUNG of Missouri, Mr. MCCAIN, Mr. GREEN, Mr. DE LA GARZA, Mr. MCGRATH, and Mr. YOUNG of Florida.

H.J. Res. 324: Mr. BLILEY, Mr. HORTON, Mr. GROTBERG, and Mr. DAUB.

H.J. Res. 325: Mr. MCHUGH, Mr. LEHMAN of Florida, Mr. REID, Mr. CONYERS, Mr. KILDEE, Mr. HENRY, Mr. SMITH of Florida, Mr. LEVIN of Michigan, Mr. SAVAGE, Mr. HAYES, Mr. MRAZEK, Mr. ADDABBO, Mr. CLAY, Mr. CROCKETT, Mr. FAUNTROY, Mr. MOAKLEY, Mr. ACKERMAN, Mr. SCHEUER, Mr. FRANK, Mr. MAVROULES, Mr. OWENS, Mr. BROOMFIELD, Mr. BONIOR of Michigan, Mr. TRAXLER, Mr. GARCIA, Mr. TOWNS, Mr. MATSUI, Mrs. BURTON of California, Mr. MURPHY, Mr. MITCHELL, Mr. WEISS, Mr. COELHO, Mr. FAZIO, Mr. HOWARD, Mr. COYNE, Mr. WHEAT, and Mr. FEIGHAN.

H. Con. Res. 69: Mr. FLIPPO, Mr. HUCKABY, Mr. FUQUA, Mr. CHAPPIE, Mr. SWIFT, and Mrs. VUCANOVICH.

H. Con. Res. 169: Mr. OWENS, Mr. HORTON, Mr. STARK, Mr. BOUCHER, Mr. KLECZKA, and Mr. FORD of Michigan.

H. Res. 194: Mr. ECKART of Ohio, Mr. BUSTAMANTE, and Mr. LEVIN of Michigan.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4: Mr. RAHALL.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

151. By the SPEAKER: Petition of Miami Lithuanian American Citizens Club, Miami, FL, relative to Lithuanian suffering; to the Committee on Foreign Affairs.

152. Also, petition of the Committee on United States Nationals or the Philippines, Los Angeles, CA, relative to treaties and allegiance; to the Committee on the Judiciary.

153. Also, petition of Mr. Larry H. Bogle, San Bernardino, CA, relative to the petition for removal of Ronald Reagan; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555,

By Mr. DORNAN of California:

—Page 68, after line 9, insert the following new section:

SEC. 518. DRUG TRAFFICKING AND THE PROBLEM OF TOTAL CONFIDENTIALITY OF CERTAIN FOREIGN BANK ACCOUNTS.

(a) FINDINGS.—The Congress finds that—

(1) several banks in Latin America and the Caribbean are used by narcotics traffickers as depositories for money obtained in providing illicit drugs to the United States and other countries of the region;

(2) offshore banks which provide total confidentiality provide a service which materially assists the operations of illicit drug traffickers; and

(3) cooperation in gaining access to the bank accounts of such narcotics traffickers would materially assist United States authorities in controlling the activities of such traffickers.

(b) POLICY.—The Congress—

(1) requests the President to seek to negotiate treaties with all countries providing such confidential offshore banking, especially those in the Caribbean region, in order that the United States Government could obtain access to the bank accounts of known felons who are drug traffickers for the purpose of recovering illegally acquired funds;

(2) directs the President to report, within 180 days after the effective date of this Act, on the results of such efforts as of the date of the report; and

(3) reaffirms its intention to obtain maximum cooperation on the part of all governments for the purpose of halting international drug trafficking, and constantly to evaluate the cooperation of those governments receiving assistance from the United States.

By Mr. MILLER of Washington:

—Page 121, after line 3, insert the following new section 803 and redesignate subsequent sections accordingly:

SEC. 803. PROMOTING DEMOCRACY AND AN END TO THE APARTHEID POLICIES IN SOUTH AFRICA.

(a) PURPOSE.—It is the purpose of this section to encourage funding for programs that would promote democracy and seek to end the apartheid policies in South Africa, and that would be in addition to the programs funded in accordance with sections 802 (b) and (c).

(b) USIA GRANTS TO THE NATIONAL ENDOWMENT FOR DEMOCRACY.—It is the sense of the Congress that the Director of the United States Information Agency should make a grant of up to $500,000 for each of the fiscal years 1986 and 1987 to the National Endowment for Democracy (in addition to grants otherwise made by the Director to the Endowment) for use by the Endowment in providing financing for programs that are designed to promote democracy and that seek to end the apartheid policies in South Africa.

(c) PROGRAMS DESIGNED TO END THE APARTHEID POLICIES.—The programs funded pursuant to this section should include political education and training programs, and programs of support for organizations in South Africa designed to end the apartheid policies in that country.

(d) ELIGIBLE ORGANIZATIONS IN SOUTH AFRICA.—Any program funded in accordance with this section, which is to be carried out within South Africa, should be a program which in both its character and organizational sponsorship in South Africa clearly reflects the aspirations of the indigenous majority of South Africans for the establishment of democratic institutions and for an end to the apartheid system of separate development, and should not be a program which is financed or controlled by the Government of South Africa.

—Page 121, after line 3, insert the following new section 803 and redesignate subsequent sections accordingly:

SEC. 803. PROMOTING DEMOCRACY AND AN END TO THE APARTHEID POLICIES IN SOUTH AFRICA.

(a) PURPOSE.—It is the purpose of this section to provide funding for programs that will promote democracy and seek to end the apartheid policies in South Africa, and that will be in addition to the programs funded in accordance with sections 802 (b) and (c).

(b) USIA GRANTS TO THE NATIONAL ENDOWMENT FOR DEMOCRACY.—In addition to amounts otherwise authorized to be appropriated for the United States Information Agency, there are authorized to be appropriated to that Agency $500,000 for each of the fiscal years 1986 and 1987 which shall be used for grants to the National Endowment

for Democracy (in addition to grants otherwise made by that Agency to the Endowment) for use by the Endowment in providing financing for programs that are designed to promote democracy and that seek to end the apartheid policies in South Africa.

(c) PROGRAMS DESIGNED TO END THE APARTHEID POLICIES.—The programs funded pursuant to this section shall include political education and training programs and programs of support for organizations in South Africa designed to end the apartheid policies in that country.

(d) ELIGIBLE ORGANIZATIONS IN SOUTH AFRICA.—Any program funded in accordance with this section, which is to be carried out within South Africa, shall be a program which in both its character and organizational sponsorship in South Africa clearly reflects the aspirations of the indigenous majority of South Africans for the establishment of democratic institutions and for an end to the apartheid system of separate development, and shall not be a program which is financed or controlled by the Government of South Africa.

By Mr. SCHUMER:

—Page 143, strike out lines 15 through 22 and insert in lieu thereof the following:

(3) DISTRIBUTION OF ASSISTANCE THROUGH THE CATHOLIC CHURCH, PVO'S, AND COOPERATIVES.—The reports pursuant to this subsection shall include an analysis of the effectiveness of the private distribution of United States food and development assistance to the Philippines and of efforts to increase the use of private distribution pursuant to subsection (d).

Page 144, after line 2, insert the following:

(d) DISTRIBUTION OF DEVELOPMENT AND PUBLIC LAW 480 ASSISTANCE THROUGH THE CATHOLIC CHURCH, PVO'S AND COOPERATIVES.—

(1) MINIMUM DISTRIBUTION REQUIREMENTS.—Except as provided in paragraph (2), for each of the fiscal years 1986 and 1987—

(A) not less than one-fourth of the assistance provided for the Philippines under chapter 1 of part I of the Foreign Assistance Act of 1961, and

(B) not less than one-fourth of the total amount of assistance provided for the Philippines under title I (including title III) and title II of the Agricultural Trade Development and Assistance Act of 1954.

shall be provided through the Catholic Church, private and voluntary organizations, and cooperatives.

(2) DISTRIBUTION OF LESSER AMOUNTS.—The amount of assistance distributed through the Catholic Church, private and voluntary organizations, and cooperatives for fiscal year 1986 or for fiscal year 1987 may be an amount which is less than the amount specified in subparagraph (A) or (B) of paragraph (1) if the Administrator of the Agency for International Development reports to the Congress, during the first 60 days of that fiscal year, that such lesser amount is the maximum amount which those entities can distribute effectively in that fiscal year.

H.R. 1872

By Mr. ASPIN:

—Page 167, after line 10, insert the following new section:

SEC. 1005. AUTHORIZATION OF TRANSFERS FOR FY85 PAY SUPPLEMENTAL.

There is authorized to be transferred to, and merged with, amounts appropriated to the Department of Defense for operation and maintenance and for military personnel for fiscal year 1985 such sums as may be necessary to provide for civilian and military pay raises provided by law. Such amounts shall be derived from amounts previously appropriated to the Department of Defense remaining available for obligation and no longer required for the purposes for which they were originally provided. Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

By Mr. AuCOIN:

—At the end of title X add the following new section:

SEC. 1050. REDUCTION IN SECURITY CLEARANCE BACKLOG.

(a) FINDING.—The Congress finds that there are many persons with a security clearance at a level of top secret or above who have not been investigated for more than five years as a result of delays in the program of the Department of Defense for periodic reinvestigations of persons with clearances at such a level.

(b) REQUIRED REDUCTION IN CLEARANCE BACKLOG.—The Secretary of Defense shall take such action as necessary to achieve a reduction of 25 percent in the backlog under such periodic reinvestigation program by the end of fiscal year 1986.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1986 for operation and maintenance of defense agencies $25,000,000 for the purposes of this section. Such authorization is in addition to any other authorization provided by this Act.

(d) REPORT.—If the Secretary determines that there are insufficient funds available to the Secretary to carry out subsection (b), the Secretary shall report to Congress by April 1, 1986, on the level of funding required to enable the Secretary to carry out that subsection. Such a report shall include a description of any resources and requirements necessary to accomplish the remaining reduction under subsection (b) and to eliminate an additional 25 percent of the backlog in the periodic reinvestigation program during fiscal year 1987.

By Mr. BENNETT:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. RESTORATION OF MILITARY RETIREMENT FUNDING REDUCTION.

Section 661 shall not apply to payments of basic pay, or to payments into the Department of Defense Military Retirement Fund, for fiscal year 1986. The report required by section 662 need not be submitted.

By Mr. BLAZ:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. . REPEAL OF LIMITATION ON TRANSPORTATION OF CERTAIN MOTOR VEHICLES THROUGH GUAM.

Section 652 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2550), is repealed.

By Mr. BURTON of Indiana:

(Amendment to the amendment offered by Mr. Foley.)

—In subsection (c) of the section proposed to be added to the bill by the amendment, strike out the period at the end of paragraph (2)(C) and insert in lieu thereof "; or", and after paragraph (2)(C) insert the following:

(3) the President determines that Nicaragua is supporting, directly or indirectly, military of paramilitary operations in El Salvador, Honduras, or Costa Rica.

—In subsection (c) of the section proposed to be added to the bill by the amendment, strike out the period at the end of paragraph (2)(C) and insert in lieu thereof "; or", and after paragraph (2)(C) insert the following:

(3) the President determines that Nicaragua is supporting, directly or indirectly, any group, organization, movement, or individual that has attacked or killed members of the United States Armed Forces, other United States Government personnel, or United States citizens.

By Mrs. BYRON:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. COMPETITION UNDER CERTAIN DEFENSE CONTRACTS.

(a) COMPETITION REQUIREMENT.—The Administrator of the Small Business Administration shall carry out the set-aside program for small businesses under section 8(a) of the Small Business Act in such a manner that each contract of the Department of Defense awarded under such program is awarded using competitive procedures among firms which are qualified to participate in that program.

(b) EFFECTIVE DATE.—This section shall apply with respect to contracts awarded after September 30, 1985.

—At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1025. REPORT ON COMPETITION PROCEDURES UNDER SECTION 8(a) SET-ASIDE PROGRAM.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense and the Administrator of the Small Business Administration shall submit to the Committees on Armed Services and on Small Business of the Senate and House of Representatives a joint report on the feasibility of providing for the use of competitive procedures for contracts awarded by the Department of Defense under the set-aside program of the Small Business Administration under section 8(a) of the Small Business Act.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.0

By Mr. CONYERS:

—Page 200, after line 4, add the following new section:

SEC. 1050. PROHIBITION ON DEFENSE CONTRACTORS ALLOWING PARTICIPATION OF CERTAIN PERSONS WITH RESPECT TO DEFENSE CONTRACTS.

(a) CRIMINAL PENALTY.—It shall be unlawful for any defense contractor to knowingly and willingly permit any convicted employee to perform any service for such contractor (including service on the board of directors of such contractor) in connection with a defense contract. Any defense contractor who violates this subsection shall be fined not more than $500,000.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "defense contractor" means any prime contractor or subcontractor who performs any service or provides any item in connection with any contract with the Department of Defense.

(2) The term "convicted employee" means an officer or employee of a defense contractor who is convicted of fraud or any other felony arising out of a contract with the Department of Defense.

By Mr. DANIEL:

—Page 200, after line 4, add the following new section:

SEC. 1050. READINESS OF SPECIAL OPERATIONS FORCES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the first duty of the Government is to provide for the peace, safety, and security of the citizens of the United States;

(2) the incidence of terrorist, guerrilla, and other violent threats to citizens and property of the United States has rapidly increased;

(3) the special operations forces of the Armed Forces provide the United States with immediate and primary capability to respond to terrorism; and

(4) the special operations forces are the military mainstay of the United States for the purposes of nation-building and training friendly foreign forces in order to preclude deployment or combat involving the conventional or strategic forces of the United States.

(b) SENSE OF THE CONGRESS.—In view of the findings in subsection (a), it is the sense of the Congress that—

(1) the revitalization of the capability of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority;

(2) personnel and other resource allocations should reflect the priority referred to in paragraph (1);

(3) the political and military sensitivity and the importance to national security of the special operations forces require that the Office of the Secretary of Defense should increase its management supervision of such forces to a level sufficient for direct, continuous, and intensive control of all aspects of the special operations mission area;

(4) the joint command and control of the special operations forces should be restructured to permit direct and immediate access by the President and Secretary of Defense; and

(5) the commanders-in-chief of the unified commands should have available, within their operational areas of responsibility, sufficient special operations assets to execute the operations plans for which they are responsible or to support additional contingency operations directed from the national level.

By Mr. DICKS:

—At the end of title X, (page 200, after line 4) add the following new section:

SEC. 1050. SHOULD-COST ANALYSIS.

(a) REPORT ON ANNUAL PLAN.—The Secretary of Defense shall submit to Congress an annual report setting forth the Secretary's plan for the performance during the next fiscal year of cost analyses of contractors for major defense acquisition programs for the purpose of determining how much the production of such systems should cost. Such report shall describe—

(1) which covered systems the Secretary plans to apply such an analysis to; and

(2) which covered systems the Secretary does not plan to apply such an analysis to and, in each such case the reasons for not applying such an analysis.

(b) COVERED SYSTEMS.—For the purposes of subsection (a), a system under a major defense acquisition program shall be considered to be a covered system if—

(1) a production contract for the system is to be awarded during the year following the next fiscal year using procedures other than full and open competition;

(2) initial production of the system has already taken place;

(3) the current plans of the Department of Defense include production of substantial quantities of identical or similar items in fiscal years beyond the next fiscal year;

(4) the work to be performed under the contract is sufficiently defined to permit an effective analysis of what production of the system by the contractor should cost; and

(5) major changes in the program are unlikely.

(c) SUBMITTAL OF REPORT.—The report required by subsection (a) shall be submitted to the Committees on Armed Services of the Senate and the House of Representatives not later than the date on which the Budget for the next fiscal year is submitted each year.

(d) DEFINITION.—The term "major defense acquisition program" means a program for which a Selected Acquisition Report is required to be submitted under section 139a of title 10, United States Code.

—At the end of title X, (page 200, after line 4) add the following new section:

SEC. 1050 COST ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

"§ 2406. Cost estimates for major defense acquisition programs

"(a) In this section:

"(1) 'Competitive procedures' has the same meaning as provided in section 2302(2) of this title:

"(2) 'Major defense acquisition program' has the same meaning as provided in section 139a(a)(1) of this title.

"(3) 'Should-cost analysis' means the type of analysis referred to in section 15.810 of the Federal Acquisition Regulation as in effect on April 1, 1985.

"(4) 'System integration' has the same meaning as provided in section 2324(a)(5) of this title.

"(b)(1) During the first four years of production under a major defense acquisition program, the Secretary of Defense shall perform a should-cost analysis of the system integration and of each major subsystem to be purchased directly by the United States for each such program.

"(2) The should-cost analysis of a major defense acquisition program required by paragraph (1) shall be conducted with respect to a contractor only when the contractor has received a contract award under the program under other than competitive procedures during the first four years of production of the program.

"(c) The Secretary of Defense shall authorize the Secretaries of the military departments, on a nondelegable basis, to waive the requirement of subsection (b) and shall establish criteria for the exercise of the authority. The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives the criteria established under the first sentence. A grant of authority and the criteria established in connection with that authority may not take effect for a period of 60 calendar days after the day on which the criteria is received by the committees.

"(d) The Secretary of a military department shall promptly report to the Committees on Armed Services of the Senate and House of Representatives any waiver made by the Secretary under subsection (c).

"(e) If practicable, the preparation of the should-cost analysis in connection with any major defense acquisition program should be performed by employees of the Department of Defense.

"(f) The Secretary of Defense shall report annually to the Committees on Armed Services of the Senate and House of Representatives the cost of performing should-cost analyses for major defense acquisition programs and the savings believed to have been achieved in such programs from the analyses.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost estimates for major defense acquisition programs.".

(b) The amendments made by subsection (a) shall apply only to major defense acquisition programs for which funds for initial production are appropriated for fiscal year 1986 or for any subsequent fiscal year.

By Mr. DORGAN of North Dakota:

—In the section proposed to be inserted by the amendment, strike out all after "SEC. 1024." and insert in lieu thereof the following:

REPORT ON EFFORTS TO INCREASE DEFENSE CONTRACT AWARDS TO INDIAN-OWNED BUSINESSES.

(a) SECRETARY OF DEFENSE REPORT.—The Secretary of Defense shall transmit to the Congress a report on the efforts by the Department of Defense during fiscal years 1984 and 1985 to increase contract awards to Indian-owned businesses in accordance with the memorandum of understanding between the Department of Defense and the Small Business Administration of September 29, 1983. Such report shall include, to the maximum extent practicable, any data regarding the number and value of prime contracts awarded by the department during such fiscal years to such businesses.

(b) DEADLINE FOR REPORT.—Such report shall be transmitted by March 31, 1986.

(c) DEFINITION.—For the purposes of this section, the term "Indian-owned business" means a firm owned and controlled by American Indians, including a tribally owned for-profit entity.

By Mr. DYSON:

—At the end of title X add the following new section:

SEC. 1050. ANNUAL REPORT ON COST SAVINGS UNDER CONTRACTING OUT PROCEDURES.

(a) REPORT.—Not later than April 15 of each year, the Secretary of Defense shall submit to Congress a report describing the experience of the Department of Defense since January 1, 1981, with conversion to contractor operation of commercial or industrial type functions of the Department of Defense which previously had been performed by Department of Defense civilian or military personnel.

(b) MATTERS TO BE INCLUDED.—(1) Each report under subsection (a) shall include with respect to each function of the Department of Defense converted to contractor operation since January 1, 1981—

(A) the estimated cost (as of the date of the award of the contract) of performance of the function by the Government,

(B) the contractor's estimated cost of performance of the function in the bid of the contractor,

(C) the actual cost (as of the end of the contract or the date of the report) of contractor operation of such function, and

(D) the savings (shown in dollars and as a percentage) for the operation of such function since conversion to contractor performance.

(2) Each such report shall also show—

(A) the average savings (shown in dollars and as a percentage) of all functions converted to contractor performance since January 1, 1981, as projected at the time of contracting and as realized at the end of the contract or the date of the report;

(B) the dollar amount and percentage of such contracts awarded to small businesses; and

(C) the number of Federal employees whose employment by the Government was terminated as a result of conversion of such functions to contractor performance.

(c) REVISION OF COST DIFFERENTIAL.—In performing any cost comparison under OMB Circular A-76, the Secretary of Defense shall use a cost differential factor of 15 percent rather than the percentage specified in such circular.

By Ms. KAPTUR:

—At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1024. REPORT ON UNITED STATES DEFENSE EXPENDITURES IN THE FAR EAST.

(a) IN GENERAL.—The Secretary of Defense shall submit to Congress a report concerning ways the United States may further its national security interests in the Far East.

(b) MATTERS TO BE INCLUDED.—Such report shall include—

(1) the plans of the Department of Defense in the current five-year defense plan for defense expenditures for each fiscal year covered by the plan to be made in support of United States security interests in the Far East and, of such planned expenditures in each such fiscal year, how much is attributable to projected increases in defense outlays for that fiscal year;

(2) the projections for national defense expenditures by Japan for each such fiscal year; and

(3) the effect increases in national defense expenditures by Japan would have on United States defense expenditures in support of United States security interests in the Far East.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

By Mr. McCOLLUM:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, applicance, or information relating to the national defense, shall be punished by death or other such punishment as a court-martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court-martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or cryptographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) Except as set forth in this section, sentencing under this section shall be determined pursuant to procedures set forth in the Manual for Courts-Martial. The members shall consider all relevant matters presented in aggravation and extenuation and mitigation.

The members shall return special findings identifying any mitigating factors and any aggravating factors set forth in subsection (d) or (e) that are found to exist. If one of the aggravating factors set forth in subsection (e) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by the members shall be made by unanimous vote. If no aggravating factor set forth in subsection (e) is found to exist, the members shall impose a sentence, other than death, authorized by law. If one or more of the aggravating factors set forth in subsection (e) is found to exist, the members shall then consider whether the aggravating factor or factors found to exist sufficiently outweighs any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the members by unanimous vote shall return a finding as to whether a sentence of death is justified. Upon a finding that a sentence of death is justified, the members shall sentence the accused to death. Otherwise the members shall impose a sentence, other than death, authorized by law.

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

By Mr. MARKEY:

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the funds appropriated pursuant to an authorization provided in this title may be obligated or expended for any activity carried out with respect to the small atomic demolition munition [SADM].

By Mr. MARKLEY:

—Page 149, strike out lines 20 through 22 (relating to project 84-D-112, Trident II W88 warhead production facilities).

Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ONE-YEAR RESTRICTION ON FUNDING FOR CERTAIN TRIDENT II WARHEAD AND PRODUCTION FACILITIES.

No funds appropriated pursuant to an authorization of appropriations provided in this title may be obligated or expended for—

(1) the production or deployment of any warhead/reentry body combination other than the W76/Mark 4 warhead/reentry body combination for the Trident II (D-5) missile program; or

(2) Trident II W88 warhead production facilities.

By Mr. MARKEY:

Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. REPORT ON FUTURE REQUIREMENTS FOR WEAPONS-USEABLE NUCLEAR MATERIALS.

(a) IN GENERAL.—Not later than February 1, 1985, the President shall submit a report to the Congress (in both classified and unclassified form) describing in detail the nature of the military requirements which would justify—

(1) resuming production of highly enriched uranium for weapons purposes; and

(2) transferring plutonium from nonmilitary uses to military uses by enriching it for use in the weapons program.

(b) ADDITIONAL SPECIFIC CONTENTS.—The report should also—

(1) address the feasibility of establishing a reasonable schedule for weapons production by utilizing retirements of the W-31, W-33, B-53, and W-53 nuclear weapons as a source of alloy and plutonium for new weapons;

(2) examine the option of meeting additional military needs for plutonium through blending of fuel-grade with super-grade stocks; and

(3) explore the impact of special isotope separation technology and other weapons-useable material production initiatives on the potential for further nuclear proliferation.

By Mr. RICHARDSON:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. PROHIBITING THE DEPARTMENT OF DEFENSE AND THE CENTRAL INTELLIGENCE AGENCY FROM PROVIDING ASSISTANCE TO THE NICARAGUAN RESISTANCE FORCES.

None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended by the Department of Defense or the Central Intelligence Agency to provide any humanitarian assistance to the Nicaraguan resistance forces.

By Mr. ROBINSON:

—At title X Section 1050 (f)(1) as printed in the Congressional Record of June 25, 1985, page H4847 Strike "." and following "vehicles" and ", not less than $2,000,000. from 9mm submachine pistol/guns, not less than $1,800,000. for convertible special application sniper rifles and not less than $1,500,000. for 9mm handguns."

EXTENSIONS OF REMARKS

A LACK OF GOOD FAITH BY SOVIET UNION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BROOMFIELD. Mr. Speaker, as my colleagues know, the United States is currently engaged in negotiations with the Soviet Union to reduce strategic and intermediate range nuclear weapons. While the United States has been both serious and patient with the Soviet Union in regard to the Geneva talks, and has now "gone the extra mile" in relation to abiding by SALT II, the Soviets continue to propagandize the arms control process.

While insisting upon rigorous rules of confidentiality, which were finally agreed to by both parties, the Soviet Union has broken these rules as General Secretary Gorbachev and other Soviet officials continue to publicly criticize the United States for blocking progress in the talks. Although the recent Soviet proposal to reduce launchers is a step in the right direction, this doesn't represent much progress since the proposal is the same made during President Reagan's first term.

Even when the United States recently decided to continue abiding by SALT II, the Soviets couldn't shut off the propaganda spigot. While the President was being praised by his critics for his statesmanlike actions, the Soviets dismissed the move as "sinister" and even "comical." If there is anything comical, it is the Chief of the Soviet General Staff's belief that the United States is somehow violating the ABM pact while his country is not.

Regrettably, it appears as if we can expect nothing less than a continuing onslaught of Soviet propaganda about our approach to nuclear arms reductions. The Soviets must recognize that real progress on nuclear force reductions hinges their willingness to deal in good faith—and not in good propaganda.●

GENELLA McGINNISS WEIGAND

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. HOYER. Mr. Speaker, in April, Prince Georges County lost one of its great friends, Genella McGinniss Weigand, who died on April 3, in St. Francis Hospital, Long Island, NY.

Genella was an outstanding public servant in Prince George's County for 20 years. She was first elected as a member of the Seat Pleasant Town Council. In 1964, Genella was appointed to be a judge of the orphans' court. In 1966, she was elected Prince George's County Register of Wills, and she was reelected to that post in 1970 and 1974. In 1977, Genella McGinniss married Dr. Walton (Bud) Weigand and moved to Huntington, NY. Though Genella had to resign her position as register of wills, she was not forgotten in the hearts of the people of Prince Georges County.

We did not forget Genella because of what we had gained from her. She served not only as an elected official, but as one of the grand ladies of Prince Georges County, and the den mother of the Democratic Party. She shaped many political careers, and I include my own in that category. The advice and support that Genella McGinniss Weigand gave me put me on the road to elective office. Had it not been for Genella, I do not know if I would have been elected to the Maryland State Senate; I think not. There are many other people now in public service in Prince Georges County who owe as much to Genella.

It was not, however, just those elected to office who knew Genella and benefited from her friendship. In remembering her, many people have cited how Genella cared for the poor and the disadvantaged. She was constantly reaching out to help others. Life in our county was made better for many because of her work in elected office and behind the scenes.

The poet John Donne wrote, "Every man's death diminishes me, for I am involved in mankind."

Mr. Speaker, we are all diminished by the death of Genella McGinniss Weigand. Many of us have lost a dear friend; all of us have lost a caring and energetic member of the human race.

Mr. Speaker, I know that you and the other Members of the House will join in sending our sympathies to Genella's husband Dr. Bud Weigand and to her daughter, Anna Louise Showalter.●

WHERE'S THE PORK BARREL?

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. LIVINGSTON. Mr. Speaker, it is little known and less understood how important a role the domestic inland and coastal waterborne transportation industry plays in maintaining a strong and vital national economy. The tugboats, and barges that ply the waterways of this Nation are not as visible to the public eye as the railroads, trucks, and aircraft that daily move the commerce from which we all benefit.

Yet regardless of its lower profile, waterborne commerce is no less crucial, no less significant, no less central to a healthy, thriving economy than the other, more visible modes. One would think it noteworthy that the inland and coastal waterways industry of this Nation carries 13 percent of the Nation's freight, for just 2 percent of the overall transportation dollar. But, sadly, the relatively little attention given to the industry by the media and others not only fails to mention the significance of the waterways industry, but instead often unjustly derides it.

Specifically, the waterways industry has come to be associated almost synonymously with the term "pork barrel." The history leading up to this unfortunate situation is interesting, but irrelevant. What is relevant is that currently a vital component of our national transportation system is consistently saddled with a negative term that serves no one, that is untrue, and that does a great disservice to a great industry.

Accordingly, I would like to bring to the attention of my colleagues an article in the May 1, 1985, edition of the Maritime Reporter entitled "Where's the Pork Barrel?"

The article, written by Jeffrey A. Smith, vice president-public affairs of the American Waterways Operators, Inc., brings to light much important information about this industry. My hope is that this information might give pause to those of my colleagues who glibly toss around the term "pork barrel," whenever a serious attempt is made to resolve the important debate over the proper development and maintenance of our Nation's waterways infrastructure. The article follows:

[From The Maritime Reporter, May 1, 1985]

WHERE'S THE PORK BARREL?

(By Jeffrey A. Smith)

Experts in the media and in the government who bother with the matter at all, like to characterize the domestic waterways industry as the "pork barrel industry." It must be great fun for journalists and other critics to glibly caricature a greedy parochial politician with his face stuck in the public trough, lapping up "pork barrel" water project goodies for the voters back home. It must also be great fun for critics to take shots at any given lock and dam project as a monumental and unnecessary boondoggle, promoted by Congressmen who snicker, wink, and elbow each other at election time over the waterways "pork" they have appropriated for their constituents.

On the editorial pages of a well known New York newspaper recently, the pundits portrayed the Congressional debate over last year's omnibus water resources bill as a "pig dinner." The editorial stated that "the squealing was unbearable," as Members of Congress danced through the aisles shouting, "You get yours, and I get mine, we've all joined hands to feed the swine. . .".

To put it politely, it is an understatement to say that such indulgent cartoon characterizations are frustrating to us in the waterways industry, as well as to many in our government who understand the industry and support it. And our frustration is compounded because the facts, the cold hard statistical data on the importance of the waterways to the nation that truly profiles our industry, are in direct refutation to the "pork barrel" image.

And hardly anyone knows it.

Far from being "pork barrel," our industry, until the introduction of misguided government policies a few years ago, was an even more effective, productive, vital national resource than it is today. It provided an even greater wealth of benefits to the consumer and to the nation—not the least of which was the steady employment of thousands of Americans and the resultant millions of additional tax dollars for the U.S. Treasury—and it was one of the fundamental reasons for the economic stability of the 87 percent of major U.S. cities with which we do business. No other industry has provided more . . . for less, and we would all benefit from the highest industry executives to the shipyard worker, from the elected representative to the American consumer—if the truth were known. The "pork barrel" image is a lie.

Here are the facts.

Consider that the inland and coastal barge and towing industry operates on 26,000 miles of navigable waterways, a network of rivers, canals and waterways long enough to circle the earth. In addition we carry 13 percent of the nation's freight for just 2 percent of the national transportation cost, and we do it with the best safety record of any transportation industry. In a typical year, there will be 125,000 barge movements to and from over 200 U.S. inland and coastal ports.

Consider also that the barge and towing industry saves the American consumer money on the cost of their food, gasoline, electricity and building materials, because barges require less energy per ton to transport goods than any other means. On the Lower Mississippi, one towboat can push 40 barges that have the carrying capacity of 600 rail cars or more than 2,200 trucks. Where's the pork barrel?

Consider that our industry forces the railroads, by their own admission, to charge about $1 billion less per year in freight rates because of the healthy competition we provide. Such competition has a direct effect on what every American consumer pays for some of the most basic commodities needed to sustain life.

Consider the millions of tons of raw materials like grain and other agricultural products, petroleum, limestone, lumber and coal that travel on the inland and coastal waterways of the nation. The price of everyday commodities like cereal and electricity are directly affected by the cost of transporting them—and it is the barge industry's efficiency that holds down the price for the American people.

Pork barrel?

Our waterways are also a matchless source of recreation for fishing, pleasure boating, and sightseeing—and millions of acres along the waterways are designated wildlife refuges. It is also little understood that we play a vital role in national defense, currently supplying the remote Distant Early Warning radar site in Alaska and defense installations throughout our land.

Pork?

Barges haul about one-half of all United States export grain, and the low cost and high efficiency of water transportation keeps oil and coal products, farmers and other shippers competitive in the world market—expanding our overseas trade and improving the U.S. balance of payments. Finally, it is significant to note that over 100,000 direct jobs for our citizens derive from the waterways industry. Indirect employment is in the millions.

If it is pork, then it's grade A bacon—cured to the benefit of every American.

Yet, despite these contributions to the nation, and much more, we in the inland and coastal barge and towing industry continue to find ourselves in the curious and frustrating position of having to suffer the negative political reputation of being the "pork barrel" industry.

No one benefits from this name calling except the pundits and other critics who delight in its use. Every American has a direct, compelling and personal stake in the success or failure of this vital national industry. So the next time you hear an expert rattling around in an empty "pork barrel," give him, or her, the word. The next time you read a newspaper account, or hear a radio or television reporter blabbing about the "pork barrel" waterways industry, get involved. Write them a letter. Call them up. Educate them. Complain.

By all means let your Congressmen and Senators know how you feel. They too have an important stake in this. When a politician who likes to dramatically throw the term "pork barrel" around begins to hear the murmuring voices of complaint, the rumbling harmony of grievance and then the full symphonic roar of discontent, he'll listen. He has to.●

PAT RESTUCCIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. MINETA. Mr. Speaker, today I would like to ask you and our colleagues to join with me in saluting Pat Restuccia on the event of his retirement from a long career with the Bank of America.

In the time that I have known Pat, he has been a leader in the community, in the banking business, and in the Italian-American community. He has a long history of achievement and accomplishments in all of these areas.

Pat is celebrating over 30 years with the Bank of America. He has had an illustrious career with the bank including receiving an Outstanding Team Branch Award in 1982 and an Outstanding Manager of the Year Award in 1981. A member of numerous professional organizations, Pat did a superb job of representing the Bank of America and conveying information about that institution to others.

Pat has also been an exceptionally active member in his community. He has devoted his professional acumen to various organizations and service clubs. But he has also given his time to the youngsters in our community. He has served as vice commissioner of the local little league and also treasurer of the Boy Scouts of America. Pat's role in our community can be summed up by noting that in 1982, he was awarded a commendation by our board of supervisors for outstanding community involvement. A year earlier a San Francisco radio station named him "Citizen of the Day."

Pat is an individual who has shown a steady commitment to his family and his heritage. While he started a long partnership with the Bank of America in October of 1951, he joined with a more important partner a month later when he married his lovely wife, Maria.

Pat has contributed greatly to the heritage of Italian Americans. For more than 25 years, Pat has worked to preserve and promote the contributions, service, and heritage of Italian Americans through such groups as the Italian American Citizens Club, the Sons of Sicily, the Italian Council of Northern America, and the Italian American Heritage Foundation.

Mr. Speaker, on the occasion of his retirement from the Bank of America, Pat and his family can be confident that the community is most grateful for his contributions, and I ask my colleagues to join with me in expressing our thanks and congratulations to Pat.

Thank you very much.●

IN MEMORY OF JAYNE MAZZARELLA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. FEIGHAN. Mr. Speaker, Hitchcock House, a center of support for Cleveland area women who suffer

from alcoholism or chemical dependence, held its annual board of trustees meeting on June 17. The meeting was dedicated to the late Jayne Mazzarella, one of the founders of Hitchcock House, who died last December. Jayne Mazzarella was an inspiration to all who knew her. She shared the sense of love and commitment that inspired her life, and her dynamism and enthusiasm will be sorely missed. In honor of Jayne, I request that a tribute, prepared by the board of trustees of Hitchcock House be inserted in the RECORD.

TRIBUTE TO JAYNE MAZZARELLA

Jayne Mazzarella was a remarkable woman who became a channel between the suffering alcoholic woman and the help she so desperately needed.

In her short span of life, she was the director of the first alcohol treatment center in the United States established exclusively for women 18 years ago. It was while working in this capacity she realized the need for a quality house where some women could go after treatment to adjust to their new-found sobriety at a little slower and more directed pace before returning to the mainstream of society. Through her vision, hard work and persistence seven years ago, Hitchcock House opened its doors to women in the Cleveland area.

Jayne was instrumental in developing and executing many other alcohol-related programs during her lifetime, but one of the ones we will always remember her for was her invaluable assistance in establishing Hitchcock House.

Near the end of her life, Jayne stated, "I am satisfied with what I have done with my life, I just feel there is more I want to do."

Jayne was not given the time to do more. She died on December 4, 1984, but the principles that she stood for remain.

At her memorial service, Jayne's beloved brother, Lee, asked that his thoughts at that time be known, and I would like to share some excerpts with you.

"Jayne Mazzarella's name will never be as well known as classical artists, but she leaves a multitude of masterpieces for the world to enjoy. As surely as great artists had a talent for putting paint or marble or music together to form something beautiful, Jayne had the talent of helping people put their lives together to form something worthwhile. She had a unique ability to help people find their self-esteem and to help them find their courage to try, and their confidence to succeed.

"None of Jayne's masterpieces will ever be found in a museum. None will ever be appraised for millions of dollars. None will ever bear her signature. But I know that each of her masterpieces is a priceless treasure to those who know one." ●

BRUCE E. YANNETT

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. WIRTH. Mr. Speaker, a former staff member in my office, Bruce Yannett, has just graduated at the top of his class from NYU Law School. Sharing the graduation platform with Gov. Mario Cuomo, Bruce delivered an excellent address on the need to maintain a spirit of idealism in our society.

I commend his comments to my colleagues:

NEW YORK UNIVERSITY COMMENCEMENT ADDRESS

Good morning President Brademas, members of the faculty, distinguished guests, fellow graduates, and friends. I am honored to have the opportunity to speak to you on this important day. I can assure you that I am relieved to be speaking before Governor Cuomo delivers his address.

I have decided to talk about a concept that has been vigorous throughout our nation's history, but that tends to be neglected today. It is a concept absent from the vocabulary of yuppies. But it is something I believe should play an important and positive role in our lives: the concept is "idealism."

One of the characteristics traditionally associated with college and graduate students is idealism. We tend to think we can change the world, or that we can fix the system. We dream of dedicating ourselves to doing what is right. We go to medical school to learn to save people's lives; we go to law school to improve our system of justice; we go to film school to learn to make films containing poignant social commentaries.

But after graduating, we confront the "realities" of life. People realize that it is very difficult to make a mark on society or to change the system. Cynicism sets in. Idealism gives way to self-interest; to a desire only to have every personal need satisfied. Friends and relatives who have been out in the "real world" knowingly smile and tell us we're maturing; that becoming realistic about our goals and capabilities is part of growing up.

I urge you today not to lose the idealism you've felt for the past four years or the idealism which brought you to graduate school. When we give up on our lofty goals, when we stop dreaming about accomplishing the impossible, we lose a sense of purpose. Becoming a "yuppie" is fine, but not if it is at the expense of caring about those around us.

Being idealistic about society and about what is possible may be a sign of youth, but is is also an attribute shared by many of this nation's great leaders. Protesting against the abomination called apartheid, fighting for racial and sexual equality, working to find a cure for cancer, striving to make corporate America responsible and responsive are all idealistic. But they are actions which represent a search for answers to very real problems. Wasn't Martin Luther King, Jr. idealistic in his belief that some day there might be racial equality in this country? Wasn't John F. Kennedy idealistic in his dreams for a strong and prosperous America? Isn't Elie Weisel idealistic in his dedication to religious tolerance and an end to anti-Semitism? Isn't Bishop Tutu idealistic in his struggle for a society in South Africa that treats all of its members as human beings?

These people never lost their idealism. All of their dreams may not have been fulfilled, but it is their willingness to keep dreaming and to fight for what they believe in that sets them apart from most of us.

Look at the people behind me who are receiving honorary degrees this morning. Each one enjoys respect, notoriety, and even material comfort—whether in business, humanities, or politics. Yet despite their success when judged by these standards, they continue to be idealistic; they continue to strive to make the world a better place. I believe that much of their success is a result of their idealistic visions of society.

I urge you not to "outgrow" your idealism. Don't give in to cynicism, selfishness, or apathy. There is nothing wrong with working to attain prestige and material comfort for ourselves and our families. But those are merely the marks of success. We must use our success to achieve those things we believe in; to do what we feel is just.

At the same time, our idealism must be rooted in realism. We must not embrace today's rhetorical idealism which completely ignores society's continuing problems. We live in a city, a state, and a country where many people are illiterate, where the infant mortality rate is higher than in many other industrialized nations, where people still go hungry, where people are denied jobs or housing because of their race, sex, or religion, and where people are even forced to live on our streets.

It may be idealistic to think we can solve all of these problems, but we should never stop trying. Those of us graduating from this institution are among the privileged elite. We have an obligation to the rest of society to use our knowledge and skills for society's benefit, not just our own.

If we use the knowledge we've gained here to fight for those values and goals we consider important, and to fulfill our dreams of a compassionate and caring society, we will not only achieve success, we will achieve greatness.

Thank you and good luck.●

TAX PLAN PUTS FOREST PRODUCTS INDUSTRY AT RISK

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. WYDEN. Mr. Speaker, I rise today to alert my colleagues to a little noticed provision in the President's tax reform proposal that could prove devastating to the most important industry in the Pacific Northwest and other areas of the country—the timber, lumber, and forest products industry.

The President's proposal, in my view, unfairly singles out this vital industry for inequitable treatment. While capital gains taxation for other industries and other investments would be retained, it would be abolished for timber. Moreover, timber owners would be required to capitalize all expenses associated with managing and growing timber, rather than being allowed to deduct such expenses as present law allows—and would continue to allow for other industries under the administration's proposal.

Because of the critical importance of this industry to my constituents and my State, I will be holding a special forum in Oregon on timber taxation during the upcoming July 4 recess. I also wrote earlier this month to Treasury Secretary Baker outlining my concerns on this issue. Because there has

been little public comment or notice of these particular provisions, I ask that a copy of the letter be printed in the RECORD so my colleagues can be more fully aware of the threat posed to this industry by the President's tax package. I would hope that other Members will be willing to work with me in the days ahead to ensure that we draft a tax reform package that ensures equity, fairness, and long-term economic growth for all sectors of our economy.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 7, 1985.

Hon. James A. Baker III,
Secretary of the Treasury,
Department of the Treasury,
Washington, DC.

DEAR MR. SECRETARY: I am writing to express my deep concern about two provisions of the President's tax reform proposal that would, in my view, have a devastating impact on the nation's timber and pulp and paper industries and, consequently, on the economy of the state of Oregon and other major timber producing states.

First, the President's proposal would repeal the capital gains tax on income realized from long term investment in timber. Taxing gains on the historic appreciation of timber as ordinary income would discourage future investment in timber by increasing the maximum individual tax rate on such income from 20 per cent to 35 per cent and the maximum corporate tax rate from 28 per cent to 33 per cent.

According to Administration forecasts, substantial investment in timber—to maintain adequate levels of reforestation and ensure the continuation of sound timber management practices—will be needed to meet the demand for forest products in the years ahead. Since timber capital gains was included in the tax code in 1944, the industry has had access to an adequate level of investment capital. The nation's supply of timber has increased to meet demand and forest land has been replanted and managed properly and productively.

In my view, this is an excellent example of sound tax policy leading to sound investment decisions in the private sector to the overall benefit of the U.S. economy and the housing and shelter needs of this country. Given the high risk nature of investment in timber and the exceptionally long holding period required for gains on such investment to be realized, I fear that the flow of capital needed to ensure the continuation of proper forest management and production practices will disappear if timber is in fact singled out for the sort of unique and harsh tax treatment presently envisioned in the President's proposal.

And there's no question that the timber industry has in fact been singled out for harsh and unique treatment. The timber capital gains tax would be repealed even though the President decided to retain the preferential capital gains tax treatment on the sale of other capital assets.

I support the President's decision to generally retain the differential between tax rates for capital gains and ordinary income but I cannot understand why the timber industry was excluded from this decision. This disproportionate treatment is particularly difficult to accept in light of the fact that the timber industry is as capital intensive as any other U.S. industry. As such, even if the President had decided to accept the industry's position on the timber-specific provisions in the tax code, it would still be hit hard by repeal of the Investment Tax Credit and modifications of the Accelerated Cost Recovery System.

The second timber-specific provision in the President's tax plan would require the industry to capitalize all expenses associated with timber management, including interest on indebtedness even if the underlying debt is not directly related to timber production or management. Current tax law treats timber in the same way as any other industry by permitting these expenses to be deducted from gross income. Again, I see no reason why timber and those investing in timber should be singled out for additional tax burdens in this matter.

This provision would not be conducive to the continuation of intensive forest management practices. And, if producers are no longer able to deduct management expenses, I fear that many will be forced to liquidate their investments as quickly as possible by cutting and selling timber without regard to sound forest management practices or long-term supply and demand projections.

To deny the timber industry the benefits of the capital gains differential and to require the capitalization of timber management expenses—on top of the more general price it is asked to pay as a capital intensive industry—would cause other long-term problems for the industry and the economy. Among capital intensive industries, timber and pulp and paper have historically been our most successful exporters. If these industries are hamstrung by inequitable tax burdens, their ability to continue to compete in the international marketplace and help reverse our record trade deficits will be seriously jeopardized.

In addition, dozens of rural communities in the Northwest have been devastated by lumber and plywood plant closures in recent years, with dozens more barely hanging on. If timber is further crippled by the drastic tax policies included in the President's proposal, more plants will close and more communities will suffer. The social and economic costs to these communities—and to government in the form of increased social welfare and income maintenance payment costs—is likely, in my view, to more than cancel out the rather negligible revenue gain resulting from these amendments to the tax code.

In short, it is my view that investment in timber is both long term and risky and that current timber tax law and policy with regard to capital gains taxation and the deductibility of management expenses is sound and in place for good reason. I fear that the President's proposal would destroy incentives to invest in timber and would cause severe short term and long term dislocations in an industry that is very important to the nation and to the state of Oregon. And I am at a loss to explain to my constituents, many of whom are dependent on timber and lumber production for their livelihood, why this vital industry has been singled out for such particularly harsh treatment.

Thank you for your time and your consideration of my concerns. I have consistently supported the concept of tax reform and simplification and would very much like to work with the President and my colleagues on both sides of the aisle in the Congress to help enact a tax reform package that is fair and that will ensure real long term growth for our economy. Any information you could provide me on the economic rationale for the unique treatment of the timber industry in the President's proposal would be very much appreciated.

With warm regards,

RON WYDEN,
Member of Congress.●

SUPPORT OF DOD

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. WRIGHT. Mr. Speaker, I rise in support of the committee bill and to call to your attention the committee report which calls into question the decision of the Department of Defense to withdraw CHAMPUS coverage certain types of alcoholism coverage.

On November 13, 1984, the Defense Department, contrary to the intent of Congress and the legislative history of the CHAMPUS Program, the medical guidelines of Medicare, and the medical coverage provided most Americans through private insurance companies, arbitrarily ceased providing retired military personnel and their dependents the benefits of "aversion therapy," a proven medical treatment approach that has been used in this country for 50 years.

In a 1980 study by the Public Health Service on the efficacy of emetine aversion, the NIAAA states that emetic therapy has been applied in at least 75 settings in the United States and numerous foreign countries. Congress' Office of Technical Assessment concluded in March 1983, that methodological problems associated with the treatment of alcoholism "render it difficult to conclude that any specific treatment is more effective than any other."

After being informed by Schick-Shadel Hospital that the Defense Department was no longer going to pay for treatment in their hospitals, I instructed a member of my staff to investigate the charges and to arrange a meeting between Schick-Shadel and DOD officials. That meeting, which was held in the Pentagon, was very revealing. Neither the DOD official nor CHAMPUS officials in Colorado were familiar with "aversion therapy" nor were they aware that the treatment was covered and approved by HHS and the major commercial insurance companies. The senior DOD doctor expressed surprise that DOD had determined on its own to disallow coverage.

Earlier this year, informal conversations between committee staff members and DOD personnel suggest that the denial of claims for "aversion therapy" treatment stems from one individual at Defense, not as a result of any well thought-out policy.

Mr. Speaker, my office has tried to solve this problem with the Defense

Department on an informal basis. We have pointed out to them the 50-year-long success record of the Schick-Shadel approach to no avail. If the Defense Department fails to respond to current medical practices and insists on becoming its own expert in the treatment of alcoholism it will only complicate and delay a solution.●

PEACE AS THE ONLY ACCEPTABLE SOLUTION TO THE TAIWAN SITUATION

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BONER of Tennessee. Mr. Speaker, under the provisions of the Taiwan Relations Act, the policy of the United States toward the Republic of China on Taiwan and the People's Republic of China is clearly defined as follows:

First, to preserve and promote extensive, close, and friendly commercial, cultural, and other relations between the people of the United States and the people on Taiwan,

Second, to declare that peace and stability in the area are in the political, security, and economic interests of the United States, and

Third, to make clear that the U.S. decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means.

These provisions are most explicit and elucidate the intention of the United States to promote peace and stability in the Pacific basin. There have been statements in recent months that should be cause for concern to the United States. These statements, made by leaders of the People's Republic of China, have shown an increasing willingness to use military force in order to eliminate the Government of Taiwan.

Hu Yaobang, Secretary General of the Chinese Communist Party, said in Peking in May of 1985 that the Party—

might consider a military attack against Taiwan in the next decade.

Hu went on to say:

Everyone knows we have not yet the military power (to attack Taiwan). This temporary period may last 4, 5 or 7, or 8 years. We have to wait until our economy is on the right track, military power is based on economic power—in 7 to 10 years time, we may enjoy a strong economy equipped with modernized defense power. By then if most Taiwan people wish to return—we will have to use force on them.

The United States has, during the last 13 years, increased ties with the People's Republic of China and has recognized the value of China as a friend who shares the concern for the peace of Southeast Asia. While we do not wish to jeopardize our friendship with the Peoples Republic of China, we cannot overlook our commitments to the people on Taiwan as outlined in the provisions of the Taiwan Relations Act.

The only acceptable solution to the Taiwan situation is a peaceful one. The use of force on our longstanding friends on this tiny island would be intolerable. We must respond to threats of force with serious concern in order to avoid the use of force later.

Thank you Mr. Speaker.●

TRADE SANCTIONS AGAINST ETHIOPIA

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. ROTH. Mr. Speaker, today my colleagues and I have introduced a resolution calling for trade sanctions against the oppressive Ethiopian regime of Chairman Mengistu.

The attention of the American people has been focused on Ethiopia ever since it was revealed that massive starvation is occurring in that country. Most Americans may not realize that the Communist dictatorship in charge of most of Ethiopia is not exerting its best efforts to move donated emergency food shipments to its starving people.

It is clear that the Ethiopian Communist dictatorship is holding back donated food and other emergency supplies from its own citizens.

In the name of humanity, the U.S. Government cannot allow itself to be a patsy by overlooking the genocide policies of the Ethiopian Government. We must stop rewarding the Communist government of Ethiopia in its systematic efforts to starve and withhold donated food from its hungry people.

My colleagues and I are concerned that without a signal to the Ethiopian Government, the United States and other Western donors might be parties to a genocide similar to that which engulfed Cambodia in the late 1970's.

Today we are introducing a joint resolution to ensure that food and other emergency supplies continue to flow to the needy people of Ethiopia. We are worried that Western generosity in donating much-needed foods and other humanitarian relief has been seriously undermined by the policies of the Communist police state of the Ethiopian dictator Mengistu Haile Mariam.

The American people are outraged by the Communist regime for failing to distribute relief supplies and food.

We will no longer tolerate a business as usual approach by the U.S. Government as long as the Ethiopian dictatorship continues to commit genocide.

We agree with Kurt Jansson, the Assistant Secretary-General of the United Nations, who recently criticized the Ethiopian regime for not cooperating in moving donated food off the docks or out of garrison towns for distribution.

The Ethiopian dictatorship routinely blames its food problems on drought or on what it calls lack of generosity by the U.S. and other free world countries. This is a pack of outrageous lies. To be sure, drought is serious in Ethiopia, but it is localized. The rainy season offers hope. If the Communist government of Ethiopia would scrap its centralized control of farmers, their outputs, and the prices they receive, then food production would increase.

If the Communist government stopped hoarding food for its army and city-dwellers and started giving it to the truly needy, then additional relief would be available.

If Colonel Mengistu ended the policy of starving away opponents of his dictatorship—especially in Tigre and Eritrea Provinces—then there would be an improved standard of life for all the people of Ethiopia.

We have introduced this resolution to force the Ethiopian Government to change its policies. It would not mean the end of food donations from the United States and other generous countries of the free world. It would exact a price in bilateral trade and foreign assistance if the Ethiopian dictator does not end the policy of starving his own people.

The resolution is designed to accomplish the following 5 points:

We call on the current Ethiopian regime unilaterally to cease immediately its warfare against opponents, begin internal negotiations, and form a government of national unity.

U.S. imports from Ethiopia and exports to Ethiopia would cease unless the President certifies to Congress that the Ethiopian regime has ceased its deliberate policy of starvation and is granting basic human rights to its people.

The President would suspend nonemergency development assistance which is counterproductive as long as genocide is the centerpiece of Ethiopian policy and the government tightly controls farming.

The President is directed to continue the prohibition of direct and indirect security assistance to Ethiopia. This recognizes Ethiopia as an effective colony of the Soviet empire and an exporter of international terrorism into Somalia, Sudan, and other countries.

The President is directed to submit a status report every 6 months on progress by the Ethiopian regime in ending its policy of genocide and recognizing international human rights.

The full text of the resolution is reprinted below:

H.J. RES.

Whereas a policy and practice of genocide exists in Ethiopia, which rules by terror through a secret police apparatus, the armed forces, and death squads;

Whereas the dictatorship of Chairman Mengistu systematically denies domestically produced and donated food to the people of Ethiopia, while hoarding and using it for payment to the armed forces and secret police as well as allowing Ethiopian officers to sell pilfered food aid for profit;

Whereas the Ethiopian regime has seized internationally donated relief supplies for its own military purposes;

Whereas the Ethiopian regime consistently claims that food shortages and mass starvation results solely from ungenerous foreign donors and drought conditions;

Whereas the Ethiopian regime has regularly withheld donated food and other humanitarian shipments from needy people based on their place of residency and political opinions;

Whereas the Ethiopian regime has systematically destroyed donated food supplies distributed by nongovernmental and multilateral organizations, killing, in the process, hundreds of Ethiopian victims;

Whereas in furtherance of its policy of genocide, the Ethiopian regime has destroyed internationally recognized refugee and feeding camps (for example, brutally forcing some 60,000 Ethiopians to evacuate the Ibnet refugee camp, leaving at least 20 dead);

Whereas the Ethiopian regime recently spent $200 million to celebrate the nation's 10th anniversary of Ethiopia's Communist Revolution while 8 million of its people face imminent starvation;

Whereas the Ethiopian regime systematically tortures and brutalizes its citizens, including two Ethiopian escorts of a United States congressional delegation which traveled to Ethiopia in February of 1985;

Whereas the Ethiopian regime is spending millions for military equipment purchases from the Soviet Union and is engaged in the indiscriminate napalm bombing of villages believed to harbor resistance forces;

Whereas Chairman Mengistu has amassed the largest standing army in Africa, consuming half the national budget for military purposes;

Whereas the Ethiopian regime denies basic freedoms of religion, assembly, free speech, free press, and elections;

Whereas 2 million Ethiopians have been driven into exile;

Whereas the policy and practice of genocide is repugnant to the moral and ethical values of the United States;

Whereas the United Nations has called for an immediate ceasefire in Ethiopia;

Whereas the Ethiopian regime's violation of basic civil and political rights (outlined in the State Department's Country Reports on Human Rights Practices for 1984) are among the worst in the world and run counter to United States policies to promote basic human rights and democratic freedoms throughout the world;

Whereas it is the policy of the United States to respect democratic pluralism and observance of full political and human rights in Ethiopia; and

Whereas it is the policy of the United States to promote peaceful change and an end to the genocide in Ethiopia: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CESSATION OF GENOCIDE AND CIVIL WAR.

The Congress—

(1) supports the Ethiopian people in their efforts to end the cruel policy of genocide conducted by the Government of Ethiopia;

(2) calls upon the Government of Ethiopia to agree to an immediate ceasefire and to begin a process of negotiation with the opposition, leading to the establishment of a government of national reconciliation.

SEC. 2. PROHIBITION ON IMPORTS AND EXPORTS.

(a) DETERMINATION OF HUMAN RIGHTS.—If the President determines that the Ethiopian regime has ceased to conduct a deliberate policy of starvation of its people and has granted fundamental human rights to its citizens, the President may submit that determination, and the basis for that determination, to the Congress.

(b) JOINT RESOLUTION APPROVING DETERMINATION.—The prohibition described in subsection (c) shall remain in effect until the Congress enacts a joint resolution approving a determination of the President submitted to the Congress under subsection (a).

(c) PROHIBITION.—Until the conditions specified in subsections (a) and (b) are met—

(1) goods and services of Ethiopian origin may not be imported into the United States; and

(2) except for emergency relief assistance, goods and services of United States origin may not be exported (directly or indirectly) to Ethiopia.

SEC. 3. PROHIBITION ON ECONOMIC ASSISTANCE.

The President shall suspend all forms of economic assistance to the Government of Ethiopia. This section shall not be construed to prevent the furnishing of international disaster assistance under section 491 of the Foreign Assistance Act of 1961 (22 U.S.C. 2292) or economic assistance which will directly benefit needy people in accordance with section 116 (22 U.S.C. 2151n) of that Act.

SEC. 4. SECURITY ASSISTANCE.

The United States should continue to deny any and all direct and indirect security assistance to the Government of Ethiopia.

SEC. 5. REPORT.

Every six months, beginning six months after the date of the enactment of this resolution, the President shall submit a report to the Congress on the progress by the Ethiopian regime to end its policy of genocide and abide by internationally recognized human rights.●

MAKING SENSE OF THE U.S. INTERNATIONAL POPULATION POLICY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. HYDE. Mr. Speaker, while we wait and wait to consider the foreign assistance authorizations, we have seen more defenses of the United Nations Fund for Population Activities (UNFPA) and the International Planned Parenthood Federation (IPPF).

In the upcoming debate on H.R. 1555, we can expect several newspapers of record to be cited as sources defending the virtues of UNFPA and IPPF. Our colleague, JACK KEMP of New York, recently offered some rebuttal to a Washington Post article called "Family Planning Frenzy" which I submit for the RECORD for the enlightenment of my colleagues:

[From the Washington Post, June 19, 1985]

"FAMILY PLANNING FRENZY": REP. KEMP REPLIES

It is ironic that The Post would editorialize ["Family Planning Frenzy," June 12] against my efforts and the efforts of my colleagues to end U.S. support for China's brutal policy of coercive abortion and involuntary sterilizations. After all, it was The Post's excellent series and editorial entitled "One Couple, One Child" that helped to increase the awareness of this issue and prompt congressional action.

The Post editorialized on Jan. 10 that China's one child per family policy, enforced through coercive abortion, involuntary sterilization and often resulting in female infanticide "is the kind of policy that puts a deep moral divide between the United States and the People's Republic, notwithstanding the cooperation they seek in more routine affairs." I agree. So deep is this moral divide that I believe it is unconscionable that any U.S. taxpayer funds be used, however indirectly, by those who participate in and support the Chinese program.

The United Nations Fund for Population Activities (UNFPA) receives nearly one-third of its budget from the United States. It, in turn, has spent $50 million between 1980 and 1984 on the Chinese population control program, and will spend another $50 million between 1985 and 1989—a total of $100 million that could have been used by voluntary family planning programs worldwide, UNFPA's activities in China, according to their own documents, range from grants to "strengthen the State Family Planning Commission" to the purchase of the sophisticated computers that formulate the birth quotas enforced by the brutal methods described above, in violation of any standard of human rights.

The amendment I authored, which was adopted by the full Appropriations Committee and included in the 1985 Supplemental, need not mandate the reduction of U.S. funding for worldwide family planning by one cent. That is not its intent. What it will do, if enacted, is force the UNFPA to make a choice; either end its association with China's program of coercive abortion, forced sterilization and female infanticide—or forfeit U.S. funding. If the UNFPA and its supporters are truly concerned about providing voluntary family planning services worldwide, as I am, the choice seems to be an easy one to make.●

STRATEGIC DEFENSE INITIATIVE

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DURBIN. Mr. Speaker, the President's dream of a serene world immune to the threat of nuclear warfare following development of his strategic defense initiative is certainly an appealing one. Unfortunately, as much as we would all like to believe, it is merely that, a dream—a dream that could potentially become a national nightmare.

I rise today in opposition to the $2.5 billion authorization for SDI approved by the Armed Services Committee and to all amendments to increase funding beyond that level. The reasons for my opposition are threefold: The viability of the defense system; the cost of the project; and the impact of our research on existing treaties.

First, although I am prepared to invest in research in this defense system, I believe that it is seriously flawed. Unless the system is 100 percent accurate, it can be overwhelmed and because of this weakness will encourage, rather than discourage, the production of nuclear warheads by the Soviet Union. The strategic defense initiative does not defend against low altitude delivery systems, including cruise missiles, bombers, and portable nuclear weapons. It is a system which will rely on sophisticated computer capabilities which can never be tested adequately short of an actual nuclear conflict.

Second, the cost of this effort defies all of the President's rhetoric about the need to balance our budget to strengthen the American economy.

This is obviously a time for fiscal restraint as our country must grapple with controlling unprecedented budget deficits. The administration formally requested $3.7 billion for SDI research in fiscal year 1986, up from $1.4 billion in fiscal year 1985. However, several other SDI related programs under the jurisdiction of the Army, Navy, and Air Force are not included along with the $3.7 billion SDI figure, so the total request actually exceeds $4 billion. With a defense budget which already constitutes nearly 30 percent of all Federal spending, this 164 percent increase in SDI spending over fiscal year 1985 levels cannot be justified.

I must also add my voice to those who question whether a trillion dollars can be spent by the U.S. aerospace industry in an efficient manner. A project of this immense magnitude could become a colossal fraud on the American taxpayers unless the administration can bring real reform to the Department of Defense procurement activities before undertaking the development of any strategic defense initiative.

Third, many observers note that the proposed research for the strategic defense initiative runs perilously close and may even transgress existing international treaties which the United States has given its solemn word to uphold.

By signing the 1972 ABM treaty with the Soviet Union, we demonstrated our support for restraint on the part of nuclear superpowers. While research was not prohibited under the terms of the treaty per se, the intent of SDI research threatens to stretch the borders of the ABM Treaty, if not eventually surpass them all together.

The administration's vision of nuclear stability that would follow development of the SDI is misleading. Our SDI research is not being taken lightly by the Soviet Union. Indeed, it appears their willingness to join in arms control talks with the United States earlier this year was due in large part to our pursuit of SDI research and development. Time and time again, however, the President has insisted that SDI will not be bargained away. The Soviets will only counter with their own research, and the arms race will escalate into space. The implications of such an escalation of the arms race into space, which would inevitably follow a decision to fund SDI beyond research and development, are disturbing.

Reliance on the strategic defense initiative to end the threat of a nuclear holocaust is an expensive exercise in futility. It is time for the administration and SDI supporters to arise from their reverie. Decreasing the threat of nuclear war is everybody's hope, but this must be done sensibly and wide awake. I believe we must exercise much restraint in funding SDI research.●

REPORT BY GARRY MALPHRUS

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. HARTNETT. Mr. Speaker, for the past month it has been my pleasure to have in my office Garry Malphrus, a young man from Ridgeland, SC who has been participating in the Washington Workshop. As you know, this program affords high school students the opportunity to come to Washington and study the political process first hand. However, Garry displayed a willingness to go beyond the curriculum and participate in the process. He devoted himself to researching and composing a report on the issue of chemical binary weapons. I took great pride in sharing the contents of this report with my colleagues during the floor debate on this subject, and feel confident that the facts contained therein provided pertinent information necessary for Members to make an informed decision on this important national security matter. I wish to personally thank Garry for all his hard work and am pleased to enter his report into the RECORD.

The report follows:

THE UNITED STATES HOUSE OF REPRESENTATIVES 1985 CHEMICAL WEAPONS CONTROVERSY

Most civilized people believe that chemical weapons "exceed any rational tolerance level even in modern warfare" because they do not discriminate between civilians and combatants. Any living thing in its uncontrollable path is killed almost instantly, unless special equipment is worn. Unlike conventional weapons which cause casualtites by piercing or tearing apart the body, chemical weapons affect the body in much of the same way as the radiation of nuclear weapons. They deliver agents that react with human tissue and chemically change it in some way that injures or, far more commonly, kills. Because chemical weapons cause no blast or heat, they damage only living things and leave the structures and terrain unaffected.

The use of chemical warfare began in World War I when German troops opened the valves of 5,000 cylinders of chlorine and successfully caused two French divisions to panic and flee, leaving a five mile gap in Allied lines. From this time through the rest of the war, there was constant effort to develop new chemical agents and tactics that would overcome the enemy's countermeasures. The efforts seemed to have worked: "World War I saw about 1.3 million gas casualties, of which about 92,000 were fatal." The use of chemical weapons was then outlawed in the Geneva Protocol of 1925 except in the case of retaliation. Both the United States and the Soviet Union signed the agreement. World War II than saw no significant use of lethal chemicals. In fact, (chemical warfare) has not taken place since World War II except in instances when the attacker possessed chemical weapons and the other forces did not."

The U.S. policy toward chemical warfare has been the same from the time of the 1925 agreement until 1969: We will never be the first to use chemical weapons. In fact, chemical weapons are the only weapons that the U.S. has promised no first use. Although the United States did produce and stockpile them until 1969, they would be used only as a deterrant to possible attack by the enemy. Then in 1969, the Defense Department stopped production of unitary chemical weapons because it was preparing to move into production a new chemical munition called binary weapons. However, at that time President Nixon made a precise announcement condemning chemical weapons, biological weapons, and toxins which ended all further production plans. In addition, research and development of chemical weapons was sharply cut back, although it continued slowly. Nixon's decision in 1969 to unilaterally halt production did not mean that the United States had suddenly decided to ignore chemical weapons. "It was a bold and dramatic step to signal the Soviets and the rest of the world our sincere desire for a treaty (that would place a comprehensive worldwide ban on chemical weapons.)" However, the United States' example has

not been followed. "Today more than fifteen nations, (an historical high), are believed to possess chemical weapons." More importantly, the Soviet Union did just the opposite as the United States. "The Soviet Union apparently did not give chemical programs high priority until the early 1970's—just after the U.S. abandoned its own chemical weapons project. The new Soviet program included efforts to develop new chemical agents for the 1980's and 1990's." Today the Soviet troops train in both offensive and defensive use of chemical weapons. Unlike U.S. troops, they train with actual toxic agents in small amounts. The Soviet Union has more than 80,000 officers and enlisted specialists trained in chemical warfare—twelve times the U.S. total—and of this they have 45,000 assigned to the ground forces. The Soviets have also organized special units for detection and decontamination equipped with special vehicles while the U.S. or NATO Armies have no comparable units. In addition, the Soviet Union has eleven times the number of chemical training facilities as the U.S. One of their facilities, called the Soviet Chemical Defense Academy in Shikanny, teaches and develops chemical warfare offensive doctrine as well as defensive.

In light of the facts (stated by the U.S. Defense Department) given above, it is not surprising that the Soviet number and ability to produce the weapons is much higher than that of the United States. The Soviet Union has fourteen chemical agent production facilities, while the U.S. has one partially completd facility. In short, "the Soviets maintain sufficient stocks of chemical weapons to carry out offensive operations at any level." But the U.S. capability just to defend against an attack has been decreasing, as can be seen in the comparison of the U.S. to Soviet present abilities stated above and because of the fact that the U.S. stopped all production of chemical weapons in 1969. "The present size of the U.S. stockpile is classified but generally believed to number between 35,000 and 45,000 tons—less than one-twentieth the Soviet arsenal, according to Pentagon estimates." Within the current U.S. Stockpile, according to the Defense Department, 11% is slated for destruction because it cannot be used, 61% is stored in bulk containers and would take years to put in usable form, and 18% is in limited use, partly because the hardware for which it was fitted is being phased out of our military. Therefore, only 10% is actually useful and of this 10% very little is capable of hitting any targets beyond artillery range, a must according to defense strategists. Also important to keep in mind is the fact that our present stockpile was produced in the 1950's and 1960's and is continuing to age and become more and more obsolete with time. The reliability of the small amount that we can use is unknown since the average munition age is twenty-seven years and none have been test fired since 1969. Obviously, the Soviet Union is much more prepared for chemical warfare than the United States. As two U.S. senior officers said in 1977, "(the Soviet Union's) chemical capability dwarfs ours to the point that they would be throwing away a possibly decisive advantage by not using chemical weapons."

However, today it is becoming more and more apparent that the U.S.S.R. is not "throwing away" their "possibly decisive advantage." They seem to be using chemical weapons against countries who cannot retaliate. According to the Chemical Warfare Review Commission, beginning in the early 1980's, intelligence information made available to it supports the conclusion that the Soviets are using well known lethal agents in Afghanistan "repeatedly and systematically." In addition, a speech in late November 1982 by Secretary of State George Shultz states that there is a common factor in the evidence" that proves Soviet involvement with chemical warfare in three Southeast Asian countries. "Of greatest relevance to this discussion, perhaps, is the unavoidable conclusion that the U.S.S.R. is prepared and willing to use chemical weapons when it believes that doing so is in its national interest."

The House Committee on Foreign Affairs decided to approve the Administration's request toward chemical weapons in the FY 1986 Authorization Act (H.R. 1872). Its reasons lie in its report which reads that the Soviet Union has a "massive chemical warfare capability" and "the last decade has witnessed the alarming proliferation of chemical warfare capabilities" in many other countries around the world, while the U.S. chemical munitions stockpile has reached a "deteriorated state." It also reads that the best way of avoiding chemical warfare is for the United States to take a "two-pronged approach aimed at progress in arms control negotiations to ban chemical weapons and at the same time ensuring that the United States possess a credible military deterrent to dissuade any potential adversary from initiating this type of warfare against the U.S. forces." To understand the reason the committee has decided to take this "two-pronged approach", it is important to realize that ever since the U.S. unilaterally halted production of chemical weapons in 1969, it has been working on treaties to ban them totally. From 1972 to 1980, the U.S. engaged in at least twelve rounds of intensive bilateral negotiations with the Soviet Union, but the negotiations stalemated because of verification and compliance issues to which the Soviets refused to yield. In 1980, the U.S. redirected its efforts to achieve a treaty to the Conference on Disarmament in Geneva. Again, the Soviets would not yield on verification and compliance issues. Then in 1983 and 1984, Vice President George Bush addressed the Committee on Disarmament and in last year's address, "he tabled a draft comprehensive chemical warfare treaty on behalf of the U.S. that would prohibit development, production, possession, transfer, and provide for strict verification measures necessary to give all sides confidence in compliance." However, the Soviet responses have been deliberately vague and imprecise; therefore, no progress has been made. Yet, the situation does not look completely dim because the Soviets began to show interest once in 1982 and once in 1983 after some very relevant Senate decisions. "The U.S. has consistently stated that a treaty hangs on meaningful verfication procedures. But the Soviets ignored the verification issue until one month after the U.S. Senate voted to resume production of binary chemical weapons in May 1982. In June 1982, the Soviets made public statements that for the first time acknowledged the importance of on-site inspection for verification of any chemical treaty. However, after the House of Representatives voted that same year to kill binary production program, the Soviets seemed to lose interest in the verification issue and ignored repeated U.S. efforts to follow up on the apparent breakthrough. (Then,) movement resumed in 1983—one month after the U.S. Senate approved a defense authorization bill that provided for production of chemical weapons. The Soviets finally provided clarification of the verification issue, acknowledging for the first time the principle of international on-site inspection for verification . . . When Congress set binary modernization aside, the Soviet interest in the talks diminished. Therefore, it seems there is a link between achieving a treaty and a U.S. production decision." In reality, this idea seems very logical because the Soviets have never voluntarily given up a significant advantage when the U.S. had nothing to offer in return, as is the case here. Therefore, the Commission voted to give the U.S. something to offer in return.

The chemical warfare section of the Committee on Armed Services bill provides a total of $1,275 Million for the Chemical Retaliatory Stockpile Modernization program. The program can be broken up into three areas: (1) chemical warfare protection, (2) demilitarization, and (3) chemical retaliatory capability.

(1) Because U.S. policy is based on defensive weapons, the biggest priority of the modernization program is the protection of U.S. troops. Therefore, the chemical warfare protection area provides $936 million (74%) for chemical protective equipment and procedures so that our forces will be able to survive and operate, although on a very reduced scale, while under chemical attack. Specifically, the Department of Defense will be using these funds for "acquiring collective protective equipment for fixed installations and mobile units, more and better decontamination equipment, significantly improved detection and warning devices and improved individual protective equipment . . . (as well as) medical systems to prevent and treat chemical and conventional casualties in a combat environment." These improvements will help close the gap discussed earlier between U.S. and Soviet protective abilities.

(2) The demilitarization area provides $132 Million (10%) to dispose of those chemical weapons in our current stockpile that could pose safety problems. Some minor leaking problems have been found in some of our oldest stocks. Therefore, these, as well as any that have become militarily useless, will be disposed of with these funds. In addition, this $132 Million will allow the Department of Defense to continue with technology development and planning for the destruction of our stockpile as it becomes useless or dangerous. This demilitarization process will be completed sometime in the 1990's because all that remains of our unitary stock at that time will have lost its effectiveness. The United States will then own no unitary chemical weapons of any kind.

(3) However, if the chemical retaliatory capability area is not removed from the chemical warfare section of the bill, the United States will possess a totally different type of chemical weapon called the binary chemical weapon. The binary weapon would hold two relatively harmless industrial grade chemicals until it was launched. While in flight, the two chemicals could mix and form the same lethal chemicals—GB or VX—that the unitary weapons contained. Therefore, the new binary would be used to do the same as the old unitary weapon, but from a much safer standpoint. The components of binary weapons would be much less hazardous to produce than the unitary, thus allowing for a binary weapons are much safer to store and transport because its

chemical components are always handled separately so there is no danger of the lethal chemical ever being produced accidentally: whether on the highways or battlefields. In fact, binary weapons, would "contain the same chemicals that travel the nation's highways and rails every day, less dangerous than, for example, common shipments of chlorine or sulfuric acid." So when the two main components are kept separate, the binary weapon remains safe in contrast to our current unitary weapons which are always kept together and are, therefore, potentially dangerous if anything happens to release its inside chemicals. In fact, unitary weapons are potentially more lethal than the chemicals accidentally released in Bopal, India less than a year ago. Current transport of our unitary weapons is so dangerous that the Department of Defense is considering building destruction plants on each stockpile site to prevent moving the weapons. Another advantage of binary weapons is that they should last much longer than unitary weapons. However, when disposal is needed, it can be accomplished much quicker, cheaper, and safer than the demilitarization process that we are currently having to undergo for the unitary weapons. In addition, unlike unitary weapons, binary weapons do not create the difficult and costly problem of having to dispose of toxic waste. In short, binary weapons are the '"state of the art' answer to safely replacing our old unitary stockpile".

Therefore, the chemical retaliatory capability area provides $207 Million (16%) for modernization by allowing for the production of two types of binary chemical weapons and development of a third. The M-687 155mm artillery round would be targeted for the front line enemy troops to degrade their combat power. It is designed for use over a very limited area and would spray a liquid lethal chemical that would stay effective for a couple of minutes. The other and more controversial binary weapon proposed for production is the BIGEYE bomb. It is an air-dropped munition that is designed mainly to delay and disrupt air war and logistical lines over a long range. Its effects could last over a couple of days. In the past few years, the Department of Defense was having problems with pressure buildup in the bomb and with the bomb's chemicals mixing before being dropped from the plane. However, the DoD says those problems have been corrected and the BIGEYE "passed 74 of 75 tests successfully. The one failure was analyzed, fixed, and the fix checked out by further tests . . . it's ready." The XM135 BCW Multiple launch weapon has also been recommended for funds, but these are only to "continue research, development, tests and evaluation." The weapon is designed to degrade combat power much like the 155mm artillery round, except that it will cover intermediate range.

Not surprisingly, there has been some negative response to the area of the chemical warfare section of the bill that provides for chemical retaliatory capability. Rep. John Porter of Illinois introduced an amendment to the House Armed Services Committee bill on June 18, 1985 that would delete $125.5 Million for the production of chemical weapons. This amendment states that the current stockpile is adequate even though it bases its facts partly on an over two year old General Accounting Office report. Also, Porter's amendment chooses to believe the testimony of Dr. Matthew Meselson of Harvard University, instead of the testimony of the Department of Defense, which states that our current stockpiles are "inadequate" and can only continue to get worse as time goes on. Another of Mr. Porter's arguments is that our NATO allies do not want binary chemical weapons on their soil. However, although the validity of this belief is contested, the U.S. currently has no plans to put the new weapons on any soil other than the United States. The DoD says that if the binary weapons were needed by one of our allies, they could be quickly transported by air or kept by the U.S. Navy on ships stationed outside the troubled areas.

Finally, Mr. Porter's amendment also argued that the new binary weapons cannot warrant its "budget-busting" price tag. However, the $174 Million proposal for the chemical weapons modernization program equals only about one-twentieth of one percent of the Administration's proposed defense authorization for Fiscal Year 1986. This sum equals only the cost of purchasing four more F-15 fighter aircraft or fifteen Apache helicopters. In fact, the DoD definitely does not consider the chemical retaliatory capability one of its minor requests for the 1986 budget, because Defense Secretary Caspar Weinberger has written that our inadequate chemical warfare capability is an "Achilles Heel" in our national defense."

In addition to Mr. Porter's amendment, there is one more, called the Skelton-Hunter Amendment, that would provide for binary weapons under certain stipulations that would require, for some notable examples, an increased destruction rate of the present unitary weapons and require that the binary munition components be based in separate states. However, contrary to its opinion toward Mr. Porter's amendment, the DoD is in agreement with the requirements of the Skelton-Hunter Amendment.

The Senate's defense authorization bill (S. 1160) presented to the full Senate the same level of funding as the House Authorization bill is presenting. It passed the full Senate on June 5, 1985. Now, it is the House of Representatives turn to make its decision. Although it may be ethically right to ignore chemical warfare because it is uncivilized, feared, and horrible, the United States cannot afford to stop thinking about it. "Ignoring chemical warfare will not make its threat go away. Rather, the task is to look at the problem clear-headed and seek to find the best way of preventing chemical warfare from occurring." And, "history has demonstrated that nations whose military forces possess the ability to function while under chemical attack and retaliate in kind are least likely to experience such an attack."●

CONGRESSIONAL SALUTE TO THE VIETNAM WAR HEROES OF THE CITY OF PATERSON, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. ROE. Mr. Speaker, on Thursday, July 4, Independence Day 1985, the people of the city of Paterson in my congressional district and State of New Jersey will join together in memorial services to the servicemen of the U.S. Army, Navy, and Marine Corps from the city of Paterson who were killed in action during the Vietnam war. Vietnam Memorial Park located on Union Avenue between Manchester and Paterson Avenues in Paterson, NJ, will be officially dedicated by the Honorable Frank X. Graves, Jr., mayor-senator; the Honorable Roy P. Griffin, councilman and chairman of the Vietnam Memorial Program; and all of the distinguished members of the city council of the city of Paterson in honor of the Vietnam heroes of the city of Paterson who made the supreme sacrifice and gave their lives in service to our country.

The following members of the most prestigious WIN [Westside Improving Neighborhood] organization of Paterson are assisting the city council of the city of Paterson in taking care of arrangements for the Vietnam Memorial Program: Nancy Martinez, Ada Costa, Bea Conti, Lillian Brooks, Goldi McGlade, Ange Lillo, and Ricky Huettenmoser.

Mr. Speaker, at the outset let me commend to you the native sons of Paterson who like their fathers before them fought for what Americans have always fought for—freedom, human dignity, and justice. They fought valiantly with courage and skill under difficult conditions with a vague and uncertain mission against a tenacious enemy. They are heroes who died in battle. They honored our country and deserve the fullest gratitude of the people of our community, State and Nation. A roster of the fallen soldiers to be memorialized at Paterson's Vietnam Memorial Park as inscribed on the National Vietnam Veterans Memorial in our Nation's Capital is, as follows:

VIETNAM WAR HEROES OF THE CITY OF PATERSON

[U.S. casualties in Southeast Asia]

Name	Rate	Service	Date of birth	Date of casualty
Anthony J. Boreggo	1LT	A	3-25-42	7-5-67
Nicholas F. Cerrato	SP4	A	12-27-47	5-10-69
Louis J. CoFrancesco, Jr.	CPL	A	6-8-48	9-15-68
Lloyd V. Greene	SGT	A	8-26-36	11-8-65
Boris W. Gurdcilani	PFC	A	5-29-50	8-23-69
William H. Hubbard	SFC	A	5-20-31	3-16-66
Donald Iandoli	SGT	A	9-19-46	11-19-67
Authur Jordan	PFC	A	8-18-41	1-10-68
Alan Harvey Katz	PFC	A	1-7-47	2-26-67
Edward Kubisky	SP4	A	12-30-44	1-20-68
Alvin Hugh Langford	SP4	A	4-28-48	8-19-68
Samuel Mena	SGT	A	9-23-49	10-19-68
Herbert H. Moore	SGT	A	8-24-30	11-6-70
Joseph H. Picarelli	SGT	A	7-17-43	5-15-68
Willian Pryor	CPL	A	1-4-49	2-5-69
William C. Reddick	SP4	A	9-20-49	1-1-70
Eulalio Arturo Roman	CPL	A	9-8-46	3-18-68
Rafael Cruz Santiago	PFC	A	1-10-43	11-12-65
George V. Szczepanczyk	PFC	A	2-7-48	9-2-68
Dennis Wayne Thompson	SP4	A	8-5-46	5-18-68
Nelson O. Van Houten	PFC	A	1-18-46	4-13-69
Harold J. Van Winkle, Jr.	SP4	A	5-19-48	2-16-69
John Thomas Wolfe	CPL	A	12-11-47	6-1-68
Wladmir William Zubar	SP4	A	3-13-46	5-2-67
Peter Francis Mead	HM3	N	1-13-47	5-21-66
James M. Dolan	SR	N	2-28-51	8-24-69
Vincent J. Gabriel, Jr.	PFC	M	10-7-45	5-22-67
Joseph Grassia, Jr.	PFC	M	2-26-49	3-9-69
Jesse James, Jr.	LCPL	M	2-11-46	6-23-65
John Henry La Duke	LCPL	M	2-2-48	4-20-67
Robert W. Ortiz	PFC	M	1-20-52	9-2-70
Fred T. Williams	PVT	M	11-21-49	4-30-69

[1] A–Army, N–Navy, M–Marines.

Mr. Speaker, the Vietnam war will always serve as a reminder of the searing experience our country went through in its longest war. I, therefore, appreciate the opportunity to seek national recognition of the establishment of the Vietnam Memorial Park in the city of Paterson in tribute to its native sons who served and lost their lives on the battlefields of Indochina.

The park serves as a recreation area for the enjoyment of all of our people but on July 4, 1985, and henceforth, the Vietnam Memorial plaque to be displayed in the heart of the park will provide added significance to our people—a lasting tribute to the Patersonians who went to Vietnam under the banner of our country, ageless memorial and everlasting gratitude of our community, State, and Nation to Paterson's Vietnam casualties.

We do indeed salute the Vietnam war heroes of the city of Paterson upon the commemoration and dedication of Vietnam Memorial Park in the city of Paterson, NJ.●

CHILD CARE OPPORTUNITIES FOR FAMILIES ACT OF 1985

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. MILLER of California. Mr. Speaker, today I am pleased to introduce the Child Care Opportunities for Families Act of 1985. I am joined by my colleagues: Mr. ANTHONY, Mr. BERMAN, Mrs. BOGGS, Mrs. BOXER, Mrs. BURTON of California, Mr. DYMALLY, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FORD of Tennessee, Mr. HAWKINS, Mrs. KENNELLY, Ms. KAPTUR, Mr. LEHMAN of Florida, Mr. MARTINEZ, Mr. MCHUGH, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. RANGEL, Mrs. SCHROEDER, Mr. STARK, Mr. WEISS, and Mr. WHEAT.

American families today are living under circumstances much different than even a few years ago. Every income group and geographic region are affected:

More than 1 out of 2 children 13 years old and under lives in a family where both parents or the only parent present is in the work force;

Two-thirds of the new entrants into the work force in this decade will be women, 80 percent of whom will be of childbearing age;

Nearly 1 in 4 children under 10 will live in a single parent household by the end of the decade;

By 1990, there will be 38 million children under age 10, 4.8 million more in this decade alone.

Families today need safe, affordable, quality child care—not just as a convenience, but often as a matter of economic survival. For millions of working Americans, especially women, access to child care is an absolute requirement for supporting their families.

Census Bureau figures document that millions of women are entering the work force not out of choice, but out of economic necessity. They are working not for "pin money," but to provide food, clothing, and shelter for their families—in many cases, even when their income supplements that of another wage earner in the family. In 1983, nearly three-quarters of married working women had husbands with earnings of less than $30,000.

For many women, the ability to purchase quality child care may mean the difference between welfare dependency and self-support.

Over the past year, the Select Committee on Children, Youth, and Families held extensive national hearings on the availability and quality of child care in the United States. Our report, "Families and Child Care: Improving the Options," was issued last year, with the endorsement of every member of the select committee.

The conclusion of that report was that for millions of American families, child care is unavailable, too expensive or too crowded. For infants, and for families whose children have special needs, the situation is even worse.

An analysis done for the committee by the Congressional Budget Office came to the same conclusion: If Federal policies remain unchanged, many children in need of child care will not receive it.

We can no longer afford to ignore this evidence. The risks to millions of children's development, and millions of families' stability, compel us to propose comprehensive policies for child care in this country.

The children cannot wait. Their families cannot wait. The Congress must not delay addressing this urgent social and economic need.

Our Child Care Act gives us an opportunity to promote the kinds of effective, cost-efficient policies that families and children in this country desperately need.

This legislation does not create massive, expensive or untested government programs. It will not create a uniform, Federal Child Care Program. It establishes no new Federal mandates. Instead, it expands on what is already in place.

This legislation focuses on increasing the supply and upgrading the quality of child care.

The Federal Government cannot, and should not, do this alone. We will work with providers, parents, and administrators to improve training and safeguards for child care personnel. And we will continue our cooperation with the private sector to promote employer involvement in child care activities.

Over 70 organizations representing the broad spectrum of religious, labor, child welfare, health and medical, recreation, education, and women's interests from across America have endorsed this legislation. They work on a daily basis with our families and children. For that reason, their support and encouragement are very much appreciated. The list of supporting organizations follows:

Alabama Council on Human Relations, Inc.;
American Academy of Pediatrics;
American Association for Marriage and Family Therapy;
American Association of University Women;
American Baptist Churches;
American Federation of Labor & Congress of Industrial Organizations;
American Home Economics Association;
American Nurses Association;
American Public Welfare Association;
American Youth Work;
Arkansas Advocates for Children and Families;
Association for the Advancement of Psychology;
Association of Junior Leagues, Inc.;
AVANCE Parent/Child Education Program, San Antonio, Texas;
Camp Fire, Inc.;
Center on Budget and Policy Priorities;
Center for Public Advocacy Research;
Child Care Action Campaign;
Child Care Employee Project;
Child Care Resource and Referral, Inc., Minnesota;
Children's Defense Fund;
Child Welfare League of America;
Church of the Brethren;
Community Cooperative Services, Reno, Nevada;
Council for Exceptional Children;
Council for Jewish Federations;
Disability Rights Education and Defense Fund-Alliance for Integration;
District of Columbia Action for Foster Children, Inc.;
Family Focus;
Family Resource Coalition;
Family Service America;
Florence Crittenton Services of San Francisco;
Girl Scouts of the U.S.A.;
Governmental Liaison Committee, Connecticut Chapter, American Academy of Pediatrics;
International Association of Pupil Personnel Services;
International Ladies Garment Worker's Union;
Iowa's Children and Family Services;
Mississippi Governor's Commission for Children and Youth;
National Assembly of National Voluntary Health and Social Welfare Organizations, Inc.;
National Association of Counties;
National Association of Elementary School Principals;
National Association of State Boards of Education;
National Black Child Development Institute;
National Coalition for Campus Child Care;
National Collaboration for Youth;
National Committee for Citizens in Education;

National Conference of Catholic Charities;
National Council of Jewish Women;
National Education Association;
National Head Start Association;
National Organization of Women;
National PTA;
National Society for Children and Adults with Autism;
National Urban League;
National Women's Political Caucus;
Ohio Perinatal Association;
Oklahoma Institute for Child Advocacy;
Orphan Foundation;
Pennsylvania Association of Child Care Agencies;
Phoenix Institute, Salt Lake City, Utah;
Service Employees International Union;
Texas Corporate Child Development Fund;
The Children's Bureau of Indianapolis, Inc.;
The Children's Foundation;
United Methodist Church, General Board of Church and Society,
United Church of Christ Board for Homeland Ministries, Executive Vice-President; General Secretaries, Division of Health and Welfare, Division of Higher Education, and Division of Christian Education;
University of Minnesota, General College, Higher Education for Low-Income People (HELP) Center;
Women's Equity Action League;
Wider Opportunities for Women, Inc.;
YMCA of the USA;
YWCA of the USA, National Board;
YWCA of El Paso, Texas.

A section-by-section analysis of the legislation and a factsheet on child care needs follows:

SUMMARY OF THE "CHILD CARE OPPORTUNITIES FOR FAMILIES ACT OF 1985"

TITLE I. INCREASING THE SUPPLY OF CHILD CARE

Section 101. Increase in Title XX Authorization; Reservation for Child Care Services.

According to the Congressional Budget Office, the "baby boomlet," the steady increase of mothers entering the workforce, and the marked increase in the number of children in poverty, will continue to increase child care demand throughout this decade. As a result, they conclude that if federal policies remain unchanged, many children in need of child care will not receive it.

The Select Committee, after its year-long nationwide child care initiative also concluded that there is a large gap between the number of children in need of child care, and the availability of such care. Services for low-income, and very young children are particularly lacking and the trend is getting worse. Because of program cuts, thirty-two states provided Title XX funded child care to fewer children in 1983 than in 1981.

This section increases the authorization for the Social Services Block Grant (Title XX of the Social Security Act) from $2.7 to $3.3 billion, the level it would have been had the 1981 cuts not occurred. Half of the increase, $300 million, is set aside for child care services.

Section 102. School-Based Early Childhood Education and Child Care Services Pilot Program.

Nearly 60% of mothers with children ages 3-5 are currently in the labor force, and this percentage is growing, especially among married mothers. By 1990, it is projected that 12 million of an expected 23 million children under age six will have mothers who work.

Full-day child care options are scarce. Most families who work full-time resort to unsatisfactory patchwork child care arrangements for their preschool children. Most children ages 3-5 with working mothers are in a group program for only part of the day; and less than half of all four year olds (46%) are enrolled in preprimary programs that provide educational experiences.

Most five year olds enrolled in preprimary programs are in part-day kindergartens in public schools, but nurseries or prekindergarten programs for 3 and 4 year olds are overwhelmingly private. Because of the cost, families with incomes below $20,000 use preschool programs considerably less often than higher-income families.

This section authorizes $50 million, on a matching basis, to be used as an incentive to states to fund demonstration programs in local school districts to provide full-day kindergartens for five year olds, create kindergartens for four year olds, and to provide child care services to meet the needs of working parents.

TITLE II. UPGRADING STATE CHILD CARE STANDARDS

Section 201. Incentive Grants to Improve Licensing, Regulatory, and Monitoring Standards for Child Care Services; State Review; National Advisory Committee on Child Care Standards.

Child Care regulatory and monitoring systems vary considerably from state to state and are in many cases outdated. Yet experts agree on several key elements of quality care which should be addressed in licensing and monitoring criteria. These include, health and safety standards, staff-child ratios, staff qualifications and training, and group size.

This section requires states to establish State Advisory Committees to review state laws, regulations and procedures for licensing, regulating, and monitoring child care services in both family day care and center-based settings.

This review must include a study of procedures developed to protect children from abuse in out-of-home settings, including employment history and background checks, and staff training requirements. Each committee must then make a report to the governor outlining its findings and recommendations.

A National Advisory Committee would also be established to develop and propose model child care standards.

This section makes available $50 million for incentive grants to states to assist them in improving their child care regulatory and monitoring systems.

TITLE III. EXPANDING PRIVATE SECTOR INITIATIVES

Section 301. Community Child Care Funds.

The private sector is an almost completely untapped resource with regard to child care. Of the six million employers in the United States, still fewer than 2,000 provide *any* form of child care assistance to their employees. Only a handful are aware of the community's need for child care.

Some, however, have begun to offer a range of child care related services—including referral programs, benefit plans, and on-site centers. They recognize that there are benefits to providing child care, including reduced job turnover, lowered absenteeism, higher productivity, and improved employee morale.

This section provides $10 million for a demonstration program of grants to local private nonprofit organizations, on a matching basis, to expand child care services in the community by establishing a Community Child Care Fund, in partnership with private for-profit businesses. Non-profit organizations receiving federal funds must provide assurances that not less than 50% of the required match would come from the for-profit business sector. The fund would help low-income families pay for child care, as well as establish start-up funds for new child care facilities.

TITLE IV. TRAINING CHILD CARE PERSONNEL

Section 401. Training and Retraining Under Title XX.

The knowledge that children are being cared for by competent and well trained providers is the best assurance for families that their children are safely cared for while they are at work.

Yet, only 24 states require the director of a day care center to have had specific course work in child development and only eight states require caregivers in group day care homes and day care centers to have had training in child care.

As a result of the elimination of training monies under the Social Services Block Grant, 30 states reduced expenditures for training between 1981 and 1983.

This section continues and expands to $50 million assistance to states initiated in 1984, for training in child development and child abuse prevention, of child care providers, state licensing and enforcement officials, and parents. Priority would be given to training providers of infant care, and to family day care providers.

Section 402. Scholarships for the Child Development Associate Credential.

There is currently only one national credentialing program for child care providers, the Child Development Associate (CDA) credential program. This certification recognizes professional achievement of child care providers who have demonstrated their skill in working with young children.

CDA credentials have been awarded to more than 15,000 persons judged to be competent in working with 3-5 year olds in center-based settings. The program, which provides performance-based assessment and credentialing of child care staff, is now incorporated into the licensing standards of thirty-one states.

However, the cost, which has increased from $30 to $325 over the last several years, has deterred many child care providers from seeking the CDA credential.

This section establishes a $1.5 million scholarship fund to encourage more child care providers to seek the credential. Preference for scholarships will be given to candidates seeking the credential for work in family day care settings or with infants and toddlers, where trained personnel are now in shortest supply.

Section 403. Higher Education Grants and Scholarships for Training Child Care Personnel.

Only an estimated 25% of public and private institutions of higher education programs related to child development and early childhood education. In 1982, fewer than 8,000 students received bachelor degrees in pre-elementary education, or family relations and child development.

By conservative estimates, there are between 7 and 8 million children who are cared for in child care centers or family day care homes.

Clearly, more trained professionals are needed.

This section authorizes $10 million to provide grants to institutions of higher education to be used to prepare students for careers in early childhood education and development. Funds may also be used for scholarships for low-income students who commit to work in the child care field for two years following completion of their degree.

Section 404. Training and Technical Assistance Involving Family Day Care Providers of Child Care Services.

Family day care accounts for at least ⅔ of all out-of-home care in this country. An estimated 1.5 to 2.0 million women work as family day care providers in their own homes, providing daily care to more than six million children.

Only 11 states require any training for family day care workers, and recent funding reductions in Title XX and the Child Care Food Program have severely limited the little training and outreach that is available.

This section directs $10 million to states to train family day care providers, to train those who train providers, and to make available the necessary technical assistance to improve the management of, and level of care offered in family day care homes.

TITLE V. CHILD CARE SERVICES FOR SPECIAL GROUPS

Part A. Child care services for low-income postsecondary students

Section 501. Amendment to the Higher Education Act of 1965.

A full 80% (over 2 million) of single mothers with children under six live below 150% of the proverty level. These women are in particular need of additional educational opportunities to enable those on welfare to gain economic self-sufficiency, and to help others maintain and improve their economic stability. Without access to child care services, their ability to attend school is limited, and their chances of succeeding are reduced.

This section authorizes $20 million in grants to institutions of higher education to be used for child care vouchers or the purchasing of slots in licensed child care programs. Students at or below 150% of poverty, and who are first generation college students are eligible.

Part B. Respite care demonstration grants for families with special needs

Section 522. Respite Care for Handicapped and Chronically Ill Children.

An estimated 10 million children under age 21 have handicapping conditions, and over two million children suffer some degree of limitation of their activities because of their health or disability.

Families with disabled children face greater stresses, which can lead to much higher rates of divorce and separation, child abuse, and "burn-out." Respite care services can provide much needed relief.

The availability of these services varies substantially from state to state, and, in those states where services are available, they only reach a small percentage of families in need. When respite care is unavailable, often the only alternative is institutionalization of the child, which breaks up the family and can cost ten times that of in-home or respite care.

This section makes available $5 million in demonstration grants to public and private agencies to establish, on a sliding fee scale, in-home and out-of-home respite care for families with disabled and chronically ill children.

Section 523. Crisis Nurseries.

One million children each year are reported as abused or neglected, and 2,000 of these children die. Investigative and treatment costs for each case alone exceed $2,000. If a child is placed in foster care or institutionalized the cost is much greater.

Because of stressful circumstances, families in crisis are often at risk of abusing or neglecting their children. Temporary support services can often prevent the need for foster care or more costly placements.

This section provides $5 million to assist private and public non-profit agencies and organizations to establish crisis nurseries, where families can voluntarily bring their children during an emergency or crisis, before abuse occurs. Services will be available to families at no cost.

Part C. Comprehensive service centers

Section 531. School-Located Comprehensive Service Centers.

Each year, more than one million students (25% of all high school students) fail to complete their schooling. In some urban areas the rate is as high as 40% to 50%.

Many of these drop-outs are adolescent female students who became pregnant. In 1982, nearly 200,000 births occurred to teenagers under the age of 18. Once teen parents drop out of school, their opportunities are very limited. Without academic skills or financial resources, many end up on welfare.

Among the most successful prevention and intervention programs are school-located comprehensive service centers that offer health care services, child care services, and academic and employment counseling to the student population. Evaluations have demonstrated significant declines in births to teens and repeat pregnancies, as well as a large percentage of teen mothers who remain in school.

This section establishes a $50 million demonstration program to encourage school-located comprehensive service centers that would offer health care services, family counseling, parenting education, academic counseling, and employment counseling and placement. In order to allow teen parents to stay in school, child care services and transportation will also be available.

Part D. Child care expenses for AFDC recipients

AFDC families are faced with constraints on their ability to purchase child care for the purpose of supporting training or employment.

This section increases the incentive for AFDC recipients to seek work or training and provides more choices for better child care.

CHILD CARE OPPORTUNITIES FOR FAMILIES ACT OF 1985

A FACT SHEET

Family and workplace rapidly changing

Only 21% of families with children are comprised of a husband as earner, a mother-at-home and children under age 18. (Bureau of Labor Statistics, 1984)

Nearly 50% of all mothers with infants under one year of age are now in the workforce—a 52% increase since 1976.

Nearly 60% of mothers with children 3-5 are now in the labor force, and this percentage is growing, especially among married mothers.

More than ⅔ of all employed mothers of preschool children work full-time. (Bureau of Labor Statistics, 1984)

The 1990's will be the first decade to begin with a majority (55%) of mothers of children under age six, in families where the husband is present, in the labor force. This represents an 80% increase since 1970 when fewer than one-third of all married mothers of children under age six worked.

Rapid growth in numbers of young children

The number of children under age ten is projected to increase by 4.8 million (14%) by 1990, totaling nearly 38 million children.

Two-thirds of this growth will be among children under age six. This group is expected to grow by 3.4 million by 1990, for a total of nearly 23 million children under age six.

Many more children in single parent families

There will be nearly three million more children under age ten (50% under age 6) in single parent households by 1990.

One in four children under the age of ten will live in a single-parent household by 1990; most of those parents will seek employment.

More young children impoverished

At 1981 poverty rates the number of children under six in poverty would increase by 1.9 million during this decade, from 3.9 million in 1980 to 5.8 million in 1990. This would mean that 55% of the total increase in children under six, and over 67% of the increase in children under six from single-parent families, will be poor.

Child care enhances employment opportunities

In a survey conducted by the Census Bureau in June 1982, 45 percent of single mothers with children under five and 36 percent of mothers in families with incomes less than $15,000, who were not working, said they would work if affordable child care were available.

In the same survey, 26 percent of mothers with children under age five who were not working, said they would seek employment if affordable child care were available.

Where and how children are cared for

At least 7 or 8 million children nationwide are cared for in family day care homes or in child care centers.

Family day care, that is care of a child in someone else's home for a fee, accounts for at least ⅔ of all out-of-home child care. However, 75 percent to 90 percent of family day care remains unlicensed or unregistered.

Forty percent of the youngest children of mothers employed full time are cared for by relatives both in- and out-of-home, in spite of a constant decline since 1958, when 57 percent of these children were cared for by relatives.

In 1983, the 3,000 family day care homes and 1,030 child care centers surveyed in the Bay Area of California had the capacity to serve over 75,000 children from birth through school-age. By 1985, it was expected that there would be an unmet need for over 11,000 children ages 0-5 and as many as 41,000 children ages 6-9 in child care centers and family day care homes in the Bay area if no expansion occurred.

Child care as a prevention tool

Several studies of the effectiveness of employer-sponsored child care report improved employee morale, reduced job turnover rates, and lowered absenteeism.

Respite care for families with disabled or chronically ill children can reduce family stress and prevent institutionalization. In-home care for a severely disabled child costs $7,000 to $8,000 per year, compared to $38,000 to $40,000 annually for institutionalizing that child.

Child care provided on-site at a St. Paul high school has been a major factor in allowing nearly 90 percent of teen mothers to

complete high school. Programs in selected Mississippi schools also show a 90 percent high school graduation rate among teen mothers.

Findings from a 20 year longitudinal study show that children who attended preschool are less likely to require special educational services, are more likely to graduate from high school and attain higher paying jobs, and are less likely in adulthood to be receiving Food Stamps, AFDC, Medicaid or general welfare assistance. (High/Scope Educational Research Foundation, 1984)●

HOUSTON—A PERMANENT BOOMTOWN

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. LELAND. Mr. Speaker, I call to the attention of my colleagues the following article which appeared in the July 1985 issue of Atlantic magazine. This article highlights the many strengths of Houston, TX, and I urge my colleagues to read it.

HOUSTON—A PERMANENT BOOMTOWN

(By James Fallows)

Considering the circumstances of its rise, Houston's decline must have been deeply gratifying to many people. Through the 1970s, as the rest of the country struggled to cope with rising oil prices, Houston grew proud and fat. While the auto industry fell apart, while people poured out of Cleveland and Detroit, Houston seemed to profit from their misery. In 1970 two million people lived in the Houston area; in 1980 there were three million, making it by far the fastest-growing big city in the country. Buildings sprang up everywhere, and Houston became the favored showplace of the world's great architects. Because of the absence of zoning, new skyscrapers could turn up anywhere—a sixty-four-story building called the Transco Tower became renowned in Houston as the "nation's tallest building not in a central business district," an honor akin to "longest punt not on a football field." From 1971 to 1981 there was more construction in Houston than in any other American city—even Los Angeles, which contained twice as many people and was hardly in decline. Businessmen did their commuting in helicopters; the real-estate market made Everyman a potential millionaire; it was the time of boom.

In Houston the 1970s had all the markings of a speculative bonanza, driven by blind-luck profits from oil and land. Was petroleum inherently more valuable at the end of the decade than at the beginning? Perhaps by a little, but not by any factor resembling the 1,000 percent increase in real oil prices that the Organization of Petroleum Exporting Counties had engineered. At the beginning of the decade a barrel of oil sold for less than $2; by the end the price had gone over $40. For Houston, as for Anchorage and Riyadh, this seemed to be all to the good. There was more money to be spent on offshore rigs, condominiums, and everything else the city made. Observers from the rest of the country could be forgiven for concluding that Houston was dancing on America's grave. In the mid-seventies a northern journalist wrote a celebrated book depicting the emerging "Southern Rim" as a land of greed, rootlessness, and crypto-facist tendencies. He declared Houston its natural capital, intending no compliment.

Many Houstonians returned the favor, unable to conceal their belief that their prosperity was a standing rebuke to the floundering Flints and Youngstowns of the world. In 1982, in the last of the heady days for Houston, I listened to a prominent local newspaperman describe one puzzling trait of the "black-platers" who kept rolling into town, their automobiles bearing that dark badge of failure, the Michigan license plate. You'd figure they'd want to trade them in for Texas plates as soon as possible, he said. Why are they so slow to get with the program? A few months earlier, when preparing for my family's move to Texas, I had learned at the U-Haul office that there would be a $300 drop-off charge. Everyone was going to Texas and no one was coming back.

A year later, when we came back east, we had to pay another drop-off charge. By then the flow was moving the other way. In the second half of 1982 the Houston district of U-Haul sent three times as many trucks and twice as many trailers to the Chicago-Detroit district as it received. People stopped coming to Houston because oil had stopped meaning instant wealth.

The clearest indicator of the change was the Hughes Tool Company's "rig count," an index watched as closely in Houston as poll results are in political campaigns. The rig count tells how many rotary rigs are actively drilling for oil or gas in the United States. It rises and falls with the more fundamental index—the price of a barrel of oil—and by implication it indicates everything that matters about the industry's health: how many roughnecks will be hired, how much drilling mud will be sold, how much petroleum will be refined. In the bad old days, before OPEC, the rig count had drifted from 2,000 in the early 1960s to just below 1,000 in the early 1970s, as American fields were drained of the oil worth exploiting at $2 a barrel. It started heading up again after OPEC became a serious force in 1972; reached 2,000 in 1977, as Jimmy Carter pleaded for more domestic drilling; passed 3,000 in 1980, when the Iranians priced their oil out of the world market and panic buying drove the spot-market price to new highs daily; and reached its giddy peak near the end of 1981, when it stood at 4,530.

Then came the horrifying period that many Houstonians now refer to as the "free fall." With oil at $40 a barrel, producers around the world tried to cash in by expanding production, just as consumers were drastically cutting back. Soon there were the makings of today's oil glut. By the end of 1982 the rig count was below 3,000, and through 1983 it gained speed in its descent. By the late summer it had crashed through 2,000 and was still headed down. The crews who had worked on those 2,500 now-idle rigs were laid off. The companies that built, sold, and serviced oil-field equipment went broke. The house of cards fell in.

The dentists and insurance men who had taken a flyer on condos or oil leases were suddenly pleading their way out of bankruptcy court, alongside grizzled oilmen who had made profits through thirty years of low prices but had gone heavily into debt to buy new equipment when it seemed the boom would never end. Houston's construction could not be turned off instantly, but the flow of new building permits stopped abruptly.

In June of 1983, during a severe recession, the unemployment rate for the nation as a whole was 10.2 percent. In Houston—where unemployment had averaged 4 percent during the post-OPEC years, where the monthly rate had dipped as low as 2.6 percent, where there was supposed to be work for everyone with strong arms and the right attitude—the rate was 10.2 percent. Three months later, when the national rate edged downward and Houston's didn't, the city's unemployment rate was for the only time in its history higher than the national average. In 1983 Houston lost nearly 100,000 jobs, and for the first time since the Depression the number of employed people shrank.

Ever since then Houston's troubles have been amply, even lovingly, covered in the national news. The commercial real estate that was thrown up with such bravado now seems to represent grotesque excess. The New York Times and CBS News have pointed out that Houston has more unoccupied office space than Denver—or San Francisco—has total space. Personal and corporate bankruptcies are up; restaurant and hotel prices are down. Last fall several prominent business figures put together a campaign to do what would previously have seemed redundant: advertise Houston's virtues in hopes of attracting new business and investment.

In short, the common view is that Houston got what was coming to it—as Saudi Arabia might, if it didn't have quite so much oil. With this image in mind, it comes as a shock to visit Houston and see how little it resembles any of the truly troubled manufacturing-belt cities whose factories are closing and whose people are moving away. In fact, the most remarkable and under-reported aspect of Houston's economy is not how far it fell but how quickly it has come back.

Andrew Rudnick, an economist with the Houston Economic Development Council—a Chamber of Commerce offshoot now trying to spread the good news about the city—says, "My premise is that the eighteen-month decline in the Houston economy was from here [hands over head] to here [six inches down], whereas Detroit's was from here [knees] to here [ankles]. It was only a decline in the rate of growth. It happened quickly and was modest, compared to the long-time decline in the upper Midwest. Unless the oil market drops dramatically, we will come out of this with a healthier economy."

There are exceptions to Houston's general recovery: it will be a long time before prudent investors will want to put up another office building or try for a quick killing selling condos to rich Mexicans. The freeways are lined with mobile-home sales lots, and roughly one trailer in two bears a banner announcing "REPO" in big letters. Each repossession obviously means bad news for a family and, less directly, for merchants, banks, and the rest of the economic food chain. But by most of the measures of an area's economic health—its ability to produce goods, create jobs, and distribute wealth—Houston is not doing badly at all. Even in 1985, when the auto industry is up and oil is down, blue-collar workers especially would find their prospects better in Houston than in Detroit.

Houston's unemployment rate, which was 8.0 percent at the beginning of 1984, was down to 6.3 percent by June, one point lower than the national average. By the end of the year it was 5.9 percent. The area's population never stopped growing, nor did retail sales or manufacturers' shipments. The Houston Help Wanted Index, which measures ads in the local papers (and is

compared with a base level of 100 in 1967), had soared to 400 in the glory days and then fallen to the low 200s in 1983. It was up to almost 300 late last year. The only measures that were not really improving were those involving construction and real estate. Meanwhile, in Detroit the unemployment rate was 12.7 percent. That is, at a time when the auto industry was booming, when its companies were enjoying the brief summer of protection from Japanese imports and were making more cars and money than they had in years, Detroit's unemployment rate was still worse than Houston's has ever been, even at the depths of the oil bust. Which city, again, was supposed to be "recovering"?

Why didn't the collapse of the oil market kill Houston? Why did the city rebound so fast? There is a Chamber of Commerce answer to the question, which stresses the city's estimable "diversity," a trait little emphasized before 1982.

Through most of its 150-year history Houston had not exactly been a shrine to racial or economic diversity. In the 1960s and 1970s the city government appeared to be run as a subsidiary of the Chamber of Commerce (when one mayor, Louie Welch, left office to become head of the Chamber, the move was widely viewed as a promotion), and the police force was chronically embroiled in lawsuits over and federal investigations into its treatment of the city's black and Mexican American citizens. The big change started in 1981, when Kathy Whitmire, a technocratic city administrator, was elected mayor of a city where the big deals had always been handled by big men. The racial climate began to moderate with the arrival of Lee Brown, who was recruited from Atlanta and became Houston's first black police chief in 1982. Coincident with these signs of social progress was the spreading awareness that the city might have to look beyond the deal-makers and oil wells on which its economy had traditionally relied.

Even during the boom Houston was never quite as dependent on oil as Detroit has been on automobiles. Exact figures are hard to obtain, but somewhere between a third and a fourth of Houston's "gross regional product" is estimated to have come from the energy business, while at least half of Detroit's has come from automobiles. The companies hardest hit by the decline were not those that sold oil but those that sold to the oil industry. Local manufacturers supplied drilling bits, offshore rigs, geophysical expertise, and hundreds of other products and services to energy producers around the world. The rule of thumb was that each rig operating anywhere in the world meant forty-five jobs in Houston, an equation whose effects seemed much less attractive when the rig count was going down than when it was going up. "When the market softens, the oil companies can cut back on operations, but you've always got some oil flowing," says M. A. Wright, who was chairman of Exxon USA during the boom of the 1970s. Wright is now the chairman of Cameron Iron Works, a local firm that has historically specialized in oil-field equipment and that has laid off nearly 60 percent of its work force in the past three years. He says, "The suppliers are the ones who are really hit. When rotary rigs aren't turning, Hughes isn't selling any bits and we aren't selling any blowout preventers. We had a five-year backlog of orders that disappeared in six months."

The Houston Economic Development Council claims that Houston's future economic growth will come from three sources that have almost nothing to do with oil.

One is the Texas Medical Center, a dense concentration of hospitals and research institutions that has long been a source of civic pride and that already employs some 50,000 people. Another is the National Aeronautics and Space Administration's Lyndon B. Johnson Space Center, twenty-five miles southeast of downtown Houston. The third is the Houston Ship Channel, which connects Houston with the Gulf of Mexico and has made the city into a major port, handling more than half the nation's agricultural exports.

From the official Houston point of view, what these three enterprises have in common is their potential as staging areas for privately financed economic growth. From discoveries at the medical center will come commercial spin-offs that could eventually prove as important as the electronic products spawned in the labs of Stanford and MIT ("They have the technology, but they just haven't been commercializing it," M.A. Wright says sorrowfully. "doctors used to come here for a year's training, and when they got back home they'd want to order the same drugs or equipment they'd used in Houston. The medical center would have to tell them it wasn't on the market.") The NASA installation makes Houston a logical center for whatever industries eventually emerge to manufacture products in space or make supplies for space travel. The ship channel has already proved its worth as a cradle of manufacture. Its construction, at the turn of the century, created a demand for the local production of cement, iron, and related goods, and today its banks are lined with refineries and chemical plants.

There is, of course, another similarity among these three pillars of economic diversity, which is that each of them is the product of governmental, rather than purely business, initiative. NASA is the clearest example: whatever industries it eventually creates will exist only because the federal government invested in manned space flights, and they will exist in Houston only because the state's politicians, from Lyndon Johnson to Albert Thomas, the Houston congressman who was the chairman of the appropriations committee that controlled the space agency's funding, muscled the installation into Texas in the early 1960s.

The ship channel also represents a public investment in what would today be called infrastructure. Almost as soon as Houston was founded, in 1836, local businessmen dreamed of dredging the shallow Buffalo Bayou so as to open a navigable route to the sea. But the channel did not come into being until the U.S. Congress gave in to the entreaties of two of Albert Thomas's predecessors in the House, Joseph C. Hutcheson and Thomas H. Ball, and agreed to pay for the dredging.

As for the medical center, several of its hospitals were started by private philanthropy, but its dramatic postwar expansion reflects the new public subsidy of medical research, medical training, and medical care. Dr. Michael DeBakey, who along with Dr. Denton Cooley is one of the medical center's two resident superstars, became almost as notable for attracting government funding as for performing vascular surgery. The state of Texas subsidizes students at Baylor College of Medicine, DeBakey's base at the medical center, even though it is a private school.

Houston's buccaneer capitalists regard as at most a mild irony the fact that their emerging industries have been fostered by the state. "I've got nothing against using the government to help achieve a private-enterprise goal," Jack Rains, an executive of an architecture and engineering firm called 3D/International, says. Certainly Rains and his colleagues do not perceive Houston's experience as an argument for industrial planning, in the sense of public investment in facilities that industry can use in unexpected ways.

They do concede that Houston's recovery has been made easier by another pro-planning, anti-invisible-hand approach. Like many big cities of the Rust Belt, Houston has recently endured major factory shutdowns. In October of 1983, for instance, Armco Steel announced that it would close its Houston works, which had employed 4,000 workers at its peak and still had 2,000 employees at shutdown time. The mill had suffered from foreign competition but was finished off by the oil bust, which took away the market for the high-quality plate steel it had supplied to drilling platforms.

In many midwestern cities companies have concealed their difficulties until the moment came to surprise workers with layoff notices. Armco's management engaged union members in an effort to save the mill as soon as the troubles began. "There was an extremely intense effort to share every bit of information about the problems, the probabilities, and the opportunities," Terry Hudson, a former Armco official, explained to me. "The company's books were open to everyone. We tried to break complex accounting jargon down into clearer terms. We got the total involvement of everyone, and we would have saved the mill—we'd made it much more efficient—but we ran out of time."

When the mill finally closed, Hudson oversaw a retraining and job-placement effort that, according to all accounts, was phenomenally successful. A year after the shutdown he could say, "There has not been one lawsuit and not one grievance filed. I can honestly tell you that there is no animosity against the company. We came up with a prototype program for helping dislocated workers, and it ended up being a marvelous way to get hourly employees into other work." I was skeptical until I talked to some of the former Armco workers and the United Steelworkers district director, who agreed that the company had tried hard and that nearly everyone had found work.

Even if medicine, space, and shipping provide Houston with the perfectly diversified economy for the 1990s, even if the ex-Armco workers are better off than their northern counterparts laid off by U.S. Steel, there is something unsatisfactory about the notion that either business-labor cooperation or the future growth sectors account for Houston's recent rebound. After all, there was no sudden surge in medical or space employment to explain the drop in the unemployment rate. I was more impressed during my visit by a line of reasoning that came spontaneously from many Houstonians once they got past the standard Chamber of Commerce argument. It dwelt on one of Houston's traits—more distinctive than the space center, more even than the suburban skyscrapers—that helps explain its air of chaos as well as its capacity for growth.

Jack Rains, of 3D/International, is both an exponent of and a piece of evidence for this hypothesis. A fleshy man in his mid-forties, Rains is a Texas A&M graduate who practices the folksy-anecdote, barnyard-language style of business operation that

comes as second nature in Houston. He flatly dismisses any comparison of Houston's difficulties with Chicago's or Detroit's.

"Those are old places. This is a new place. Houston is incomplete. It's like an adolescent who is still a little gawky but has great potential. The people who say we've got problems are the same ones who look at a snapshot and tell you where a train is headed."

With the boosterism boiled out, Rain's argument is that Houston will overcome its energy problems—indeed, has largely done so already—because it is so adaptable a society, can change so fast. It exists outside the world of zero-sum economics, where whatever I gain you lose, because its people are accustomed to thinking of new possibilities instead of competing for existing markets or jobs. The city's ability to adapt and respond, in turn, is linked to the very qualities that most unnerve outsiders: the chaos and lack of control that typify everything from its no-zoning ideology to the absence of a clear ruling class.

When Houstonians want to illustrate this point, they often contrast their city not with New York or Boston but with its in-state opposite, Dallas—controlled where Houston is loose and random, prim where Houston is crass and raw. "Houston was always the kind of place where you could walk in with a good business plan and walk out with $50,000," Lance Tarrance, a prominent Republican pollster says. "In Dallas, where I grew up, they wanted to know about your mother and father and probably your blood type. In Dallas there are five country clubs, and you sign up when you're born. You get into the right one and you're set for life. In Houston they just create new ones." Tarrance's business surroundings epitomize the Houston he describes. His office is in a new high-rise called Tarrance Plaza, located on FM (Farm-to-Market) 1960, which has been converted within the past fifteen years from a small two-laner through the piney woods to a jumble of office buildings and K-Marts.

"There is a sense that the natural resouces are down here, that we're like Chicago a hundred years ago," Tarrance says. "People have the sense that things are still moving our way. There's a psychological feeling of room to move around in—not just land but space to make your own way."

B. W. Moore is the chairman of Moorco, a holding company he put together two years ago when another Houston company, imperiled by the oil bust, needed to sell its assets and raise capital fast. Moore is a tidy, academic-looking man who appears to be dressed for success in Boston rather than Houston. One of Moorco's subsidiaries is a manufacturing plant in Erie, Pennsylvania; another is in Wrentham, Massachusetts. when I interviewed him, Moore spoke respectfully of the work ethic and the ethnic ties in those areas, but he said that only in Houston could he have gotten his company off the ground.

"There is no controlling group in Houston—not private, and not governmental. That is the most important fact about the place. Because no one is in control here, you can generally work out a way to get things done. When I was back in Pittsburgh, the business community was so tight that if you weren't a member of the Daquesne Club, it was very hard to get anything done. To put together the people to take the original risk with this company, I had to come here. It wouldn't have been possible in the more settled areas of the country. [A major Pittsburgh bank] has come into the deal, but back in Pittsburgh I couldn't have gotten their attention."

Houston's venture capitalists are the people most likely to talk about the "frontier spirit" and "wide-open possibilities," but many of its other citizens behave as if they, too believe that their choices are not constrained by the jobs they happen to hold or the identities they have previously been given. The most striking evidence is the anomaly of Houston's employment figures. Of the 100,000 jobs that disappeared in 1983, only about 30,000 had been restored by the end of 1984. In most places the obvious result would be 70,000 additional people unemployed. Yet Houston's unemployment rate dropped steadily—and much more rapidly than the lost jobs were restored. How could this be?

Mass migration could not be the answer, because the city's population and its work force have continued to grow. Only the most recently arrived of the "black-platers" are thought to have gone back north in 1983. The explanation, according to the Texas Employment Commission, rests on a factor that rarely enters the calculations when most cities discuss lost jobs: a boom in self-employment.

The references to "jobs" in Houston's employment figures include only "wage and salary employment"—that is, jobs on someone else's payroll. They exclude on self-employment, the category which in Houston has enjoyed the most substantial recent growth. People have set up repair shops and small stores. I talked to an oil-field worker who has opened an income-tax service and to an ex-Armco employee who repairs cars from his home garage. Most of these people would be making more money if the steel mill were still open or the derrick were still running—but for now those jobs don't exist. They seem to think they are better off than if they were unemployed, and they take it for granted that their choices are not limited to the jobs listed in the paper.

A society of entrepreneurs and freebooting recent arrivals from someplace else, a city committed to an absence of central control and to the doctrine of every man for himself, is not always a pretty or comfortable place to be. Houston now proves that point—as Chicago did a hundred years ago, and as the fastest-growing regions of the United States always have. Houston is, and is proud of being, a place where people come to make money. Other cities would also like to make money, without the attendant turmoil. It is more comfortable to have an established social order, traditional neighborhoods, reignant good taste. But can the aesthetic failing and the rootlessness of a place like Houston be separated from the resilience and sense of possibility that have put so many of its people back to work?

It's hard to think of evidence that the combination is possible—that life can be both orderly and adjustable, both secure and new. Perhaps the Japanese offer evidence. Nothing is more confounding, from the Western point of view, than their ability to maintain a tidily cohesive domestic society while being all too agile and adaptable in international competition. They seem more like a tribe, a family-state, than anything we can recognize as a pluralistic society. Life might be easier for us if we could imitate them, but we can't, we're different.

Americans have defined themselves by their willingness to meld many races and ethnic groups (the Japanese are famed for their xenophobia, even toward other Asians), and through history Americans have always been lighting out for the territories, looking for elbow room and a chance to start over again. That is why Mark Twain is an American writer and Henry James really isn't; it is why a place like Houston shows us something elemental about the American soul, leaving us at once appalled and inspired.●

NEED FOR EVEN HANDED MIDDLE EAST POLICY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. RAHALL. Mr. Speaker, I have long spoken out that we need to pursue a more even-handed policy in the Middle East. I strongly believe that our long-term goals and best interests in the region are best served through policies which seek to expand our friendships in that troubled region of the world. I believe that this type of policy will be beneficial to all of our friends in that region, thus further enhancing Israel's security.

I would like to take this opportunity to bring to the attention of my colleagues an editorial in the Charleston Gazette of June 21, 1985, in which the editors of West Virginia's largest newspaper clearly spell out the advantages and need for this type of even-handed policy. I commend them for their views and I urge my colleagues to take their views into consideration when dealing with policy in the Middle East.

This sentiment is also echoed by an increasing number of the American public. I would also like to bring to the attention of my colleagues an article in today's Washington Post indicating that 47 percent of those questioned in the Post-ABC news poll believe that the United States should distance itself from a total pro-Israel stance into a more even-handed stance in that region. While I strongly support the State of Israel as a key ally of the United States and have always maintanined that it must remain as such, I also feel that more and more Americans are beginning to see the wisdom and advantage of a more even-handed policy in the Middle East. I urge all of my colleagues to read these two articles.

[From the Washington Post, June 26, 1985]

POLL FINDS RISING SENTIMENT FOR DISTANCING U.S. FROM ISRAEL

(By Barry Sussman)

According to a new Washington Post-ABC News poll, the Beirut hostage crisis may have produced a marked increase in the number of Americans who are willing to say the United States should distance itself from Israel to minimize the danger of terrorist acts against this country and its citizens.

The nationwide polling, conducted in three stages and ending last Saturday night,

found steady increases in the number saying they agree with the statement that "the United States should reduce its ties to Israel in order to lessen the acts of terrorism against us in the Middle East."

In interviews with 508 people on Monday, June 17, 31 percent agreed and 53 percent disagreed with that statement. A poll of another 508 people two days later, on June 19, showed 33 percent agreeing and 53 percent disagreeing. Then in additional interviews with 555 people last Thursday through Saturday, 42 percent said they agreed and 41 percent disagreed.

Because the polling stopped Saturday night, it does not show the effect of Israel's decision to release a first group of 31 Lebanese Moslem prisoners, announced Sunday, or effects of other events of the last three days.

The polling Saturday that showed 42 percent agreeing that the United States should reduce its ties to Israel produced nearly the same result as a poll taken after the massacre of Palestinians at the Sabra and Shatilla refugee camps in Lebanon in 1982. At that time, 42 percent in a national poll said that because of the massacres, for which many held Israel partly responsible, U.S. ties with Israel should be reduced; 47 percent disagreed.

The new poll showed a gradual rise in the feeling that Israel should release more than 700 Lebanese, mostly Shiites, without any request by the United States to do so, if that is what it takes to free the hostages. On June 17, 61 percent took that position; on June 19, 65 percent, and in interviewing Thursday through Saturday, 68 percent.

The public was almost evenly divided on whether the United States should ask Israel to release those Shiites, who were taken captive as Israel moved its troops out of southern Lebanon in recent months. In the last stage of the survey, 42 percent said such a request should be made, and 48 percent said it should not.

Israel's decision to begin releasing its Lebanese prisoners and repeated U.S. and Israeli government statements proclaiming general agreement about how to respond to the hostage-taking may have blunted or reversed the growing public questioning of American-Israeli relations since this poll was completed.

In another crisis, the 1979 U.S. gasoline shortages when motorists had to wait in long lines to fill their tanks, 28 percent in a Washington Post poll said the United States should reduce ties with Israel to ensure an adequate supply of oil from the Arab nations but 48 percent rejected any such action.

The polling Thursday through Saturday also showed a majority of 57 percent holding the view that the United States should negotiate and even give in to terrorist demands if the alternative is further death or injury to hostages. Thirty-six percent said the United States should not negotiate. Those figures show little change from earlier in the week.

In addition, a 53 percent majority at week's end agreed with the statement that "the United States should take military action against any Middle East nation that is found to be aiding terrorist actions against Americans." Thirty-six percent said they disagreed.

President Reagan has maintained a solid approval rating, 62 percent in the Post-ABC News poll, in the days before and after the hostage-taking on June 14. And in polling since June 18, when Reagan held a televised news conference, he has drawn a 69 percent approval rating for his handling of the hostage situation.

Public attention seems riveted on the hostage crisis, and growing. Ninety percent of the people interviewed Thursday through Saturday said they were following events either very closely or fairly closely, up from 80 percent at the outset.

[From the Charleston Gazette, June 21, 1985]

NEW POLICY NEEDED

The time has come, the Walrus said, to speak of many things.

And the time long since has passed for some plain talk about a U.S. foreign policy that blindly serves the foreign policy of a foreign country, even a foreign nation as close to this country as Israel.

The objectives and aims of the two nations—the United States and Israel—don't dovetail.

Moreover, those Americans who speak this truth aren't anti-Semitic.

To be anti-Israel—and it's extremely easy to be anti-Israel—isn't to be anti-Semitic.

The former chairman of the Senate Foreign Relations Committee, Charles Percy, R-Ill., perhaps should have been ousted from his Senate seat by the voters. A score of different reasons doubtless could have been unearthed—and in point of fact he was derricked. But one of the prime reasons he lost was his losing favor with Illinois' Jewish voters. Percy attributes his defeat to his fall from grace with them.

On a few occasions Percy criticized Israeli policies—mildly criticized them. But that was enough. Any criticism of Israel or of its often brutal military policies, though thoroughly warranted, is a risk many American officeholders don't dare take, lest they be accused of anti-Semitism and lose the backing of their Jewish, supporters.

But Israel's historic fight against Arabs isn't America's fight. Moreover, American Jews aren't Israeli Jews. Indeed, few American Jews, accustomed to the soft life most Americans enjoy, are about to exchange that life for the rigors of life in Israel.

America's democracy permits any citizen to support or not to support any candidate for public office for whatever reason. Thus, Jews assuredly have the right to dump a Percy on grounds he was mildly critical of Israeli diplomacy.

What's at question is not their right to do this. What's at issue is how it's done, the wisdom of such an action, and assuredly the charge that any American who protests the arbitrary policies of the Israeli government is an anti-Semite.

This name-calling is so ludicrous at times that an I.F. Stone, who is Jewish and who was a reporter on the first ship carrying Jews into Israel after World War II, has been called an anti-Semite because he has repeatedly warned that it is foolish to think Israel can survive without accommodation forever in a sea of Arabs.

Ironically, what Americans can't do—criticize Israel without being slandered by American Jews—Israel's citizens can and do constantly. Thus, criticism of Israeli foreign policy by Jews in Israel is much harsher than it is by U.S. citizens.

Yet it can't be repeated often enough that because an American, Jew or non-Jew, deplores Israel's obdurate anti-Arab policies doesn't make that person anti-Semitic. That an American, Jew or non-Jew, criticizes Israel's invasion and laying waste of Lebanon, which was accomplished with malice aforethought, doesn't make the critic an anti-Semite.

And it can't be stated often enough and too loudly that the foreign policies of the United States and of Israel don't coincide and shouldn't coincide.●

THIRD U.S. CIRCUIT COURT FINDS WORKERS HAVE "RIGHT TO KNOW"

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. VENTO. Mr. Speaker, on May 28, 1985, a three-judge panel of the Third U.S. Circuit Court of Appeals in Philadelphia held, in United Steelworkers of America versus Auchter, that the Secretary of Labor must explain why he decided not to apply the Occupational Safety and Health Administration's [OSHA] Hazard Communication Standard to nonmanufacturing sector workers. The court also directed that, in the interim, the Secretary must extend the standard's protection to these noncovered workers. Furthermore, the court found that the standard's overly broad trade secret provisions exceeded the protection afforded trade secrets under State law and were invalid.

In 1974, the National Institute for Occupational Safety and Health [NIOSH] recommended that the Secretary of Labor promulgate a standard requiring employers to inform employees of potentially hazardous materials in the workplace. An advisory committee appointed by the Secretary recommended that a hazards classification system be established and that warning devices such as labels and placards be used to communicate this information. Unfortunately, the Secretary took no action on this 1975 committee report. Following congressional criticism for neglecting this important issue, the Secretary in 1981 published a notice of proposed rulemaking on hazard identification. After several standards were proposed and withdrawn for various reasons, the Hazard Communication Standard was published in its final form on November 25, 1983.

While many applauded the fact that the Secretary had finally issued a rule, the standard proved to be severely deficient in a number of respects. Perhaps foremost, the OSHA standard was to be limited only to workers in the manufacturing sector. While it is clear that many workers in manufacturing occupations are routinely at risk from exposure to hazardous substances on the job, these workers comprise only a little over one-quarter of our entire work force. Millions of other American workers, in construction, transportation, agriculture,

health care, and other services and industries, were completely excluded from protection by the OSHA standard.

A second major problem with the standard was that it established an elaborate mechanism for protecting trade secrets at the expense of releasing information to workers about the identity of hazardous substances to which they might be exposed. Indeed, from reading OSHA's Hazard Communication Standard, one might get the impression that the Agency's primary charge of responsibility was to protect corporate trade secrets rather than the health and safety of working men and women.

Another major problem was that the OSHA standard was intended to preempt all State and local laws on the subject of hazards substance notification. Some 25 States and numerous local governments have enacted "right to know" laws which often provide stronger coverage than the Federal standard.

With these problems in mind, the United Steelworkers of America, the AFL-CIO, and numerous other parties filed suit in Federal court challenging OSHA's Hazard Communication Standard. Ultimately, this case was decided by a three-judge panel of the Third U.S. Circuit Court of Appeals. The court's ruling is highly significant in several respects and represents, in my view, a turning point in the battle to insure that workers have a "right to know" when they are handling or are exposed to hazardous or toxic substances on the job.

In its opinion, the third circuit court panel noted the Secretary's rationale for limiting the OSHA standard only to manufacturing sector employees:

> The Secretary's inclusion of an express reference to preemption in the manufacturing sector appears to have been motivated at least in part by the desire to reduced the regulatory burden posed by multiple state laws . . . That purpose is arguably at odds with congressional intention that the OSHA provide a federal floor for safety in the workplace.

The court went on to note that while the incidence of hazardous exposure and injury tended to be higher in manufacturing sector jobs than in others, some employees in noncovered categories, such as hospital workers, were exposed to a greater number of toxic substances than were typical workers in manufacturing industries. Moreover some workers in specific noncovered industries have higher reported rates of chemical source illness and injury than do workers in many of the covered manufacturing industries. The court rejected the Secretary's contention that he has complete unreviewable discretion to limit the standard's applicability to manufacturing sector workers and directed that noncovered workers are to be extended protection until the Secretary explains in the standard why such workers are not to be covered.

On the trade secrets issue, the court found that the Secretary had attempted to balance competing interests between employers in protecting trade secrets involved in the manufacture of hazardous substances and workers in guaranteeing their access to information about hazardous substances in the workplace. However, the court noted that the "Secretary points to no provision in the OSHA authorizing such balancing" and that in fact "Congress struck a balance in favor of safety in the workplace at the expense of competing interests." The court held that the OSHA standard's trade secret provisions went beyond the protection afforded to trade secrets under State law and that this section of the standard is invalid.

I commend the Third U.S. Circuit Court of Appeals for a decision which is right both as a matter of law and of public policy. I am hopeful that the Secretary of Labor will decide not to appeal this decision and will instead get about the business of revising the Hazard Communication Standard. I have attempted to promote this objective for the past 2 years through joint resolutions which I introduced in the 99th Congress and again this year in House Joint Resolution 225, which has attracted the support of 60 of my colleagues in the House. I hope that others will join me in this effort to insure that all American workers have a right to know when they are handling or are exposed to hazardous substances in the workplace.●

THE 50TH WEDDING ANNIVERSARY OF LOU AND JENNIE PACE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues two outstanding persons and residents of Williamstown, NJ, Lou and Jennie Pace.

Lou and Jennie have lived most of their married lives in Williamstown, and in that time they've become respected members of their community. They have been extremely active in local functions, particularly with the Knights of Columbus and St. Mary's Church.

The proud parents of Louis, Patricia, and Dennis, and the grandparents of six lovely children, Lou and Jennie are now expecting their first great grandchild. Clearly, the love that Lou and Jennie have for each other, and that which they share with their family and friends, should serve as an inspiration to us all. On Sunday, June 30, at Columbus Manor in Williamstown, Lou and Jennie will celebrate their 50th wedding anniversary.

Mr. Speaker, I'm sure that my colleagues would want to join me in wishing Lou and Jennie Pace congratulations on 50 years of marriage, and best wishes for another 50 years of happiness together.●

MILITARY REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 26, 1985 into the CONGRESSIONAL RECORD:

Even the strongest supporters of defense in Congress are questioning how much we are getting for defense dollar. Over the past five years, Defense Department spending increased 8% a year above inflation, and spending for military procurement has almost doubled. Yet the Soviet Union and Warsaw Pact nations continue to outpace the U.S. and NATO in the production of strategic missiles, tanks, and aircraft. Many Members of Congress, as well as other defense experts, are suggesting that the U.S. must do more than simply throw money at our national security establishment to meet the threats confronting us in the 1990s and beyond. Recognizing that the amount of money spent is an inadequate measure of our commitment to a strong defense, they call for a fundamental reform of the way we formulate and implement our national defense programs. They point out that the weapons systems developed by the Pentagon are too costly, are too hard to maintain, and provide too few weapons for the money spent. The growing federal deficit, various recent U.S. military failures, and revelations of spare parts overpricing also contribute to their view that we are not getting the best return possible for our defense dollar. The concerns of this military reform movement center around four main elements: military strategy, military institutions, personnel, and weapons acquisition.

Their first concern is what they perceive as an outmoded U.S. military strategy. Our strategy since World War II has continued to emphasize winning by attrition, in which both sides exchange firepower in a drawn-out conflict until the resolve or resources of one side are exhausted. In their view, the willingness of the Soviets to pour vast resources into defense makes this an unrealistic approach to future conflict. Instead, they emphasize "maneuver warfare", which calls for lighter-equipped and smaller forces that would use tactics of deception and surprise rather than raw firepower to win battles. They also believe that we put too much of our defense resources into nuclear weapons, and instead favor boosting our conventional forces to avoid resorting to nuclear weapons early in the next war. They emphasize preparing to fight in areas besides Central Europe, which means developing lighter forces that require less support and yet could strike effectively and quickly. Overall, they believe that the United States must do a better job of defining its national security strategy, setting its international priorities, and providing the required re-

sources and capabilities. In their view, the present Defense Department's strategy, which calls for major response capabilities to a variety of simultaneous conflicts across the globe, has led to military requirements which far outpace our resources.

Second, these reform-minded Members of Congress criticize not only our strategy, but also the institutions we have created to implement it. Their criticism focuses on the main organization advising the President and Secretary of Defense on military matters—the Joint Chiefs of Staff. Since the JCS is made up of the chiefs of our four military services, individual service loyalties often stalemate policy decisions. Each service chief has veto power over the chairman's actions, so the compromise decisions that emerge often avoid the hard program choices. There is now substantial support in Congress for restructuring our military operation to avoid the paralyzing rivalries among the services. A recent study recommended that the role of the JCS chairman as the President's military advisor be strengthened, and that top military commanders in the field have more authority to override quarreling among the services and to make decisions on resources devoted to readiness and modernization.

A third concern is military personnel. Proponents of military reform are pleased with the quality of the individuals joining our armed forces today. They think, however, that the training the troops receive is often inadequate or unrealistic. While the U.S. does an adequate job of training for technical skills, they contend that we are less effective in training good fighters who will out-perform the enemy. They stress the need for more cohesive fighting units in which soldiers serve together for longer periods of time. They also favor more independent command organizations with flexibility for initiative to exploit opportunity on the battlefield. An additional concern is the need to halt the drain of highly trained technical personnel to the private sector. They also charge that our military ranks are bloated by mid-level officers who are employed in management and bureaucratic roles rather than as combat specialists or strategists.

A final area criticized by these Members is weapons acquisition. They find fault both with what we buy and how we buy it. They argue that the Navy's strategy of relying on heavily defended aircraft carriers is outmoded given recent advances in Soviet antiship missile technology. Smaller, less-expensive carriers utilizing vertical take-off and landing technology are the reformers' preference. For the Air Force, they stress smaller, more maneuverable fighter aircraft over larger, high technology fighters in production. Technology, in their eyes, is both a boon and a burden to the U.S. military. While we must use our technological edge over our adversaries, sophisticated technology drives up the unit cost of military systems, and provides fewer weapons for more money. For example, while spending for military aircraft increased 75% during 1982-85, the number of aircraft purchased increased only 9%. They also stress that our weapons should be tested before production, and are concerned with the cost growth of weapons, overcharges by contractors, and the long lead times—up to 15 years—required to design a major system and field it.

My sense is that all is not well at the Pentagon. I find attractive most of the views of proponents of military reform, and I believe they are making us focus on the real challenges and questions that should guide our national security decisions. They are certainly right that we should judge our national defense not by the dollars going in, but by the military capabilities coming out.●

FORTY-FOURTH ANNIVERSARY OF UKRAINIAN FREEDOM

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. SOLOMON. Mr. Speaker, this coming Sunday, June 30, marks the 44th anniversary of the restoration of freedom and national sovereignty in Ukraine. For a few exciting days in 1941, the people of Ukraine tasted freedom as the yoke of Soviet oppression was lifted. The high hopes engendered by the Soviet withdrawal from Ukraine were short-lived, however. So brutal had been the Soviet occupation that Ukrainian people welcomed the advancing German troops in 1941 as liberators. But the retreating Soviet forces resorted to a scorched earth policy as they evacuated their positions in Ukraine. And the German forces that quickly took over established yet another reign of terror, a Holocaust that took as many innocent Ukrainian lives as did the great—Soviet-engineered—famines of the 1920's and 1930's.

Once again, the hopes of the Ukrainian people had been crushed. And the heroic resistance forces that had been fighting the Soviet occupiers since 1922 found themselves having to fight two enemies: the Soviet Communists and the German Nazis. As the tide of battle throughout Europe turned against the Nazis, the pleas for help from Ukrainian nationalists fell on deaf ears in the allied countries. When the German forces retreated from Ukraine, the Soviet troops poured in behind them and reestablished Communist control over the proud people and country of Ukraine. And to this day the ancient Ukrainian culture remains under Soviet subjugation.

Mr. Speaker, it is imperative for us to commemorate the restoration of Ukrainian independence, brief though it may have been, because the very forces that have denied the Ukrainian people their just rights are the same forces that seek to take those rights from us as well. If anyone harbors romantic illusions about the nature of Soviet communism and its ultimate objectives, I would suggest that they consider the history of Ukraine.

Consider, too, the fate of Stepan Bandera, the great Ukrainian patriot who declared his country's independence on June 30, 1941. Captured by the Germans 12 days later, Bandera spent the war years imprisoned in the Sachsenhausen concentration camp, where he resolutely refused to recant his actions on behalf of the free Ukraine. Bandera lived in exile in West Germany after the war. But so implacable is the Soviet terror apparatus, he was murdered by a KGB agent in Munich in 1959.

When the government of free Ukraine went underground by the end of 1941, the Ukrainian insurgent army took to the field, and for a time exercised control over some 100,000 square miles of territory and 15 million people. But, following the war, the full weight of the Soviet military machine was directed toward crushing any and all resistance in Ukraine. The government of free Ukraine continued to function underground until 1951, and armed resistance to Soviet occupation was reported as late as 1967. Their land may have been conquered again, but the spirit of the Ukrainian people remains unbowed.

Mr. Speaker, on the occasion of this anniversary, it behooves us all to pay tribute to the bravery of the Ukrainian people and to declare our faith that they will one day breathe free. Despite the relentless efforts of the Soviet Union to obliterate all vestiges of Ukrainian culture and nationhood, the day of redemption will come. And let us salute those many Ukrainians, especially those who fought in the resistance, who now live in the United States and bear testimony to the blessings of freedom. Their struggle is ours.●

MEDICAID LEGISLATION

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. GALLO. Mr. Speaker, today I am introducing legislation that will allow greater flexibility under the Medicaid home-or-community based waiver in cases where exceptional care is needed and can be administered in the patient's home at a lesser cost than that of inpatient hospital care.

A woman from my district, Mrs. Aigotti, recently expressed this concern to me when she said, "I hope that I'm around to see the laws change. Then my being sick had a purpose."

In spite of almost total paralysis from Lou Gehrig's disease, Mrs. Aigotti is able to communicate using a unique device activated by her eyelids. At age 35, her greatest desire since entering the hospital in March has been to return home to her husband, Charles, and 4-year-old daughter, Charlsie.

Unfortunately, she requires 24-hour ventilator care, which makes around-the-clock nursing services necessary. Private duty nursing care was not provided under New Jersey's Medicaid

waiver. More importantly, the cost of home care exceeded that provided by an institution—her only other alternative under Medicaid.

Because of my intervention and a special waiver from the Department of Health and Human Services, Mrs. Aigotti will receive her care at home. Unfortunately, neither you nor I can be available to intervene on behalf of the many individuals from our district who fall into this category under Medicaid.

There are other people, like Mrs. Aigotti, who deserve the same care and attention.

The bill that I am introducing today applies to individuals who are considered to be "exceptional care individuals." These are persons who, because of the nature of their affliction, may be cared for with home-based care, but whose care is more expensive than nursing facility care, yet less expensive than hospital-based inpatient care.

Under the provisions of this bill:

A State with a home-or-community based waiver may provide services to these individuals through any home health care agency licensed by the State, not just Medicaid-certified agencies. The purpose of this provision is to encourage competition to keep any costs to a minimum.

States would also be permitted to apply this waiver on a case-by-case basis in order to control the costs of their program and stay within their per capita expenditure allowance.

Finally, this bill would require the Secretary of Health and Human Services to study and report to the Congress on changes that could be made in the existing home-or-community waiver and the per capita expenditure standard so as to encourage the care of exceptional care individuals by home-based care agencies, rather than keeping these persons under inpatient hospital-based care or confining them to institutions.

This is particularly important in the case of New Jersey and many other waiver States that have a severe shortage of nursing care facilities available for Medicaid-eligible patients.

Most importantly, this bill will give the States increased ability to respond in a humane way to the special needs of their citizens. It will alleviate some of the burdens of bureaucracy and expense that have to be dealt with by the patients and the Medicaid programs in our States.

Furthermore, the bill calls upon the Secretary of Health and Human Services to consider steps that would increase the ability of the Medicaid Program to respond to those individuals who desire to be at home with their families and friends rather than being institutionalized. In the future, this would most certainly require a revision of the States' per capita expenditure allowance.

I know that the Energy and Commerce Committee's Subcommittee on Health and the Environment has recently held hearings on the Medicaid home-or-community based waiver. I commend them for their efforts and further urge them to make this waiver more responsive to these individuals. I offer this legislation as one step in that direction.

It is clear that home health care is preferable to keeping people in hospitals and care facilities if they are able to go home. If we establish a long-term trend toward home health care, the cost of that care will come down and remove many of the roadblocks that currently keep people confined to institutions.

The nurses and doctors who cared for Mrs. Aigotti knew that the best medicine, the best prescription, was to send her home. Mrs. Aigotti confirmed the sentiment, as inscribed on her cake, "there is no place like home."●

SENATE BREAKS OFF BUDGET TALKS

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. FROST. Mr. Speaker, I deeply regret that the Senate chose yesterday afternoon to break off the talks aimed at producing a budget plan for the next fiscal year. Regrettably, the Senate felt that no useful purpose would be served in continuing the budget negotiations as long as the House held its position of providing full Social Security cost-of-living adjustments to our Nation's elderly.

The Senate Republican leadership has maintained from the beginning that they wanted to freeze or significantly reduce our senior citizens' COLA for the next fiscal year as part of any deficit reduction package. Without movement on the part of the House toward the Senate position, the distinguished chairman of the Senate Budget Committee stated that he saw no reason to continue the deficit reduction talks.

The budget deficits are threatening the economic future of this Nation, and significantly steps are needed now to bring them under control. The budget resolution passed by the House took that significant first step. Not only did it achieve budget savings of over $56 billion for fiscal year 1986, it did so in a fair and balanced way. And it did so without placing the burden for deficit reduction on the backs of our Nation's elderly and low-income citizens.

There are honest differences in the Senate and House budget packages, differences that can only be resolved if the two sides continue talking. The Nation and our economic future demand that we work together to fashion a budget plan to reduce the massive deficits. Walking away from the budget negotiations now because the House wants to honor a solemn commitment to our senior citizens can only harm the economic interests of this country, and I hope that the Senate will reconsider and return to the bargaining table so that we can get on with our deficit reduction efforts.●

EXPAND HOSPICE CARE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. RINALDO. Mr. Speaker, in 1982, Congress enacted the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA]. This law for the first time allowed coverage of hospice benefits under Medicare. This provision took effect November 1, 1983. Under this benefit, terminally ill individuals can elect in the last 6 months of their lives to receive palliative hospice care in the home provided by a qualifying hospice instead of intensive, traditional acute care in a hospital setting.

This expansion of Medicare was an important step toward providing more comprehensive health care coverage for the elderly and disabled. Unfortunately, a serious problem has arisen due to an oversight by Congress.

Under the law, hundreds of hospices around the country are unable to qualify as Medicare providers because of a provision in TEFRA which bars them from subcontracting for nursing services. This provision effectively excludes consortium model hospices from qualifying for medicare. Because the law exhibits a shortsighted preference for free-standing hospices, many providers in my State and across the country have been frozen out of the system. The nursing core services requirement effectively forces hospices to hire nurses directly, competing with hospitals, home health agencies and nursing homes instead of allowing the more efficient use of such services under contract.

Unless this provision of the law is changed, hospices either will be unable to qualify for Medicare or, according to the National Association for Home Care [NAHC]—the Nation's largest home care provider organization, which represents as many hospices as any other organization—hospices "will have to undergo extensive restructuring which will greatly and unnecessarily inflate the costs which they will pass along to Medicare."

I have introduced legislation (H.R. 1742) to remedy the flaws in TEFRA and expand the hospice benefit so that it will more fully implement the will of

Congress. My measure, which has been cosponsored by Representatives PEPPER, BIAGGI, SNOWE, BOEHLERT, and CONTE, and which has been endorsed by NAHC, would permit hospices located in rural or medically underserved areas or licensed or incorporated under State law prior to January 1, 1985, to subcontract for nursing services with Medicare-certified providers which were licensed or incorporated under State law prior to January 1, 1985.

The concept of hospice has proven beneficial of tens of thousands of terminally ill individuals who have been able to spend their final days in the comfort and familiar surroundings of their own homes. Subcontracting for nursing services by hospice programs represents community cooperation and efficient use of resources. I urge my colleagues to join me in pushing for passage of H.R. 1742 in order to expand hospice coverage around the country and to make this service available to all Americans.●

BAN CANCER-CAUSING RED DYES

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. FEIGHAN. Mr. Speaker, today, the Department of Health and Human Services announces new regulations on the use of red dyes, coal tar based additives in foods, drugs, and cosmetics used each day by millions of Americans. I am very concerned to learn that these new regulations will continue to permit the use of red dyes that have been shown to cause cancer. The Department of Health and Human Services and Secretary Margaret Heckler are placing millions of our citizens at risk, despite clear and convincing evidence and the strong recommendation of prominent health officials—including the Food and Drug Administration's leading scientists—that these cancer-causing dyes be banned at once.

Mr. Speaker, this issue is not new. In fact, the Health and Human Services Department has been sitting on this question for over 20 years. Yet, every day of delay in banning the dyes adds greater risk to everyone who consumes large amounts of foods containing the dyes. I am particularly troubled that our children constitute the group most likely in our society to consume large amounts of foods containing the dyes. One dye, red dye No. 3, is in candy, soft drinks, and ice cream. Each time a child eats or drinks those products, they may indeed be risking their future health and well-being. By the time a youngster is 10 years old, he or she will have consumed 3 pounds of food additives that are clearly carcinogenic.

One of the most troubling aspects about these new regulations is the fact that they deal with dyes that the law requires banning. Congress and the law have been very clear on this. Almost a quarter of a century ago, Congress passed legislation clearly stating that food additives shown to induce cancer in either human beings or animals must be banned. That is the law of the land. It is not negotiable. Yet, the Food and Drug Administration seems bent on turning its back on 25 years of accepted policy by refusing to ban these dyes. The credibility of the FDA as a regulatory agency committed to the safety of our food supply is in real danger as long as these dyes remain in our foods. The House Government Operations Committee has restated, with bipartisan support, that the U.S. Congress intended that cancer-causing substances in foods be banned. It is time for the FDA, the Department of Human Services and Mrs. Heckler to face the facts and obey the law.

Allowing these proven carcinogens to remain in the marketplace is unconscionable and unexcusable. In light of the failure by the responsible Federal officials to carry out the mandate of Congress, I am today introducing legislation to ban the cancer-causing dyes. I hope my colleagues will join me in sending a clear message that cancer-causing additives do not belong in American's foods.●

PEOPLE'S NATURAL GAS CO.

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. MURPHY. Mr. Speaker, I am proud to rise in recognition of the People's Natural Gas Co. of Pittsburgh, PA, for its 100 years of service on June 26, 1985. In 1885, the People's Natural Gas Co. became the first company in Pennsylvania chartered to distribute natural gas. Throughout the years, regardless of gas shortages, and the fluctuations of both the local and national economies, People's Gas has maintained a high quality of service established by its founders.

Today, People's Gas is one of the Nation's largest distributors of natural gas, supplying more than 320,000 residential, commercial and industrial customers in Pennsylvania, Ohio, and West Virginia. The company employs 1,450 people and has seven operating divisions covering 16 counties in southwestern Pennsylvania, owns and operates a 7,200-mile underground pipeline network, 1,330 producing and storage wells and over 900 motor vehicles. People's Gas also supplies gas at wholesale to utilities in New York State and throughout the Northeast and is one of the Nation's primary gas explorers and producers.

I am confident People's Gas will remain both a competitor and leader in the years to come, with its pursuit of "nontraditional" business opportunities. People's Natural Gas Co. has been a pioneer in the development and implementation of new alternatives such as gas-powered vehicles, cogeneration and a "select gas" application for electric power generation.

Once again, I am proud to recognize this milestone in the People's Natural Gas Co.'s history.●

CENTRAL AMERICA REPORT

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. BROWN of Colorado. Mr. Speaker, our former colleague, James P. Johnson, who represented the Fourth District of Colorado, is now president of the board of trustees of the San Francisco Theological Seminary. The board has received a report from a seminary faculty member, Dr. Walter Davis, based on a 3-week Central America study seminar which took place in January in Mexico, Honduras, and Nicaragua. Given the importance of events in that region, Dr. Davis' observations may be of interest to other Members.

The report follows.

CENTRAL AMERICA REPORT

1. BACKGROUND OF THE NICARAGUAN REVOLUTION

Under the dictator Somoza, the economy was geared primarily for agricultural export, with a small but growing industrial sector of middle class entrepreneurs. Ten percent of the farmers owned 75% of the arable land. The Somoza family itself owned 21% of the best land. So poor were most families that in the middle 1970s 57% of the children under age four were malnourished. The small middle class was content with a classical capitalist approach to national development, and only criticized the worst abuses of the Somoza corruption and repressive brutality.

This began to change after the devastating earthquake of 1972. Instead of distributing the massive international aid to the needy, Somoza's national guard drove it to the markets in Army jeeps and sold it for profit. Then Somoza began establishing industrial enterprises and a bank of his own, no longer content to restrict his wealth to the agricultural sector. The urban middle class saw this as a direct threat. In 1974 this sector put forward its own candidate to replace Somoza, and a struggle ensued.

Meanwhile the Sandinistas, representing the interests of the campesinos, heated up their guerrilla struggle in the mountains. In 1978 the industrial-business sector organized a general national strike against Somoza. When it failed, this group and almost every other group in society, including the hierarchy of the Roman Catholic Church, threw its weight behind the Sandinista guerrillas.

A year later, after the loss of 50,000 people, the Sandinistas routed Somoza and his national guard and initiated a process that would fundamentally restructure Nicaraguan society. However, they inherited a devastated economy with bombed-out factories, a large foreign debt and an empty treasury which Somoza had robbed.

2. THE RESTRUCTURING OF NICARAGUAN SOCIETY

This is built upon a rather simple premise: the basic needs of the poor take precedence over an increase in the standard of living of the middle class or the wealthy.

It has been called "the logic of the majority" and is in keeping with much current Latin American Roman Catholic theology, which calls for a "preferential option for the poor." It is also consistent with a growing body of international opinion—including many World Bank economists—who believe that some form of a "basic needs" strategy is necessary to overcome poverty and political instability in Third World nations. This strategy must combine economic policies of distribution and productivity.

The Sandinista program is built upon three pillars, which clearly distinguish it from Marxist socialism:

(a) political pluralism (and democratic freedoms),

(b) a mixed economy, and

(c) non-alignment in international affairs.

(a) Political pluralism

The Reagan administration and the political right in Nicaragua deny that these are the genuine goals of the revolution, but there is much evidence to support the Sandinista case. In fact political pluralism and democratic freedoms appear to be much more respected in Nicaragua than in most other Central American countries. (See the report of Robert Evans and Ross Kinsler on the November 1984 elections.) The Sandinistas made some grave mistakes in their treatment of the Atlantic Coast Miskito Indians. They now recognize these mistakes and are trying to rectify them. The charge of religious persecution is simply untrue. Press censorship exists in the context of a society at war, where military, political and economic sabotage are all at stake. Even so, a much greater diversity of freedom and opinion exists in Nicaragua than in Guatemala, El Salvador or Honduras. In Nicaragua there is a complete absence of violent repression, but in Guatemala and El Salvador thousands have died at the hands of officially sanctioned death squads, without much objection from the Reagan administration.

Many revolutions begin with a bloodbath of those who are overthrown. This did not happen in Nicaragua. Not only did the Sandinistas maintain discipline after the triumph—they also punished excesses. Today 300 police, guards and soldiers of the Sandinista government are in prison for violations of the law. In fact, one of the first things the Sandinistas did was to abolish the death penalty and establish a 30-year maximum on all prison sentences. Thus there is considerable pressure to make the prisons places of genuine rehabilitation and to create opportunity for re-entry into productive society upon release from prison. It is too early to tell whether this policy will be effective with the most hardened of criminals. Of the 7500 Somoza national guardsmen who were tried for crimes by the Sandinistas, 2150 are still in prison.

One worrisome element for Westerners is the close association of the government with the Sandinista political party. To us this appears subject to abuse. But it is probably natural at this stage in Nicaraguan history, given the role of the party in beating Somoza and restructuring society. The revolution was inspired by the memory of Sandino, the guerrilla fighter of the 1930s who was assassinatd by the Somozas. Only the Sandinista party is allowed to claim Sandino's legacy, which puts all other parties at a decided disadvantage. However, if elections remain free and if the FSLN (Sandinista party) is voted out of office, the next government could change this law.

(b) Mixed economy

Nicaragua has attempted to tilt its economic policies toward the poor while maintaining a mixed economy. 60% of the GNP is produced by the private sector, 40% by the public sector. 35% of the public sector's productive capacity was taken over by the State from the holdings of the Somocistas in 1979. 2½% came from the holdings of those who have since left Nicaragua for Miami; and 2½% has come from confiscations by the State.

By July of 1984, 45,000 families had been given title to 25% of the arable land, but no limit has been set on the amount of land a farmer may own, as long as it is productively used. Public investment priority has been given to human resources, especially the health and education of the poor and the vulnerable. Illiteracy has dropped from 50% to 12%; 800 new schools have been constructed, along with 485 rural hospitals. Polio has been eradicated and preventative care given priority in national health expenditures.

The response of the campesinos to these policies of redistribution has resulted in rates of economic growth that are higher than those of Nicaragua's neighbors: 10.7% in 1980, 7% in 1981, −4% in 1982 due to floods and drought, 5% in 1983, 1% in 1984. However, the war of attrition being waged with U.S. support by the counterrevolutionaries ("Contras") is seriously weakening the economy. In 1980 6% of the national budget was spent on defense; in 1984, 40%. Moreover, Nicaragua's external debt has quadrupled in five years, and now a major portion of its foreign exchange is designated for debt repayment.

The major economic complaint of the business and professional class is government control over banking and the import-export business. These people are now forced into the cordoba economy and out of the dollar economy. Because there are quotas on what and how much may be imported in order to save precious foreign exchange, this sector of the population has experienced restrictions on its economic freedom. This has led to the charge, which is patently a non-sequitor, that Nicaragua has become a Marxist-Leninist state. In fact many Third World countries that are clearly in the capitalist sphere of influence attempt similar types of control on currency and imports/exports. The Sandinista leadership includes Marxists, and some who characterize themselves as Christian Marxists, but Nicaragua has not become a Marxist-Leninist state.

The hierarchy of the Roman Catholic Church also sides with this class against the Sandinista revolution and its preferential option for the poor. This is understandable, since a restructuring of society and a new form of popular participation in decision-making is also a challenge to the structures of authority within the church. The popular Roman Catholic Church, however, is solidly behind the revolution, which leads many observers to conclude that in Latin America a new Reformation as profound as that of the 16th century may be in the making. Although popular theologians insist that the church should not bless the revolution but maintain a certain critical distance, some in our group wondered about the danger of the popular church becoming a new form of civil religion, the reverse of the colonial "chaplain" church.

(c) Nonalignment

Non-alignment is a trickier issue. The Sandinistas know that they cannot achieve genuine economic independence. Therefore their goal is to diversify their dependency. Under Somoza 50–75% of trade was with the U.S. Now the attempt is 25% with the U.S., 25% with the Eastern bloc, 25% with Western Europe and 25% with Latin America and the Third World.

When the Sandinistas came to power, they rejected Carter's offer of Peace Corps volunteers, perhaps because of the memory of over 100 years of direct or indirect U.S. control over Nicaraguan affairs. Instead, they invited Cuban, Soviet, European and Latin American countries to send teachers, medical personnel and technicians. However, the war with the Contras has led to greater dependency on Cuban and Eastern bloc advisors and weapons. In fact, the Reagan administration is pushing Nicaragua more and more into the embrace of the Russian Bear, perhaps in an effort to create another Cuba and thereby justify its policy of intervention.

3. THE ROLE OF THE UNITED STATES

When the Contadora countries (Mexico, Honduras, Costa Rica, Venezuela) proposed a negotiated settlement of Central American conflicts, the Sandinista government expressed its agreement to all of the terms. Since that time the U.S. has sought a change because the settlement would mean the removal of all foreign troops from Central America—including those of the U.S.—and the beginning of a real opportunity for non-alignment in these countries. This would weaken U.S. hegemony. Thus the U.S. complains that Nicaragua won't negotiate, when in reality it is the U.S. that does not favor any negotiations that would grant genuine sovereignty to the nations of the region.

On December 6, 1984 the General Assembly Council of the Presbyterian Church (U.S.A.) issued an interim statement on U.S. policy in Central America. It is an indictment—similar to dozens of others—of the illegality and immorality of U.S. actions and policies in the region. The Reagan administration is conducting an illegal war by proxy against the expressed will of Congress. In fact, our government appears intent on destroying the Nicaraguan revolution by any means. The most grotesque means are those used by the Contras, who are trained and equipped by the U.S. Theirs is a scorched earth policy of destruction of schools, hospitals, animals, crops and people. It is a veritable reign of terror involving torture, murder and mutilation. Since 1981 they have killed 8,000 people, most of whom were unarmed civilians. Proportionately this is the equivalent of 500,000 Americans, nine times as many Americans as were killed in Vietnam.

A justification for such means is found in the 1980 Santa Fe Document. Although this document is unofficial, some would say that it does describe U.S. policy. "War, not peace is the norm in international relations." This is one of the fundamental premises of the national security state as developed in the

U.S. and in Latin America over the past three decades. The Reagan administration has not yet learned a fundamental lesson of Vietnam: that unrestrained and illegitimate violence has a boomerang effect on its perpetrators.

4. WHY IS NICARAGUA A THREAT TO U.S. SECURITY?

Before I went to Nicaragua, I was persuaded that Carter's analysis was correct. At issue in Nicaragua are North/South issues of poverty and repression. Now I am persuaded that East/West issues are also at stake.

"Our revolution is more dangerous to the U.S. than the Cuban revolution," said one Sandinista official. "This revolution can't be tolerated because it has maintained a mixed economy, democracy and non-alignment. The U.S. doesn't care about democracy, but it can't tolerate non-alignment in this hemisphere."

There may be considerable truth to this. We would have to share Latin American markets with others, including the Eastern bloc. More important, the demonstration effect on Nicaragua has already provided hope for the poor in other Central and South American countries. Nicaragua's example is more powerful than any military assistance it could ever give to neighboring insurgents, for it is a direct challenge to U.S. hegemony, which has been the cornerstone of U.S. policy since the Monore Doctrine.

We may not like it, but Central American Christians can hardly read I Corinthians 1:18-31 without a political application:

"Not many of you were wise . . . not many were powerful * * * but God chose what is foolish in the world to shame the wise; God chose what is weak in the world to shame the strong . . . so that no human being might boast in the presence of God."

Some believe that, given the history of poverty in Central America, revolutions are inevitable, and that these revolutions inevitably pose a threat to the U.S. According to this view, a preferential option for the poor in Central America would eventually lead to a similar preferential option in the U.S. The Roman Catholic bishops already mentioned this last fall in the first draft of their pastoral letter on the U.S. economy.

5. THE ROLE OF THE CHURCHES IN NORTH AMERICA

Some historians and political scientists believe that U.S. intervention is inevitable and only a matter of time. What might be the consequences? Nicaragua is not Grenada. No lightning surgical strike would be possible, either with troops or by air power. The Sandinistas would return to the mountains and armed struggle would probably spread throughout all Central America. U.S. interests in Mexico and other Latin American countries would be in danger; our European allies might desert us. Certainly the U.S. would divide again as it did in the Vietnam war, because there are many close ties between Christians in both lands.

Perhaps the greatest challenge in the months ahead is to keep the channels of communication open between Christians in the U.S. and in Nicaragua, in the face of current U.S. attempts to restrict relationships. We can be thankful for the influential role which the U.S. churches have already played, for several Nicaraguan officials told us of their firm belief that the voice of U.S. Christians is directly responsible for preventing greater U.S. intervention and an expansion of the war.●

A SALUTE TO GARY LEE WINEMILLER, JR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. DYSON. Mr. Speaker, I rise today to salute Gary Winemiller, Jr., who will receive the Boy Scouts of America's highest honor—the Eagle Scout Award—on June 30, 1985.

Gary is 14 years old and "crossed over" into Boy Scouts from Cub Scouts in June of 1982. In 3 years, Gary has earned some 51 skilled awards and merit badges. Few among the thousands in scouting attain the goal that Gary has achieved. Hard work and diligence have brought him to this end.

Gary participates in a rich and diverse range of activities. Gary plays the saxaphone in the school band and has played soccer in the Waldorf Soccer League for the last 13 seasons. Other hobbies include racing his hutch bike, collecting council patches, hiking, and camping.

Gary graduated from John Hansen Middle School in June and will begin his high school education in September at Thomas Stone High School in Waldorf.

Gary's parents and sister Nicole, who have been instrumental in supporting Gary along his trail to Eagle, are very excited and happy for him at this truly high point in his life.

I congratulate Gary for all that he has achieved and wish him well in his ongoing pursuit of excellence.●

ANDREI SAKHAROV: HIS SILENCE SPEAKS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. BIAGGI. Mr. Speaker, I would like to take this opportunity to remind my colleagues, as we must always be reminded, of a man and his plight: Andrei Sakharov.

Dr. Sakharov is one of the Soviet Union's greatest nuclear physicists. In addition to developing the Soviet H-bomb he laid the foundation of fusion physics for all the world. For his genius he was given a place in the Soviet Academy of Sciences, the highest honor that can be bestowed on a Soviet scientist.

Dr. Sakharov's activities outside the lab however, resulted in his being placed in internal exile in Gorki, in 1980. He sacrificed his career, freedom, and social status to speak out against Soviet totalitarianism. For his human rights activities he was awarded a Noble Peace Prize, but he was not allowed out of the country to accept it.

In 1979 when the Soviets invaded Afghanistan, Dr. Sakharov's opinions were labeled "subversive" and in January 1980 he was abducted and placed in internal exile.

The Soviet Union has committed a moral and legal crime against humanity by treating a man, whose work would have benefited all peoples, in such a manner. The Soviet Government has refused both Dr. Sakharov and his wife, Yelena Bonner, necessary medical attention and did not allow his daughter-in-law to emigrate to be with her husband. They have kept him in exile beyond the legal limit of 5 years and have tampered with his mail. I would like to add that I recently wrote Dr. Sakharov, as did many of my colleagues, to express our continuing support on his behalf. Unfortunately, based on the Soviet Union's history of mail interception, Dr. Sakharov is unlikely to ever receive our letters. Nevertheless, our efforts to do what is right must not be deterred by the Soviet Union's continued repressive tactics. I am confident Dr. Sakharov knows of our supportive actions and those actions must not cease.

I would like to read an excerpt from a June 25, Washington Post article which exemplifies the typical, horrendous treatment which Mr. Sakharov has been subject to:

* * * On May 11 (1984) they began force-feeding—first it was done intravenously, then by a tube through his nose, then they held his nose closed and forced the liquid down through his throat when he opened his mouth to breathe.

All this caused excruciating pain * * *.

Through all of this the Soviet Union has been unable to silence Andrei Sakharov. His plight has spoken loud and clear throughout the world. We are constantly reminded through him, of the situation of millions of other victims in the Soviet Union, trapped and denied their basic human freedoms. We ask that the Soviet Union end its repressive tactics and allow Mr. Sakhrov and millions of other freedom lovers in their country, including some 2.5 million Soviet Jews, to enjoy certain basic human rights, such as the free expression of cultural and religious beliefs and the right to emigrate. The Soviet Government's attempts to silence these courageous individuals are hopelessly doomed to fail. The desire for freedom can never be smothered.

At this time, Mr. Speaker, I would like to insert the texts of two Washington Post newspaper articles that discuss the current plight of Andrei Sakharov:

[From the Washington Post, June 24, 1985]

STEPDAUGHTER SAYS SAKHAROV HAS RESUMED HUNGER STRIKE

CAMBRIDGE, MASS., June 23.—Soviet dissident Andrei Sakharov has resumed a hunger strike and is being force fed by

Soviet authorities, his stepdaughter said today.

Tatyana Yankelevich said the Nobel prize-winning nuclear physicist has been returned to Semashko Hospital but that the location of her mother, Yelena Bonner, is unknown.

"For two months, the where-abouts and condition of my parents [Have been] uncertain," Yankelevich said at the national conference of Ammesty International at the Massachusetts Institute of Technology.

"Dr. Sakharov is now on a hunger strike," she told 400 members of the human-right unit, who wrote to Soviet Ambassador Anatoliy Dobrynin asking, "Where is Dr. Sakaharov? Where is Yelena Bonner?"

Yankelevich said she received word Friday that Sakharov is being force fed by Soviet authorities.

She said she also received a translated copy of a letter from Bonner, dated November 1984, which described their living conditions and his 1984 hunger strike.

"My isolation is greater than that of exiles," Bonner said in the letter. "We don't know what is known of us in the world."

[From the Washington Post, June 25, 1985]

SAKHAROV MAY HAVE HAD STROKE DURING 1984 FAST

BOSTON, June 23.—Soviet dissident Andrei Sakharov suffered an apparent stroke during a hunger strike last year, a letter from his wife says.

The original document is missing, but a translation of the letter written in November by Yelena Bonner was received by her son and daughter at a human rights conference in Ottawa. Bonner's son, Alexey Semyonov, who lives in Newton, Mass., said the family believes it is authentic.

Sakharov and his wife have been under house arrest in Gorky since 1980. Sakharov went on a hunger strike to try to force authorities to let his wife go to the West for treatment of heart and eye ailments. She wrote that he was hospitalized during the hunger strike in May 1984.

"We will not kill you, but we will turn you into an invalid for the rest of your life," Bonner said doctors told the Nobel Peace Prize winner.

"Concerning Andrei . . . on May 7 [he] was taken to the hospital as an emergency case," Bonner wrote. "On May 11, they began forcefeeding—first it was done intravenously, then by a tube through his nose, then they held his nose closed and forced the liquid down through his throat when he opened his mouth to breathe.

"All this caused excruciating pain. During his first intravenous force-feeding he suffered an arterial spasm or a stroke and lost consciousness. . . ."

She said he had trouble walking and writing. "They began to frighten Andrei by telling him he had Parkinson's disease and that he soon would become a complete invalid," she wrote. Sakharov was hospitalized for four months and then returned to Gorky.

"Andrei still does exhibit some minor Parkinsonian symptoms, but I believe they are a consequence of that spasm or stroke," Bonner wrote. "Now Andrei is back to his usual self. Everything is normal, including his preceptions, reactions and intelligence. His only remaining symptoms are a trembling of his hands and . . . of his lower jaw."

The family said it believes he began a new hunger strike this spring.●

ANDREI SAKHAROV: SPOKESMAN FOR THE CONSCIENCE OF MANKIND

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. SOLOMON. Mr. Speaker, over the past several days a number of my colleagues have risen on the floor of the House to pay tribute to Andrei Sakharov and his wife. I would like to take this opportunity today to express a few thoughts of my own concerning this most powerful and eloquent spokesman for human rights, one of the greatest moral leaders of this century.

The plight of Andrei Sakharov and his wife, Yelena Bonner, has captured the attention and sympathy of all people who value freedom and the sanctity of the individual conscience. The courage of this brilliant couple in the face of sustained and crushing persecution is vivid testimony to the power of the human spirit, empowered by faith. However, much the Soviet Union may try to suffocate the moral fervor and intellectual integrity personified by Dr. Sakharov and his wife, the persecutors will succeed only in drawing greater attention to the crimes of the Soviet system and to the courage and tenacity of the Sakharovs.

Anywhere else in the world—except the Soviet bloc—the Sakharovs would be held up by their government for the highest of public honors and national esteem for their manifold attainments in the disciplines of science, philosophy, and ethics. As it is, however, in the Soviet Union today the Sakharovs have been reduced to the status of nonpersons, exiles in their own land. What a shocking and tragic indictment of the Soviet system. And I have been grieved along with my colleagues to learn of the continued harassment and isolation to which the Sakharovs have been subjected, an unrelenting campaign by the Soviet authorities that has been carried out despite the outcry of the civilized world.

I believe it would be good for us to listen to Andrei Sakharov's own words—the words he used in accepting the Nobel Prize for Peace in 1975. His speech on that occasion gave expression to those principles of human freedom, dignity, and decency that have animated his life and work. These same principles have, no doubt, strengthened and sustained he and his wife during these years of personal trial.

In accepting the Nobel Prize, Dr. Sakharov declared his belief in the "original and decisive significance of civic and political rights in shaping the destiny of mankind." He described the "defense of human rights as the only sure basis for genuine and lasting international cooperation."

He went on to say:

I am convinced that international trust, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live. I am also convinced that freedom of conscience, together with other civic rights, provides both the basis for scientific progress and a guarantee against its misuse to harm mankind, as well as the basis for economic and social progress, which in turn is a political guarantee making the effective defense of social rights possible.

The preeminent position of individual rights in Dr. Sakharov's personal philosophy has come to characterize his entire life and witness. Despite the strange destiny that has called Andrei Sakharov and Yelena Bonner to a life of suffering, we must keep faith with them in the belief that their courage and testimony are being rewarded. And in that connection, I can only conclude by taking note of the closing paragraph of the citation that accompanied his Nobel Prize. The citation reads:

Sakharov's love of truth and strong belief in the inviolability of the human being, his fight against violence and brutality, his courageous defense of the freedom of the spirit, his unselfishness and strong humanitarian convictions have turned him into the spokesman for the conscience of mankind, which the world so sorely needs today.●

TERRORISM ON A LEASH

HON. ROBERT F. (BOB) SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. ROBERT F. SMITH. Mr. Speaker, following is an excerpt from Congressman BUD SHUSTER's book, "Believing in America" [1] (Morrow), which I believe to be particularly relevant to the recent tragic events occurring around the world.

TERRORISM ON A LEASH

(By Congressman Bud Shuster)

(Author's Note: While fanatical Muslims are pulling the triggers and planting the bombs, Americans should not lose sight of the fact that most terrorist weapons and training comes from Soviet bloc countries.)

Terrorism seems to strike like a wild dog, sinking its fangs into innocents in its path. But what the shaking victim, if he survives, and the shaken world do not understand is that far from being wild, the dog attacks only on command, having been trained in academies of terror stretching from Moscow to Cuba, from South Yemen to Tripoli.

Since 1968, when the compilation of international terrorism statistics began, over 6,000 terrorists incidents have been recorded. Americans are the primary targets of international terrorism; 2 out of 5 such inci-

[1] Pages 162-164.

dents involve U.S. citizens. In 1981, there were 258 terrorist attacks on American citizens and property, 31 of them causing casualties. Six Americans were killed: three in Guatemala, two in El Salvador, and one in Columbia. Thirty-one Americans were wounded, with diplomats the victims in 95 of the incidents which were perpetrated by 72 different groups.

During the thirteen years from 1968 through 1981, bombings accounted for 46 percent of all terrorist attacks. Also occurring, however, were over 421 kidnapping attempts, 514 assassination attempts, and 171 barricade/hostage situations. During that period, 129 events were classified as state-sponsored terrorism, with 44 such events occurring in 1981 alone.

During the more recent period, through the first half of 1982, there were 135 terrorist attacks upon American citizens and property, with diplomats the target in 60 of those incidents, American diplomats having passed American businessmen as the main targets in 1980.

The evidence clearly shows that the approximately 140 terrorist groups are neither separate nor wild; rather, they consist of controlled killers seeking blood from the ends of their leashes — which lead back to Moscow. Thousands have been trained, and are being trained, in known camps in Libya, the Soviet Union, Cuba, South Yemen, North Korea, East Germany, and other Soviet bloc countries. The point being: It is from that Soviet camp the terrorism springs.

The Soviet intelligence apparatus, the dread KGB, sent its own man, Colonel Viktor Simenov, along with five thousand Soviet technicians, to take control of Cuba in 1968. Today, Moscow-backed Havana remains the leading advocate of armed revolution throughout Latin America.

In The Terror Network, her stunning exposé of Soviet terrorism, Claire Sterling tells how the KGB has used Aden, the capital of South Yemen, to train thousands of terrorists, including Palestinians, Iranians, Turks, Irish Provisionals, South Americans, Dutch, Belgians, Spaniards, Scandinavians, Swiss, Japanese, Italians, and Germans.

She reports that the Irish Provisionals, the IRA, far from being a homegrown, spontaneous revolutionary force, is funded and armed, in significant measure, by the Soviet Union and its clients.

Libya alone, under the frenzied dictatorship of Colonel Kaddafi, is known to have supported terrorists, from the PLO to the IRA, in forty-five countries. Kaddafi has used Libyan oil wealth to invest over $13 billion in Soviet arms, and has threatened to use them on nations ranging from Israel and Egypt to America.

One of the world's leading experts on the subject, Dr. Hans Horchem, director of West Germany's Office of Anti-terrorism, has succinctly summed up the status of this malignancy: "The KGB is engineering international terrorism. The facts can be proven, documented, and are well known to the international Western intelligence community."

Although tanks are not rolling, planes not bombing, and soldiers not marching, the world today is in a twilight zone of war. Ten thousand assassins roam the earth, ready to kill, or maim, or kidnap upon command. Their objective—not to take a life nor steal a purse, but to sew fear deeply into the fabric of society; to show that governments cannot govern, cannot protect their own; to create anarchy as a prelude to a new world order in which the terrorists will rule supreme.

Only by exposing the roots of terrorism to sunlight can the process of drying and shriveling begin. That means information—intelligence—the gathering of evidence to show the world who pulls the strings. Surely the revulsion of public opinion against those who seek to freeze the world in fear will slowly build, eventually extracting from outlaws a price too dear to pay.

World condemnation, tough domestic laws to punish terrorists, and stern economic sanctions against governments that encourage or even wink at terrorism, will in time make the human beasts think twice. But neither the words of warning nor isolation from decent nations will curb the controlled killers. Only the presence of a club will make them back down. For the civilized world, that club must be its military might, and its cautious, careful willingness to use it whenever freedom is denied.●

TRIBUTE TO KANSAS CITY HOMESHARING PROJECT

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WHEAT. Mr. Speaker, I would like to share with my colleagues the important achievements of the homesharing project of Kansas City, MO, which was recently awarded the Project Independence Award by the Department of Health and Human Services. The award is given to the outstanding community-based program serving the elderly in each State.

The homesharing project helps elderly Kansas Citians maintain their independence and remain in their homes when rising expenses or an inability to care for themselves might force them into a retirement home. The project assists individuals in pooling their personal and financial resources through the concept of shared housing. By matching individuals with mutual or complementary needs, the program is able to find creative solutions to practical problems.

The homesharing project was founded in 1982 by Dr. A. Rae Price of Penn Valley Community College, originally with the limited objective of matching students with elderly homeowners to meet their complementary needs. But soon the program expanded to include people of varying circumstances, such as the newly divorced and widowed. Since its inception the program has matched more than 1,000 people and continues to grow.

With the project's assistance, applicants are both screened and referred to find compatible matches. A mutually satisfactory agreement is reached between the individuals which often includes supplying services such as yard and housework by the homeseeker, though sometimes the agreement is made solely on the basis of shared financial resources.

The benefits of this program to Kansas Citians are numerous. Elderly homeowners are able to remain in their homes with an improved standard of living due to the additional funds or personal services provided by the homeseeker. Homeseekers who have been unable to find adequate low- or moderate-cost housing now have a place to live. Both homeowners and homeseekers benefit from the added security and companionship of having another person in the home. Neighborhoods are improved as the homes are maintained in good condition and are less vulnerable to burglary and vandalism. Additionally, the public benefits by reducing the reliance of both individuals on public assistance programs.

The homesharing project helps breed intergenerational communication among residents of Kansas City. The average age difference between the homeowner and the homeseeker has been greater than 30 years. One particularly successful homesharing agreement involved the pairing of an 85-year-old diabetic widow with a 19-year-old student out on her own for the first time. Not only did the participants themselves benefit greatly from the match, but both of their families were able to feel much more secure about their loved ones.

Mr. Speaker, Kansas City's homesharing project has advanced the philosophy of independence through interdependence by promoting both cooperation and self-help. It is a shining example of private initiative working to meet a real need in the communities of our Nation. I salute efforts of the homesharing project to assist both the elderly and those individuals unable to afford quality housing and congratulate the program on its receipt of the Project Independence Award.●

CREATING AN INTERCIRCUIT PANEL

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. DYSON. Mr. Speaker, in February, Chief Justice Warren E. Burger delivered "The Annual Message on the Administration of Justice" to the American Bar Association in which he illuminated on one of the vital judicial problems facing our Nation today. Over the past 12 years, three separate commissions have considered methods by which to deal with the tremendous increase in cases on the Supreme Court docket each term. The time has come for the Congress to act on this problem.

Since 1950, the number of cases on the docket has increased from ap-

proximately 1,300 to over 5,000. At the same time, the number of full opinions by the Supreme Court rose from 90 to over 150. Even with enlarged staffs, it has become impossible for these nine Justices to give their individual time and consideration to each of these important cases.

Chief Justice Burger has endorsed the creation of an Intercircuit Panel made up of nine judges of the Court of Appeals, including senior circuit judges, to resolve intercircuit conflicts. In each of the past three terms, the Supreme Court has heard and decided an average of 48 cases involving circuit conflicts. These cases would be resolved by the new court unless the urgency or importance of the case called for the immediate attention of the Supreme Court.

While it is impossible to predict whether this court will be successful in limiting the workload of the Supreme Court, Chief Justice Burger suggests that this is an experiment worth considering. I urge my colleagues to read Chief Justice Burger's address in its entirety in order to gain a more complete understanding of his position. The "Annual Message on the Administration of Justice" follows:

ANNUAL MESSAGE ON THE ADMINISTRATION OF JUSTICE

In the life of every institution changes sometimes occur so gradually and subtly that they elude the eyes of the casual observer and often elude even the attention of those directly involved. In this sixteenth Annual Report to the Association, I will discuss with you the steady growth of case filings and the increase of signed opinions of the Supreme Court from Chief Justice Warren's first Term to my first Term, and to the present. This inexorable growth is the kind of gradual and subtle change that has not been fully understood by our profession—and perhaps not fully grasped by the Judiciary itself.

Changes in the structure of the judicial system should be approached with care and caution and made only after deliberation and debate. However, this problem has now been under consideration for more than a dozen years; a number of alternatives have been developed; and the real question now is whether we have debated and discussed it long enough and the time has come to act.

In 1971, a Study Group on the Case Load of the Supreme Court was appointed under the auspices of the Federal Judicial Center. It came to be known as the Freund Committee [1] because it was chaired by a distinguished lawyer and scholar, Professor Paul Freund of the Harvard Law School. Professor Freund had been a practitioner before the Court and a notable scholar of the Court's work for many years. In an earlier day, he had served as Law Clerk to Justice Brandeis and he understood the mechanisms, the internal workings, of the Court, from his tenure as a Law Clerk as well as from the period when he appeared before the Court as an assistant solicitor general.

[1] Chairman: Paul A. Freund, Alexander M. Bickel, Peter D. Ehrenhaft, Dean Russell D. Niles, Bernard G. Segal, Robert L. Stern, and Charles Alan Wright.

The report of the Freund Committee in 1972 urged that an additional court be added to the Federal system—a permanent appellate tribunal between the Courts of Appeals and the Supreme Court. Our profession, being accustomed to rely on precedent—some might say addicted to precedent—had a variety of reactions. Some were favorable, some were opposed, and some were noncommittal. Members of the Supreme Court were of divided views. Judges, no less than others, are sometimes slow to accept change or to delegate power.

Those of us who were concerned about this problem had no illusions that there would be speedy action, but we knew the discussion and the debate had to begin sometime and the Freund Report with its recommendations was a good beginning.

In my Annual Report to you in St. Louis, I urged that the Congress create a Judiciary Council to observe and report from time to time on a broad range of problems of the judiciary.[2] Congress created the Commission on Revision of the Federal Court Appellate System, chaired by Senator Roman Hruska of Nebraska. The members were appointed by the Congress, by the President, and by me,[3] and that Commission came to almost the same conclusion as that reached by the Freund Committee, *i.e.*, that an appellate tribunal between the Courts of Appeals and the Supreme Court was imperatively needed. This report met some of the objections raised to the Freund proposal.

Independent of either of these two studies, yet another fully independent body that reviewed the appellate caseloads of the state and federal courts was chaired by Professor Maurice Rosenberg of Columbia Law School. That Committee came to similar conclusions with respect to the need for a "new nationwide or multicircuit" tribunal with jurisdiction fixed broadly by Congress and functions and procedures determined by the Supreme Court.

What has happened since those reports? Congress acted on some recommendations, such as substantial elimination of three judge District Courts in 1976. In 1981 and 1983, Congressman Kastenmeier and others introduced a bill to create a temporary experimental Intercircuit Tribunal.

Senator Heflin, former Chief Justice of Alabama, introduced bills for a National Court of Appeals in 1981 and 1982. An Intercircuit Tribunal bill was introduced in 1983 by Senators Dole, Heflin, and Thurmond. Hearings were held last year by the Kastenmeier and Dole Subcommittees, both of which reported a bill out to their full Judiciary Committees in the last Congress.

What caused all three of these independent commissions, made up of highly experienced and distinguished members of our profession, to reach substantially the same conclusion? No one can look at the membership of those bodies and fail to conclude that the people on those committees represent the best of our profession.

Let me give you some significant figures which are important factors. Chief Justice Warren took office in October 1953. There were 1,463 cases on the docket. In the Term completed last July, there were 5,100 cases on the docket.

From time to time some superficial observers brush off the number of filings, saying it takes only a "few minutes" to deal with the vast majority of them because they are frivolous. As with many sweeping generalities, there is a grain of truth in it but it is a very small grain. Many are frivolous, but it takes more than a "few minutes" to determine that. I wonder how many lawyers would be happy to think their petitions for certiorari were disposed of in a "few minutes?" People who study this problem in the library, rather than in the real world where hard decisions are made by judges, seem to think there is a very little difference in dealing with 1,500 cases of 5,000. Perhaps they do not know that every filing is passed on by every Justice.

The number of signed opinions is the best single measure of the workload of the Supreme Court. In 1954, when Chief Justice Warren completed his first Term, there were 65 signed opinions by the Court. In the current Term, 65 opinions were already assigned to Justices for writing by December 15, 1984—just over two months after the Term opened. Ponder on that for a moment: if the present Justices had stopped hearing cases in December, 1984, they would have had as much work as the nine Justices had in the entire 1953 Term.

The next Term—1954—the Court had 78 signed opinions and the number has been rising steadily ever since. When I completed my first term in 1970, there were 88 signed opinions of the Court. In the two most recent Terms, there were more than 150 signed opinions each Term. Years ago we passed any sensible limit on how much the Supreme Court should be asked to do.

One hundred years ago when Grover Cleveland was elected President, there were 55 United States District Judges, 9 United States Circuit Judges, and 39 State Supreme Courts. All were deciding cases subject to possible review by the Supreme Court. At that time, there were nine Supreme Court Justices sitting in Washington. Today, Ronald Reagan is President. There are 758 District Judges—758 against 55—and 226 Circuit Judges—226 against 9—authorized.[4] Those judges are daily deciding cases potentially subject to Supreme Court review.

There are still nine Justices on the Supreme Court.

Why is it so difficult to grasp the reality that just as we need more police and more courts to deal with automobile traffic than we did 75 years ago when there were very few automobiles, we need something more to deal with the avalanche of cases coming to the Supreme Court. The same question can be put as to the increase in the complexity of our social and economic structure—and the enormous increase in crime.

It is elementary that when the "input"—that word of the computer age—into any system is increased—when there are more "customers"—one of two things must happen:

(a) The mechanisms to deal with the increased flow must be adjusted, or

(b) The "output" mechanism must be enlarged or made more efficient.

[2] Burger, "State of the Federal Judiciary," Speech to the American Bar Association, St. Louis, Missouri (Aug. 10, 1970).

[3] Chairman: Senator Roman L. Hruska, Congressman Jack Brooks, Senator Quentin N. Burdick, Congressman Emanuel Celler, Dean Roger C. Cramton, Congressman Walter Flowers, Senator Hiram L. Fong, Congressman Edward Hutchinson, Judge J. Edward Lumbard, Francis R. Kirkham, Senator John L. McClellan, Judge Roger Robb, Bernard G. Segal, Judge Alfred T. Sulmonetti, Professor Herbert Wechsler, and Congressman Charles E. Wiggins.

[4] There are presently 576 District Court Judgeships, 182 active Senior District Judges, 168 Circuit Court Judgeships, and 58 active Senior Circuit Judges.

We have already done everything practicable to meet these problems. Courts of Appeals and some of the larger District Courts now have trained court administrators to allow more efficient use of judicial time. We now use modern word processing equipment and computerized record keeping. More law clerks, secretaries, and staff have been added. A whole structure of Magistrate's courts has been added. The courts have begun to impose sanctions on attorneys who bring frivolous cases or abuse judicial processes. We will see more of this.

Everywhere throughout the system there have been greater improvements in how cases are processed. It is ironic that the very efficiencies that have been achieved in District and Circuit Courts simply bring more cases sooner to the Supreme Court. Today the judges of the Federal system at every level are disposing of more cases per judge each year than at any other time in history.[5]

The present proposal is a modification of the Freund, Hruska, and Rosenberg Committee proposals. The debate on this subject over a total of a dozen years has been valuable and led to improvements over the original proposals. Now, and this is particularly important, rather than a permanent intermediate court of the kind recommended by those studies—a National Court of Appeals—I propose we create a temporary and experimental panel—an Intercircuit Panel—made up of judges of the Courts of Appeals, including, of course, Senior Circuit Judges. We can experiment for up to five years by assigning to that panel the task of resolving conflicts in the holdings of the several Circuits. This would mean that Judges from the level where the conflicts arise would be charged with the duty to resolve such conflicts.

Conflicts at the Court of Appeals level are largely *inter*circuit conflicts; with one Circuit now having 28 Judges on the Court of Appeals and other Circuits a dozen or so, *intra*circuit conflicts are arising, *i.e.*, conflicts within the Circuit itself. *Intra*circuit conflicts are theoretically, but not invariably, resolved by having the case reviewed *en banc*. What I now propose amounts to little more than that we have a national *en banc* panel of nine judges. It is just that simple.

And since this would be a process of resolving conflicts among the circuits, the logical source for these decision makers is, as I suggested earlier, to draw upon the judges of the level where the conflicts originate. The Supreme Court could reserve certiorari jurisdiction.

The Intercircuit Panel would be selected by the Supreme Court from among the 226 Circuit Judges. One judge would be drawn from each of the 13 Courts of Appeals. This would permit a regular panel of nine judges with four in reserve. The nine member panel would sit for two sessions of two weeks each per year. Cases would continue to come from the Courts of Appeals to the Supreme Court, but the Supreme Court would have the option to refer circuit conflict and probably interpretation of federal statutes to this Intercircuit Panel—this national *en banc* body.

In each of the past three Terms of the Supreme Court, we heard and decided an average of 48 cases involving circuit conflicts. Last Term there were 55 conflict cases decided. These cases could be referred to the Intercircuit Panel unless—because of the importance or urgency of the question—the Court elected to resolve the conflict without reference to the Panel. Every year we decline to hear numerous other circuit conflicts if we see them as "tolerable conflicts." Probably some of the lawyers involved do not think the conflict is "tolerable." Increasingly, one or more Justices file a brief dissent from denial of certiorari. Absent the need for immediate action by the Supreme Court, such cases could be referred to this special Panel. I would risk a prediction that few of those cases would be granted further review by the Supreme Court; but that remains to be seen and that is why we should experiment.

This special experimental panel will have a five-year "sunset" provision. Within that time, we would be able to determine whether the plan works; of course, if during that time we see that the experiment is not effective, it could be terminated simply by the Supreme Court's decision not to send any additional cases to the Panel.

The uniqueness of this proposal is that there will be no new bureaucracy seeking to perpetuate itself and perpetuate staff positions. And in a day when the ominous shadow of annual and past deficits hangs over the country and over each one of us, I am comforted somewhat in pressing this position by saying that it will not cost the taxpayers any significant additional money except for the relatively nominal factor of the travel expense of the nine judges coming to Washington twice a year. This new Panel would not require a new courthouse; it would not need a new courtroom; it would not need a permanent court clerk. The Court of Appeals for the Federal Circuit has tendered its courtroom. Existing staffs of the Court of Appeals for the Federal Circuit or the Supreme Court can absorb the extra duty of preparing the docket.

There is, of course, nothing new or drastic or unusual about creating special panels, drawn from the roster of Federal Judges presently in office. In the past 20 years Congress has created many special, temporary panels. During my 16 year tenure, Congress created one for the selection of a so-called "special prosecutor," another for the Temporary Emergency Court of Appeals, and two Foreign Intelligence Surveillance Courts; the Multi-District Litigation Panel was established earlier. Members of these panels are designated from among the present Federal Judges; no new permanent court structure was created. More than 60 judges have been designated to these panels by me since 1969 under authority granted by Congress. I have heard no complaint about the personnel or the performance of those special panels.[6]

Since these proposals were first advanced they have been refined, but there has been considerable misinformation on the subject. Some witnesses before Congressional committees supported this experimental plan; some were opposed. Much of the opposition was based on misinformation or outdated information. For example, one witness argued that the shifting members of the Intercircuit Panel would create conflicts within the Tribunal itself. The present proposal is for a nine-judge panel that will sit on all referred cases.[7] Another witness said that conferring on such a court the authority to hear cases coming from state courts is unprecedented and possibly unconstitutional. This panel will not deal with state court cases. Another witness said there would be "mind-boggling" administrative problems of staff support for the Panel. That is simply not correct; the administrative problems will be minuscule.

Another criticism—the most surprising one—was that this Panel would not really help the Supreme Court very much. That, too, has no basis. If the Intercircuit Panel took thirty to fifty cases off of the Supreme Court calendar, that would obviously be of great help to the Supreme Court. Independent studies have demonstrated this.[8] What it could do is restore nearly the kind of calendar that Professor Henry Hart, and Justice Frankfurter, postulated many years ago as the maximum caseload that should be carried by the Supreme Court. Hart and Frankfurter based their conclusions on a limit they believed would maintain the quality that is called for by the kinds of cases and the basic function of the Court—the high quality the country has a right to expect from the Court.

In the 1958 Term, when the Court was dealing with fewer than 100 full signed opinions, Professor Hart, in his Annual Review of the Supreme Court's work in the *Harvard Law Review* stated flatly: "The number of cases which the Supreme Court tries to decide by full opinion, far from being increased, ought to be materially decreased"[9]—"materially decreased" from 100!

At about the same time, Professor Hart's former colleague Justice Frankfurter, by then sitting on the Supreme Court, said "[T]he judgments of this Court are collective judgments. Such judgments presuppose ample time and freshness of mind for private study and reflection in preparation for discussion at Conference. Without adequate study there cannot be adequate reflection; without adequate reflection there cannot be adequate discussion; without adequate discussion there cannot be that fruitful interchange of minds which is indispensable to thoughtful, unhurried decision and its formulation in learned and impressive opinions. It is therefore imperative that the docket of the Court be kept down so that its volume does not preclude wise adjudication." *Dick* v. *New York Life Inc. Co.*, 359 U.S. 437, 458-59 (1959) (Frankfurter J., dissenting).

In the year Justice Frankfurter spoke there were 96 full signed opinions of the Court.

Another objection for this temporary panel is that it would be an undue burden on the Circuit Judges. Let us take a look at that. Many Courts of Appeals panels—with some 15-minute argument limits—hear more than 20 cases in a week. If we drew these nine Circuit Judges into Washington—some of them Senior Judges—they could easily

[5] Each District Court judgeship terminated an average of 517 cases in 1984; each Court of Appeals panel (one panel per three judgeships) terminated an average of 709 cases in 1984.

[6] The Supreme Court has long delegated authority to Special Masters to spare it much of the time required to decide suits between the States or between States and the Federal Government; the Court then acts on findings and conclusions of the Special Masters.

[7] When any member of the Panel is unavailable or ineligible one of the four "reserve judges" would be drawn by lot.

[8] A study by the Department of Justice supported the Intercircuit Panel. It concluded, "There should be an immediate 25-30% decrease in the Court's argument calendar. The proposal may induce an increase in the number of certiorari petitions, but this is conjectural and would in any event still produce a substantial net gain."

[9] Henry J. Hart, Jr., Forward: The Time Chart of the Justices, 73 *Harv. L. Rev.* 84, 99 (1959).

hear all of the cases that are likely to be assigned to them in two, two-week sittings each year.

I will not characterize the argument that this proposal will place an "excessive" load on the Circuit Judges. I will leave that to you to decide whether it would be an "undue burden" to draw *nine* Judges—including Senior Judges—out of the *226* available Circuit Judges, and bring them to Washington for two brief sittings a year.

There is another value to this panel. If all circuit conflicts are resolved promptly the workload of the other federal courts could well be reduced. At the present time, there are conflicts on federal law that are litigated and relitigated in the Districts and Circuits. And even when there is no conflict, there are national issues that ought to be resolved promptly. For example, there have been seven Court of Appeals decisions and 20 District Court decisions on the issue of whether the United States Post Office is immune from state garnishment proceedings.[10] This is of issue that should be settled promptly and with finality without waiting for a conflict. The Panel could well spare many litigants and courts much litigation. However, the primary function of the Panel would be settling conflicts.

It does not take much study to see the vast changes in the content of court calendars in just the last ten years. Many are types of cases never before dealt with by any courts at any time. This is in part at least a product of citizen groups actively pressing for new legislation. And who is to say that Congress should not be legislating or citizens should not press for clean air, clean water, better working conditions, greater equality, and elimination of discrimination? Legislation in these areas and in dozens of other categories has increased the work of the District Courts, the Courts of Appeals, and the Supreme Court.

More than 100 statutes enlarging Federal Court jurisdiction have been passed since I have been in office. Judges of District Courts and Courts of Appeals have multiplied. Only the Supreme Court has received no relief. Section 1983 actions alone have accounted for an enormous additional load on all of the courts. Prisoner petitions have done the same. When we double the prison population in ten years from 230,000 to 460,000, we should not be surprised that prisoner petitions have increased. In the current issue of the *ABA Journal,* David Stewart makes these points with great clarity:

"[F]rom 1960 to 1983 civil cases filed in the U.S. district courts increased by about 300 percent, from about 60,000 to 240,000. Over the same period the number of federal appellate decisions increased by more than 600 percent, from 3,713 to 28,660.

The major difference between the Supreme Court's caseload and that of the lower courts, however, is that the lower courts now have more judges than they used to, while there are still only nine Supreme Court justices to screen four times as many cases." [11]

And, I might add, nine Justices now write full Court opinions in up to twice as many cases as in 1953. Any notion that the Court's problem is a self-inflicted wound simply "will not wash."

[10] Reported in A. Leo Levin & Susan M. Leeson, Issue Preclusion Against The United States Government, 70 *Iowa L. Rev.* 113, 128-29 (1984).

[11] David O. Stewart, An Inside Peek at How the Court Picks Its Cases, 71 *A. B. A. J.* 110 (Feb., 1985).

On the lighter side, at one Judicial Conference, a Circuit Judge came up to me and inquired how we were getting along with this "caseload problem." I gave him a brief response, and he said, "I want to tell you I am completely, wholeheartedly, 100 percent for these proposals, but my wife—she is not." I knew I was being baited to ask why, and of course I did.

His answer was about like this. "My wife is active in volunteer hospital work, church work, and the bridge club. People ask her, 'What does your husband do,' and she answers, 'My husband is a Circuit Judge.' And she always straightens up when she says that. So the questioner may say, 'Is that like Judge Jones or Judge Butler?'—some local judges who may be justices of the peace or municipal judges. And my wife answers a firm, 'No. My husband is on the *second* highest court in the country.' And, by George, Chief, she does not want to say I'm on the *third* highest!"

Now, we have even taken care of this lady's concerns. Courts of Appeals will, of course, always be "Number Two." They will continue to be final, as they always have been, in 97 to 98% of their cases. The Intercircuit Panel can remain in the same category as the other special panels created by Congress in recent years using designated judges. The Judges of the Intercircuit Panel will be Circuit Judges on special assignment. For all this lady knows, her husband may be on the new Panel.

Will this plan work? There, I must be completely candid. I do not know. No one can really know with any certainty. That is why we need to experiment for a few years. If we find the Panel works, it can be continued as long as it is needed. But, if after two or three years, we conclude that it is not helping, we can abandon it. In any event the statute would have a five year "sunset" provision. Until someone comes along with a better idea, I submit that this experiment is worth trying.

APPENDIX TO 1985 ANNUAL REPORT TO THE AMERICAN BAR ASSOCIATION, FEBRUARY 17, 1985

[Supreme Court of the United States, Number of Signed Opinions and Cases on the Docket Per Term]

Year	Opinions	Cases on docket
1950	91	1335
1951	83	1368
1952	104	1437
1953	65	1463
1954	78	1566
1955	82	1856
1956	100	2052
1957	104	2008
1958	98	2062
1959	96	2178
1960	109	2313
1961	84	2585
1962	110	2824
1963	111	2779
1964	101	2662
1965	97	3284
1966	100	3356
1967	110	3586
1968	99	3918
1969	88	4202
1970	106	4212
1971	129	4533
1972	140	4640
1973	140	5079
1974	123	4668
1975	135	4761
1976	126	4731
1977	129	4704
1978	130	4731
1979	130	4781
1980	122	5144
1981	141	5311
1982	151	5079
1983	151	5100

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ELIMINATING DUPLICATIVE REGULATION OF FEDERAL CREDIT UNIONS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. RINALDO. Mr. Speaker, today Congressman BARNARD and I are introducing a bill which will eliminate unnecessary and duplicative regulation of Federal credit unions by removing direct regulatory jurisdiction of the Federal Trade Commission over Federal credit unions and shifting it instead to the National Credit Union Administration.

Presently, the Nation's over-10,500 Federal credit unions are the only federally chartered and federally regulated financial institutions that are subject to regulation by the Federal Trade Commission [FTC]. the events that gave rise to this dual oversight by both the FTC and the National Credit Union Administration [NCUA] are self evident. When the FTC was established in 1914, banks were specifically exempted from its jurisdiction because they were closely regulated by the Federal Reserve Board. At that time, neither savings and loans nor Federal credit unions had been established, so the exemption in the FTC Act was limited to banks.

In the 96th Congress, I was pleased to sponsor legislation to exempt savings and loans from FTC regulation. During consideration of that measure, it was pointed out that savings and loans were already adequately regulated by the Federal Home Loan Bank Board, and that eliminating FTC jurisdiction would end duplicative and costly regulatory oversight. That legislation, Public Law 96-37, has been in effect for over 5 years, and I am pleased to say that there have been no gaps in Federal oversight activities involving savings and loan associations.

The Nation's Federal credit unions are now subject to the same duplicative regulation as the savings and loans were prior to approval of Public Law 96-37. They are extensively regulated by NCUA, and independent Federal agency that charters, supervises, regulates, and examines all Federal credit unions—the same functions that the Federal Home Loan Bank Board exercises over savings and loans. In addition, the Justice Department monitors Federal credit union merges with respect to compliance with the Clayton Antitrust Act. Therefore, there is no need to lodge duplicative regulatory authority in the FTC.

Mr. Speaker, I know of no controversy surrounding the legislation I am proposing. Both the just-departed chairman of the NCUA board, the Honorable Edgar Callahan, and his

predecessor have indicated the firm support of NCUA for removing Federal credit unions from FTC jurisdiction. In testimony last month before the House Energy and Commerce Committee, on which I am privileged to serve, the FTC Chairman, the Honorable James C. Miller III, stated that removing FTC jurisdiction over Federal credit unions would be consistent with the Federal regulatory framework in existence for banks and savings and loans, and that the majority of FTC Commissioners do not object to such a change in law. Moreover, the National Association of Federal Credit Unions, the only national trade association which exclusively represents credit unions chartered by the Federal Government, has contacted me, affirming their long-time advocacy of legislation to exempt Federal credit unions from the jurisdiction of the FTC. I ask that my colleagues join Congressman BARNARD and myself in support of this legislation.●

TAPPING THE NATION'S OFFSHORE OIL POTENTIAL: MAKING AMERICA MORE ENERGY SECURE AND INDEPENDENT

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. O'BRIEN. Mr. Speaker, once again we find the tumultous Middle East on the front pages and we are reminded of earlier times and similar crises. The terrorism and violence in that part of the world bring back memories, not only of wars and revolutions, but of embargoes, energy shortages, and American dependence on foreign oil. I would like to speak briefly today, not about terrorism, but about energy.

Since the last Middle Eastern crisis, we have learned much about energy. Americans have learned to conserve and realize the importance of developing domestic production of oil and natural gas. Yet, these lessons seem to be fading. Oil imports, after years of decline, are on the rise. Last year they increased 8 percent. Given certain economic developments, imports could rise to about half of our oil consumption within a decade.

This country needs secure, domestic energy and one of the keys lies off our coasts along the Outer Continental Shelf. The U.S. Geological Survey estimates that offshore drilling could provide as much as 56 percent of our future domestic crude oil and 36 percent of our future natural gas. This potential can be translated into as much as 44 billion barrels of oil and 231 trillion cubic feet of natural gas. And 44 billion barrels of oil equals 25 years of oil imports at 1983 levels. Clearly, offshore energy can make a huge dent in U.S. imports from the Middle East and other regions.

Despite the vital importance of offshore oil and natural gas, energy development on the nation's Outer Continental Shelf has encountered repeated obstacles. As we know, Congress in the last few years has adopted moratoria that have put promising offshore areas off-limits to exploration and production. In fiscal year 1982, 736,000 acres fell under a moratorium. By fiscal year 1984, moratoria spread to more than 52 million acres. This year, congressional restrictions still forbid Government expenditures for energy leasing for exploration and production on 46 million acres.

I know that some people think that moratoria protect the environment. They remember the Santa Barbara blowout 16 years ago and assume that all offshore operations threaten oceans and coastlines. Yet, that spill is the only accident out of more than 32,000 U.S. wells drilled offshore that brought any appreciable amount of oil to shore. The offshore oil industry has a remarkably safe and clean record.

The oil industry operates with an unavoidable lag time. Developing an offshore oil field, especially in hostile, arctic waters, can take up to 15 years. Consequently, moratoria imposed today will reduce domestic energy supplies for the 1990's and beyond.

For these reasons, Mr. Speaker, I would like to share with my colleagues a letter I received from almost 200 businesses and associations voicing their concern about domestic energy supplies and their opposition to congressional moratoria on offshore leasing. The signatures on this letter represent suppliers and manufacturers from around the country. Their concern highlights the offshore oil and gas production as a national, not a regional issue. Offshore energy production even affects an inland State like Illinois. On a very basic level, we Illinoisans use a lot of energy—215 million barrels of oil and 938 billion cubic feet of natural gas in 1983—and we want to know that our energy needs will be met in the future.

On another level, the offshore industry creates jobs. Steelworkers, metal fabricators, electrical workers, pipefitters benefit directly from offshore oil and gas production work. Indirectly, all sorts of businesses—from makers of protective clothing to bedding manufacturers—serve the offshore industry. For my State, a moderate increase in offshore energy production could add 18,243 jobs by 1990, according to a study by Battelle Pacific Northwest Laboratories.

In fact, one of the largest employers in Illinois, the Caterpillar Tractor Co., with about 35,000 people, manufactures a diesel engine used by about 75 percent of all exploratory offshore rigs. Its gas turbine engines power pumps on a great many offshore production platforms.

I urge my colleagues to review the names on this letter. They represent hundreds of thousands of constituents and their concerns deserve to be heard. Their letter follows:

JUNE 17, 1985.

Hon. GEORGE M. O'BRIEN,
U.S. House of Representatives,
Washington, DC

DEAR REPRESENTATIVE O'BRIEN: As you know, the House Appropriations Interior Subcommittee will soon consider the Fiscal Year 1986 Department of the Interior appropriations legislation. We are concerned about proposal to add offshore leasing moratoria provisions to the legislation.

We wish to state our opposition to such moratoria proposals and to urge you to reject all such measures as being against the national interest.

Offshore leasing moratoria are directly at odds with efforts to deal with such national concerns as future energy supply, national security, domestic employment, the federal budget deficit and the balance of trade deficit. Specifically:

It is estimated that for every worker on an offshore platform, four jobs are created onshore in a support capacity. Moratoria cost jobs not just in coastal areas, but across the entire country.

The OCS program is a major source of federal revenue. If schedules are met, $7-$10 billion in federal funds per year will be generated from lease sale bonus bids and production royalties. Moratoria block this revenue yield.

$56.9 billion of our $107.8 billion balance of trade deficit for 1984 was due to imported oil. Moratoria worsen the trade deficit.

At a time of continued tensions in the Middle East, it is hardly in the nation's interest to make it more difficult to find and produce oil and gas here at home. The moratoria now in effect conflict with the vital national goal of increased energy self-sufficiency and reduced reliance on insecure foreign oil sources. To renew or expand the moratoria will compound past errors.

Those who favor moratoria fail to recognize that U.S. oil reserves are declining and that, to maintain present levels of production through the year 2000, the oil industry must find more than 180 percent of today's proved reserves. Under current conditions, 3 to 15 years of work are required between initial discovery and first production in most offshore areas. The moratoria now in effect are significantly limiting our ability to find and produce the oil we will need in the next decade and beyond.

Leasing of the OCS for natural gas is equally important. About one-fourth of domestic gas supplies come from offshore wells. In addition, 60 percent of the present petroleum reserves in the OCS and about 70 percent of the hydrocarbon production in the OCS are natural gas.

Decreased oil and gas development has had a significant impact on suppliers of offshore equipment. At a time when our nation has made much progress in recovering from a severe economic slowdown, expansion of moratoria may jeopardize the offshore industry's return to prosperity.

As long as our nation remains dependent on foreign oil imports, we do not have the luxury of fencing off large amounts of off-

shore petroleum resources without a full understanding of the consequences. Oil imports began to rise last year after falling for several years. Indication are that they will continue to rise, possibly until they constitute one-half or more of U.S. oil consumption—unless the nation looks ahead and makes sensible decisions to foster domestic energy production. The national interest requires that we proceed with accelerated but orderly development of our offshore oil and natural gas.

Proponents of OCS moratoria often cite the environmental risks involved in offshore development, but they fail to recognize the industry's 30-year record of environmentally safe operations. Of more than 31,000 offshore wells drilled in U.S. waters, only one accident resulted in significant amounts of oil reaching land areas—with no lasting effects.

We believe the Congress erred last year in renewing the leasing moratoria covering offshore California and the Georges Bank area off New England. But, in so acting, Senate and House conferees stated in their report that they "will not continue such blanket moratoria in future years unless a case can be made that the prelease negotiation process with the Department of the Interior is inadequate to ensure that all resource values and Department of Defense needs are provided proper consideration and protection in specific areas, and then such moratoria will not exceed the specific limit of such areas."

We believe that Secretaries Clark and Hodel have made considerable progress over the past year to reduce the conflicts and controversies of recent years and have been most responsive to the concerns of the coastal states. Thus, we see no reason for renewal or expansion of the moratoria.

Continued moratoria on offshore oil and gas leasing are neither necessary nor justifiable. Economic benefits at home and continued tensions in the Middle East underscore the need for OCS development.

We urge you to reject all proposals to renew existing moratoria or to impose new moratoria on additional offshore acreage.

We thank you for your support.

Ackerman & Associates, Inc., Alaska United Drilling, Inc., American Gas Association, American Homeowners Foundation, American Mining Congress, American Petroleum Institute, Amhoist, ARMCO Inc., Association of Commerce and Industry of New Mexico, Baker International Corporation, Bell Helicopter, Textron, Bollinger Machine Shop & Shipyard, Inc., Booker Drilling Company, Boyce Machinery Corp., Brown & Root, Inc., California Manufacturers Association, Camco, Incorporated, Cameron Iron Works, Inc., Cameron Offshore Engineering, Inc., Caterpillar Tractor Co., Chemical Manufacturers Association, Chamber of Commerce of the United States, John E. Chance & Associates, Inc., Chiles Drilling Co., CNG Producing Co., Combustion Engineering Inc., Crowley Maritime Corporation, Data Drill, Division of Smith International, Diamond M Company, Dillingham Maritime, Dive-Med International, Dixilyn-Field Drilling Co., Domestic Petroleum Council, Double R Equipment, Dowell Schlumberger, Dresser Industries, Inc., Drilco, E. I. duPont de Nemours & Company, Dyna-Drill, Division of Smith International, Edison Chouest Offshore, The Elan Group, Fluor Corporation, FMC Corporation, Furuno U.S.A., Inc., Gaffney, Cline & Associates, Inc., Gearhart Industries, Inc., Geophysical Service Inc., Geosource Marine, Geoquest/Butler Companies, Global Marine Drilling Company, Global Marine Inc., Great Lakes International, Griffin-Alexander Drilling Company, Gulf Marine Fabricators, Inc., Halliburton Company, Harvey-Lynch, Inc., Hose McCann Telephone Company, Highway Users Federation, Hughes Tool Company, Hughes Production Tools Division, Illinois Manufacturers Association, IMODCO, Inc., Indiana Committee for Jobs and Energy, Indiana Manufacturers Association, Intermarine Incorporated, International Association of Drilling Contractors, International Association of Geophysical Contractors, International Underwater Contractors, Inc., J.J. Henry Co., Inc., Richard L. Johnson Co. Inc., Kaiser Steel Corporation, Peter Kiewit Sons Inc., Kilgore Marine Inc., Koomey Inc., Labor & Industry for Energy and Jobs (Pennsylvania), Lawrence-Allison and Associates, Inc., Louisiana Association of Business and Industry, LTV Energy Products Company, Marathon LeTourneau, Marathon Manufacturing Co., Marinette Marine Corporation, Marlin Drilling, Martel Corporation, Martin Decker Division, Cooper Industries, Inc., McDermott International Inc., McEvoy, Mid-Continent Supply Co., Milchem Inc., Mississippi Manufacturers Association, Morgan City Supply of Louisiana, Inc., National Association of Dredging Contractors, National Association of Manufacturers, National Coal Association, National Forest Products Association, National Grange, National Ocean Industries Association, National Paint & Coatings Association, National Society of Professional Engineers, National Supply Co., National Tooling and Machining Association, Natural Gas Supply Association, NCS International, Inc., Newport News Offshore Systems Co., Nicklos Oil and Gas Company, NL Industries, Norjac Enterprises Inc., Northern California Marine Association, Oceaneering International, Inc., Oceanic Butler, Inc., Ocean Mining Associates, Offshore Logistics, Inc., Offshore Navigation, Inc., Oil and Gas Marine Service Inc., Omnithruster, Inc., The Paget-Clarke Company, Palmer International, Inc., Pennsylvania Building and Construction Trades Council, Pennwell Publishing Company, Penrod Drilling Company, Petroleum Finance Company, Petroleum Information Corporation, Petroleum Equipment Suppliers Association, Petrolane, Inc., Pogo Producing Company, Porta-Kamp Manufacturing Company, Inc., Racal Decca Survey, Inc., Raymond International, Inc., Reading and Bates Drilling Corporation, Recreation Vehicle Industry Association, Resource Development Council, Rowan Companies, Salen Offshore Company, Schlumberger Offshore Services, Schlumberger Well Service, Seal Fleet, Inc., Seaward International, Inc., Simmons & Company International, Smith International, Inc., Smith Tool, The Society of the Plastic Industry, Inc., Sonat Marine Inc., Sonat Offshore Drilling, Inc., Spearin, Preston & Burrows, Inc., Survey Boats, Inc., Talon Technology Corp., Teledyne Exploration Company, Teledyne Merla, Texas Gas Exploration Co., Texas Eastern Transmission, Tidewater, Inc., TRW Inc., United States Steel Corporation, Union Texas Petroleum Corporation, Utility Workers Union of America, Vetco Offshore, Inc., Virginia Manufacturers Association, Western Geophysical Company, Western Oceanic, Inc., Willis, WIMPOL, Inc., Wintershall Oil and Gas Corporation, Youth for Energy Independence, Zapata Corporation.●

LEHMAN COLLEGE WILL CELEBRATE 40TH ANNIVERSARY OF THE UNITED NATIONS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. GARCIA. Mr. Speaker, October 19 will mark 40 years since the founding of the United Nations. This historic event will be marked throughout the world and especially in New York City.

Because the first home of the Security Council on American soil was the campus of Lehman College, then Hunter-in-the-Bronx, a special celebration will be held on this site. The planned activities include a reception with numerous distinguished guests. Assistant Secretary General Robert Muller will be the featured speaker, and there will be a presentation of a commemorative plaque recognizing the historic importance of the site and the contribution of the Borough of the Bronx, as well as Lehman College. Following the ceremony there will be a concert in the Lehman Center for the Performing Arts.

On behalf of Leonard Lief, president of Lehman College, and from Ruth Bishop, president of the United Nations Association of Southern New York State, I ask all who are interested to please make note of this date. This will be a gala occasion and an historic event.●

ACQUISITION OF TRANS WORLD AIRLINES

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. BOSCO. Mr. Speaker, I am today introducing legislation designed to block the Texas Air Corp's. acquisition of Trans World Airlines. The intent of the bill is to prevent the acquisition at least until Texas Air's largest subsidiary, Continental Airlines, extricates itself from the protection of the Federal bankruptcy laws.

The events leading up to the recent decision of the TWA board of directors to allow the Nation's fifth largest airline to be acquired by TAC have been the subject of congressional inquiry for several weeks now. I believe this most recent development raises additional public policy issues and demands further scrutiny by the Congress before the Secretary of Transportation considers the case. My bill will provide the focus for this review and I would urge my distinguished colleague from California, Mr. MINETA, chairman of the Subcommittee on

Aviation, of which I am also a member, to schedule hearings on it as soon as possible.

Let me briefly review the sequence of events that led up to the TAC offer for the benefit of those who have not followed it closely in the press.

About a month ago it became apparent to TWA management that Mr. Carl Icahn, a noted financial expert and corporate raider, was embarked on a hostile takeover of the airline. He had purchased close to 25 percent of the common stock and had publicly announced a cash offer to the remaining stockholders of $18 a share, or approximately $600 million. His stated intentions were to get rid of the top management and board of directors and run a more efficient, competitive and profitable airline. Predictably, the company countered with a number of defensive initiatives, including petitioning the Congress to enact some legislation to impede Mr. Icahn's effort. Fearful that Mr. Icahn's real goal was to dismember the airline by selling off its international routes and other valuable corporate assets for a huge profit, a number of Members of Congress responded to TWA's request by introducing legislation and scheduling early hearings.

In the House, Messrs. HOWARD, MINETA, and YOUNG of Missouri introduced H.R. 2575 which would require the DOT to conduct an exhaustive investigation to determine whether Mr. Icahn was fit, willing and able to operate a major international airline. Senator DANFORTH, chairman of the Committee on Commerce, Science and Transportation, and 13 members of his committee, introduced S. 1218 which would require the international route authority of an airline to revert back to the U.S. Government if the Secretary of Transportation determined that the purpose of the takeover was to liquidate the company by selling or transfering that authority to another airline. Hearings were held on these bills on June 6 and June 12 in the House Aviation Subcommittee and the Senate Commerce Committee.

By the time of the House hearing Mr. Icahn had acquired close to 33 percent of TWA's stock. Meanwhile, the TWA board of directors decided to seek other offers, and if no one outbid Mr. Icahn within 60 days, his $18 offer would be put to the stockholders for a vote. In another move, TWA's board also approved the establishment of lucrative separation agreements or so-called golden parachutes for 32 of its top executives in order to cushion their fall from corporate power in the event of an Icahn takeover. It was later discovered during the House hearing that these "parachutes" would open even if the executive decided to leave the company voluntarily.

Prior to the Senate hearing it was widely reported in the press that Resorts International had made an offer and was not a serious contender to acquire TWA. As the hearing commenced all the attention was focused on Resorts and Senators expressed concern over the prospect of a casino operator running an airline. The next morning, June 13, as the Commerce Committee convened to mark up S. 1218, Chairman DANFORTH relayed the news that the Texas Air Corp. had reached agreement with TWA to acquire the airline.

For those of us who have followed the volatile airline career of TAC Chairman Frank Lorenzo this acquisition comes as no surprise. He himself is no stranger to the practice of hostile takeovers. As the president of Texas International, a small regional carrier, Lorenzo made a raid on National Airlines in 1978 only to be outbid by Pan Am. However, he walked away with a profit of close to $50 million. In 1979 he made an abortive effort to acquire TWA, and in late 1981 won a protracted battle over Continental Airlines and its employees to take over that carrier. As a California State assemblyman and chairman of the Democratic caucus at that time, I was intimately involved in this fight, particularly in the gallant efforts by the Continental employees to set up an ESOP in order to control their own airline. Lorenzo mounted a major effort in the legislature to block the employees' effort and in the process made numerous commitments to various California officials that Continental would retain its headquarters in Los Angeles and continue to be a major employer in California. I would remind my colleagues from Missouri, who might be inclined to believe that TWA's major presence in St. Louis and Kansas City will continue under TAC's control, that despite Lorenzo's assurances to us in California, he moved Continental's base to Houston within 6 months of his acquisition.

As we all know, less than 2 years after Texas Air Corp.'s acquisition of Continental, the airline filed for protection from its creditors under chapter XI of the U.S. Bankruptcy Code and proceeded to abrogate its existing labor agreements. As of today, more than 18 months since filing bankruptcy, Continental has yet to submit an acceptable reorganization plan to the court, much to the displeasure and dismay of its many creditors. Just as many of us in the Congress were appalled at Continental's brazen abuse of the bankruptcy law to break its unions, some of us are equally appalled that this company is being permitted to acquire another airline, particularly one the size of TWA, with its extensive network of international routes. The Congress moved swiftly to correct the bankruptcy problem as it related to the abrogation of collective bargaining agreements and I believe we should respond just as quickly in this case to prevent an airline holding company which has had its largest component in bankruptcy for almost 2 years from acquiring another major airline. And let's not fall for the argument that the acquiring company, TAC, is not in bankruptcy and therefore should not be prohibited from going ahead with this transaction. The distinction between TAC and Continental is a Corporate technicality that should not be used to disguise the fact that TAC's financial viability is inextricably tied to Continental. Continental is by far the largest and most important subsidiary of TAC and should not be treated as separate and apart from this transaction.

In short, what we have here is the acquisition of a large international airline by a smaller carrier which is in bankruptcy. This I submit is not in the public interest and represents a bad precedent in U.S. aviation policy which should not be permitted to go forward. The potential losers here are many. They are consumers, airports, communities, employees, creditors, suppliers and others whose lives are in some way connected to these two airlines. Numerous questions surround this novel transaction, especially given the track record of its architect, Frank Lorenzo, and I believe that the Congress has a duty to at least examine these questions before the case is submitted to the DOT for approval. Mr. Speaker, the bill which I and a number of my colleagues are introducing today can provide the focus for a public debate of these important issues.●

NATIONAL INDEPENDENT FREE PAPERS WEEK

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. LIGHTFOOT. Mr. Speaker, today I am introducing a joint resolution to designate the week of September 15, 1985 as "National Independent Free Papers Week." A companion resolution has been introduced by my colleague from Iowa in the other body, Senator CHARLES GRASSLEY.

I have the privilege of introducing this resolution not only because I represent, in my district, the national president of the Independent Free Papers of America Association, Joe Sklenar, but also because of what this resolution recognizes and stands for.

The Independent Free Papers of America Association represents independent free-circulation papers which many of my colleagues will find serving small cities and towns in their dis-

tricts. These papers provide an invaluable service to their communities, and they epitomize the free enterprise system that we, as Americans, so highly prize.

As September marks the anniversary of the founding of the Independent Free Papers of America Association, the joint resolution I am introducing today calls for appropriate observances during September. I might add that the Governor of my State of Iowa saw fit to commemorate the contributions of free papers last year by issuing a proclamation similar to that called for by the President in this joint resolution.

I welcome my colleagues' cosponsorship of this important resolution commemorating the contributions of free papers to our Nation's communities.●

TEXTILE AND APPAREL TRADE ENFORCEMENT ACT

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. CAMPBELL. Mr. Speaker, international trade and the survival of the American industrial base is one of the great issues of the day. There is a mood across the country and in Congress that perhaps the Government has an obligation to see that we aren't recklessly exporting jobs in the name of free trade. This issue is sure to be the subject of spirited debate.

But while we are debating the fine points of international trade, there is a war going on. And casualties are mounting.

Recently, Milliken & Co. in Spartanburg, SC, in my district, announced that come September, 250 jobs would be eliminated at a plant in Red Springs, NC.

The company cited "the staggering growth of imports from the Far East," and the absence of effective import controls as reasons for closing the plant.

I know some might say that the answer for these Americans forced out of work is retraining. I would suggest, however, Mr. Speaker, that the promise of retraining as a solution to sudden unemployment is just as much an illusion as the prospect of truly free international trade.

How realistic is it to imagine that the 250 men and women of the Red Springs plant will be retrained for a new career?

How likely is it that there will be jobs for them if they are retrained?

Especially for workers in their late fifties, retraining and reemployment are things that probably won't happen. The future for these workers is far more likely to be a journey from being a taxpayer to being a tax burden.

One thing is sure, the textile workers of Red Springs, NC, won't be alone. In the textile and apparel industries, 300,000 have lost their jobs because of imports in the last 5 years alone.

Is this the stuff of a sound international trade policy? Is this the product of visionary ideas of free trade?

Or are the workers of Red Springs just 250 more witnesses to the fact that the time has come for a trade policy for textiles and apparel that makes sense?

Such a policy based on fairness is at the heart of H.R. 1562, the Textile and Apparel Trade Enforcement Act of 1985.

Nearly two-thirds of the House and majority of the Senate have cosponsored this legislation. For the benefit of the 2 million Americans in the textile/apparel industry who are still employed, Congress should pass this bill.●

PEOPLES NATURAL GAS CO. CELEBRATES ITS 100TH ANNIVERSARY

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WALGREN. Mr. Speaker, I want to congratulate the Peoples Natural Gas Co. as the company celebrates its 100th anniversary.

Peoples Natural Gas Co. was incorporated 100 years ago today, on June 26, 1885. Peoples Gas was the first natural gas distributing company incorporated pursuant to an act of the Pennsylvania Assembly on June 26, 1885, and has been serving its customers and communities ever since. Today, Peoples serves 320,000 customers in 16 western Pennsylvania counties.

I have worked with the employees and management of Peoples Gas over the past several years on a range of issues such as low-income energy assistance, residential conservation programs, cogeneration, and natural gas pricing. In addition to their participation in public policy questions, the 1,400 employees and 600 retirees of Peoples Gas play an active role in the community, volunteering many of their hours to community service.

Peoples Gas makes an important contribution to the communities of western Pennsylvania. Just last year, Peoples Gas contributed $50,000 to the California University of Pennsylvania and the Mon Valley Enterprises Corp. to promote economic development in the Monongahela Valley. This is just one example of the kind of spirit demonstrated by Peoples Gas over the past hundred years, a spirit which I'm sure will carry Peoples Gas through another successful century.●

FARMERS GOING UNDER

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. CONYERS. Mr. Speaker, I would like to call attention to the continuing plight of the family farmer by sharing a recent article from the Detroit Metro Times which raises the urgent question whether agricultural workers are becoming an "Endangered Species?" In Michigan, 18 percent of all full-time family farmers are facing foreclosure on their property, and this story is similar in many other States. An impartial examination of the plight of one family, Don and Eleanor Williams and their three children in Mason, MI, may erase all doubts that the burden is on this Congress to solve the problem of American family farmers.

ENDANGERED SPECIES

(By Gay Zieger)

The biggest mistake Ingham County pig farmers Don and Eleanor Williams say they have made in the last 16 years is placing all their trust in the Farm Home Administration (FHA).

"We assumed those people were in the know," says Eleanor, a short, sturdy woman with a gentle, determined-looking face. "In the beginning we thought they were gods."

Some 10 percent of Michigan's farmers have gone out of business since the Reagan administration took office in 1981. The Williams family is fighting not to join them.

"But I guess they still are," her husband Don, a large, stocky man, soft spoken and more reticent than his wife, pipes in. "They own everything we got." These days the Williams' lives are pretty much controlled by FHA government policy, destroying any notion of the farmer as a headstrong individualist.

According to state statistics, 18 percent of Michigan's 30,000 full-time farmers are facing foreclosure on their property. The Williamses have until March 1986 to show federal officials some degree of economic solvency. If they can't they will lose their pig stock, their land, their home, their personal possessions—and their pride.

In 1970, after renting the land they lived on for one year, the Williamses bought their farm. They took out small operating loans through the FHA to help set us what they hoped and believed would be a viable occupation. But in 1980, in the midst of the worldwide economic recession—which included lower commodity prices and a tight hog market—they used the farm as collateral to get another FHA loan, this one for expansion—at the insistence of the FHA itself, who told the Williamses to either expand their facilities or liquidate. Don and Eleanor have not made a profit in five years and have no real cash flow, thus making the FHA the actual owners of the Williams family farm. The FHA allows the family to live on and continue working the land under the terms of an annual operating lease.

Because the FHA is effectively their landlord, Don and Eleanor have to economically account for everything. Each month brings itemizations of income and outgo, sometimes as many as seven detailed federal

pages worth. They cannot eat in a restaurant without recording the expenditure in TelFarm, an elaborate FHA financial record. One 1980 form even asked for a breakdown on all the canning Eleanor did that season. The FHA is free to tell them if they are not living within their means.

They are also subject to unannounced visits from federal agents who check out their equipment, looking for unrecorded acquisitions, or sales. These agents have free rein and can even check the upstairs bedrooms. Usually, say Don and Eleanor, the agents call ahead of time, but there is no guarantee they will give advance notice of a pending inspection.

Beginning in 1969, the Williamses steadily built up their new farm throughout the 1970s. During that time, they were "OK, still paying on the farm but meeting our obligations and living all right," they remember. By 1980, however, economics got rough. At one point, they began to liquidate, selling a big truck and a few other things, but then we said "Hey! We don't want to give up farming," says Eleanor. So the Williamses returned to the FHA, which showed them, says Don, "by pushing a pencil, that the pigs should be at this price and we should have this much income and it should all work out."

So rather than entirely liquidate their holdings due to no real cash flow, they embarked on the FHA-inspired expansion program, but quickly ran into more problems. The Williamses say that for reasons still unclear to them, the FHA paid their contractor up front, and when he skipped out before finishing the barn and pens, they had to lay out an additional $6,000.

Another continuing problem is the unrealistic FHA figures regarding expected hog prices. The FHA's debt level and repayment schedule is based on anticipated hog prices of 55 cents per pound in the hypothetical market, a wildly fanciful figure, say the Williamses. "Right now we're at 34 cents (a pound, per the Chicago Board of Trade, a type of farm commodity stock broker), and we haven't even seen 50 cents yet on the Michigan market" says Eleanor, "So to the government, it looks like we don't do the job we're supposed to do. But we're losing 5-7 percent in operating costs and 15 percent on their projected costs. These are just two loss factors to consider."

In 1983, the FHA appraised the Williams farm at $250,000, with another $150,000 for machinery. But in 1984, the same farm was valued at $100,000, the machinery at $125,000. As it stands now, they are $460,000 in debt. They haven't paid income taxes in five years because there have been no profits.

Their FHA operating lease expires three months before their middle child's high school graduation next year.

But there is a reason this couple, with their three children, their 40 acres and their 800 pigs, contend with all of this "People who raise a garden and go out and see a clump of dirt and what can be done with it understand," says Eleanor. "And the birth of pigs is as exciting as the birth of babies. You sit there and watch that life coming in and it's no different."

SOUR GRAPES OF WRATH

In 1970, land values were high and credit easy to come by for small farmers. The time seemed ripe for improvements and expansion. A loan helped update machinery, purchase a few more acres, add on a few more buildings, increase production—and make the operation more viable for descendants.

But by 1980, land values decreased, just as interest rates soared. Yields were unusually low because of drought and wind. Commodity prices plummeted. Export markets dried up. Suddenly debts exceeded assets. The small farmer fell behind on mortgage payments. The very banks that once wooed farmers suddenly became estranged suitors, failing to extend enough credit to get through spring planting. After 50 years of working the land, small farmers were suddenly threatened with foreclosure—and no legacy to pass on to their children.

Many in the Reagan administration feel that the small farmer's best bet is to sell out now, before losses grow even greater. Presidential Budget Director David Stockman, himself from Michigan's farm belt, doesn't offer much sympathy, saying that "you entered into these financial arrangements as a 'consenting adult' and now must pay the consequences of, perhaps, 'trying to get rich.'" He speaks blithely of "survival of the fittest." Unfortunately, in the present farm crisis, the fittest may not be the most efficient or effective farmer. The survivors may be "older, more cautious farmers with smaller operations and little or no debt," according to Neil Harl, professor of agricultural economics at Iowa State University. The winners are sure to be the large corporate farmers who suffer less from the vagaries of time and chance. They can ride out shifts in the economy with the help of tax write-offs, subsidies, investment credits and capital gains exemptions. And, notes U.S. Rep. John Conyers (D-Detroit), "the loss of the family farm would mean the control of the nation's food supply would be in fewer hands. This would lead to higher prices." To Merle Hansen, president of the North American Farm Alliance (NAFA), Stockman's survival game is not fair, being more like "'Everyone for himself,' the elephant shouted as he danced among the chickens," he says.

Reagan's veto of the $274 billion . . . farm aid bill does indeed seem to portend the further decline of family-owned farms in the last four years, 300,000 farms across the U.S. have either gone bankrupt or have sold out, and some official estimates now say an additional 250 more close each day. According to Conyers, the amount of the farm debt in Michigan alone has tripled in the last 10 years, and the net farm income has dropped 50 percent. "Some 10 percent of Michigan's farmers have gone out of business since the current administration took office in 1981," he says.

A NEW AMERICAN GOTHIC

Don says he's sorry to tell consumers this, but food prices must go up. He doesn't believe the "middleman is gettin fat," since he knows plenty of "slaugherhouses going out of business.," He adds, "You buy your bacon today and I've subsidized you because I give it to you at a loss. What has to happen is that the whole thing has got to shift up one notch, the consumer has got to be paying more for his food."

He cites as an example the case of dairy farmers, who "are going out like flies because milk prices are still going down. If they were to get their cost plus some profit, we're talking 75 percent parity. The average cost of a glass of milk in a restaurant would be seven cents more; a loaf of bread would be a nickel more. We're not talking big dollars. If this was given back to the farmer, the farmer could make it."

Of government price supports, he says: "Government needs to get out, but very slowly. Don't drop us now because then I, as an individual, would be competing against foreign markets, and I can't do it. Get out eventually, but right now price supports are all we got.

"One other thing I'd like to see the government do is like it's being done in the South. A farmer can grow just so much tobacco and he's paid a good price for that. Anything over, he practically gives away. This is one way of controlling supply and demand."

He feels that the government must also put some restrictions on hog imports. "We tax Canadian hogs at $3.90 a hundred weight, but their government subsidizes them about that much. It just isn't a level playing field. We're going to have to put a higher tax on these imports so we can compete with them." He also would like some labeling laws. "The Canadians use chemicals to make their hogs grow faster, chemicals that aren't good for humans, according to our (American) standards. You can go in the store and not know where the meat's from. USDA approved doesn't mean grown here."

Don also fears the growth of corporate farms. He feels that prices will go up no matter what, but faster and higher when the nation's food supply is in the hands of fewer producers. "They'll be in a position to dictate the prices. Then they'll make a profit and you won't eat. And if you have a few people running something instead of 100, you'll get more legislation for those few people. They'll have more clout because they'll control more, while the 100 will never get their heads together."

According to Rep. Conyers, an estimated 23 million American jobs are related to agriculture, with farmers buying much of the machinery and equipment made in American factories. In Michigan, about 200,000 people work in the farm industry, in such areas as harvesting, growing, processing and sales. "Agriculture is the second largest employment sector in Michigan after manufacturing," says Conyers. "When farmers go broke, they do not buy equipment and products made by industrial workers, and workers cannot purchase sufficient agricultural produce."

The supermarket prices that are driving so many of his constituents to despair are not benefitting the farmer, he claims. "The profit is falling to the middleman. If the small farmers are driven off the land, they will be sent to the city where there is already an exorbitant unemployment rate."

Because of a deep concern for the plight of the farmer and a conviction that what hurts him also harms his city cousin, Conyers has worked toward establishing a rural-urban coalition. He first got the idea three years ago when Michigan farmers came into Detroit to feed the city's poor and hungry. From that point on, he has worked with area farmers and helped sponsor the Family Farmer Reform Bill of 1985.

He calls this legislation the "product of an urban-rural coalition which is beginning to address common interests in the stability of fair food prices, and the promotion of full employment for all citizens." Among other things, the bill calls for: a relaxed federal loan repayment schedule; lowered interest rates; government price supports; government controlled supply; a temporary moratorium on FHA forced liquidation; establishing a simple, no-subsidy farmer disaster reserve system; and soil enrichment measures.

A WAY OF LIFE

The current farm crisis is being likened to that of the 1930s and is politically uniting

farmers throughout America. They are organizing, rallying and speaking out in an effort to bring an awareness of their plight to the general public. Things are bad, and will only get worse, they feel, unless farmers are given adequate compensation for their labors.

If Don and Eleanor are forced off their land, not only the family and community will lose. Michigan State University will, too. The Williams farm has long been a teaching and learning resource. Every two weeks, when school is in regular session, anywhere from one to eight students come there to learn about farming. The Williamses also host group tours, most recently from Norway. In return, MSU oversees the general health of the pigs and makes recommendations for medication or special care.

If they lose the farm, their son Tim, 15, will probably have to set aside his hopes of becoming a farmer. Children Richard, 21, and Chris, 18, don't show a real interest in the life, but maybe it's "in their blood, too," speculate their parents.

Don says that while they have options, they have become "diehard farmers" and "won't give up without a fight."

What will they do if the FHA takes the farm? Don can go back to barbering, and practical nurses are always in demand. "Others have it worse," says Eleanor. "A neighbor whose dad and dad before him farmed says he simply doesn't know what he could do."

But the Williamses love the life and don't want to leave, even though Don admits "anybody would have to be crazy to want this way of life, when you analyze it. It's in our blood, though. Besides, a farmer can't go bankrupt. Anyone else can walk away from bankruptcy, but a farmer has to pay the capital gains. This will plague us for the rest of our life 'til it's paid for. It's a no-win situation. We can't stay and we can't go."●

TRIBUTE TO NANCY YOHE, FORT LAUDERDALE CHILDREN'S THEATER DIRECTOR

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. SMITH of Florida. Mr. Speaker, I want to take this opportunity to pay tribute to the Fort Lauderdale Children's Theater [FLCT] and its director, Ms. Nancy Yohe. The FLCT is one of south Florida's first associations providing theater productions for children and by children. Ms. Yohe has been director of the Fort Lauderdale Children's Theater since 1961. As artistic director, she has supervised an educational program for children in all phases of theater, from terminology and history to improvisation and musical comedy.

Presenting a wide variety of plays including classics, musicals, and melodramas, the theater's annual productions and trouping shows have provided valuable learning experiences to all participants. Director Nancy Yohe has encouraged students to tackle any responsibility, regardless of age or size. Additionally, Ms. Yohe has played an active role in children's theater and educational programs at the national, regional, and State levels. By far, her greatest contribution has been the sense of dedication and respect which she has instilled in the hundreds of students who have participated in the program during the past 24 years.

While FLCT alumni have gone on to successes in many fields, few have lost touch with the theater, which has continued to expand and grow with south Florida. Clearly, the quality of the curriculum and performances is the result of its director's leadership and I ask my colleagues to join me in paying tribute to Nancy Yohe's 24 years as director of the Fort Lauderdale Children's Theater.●

HEALTH CARE DATA SYSTEMS CLEARINGHOUSE ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WYDEN. Mr. Speaker, I am introducing today legislation for myself and for my colleagues Mr. TAUKE, Mr. GEPHARDT, and Mr. GRADISON, while my colleague in the Senate, Mr. GORE, is introducing a companion bill. This legislation, the Health Care Data Systems Clearinghouse Act of 1985, which will help businesses and individuals get their hands on the most important health care cost containment tool—information.

There are enormous gaps in what many purchasers can determine about the health care they buy. Despite good efforts on the part of large corporations, business coalitions, and health care professionals, vital information about the cost, utilization, and quality of health care services is not getting into the hands of the people who need it.

I think it is clear that the Federal Government has a role to play in filling this information gap, and the two-fold legislation I am introducing today will go a long way toward filling that gap.

The first section of my bill will provide for the establishment of a clearinghouse to gather information about the variety of efforts—Federal and private—to collect, analyze, and use health care data. The clearinghouse will identify those individuals and organizations that are collecting health care data, or have developed methods to do so, and will provide information about these individuals or organizations to interested parties. The clearinghouse will also provide technical assistance to interested parties on how to collect, analyze, interpret, and share health care data.

Second, the Federal Government will examine its own data bases to see if they can be used to facilitate health care cost containment efforts. The clearinghouse will also make these findings available to interested parties.

This clearinghouse will make extremely important information available to health care purchasers. But the clearinghouse will only release information about how to collect data—not the data itself. The clearinghouse will not collect or share any of the actual data or provide any information that has not been requested, and providers will not be required to release health care data if they do not wish to. The clcaringhouse will also be required to operate with strict regard for the confidentiality of identifiable patient information.

When we reach a point when there is a usable amount of information available to those who need it—along with the knowledge of how to use it responsibly—the clearinghouse will no longer need to remain in business. That is why a sunset provision, as well as annual reports to Congress from the Secretary of Health and Human Service, are included in this legislation.

I urge my colleagues to support this bill. By improving access to health care information, we can provide consumers with the tools they need to make the health care system more efficient and less expensive.

H.R.—

A bill to provide for the establishment of a clearinghouse and for studies on how to collect and analyze statistics and other information on the aggregate cost, utilization, and quality of health care services in order to provide for greater efficiency and quality in the purchase of health care services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Data Systems Clearinghouse Act of 1985".

SEC. 2. CLEARINGHOUSE ON AGGREGATE HEALTH CARE DATA AND ANALYTIC PROGRAMS.

(a) ESTABLISHMENT AND GENERAL FUNCTIONS.—(1) The Secretary of Health and Human Services shall make grants for the establishment and operation of a clearinghouse to gather and disseminate information on (A) sources, methods, and systems for the collection of aggregate health care data on the cost, utilization, and quality of health care services, and (B) methods and systems available to analyze these data, including existing norms, standards, and criteria that can be used in making comparisons among providers.

(2) The Secretary shall request the National Academy of Sciences, acting through appropriate units, to submit an application for an initial grant under paragraph (1). If the Academy submits an acceptable application, the Secretary shall make the initial grant to the Academy. If the Academy does not submit an acceptable application for an initial grant under paragraph (1), the Secretary shall request one or more appropriate public or nonprofit private entities recog-

nized for their expertise in the analysis of health care data to submit an application for an initial grant under paragraph (1) and shall make a grant to the entity which submits the best acceptable application.

(3) No grant may be made under this section unless an application is submitted to the Secretary in such form and containing such information as the Secretary shall prescribe.

(b) SPECIFIC FUNCTIONS OF CLEARINGHOUSE.—In order to qualify for a grant under this section, the applicant must demonstrate that it has the capability to, and under the grant will on an on-going basis, establish and provide for the operation of a clearinghouse which will—

(1) identify those recognized individuals and organizations in the public and private sectors (including those within the Federal Government and including peer review organizations, health systems agencies, and State health planning and development agencies) that have experience with the collection of aggregate health care data or the development of analytic programs (as those terms are defined in section 4), or both,

(2) collect information on those individuals' and organizations' methods and systems for the collection, analysis, interpretation, and dissemination of aggregate health care data, and make this information available to interested parties, and

(3) provide, upon request, technical assistance in the use of methods and systems for the collection, analysis, interpretation, and dissemination of aggregate health care data.

(c) CONFIDENTIALITY.—In order to qualify for a grant under this section, the applicant must provide assurances that the clearinghouse will disseminate (or arrange for the dissemeniation of) information about methods and systems for collection, analysis, interpretation, and dissemination of aggregate health care data only in a manner that is consistent with the confidentiality of individually identifiable patient medical information.

(d) ADVISORY COMMITTEE.—In addition, in order to qualify for a grant under this section, the applicant must provide for the establishment of one or more advisory panels to advise the applicant on the activities of the clearinghouse, including, in particular, on appropriate methods and systems for the collection, interpretation, analysis, and dissemination of aggregate health care data in a manner consistent with the confidentiality of individually identifiable patient medical information. Any such panel shall include representatives of physicians, hospitals, other health care providers, insurers, businesses, unions, and public entities that purchase health care through insurance or self-insurance, and labor, as well as members of the public.

(e) REPORT ON CLEARINGHOUSE.—As a condition for receiving a grant under this section, the applicant must agree to submit to the Secretary an annual report on the activities of the clearinghouse under the grant. The Secretary shall provide for timely transmittal of a copy of each such report to Congress.

(f) SUNSET OF AUTHORITY.—Unless otherwise extended by act of Congress, the Secretary is not authorized under this section to provide any funding for the operation of a clearinghouse after the end of the five-fiscal-year period beginning with fiscal year 1986.

SEC. 3. STUDIES CONCERNING IMPROVING THE USE OF AGGREGATE HEALTH DATA.

(a) STUDY OF MAKING EXISTING MEDICARE AGGREGATE DATA MORE WIDELY AVAILABLE.—The Secretary shall study the feasibility—

(1) of making aggregate health care data relating to the medicare program (under title XVIII of the Social Security Act) more widely available to group and other purchasers of health care services, and

(2) of applying existing analytic programs (or adapting such programs) to the analysis of these data for the use by these purchasers.

(b) STUDY OF IMPROVEMENTS IN DATA COLLECTION AND ANALYTIC PROGRAMS FOR THE PURPOSE OF MEASURING QUALITY.—The Secretary shall study what changes should be made—

(1) in the aggregate health care data collected by the Secretary (or by other Federal agencies making payment for health care services) in the process of implementing Federal health care programs, and

(2) in the analytic programs used to analyze those data,

in order for these data and programs to be appropriately applied to assess better the quality of health care services. In considering changes, the Secretary shall consider the collection of additional information on quality of health care services.

(c) DEADLINES.—The Secretary shall transmit to Congress progress reports on each of the studies under this section not later than six months after the date of the enactment of this Act. Each report shall include the projected completion date of the respective study.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) The term "aggregate health care data" means information, in a form in which medical information is not identifiable to a specific patient, which relates either—

(A) to the price, utilization, and quality of health care services furnished by providers, or

(B) to the costs and benefits associated with particular methods of paying for health care services.

(2) The term "analytic program" means a method for analyzing, on a comparative basis, aggregate health care data.

(3) The term "Secretary" means the Secretary of Health and Human Services.●

PORTAGE BANDS TO PLAY AT WORLD MUSIC CONCOURS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WOLPE. Mr. Speaker, I wish to pay special tribute to the Portage Central High School Marching and Symphonic Bands in recognition of their having been selected to participate in the World Music Festival to be held in Kerkrade, The Netherlands, from July 12 to 14, 1985.

To be one of only three bands from the United States to be asked to compete in such a prestigious event, and to be able to perform with the world's finest youth bands, is the highest honor that could be bestowed upon these young musicians. The 170 band members—along with the chaperones and the Portage city officials who will accompany them, will serve as ambassadors of goodwill not only to The Netherlands but to Germany and Luxembourg, where they will also perform concerts, and to other European countries they will be visiting.

Mr. Speaker, my colleagues would be impressed not only by the commitment and dedication to their musical studies that has earned these young people this special recognition, but also by the fact that the more than $300,000 cost of their trip is being met largely from private donations and band-sponsored fundraising events. I am privileged to represent these constituents from Portage, MI—their talent, commitment and discipline is expressive of the best of America. I know my colleagues join me in wishing them all possible success on their European tour.●

FAIR FINANCIAL AID TO PART-TIME STUDENTS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. BIAGGI. Mr. Speaker, on June 11, I introduced a long-overdue reform measure, H.R. 2711, that would restore a balance to our student financial aid programs. Specifically, my bill, the Fair Financial Aid for Part-Time Students Act, would expand access to Pell grants, guaranteed student loans and national direct student loans to those attending school half-time or more.

Mr. Speaker, the Federal role in higher education has always been first and foremost, to provide access and choice to those who face special barriers to obtaining postsecondary training. What we have failed to do is to assure that those students, who choose to attend college less than full time—and less than half time—the same access and choice that we provide full time and to a lesser extent, part-time students.

Put another way, despite the fact that part-time students represent 41 percent of all college enrollments—these same students do not receive anywhere near this amount of Federal aid. This is a shortsighted goal in light of the fact that full-time enrollments have been declining steadily and are expected to continue to do so into the next decade. For example, in my own State of New York, full-time college students are expected to drop 25 percent by the year 2000.

This bill provides a package of incentives that will open educational opportunities for adult, nontraditional students by opening up existing aid programs to less than half-time students, establishing more realistic needs anal-

ysis formulas which take into account the realities faced by the adult, nontraditional students. These realities may include a full-time job during the day, family obligations—which may mean responsibility for children as well as elderly family members—and no employer-based educational benefits.

Specifically, H.R. 2711 expands availability of Pell grants, guaranteed student loans and the campus-based programs to students who attend less than half time. This provision will allow increased numbers of needy students to have access to these programs by making the calculation of the cost of education more realistic to the needs of adults.

Under current law, Pell grants are not awarded to a student whose determined need is less than $200. For a full-time student, this limitation makes sense to eliminate trivial need, but for a less than half timer, this amount of money could significantly impact on access. This bill would set $100 and $50 minimum grants for half time and less than half-time students, respectively.

Section 4 of the bill also expands availability of the campus-based programs, supplemental educational opportunity grants, college work study, and the national direct student loan programs to less than full-time students. As a matter of equity, if an institution's grant is based upon a count of enrolled students that includes less than full-time students—then a reasonable proportion of that aid should be made available to them. Students who provide increased funds to schools should be able to have access to these dollars in the same manner that they are available to full-time students.

I was the author of the provision in the 1980 Education Amendments that allowed schools to use up to 10 percent of their SEOG allocation for less than half-time students. In practice, however, these dollars were rarely used and H.R. 2711 would take this issue one step further by assuring a better balance in the allocation of these aid dollars.

Section 5 of the bill adjusts existing day care allowances which today, do not reflect the actual costs of day care required of some students. The bill sets dependent day care allowances based on actual expenses—which would include elderly dependents as well as children in day care.

There is also an information dissemination requirement that requires schools receiving Federal aid to inform their students attending less than full-time about the availability of aid. Finally, section 7 of the bill mandates that the Department of Education implement the independent student provisions established in the 1980 Education Amendments. These provisions recognized that independent students with dependents have greater financial burdens than other independent students and they should not be expected to make the same kinds of financial contributions to their education. By assuring fair treatment of independent students, as intended by Congress in 1980, we can go one step further in assuring adult, nontraditional students equitable access to educational opportunity.

Mr. Speaker, I have a long-standing interest in nontraditional adult students. Having never obtained a college degree, I was awarded a full scholarship to law school at the age of 45 during my 23-year career in the New York City Police Department. Had I not received this scholarship, I never would have been able to secure a law degree since I was a working father for a family of five. I was certainly fortunate—but others have not been so lucky.

This bill recognizes that educational opportunity, especially the kind of education that is needed for career advancement and to upgrade current job skills, is needed by working men and women—not just full-time dependent students who have yet to enter the labor force. Our Federal student aid policy should be able to accommodate both ends of the spectrum and I believe that this legislation is a step in the right direction.

It would be my intent to have H.R. 2711 become part of the reauthorization of the Higher Education Act by Congress later this year. As one of the original cosponsors of each reauthorization bill since my service on the Education and Labor Committee began in 1970, I believe that we have a special opportunity to make a strong statement in this extension that will set the tone for the remainder of the decade. I urge my colleagues to join me in this effort.●

INDIA AIRLINE CRASH AND THE SIKH COMMUNITY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. RICHARDSON. Mr. Speaker, there is a strong suspicion that an act of sabotage is responsible for the crash of an India Airline jet last Sunday in which 329 persons were killed. The plane originated in Toronto and Montreal and crashed 150 miles southwest of Ireland on the way to Delhi and Bombay. Part of the investigation focuses on Sikh separatists. If it is true that there was an act of sabotage, we are witness to yet another chapter of terrorism directed against innocent civilians.

Whatever the outcome of this investigation, it is important that we avoid blaming any ethnic group, race, or religion for the crimes of individuals. I would condemn any insults toward the Sikh community, and urge my colleagues never to generalize about Sikhs or other peoples in order to cast a shadow on their character. Today we see Shiite Moslem characterized as terrorist, even though there are many diverse tendencies among Shiites. I fear that tomorrow we might see the same abuse in the case of Sikhs. We must indeed be very careful that in our outrage against such horrible injustices we do not ourselves commit an injustice.

The Sikhs in my district, many of whom live in Espanola, NM, have contributed to the economic development and well-being of our community. They are good, hard-working, and compassionate people. The integrity and peaceful nature of Siri Singh Sahib (Harbhajan Singh Khalsa Yogiji), an international Sikh leader, is an example not only to Sikhs, but to the rest of the Nation. I would hope that no one transfers anger about a situation under investigation into prejudicial channels. Such a transfer of anger is wrong.●

A TRIBUTE TO THE CITY OF ALBION ON ITS SESQUICENTENNIAL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WOLPE. Mr. Speaker, I want to pay special tribute to the City of Albion on the occasion of its sesquicentenial celebration. Originally known as the "The Forks," Albion was named after Albion, NY, the original home of many of its earliest settlers.

Since 1832, when Tenney Peabody, the first man to make Albion his home, settled the area with his wife and seven children, Albion has been a splendid example of why America is called the melting-pot of the world. Industrial development and the promise of employment drew those who immigrated to our country. In its early years, Albion was a heaven for people of German, Russian, Polish, Austrian, Yugoslavian, Italian, and Hungarian descent. Subsequently, black Americans who came from the South during World War I, people from Kentucky and Tennessee who arrived during World War II, and immigrants from Latin America added to Albion's rich cultural heritage.

There are many dates important to Albion's history: 1838, when the Albion Co. donated 60 acres of land to the Wesleyan Female Seminary, on which Albion College was established; 1834, when Albion's first church, the Methodist Episcopal, was constructed;

1837, when the first public school classes were organized; 1850, when the Michigan-Central railroad tracks were laid, linking Albion with Chicago; 1855, when Albion became an incorporated village; 1862, when the start-up of the Gale Co. marked the beginning of large-scale factory production in Albion: and 1985, When Albion, MI responded to aid victims of its tornado-ravaged namesake, Albion, PA.

Mr. Speaker, the people of Albion take understandable pride in their cultural diversity and industrial roots. Albion's annual community celebration, the "Festival of the Forks," commemorates the city's original settlement on the forks of the Kalamazoo River. It is a very special event, reflective of the community's sense of its own history and its confidence in its future. I feel privileged to represent the people of Albion, and welcome this opportunity to pay tribute to them on the occasion of Albion's sesquicentennial.●

H.R. 1841

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. TALLON. Mr. Speaker, I rise today to urge my colleagues to cosponsor H.R. 1841, legislation that would allow the Secretary of Agriculture to establish centers for rural technology development.

It is my understanding that this bill will be offered as an amendment to the 1985 farm bill during markup at the full Agriculture Committee.

Last year, two-thirds of the income to farmers came from sources other than agriculture. The orderly economic and job development of rural America has long been ignored, especially in rural, depressed areas with low income, high unemployment, and high outmigration. There must be a mechanism to complement and improve the economic conditions in agricultural communities.

This legislation will provide that mechanism and give birth to small businesses and industries for small towns and rural communities through the creation of a national demonstration program for centers for rural technology development.

The goal is to use Federal, State, local, and private dollars to generate new businesses and industries from new technologies. A revolving fund from private funds, royalties, and so forth would be established. As envisioned, after initial Federal funding, the centers would, within 5 years, become self-sustaining. The jobs and economic benefits would remain and continue to grow and provide additional jobs in agricultural communities.

Realistically, many rural areas can no longer subsist on agriculture alone. The distressed agriculture economy and the lack of diversification further damages the entire economic and social well-being of rural America.

Lack of long-term stable employment opportunities in rural America cannot be overcome with current programs because of the lack of infrastructure needed to attract existing corporate expansion. Rural America continues to lack the very basic services, such as housing, schools, streets, and highways, fire and police protection, water and sewer facilities, and health care services, that are necessary to attract industrial development. Rural technology centers can be the answer to developing these communities.●

CHARITABLE DEDUCTIONS FOR NONITEMIZERS NEEDED

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues an article appearing in the June 22, 1985 New York Times entitled, "Preserving the Charitable Deductions," which offers persuasive arguments for retaining the charitable deduction for those who do not itemize deductions on their tax returns.

The President's most recent tax-simplification and reform plan—Treasury II—would, if passed, eliminate the current charitable deduction for nonitemizers.

I support tax-simplification efforts and the Treasury II plan in general. However, I feel that the charitable deduction for nonitemizers has merit, especially when churches, schools, and charitable groups are being asked to take on added responsibilities now shouldered by the Federal Govenment. This will take more money—money taxpayers will have to provide by way of contributions and donations.

For this reason I have cosponsored H.R. 587, legislation to make permanent the nonitemizer charitable deduction, and I hope the House will act to see that this worthy provision is retained.

[From the New York Times, June 22, 1985]

PRESERVING THE CHARITABLE DEDUCTIONS

(By Richard Lyman)

President Reagan's proposals to reform the Federal income tax system are far less threatening to charitable contributions, and the thousands of institutions and causes that benefit from those contributions, than the original tax plan submitted by the Treasury Department last year. Gifts will remain fully deductible for those who itemize, and gifts of appreciated property, such as stock, would continue to be largely deductible at full market value. There remains, however, one major flaw in Mr. Reagan's plan: His proposal to deny the deductibility of charitable contributions made by taxpayers who do not itemize.

Three years ago, Congress voted to allow taxpayers who take the standard deduction and file the short form to deduct the value of their charitable contributions. This is being phased into the tax code, to make gradual the impact on revenues. In the first year, the limit of such "above-the-line deductions" was $25, but by 1986 non-itemizers would be able, under existing law, to deduct the full value of their gifts.

The purpose of this provision was to meet the challenge posed by a dramatic decline in the number of people who itemize their deductions. Whereas in 1970, 52 percent of all taxpayers used the short form, by 1983, 64 percent did—and therefore had no tax incentive to make charitable contributions.

The President's tax plan, if enacted, will increase still further the use of the short form, to an estimated 76 percent of all taxpayers. Yet he is calling for the immediate elimination of the above-the-line deduction.

Not surprisingly, the argument against allowing non-itemizers to deduct their contributions rests heavily on the belief that lower income taxpayers are much less likely to be influenced by tax incentives than are wealthier ones. One study maintains that 90 percent of charitable contributions made by families with incomes between $10,000 and $20,000 are not tax-induced. It concludes that the above-the-line deduction is "a wasted subsidy."

This would seem to be jumping the gun just a bit. After all, the deduction for nonitemizers has been only partly in effect, and for too short a period, to enable us to know what its impact may be worth when it reaches 100 percent and when there has been enough time for lower income taxpayers to become familiar with it as an option open to them. The best estimate of increased giving that would result from the above-the-line deduction is $5.4 billion in 1986.

That aside, what looms ahead if the President gets his way and the deduction for non-itemizers disappears is a society in which a dramatically smaller proportion of all taxpayers will have any incentive in the tax code to give more generously. The consequence of this would be profound, extending far beyond the loss of money that the nation's churches, cultural and educational institutions and charities will suffer. It will produce an ominous identification of the charitable contributions deduction with wealthy minority still in a position to make use of it.

Even now the deduction is often described as a benefit for the rich, as if the final recipients of the money were rich donors rather than the organizations and institutions to which they give. When only two taxpayers in 10 are in a position to use the deductions at all, that argument, however, specious in fact, will carry still greater rhetorical conviction.

Worse yet, the message that we as a nation will be sending to ourselves and to successor generations will be that private giving and volunteering are not, as we have hitherto argued, central to the kind of society we want to be, but merely a rather peripheral exercise in which only a privileged minority of the public participates or has an interest.

The glory of the above-the-line deduction is that it proclaims a great truth about the United States. It says, loud and clear, that

our vision of democracy is one in which the Federal Government has no monopoly on working in the public interest, or on providing money for the public good, but one in which all citizens, rich and poor, contribute their time and substance to these ends.

Richard Lyman is president of the Rockefeller Foundation.●

TWO HUNDRED YEARS OF UNITED STATES-MOROCCAN FRIENDSHIP

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. SOLARZ. Mr. Speaker, in 1987 it will be fully 200 years since the Government of the United States, then a newly established republic, entered into a landmark treaty of peace and friendship with the Kingdom of Morocco. Morocco was the first nation to recognize the United States of America and to present our credentials to her north African neighbors. And President George Washington wrote warmly of the "friendship and harmony which so happily subsist between" the two countries—friendship and harmony, Mr. Speaker, which thrive to this very day.

It is with great pleasure that I introduce today legislation authorizing placement on Federal lands of a monument symbolizing 200 years of peace and friendship between the United States and Morocco—a monument which is to be a gift of the Kingdom of Morocco to the people of America. This monument will be in tribute to a relationship which has seen United States and Moroccan soldiers fight side by side through two world wars in defense of shared democratic values, and pursue those values through cultural and economic ties in times of peace.

Just as we cooperated in battling a common foe during some of the darkest days of World War II, we have joined together in various common approaches to meet today's challenges. Characteristic of current cooperation are military agreements which permit use of Moroccan airfields for the transit of troops and supplies in times of urgency, port calls for U.S. Navy ships and personnel, and regular participation in joint military exercises. Our close ties are also symbolized by a large Voice of America transmitter which helps speed the free flow of information through Europe, the Middle East, and Africa.

I would also point out to my colleagues that Morocco has an exemplary record in terms of its treatment of its Jewish community. The experience of the Jewish community in Morocco, which has not only survived but prospered in an Arab country, is proof that normal relations between Arabs and Jews are possible. Only last year, for example, I attended a congress of Jews in Rabat, Morocco that was convened with the approval of King Hassan. This was the first time that a congress of Jews, including a large delegation from Israel, was held in an Arab country.

Finally, I remind my colleagues that Morocco has played a constructive role in facilitating progress in the Arab-Israeli peace process, which is, of course, one of the highest priorities of our own foreign policy.

For all of these reasons, I urge my colleagues on the House Committee on Administration to give swift approval to this legislation.

The text of this legislation follows:

H.R. —

A bill to authorize the erection of a monument given to the American people as a gift of the Kingdom of Morocco, on public grounds in the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ERECTION OF MONUMENT.

(a) GENERAL AUTHORITY.—The Secretary of the Interior may erect a monument on Federal land pursuant to a gift of the Kingdom of Morocco in recognition of the solid friendship spanning two centuries which exists between the people of Morocco and the people of the United States.

(b) SELECTION OF SITE AND DESIGN.—The Secretary of the Interior shall, with the approval of the Commission of Fine Arts and the National Capital Planning Commission, select a design and a suitable site for the monument on Federal land located in the District of Columbia.

(c) RESTRICTION ON FEDERAL FUNDS.—The United States may not pay any expense of the erection of the monument.

(d) EXPIRATION OF AUTHORITY.—The authority to erect the memorial under subsection (a) shall expire at the end of the 5-year period beginning on the date of the enactment of this Act unless construction of the monument begins during that period.

SEC. 2. MAINTENANCE OF MONUMENT.

The Secretary of the Interior shall be responsible for the maintenance and care of the monument erected under this Act.●

A TRIBUTE TO GLORIA SHAVER

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, at the end of this week, the Committee on Ways and Means loses one of the most valued members of its staff—Gloria Shaver. Miss Shaver is the most recognized, most poised, and most serene presence in the committee's front office. Over the past 22 years, she has endured four Presidents, three committee chairmen, scores of new committee members, hundreds of lobbyists and thousands more seeking direction—whether institutional, geographical or personal.

Gloria Shaver was drawn to Washington from Mount Jackson, which lies on the western edge of Virginia's Shenandoah Valley, to work for then Congressman Burr Harrison. At his departure, she found the fortitude and the patience to take up service on the committee.

Her official duties, put simply, were to keep the committee running from one day to the next. She made sure paychecks went to the right person in the right amount. She chronicled the cycle of membership and employment. She was the keeper of the Monthly Report, the committee's financial diary and guidebook. She managed the ledger with an even, if sometimes stern, hand. Even those with long committee tenure, even those with great legislative reputations, would approach her desk with care and the promise of fastidious recordkeeping.

Her committee responsibilities, however, belie the true wonders of Gloria Shaver. She has always shown amazing grace under pressure. In the frenzied last hours of a House-Senate conference, when tempers are thin and the back rooms filled with charge and countercharge, Miss Shaver always managed to remain above the fray—lending a hand wherever needed, showing the stamina of a veteran, but always poised, calm and good natured. She is what class is all about.

She has been a patient listener, suffering with grace the rudeness and rough demands made daily at the counter of room 1102 Longworth. She has provided a ready shoulder in moments of distress, and is legend for keeping a confidence. She has a keen sense of committee tradition and over the years has held newcomers to the line.

Gloria Shaver has had a remarkable influence on the temper and the progress of our committee. We are all much the better for her care and loyalty. We lose more than a colleague today. We lose a friend.●

SAVE AUTOMOBILE FUEL ECONOMY STANDARDS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. MARKEY. Mr. Speaker, since the energy crises of 1973 and 1979, our Nation has been striving to conserve oil, lower its fuel bill and reduce its dependence on foreign suppliers, especially OPEC. For both economic and national security reasons, lower consumption of oil has been the hallmark of American energy policy for the past decade. A keystone of that policy has been the automobile fuel economy standards. These standards are now under attack, and I rise to call my col-

leagues attention to this attack and to urge them to cosponsor a resolution introduced today which states clearly the sense of the House that the Secretary of Transportation should not rollback the corporate average fuel economy [CAFE] standards.

It was the energy crisis of 1973 that first awakened our Nation to the umbilical attachment of our economy to oil. We discovered rather painfully that our cars and our commerce were linked to the flow of oil from that unstable region, and that any cessation of oil paralyzed the economy and extracted a high price from our industry and our constituents.

As today's headlines so painfully demonstrate, the threat remains as real today as it did then. Although complacency about our energy situation has set in, we must not forget that we will always live close to the edge of an energy crisis until we achieve our prime goal in the energy arena—self-sufficiency.

One of the greatest contributions to our efforts to conserve energy is the corporate average fuel economy [CAFE] standards Congress adopted in 1975. Congress adopted these standards as part of the Energy Conservation and Policy Act of 1975 and only after lengthy floor debate on the proper response to our energy crisis. Along with CAFE standards, Congress also approved as part of ECPA the strategic petroleum reserve, appliance standards, and a number of other programs that were designed to wean us from our dependence on foreign energy sources and build an energy efficient—as well as an energy self-sufficient—America.

CAFE standards have resulted in the near doubling of automobile fuel economy and have saved our Nation over 1.8 billion barrels of oil. These savings are a direct result of the increasing fuel economy standards which the law stipulates. Congress adopted these automobile fuel economy standards out of a belief that our Nation must make steady progress toward fuel efficiency, and that we must set a concrete goal for the automobile industry since market forces alone will not accomplish the goal.

Unfortunately, complacency about our current energy situation has given some people the invitation to turn back the clock on energy conservation. The goal of automobile fuel efficiency is now under threat from General Motors and Ford, who have requested a rollback of CAFE standards from 27.5 miles per gallon, as set by the 1975 ECPA law, to 26 miles per gallon. They make this request because they will fail to meet the standard set by law, a standard they have had 10 years to meet. I note that Chrysler will meet the standard.

I find this effort shortsighted and contrary to the long-term energy interests of our Nation. No law passed by Congress has had more of an effect on energy conservation than the CAFE standards. When Congress passed this law in 1975, American auto manufacturers were unwilling or unable to produce more fuel-efficient cars and, therefore, foreign-made automobiles provided the only choice for energy-conscious and price-conscious Americans. Today, however, the situation is dramatically different. Because of the CAFE standards, not only have American car manufacturers captured some of the small car market, but the entire fleet of American-made cars have become much more fuel efficient. These gains in fuel efficiency—from 13 miles per gallon in 1975 to 26 miles per gallon in 1985—have not come from the marketplace, but instead from government regulation.

The petitions by GM and Ford should be rejected because we cannot let complacency about our current energy situation rob us of progress toward an energy self-sufficient America. We must not let complacency to push us away from our goals of conservation and energy independence. Accordingly, I urge my colleagues to cosponsor the resolution introduced today which states plainly the sense of the House that automobile fuel economy remains a goal of our Nation.●

THE BUDGET CONFERENCE AND SOCIAL SECURITY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. DOWNEY of New York. Mr. Speaker, yesterday the House-Senate conference on the first budget resolution for fiscal year 1986 was unilaterally broken off by the Senate conferees. This is unfortunate and does not bode well for our effort to produce a reasonable and fair deficit reduction package.

Why are we at this impasse? Because the other body insists on freezing the cost-of-living adjustments for our veterans and our senior citizens. The other body insists on this position despite the pledge of the President not to tamper with Social Security. We, on the House side, believe that we owe the President our best efforts to help him keep his promise.

More than that, we believe that we must keep our own promises to the elderly—we must keep the promise of a secure retirement for the hundreds of thousands of people who depend on Social Security alone for their income.

Social Security is the enduring monument of this Nation's commitment to the elderly. For 50 years, the people of this Nation have looked to the Social Security system as the foundation of their retirement years. They have placed their trust in Social Security. It is the responsibility of elected officials to maintain that trust.

In recent years, the Social Security system has been threatened by those who would seek to balance the budget at the expense of the poor and the elderly. I do not think this is the right way to balance the budget and I have opposed the administration's sometimes successful efforts to eliminate the death benefit, to reduce early retiree benefits, to delay COLA payments and to place a limit on the total benefits a family may receive. I fought hard against those changes and I will continue to fight to protect the COLA.

Mr. Speaker, what will happen if, as the other body wishes, we freeze the Social Security? It will mean that at least another 420,000 elderly people will be pushed below the poverty line.

Where will they go for assistance? To the State or local governments? They may do so, but they will find that these levels of government also face budgetary reductions as a result of cuts in other Federal programs.

Finally, Mr. Speaker, I would like to address the issue, which has been raised by the conferees from the other body, that veterans and senior citizens are being unfairly sheltered from their fair share of the pain of budget cutting. Retirees have borne their share of the budget cutting burden, as I indicated earlier. For example, in 1983, Social Security COLA's were delayed for 6 months. This delay was equivalent to a benefit cut of 2.5 percent and had a permanent effect because it lowered the base for future benefit computations.

I hope that the conferees from the other body realize quickly that there is little to be gained—in fiscal or political terms—from their position. I urge them to return to the conference.●

INTERSTATE BANKING CONSEQUENCES

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. GUNDERSON. Mr. Speaker, the American consumer is, no doubt, the most effective leverage an industry has towards the implementation of its own goals. We know, for example, that consumers are willing to accept change, if change, itself, is coupled with direct consumer benefits.

Based on this assumption, campaigns for change invariable target the consumer. As a matter of fact, most campaigns, instigated by a particular industry, innundate the consumer with potential benefits. It has always struck me a trifle strange that these allegedly obvious benefits had to be so

diligently pointed out. If the benefits are so apparent, why aren't they self-evident? A cynic might conclude that the campaign to point out, what otherwise should be obvious, is actually a necessary act to camouflage subsequent ills.

Surely, the recent campaign to enact interstate banking is a good case in point. All of us have, no doubt, heard the seemingly limitless advantages comensurate with the implementation of this legislation and in, keeping with traditional marketing tactics, the entire campaign is being waged on behalf of the consumer. Please note, that to my knowledge, no consumer group initiated this action and, not surprisingly, there exists no polls to suggest that the move is even popular with consumers. We are told, nonetheless, that interstate banking is inevitable.

Banking experts contend that interstate banking will "clear a path for regional banking that will spur fierce competition as new banking giants push to expand their territories." The press reports the same. In its June 24 issue, U.S. News and World Report solicited support and hailed the numerous benefits. For consumers, these changes should mean fatter yields on savings, cheaper loan rates and a raft of new services.

While these reports are, indeed, verifiable, the implicit consequences of unharnessing the State barriers which presently limit interstate banking, are well worth discussing.

Until recently, community banks have held stocks in a limited number of communities and in most cases, the welfare of both have been bound by a commonality of purpose for economic growth. Interstate banking will sever this fiscal interdependence as money-centers around the country will replace independent banks. Succinctly, funds that have been kept within the community in which independent banks have previously sustained themselves will instead be pumped into the respective money-centers from which these banking giants originate. We are told, nonetheless, that the host of conveniences afforded by this transition will greatly enhance our options to traditional banking. We are told, for example, that small independent banks will share in a larger financial pot. They, in turn, will be able to pump more money into their respective communities. Precedence suggests otherwise.

In 18 States which have allowed regional banking, the forerunner to interstate banking, the number of smaller banks in rural areas have decreased. Branch banks in urban areas have grown. In fact, over the past 9 years, two-thirds of all new branch banks have opened in metropolitan areas. The trend, thus far, has proven to be the accommodation of urban dwellers. Rural areas will not only have fewer banks, but the past suggests that the few remaining banks, probably owned by giants in large cities, will pump less money into the community at hand.

We are also told that these banks will be able to financially serve the business needs of a community better. Again, ample evidence exists to suggest otherwise. In 1981, small business loans in a given community averaged 95 percent of small bank portfolios. Large branch banks during the same year extended on the average only 13 percent of their portfolio for small business loans.

It is also noteworthy that last year small banks paid a tax rate between 17.3 percent and 21.1 percent. Larger branch banks with deposits between $100 million and $1 billion paid a rate between 9 percent and 11 percent. Let's face it, interstate banking cannot promise to better fund the development of communities across the Nation. At best, it may simply provide a greater range of services to its consumer.

So let's discuss the consumer. After all, it is the individual who has been targeted as the primary beneficiary. We are told that the services provided us will be greatly expanded. No advocate of interstate banking mentions the costs of these gratuitous services. A consumer action group in San Francisco reports that for the State of California, the advantages have been coupled with either less returns or higher costs. Loan rates for example, at large branch banks are higher throughout the State than at their independent counterparts and in San Francisco's Bay area, loan rates in 1981 for the purchase of an automobile, were as much as 2 percent higher. In the same year, service charges at branch banks have been reported higher; interest rates paid on time deposits have been lower.

Surely, we are not expected to believe that, in spite of the aforementioned consequences, the banking industry, which initiated this campaign is comprised of altruists, in search of an outlet for good deeds. Rather, believe the proposed move to interstate banking benefits bankers. Rest assured, the proposal will undermine the fiscal security of small communities throughout America if not directly, then certainly indirectly, through a proven ambivalence to the economic needs of any communities' small businesses. So we are led, again, to the consumer, who as I mentioned earlier, is just learning of their need for interstate banking. I, for one, doubt that the projected advantages of this proposal, will offset the costs. I know I cannot think of a farmer in my district who would pay for the theoretical convenience of banking in New York City.●

A TRIBUTE TO THE VILLAGE OF AUGUSTA ON ITS SESQUICENTENNIAL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. WOLPE. Mr. Speaker, I want to pay special tribute to the village of Augusta, MI, on the occasion of its sesquicentennial celebration. Augusta was named by George Rigby, one of the village organizers, in memory of his birthplace, Augusta, ME. Located on the banks of the Kalamazoo River and just west of Camp Custer—the former U.S. Army installation where over 300,000 men and women began their military careers in world War II—the area was first settled in 1833. Indeed, Augusta is one of a very few southwest Michigan towns that were plotted 150 years ago that still survives.

There are many dates and many individuals that are important to Augusta's history: 1830, when George Rigby erected a saw mill at the location of what is today the village's largest industry, the Knappen Milling Co.; 1853, when the first church, the Congregational Church, was organized; 1886, when the first brick schoolhouse was built to replace the original log cabin school; 1875, when the Augusta Hotel was erected; 1902, when the Augusta Beacon was first printed; 1912, when the Ladies Library Association, was incorporated; 1946, when Jack and Betty Ragotzy founded the Village Players who produced their first show at the Barn Theatre, today one of Michigan's finest summer theaters; and 1976, when the village residents sponsored one of the Nation's most outstanding bicentennial celebrations in honor of our country's birthday.

Mr. Speaker, one of Augusta's most distinctive characteristics has been the extraordinary courage its residents have demonstrated in response to an unusual set of disasters that have beset the town. Whether it be the tornadoes that swept the area in 1861 and 1977, the numerous fires that periodically destroyed portions of the business district, or the scarlet fever epidemic of 1922, Augusta residents have consistently rallied to assist neighbors, family, and friends in time of need. Even today, Augusta is a town whose people have retained their sense of community pride and concern for others. The people of Augusta know that they live in a very special place. I am honored to represent the Augusta area and to work with constituents who use the celebration of their history as a means of committing themselves to the future of their community.●

ASKING FOR WITHDRAWAL OF H.R. 1116

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, I am including in the CONGRESSIONAL RECORD today a communication I sent to the chairman of the House Interior and Insular Affairs Committee, MORRIS UDALL, asking that he withdraw H.R. 1116 from active consideration in his committee.

The Garrison Diversion Commission was created by the U.S. Senate last year.

The recommendations from that Commission must now be authorized by Congress, and the supporters and opponents of the Garrison diversion project are not able to agree on the interpretation of the Garrison Commission's recommendations. For that reason, the House has been unable to proceed with an authorization bill.

It seems clear to me that the proper course would be for the U.S. Senate which created this Commission to assume the job of interpreting its results in a manner that is consistent with the conditions under which the Commission was created in the first instance.

In short, the process by which we will authorize and receive funds for the continuation of a major water development project in North Dakota is one which I believe must await leadership from the Senate to uniformly interpret the recommendations of the Garrison Commission and pass an authorization bill that resolves the differences between the parties.

Here is the text of the letter I sent to Chairman UDALL asking for withdrawal of active consideration of H.R. 1116.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 26, 1985.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, Washington, DC.

DEAR MR. CHAIRMAN: Earlier this year I sponsored H.R. 1116 at the request of the Department of the Interior. H.R. 1116 authorizes certain provisions of the special Garrison Commission's recommendations with respect to the future of the Garrison Diversion Project.

I am writing you today to ask that H.R. 1116 be withdrawn from active consideration by the Committee. I am similarly notifying the House by putting a statement of this letter in the Congressional Record today that it is my desire that this legislation be withdrawn from active consideration by your Committee.

The special Garrison Commission that was created last year by the U.S. Senate has offered certain recommendations to Congress about the future of the Garrison Diversion Project. These recommendations ultimately need to be authorized by Congress. However, there has developed over the past several months a difference in the interpretation of the Garrison Commission report between the principals, and these differences have made it impossible for the House of Representatives to proceed with the authorization bill.

It seems apparent that the interpretation of the Garrison Commission's recommendation will have to be made by the body that created the Commission in the first instance—the U.S. Senate.

In order to be certain that that occurs, I am asking that H.R. 1116 be withdrawn from active consideration here in lieu of consideration that must occur in the Senate to resolve these differences.

Sincerely,

BYRON L. DORGAN,
Member of Congress.●

WELCOME TO PATRIARCH IGNATIUS IV

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Ms. KAPTUR. Mr. Speaker, next week Patriarch Ignatius IV of Antioch and all the East, chief pastor of approximately 5 million Christians in the Middle East, will visit my district for his introduction to the SOYO Parish Life Conference of the Midwest Region, being held in Toledo from July 2 to July 7. The conclave is sponsored by two of the most respected parishes in my district, St. George Orthodox and St. Elias Orthodox Church.

It is indeed an honor to have such a distinguished member of the world clergy visit our community. Born in 1920, Patriarch Ignatius IV was selected in 1961 by the Holy Synod, titular bishop of Palmyra. He was also appointed superior of the Dormition Monastery and dean of the Pastoral School at Balamand near Tripoli, Lebanon.

In 1966, the Holy Synod elected him metropolitan of Latakiya, Syria. Upon the death of Patriarch Elias IV, the Synod elected Ignatius the 166th patriarch of Antioch on July 2, 1979, and enthroned him at the patriarchal cathedral of the Dormition in Damascus, Syria.

In these times of difficulty in the Middle East, the patriarch's first trip to North America will offer hope and inspiration to concerned people throughout the world. I know my colleagues in the House of Representatives join me in welcoming the Most Blessed Ignatius IV to America and to my district. We wish him Godspeed on his journey of peace and brotherhood.●

ACADEMY APPOINTMENTS AND SELECTION COMMITTEE COMMENDED

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. LEVIN of Michigan. Mr. Speaker, it is my distinct pleasure to rise and call attention to seven fine young men and women from the 17th Congressional District of Michigan who have received appointment to the U.S. service academies' collective class of 1989. We in Michigan are fortunate to have these individuals ready to serve us in their respective branches of the military.

Let me just mention each one by name: Marie Demel of Dearborn Heights and Robert Busby of Redford Township will be attending the Naval Academy; Eric Braxton of Oak Park, Sean Jones of Dearborn Heights, and Karen Morris of Dearborn Heights will enter the U.S. Air Force Academy later this summer; and Margaret Flynn of Pleasant Ridge and Norman Trufe of Dearborn Heights will soon be entering the Military Academy. Each one of these young people possesses the qualities and determination necessary for a successful career in the Armed Forces of the United States.

I also want to commend those who gave of their time and talent to help in the selection of these future military leaders. The selection process which resulted in their nomination would not be possible without the active participation and keen sense of commitment demonstrated by each member of the 17th District academy selection committee. The committee is comprised of representatives from the service academies, the armed services, the community, and the field of education. They are Richard Dengate, Louis Jackson, Barry Lepler, Maggie Martin, James McBride, Amber Patterson, Sister Mary Willard Reagan, Jack Udebrock, and Joseph Walsh. I wish to express my gratitude to them for their initial input into the program, and their continuing interest and hard work.

On behalf of the residents of the 17th District of Michigan and myself, I extend best wishes for continued success to each of the seven appointees to the classes of 1989.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules

Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 27, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 28

10:00 a.m.
Joint Economic
Economic Resources, Competitiveness, and Security Economics Subcommittee
To hold hearings on Navy shipbuilding at General Dynamics.
SD-628

JULY 9

9:30 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact on the coal industry of the Office of Surface Mining's proposed rulemaking to collect permit application fees.
SD-366

Finance
To resume hearings on the President's tax reform proposal.
SD-215

2:00 p.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 1145, Rulemaking Procedures Reform Act of 1985.
SD-226

JULY 10

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1310, to improve the effectiveness of political broadcasting laws.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold oversight hearings on proposals to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.
SD-342

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Labor and Human Resources
To resume oversight hearings to examine certain barriers to adoption.
SD-430

JULY 11

9:30 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To resume oversight hearings to review the current state of and factors affecting the natural gas market.
SD-366

Finance
To continue hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of Asbestos School Hazard Abatement Act (Title V of P.L. 98-377).
SD-406

JULY 15

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries.
SD-215

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-562

Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 16

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. Res. 178, to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standards, and S. 1097, to provide for the appropriate treatment of methanol powered automobiles.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

2:00 p.m.
Environment and Public Works
To hold hearings to evaluate alternatives for developing land adjacent to Union Station in Washington, D.C. for use of the Administrative Offices of the U.S. Courts.
SD-406

JULY 18

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Rules and Administration
To hold hearings on the equities of "pooling" public events of news interest in the Senate, including cost allocation of the pool for the 1985 Presidential ceremonies in the U.S. Capitol.
SR-301

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on present activities and future of the National Park Service.
SD-366

Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Labor and Human Resources
To hold hearings to review childhood vaccination programs.
SD-430

JULY 19

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Atlantic Striped Bass Conservation Act (P.L. 98-613).
SD-406
Finance
To continue hearings on the President's tax reform proposal
SD-215

JULY 23

9:30 a.m.
Labor and Human Resources
Business meeting, on pending calendar business.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on the continuation of most-favored-nation (MFN) treatment for Hungary, Romania, China, and Afghanistan, and S. 925, to deny MFN status to Afghanistan.
SD-215

JULY 24

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, to improve the effectiveness of the political broadcasting laws.
SR-253
Finance
To resume hearings on the President's tax reform proposal.
SD-215
Rules and Administration
To hold hearings on S. 581, S. 582, S. 583, and S. 1311, bills authorizing funds for certain activities of the Smithsonian Institution.
SR-301

JULY 25

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standard Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

JULY 29

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on competitiveness in the long-distance telephone markets.
SD-106

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 824, authorizing funds for programs of title I of the Marine Protection, Research, and Sanctuaries Act of 1972, and related measures.
SD-406

JULY 30

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on competitiveness in the long-distance telephone markets.
SR253

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

AUGUST 1

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 177, American Defense Education Act.
SD-430

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

JUNE 27

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 1245, the Fishery Conservation and Management Act Amendments of 1985.
SR-253

SENATE—*Thursday, June 27, 1985*

(Legislative day of Wednesday, June 26, 1985)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by Rabbi Irving Greenberg, president of the National Jewish Resource Center, New York, NY. He is sponsored by Senator TOM HARKIN of Iowa.

PRAYER

Rabbi Irving Greenberg, Ph.D., president, National Jewish Resource Center, New York, NY, offered the following prayer:

Loving God, we stand before You today with hope, faith and covenantal commitment.

Our hope is for a world in which every human being is an image of God. According to the Talmud, that means that every human being has infinite value, is equal, is unique. Our hope includes the challenge to so transform the world that it sustains the fullest dignity of every human being in the image of God.

Loving God, our faith is offered with eyes open. We fully recognize the brokenness—the hostages, the hunger, the sickness, oppression, and human frailty. Faith is our commitment—notwithstanding the obstacles, we commit our lives and our efforts to transform the world. That commitment is our covenant.

Lord, loving God: we pray:

Strengthen our hope not to despair of the goal, not to sell out along the way, not to settle for our own redemption alone.

Strengthen our faith not to expect to finish the task but neither to excuse ourselves from starting the work.

Strengthen our faith with idealism so that all our everyday actions be informed by the ultimate dream.

Strengthen our faith with realism so that we do whatever possible, we respect the ability of others to help themselves.

Lord, loving God, strengthen our covenant so that even our controversies and disagreements will be for the sake of heaven; so that the art of the possible will bring the impossible dream closer.

Bless us, O Lord, so that the clash of ideas and tactics and the gives and takes of politics be part of the dynamic of working toward redemption. May our everyday activity be lifted up by Your loving acceptance so that our work becomes our daily sacrifice before You, so that through our worldly work we discover that we work in the true temple of the Lord. And may our efforts be worthy of that blessing. Amen.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, will the distinguished assistant Republican leader yield to me briefly so that I might yield 3 minutes of my time to Senator HARKIN, to whom the Senate is indebted for providing the guest Chaplain today?

Mr. SIMPSON. Mr. President, I certainly do yield to the Democratic leader for whatever purpose.

Mr. BYRD. I thank the distinguished assistant Republican leader.

Mr. President, I yield 3 minutes to the distinguished Senator from Iowa, or more if he needs it.

Mr. HARKIN. I thank my distinguished leader for yielding me this time.

GUEST CHAPLAIN RABBI IRVING GREENBERG

Mr. HARKIN. Mr. President, I am greatly pleased and honored to welcome Rabbi Irving Greenberg to the Senate today to deliver our opening prayer.

An ordained Orthodox rabbi, scholar, and prominent lecturer, Irving "Yitz" Greenberg is president of the National Jewish Resource Center [NJRC], an organization providing leadership education and policy guidance through Jewish learning. He was ordained at Beth Joseph Rabbinical Seminary, and earned both his master's and Ph.D, degrees from Harvard University. He has served as professor at City University of New York, Yeshiva University, Brandeis University, and as Fulbright Visiting Professor at Tel Aviv University.

Prior to founding the NJRC, Rabbi Greenberg was instrumental in the pioneering of numerous educational organizations and civic activist groups that continue to enrich Jewish-American life, such as Center for Russian Jewry, parent organization of the Student Struggle for Soviet Jewry, the Association for Jewish Studies, the Institute for Jewish Life, and the Department of Jewish Studies at City College of City University of New York.

Irving Greenberg has been a seminal thinker in confronting the Holocaust as an historical transforming event and the creation of the State of Israel as the beginning of a third era in Jewish history. He has written extensively about rethinking the fundamental assumptions of Judaism, Christianity, and modern culture to develop an ethic of power and mutual responsibility in order to prevent a recurrence of catastrophe.

Rabbi Greenberg spent a year in Jerusalem at Yad Vashem, under a fellowship of the National Endowment for the Humanities, and also served as director of the President's Commission on the Holocaust, which was charged with the task of recommending to the President an appropriate program for the Nation in the field of Holocaust studies and commemoration. The U.S. Holocaust Memorial Council was created by the Congress at the recommendation of the Commission.

With international tensions at their current high levels, it is especially appropriate that the Senate receive words of peace and wisdom from a man who has directed so much of his life toward a better understanding among Jews and non-Jews.

As I mentioned, Rabbi Greenberg is the president of the National Jewish Resource Center, located in New York.

Rabbi Greenberg is also recognized as one of the premier Jewish scholars and intellects of modern times, and has been a tireless worker toward making Orthodox Judaism a relevant part of American life.

Rabbi Greenberg is also an acknowledged expert on the Holocaust and has written extensively on that subject.

Again, let me say that I appreciate the opportunity to recognize and honor Rabbi Irving Greenberg—without doubt, one of three or four of the most intellectual thinkers in American Jewish life.

Mr. President, I ask unanimous consent that a description concerning the work of the National Jewish Resource Center be printed in the RECORD at this point.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

NATIONAL JEWISH RESOURCE CENTER—A DESCRIPTION

The National Jewish Resource Center is a non-profit educational and nondenominational religious organization founded in 1974 by Rabbi Irving (Yitz) Greenberg, Elie Wiesel, and Steve Shaw. In 1983, the Institute for Jewish Experience, founded by Rabbi Shlomo Riskin, was merged into the NJRC. NJRC's governing body is its Board of Directors and Executive Committee

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

which consists of distinguished lay leaders from throughout the United States.

The National Jewish Resource Center seeks to enable the Jewish community to meet the challenge of the open society. The drop in prejudice and the unprecedented openness of American society and media have given new freedom to all individuals to choose their own ways of living and commitment. However, few of the communities and faiths of America were fully prepared for this new freedom. Many have found an erosion of commitment and values to be an unfortunate side effect of the remarkable new blessings of liberty. This effect has shown up in the Jewish community in the rise of assimilation and intermarriage. Many have seriously raised the question whether Judaism can maintain itself as a voluntary choice, and whether the Jewish people, which has shown such an extraordinary capacity to survive oppression and persecution, can survive the blessings of acceptance and opportunity.

Another great concern has been the discovery that tolerance and respect for other viewpoints has led sometimes to indifferentism and vulnerability to alternative religions and philosophies. However, the resurgence of commitment and fundamentalism sometimes is associated with rejection of others. These problems face all ethnic and religious groups in American life, not just the Jewish people.

The National Jewish Resource Center was founded in the belief that the blessings of freedom and choice can be turned into a source of strength for creativity and renewal in the Jewish community. The key to this development is the enrichment of personal life and identity through learning and religious experience, and the development of pluralistic models of commitment. The Center believes that the key to such a transformation is educating leaders for this new era of Jewish history which is unfolding after the Holocaust and the rebirth of Israel. That training is done in the spirit of clal Yisrael, the Unity and totality of the Jewish people. The Center believes that the capacity of the Jewish community to develop pluralistic models of commitment and leadership can serve as an example for the entire American community and strengthen all values, commitments, and faiths.

NJRC's program goals enable the Jewish community to meet the challenge of the open society in which Jews must choose to be Jews and to meet the challenge of political power and the ethics of power in the United States and Israel.

Through a variety of programs, NJRC educates the community that the Holocaust and the rebirth of Israel are turning points in Jewish history and that policy and spiritual/religious life must incorporate these events and their lessons. The Center persuades the community through actual programs that Jewish learning and experiences are essential to motivate leadership personally and are relevant to community policy decisions. NJRC trains and motivates a leadership cadres—lay, rabbinic, academic, communal professional—to learn and apply the Jewish heritage and classic Jewish sources to their lives and organizational work. (Until recently, learning and personal model have not been a key qualification of community leadership.)

The Center reaches out to recruit new leaders for Jewry from people of high achievement and talent who have not been involved in the Jewish community. (In the past century, generally, the higher the education, achievement, and wealth, the lower the involvement in Jewish life. This pattern must be reversed.)

NJRC's programs have shown that unity can be translated into educational values and spiritual facts, not only fundraising and political action. NJRC brings together lay people of all backgrounds, synagogue and Federation leadership, secular and religious Jews to develop a common agenda. In its CHEVRA project, NJRC brings Orthodox, Conservative, and Reform rabbis and academics together to learn regularly and to explore common approaches to the issues which divide us, such as "Who is a Jew," conversion, and ritual. Through its Rabbinic Fellows Institute, an outstanding interdenominational faculty trains Orthodox, Conservative, and Reform rabbis and senior rabbinical students to teach in the spirit of clal Yisrael and to develop programs based on the unity and totality of the Jewish people.

NJRC's program consists of weekends, Shabbatonim, and retreats held across America; conferences and one-day institutes for lay leaders, rabbis, and scholars; special training programs and ongoing study groups; publications: holiday guides, policy papers, journals, reports, and columns of commentary on current Jewish issues which appear in many Anglo-Jewish periodicals; and teaching films and audio tapes.

NJRC operates across the United States. It has conducted over 100 weekend retreats in 39 states of the U.S.A. and has organized hundreds of classes and conferences in more cities. In 1985-1986, NJRC will launch its National Jewish Conference Center for the American Jewish community. The beautiful facility will be a year-round site for weekends—including family Shabbatonim—as well as retreats, summer institutes and special university student summer sessions. The Center will serve as a training place for national Jewish organizations and for rabbis and academics who will be sent to do parallel programs all over the country.

Mr. HARKIN. Mr. President, I thank my distinguished leader for yielding me this time.

Mr. SIMPSON. Mr. President, I join in thanking the Rabbi for his very appropriate remarks and thank Senator HARKIN for expressing his personal knowledge about our guest Chaplain this morning.

Mr. BYRD. Mr. President, I associate myself with the remarks of the distinguished assistant Republican leader anent the thanks that we owe to the distinguished Senator from Iowa [Mr. HARKIN] for providing the guest Chaplain for the day. We appreciate the guest Chaplain's prayer and we also thank our own Chaplain, who has cooperated in this matter.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. SIMPSON. Mr. President, this morning we will have the two leaders under the standing order of 10 minutes each and special orders not to exceed 15 minutes each for Senators PROXMIRE, CHILES, LONG, RIEGLE, BAUCUS, BINGAMAN, BURDICK, HARKIN, CRANSTON, KERRY, WILSON, and DOLE. We then shall have routine morning business not to extend beyond the hour of 12:30 p.m., with statements limited therein to 5 minutes each.

Following morning business, the Senate will then turn to the following items: The conference report to accompany S. 883 regarding the Export Administration; Executive Calendar nominations; and H.R. 1699, the Energy Policy Conservation Act. Rollcall votes will likely not occur during today's session unless a procedural vote is called for.

That is the essence of today's agenda, although the majority leader will certainly express to our colleagues the full agenda for this coming recess period, of course, and then tomorrow's schedule, if any, and the agenda when we return. The majority leader will review that at some time later in the day.

With that, Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE DEMOCRATIC LEADER

The PRESIDING OFFICER (Mr. MCCONNELL). The distinguished Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

PREVENTION OF TERRORIST ACTIONS

Mr. BYRD. Mr. President, 2 weeks ago the world's attention again focused on the terrible human and political dilemmas caused by terrorist violence. Again, the Middle East has become the center stage for a drama in which innocent individuals are the victims of terrorism.

The aircraft hijacking and hostage crisis continues today with the captivity of more than 40 Americans, most apparently being held somewhere in Beirut.

This latest terrorist assault on the basic standards of international law and civilized behavior comes at a time when terrorism against individuals and governments is increasing throughout the world. In just the past 2 months, we have seen at least three hijackings of civilian aircraft, the taking of hostages in one of those hijackings, two kidnapings of individuals in Beirut, the bombings of international airports, and the murder in El Salvador, the Federal Republic of Germany, Japan, and Lebanon, of citizens of many nations, including the United States.

It is clear from all these terrible incidents, that, despite claims to the contrary by terrorists that such actions are legitimate because they may be po-

litically, philosophically, or religiously motivated, the entire world should condemn such acts for what they are—despicable crimes against all civilized peoples and nations.

Our hearts and sympathy go out to the victims of these terrorist acts, as well as to their families. They have experienced terrible ordeals.

Mr. President, we all hope this latest hijacking/hostage crisis can be solved without further loss of life, and our Government also pursue every avenue available to work with our friends and allies to bring about such a conclusion as quickly as possible.

It also seems clear that we must increase our organized efforts worldwide to prevent further terrorist actions in the future.

That is the purpose of the resolution I am introducing today, Mr. President, which calls on the President of the United States to initiate, without delay, a multilateral negotiation aimed at reaching agreements or treaties to combat terrorism more effectively.

I am aware that several international conventions and bilateral agreements against certain aspects of terrorism already exist. These include the Tokyo Convention of 1963 against acts jeopardizing aircraft and their passengers, The Hague Convention of 1970 against aircraft hijacking, the Montreal Convention of 1971 against aircraft sabotage, and the 1979 Convention Against the Taking of Hostages.

Now, we are faced with these latest terrorist acts, especially the continued captivity of American citizens in Beirut, and the murder. I think we need to keep in mind that one American was murdered during this hijacking. That seems to have slipped from the view of ourselves and others in the international community. Nothing is said any more about the murder of that young American who was on the plane. And, naturally, we all are very concerned about the hostages, their safety, their health, and their early return. And because of that, we, I suppose, tend to take our attention away from the despicable act by the original hijackers who took the life of this man, an American who was in the military. Presumbly because of that he was murdered or perhaps he sought to make resistance. We do not know all the facts yet. But I hope we will not let that despicable act fade from our vision while we are doing all that can be done to secure the return of the American hostages.

These acts demonstrate clearly that an urgent need exists for all civilized nations to take still further, positive, aggressive actions to combat the scourge of international terrorism.

The United States should mobilize the international community in this effort. Specifically my resolution states that the President should, without delay, initiate a multilateral negotiation with the aim of reaching agreements or treaties to increase protections of innocent citizens against terrorism, increase cooperation among all civilized nations to prevent such acts, and ensure swift and severe punishment for all persons committing terrorist acts. This negotiation also would try to create agreements containing incentives for all nations to move expeditiously and effectively against terrorists and suspected terrorists and economic and political sanctions, as appropriate, against any nation refusing to cooperate sufficiently in the fight against international terrorism.

My resolution also urges the President to consider formally proposing, on behalf of the United States, during these multilateral negotiations, a draft agreement or treaty which would provide for a full range of activities to combat terrorism. These activities would include, but not be limited to: First, creation of a centralized listing of all individuals and organizations known to have participated directly or indirectly, in the commission of a terrorist act; second, establishment of an obligation on nations to arrest any person on such a list for the purposes of prosecution under appropriate antiterrorist statutes; third, establishment of an obligation on nations to prosecute individuals known to have committed terrorist acts or to extradite them to nations who are prepared to conduct such prosecutions; and fourth, provision of a range of economic and political actions, including formal sanctions, against nations refusing to sign or implement such an agreement or treaty.

Mr. President, this latest hijacking underscores the need for all civilized nations to increase their antiterrorist actions. American leadership alone cannot eliminate the threat posed by international terrorism but American leadership is necessary now to begin to attack this threat more aggressively. My resolution calls on the President to exert this leadership in the community of nations.

Both publicly and privately, our Government must demonstrate leadership. The stakes for all peoples are far too high for us to shrink now from this task.

I look forward to the ultimate passage of my resolution by the Senate. I am confident it will be a significant step forward in our fight against international terrorism.

Mr. President, I ask unanimous consent that the resolution which I am introducing today be printed in the RECORD together with a letter which I personally handed to President Reagan the day before yesterday in which I proposed such an action by the President of the United States.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

S.J. RES. 153

Whereas, in recent weeks, the world has witnessed an intolerable increase in acts of terrorism, including the hijacking of civilian aircraft, the taking of hostages, the kidnapping of individuals, the bombing of international airports, and the murder in El Salvador, the Federal Republic of Germany, Japan, and Lebanon, of citizens of many nations including those of the United States;

Whereas, these events have clearly demonstrated that no country or region is exempt from the human tragedy and immense costs which almost invariably result from such terrorist acts;

Whereas, despite claims to the contrary by terrorists that such actions are legitimate because they may be politically, philosophically or religiously motivated, the entire world should condemn strongly such acts for what they are—despicable crimes against all civilized peoples and nations;

Whereas, these recent terrorist acts have occurred and increased despite the existence of multilateral and bilateral agreements and arrangements to combat certain types of terrorism, including the Tokyo Convention of 1963 against acts jeopardizing aircraft and their passengers, the Hague Convention of 1970 against aircraft hijacking, the Montreal Convention of 1971 against aircraft sabotage, and the 1979 Convention Against the Taking of Hostages;

Whereas, these latest terrorist acts demonstrate clearly that there exists an urgent need for all civilized nations to take still further, positive, aggressive actions to combat the scourge of international terrorism; now therefore be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled, That:

(1) the President should, without delay, initiate a multilateral negotiation with the aim of reaching agreements or treaties to increase protections of innocent citizens against terrorist acts, increase cooperation among all civilized nations for the prevention of such acts, ensure swift and severe punishment for all persons committing such acts, provide incentives for all nations to move expeditiously and effectively against terrorists and suspected terrorist, and provide economic and political sanctions, as appropriate, against any nation refusing to cooperate sufficiently in the fight against international terrorism; and

(2) the President should consider formally proposing, on behalf of the United States, to these nations during these multilateral negotiations, a draft agreement or treaty which would provide for a full range of activities to combat terrorism, including, but not limited to: (a) creation of a centralized listing of all individuals and organizations known to have participated, directly or indirectly, in the commission of a terrorist act; (b) establishment of an obligation on nations to arrest any person on such a list for the purposes of prosecution under appropriate anti-terrorist statutes; (c) establishment of an obligation on nations to prosecute individuals known to have committed terrorist acts or to extradite them to nations who are prepared to conduct such prosecutions; and (d) provision of a range of economic and political actions, including formal sanctions, against nations refusing to sign or implement such an agreement or treaty.

U.S. SENATE
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, June 25, 1985.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: The aircraft hijacking and sabotage tragedies which confront our nation require a range of actions, both unilateral and multilateral, to adequately attack this growing campaign against civilized societies.

I would recommend that you consider initiating an international convention on terrorism with the aim of reaching agreements and/or treaties to severely penalize individuals who engage in terrorist acts and to provide incentives for nations to move expeditiously and effectively against such individuals. The convention should consider, at the least, proposals to draw up a centralized listing of all individuals associated with terrorism; to require nations to arrest any person on such a list; to require nations to prosecute known terrorists or to extradite them to nations who are prepared to conduct prosecution; and to provide a range of economic and political actions against nations which refuse to sign or implement such a convention.

The civilized world looks to America's leadership on a problem which increasingly threatens the safety and well being of our peoples, and I urge you to consider initiating this worldwide convention as soon as possible.

Sincerely,

ROBERT C. BYRD.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin, Mr. PROXMIRE, will be recognized for not to exceed 15 minutes.

CIA THREAT—ANALYSIS DOES NOT REBUT THE ARGUMENT FOR A NEGOTIATED NUCLEAR FREEZE NOW

Mr. PROXMIRE. Mr. President on June 26—that is yesterday—two top CIA experts testified on the Soviet nuclear threat before a joint session of the Senate Defense Appropriations Subcommittee and the Senate Armed Services Subcommittee. It was an open session. It was one of the first open sessions—the first we have had—on the Soviet nuclear threat. The message from the two CIA professionals, Robert Gates and Lawrence Gershwin, was that the Soviets are coming on impressively with a nuclear arms capability that the CIA expects will grow sharply in the next 10 years. That appearance followed by 1 day a final summing up by Defense Secretary Weinberger before the Defense Appropriations Subcommittee of the case for a bigger military arsenal for this superpower. The administration delivered a powerful one-two punch. This Senator had the feeling in hearing the CIA witnesses that we were viewing the Soviet Union through a magnifying glass. The grossly inefficient Soviet economy that performs so miserably in turning out goods for the private sector was pictured as a paragon of efficiency and power in producing the latest new state of the art technology for the military. On the other hand Secretary Weinberger artfully flipped the telescope the other way when he assessed the U.S. defense capability. The Weinberger view did not magnify the U.S. arsenal. He minified it, made it smaller, and turned the telescope around. He gave the committee a picture of a struggling Defense Establishment, starved by the Congress for the funds to match our overpowering adversary. And remember, Mr. President, both presentations were talking, in large part, about strategic—that is the big nuclear arms. No one made the point that is most widely believed by the American people—that both sides have the strategic nuclear power to blow the other to kingdom come several times over. Both the United States and the Soviet Union can survive a preemptive nuclear strike with enough invulnerable nuclear capability to destroy the other side utterly. The American people want to know why we need more. Well, why do we?

This combined one-two pitch supports another administration thesis: that we should not negotiate an end to the arms race when the Soviet Union is ahead. Of course, the administration can argue it is engaged in arms control negotiations with the Soviet Union right now in Geneva. But those negotiations are obviously going nowhere because our purpose is to reduce offensive nuclear armaments and the Soviets will not do it as long as the United States is going gungho for a star wars missile defense that almost certainly cannot work or not work effectively unless the Soviets reduce their offensive missiles. So the arms race zooms on.

One Senator announced in an opening statement at yesterday's hearing that the country faces a worse missile gap than shook the country in the late fifties and early sixties. Is there a missile gap today? If so, we should know. Of course, it would not be hard for a missile gap to be worse than the missile gap we faced in the late fifties and early sixties, because as it turned out—after the 1960 Presidential campaign—we found there was not a missile gap after all, but just a charge of one. The charge at the June 26 hearing that the country faces a missile gap had a very short life. Within 20 minutes of the time it was uttered, the CIA experts were asked directly: Do we have a missile gap? Their answer: they could not say. Asked if they could not say because such information is classified, they said, No. Classification had nothing to do with it. The CIA simply did not know. Now, Mr. President, if the CIA speaking at a hearing on the Russian threat cannot testify whether there is a missile gap, who can? Obviously any Member of the Congress or candidate for Congress can make such a charge. But if the CIA, our principal and central intelligence agency cannot confirm or deny it, that makes the determination of who is ahead and who is behind in strategic nuclear missiles a matter of political rhetoric, not a matter of fact.

If our top intelligence, experts do not know whether or not there is a missile gap, this becomes a game anyone can play either way, but it is a guessing game, not a reality. The truth is deterrence is working right now as it has worked since the dawn of the nuclear age. The truth is we will not have to chase after every wild dream of missile gaps for greater offensive and defensive new nuclear superweapons in order to continue to make our nuclear weapon deterrence obvious and fully credible to the Soviets.

The truth also is that we can right now negotiate an end to the arms race, and we can negotiate from strength, from equal or superior nuclear weapons strength.

There was one further revelation of serious significance for our strategic policy vis a vis the Soviets. The CIA experts disclosed a vigorous and extensive new cruise missile program for the Soviet Union. This program includes a massive step up in cruise missiles to be deployed by the Soviets from submarines and bombers already well underway. Why is this so serious? Because it means a major shift in Soviet offensive capability is coming on fast. The mission of star wars is to protect U.S. targets from intercontinental ballistic missile attack. These ICBM attacks would come over the North Pole. They would take 20 to 30 minutes. They would reach an apogee hundreds of miles in the sky. They would have a burn time of 5 minutes or even longer. Obviously such ICBM's would be made to order for a star wars defense. But cruise missiles are something else. They hug the ground, carry a map in their brain so they can skim over or fly around obstacles on the ground. A star wars defense would be useless against them. The big Soviet shift to cruise missiles drives another stake into the heart of star wars.

MYTH OF THE DAY: THAT THE REAGAN TAX SIMPLIFICATION PROPOSAL IS MORE FAIR TO LOW INCOME PEOPLE THAN PRESENT LAW

Mr. PROXMIRE. Mr. President, this is the eighth in my daily series of myths pronounced by top Government officials and widely believed because it has been only rarely and quietly rebutted. This myth is that the tax simplification proposed by President

Reagan is more fair to low-income people than present law. This myth is demonstrably wrong. The President's tax proposal is less fair. It is less fair because it provides a far bigger break for the very rich than for any other group. Contrary to popular belief it does not provide a significant break for the lowest income Americans. Here is why: Under the Reagan proposal only about 1 in 4—28 percent—of taxpayers with incomes under $10,000 would enjoy a tax decrease. How can this be in view of the increase in personal exemptions from $1,040 per dependent annually to $2,000 in the Reagan proposal? Answer: Most persons with incomes under $10,000 pay no income tax now. They will pay no income tax under the administration proposal. Now, how about the big income crowd? Ah, that is a different story. A fat 71 percent of those enjoying incomes over $200,000 per year under the Reagan proposal would enjoy a tax cut. Far and away the big tax for those with incomes under $10,000 is the Social Security tax. That tax hits every dollar the low-income people earn. In 1983 the Reagan administration recommended and the Congress passed an increase in the payroll tax.

In fact, if we include this employer's share of the payroll tax as coming from wages, which it surely does, then a taxpayer has to make more than $35,000 a year to pay more in Federal income tax than he pays in payroll taxes.

But the payroll tax increase barely nicked the big earners on the other hand, it socked it hard to the low-income people. Reason: The Social Security payroll tax exempts income over $39,600. So the big bucks $200,000 person will pay less than one-fifth as much of his income in social security payroll taxes as the $10,000 earner. Fairness? Who is kidding whom?

HOW SACROSANCT IS FREE TRADE?

Mr. PROXMIRE. Mr. President, the New York Times enjoys a special place in this country and in this body. It has both an intelligence and an integrity that immediately commands respect. One of the most respected of the Times galaxy of impressive reporters and commentators is Leonard Silk. The Times and Silk have provided consistently thoughtful economic commentary on our perplexing and complicated economic problems. The Times has been consistently in favor of free trade. It has been among the first to condemn protectionism. And yet in a fascinating column in yesterday's financial section of the Times, Leonard Silk presented fairly and squarely a new study by Prof. John M. Culbertson entitled, "The Dangers of Free Trade." Culbertson is a professor of economics at the University of Wisconsin. Silk says that the Culbertson thesis directly takes on the great majority of economists who hold to free trade principles in the face of mounting political pressures from industries that are losing out to foreign competitors.

The Culbertson thesis may be beginning to move the subject of free trade versus protectionism out of the good-guy-bad-guy syndrome of emotion and power to a more realistic analysis of what is happening to the massive part of American industry that is losing ground so rapidly to foreign competition, and the case for doing something about it.

Mr. President, I ask unanimous consent that the article by Leonard Silk from yesterday's New York Times entitled "The Questions on Free Trade" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 26, 1985]

THE QUESTIONS ON FREE TRADE

(By Leonard Silk)

The big United States trade deficit is still widening. Despite an increase in real gross national product of just three-tenths of 1 percent in the first quarter, imports rose by 5.4 percent, to $85.2 billion. In its current Financial Digest, the Manufacturers Hanover Trust Company says, "Imports are not simply increasing in pace with U.S. economic growth, but are displacing U.S. production at an accelerating rate."

And surging imports are intensifying demands for protection from a host of industries. This week five Cabinet officers, headed by Treasury Secretary James A. Baker 3d and Secretary of State George P. Shultz, sent a letter to every member of Congress, warning of the harm that would result from a textile quota bill that has achieved co-sponsorship of a majority in both the House and Senate.

The Administration officials say the proposed textile quotas would cost consumers $2 billion a year, violate international obligations, drastically chop imports from Indonesia, Brazil and China, and provoke retaliation.

The great majority of economists applaud the Administration's efforts to hold to free-trade principles in the face of mounting political pressures from industries that are losing jobs and markets to foreign competitors. But some economists are starting to wonder whether traditional free-trade theory is a misleading guide to national policy in a world in which not only goods and services but also capital and technology move readily across national borders, threatening an advanced country's hard-won gains and threatening its export- and import-competing industries.

John M. Culbertson, a professor of economics at the University of Wisconsin, contends that international wage competition with low-wage countries is causing the "de-industrialization" of America, reducing standards of living of industrial workers and costing the nation sales and jobs in steel, autos, machinery, textiles, clothing, shoes, radio, television and other electrical equipment, photographic film, tractors and farm equipment, aluminum, glassware, shipbuilding, mining, oil refining and other fields.

In a new study, "The Dangers of 'Free Trade,'" Mr. Culbertson argues that, in the past, the people of high-income countries and those of low-income countries were non-competing groups. The workers of the low-wage countries could not take away the jobs of the high-income countries, even though they worked diligently for much lower wages, because multinational companies did not compete at cutting costs by moving industries around the world, as they have so strikingly done in recent years.

He suggests that the principle of comparative advantage, according to which nations are supposed to specialize in the production of those goods in which they have the greatest relative, not absolute, advantage, does not apply to the real world. He argues that international movements of industries specifically in pursuit of low labor costs refute the principle of comparative advantage.

Such international migration of whole industries, he says, throws trade out of balance: "The high-wage nation buys from the low-wage nation, but is unable to sell to it—until its wage level and standard of living have sufficiently declined."

The hidden assumption of comparative advantage, Mr. Culbertson maintains, is that "trade is in balance," that is, that nations will sell to others about as much as they buy from them. He proposes that the hidden assumption be made explicit and national policy be conducted to keep international trade in balance; that, he says, would prevent, or at least limit, wage competition by preventing an undue shift of production to low-wage nations.

Mr. Culbertson insists he is not advocating protectionism, which he regards as a red herring. And he is certainly not for autarky—national self-sufficiency. His purpose is to achieve "mutually beneficial trade" between nations, which would require solving two major problems: First, wage competition and other types of "degenerative competition" must be prevented. Second, the pattern of international trade and the location of industries must be arranged in "a reasonable way," one that "limits destructive competition among nations contending for jobs and the desirable industries of the times."

Although such proposals will strike most economists as heresy—a case for government regulation of trade, market-sharing and restricted access to one's home market—the political process and actual economic trends are moving the United States and Western Europe, with its high levels of unemployment, in that direction. How to deal with these trade issues in troubled times will be the subject of another column.

RECOMMITTING OURSELVES TO HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, as our great Nation approaches its 209th birthday, let us recall the commitments we have made.

As a democratic country, the United States has pledged to take a stand for freedom, equality and human rights. In our Declaration of Independence, in our Constitution and in our Bill of Rights we have committed this Nation to freedom of speech, freedom of religion, and other fundamental rights.

We as a nation have been a dedicated leader and advocate of human rights. Our respect for individual rights and values has been consistently maintained.

Thirty-seven years ago, in 1948, we were the leaders in drafting the Genocide Convention. We made a pledge to protect the rights of human beings, not just within the United States, but throughout the world.

In the aftermath of the Nazi Holocaust, we vowed that no more would individuals be denied their fundamental right to life because of their race, culture, and creed.

Yet, 37 years later, the United States has not ratified the Genocide Convention.

Mr. President, I ask what has become of that commitment?

Failure to ratify the Genocide Convention can only give rise to the question of our sincerity. Hesitation to make a firm commitment against the persecution of people because of religious and ethnic beliefs is inconsistent with the foundation on which our Nation is built.

As an advocate of the Universal Declaration of Human Rights, the United States has an obligation to make a firm commitment to maintaining those rights throughout the world.

Mr. President, I urge that we ratify the Genocide Convention and hold fast to the commitments we have made. Let us lift high the ideals expressed in our Declaration of Independence, the Constitution, and the Bill of Rights.

The right to live without fear of persecution for individual values and beliefs should be a fundamental right of all human beings.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STEVENS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. LONG. Mr. President, I yield to the Senator from West Virginia.

TRANSFER OF TIME OF SENATOR BURDICK TO SENATOR EVANS

Mr. BYRD. Mr. President, I ask unanimous consent that the time under the order for Mr. BURDICK today be transferred to Mr. EVANS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the time I consumed not come out of the order that has been entered in behalf of the distinguished Senator from Louisiana [Mr. LONG].

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR LONG

The PRESIDING OFFICER. Under the previous order, the Senator from Louisiana [Mr. LONG] is recognized for not to exceed 15 minutes.

THE U.S. TRADE DEFICIT

Mr. LONG. Mr. President, on Monday, June 17, 1985, the Secretary of Commerce, Mr. Malcolm Baldrige, announced that in March of this year, the United States became a debtor nation. As a nation, we now owe foreigners more than they owe us.

This is more than just another deficit. Some people have become accustomed to the large trade deficit and the large budget deficit this Nation has been running for the last several years.

But this new debtor status is different.

It has not been going on for several years. This year marks the first time since 1914 the United States has been a debtor nation.

Now what does it mean to be a debtor nation?

First, it means a declining standard of living in this country.

Since we are not able to pay our debts as they become due from earnings on sales of goods and services abroad, the United States as a nation will have to borrow to pay those debts as they become due. Therefore, the simple debt will now begin to compound, meaning we will not just be paying interest on our foreign debt; we will begin paying interest on interest, just the way a bank account earns compound interest.

In only 5 short years—that is, in 1990—this Nation's debt to other nations through compounding is reliably estimated to be $1 trillion. That will be about one-fourth of this Nation's gross national product [GNP] at that time.

It is likely to be more than the combined debt of Brazil and Mexico together. These two nations have recently been subject to international requirements for domestic austerity as a condition of their getting the loans necessary to continue servicing their debt.

Our people will have to pay off that trillion dollar debt, Mr. President, just as surely as they have to pay any tax levied by this Congress. Every year our citizens are making payments on this debt will be a year in which they have less money to buy the goods and services they want, or to save for what they want in the future. And the longer we allow the foreign debt to mount up, the larger will be the international mortgage they have to pay off.

How did the United States get into this situation, Mr. President?

We got there simply by selling less than we bought as a nation.

Last year, as a nation, the United States ran a merchandise trade deficit of $123 billion. That means we sold $123 billion fewer goods than we imported.

We also had a so-called current account deficit of around $100 billion last year. That means that we earned $100 billion less from earnings on investments abroad, and from sales of services and goods, combined, than we paid out in dividends on foreigners' investments here and in purchases of imported goods and services.

We bridged the gap between what we bought and what we sold by borrowing. When the amount we owed others exceeded the amount they owed us, the United States became a debtor nation.

This is why success in trade is so important; failure in trade means a lower standard of living for the American people, just as surely as tax increases or higher interest rates do. The trade deficit costs our citizens money out of their pockets. And this status as a debtor nation shows what happens if current policies are continued indefinitely.

Mr. President, eventually we are going to have to face up to this international debt, or else we will be at the mercy of the countries to whom we owe the money. And the most positive thing we could do to face up to such a problem is simply to get this country into a position where it begins to pay its way.

If we wait 5 years to make that adjustment, then it will require some uncomfortable and even painful sacrifices.

Assuming the debt in 1990 is $1 trillion, then servicing that debt in that year will require about 2.5 percent of our gross national product. In other words, America will need a trade surplus of about 2.5 percent of its gross national product to service its international debt in 1990, if things continue as they are.

At present, Mr. President, the trade deficit of the United States in 1985 is expected to be about $160 billion, or about 4.3 percent of gross national product.

Therefore, if we wait until 1990 to try to turn this debt around, we will have to move from a deficit of 4.3 percent of gross national product to a surplus of 2.5 percent of gross national product. That will require major dislocations of our economy, Mr. President.

The United States may be forced to adopt wholesale duty increases or even quotas. We will surely have to become more competitive. We may find it necessary to export valuable natural resources at below market prices.

Now, Mr. President, what can and should we do to turn this situation around?

We should, first, take action to assure that our exporters get competitive opportunities to export that are substantially equivalent to the competitive opportunities other countries have to export to the United States. That has been the objective of our trade policy since at least 1974, when it was explicitly set out in section 104 of the Trade Act of 1974.

However, I believe we will not make progress by mere negotiation. Let me give Senators a concrete example of what actually happens, Mr. President.

Earlier this month, on June 1, 1985, Japan announced with some fanfare that it would allow U.S. shippers to operate certain types of shipping containers over Japanese roads, a privilege previously allowed to shippers in every industrialized nation but Japan. I received a letter from a constituent of mine, Mr. Paul B. Williamson, Jr., of Covington, LA, who has been working for a U.S.-flag shipping company in Japan for the last 2 years in the very industry that is the subject of this announcement.

He reports that after the fanfare was over the Government of Japan, supposedly as a safety measure, placed severe limitations on such operations.

For example, they banned the containers from freeways. They prohibited right turns for trucks hauling the containers. They prohibited transportation of containers outside Tokyo and Osaka, the two largest cities in Japan.

Mr. Williamson listed nine such restrictions and, not surprisingly, he concluded that this tangle of regulation effectively prohibited transporting such containers just as effectively as the explicit ban on such transportation had done previously, by increasing the cost to American companies to three or four times what it would be using Japanese trucks.

This is just an example of widespread nontariff barriers that will not be dismantled by mere negotiation. This pattern has convinced me, Mr. President, that some action to bring our trade imbalance under control at the earliest possible time is of importance to our national welfare.

Mr. President, in connection with this matter, I think it would be appropriate to insert Mr. Williamson's letter in the RECORD. I ask unanimous consent that it be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LONG. Mr. President, it is obvious to me that the American people at this point do not understand the pain and the serious problems that are ahead for this country and the need of turning this trade deficit around. I believe that those of us in Congress should undertake, up to the limit of our ability, to educate the public on the situation because America will pay both a short-term and a long-term price for a failure to serve our own markets with our own products and a failure to expand America's industries by making America competitive in markets throughout the entire world.

EXHIBIT 1

29-6-301 ICHIBANCHO,
CHIYODA-KU, TOKYO 102,
Japan, June 7, 1985.

Hon. RUSSELL LONG,
U.S. Senate,
Washington, DC, U.S.A.

DEAR SENATOR LONG: After two years in Japan, I will be returning to my home in Covington, Louisiana in June. I have worked here in Tokyo as Container Manager-Asia for Lykes Lines, a U.S.-Flag shipping company, a position which I have resigned. I am explaining this because my purpose in writing to you is not to posture or plead for my employer; rather, as an observor, to explain how things work in Japan after Ron and Yasu have smiled for the cameras and the Japanese bureaucracy is left to handle the details of a market opening measure.

In 1971 American President Lines, an American shipping company, first asked the Japanese government for permission to dray high-cube containers (containers which are 9½ feet high, one foot higher than the standard 8½ high marine container) over the road. The Japanese government refused and continued to refuse even after Japan subsequently became the world's largest manufacturer of high-cubes. At that point, permission was normally granted only to Japanese companies for the purposes of draying containers to a port for export.

Finally, in 1984 the American shipping companies succeeded in convincing the U.S. government to identify the high-cube prohibition in Japan as a non-tariff trade barrier, since these containers had long ago been made legal for over-the road movement in every industrial nation (the only exception in Asia in addition to Japan is Bangladesh). In April of this year, as part of its market opening package, the Japanese government announced that, effective June 1, 1985, high-cube transport would be allowed in Japan.

Enter the Japanese bureaucracy. Having had a decision forced upon them by the Prime Minister's office and the Foreign Ministry, the Ministry of Construction (MOC) and the National Police Agency (NPA) have decided to do everything in their power to prevent high-cubes from moving. In a meeting with the Japanese Trucking Association on May 28, just prior to the commencement date, they unveiled the regulations which will govern high-cube movements in Japan. The regulations, which I have listed below, have the net result of burying each high-cube transportation request under a mountain of paper and destroying the economies which have made high-cube container transportation desirable in other nations.

This is the procedure necessary for high-cube movement;

1. First, the drayage company must obtain a license to dray high-cube containers from the Ministry of Transportation.

2. Drayage of high-cubes will be restricted to the immediate metropolitan areas of Tokyo, Osaka and Nagoya and high-cube transportation between these cities or in other parts of Japan is prohibited.

3. When a new route is required for permission, the route must be filed with MOC for consideration. This will take two or three months, and must be renewed annually. Each shipping company must file for each route individually.

4. At least ten days before the actual container movement, the following must be filed with the Police for each container move:

A copy of MOC's permission.

The route and times of travel, including the chassis number, tractor number, etc.

A signed pledge that the container is exactly 9'6" high (9' containers are still illegal), that the containers will not be transferred to any other chassis or tractor, that the container will not stop en route or be used for any other cargo, etc.

5. Containers are only allowed to travel at night, from 9 p.m. to 6 a.m. Overtime charge for truckers and all other personnel (warehousemen, etc.) will apply.

6. The truck driver must have an assistant, and a lead car with two drivers is required.

7. A large sign saying (in Japanese) "Danger—High-cube container—Keep away" must be posted on the back of each high-cube container moving.

8. Containers are banned from freeways.

9. Right-hand turns in most instances are prohibited.

The result of all of this is obvious. Instead of realizing a 13% reduction on overall trucking costs (a high-cube carries 13% more cargo than a standard container for the same trucking cost in the U.S.), costs will rise to up to three or four times because of the lead car, overtime, extra drivers, and paper burden the MOC and Police are insisting are necessary for safety—even though no other nation in the world requires them. Our truckers are reluctant to transport these "dangerous" containers, and given the ability of the police to make things difficult, it is hard to blame them. So much for the liberalization of high-cube movements in Japan. Incidentally, Japanese customs detained the first high-cube Lykes moved into Japan and insisted on removing all the contents for inspection—an unusual occurrence, but surely a "coincidence".

Consequently, it is difficult for me to accept any positive statements made by the Japanese government regarding market opening. The fact is that the Japanese have no intention of allowing competitive foreign products into their protected domestic markets. If the resistance is so fierce in relatively unimportant industries like high-cube transportation and the manufacture of baseball bats, can the U.S. really expect a fair deal in high-technology, pharmaceuticals or in agriculture? The Japanese attitude towards American pressure to open markets borders on contempt. After thirty years of protection at home—while selectively targeting and destroying American industries like consumer electronics—who can say they are incorrect?

All of the market opening agreements between the United States and Japan will be worthless unless the Japanese understand that access to our markets is a privilege to be met by reciprocity or else. The Japanese will continue to do as little as possible unless subjected to the crudest forms of arm-twisting by our trade negotiators and by Congress. I sincerely request your support of Congressional action to provide the

pressure needed to convince the Japanese that we mean business this time.

Very truly yours,

PAUL B. WILLIAMSON, Jr.

PROMISES TO KEEP

Mr. CHILES. Mr. President, in March, the Senate tried to send the Japanese a signal to open their markets to the United States. We passed a resolution that would have blocked about $4 billion worth of Japanese imports. Since then, we have seen a few things change.

First, the Japanese were a little indignant. They were surprised at what they thought was all a big misunderstanding with the United States. They claimed the United States did not understand all the political pressures in Japan. Only certain steps could be taken on trade, and those had to be taken slowly.

The other thing the United States apparently misunderstood was just how hard the Japanese were really trying.

Well, I was pleased to see Tokyo announce tariff reductions on 1,850 items this week. That shows some promise. But I have become skeptical of promises. It is good to know the tariffs will be lower, but what about the nontariff barriers? What about access? No, Mr. President, I just cannot put too much faith in promises, and I will give an example to illustrate.

In the last 3 months of 1984, U.S. exports to Japan averaged $2 billion a month. In that same period, we imported nearly $5 billion a month from Japan.

Well, that was last year, and the Japanese promised they would do more to help even out the trade imbalance. We waited to see if the good words would be followed by good deeds. Here is what the figures show now.

In the first 4 months of this year, the United States exported the same $2 billion a month to Japan, but we imported nearly $6 billion worth of goods per month from Japan. That is nearly $1 billion more than our monthly imports at the end of last year.

So, promises do not mean much to me anymore, Mr. President. I want to see the numbers. Just a week ago, the Commerce Department predicted that Japan will increase their share of the automobile market in the United States to nearly 34 percent, by 1987, up from just under 20 percent in 1984. That could cost American automakers upward of 180,000 jobs in 3 years, or one-fifth of the entire number of industry workers in this country.

No, Mr. President, promises are not enough. Hand-wringing and indignation will not do. The Japanese are as good at making promises as they are at making exports, and it may be time the United States started buying less of both.

In the last few days there have been a number of trade items in the news that make me wonder. Monday, there was a report that the United States was increasing its import of tires and inner tubes from India. Well, that is just fine. Nothing like driving through Detroit in your Japanese car on Indian tires.

This week, news reports on United States-Japan trade talks were characterized this way by our ambassador: He called them moving at "glacial speed." On forest products, Ambassador Smith called them "slowest of all." And on medical equipment, the Ambassador said it was a tedious process.

So I become very impatient, and with good reason. It is hard to penetrate the Japanese market. And even when you can find your way inside, you sometimes run into other obstacles. Let me give an example.

Japan does not have a domestic grapefruit industry. Yet, they continue to argue that if they increased American imports it would somehow damage their own domestic fruit production. Traditionally, the United States has been competitive in the Japanese markets with our citrus. But the existing Japanese tariff on grapefruit adds almost $3 to an $11 box of fruit.

I have been pushing for reduction or elimination of that barrier. And it is in the Japanese interest to listen. Even now, the United States has finally moved to combat preferential treatment of citrus by countries in Europe. For years the Europeans have favored Mediterranean citrus, and we finally reponded by increasing tariffs on pasta. I am afraid it is going to be a costly battle. But the point to be made here is that the United States is ready to defend itself against foreign trade practices. And we should be ready to defend ourselves against Japan.

Whenever the United States complains about Japanese trade practices, we are told a lot of the situation is our own fault. American deficits are making it harder to sell American goods everywhere abroad. Our appetite for imported goods keeps going up, and our taste for aggressive marketing of our own goods seems to have gone sour.

But even if we got rid of the Federal deficit, and even if we ginned up our production and marketed aggressively, we would still run into the same problem of access to Japanese markets.

I am not moved in the least by promises. It is time for the Japanese to lay it on the line. Let us not have any more pledges about "reconsidering the advisability of some adjustments in the quantities of imported citrus." Let us see more American oranges in Japan.

Let us not have any more "study groups outlining the fundamental considerations around which we might construct negotiations on the means to adjusting beef imports." Let us see more American beef in Japan.

I think it is in the best interests of both nations to understand that the United States is serious about the promises it makes. When LLOYD BENTSEN, a member of the Subcommittee on International Trade, considers a 20-percent tax on Japanese imports, you can be pretty sure he means it.

The hefty majority in the Senate is already on record in favor of broader American access to Japanese markets. And we are not interested in making extravagant threats. In fact, I, for one, do not make any threat at all. When I introduced a trade bill earlier this year, all it was intended to do was play by the same rules the Japanese use. If Japan sees that as a threat, then maybe they ought to take another look at their own rules, because I am ready to use them, and I suspect there are many others in this body who are just as willing.

We are willing to test this year's Toyota until it becomes last year's Toyota, if that is what it takes to guarantee a safe car.

We are willing to be just as thorough, and exacting in our customs inspections as the Japanese are when it comes to our imports.

But we could avoid all that if the Japanese will do more than just promise to open up their markets to American goods.

The bill I introduced earlier in the year sought an additional $10 billion in American access to Japanese markets. And it left it to the Japanese to work out the best ways and the areas in which that increase could be accomplished. If Japan failed to cooperate, the President would be empowered to adopt the Japanese rule book and make them play by it when they trade with us.

Japan calls us a trading partner. I do not think they would like calling us a trading competitor. I would urge them—before the year is out—to open up those markets. And no excuses about time. There has been plenty of time. And no more excuses about more study. There has been plenty of study. And no more excuses about political problems at home, because if the Japanese leadership thinks they have problems now, it will not be anything like the trouble they will have if we start playing the trade game the way they do.

The United States has an obligation to itself to aggressively promote its own exports. We owe it to our workers.

When we promote those goods, we expect a chance to sell them in foreign markets. If that chance is denied, no country should be shocked when it is treated the same way that it treats us.

A lot of the solution is up to Japan. I do not think they have a lot of time

and the United States certainly should be well out of patience.

RECOGNITION OF SENATOR RIEGLE

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

Mr. RIEGLE. Mr. President, before I begin my statement, I want to commend the Senator from Florida for his remarks and say that I think he has expressed concern that is coming from across the country. Important voices are being raised not just from the industrial Midwest, which has been damaged by Japanese trade practices for some time. They are now being heard from the South, from the Southwest, from the West, from all areas of the Nation, because this is a national problem, it is a 50-State problem. I think the comments of the Senator from Florida are very important to this debate, and I am happy to join with him today.

Mr. CHILES. I thank the Senator from Michigan. I think he was one of the earlier Members of this Chamber and in Congress because of a particular situation in his State bringing this to the attention of the country and the fact that we had to be aggressive, we could not any longer allow ourselves to be sort of lulled into sleep and out negotiated. As we have seen since the Senator from Michigan started raising these warnings, those numbers are just accelerating with a geometric increase.

I certainly want to work with him and all of the other Members of this body who have now decided that we are going to do something about it.

I hope the Japanese will listen to our voice. I think it would be much better if they would recognize that finally we are through talking, finally we are through waiting on studies or additional information, finally, we are not just concerned about their electorate. We are concerned about jobs in this country that we see being lost every day.

Mr. RIEGLE. I thank the Senator for his comments.

Before delivering my formal statement on this issue, I want to call attention to a very troubling development in our trade crisis, and it is this: The trade deficit, which is now running at an annual rate that exceeds $150 billion is worsening by the day, has now exhausted the net international investment position that the United States has painstakingly built up over the greater part of this century. The United States has been a creditor nation since 1914, but in the last few weeks that status has been reversed. We have now become a debtor nation, and we are going into debt to other nations at an accelerating rate.

According to the OECD Economic Outlook of June 1985, within 12 months we will owe the rest of the world a net amount in excess of $100 billion and within 24 months we will, on net, owe an amount that is closer to $250 billion.

Not only will we have gone from being a creditor to a debtor nation, we will be the No. 1 debtor nation in the world. We will have debts owing to other nations in excess of those that are now outstanding by countries like Mexico and Brazil which are seen internationally as financial basket cases at the present time.

So not only is our trade income statement bad, but also our trade "balance sheet" is deteriorating at an alarming rate. That can only harm our long-term standing with the rest of the world.

Mr. President, for some time I have wanted to make a major statement on our trade problem, and I welcome the opportunity to do so today.

ON JAPANESE TRADE BARRIERS

Mr. President, 5 months have passed since Japanese Prime Minister Nakasone and President Reagan discussed the trade tensions between our two countries, and still the U.S. trade crisis, which has been intensifying for years, continues to worsen and realistic hopes for bilateral remedies seem to be receding beyond reach.

Breaking events clearly show that the United States must itself take the initiative to quickly bring our trade policies into line with the new realities of international competition. For too long our Government has relied on vague hopes that Japan will respond to talk, persuasion, and our good example on trade matters.

That has not worked, and it is simply not enough. The United States must make a real change in the international commercial and economic environments so that competitive U.S. products will have fair access to world markets and Japanese industries cannot reap such huge profits from unfair, exploitive trade strategies. We have to do so before even more serious, lasting damage is done to key American industries.

Three recent news items underscore this fact.

Last Friday, Japanese officials were reported to be pessimistic about relief of our trade imbalance. Mr. Saburo Okita, long a leading figure in Japanese industrial policies, was quoted as saying that, "if Americans and Europeans expect quick results out of the (Nakasone) action program (on the trade imbalance), they will be disappointed."

On Tuesday, Acting U.S. Trade Representative Michael Smith expressed frustration with the "glacial pace" of the trade talks that were initiated by the Reagan-Nakasone meeting.

Then just yesterday, the announcement of Japan's reduction of tariffs on 1,800 items included an admission by Japanese officials that the action was unlikely to have a large impact on Japan's trade surplus, which is expected to grow to $55 billion this year. As I have had a chance to look at the tariffs on that list, they are little more than table scraps rather than any fundamental change in what is clearly a severely imbalanced trading relationship.

So, our trade dealings with Japan make a very frustrating story that continues to grind on. That story has proven dangerous to many important industries in Michigan and across the United States whose market strength has been damaged and hundreds of thousands of U.S. workers. We are losing the best jobs we have had in this country—jobs that really are at the core of middle class economic strength of this country.

Japan, as we know, has developed its trade strategy over a very long period of time. It is essentially a two-part strategy made up first of aggressive export expansion and second of resolute resistence to imports other than raw materials into its own domestic market.

The strategy is deeply infused into the procedures of the Japanese Government and the behavior of the Japanese people. Many Japanese jobs have been created by the surge in exports. Their domestic policies have been designed to hold down their own consumer demand.

I am convinced that the Japanese strategy also threatens the efficiency and stability of the world trading and financial systems. But the strategy has brought the Japanese such huge profits that they have strong incentives to keep things they are as long as possible and to resist any movement in a more equitable direction.

The general pattern has been for Japan to build a high protective wall around key industries as long as non-Japanese firms are in a strong position to compete in the Japanese market. Explicit import barriers, such as tariffs, are lowered or removed only after they are no longer needed because indirect barriers have been erected or because Japanese producers have gained an invincible market position.

Time and again, when Japan has announced steps to "open their market" to selected products, there has been very little expansion in those import areas.

We saw the pattern clearly in automotive trade. Throughout the early 1970's Japanese carmakers were able to build a powerful base in the Japanese market with the aid of barriers to foreign investment, high tariffs and commodity taxes which had the effect of keeping out American cars and, for that matter, cars from all other countries as well.

Many of those barriers have been removed with some fanfare more recent-

ly, but Japanese producers had by then become formidable competitors and the Japanese distribution and regulatory systems have continued to form a very effective barrier to any potential importer of American built cars.

The pattern continues in automotive trade. On April 22 I wrote Mr. Keijiro Murata, Japan's Minister of International Trade and Industry, urging him to work with Japanese manufacturers to significantly reduce the $1.6 billion imbalance in auto parts trade between our two countries. In his response, Mr. Murata said that he "asked 60 of Japan's leading exporting companies, including auto manufacturers, to step up their purchases of imported goods."

As it turns out, however, the Japanese companies have agreed to increase imports by only 5.5 percent—barely keeping up with inflation and far below Japan's 16-percent increase in exports last year. The agreement is dwarfed by the 95-percent increase in our trade deficit with Japan in 1984 and the projected 35-percent increase again in that deficit this year to an annual figure in excess of $50 billion.

MITI's call for Japan to increase imports has already been critized publicly by as influential a figure as Takashi Ishihara, president of Nissan Motor Co. and head of the Japan Committee for Economic Development (Keizai Doyukai).

Some seem to think that our trade problems are limited to autos and a few other products. But they are not. Unfair trade practices are hurting a broad base of our economy.

I want to go on to the semiconductor industry problem because this is not just an auto problem by any means, as the Senator from Florida and Senator from Texas and other have pointed out.

The semiconductor industry is a clear case in point. The U.S. semiconductor industry confronts intolerable, market distorting practices that finally led it last week to file a petition for relief under section 301 of the 1974 Trade Act. Their petition describes how the Japanese Government has helped freeze U.S. makers of semiconductors out of the vital Japanese market. These U.S. firms are among the most competitive in the world. They supply 55 percent of world market demand, but they have been held to only 11 percent of total sales in Japan.

U.S. competitors found that the Japanese Government, before it removed explicit import barriers on semiconductors, helped restructure the five major Japanese producers and users of semiconductors into a collusive, interlocking system that is virtually impervious to non-Japanese suppliers.

Given an enormous advantage by this insulation of their own domestic market, Japanese producers have expanded their production capacity to a level that is clearly intended to dominate our market and other major world markets and drive out non-Japanese competition permanently. As a result, the United States is alarmingly close to losing large parts of an industry that is vital to our national defense and economic growth.

The American public recently caught a glimpse of how that strategy works when a memo to distributors of Hitachi semiconductors was published. It calls on them to use a "10 percent rule" of price competition to beat all competitors. This is how it reads:

> Quote 10 percent below competition. If they requote, bid 10 percent under. The bidding stops when Hitachi wins. . . . Find AMD and Intel sockets. Quote 10 percent below their price. If they requote, go 10 percent again. Don't quit till you win. 25 percent dist(ributor) profit guaranteed.

Now, that is directly from their marketing letter to their sales force in the United States.

As evidence of unfair price competition, that is a smoking gun if I ever saw one.

Other barriers to imports are found throughout the Japanese economic and governmental system.

Our wood products industry confronts high Japanese tariffs on manufactured wood products, which were not removed by the recent announcement. On processed wood veneer, Japan has a 15-percent tariff, while the United States has no tariff. On laminated lumber, Japan has a 20-percent tariff, the United States has none. On particle board, Japan has a 12-percent tariff, ours is only 4 percent. Japan places a 15-percent tariff on plywood we ship to them, compared to the 8-percent tariff we place on plywood they ship to us.

Our aluminum industry is hit by Japanese tariffs on fabricated aluminum products that are three to four times higher than the U.S. tariffs on similar Japanese goods. We even rebate most of the tariff for Japanese companies that are importing here in joint ventures. In addition, Japanese aluminum manufacturers cooperate in a way that creates a closed market that keeps U.S. fabricated products out.

Cellular phones are another example. Just a few weeks ago, the Japanese were found to be dumping them into the U.S. market. But their Ministry of Post and Telecommunications seems determined to keep U.S. made cellular phones out of the Japanese market. The Ministry recently began research, which could take 2 to 3 years, to determine whether they should license U.S. equipment, which uses the clearly superior AMPS and TACS technologies—the standard in the United States, Britain and elsewhere. As the Japanese Government stalls for 2 or 3 years on this advanced product, the competitive edge of U.S. firms will be dissipated. Obviously, that is part of a consistent strategy being followed by the Japanese.

Other barriers confront U.S. manufacturers of medical supplies and equipment. Before products can be marketed, the Japanese Government requires all clinical testing, with a few exceptions, to be repeated within Japan—until recently, the same was true of stability studies. Smaller firms, who try to open new markets by licensing Japanese distributors, find that they must repeat all testing whenever they want to change distributors or their marketing strategy. U.S. firms find that the working of key Governmental agencies are not transparent, that is, the agencies pass down restrictive decisions without giving producers a right to participate in hearings or appeal.

U.S. companies that have developed clearly superior, cost-effective procedures find their marketing efforts bogged down for years by retesting of proven products or by regulations that remove incentives to adopt the new technology. The delays dissipate the advantage of the U.S. innovators and give Japanese competitors a chance to catch up.

And that pattern is repeated in industry after industry after industry.

How we can stand by and why we allow this to go on while the United States is driven into debtor status is absolutely unfathomable to this Senator.

I am frank to say that I think part of the reason we have allowed it to go on is that for too long people have been running the executive branch of the Government who do not understand international economics. They do not understand job creation or how it is threatened by the erosion of our world trade position, or how the practices of Japan, the world's No. 1 trading predator, have been harming our industrial base and our economic future.

Mr. President, in some areas the Japanese have developed a smarter way to do things, and that is to their credit. They have brought extremely competitive products to the world market. We must match their industries' ability to finance long-term strategies. And we must match the coherence with which their public policy supports industrial competitiveness.

But other parts of the Japanese system pose a destructive threat not only to the U.S. economy but to the entire world trading system. They have raised barriers in their own market to important products from other countries. Many Japanese trading practices can only be seen as predatory. They are causing long-term damage to our key industries and the loss of our best skilled jobs.

What make this threat even more troubling for the future is that the Japanese example is being followed enthusiastically by other new Japans such as South Korea, Taiwan, Singapore, and a number of other Pacific basin countries. The longer term consequences for the United States are particularly ominous because the main weight of our trade is shifting dramatically from Europe to the Pacific rim.

This trade crisis did not emerge overnight. It has been intensifying over a number of years. And as it has done so, alarms have gone off in this country in one industry after another. But these alarms are virtually ignored in the highest levels of our Government. But now the effects are accelerating throughout our economy, and they are damaging the entire structure and foundation of the American economy coast to coast.

When compared to what other governments have done to assert the economic interests of their citizens, our Government has been one of the least effectual. Exporting countries adopting the Japanese strategy find that our market is by far not only the largest and the richest, but the easiest market to exploit. Basically, the top levels of our own Government have been looking the other way.

Year after year, U.S. action to counter unfair foreign trade practices has been diffused, deflected and delayed. That must stop. We must make a decisive change in the U.S. response to unfair trade practices.

One immediate area for action is the semiconductor industry's petition for relief under section 301 of the Trade Act of 1974. The U.S. Trade Representative must act swiftly. Relief that comes 18 months or 2 years from now is of little or no benefit. We need action now to prevent any Japanese cheating in our own market and to assure open access to the Japanese market for our goods.

The Hitachi case, to my mind, is one that must receive action immediately, without any delay whatsoever. The trade ambassador has come back empty-handed, and so presumably he will have a little time, and he ought to spend that time resolving the Hitachi case and putting a stop to that behavior.

Second, the U.S. Trade Representative should greatly expand his efforts to consult with U.S. industries to establish a clear agenda and set of goals for this country before entering on a new round of trade talks. Preparations for such talks must not become a substitute for other action to reduce barriers to U.S. exports.

Third, multilateral negotiations on international monetary policy should be initiated to help achieve an orderly reduction in the value of the dollar.

Fourth, Congress should amend our trade laws to assure a swift, systematic and effective U.S. response to industrial targeting practices of other countries. U.S. industries must be assured of fair market opportunities for their products. And they must be able to get prompt relief from unfair foreign trade practices.

Finally, Congress should create a Cabinet-level department, with a Cabinet-level secretary, to implement an effective, coordinated trade policy for this country. Our Government has been speaking with too many voices on the trade issue. On April 16, 1985, I introduced S. 923, the Department of International Trade and Industry Act of 1985 to help solve the disarray in this country's system for managing trade policy. Related bills have been introduced by other Senators. All of these bills deserve prompt consideration.

Mr. President, the United States has for too long relied on a strategy of talk rather than action on trade. We have failed miserably to address a major crisis. A trade war has been under way and we are losing it.

The cost is accumulating. It is being paid in our debtor status as a nation, in damage to our key industries and in the loss of hundreds of thousands of the Nation's best jobs, many of which are going abroad permanently. That has to be reversed, and it has to be reversed now.

I hope that the Senate will take up this issue and move it high on the list of priorities. We debate many things around here and take up many issues in the course of our work. This is among our most urgent problems, and it requires an urgent response. My hope is that, before the pressure builds much more, we will see that response.

I yield the floor.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for a period not to exceed 15 minutes.

Mr. BAUCUS. Mr. President, I want to associate myself with the words of the Senator from Michigan [Mr. RIEGLE] as well as with previous speakers who have addressed the question of our international competitiveness and our declining trade position. There are many reasons for that relative decline.

There are also many responses—and most of them maybe necessary if we are going to turn this problem around. Previous speakers have addressed some of these. Part of the problem is our trade laws. Part of the problem is our lack of coherence within the administration, within the Congress, and within the Government as a whole.

This morning, however, I would like to address another huge part of the question of the overvalued U.S. dollar. This is a very vexing problem. Most of us recognize it, but most of us do not have a solution. That is because we have never been in this position before. We have never seen a huge trade deficit and a booming dollar. We have never seen a large and growing current account deficit and a rising dollar. The U.S. dollar is overvalued by some 30 to 40 percent compared with other countries' currencies. We in effect are granting a 30- to 40-percent subsidy to imports and placing a 30- to 40-percent surcharge on products which we are trying to export. The dollar is one of the main reasons we are exporting industries. It is one reason why the farm economy is in such dismal shape. It is one reason why we are being flooded with imports. There are other contributing factors, but the overvalued dollar is critical.

Mr. President, last Friday in Tokyo the finance ministers of the major industrialized countries in the world—known as the G-10—met to discuss the International Monetary System. It is about time they met. This problem has been around for some time.

Obviously, our system, the International Monetary System, has not been working as it was expected to work when we moved to the floating exchange rate system. Floating exchange rates were supposed to be self-correcting. When the country's trade competitiveness declined, so would the value of that increased currency. This in turn would help make exports competitive. The problem, however, is that this has not worked out at all the way it was intended to.

Over the last 4 years, we in America have had a soaring Federal deficit, Federal budget deficit, a soaring trade deficit, and a soaring dollar.

Today, trade flows do not seem to dictate currency values. Theory said trade flows would dictate currency values. Maybe it worked when trade flows exceeded currency flows. However, it has turned out the other way around. The value of the dollar now determines whether we sell products abroad. The overvalued U.S. dollar contributes in large part to negative trade flows.

Ask traders or farmers what has happened to American farm exports. All their answers start with the overvalued dollar. There are lots of other reasons but their answers begin with the overvalued U.S. dollar.

Ask manufacturers, ask their employees—ask Kodak and Caterpillar—why plants and jobs have moved offshores to other countries. Again, their answers start with the overvalued U.S. dollar.

Ask miners and lumbermen why their industries are in trouble. They answer: foreign subsidies and the overvalued dollar.

Or ask about our much heralded investment boom. Why has that not meant more U.S. production and more jobs? The answer is that the overvalued dollar makes it cheaper to buy foreign-made equipment rather than American-made equipment.

Sadly, this administration has not begun to address the problem. Apparently the President does not see the problem. He does not see that an overvalued dollar is a tax on our exports, and a subsidy given to imports. He sees it rather as a source of pride—something that makes us wonderful and feel great. It is macho. It is chest beating. That is what it is. That is what it seems to be. It is also wrong. The highly overvalued U.S. dollar is the single greatest factor behind the U.S. competitive problems.

Mr. President, I share his pride in America. But I do not believe that the overvalued U.S. dollar is a source of pride. I share the concern of producers, of manufacturers, of workers, and of employees and farmers in the United States who are losing their jobs.

Estimates are that our trade deficit has cost us between 2 and 3 million jobs.

I believe the overvalued U.S. dollar is a problem we have to address constructively.

That is why the G-10 study in Tokyo just last Friday could be important.

The administration agreed to a study of the international monetary system at the Williamsburg Summit in 1983—probably as a delaying tactic. The process and the discussion with our trading partners might have opened the administration's eyes.

Unfortunately, the results of this study leave much to be desired.

It is a truism that bringing exchange rates back into line will require economic policies and performance to be more in line. The G-10 report duly notes that truism.

But we must look behind the words to what they mean. They mean the United States must cut its budget deficit. We all know that. We have to do that. They mean that the Japanese and the Europeans must stimulate growth in their countries. We know that.

These all would be major policy changes. In fact we have not cut our budget deficit in this country as much as we should. We have not come close to it. And Japan and the European countries have not stimulated their economies.

But how does the G-10 report suggest we achieve these mutual changes in policy? It comes up with the grand, wonderful conclusion: something called increased surveillance. Those are the words, "increased surveillance." That is just a fancy word for peer pressure. Increased surveillance, that is all they had to suggest! Surveillance of U.S. economic policies means criticism of our fiscal policies by other nations and the IMF. What makes us believe that renewed criticism is going to make our country change its ways? It is not going to happen.

Mr. President, I should not be overly negative about the report, because it does say:

> We underline the desirability of further action to provide the basis for greater stability in exchange and financial markets.

To my knowledge, this is the first administration admission that any action on exchange rates might be necessary. However, there seems to be no meat behind the words, no action.

The report calls for further action to increase stability, but it does not suggest how to do that. It rejects even studying a proposal for a system of target zones. I do not know whether target zones is a solution. Some economists say that it is. Some say it is not. But the G-10 report does not even accept studying to find out if it is a solution.

I do know that if we are going to solve this problem of the exchange value of the U.S. dollar we have to start digging in to find some solutions, and that means studying many ideas to see which make sense and which do not make sense.

I know if we refuse to do that, our competitive problem will worsen. It will be more and more difficult for our companies to sell overseas. Worse yet, when and if the dollar ever comes back to the line, our companies will have lost foreign markets to other countries. Once you lose your market share to some other company somewhere else, they are picked up by some other company in some other country and it is very, very difficult to get it back. Loyalties develop, networks develop, reliance develops. It will be very difficult for U.S. companies to get their market share back when and if the U.S. dollar comes back into line.

I suggest we have to move.

I think our Government is shirking its responsibility. It is not doing what it should be doing. The exchange rate problem cannot be something we ignore or merely study in an academic way. We have to take some action. We have to act.

Previous administrations of both political parties have allowed the New York Federal Reserve Bank to participate actively in the currency markets. This participation, by the Federal Reserve Bank in New York, has helped deepen the market and so lessen swings in the dollar's value. I think that if the New York Federal Reserve were given more latitude, more leeway, it could even help nudge the dollar in the right direction to help out. No one believes that intervention alone can bring the dollar down. But this administration has refused to even participate in the currency markets. I believe this refusal has been highly irresponsible.

Further, I believe that we in the Congress are entitled to an explanation from the administration. I will be asking both the Treasury and the Federal Reserve to describe in some detail the practices of previous administrations and to provide their reasons behind rejecting such practices.

Why does this administration turn a deaf ear to previous experience or advice?

I believe the challenge to our Nation today and in the future is to compete successfully. No American worker, producer or farmer should be asked to compete against his own Government. We owe our citizens a strong currency. We also owe them an appropriately valued U.S. dollar.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 15 minutes.

UNFAIR TRADE PRACTICES THREATEN THE U.S. SEMICONDUCTOR INDUSTRY

Mr. CRANSTON. Mr. President, I am delighted that Senators BENTSEN, KENNEDY, RIEGLE, BAUCUS, BINGAMAN, and others are participating in this discussion of international trade difficulties we are facing, and the particular problems we face in relationship to Japan and the semiconductor industry, such a vital part of America's economic present and future.

Mr. President, I have organized this important discussion on the Senate floor this morning to focus the attention of my colleagues here in the Senate and the attention of key officials in the executive branch and the diplomatic community on the serious dangers unfair foreign trade practices are having on vital U.S. industries.

My special concern this morning is the plight of the U.S. semiconductor industry. This will be the focus on my remarks, and of the remarks made by several of my colleagues. The semiconductor industry—which lies at the heart of any sound strategy for growth in our high-tech industries—is in serious danger. When such a vital industry is threatened, the future economic prospects for all Americans are harmed. But before expanding on the serious difficulties confronting the American semiconductor industry, I want to say a more general word about trade.

TRADE DEFICIT COSTS JOBS

The latest U.S. trade figures continue to show a hemorrhaging of red ink. With our monthly trade deficit continuing to exceed $10 billion, we are exporting the economic future of the American people. We are literally exporting jobs. Commerce Department studies estimate that for every $1 bil-

lion decline in U.S. exports, 25,000 U.S. jobs are lost or not created. If this trend continues, it will ensure the relentless mortgaging of the working future of a whole generation of American workers.

Unfortunately, while our trade deficit continues to soar, a somewhat sterile debate continues to rage over free trade versus protectionism and the desirability of an industrial policy versus a noninterventionist Federal attitude of laissez-faire.

I think it is long past time that the Federal Government get beyond this debate. The fact is that in the case of many key industries, we no longer have the option of allowing for simple market corrections through a laissez-faire policy because there is no free trade. We no longer have the option of shunning any proposal that contains elements of protectionism—for to do so would be to unilaterally disarm in the international trade arena. I reject the notion that the Federal Government should reflexively intervene wherever foreign competition hurts American business. We have not built the greatest economy the world has ever seen by protecting failing industries and rewarding inefficiency. But where unfair foreign competition is eroding the foundation of future economic prosperity, it is incumbent upon our Government to act and to act decisively.

U.S. SEMICONDUCTOR INDUSTRY IMPERILED

No industry has done more for economic growth in my home State of California in recent years and no industry more clearly represents the hopes of millions of Americans for future economic growth based upon our competence in the area of high technology than the U.S. computer industry. Key to growth in this industry is the ability of U.S. semiconductor manufacturers to sell their products abroad and compete fairly on our own soil against foreign competition. And yet there is clear evidence that these two basic needs are being systematically undermined by unfair foreign competition. Japanese semiconductor firms, while hiding behind a wall of barriers which protect their own domestic market, are systematically dumping semiconductors in the United States at—and in some cases, far below—cost.

These predatory Japanese trade practices are unfair to American industry, to American workers and to the American people. They do grave injury not just to firms and workers here in the United States, but also to the entire system of international trade upon which so many nations depend.

I believe swift and effective action by our Government is required to combat these unfair foreign practices.

ACTION NEEDED

Because of my concern, I have taken the following actions:

First, I have endorsed the section 301 petition of the Semiconductor Industry Association seeking negotiated relief from the U.S. Trade Representative.

Second, I have requested the opportunity to testify before the USTR in support of this petition when hearings are held next month.

Third, I have held a series of meetings with leaders of the semiconductor industry from California and other States to explore ways in which the Federal Government can aid the industry both through direct negotiations with the Japanese Government and through adjustments in the Tax Code—such as those which might provide greater incentive for U.S. research and development efforts and which continue to lower capital gains tax rates.

Fourth, I have met with Secretary of Commerce Malcolm Baldrige this month and solicited his active support within the executive branch for swift action on the SIA petition to USTR.

Fifth, I have made direct personal requests of Secretary of State George Shultz which facilitated a recent meeting he held with SIA leaders to hear their concerns about Japanese trading practices.

Sixth, I have urged Senator HEINZ of Pennsylvania, chairman of the Senate Banking Subcommittee on International Finance to hold hearings soon on the plight of the U.S. semiconductor industry.

Finally, seventh, I have contacted the Japanese Ambassador to the United States and set up an appointment to discuss the serious negative impact this issue is having on United States-Japanese relations.

I am hopeful that these actions, together with the strong demonstration of concern evidenced by my colleagues' participation in this colloquy this morning will help yield favorable results. I know that there are a large number of Senators who believe that this issue is among the most important facing our Nation.

Mr. President, as I conclude my remarks this morning, I ask unanimous consent that there be printed in the RECORD at this point a copy of my letter to the USTR as well as a copy of an article I authored for the San Jose Mercury News recently, entitled, "Turning the Tide on Foreign Trade."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC.

MR. MICHAEL SMITH,
Acting U.S. Trade Representative, Office of the U.S. Trade Representative, Washington, DC.

DEAR MR. SMITH: I am writing to express my strong support for the section 301 petition filed today by the Semiconductor Industry Association. I believe that swift and effective action is needed by our government to combat unfair Japanese trade practices that are harming our vital semiconductor industry.

I request that when this petition is considered in hearings, I be provided the opportunity to present testimony.

There is clear evidence that Japanese companies, while hiding behind a wall of barriers which protect their own domestic markets, are systematically 'dumping' semiconductors in the United States far below their own production costs. These predatory trade practices are unfair to American industry and to American workers. And they do grave injury to the effort to ensure a free and stable international trading environment.

I believe in the freest possible trade, but if it's not fair, it's not free. I oppose unnecessary Federal government intervention in our domestic industrial development. But our government cannot stand idly by when an industry at the vanguard of our future industrial growth—the semiconductor industry—is undermined by outrageously unfair foreign practices. In action in such a case amounts to unilateral disarmament in international trade competition.

I have asked industry leaders to meet with me in a series of meetings in my office this week. And I have sat down and discussed this issue with senior members of the Reagan Administration, including Secretary of Commerce Malcolm Baldrige. I am confident that with a continued concerted effort, we can mount an effective response from our government.

Thank you for your consideration of my views and I look forward to a favorable response to my request.

With best wishes,
Sincerely,

ALAN CRANSTON.

[From the San Jose Mercury News, Oct. 5, 1984]

TURNING THE TIDE ON FOREIGN TRADE

(By Alan Cranston)

Californians are world-renowned for being the first to solve tomorrow's problems.

This glimpse of the future has always been a part of the excitement of the California experience.

Our talent for producing new ideas and technology together with our reputation for tolerance of cultural diversity has brought legions of energetic entrepreneurs to our state.

As a result, California has proven an extraordinary example of capitalism's ability to expand the economic pie and offer a better future for our citizens.

Today this ability to grow through innovation is threatened. The deterioration of America's position in international trade presents political dangers for our future economic health.

The latest trade figures show a hemorrhaging of red ink—a monthly trade deficit exceeding $10 billion—and an annualized rate of more than $130 billion. Importing $130 billion more in goods and services than we export means that $130 billion is being drained from our national wealth.

More ominous for the long term we not only are exporting wealth, we are exporting jobs. The Commerce Department estimates that for every $1 billion decline in U.S. exports, 25,000 jobs are lost or not created.

If this trend continues, it will ensure the relentless mortgaging of the working future of a whole generation of Americans.

While the trade deficit soars, a somewhat sterile debate continues over "free trade vs. protectionism" and the desirability of an "industrial policy" vs. a non-interventionist federal attitude of laissez faire.

This debate is unhelpful in the task of reinvigorating U.S. trade efforts. The debate offers at one extreme the myth of a perfectly free trading system, a system which does not exist in the world today where government intervention and bilateral marketing arrangements are the rule.

At the other extreme, it accepts the so-called "fallacy of the last move"—the naive notion that if America erected more protectionist barriers against foreign products, we would not face mutually harmful retaliation from abroad.

The debate over industrial policy is similarly polarized. Opponents fear an industrial policy would pervert our capitalist system but they ignore the great success of federal participation in such national programs as the development of American agriculture.

And many who advocate lavish rewards for growth industries offset by abandonment of declining ones are just too insensitive to the human costs involved in such a high-risk strategy.

I believe we need to move beyond this debate to take some prudent, real-world action. We need a mix of affirmative federal action and a rollback of federal impediments if we are to improve our international competitiveness.

My agenda for a stronger American trading future contains four essential components:

Investment in People: Human resources are the key to maintaining American competitiveness. We need new federal and business initiatives for an improved education system, particularly in the sciences, foreign cultures and languages, and international marketing practices.

And we need better pay for teachers willing to forego the benefits of the private sector to train a new generation of workers to meet the demands of the 21st century.

Support for entrepreneuers: Industries at the vanguard of American growth merit affirmative federal action on such measures as research and development tax credits, antitrust exemptions for joint research and development efforts and low capital gains tax rates.

Defense of fair trade: The federal government must be aggressive in its defense of American workers and industries against unfair foreign trade practices. We should work to uphold the principles of multilateralism in such arrangements as GATT (General Agreement on Tariffs and Trade). Trade is a two-way street; cheaper imports benefit American consumers and lower our inflation rate.

But we must be realistic about the need to fight for reciprocity in the treatment of specific products in specific markets. For example, it is self-deluding to have our negotiators preach about the desirability of free trade at times when the Japanese are dumping high-tech products below cost on the relatively open U.S. market while hiding behind high tariff barriers which harm American farmers and American industries. Determined defense of fair trade principles and reciprocity is the best alternative to potentially dangerous protectionist barriers.

Promotion of exports: Washington must recognize once and for all the crucial importance of exports to our economic future. Governments don't make most of our international business deals; businesses do. Exporters would like nothing more than to get the government off their backs and gain relief from burdensome licensing regulations, especially the draconian measures invoked by the Customs Service and the Pentagon to delay high technology exports to West Europe and Japan in the name of national security.

But there is much the federal government can do beyond removing such trade impediments. It must begin with a renewed commitment to financing assistance and the Export-Import Bank and energetic support of American business in our embassies abroad and at the departments of Agriculture, State and Commerce at home. And it must encourage cooperative export planning with all sectors of private industry.

Two overarching federal issues are also directly related to the success of any export action agenda: the budget deficit and defense spending.

Until we lower our budget deficit, we will continue to export jobs. The high interest rates needed to finance the soaring deficit keeps the dollar at a level many feel is overvalued and keeps American exports noncompetitive. Sound monetary policies must allow for reduced interest rates and for orderly growth in our money supply.

The dramatic growth in our defense budget must be curbed so that we can dedicate greater human and financial resources to the production of goods and services for export. So many of the best American minds are now dedicated to producing military items that add little to our long-term international competitiveness.

The United States absolutely must maintain the lead in innovative technology with civilian commercial applications if we are to avoid continued erosion of our international trading position.

The economic security of our country relies on progress in taking such steps. We absolutely must make such progress if we are to stop mortgaging our future and to begin creating new opportunities for Americans.

RECOGNITION OF SENATOR BINGAMAN

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized for not to exceed 15 minutes.

A STRATEGY TO COMPETE

Mr. BINGAMAN. Mr. President, I would like to join my colleagues who have recently taken the Senate floor to once again sound an alarm about the declining trade posture of the United States.

An important event in the economic history of the United States took place this year. For the first time since 1914, we became a net debtor nation, according to Secretary of Commerce Baldrige. This has serious implications for our economic security. By owing individuals of other nations more than they owe us, we inevitably relinquish some of our independence and control over our own affairs.

According to the Institute for International Economics, by 1989, we will owe $100 billion a year in interest alone to individuals of other nations. By that time, if we do not change our present economic policies, we will have accumulated $1 trillion in debt to the rest of the world. Just to service that debt, American companies will have to export more than ever before. This at a time when we are already running an estimated annual trade deficit of close to $150 billion.

The growing trade and current account deficit, the transition to a net debtor status, and our persistently high unemployment rate, are symptoms of deepseated problems in our economy. Put simply, we are seeing more and more evidence of the declining competitiveness of the American economy in the world marketplace. To address this problem, we must look to the underlying causes of our present economic predicament and begin to design strategies to make America more competitive in the world economy.

DECLINING COMPETITIVENESS

TRADE DEFICIT

The prolonged and continuing trade deficit with all of our major trading partners is perhaps the most glaring example of our declining competitive position in the global economy. April marks the 112th month in a row that we have imported more than we have exported and at this rate, we will end the year with a trade imbalance of approximately $134 billion, up from last year's recordbreaking deficit of $123.3 billion.

JOBS

This declining share of world markets has cost us dearly. In the past 5 years, close to 3 million American jobs have been lost to foreign competition, mostly in the manufacturing sector of the economy. According to the Labor Department, manufacturing lost 28,000 jobs in May. Since January, manufacturing employment has declined by 160,000. This erosion in manufacturing jobs is caused in large part by import competition.

SERVICE JOBS

Some, particularly those in the administration, argue that this loss has been more than made up by the creation of new jobs, mostly in the service sector. What they do not say is that the average wage of those new jobs is 35 percent less than the jobs they replace.

PRODUCTIVITY

Another argument made to justify the loss of jobs in the manufacturing sector is that, as production becomes more efficient, fewer jobs are needed for the same productivity. This would be true if our productivity were indeed increasing. However, this is not the case. Over the past 23 years, our productivity growth rate has been lower than that of any of our major trading partners.

Japanese productivity growth has been five times greater than our own,

Germany and France three times, and Korea over four times. Low productivity growth for over two decades and new job creation with low wages translate into a lower standard of living for a growing number of Americans.

HURTING ALL SECTORS

The declining competitiveness of our economy is not limited to just a few sectors. Fully 70 percent of our products are meeting stiff foreign competition here at home, in our own markets. Today, we import 20 percent of our cars, 17 percent of our steel, 60 percent of our televisions, radios and tape recorders, 100 percent of our VCR's, 43 percent of our calculators, 35 percent of our textile machinery and 53 percent of our computerized machine tools. Twenty years ago, we imported less than 10 percent of any of these products.

MINING

The backlash from the trade deficit has harmed most States, including my own. Three of New Mexico's key mining industries—copper, potash and uranium—have been devastated by unfair and subsidized foreign competition.

At its peak in 1979 the uranium industry in New Mexico employed 7,750; today it employs 150. The copper industry, at its peak in 1981–82, employed 3,185; today it employs 2,200. Potash industry employment is down from 3,000 at its peak in 1980 to fewer than 1,800 today.

These three extractive industries, historically so important to the New Mexico economy, are stark examples of industries threatened with extinction by unfair, subsidized foreign competition and targeted dumping practices. Despite the view of the Department of Energy that the domestic uranium industry is still viable, today the uranium industry is on the edge of extinction. Grants, NW, the "Pittsburgh of Uranium," according to a recent article in the Wall Street Journal, was a thriving mining town just 5 years ago. Today, every mine is closed, homes stand vacant, miners are out of work and the local economy has hit a brick wall. I ask unanimous consent that a copy of that article appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. The other mining industries of New Mexico are also experiencing similar problems. The potash industry continues to be hurt by potash flowing into the American market from many countries, including Canada, East Germany, and the Soviet Union. Our copper industry nationally, despite rising demand worldwide, has watched its production fall to 59 percent of capacity while other producers, notably Chile, Canada, Zambia, and Zaire continue to operate at 100 percent. I further ask unanimous consent that a copy of another article from the Wall Street Journal on copper also appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BINGAMAN. In the face of the threats to these three nationally important industries, our Government, despite urgent pleas for legitimate relief, has refused to act. Those of us concerned with this problem will continue to seek to amend our trade remedy laws to try to save these industries from what appears to be a loaded deck.

SEMICONDUCTORS

The recent layoffs in the computer and semiconductor industries, industries which are considered to be on the cutting edge of new technological developments, are further evidence of our declining competiveness and our inability to deal with coordinated and stiff foreign competition. The flagships of the American high-tech industry—National Semiconductor, Intel, Wang Laboratories, Hewlett-Packard, Digital Equipment Corp., IBM, and Apple—are all experiencing declining sales and have recently announced layoffs or slowdowns.

In my State of New Mexico, the recently booming high-tech industry is also facing layoffs and slowdowns. Plant expansions at several facilities have been slowed and hundreds of workers have been laid off. To address these problems, we must look to the underlying causes of our present economic predicament and begin to design strategies to make America more competitive in the world economy.

CAUSES OF DECLINE

OVERVALUED DOLLAR

This administration would have us believe that our enormous trade deficit is primarily the result of free market forces working at the international level.

These forces, together with the Federal Government's budget deficit, have combined to produce a strong dollar relative to the currencies of other industrial nations. The strong dollar in turn has made our exports more expensive and others' imports less expensive than they would have been if the dollar were more properly valued.

That the strong dollar has contributed sigificantly to the trade deficit is certainly true. However, it is only part of the story, and if we are to develop strategies to solve our present economic problems, we need to probe deeper to find the causes of the present predicament.

The trade deficit began to appear in the early seventies, when the dollar was considered by many to be undervalued, not overvalued. By that time, 25 years had passed since the end of World War II, and the economies of Western Europe and Japan had not only fully recovered, but were growing faster than ours and were characterized by modern equipment and production methods.

WORLD TRADING SYSTEM

In addition, the seventies and early eighties saw the emergence of new players on the world economic scene, the so-called newly industrialized countries [NIC's], such as Taiwan, Korea, Singapore, Brazil, and Mexico.

All these countries had development strategies and goals which differed from those of the United States, and relied heavily on exports for their economic growth.

To encourage their export-oriented economies, the NIC's, Japan, and to a lesser extent the European countries, developed strategies and programs designed to expand their exports.

The result of all these factors is that the world trading system currently operates on a set of assumptions quite different from that envisioned under the GATT, and different from the idealized system most Americans believe is in place. In fact, instead of the philosophical free trade many envision we have a very competitive world trade situation that is not always fair, and hardly free.

We are all too familiar with the characteristics of the real world trading system: nontariff barriers, tax incentives for export industries, Government subsidized natural resource inputs to export industries, voluntary restraints, and complex technical regulations.

If we are to compete effectively in the world trading system, we must recognize the world is not as we would like it to be, but it is also not as protectionist as some would have us believe.

We need to chart a middle course and design strategies to operate effectively in the world economy as it exists.

SLOW PRODUCTIVITY GROWTH

In addition to the problems created by the over-valued dollar and the world trading system, American industry has suffered from a prolonged period of slow productivity growth, relative to our major competitors.

Why has the United States fallen behind its major trading partners? A good part of the reason is that until recently most American companies did not have to compete against foreign firms, only against other American firms.

The benchmark for productivity and competition has thus been companies and industries within our own borders. In addition, we have always enjoyed a large internal market for our products.

With the rise of world class companies, many of which have active support from their respective governments, American businesses are now

facing intense coordinated competition from overseas. The long period of low productivity growth of many U.S. companies is now showing up as a declining competitiveness.

ECONOMIC CONSEQUENCES

Without question, these factors have contributed to our economic instability. In recent months leading economic indicators reflect a continued economic slowdown. Some have called this a temporary lull which can cause serious consequences if it continues.

The Commerce Department's index of economic indicators declined 0.2 percent in April, signaling a continued slowdown. This index is the main guage of future economic activity and reflects a continued weakness in the industrial sectors of the economy.

This slowdown is related to our trade problems and it is having a rippling effect throughout the economy.

A STRATEGY TO COMPETE

The over-valued dollar, the existence of a complex world trading system, the rise of an interdependent global economy, and the long period of low productivity—relative to our major trading partners—for U.S. industries, are some of the causes of our declining competitiveness.

TRADE CONSENSUS

We must now develop a strategy to compete. We need to address these issues in a coherent way beginning with an effort to develop a consensus that we have a serious problem and to galvanize an effort to develop a coordinated trade policy in this country.

TRADE POLICY

This would be accomplished by the National Trade Study Commission bill, S. 450, which I introduced this year. The Commission would meet for 1 year and recommend a cohesive, coordinated approach to our trade posture in the world. It would be bipartisan, with six members from the Senate, six from the House, and six appointed by the President. This approach is endorsed in the preliminary report of the Democratic Working Group on Trade Policy, on which I serve.

TRADE WORKING GROUP

The Democratic Working Group on Trade Policy is continuing its effort to develop a consensus as to what trade problems we face.

DOMESTIC DEFICIT

The over-valued dollar is partly the result of the large, persistent deficit run by the Federal Government. Getting the deficit down is the most important problem facing our domestic economy. The Senate recently approved a budget plan that reduces the deficit, but in my view it is not an adequate answer. This plan does not reduce the deficit enough and it does not reduce the deficit equitably. In addition, some of the recommended cuts would hurt us competitively. In fact, a recent news analysis which appeared in the Washington Post raises a fear we have all had but have been reluctant to express—the fear that we will have $200 billion plus deficits for as long as we can see.

AMERICAN PRODUCTIVITY

To attack the problem of the productivity of American industry, we need to:

First, upgrade our investment in commercially relevant research and development; and

Second, encourage savings over consumption through the Tax Code to provide the investment capital needed for new plants and capital equipment;

In order to encourage more investment in commercially relevant R&D, as well as upgrade education and training at our universities, I have cosponsored S. 58, the High Technology Research and Scientific Education Act. We must also look to the tax reform effort with an eye toward enhancing competitiveness, as well as encouraging savings over consumption. Individual retirement accounts have done this to a degree, but further efforts are needed to encourage investment in our industries and corporations.

EXPORT PROMOTION

To enhance American exports, I plan to introduce a bill which attempts to coordinate and disseminate to the private sector up-to-date information needed by American businesses to export successfully. Much more needs to be done to promote exporting as we meet the challenge to compete internationally.

TRADE REMEDY

Another area we must examine is that of our trade remedy laws. While there exists a panoply of such protection against unfair trading practices, in reality these procedures are extremely costly and yield few results. It's much like a shell without the pea. There needs to be a new, more cooperative relationship between our industries that are harmed and our Government that administers the ineffective trade laws.

PRESIDENTIAL COMMITMENT

Finally, there must be a commitment on the part of this President and future Presidents to negotiate real and fair agreements with our trade partners which would open foreign markets and to eliminate formal and informal barriers.

CONCLUSION

We have much ground to make up at this time. Many say we are in a "Trade War," and we don't know it. I am committed to a free and fair worldwide trade system, but we cannot continue our complacency. We in Government must give those in the private sector the help they need and we must act quickly.

I am confident that these challenges of the future can be recognized and met. I hope the Congress can act to restore international trading equilibrium and reverse the harm that has already been done to this Nation.

EXHIBIT 1

[From the Wall Street Journal, June 12, 1985]

U.S. URANIUM MINES, THRIVING 5 YEARS AGO, ARE NEARING EXTINCTION

(By William E. Blundell)

GRANTS, N.M.—Not long ago, the U.S. Department of Energy declared that the domestic uranium industry is not dead. If that's so, people here ask, where's that smell of death coming from?

Grants was the Pittsburgh of uranium. In 1980, thousands of men working dozens of area mines dug out a third of U.S. production and on pay of $35,000 to $70,000 a year and sometimes more, spent like kings. They bought Cadillacs, Lincolns, boats and pickups galore. They drank and fought their way from the Pioneer to Pat's Bar, sometimes finishing a raucous night by mowing down a few light stanchions on bustling Santa Fe Avenue.

Today, every mine but one is closed. Pat's is closed. The Lux theater is closed, its marquee blank and broken. Some 200 homes stand vacant. In the Uranium Cafe, dust settles over stacked-up chairs and tables, and a deadly silence has settled over Santa Fe Avenue. Says Mark Lautman, an industrial developer trying to bring new business to a shrinking Grants: "The game is over. Uranium is history."

MANY DEPRESSANTS

Much the same thing is happening across the West as the domestic uranium business plunges toward extinction. Antipathy toward nuclear power after Three Mile Island is only one reason. Also to blame are colossal misjudgments by major players and Energy Department policies that sometimes seem designed to discourage instead of preserve U.S. mining and milling.

To save the remnants of the industry, producers and others are fighting to limit the use of foreign uranium here and to force the Energy Department to alter its policies. If they fall, most in the business fear that it is finished. In any case, recent discoveries of enormously rich, low-cost foreign deposits blight domestic uranium's future; on pure economics alone, the industries no longer has a reason to exist.

It barely exists now, after a collapse that by industrial standards occurred practically overnight. Five years ago, about 22, 000 U.S. workers turned out a record 43.7 million pounds of yellowcake, the uranium oxide that is processed into fuel, to lead the non-Communist world. This year a work force that has already shrunk almost 90 percent is expected to produce only 10 million pounds, about a third of Canada's projected output. Capital investment in the domestic business has almost vanished, too.

LOST JOBS

In Wyoming, where 15 of 19 mines are mothballed, Jeffrey City lost most of its payroll in a single year. In Ticaboo, Utah, a town built by a uranium unit of Consumers Power Co. of Jackson, Mich., barely three dozen people now huddle in mobile homes, all that's left of nearly 500 who once worked there. The uranium operation—and with it an interest in Ticaboo itself—is for sale, cheap. So are similar dormant properties across the West as more and more producers abandon the business.

The industry has been hammered by an enormous glut of uranium that still overhangs non-Communist-world markets and probably won't be worked off for three to five years. The oversupply has already sent spot prices for uranium plummeting from $40 a pound in January 1980 to $15 today—less than half the current cost of producing the metal in the U.S. The only producers here that can make money in conventional uranium mining are those fulfilling contracts signed at much higher prices years ago, and those orders are running out.

The origins of the glut lie in the past of an industry plagued by perennially unfounded optimism. Says George White Jr., the chairman of Nuexco, a Menlo Park, Calif., uranium broker consultant and industry information bank: "Tomorrow, always tomorrow, was going to bring the golden age. We all went wrong by continuing to believe optimistic forecasts long after we had reason to doubt them."

CLINGING TO HOPE

In the early 1970s, utilities ordered nuclear plants by the fistful to meet electricity demand that they expected to double in 10 years. Even after energy conservation began to short-circuit their forecasts, they were slow to see this or, at least, couldn't afford to believe it; so long as any chance remained that their plants of the 1980s would be needed, they had to fuel them. And they were forced to do this unrealistically far in advance by a new enrichment contract imposed in 1973 by the now-defunct Atomic Energy Commission.

The AEC then had the non-Communist-world monopoly on enrichment, the process by which the tiny percentage of U-235, a highly fissionable isotope in uranium concentrate, is increased to create fuel-grade material. Under the old AEC agreement, utilities could contract for enrichment only months before they needed fuel; under the new one, they had to contract for it up to eight years in advance and were locked into 10-year order schedules.

The AEC wanted to get a better fix on the anticipated heavy demand for enrichment. But the new contract immediately forced utilities into long-term deals for yellowcake when they couldn't be sure, so far ahead of time, that their planned plants would be built on time or needed at all. In effect, the AEC created a wave of artificial advance demand completely divorced from any current need for fuel. After this became apparent, the AEC and its successor agencies tried contract adjustments, but supply remained hopelessly out of whack with demand.

Then Westinghouse Electric Corp. added another complication. It had collared 40 percent the reactor market, in part by promising customers uranium at about $10 a pound to fuel their plants. But it hadn't bothered to buy 66 million of the 81 million pounds that it had pre-sold, gambling on a stable market for its later purchases. It lost.

This policy itself helped keep prices low for a while by removing a lot of demand from the market without reducing current supply. But other buying—and, it developed, price-rigging by a producer cartel—jacked prices up to $26 a pound by the fall of 1975. Facing enormous potential losses, Westinghouses abandoned its uranium commitments, was sued by a flock of customers and, in turn, sued producers allegedly involved in the cartel. The utilities that it had left in the lurch poured into the market to cover their uranium needs; prices exploded anew, topping out at $43.40 in 1978.

Feeding on the high prices, uranium mining boomed as never before in 1978–80—precisely when the real need for uranium was clearly shriveling.

By them, it was plain that energy conservation was destroying the need for many of the planned power plants; at the same time, their projected construction costs were soaring. So, some utilities began canceling and delaying power plants years before the 1979 near-disaster at Three Mile Island. After it, the stream of cancellations became a flood—just as a tide of uranium and processed fuel swamped the markets. All the industry's chickens had come home to roost at once, and prices and production plummeted.

CAUGHT UNPREPARED

The bust caught many unprepared. Gulf Corp. had barely begun production from its giant Mount Taylor mine near Grants, a project that cost Gulf more than $400 million to develop, when it had to shut down. Today, giant pumps still suck warm water from the mine, which a Gulf official has called "the deepest hot tub in New Mexico." The power bill alone for the pumping, which is designed to keep the mine from filling with water and thus becoming much more expensive to reopen some day, exceeds $250,000 a month.

The human cost has been great, too. East of Grants, Indians of the Laguna pueblo stare into the pits of the mammoth Jackpile-Paguate Mine, closed for good. Once an agrarian people, the Lagunas had, for 30 years, increasingly abandoned fields and pastures to rely on a resource now no longer needed.

In Grants, therapists are struggling with heavy caseloads of victims of alcoholism, family breakdown, abuse of wives and children, and deep insecurity. Local 2-708 of the Oil, Chemical & Atomic Workers, once 1,300 strong, is down to about 25 members; its president, Florentino Ortiz, recently lost his own job. "If our members' homes weren't paid for, they lost them and all their credit too," he says. "How can they ever buy houses again? There is just tremendous frustration."

In neighboring Milan, some remaining miners eke out a living by selling firewood or harvesting, on hands and knees, pinon nuts from the forest. The city water department accepts $3 partial payments, painfully accumulated by families, on $15 monthly bills. "These are proud people who don't want charity," Mayor Toby Michael says. "It just breaks your heart to see this happen to friends who've lived here 20 years."

FOREIGN ADVANTAGES

The uranimum glut collapsing the domestic industry, and places such as Milan with it, isn't affecting foreign producers nearly as much. They have the advantages of a strong U.S. dollar, which helps them sell here, and of recently developed deposits so rich—and consequently so cheap to exploit—that domestic mines can't come close to matching them. "The leverage obtained from high-grade ore is tremendous. Grade is the name of this game," says Mr. White of Nuexco.

The U.S. industry and its supporters want protection against such imports, which are rapidly spreading into what is left of the U.S. market. They aren't getting it from the Energy Department, although the Atomic Energy Act requires that agency to preserve a viable industry.

The department could attempt a rescue by sharply curtailing or eliminating its enrichment of foreign uranium for use here. It hasn't. It also could formally declare the industry to be inviable, thus triggering consideration of trade restrictions on foreign uranium. It hasn't done that, either. Indeed, using a complex set of formulas, it declared the business still alive as recently as last December, to the astonishment of practically everyone familiar with domestic uranium's plight.

Last year, moreover, the department converted most of its customers to a new enrichment contract that, though far more flexible than the old, seems geared to increase Energy Department revenues at the expense of domestic producers. To its many critics, all this makes the department guilty of a conflict of interest. "It is shutting down the industry it is supposed to preserve," says Pual Biederman, New Mexico's secretary for energy and minerals.

PROCESSING EMPHASIZED

There are two ways to get a given quantity of fuel: use a sizable amount of uranium and a modest amount of processing work (which is what the Energy Department gets paid for) or use less uranium and more work. The new contract encourages the latter. What's more, the department has been shaving its own processing costs by drawing from the federal uranium stockpile and adding that to the feedstock provided by utilities. This further robs producers of sales, they argue.

The department denies that it is snuffing out the domestic industry. But it does have a vested interest in processing foreign as well as domestic uranium, and in otherwise increasing its revenues and slicing its costs. It is legally obligated to fully cover the costs of its enrichment program, which has been battered by foreign competition arising over the past decade. The worst threat to domestic producers, it argues, would be the deterioration of domestic enrichment, an event that the new contract seeks to prevent. Stuck with idle capacity, the department has already announced the closing of an old enrichment plant and the abandonment of another still unfinished after a $2.6 billion outlay.

Producers aren't buying that. "If the federal government wants to tell us there is no need for our product, that security of supply is no problem, that the common defense and general welfare provisions of the Constitution are meaningless, then I guess we'll just go away," says Edward Farley Jr., the chairman and president of Atlas Corp., which has had to close its uranium operations. Without help, he gives what's left of the business a year to live.

Three other producers are suing the Energy Department in federal court in Denver, seeking, among other things, a ban on enrichment of foreign uranium for use here pending permanent restrictions, invalidation of the enrichment contract, and a ban on any department moves limiting domestic uranium demand. The industry also is lobbying for protective federal legislation.

LOST CLOUT

But even if the industry gets such help, it will never again be a power in world markets. Its uranium deposits are no longer competitive and are growing less so with every foreign discovery. At Cigar Lake in Saskatchewan, for example, a foreign consortium is probing for the limits of a huge strike that, if mined, could yield 250 pounds of yellowcake per ton; New Mexico producers get only three to six pounds per ton. Uranium from such rich lodes could drive U.S. supplies out of all unprotected markets.

"Cigar Lake is a real gorilla, and a gorilla goes where it wants," says a marketing executive of one producer here.

Grants isn't counting on a uranium revival even though Chevron Corp., Gulf's new owner, has begun limited mining at Mount Taylor to test its costs there. Instead, Grants hopes to draw tourists by building a ski resort, and it seeks retirees who, as City Manager Frank King puts it, "don't want to sit in Florida and sweat a lot." And Mr. Lautman, the industrial developer, offers a bounty of up to $1,000 for a lead that results in a new business settling in Grants.

A few have, and the state has located prison and highway facilities nearby, but Grants has barely begun to replace its losses. "This community never had to compete; it inherited 8,000 uranium jobs," Mr. Lautman says. "Now, every job we bring in will have to be won in battle."

EXHIBIT 2

U.S. COPPER INDUSTRY IS ILL AND GETTING SICKER: BUT SOME PRODUCERS MAKE A STRONG EFFORT TO STAY ALIVE

(By Allanna Sullivan and John Valentine)

When Arizona Gov. Bruce Babbitt visits copper-mining towns in the state these days, he urges young people to look for work elsewhere.

"You can't continue to live in this town as did your grandparents and parents," he told high school seniors in Clifton, a town dependent on a troubled copper mine nearby. "You must recognize that the world is changing."

Arizona's drive to channel young workers away from copper production is just one symptom of the industry's illness. The strong dollar and slumping commodity prices, combined with high domestic labor rates and an explosion in foreign competition, have brought U.S. copper producers to their knees.

Even in Arizona, where producers were once the biggest single source of tax revenue and wielded formidable political influence, "copper no longer is the dominant" industry, Gov. Babbitt says.

Kennecott Corp.'s recent closing of its Bingham Canyon facility in Utah, the largest open-pit mine in the U.S., was a major spasm in a four-year wave of shrinkage in the industry. As a result of the slump, U.S. production is expected to be halved by fall and the U.S. industry will be transformed permanently from a major world supplier to a marginal producer. U.S. copper companies will continue to diversify and lop off assets for cash. And the oil companies, which snapped up mining assets in the 1970s copper boom, will continue to shed them.

RECAST U.S. INDUSTRY EMERGING

Amid the upheaval, the permanent outlines of a recast U.S. industry are emerging. While some producers shrink or sell copper operations, others are resigning themselves to prices that remain stubbornly low by boom-era standards. Even as old refineries close, new ones are being built, employing technology that can cut costs in half. And while old mines are being closed, others producing high-grade ore are expected to remain very active.

Peter Ingersoll, analyst for Salomon Brothers Inc., New York, says in talking about the industry: "The patient will live, although he's undergoing severe amputation."

In a major change, many U.S. copper producers have stopped waiting for a long-predicted rebound in copper prices. The prices, at about 67 cents a pound currently, are 2.9% below a year ago and about half of 1980 levels. Many analysts see prices rising only moderately this year. For the summer, Frederick Demler, senior metals economist at Drexel Burnham Lambert Inc., New York, doesn't see any major new trends.

The low prices have led some producers to speed diversification efforts; Newmont Mining Corp. is stressing its gold-mining and energy operations. And Inspiration Resources Corp., heavily dependent on copper, is trying to shift its emphasis to oil and gas exploration and precious metals production.

"I've learned not to base any business decisions on (predictions of) a rebound" in prices, says Reuben Richards, president and chief executive officer of Inspiration Resources, which is 46%-owned by Minerals & Resources Corp., a Bermuda-based investment company.

Resigned to a dim price outlook, some producers are increasing use of technology to cut costs, which range in the U.S. from about 60 cents to 90 cents a pound. Newmont is adopting a combination of leach mining and electrowinning to produce copper at costs lower than its foreign competitors. In the combined process, copper is washed out of ore or waste material with an acidic solution, then extracted from the solution through an electrolytic process performed in an electrowinning plant.

Newmont is using the process at its Pinto Valley Copper Corp. operation in Arizona. "Leach mining cuts production costs by half—to 35 cents or 40 cents a pound," says Gordon Parker, Newmont's president. But the process has limited application in the U.S. because it can be used only on certain types of reserves.

Phelps Dodge said it plans by 1986 to double output at its new electrowinning plant in Tyrone, N.M., where it is slashing costs by about half to 30 cents a pound.

Partly as a result of such efforts, Phelps Dodge, which has trimmed its operations significantly in recent years, stunned analysts by posting a 1985 first-quarter profit after a 1984 loss of $267.8 million. The company expects to be profitable for the full year, providing producer prices don't fall below 65 cents, says George Munroe, chairman.

To compete with such foreign producers as Chile, where ore is twice as rich in copper as most U.S. mines, U.S. producers are diverting production to those mines with the richest ore, says Geoffrey Carter, senior mining analyst with Midland Doherty Ltd., a Toronto brokerage. The trend has contributed to permanent shutdown of many mines; about 12% of total U.S. capacity probably is closed permanently, according to Drexel Burnham.

HIGH COSTS

Robert Horton, director of the U.S. Bureau of Mines, says U.S. output—already down by almost one-third since 1981 to about one million metric tons in 1984—may shrink still more. He expects annual production to stabilize at about 800,000 to one million metric tons, compared with 1981's near-record of 1.5 million metric tons.

Despite efforts to adapt to rising competition, U.S. copper companies likely are permanently relegated to a role as marginal suppliers—making up for the shortfall in other nations' output. Although U.S. copper consumption has jumped 22% in the past three years to two million metric tons in 1984, U.S. production has fallen because of a flood of imports. U.S. producers are operating at only about 59% of capacity, and produce less than 17% of the world's copper, compared with 26% a decade ago.

Some U.S. producers' relatively high costs can't be cut enough to compete with foreign producers. The industry's assault on labor costs, which precipitated a prolonged and bitter strike at Phelps Dodge's Morenci mine, has undermined relations with the unions but won few concessions. "Even if U.S. producers were to pare wages to the minimum wage . . . they'd still have trouble competing" with low-cost foreign labor, says Michael Drury, a senior economist at A. Gary Shilling & Co., economic consultants in New York.

And foreign copper output is likely to continue to rise to meet any increase in consumption. Iran, for instance, has "vast reserves of copper thought by some observers to be equal to its oil potential, which may be the second highest in the world," Mr. Drury says. Tehran, its resources sapped by its war with Iraq, likely will increase copper production when the war ends.

LIKE SELLING THE FAMILY JEWELS

Producers dependent on copper for foreign exchange and jobs aren't likely to cut production much, whether it's profitable or not. Chile, an extremely low-cost producer, depends on copper for 80% of its foreign exchange. Chile and copper producers Zambia and Zaire have accumulated heavy dollar-denominated debt, adding to financial pressures. "Most of these countries are 'one-industry' countries" says Mr. Drury. "If copper employees are laid off, it's a national crisis."

The heightening competition has helped precipitate a wholesale dumping of assets by U.S. copper companies. Mr. Munroe says Phelps Dodge expects to raise $320 million this year through the sale of some foreign and U.S. assets. Some of the cuts are painful; Phelps Dodge's pending sale of 25% to 40% of the Morenci mine, it most valuable property in Arizona, to Sumitomo Corp. of Japan is "like selling the family jewels," says Firoze Katrak, vice president of the natural resources group for Charles River Associates, a consulting firm in Cambridge, Mass.

Many energy companies that acquired copper-mining assets in a 1970s epidemic of diversification are dumping them now. Louisiana Land & Exploration Co., an oil exploration and production company, sold its Copper Range Co. unit last year to Echo Bay Mines Ltd., a Canadian goldmining company that in turn is trying to sell Copper Range's copper-mining assets. Amoco Corp., Chicago, expects to finish spinning off most of its mineral assets by July under the name Cyprus Minerals Co. Pennzoil Co., an oil and gas producer is looking for buyers for Duval Corp., its metals subsidiary.

And Atlantic Richfield Co.'s Anaconda copper unit—a name once synonymous with the power of the industry—may vanish. In a restructuring, the oil company has put Anaconda on the block and may sell it piecemeal.

The fire sale has ignited a flicker of new foreign interest in U.S. copper-mining assets. In addition to Sumitomo's pending purchase of the Morenci mine, at least two Japanese companies are considering buying Duval. Japanese companies don't have enough ore for their smelters, and an efficient U.S. operation could prove an economical way to provide a secure source of supplies. In many major copper-producing countries, the mines have been nationalized.

Also, Australian investor Robert Holmes a Court, known for his penchant for acquiring companies cheap, recently bought an 11% stake in Asarco Inc. Asarco in turn mounted an aggressive anti-takeover defense. It's not clear whether Mr. Holmes a Court will proceed with any takeover; some analysts suspect he's interested only in Asarco's stake in a major Australian mining company.

He says he bought Asarco stock, though, because he believes the industry is due for a rebound. "There's been a slight improvement in the industry already," Mr. Holmes a Court said in a recent interview. "So far, (the Asarco stock) has been a safe investment."

But any recovery isn't likely to restore the lost potency of the industry, which is permanently enfeebled in its attempt to resist foreign foes. Copper producers lost a battle for import protection last year when President Reagan vetoed an International Trade Commission recommendation for an import tariff or quota; the industry lacked the muscle to override protests from copper fabricators. And Gov. Babbitt recently vetoed legislation aimed at helping Asarco fend off Mr. Holmes a Court.

"Thirty years ago, Arizona wore a copper collar," Gov. Babbitt says. But "times are changing."

Mr. HARKIN. Mr. President, our Nation is in its most serious economic difficulty since the 1930's. Our agricultural sector is well into a deep depression. In Iowa, the value of farmland fell by 29 percent in 1984 and is falling at a faster rate this year. Iowa land has fallen to half its 1980 value.

Three broad-based indicators of our economic difficulty have shown a constantly poor performance: Our balance of trade, our budget deficit and our rate of unemployment. And these three are tightly interrelated.

Our merchandise imports were $341 billion in 1984. That is almost a $100-billion increase over 1980. Ten cents out of every dollar is now spent on foreign goods. But, our exports have stagnated. Our exports last year were below their 1980 level. Agricultural exports were down almost $6 billion below their 1981 level and are projected to fall to $33.5 billion. The lowest level in 6 years. We have gone from substantial budget deficits to disastrous budget deficits that will take years to reduce.

And unemployment seems forever stuck at over 7 percent, a level that brought anguish and despair back in 1980. In 1982, unemployment increased to new heights. Now, even our present 7-plus percent unemployment seems almost reasonable to some, although 8½ million are unemployed.

We must recognize that the budget and trade deficits pose the biggest treat to our economic future since the 1930's. Our country's great economic strength is being undermined everyday. We must take action now. If we don't, we may experience a long-term decline in the quality of life that Americans enjoy. We may see a major decline in America's economic position in the world. And the very ability of our Nation to defend itself may be undermined.

It has been many decades since the leadership of our country has been so willing to publicly understate a truly great danger facing our land. Americans are complacent because they don't realize the extent of the danger. This complacency is politically beneficial to the President. But it is not in the best interest of our Nation.

We must level with the American people and we must come together and act. We must stop looking to minor incremental modifications in our trade and budget policy. We must understand that without dramatic action our economy will not be able to support our people with anything close to what we are now enjoying.

We recognized the need to start arming before World War II. We were very lucky that we did. Now we must recognize that we are not in danger of entering a trade war—we have been in one for years. It's just that only the other side has been fighting. Meanwhile, we have been "studying" the problem.

The Reagan administration continually admonishes the Congress and the American people that we cannot be protectionist, that protectionism will be a disaster. I agree—to simply increase trade barriers is not the way to go. However, that does not mean that the United States should ignore the economic reality of the world marketplace.

Back in the late 1940's the United States was virtually the entire world economy. We set out to get Europe and Japan back on their feet. And we succeeded. We made agreements in the years following World War II that were very generous and were logical given the situation at the time. But times have changed.

Khrushchev came to the United Nations and he said that he would bury us. Well, time has shown that we do not have to fear the Soviet economic system. But we are in danger of being buried by our friends.

In March, we became a net debtor nation for the first time since 1914, 70 years ago. We are adding to our debt at a rate of $10 billion per month. That is equal to $1,400 in debt for every family in our country each year. By the end of the year, our debt will be larger than Brazil's. That is a lot to add to the country's credit card. According to the Institute for International Economics, the United States could owe $100 billion in interest payments on a $1 trillion trade debt in 1989, just 4 years away if current economic assumptions play out.

That would mean that the average adult American would be effectively paying $580 per year just on the interest on our Nation's trade debt.

The average adult American would be paying $1,200 per year on interest on the national debt, three times what it was in the beginning of the decade.

This means less money can be spent by American consumers. It means that interest rates will be higher and jobs will be fewer. For every billion dollars in added imports, we lose 25,000 jobs. That means less Federal revenues, higher Government costs, and a higher budget deficit. It means fewer purchases at the local store and a smaller economy. It means all of the suffering that occurs when people cannot find work.

We are simply taking in a lot more than we are sending out. Last year, our current account deficit doubled from $41 billion to $101 billion. That is about double the previous record in terms of our GNP established in the 1870's when we were importing capital to build our railroads.

Net investment is now flowing into the United States. And the profits are flowing out to those overseas investors. On balance, we are not exporting our goods, we are importing them. Profits are leaving the United States as well.

If the present trends continues—even for a relatively short period of time—we could become mired in a pit of quicksand from which we cannot escape. We must take some immediate actions.

We must recognize that the real issues facing our country are:

Will the United States do something about the overvalued dollar that is devastating our ability to export everything from corn to computers? The overvalued dollar is creating an incentive to export American jobs instead of products. Our budget policies in the last 5 years have been a disaster. We must get deficits down if we are to get the value of the dollar down. We must do more to increase domestic savings to reduce the need for foreign money.

We must also go beyond our shores and look at what other countries are doing to artificially keep their currencies undervalued. The yen is a particular example.

Will the United States recognize that almost every western national views trade as the dominant question in their foreign policy? If we continue to place it on the bottom of the pile, we will lose our place of dominance in the world economy.

Will the United States tailor its industries and marketing skills to the world marketplace to take advantage of opportunities that are available? Will we develop a structure where labor, management, and Government genuinely cooperate to make the U.S. competitive in the world marketplace? Will our young people be educated to understand other languages and cultures?

Our Government must recognize that U.S. manufacturers and farmers

cannot compete with organized efforts by foreign governments to keep them out of foreign markets and undercut our domestic sales.

When the General Agreement of Tariffs and Trade [GATT] was written, the U.S. economically dominated the world. The world was recovering from World War II. And, we supported an open system that favored the undeveloped countries and the war-torn developed countries both friend and foe. Perhaps no greater act of unselfishness has been undertaken by a nation.

The tariffs were reduced. But new barriers soon emerged—the so-called nontarriff barriers. Countries established standards that only their own products could meet. Quotas are now widespread. Some countries demand that each individual item must be painstakingly examined, even though everyone knows it is identical to the last one inspected. And in some cases, only one inspector is assigned.

The Japanese have been the most creative and thorough in integrating their domestic economic infrastructure and their trade policy. Over the decades, the two have worked hand in glove. An opportunity to create a new industry is seen. The walls around Japan rise to foreign imports while an infant industry is nurtured behind the protective walls. The industry grows, is subsidized and protected and it starts to export. When it is in solid shape, the walls around Japan may be reduced for that product while new walls are erected in other product areas. It has happened over and over again.

A host of developing countries in the Pacific and throughout the world have followed the Japanese lead.

It is not just trade barriers that allow the Japanese to do so well. Their R&D effort is far higher than ours and it is highly focused. It is focused in areas of opportunity for greater value added export products. Our R&D is heavily oriented to defense.

Japan's education system produces more college graduates in engineering then ours. It generates 50 percent more electrical engineers in a population base half the size of ours.

The Japanese Ministry of Industry and Trade [MITI] is a bureaucracy that is fully integrated with the business community. It performs the necessary analytical work and works for the good of Japanese business in promoting both the domestic infrastructure and the foreign trade policies that Japan needs to develop strong industries.

The United States has no such structure. But, we have examples of cooperative efforts in single economic sectors. NASA is a living example of excellent Government industry cooperation. We sharply increased our science-oriented education after Sputnik and we can do it again.

Our Government trade bureaucracy almost seems to be trying to play the role of a neutral judge rather than an advocate at times. Our Trade Representative, the Commerce Department, and the State Department are often fighting internally.

We are so tied to the principle of free trade that we fail to see that it is no longer the reality of the world economy. We can no longer afford to play by rules different from everyone else's which place us at a continual disadvantage. The only chance of free and open markets for our products is an awareness that it will only happen when there is an understanding that the barriers will be of equal heights going both ways.

Our trade policy is also compromised by nontrade foreign policy considerations. It seems that when we sit down to negotiate, the other side knows that they want access to our markets and would prefer an opportunity to develop their domestic industries without the competition of American goods.

The United States on the other hand seems often to care more about the willingness of the other country to accept our defense bases, to increase its defense spending, reducing Soviet influence and a host of other factors. We act like a kid who spends his allowance on others because he feels that he will not be liked if he isn't buying ice cream cones for the gang each week.

By weakening our trading position, by giving in, we are not increasing our popularity or our strategic position in the long term. We are weakening our long-term economic health and creating an expectation that countries should be expected to be paid for doing what is in their own best interest.

Last year, the United States negotiated an agreement to increase U.S. imports of high grade beef into Japan. And, it was hailed as a giant success. In fact, it amounted to the equivalent of one extra Big Mac per Japanese per year. And, after years of discussion and negotiation, the administration seemed satisfied.

We import 58 percent of the developing countries manufactured exports. Japan has 80 percent of the U.S. export level. But it imports 8 percent of the developing countries manufactured exports. Japan is in a far more vulnerable position than we are. Japan is economically healthy. And Japan is more dependent on trade than we are. Of course, why should they do their share when they know that Uncle Sam will take care of it.

Are we afraid Japan will go over to the Russians? Of course not. We also must maintain a realistic perspective of the likelihood that Japan is going to retaliate against us for our taking a reasonable firm stand when they take the most unbending positions.

We act like we can't effectively compete in the negotiations. We can once we clearly set our minds to the necessity of correcting the balance-of-trade barriers that now exist between the United States and our trading partners.

The United States is the leader of the free world in every respect. But we are to a greater degree than ever the first among many. The whole burden of providing free and open markets is not ours. Our trading partners must share the burden.

THE SEMICONDUCTOR INDUSTRY

Mr. KENNEDY. Mr. President, today, we are addressing a serious problem facing the semiconductor industry in the United States. The semiconductor industry has advanced at dizzying speed led by American technology, and laying the basis for substantial advances in the computer and communications industry. American leadership in semiconductor technology has been essential to maintaining our competitive edge in today's emerging technologies. From Route 128 in my home state of Massachusetts to the MCC Corp. in Austin to the legendary Silicon Valley in California, we see evidence of the importance of chip technology to our economic future. Today that leadership is threatened—not by better technology, not by more productive workers, but by predatory trade practice.

Dumping or below-cost pricing has no place in a world of free and fair trade. We welcome competition and we welcome the technological triumphs of our trading partners but we cannot accept unfair practices which, if not stopped, will inevitably lead to counterproductive protectionist responses.

Massachusetts, as a leader in the use of semiconductor chips in high technology development, stands to be seriously affected. Companies such as Wang Industries and Digital, who have fought so hard to attain success in the high technology industry, are now faced with a situation which could seriously undermine their continuing growth and development.

In recent months, the shrinkage of the American industry has been alarming. Texas Instruments, Natural, and Mostek have all laid off a portion of their work force. Other firms have indicated that they may be forced to take similar steps.

I hope that our trading partners will realize that we all prosper when we play fair but not when we seek unfair advantage.

I thank Senator CRANSTON for calling this issue to our attention and I join with my colleagues to work with him in the future to ensure American leadership in this industry.

Mr. BENTSEN. Mr. President, over the past 3 weeks, the members of the

Senate Democratic Working Group on Trade and other concerned Members of this body like Senator CRANSTON have come to the floor to discuss our trade crisis. I use the term crisis deliberately because our trade gap continues to widen regardless of the pace of growth here or the dollar's value.

The widening deficit is having three direct effects on our economy. First, it is slowing economic growth. Because of the trade deficit, a substantial share of consumer demand is being diverted abroad, being spent on foreign imports rather than American goods. That creates jobs abroad, not here at home. And with those jobs goes the income and economic growth belonging here. As a result, over the last four quarters, economic growth has slumped to average only 2.3 percent, well off the heady 7.5 percent pace of the preceding four quarters. Unemployment has moved sideways. And industrial production has stagnated below last summer's peak.

Second, the trade gap is sapping industrial investment needed here to ensure rising productivity and growing real income in the years ahead. American firms are increasingly dealing with their trade problem by outsourcing—by moving their investment in new production facilities overseas to beat the bloated dollar. This year, for example, investment abroad by U.S. affiliates will be double the 6.2-percent real increase expected in domestic capital spending. And the U.S. investment spending increase this year will be a pale 40 percent of its 1984 increase. Overall since 1981, when this administration took office, manufacturing investment in real dollars has risen only half as fast as the 1960–80 average—the second weakest performance of any administration over the last 25 years. It is no wonder productivity has fallen in two of the last three quarters and now sits below the level of last summer.

The third problem is that the trade gap is hitting hardest at agriculture and manufacturing, forcing industrial workers to trade down—to take lower wage service sector jobs after losing higher wage manufacturing jobs. It is degrading the American wage structure. And with productivity lagging, there is no hope on the horizon for a resurgence of real income sufficient to compensate for this wage degeneration.

These economic effects of the trade gap are severe. They are long term. And they are of paramount concern to me, to my colleague, Senator CRANSTON, and to all Members of the Senate Democratic Working Group on Trade.

The roots of the problem are widely acknowledged—the sky-high dollar and protectionism. In attacking the budget deficit, Congress is making headway in restoring the dollar to a more realistic value. We have not yet, however, taken any effective steps to rein in protectionism.

The protectionism threat is two fold. First and foremost, protectionism threatens to turn our world of free and growing trade to one of controlled and shrinking trade. The reason is straightforward: Protectionism has proven to be a successful model of growth in recent years because the United States has permitted imports to gush ashore freely while not demanding comparable access abroad for U.S. goods.

We have permitted protectionists to make trade a one-way street. They have been able to stop our exports with nontariff barriers on the one hand, while loading every available ship with exports to the United States on the other hand. It is no wonder our exports are lower now than in 1981 even though imports have surged $100 billion or 40 percent since then. The most effective practitioner of protectionism is Japan. And her style of one-way trade has become the example for the many developing nations seeking to force-feed domestic growth on the backs of their export sector.

This has created an unhealthy and unbalanced world trading system whose continuation hinges directly on ever-growing U.S. trade deficits. Put another way, its continuation depends on the tolerance of Americans to see U.S. manufacturers treated unfairly by their international competitors. And that tolerance is reaching an end.

That brings me directly to the second problem posed by protectionism. It succeeds only at the expense of the U.S. foreign trade sector. It succeeds only to the extent U.S. exporters are illegally frozen out of markets abroad, and U.S. importers confront illegally subsidized foreign goods here.

It succeeds, Mr. President, only by crippling the employment and growth prospects of U.S. industries which would prosper under free trade. The magnitude of this protectionism is substantial. Clyde Prestowitz, counselor to the Secretary of Commerce, has determined that at least $15.5 billion of the bilateral $37 billion United States-Japan 1984 trade deficits reflects the impact of restrictive Japanese trade practices. Former Under Secretary of Commerce for International Trade, Lionel Olmer, set the figure at anywhere from $10 to $15 billion. The Under Secretary of State for Economic Affairs, Allen Wallis, has set the magnitude of $10 billion. And, Commerce Secretary Baldrige has said free trade with Japan would have reduced the U.S. bilateral trade gap with Japan by $12 billion last year.

Japanese protectionism is hurting the United States badly. A good example is American semiconductors. The integrated circuit or semiconductor—produced by world-class American firms like Texas Instruments—was developed here. American firms were on the leading edge of their development. It was—and is still—viewed as a key industry of tomorrow. It is a building-block industry critical to the development of an electronics industry. And, it is widely considered a growth industry and future employment center.

For that reason, it became one of the key industries targeted for hothouse development by the Japanese Government. It receives substantial protection. American firms wanting to enter the Japanese market were blackmailed into sharing their proprietary secrets, for example. And stiff nontariff barriers limited the U.S. market share in Japan held by foreign firms to a steady 10 or 11 percent at a time when the U.S. share elsewhere was and is 53 percent.

Behind those high and protective trade barriers, Japanese firms were guaranteed a lion's share of the growing Japanese market. They vigorously expanded production and gained economies of scale and technological expertise, as a result. Even so, they could not overcome the U.S. price advantage and compete evenly with U.S. firms in the only worthwhile foreign market freely available to them—the U.S. market—without incurring losses.

At the same time, they foresaw an enormous worldwide market. So, the big Japanese trading companies like Hitachi took the plunge. They continued to pile on capacity and told their agents here to sell regardless of the price to undercut U.S. firms. In just the last year, for example, Japanese firms have put some $4.5 billion worth of new production capacity on line, comparable to 11 percent of existing world capacity. And this occurred despite a weak world market outlook. Indeed, demand is about $23 billion worldwide now and excess capacity of nearly 40 percent exists.

The decision by Japanese firms to expand in such conditions can only reflect a decision to drive American firms from the industry. The resulting excess capacity has produced remarkable price cutting by over-supplied Japanese firms. And the famous Hitachi memo makes it clear that this price cutting will continue as long as necessary to maximize Japanese market shares. This tactic is producing losses for the entire industry. But the Japanese firms, as subsidiaries of larger multinational firms, are better able to survive than their U.S. competitors.

The combination of a weaker world economy and plunging prices has put the U.S. semiconductor industry in a tailspin. Industry sources estimate that anywhere from 7 to 10 percent of the nationwide 200,000 total semiconductor jobs have been lost since last fall. Texas has been especially hard hit. The Joint Economic Committee

recently surveyed my State and discovered that industry employment has fallen at least 3,500 there alone since last fall, or nearly 10 percent. And if I had to bet, the Japanese will keep the pressure on to drive U.S. firms from the market.

This industrial-targeting tactic is the antithesis of free market trading. It is harming the world trading system. It is a tactic which is increasingly being emulated across the world. And it is a protectionist tactic which must be halted.

Members of the Senate Democratic Working Group on Trade have spoken out here over the last 3 weeks on this and other aspects of an increasingly grim world trading system. It is a system working against the United States. It is not a free trade system. And the working group has determined that U.S. trade policy is not effectively moving the world back to free trade. Indeed, the group has found that we have a rudderless trade policy, zigging and zagging with little form or direction.

It needs reform. It needs direction. And most of all, the thrust of U.S. trade policy needs to be the subject of a sweeping and full national debate.

The objective of that debate is clear: U.S. trade policy must move the world trading system back toward free trade. That will require a vigorous effort. And it will require a bipartisan effort, as well. so, I urge my colleagues to pay even more attention to the trade debate heating up now. I thank the members of the Senate Democratic Working Group for the key role they have played or will continue to play in moving that debate ahead.

Mr. LEVIN. Mr. President, I want to spend a few minutes talking about our international trade situation, and then I would like to ask unanimous consent to insert in the RECORD the remarks of the chairman of the board of the Chrysler Corp., Lee Iacocca, who recently spoke on the same issue. His remarks dramatically show that our trade situation is in crisis, that we must focus on that problem, and not be distracted by less urgent concerns.

It was only a few months ago when a number of us came before the Senate and made pleas for firm action on our trade problems similar to those we are making now. They were pleas for budgetary restraint as a way of reducing the deficit and improving the competitiveness of the dollar. They were pleas for tough negotiating with our trading partners abroad. They were pleas borne out of the crisis of the present and recognizing the need to take action now if we are to avoid a greater crisis in the future.

And what have we done in the meantime? We have acquiesced in Japan's removal of its voluntary restraints on automobile exports. Result: imports from Japan have surged by almost 25 percent. The Commerce Department now predicts that by 1988, more than one-third of the U.S. automobile market will be filled by foreign imports.

What else have we done in the meantime? The Senate passed a budget resolution based on totally unrealistic economic assumptions, and on the unrealistic premise that deficit reduction could be accomplished by cutting spending alone. Result: even David Stockman is now admitting that the deficit by 1988 will be larger than was projected in the Senate-passed budget resolution which he endorsed. How much larger? Only about $70 billion—which means missing the mark by about 70 percent. What it means is that even if the President gets his budget, the deficit in 1988 would be little better than running in place. And we will continue to just run in place if our fiscal policy continues to be governed by the wisdom of a Clint Eastwood movie. "Make My Day" may be a great line for a movie, but it is a copout when it comes to making the hard choice of a revenue increase as well as severe spending restraint if we are to get the deficit under control. Certainly it will require courage—but it also will require the common sense to realize that, for example, now is not the time to reduce revenues by almost $2 billion a year on cigarettes. But regrettably, the Senate recently refused even to prevent that from happening.

So the challenges before the Congress and the administration are the same now as they were only a few months ago. We have to get tough on trade negotiations, and we have to get tough on the budget deficit which contributes to our declining ability to compete abroad and safeguard our markets here at home. It is a question of courage and a question of common sense. We must not delay.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF LEE IACOCCA

Thank you, John (Bailey, executive director of FAF). And good afternoon to all of you.

I usually start by saying "I'm happy to be here." But I always want to choke on that line when here happens to be Washington.

Maybe you remember, I spent a lot of time in this town a few years ago trying to get the government to co-sign a few small bank notes for me. It wasn't the high point of my life, believe me.

But I am happy to be with you. And I want to thank you for inviting me.

I gotta tell you, though, this is going to be tough. I know this is billed as an "educational" meeting, and that means I'm supposed to stick to issues and not push Chrysler. You should have asked me six years ago when I didn't have much good to say about Chrysler.

After all, back then Chrysler was getting the Last Rites, but last year we took $2.4 billion to the bank. And '85 will be a very good year for us, too. I wish I could talk to you about it.

I'd sure like to remind you that our stock is up almost 15 percent since the first of the year (while GM and Ford are back down). But I won't talk about that, either.

Usually with analysts I also talk about our $10.5 billion product plan between now and '89, and the exciting new lines we have coming. But I won't get into that today.

I won't even mention our being number one among the Fortune 500 in return on assets at 26 percent . . . or that we're the most profitable car company in the world based on return on sales . . . or that our efficiency last year gave us a pre-tax profit on each car that was 50 percent higher than GM or Ford. And I won't even tell you that we've got thirty bucks in hard, cold cash for every share of stock. No, I won't mention any of that.

And the financial guys always want me to say something about our commitment to buy back 25 million shares of our stock by the end of '86. But I told them "no, I can't do that today."

I'll be good—no commercials—I promise.

But things are going very well for Chrysler (at long last), and, I have to say, for me too.

Last year I even became an author, and the book has already sold 1.8 million copies. (And another half-million overseas.) But I have to confess that I really don't understand why. It's got no sex, no violence, nothing about the CIA. We did put a pretty girl on the back cover to hype the sales, though—my mom.

My board is getting a little upset, by the way. I've been selling more books than cars. But I keep telling them it's because I don't have any Japanese competition.

Well, I guess I should be happy about the way things are going. I ought to be dancing in the streets, in fact.

But I'll be honest with you—I'm not dancing. I've been around too long to get euphoric when things are going so well. In fact, I get a little suspicious.

Maybe that's because of what we went through at Chrysler. We woke up one day and said "hey, we can't compete anymore!" And I'm scared that one day our country will wake up with the same realization. And, unlike Chrysler, it won't have any place to turn for help.

We paid a hell of price for survival at Chrysler. I didn't join a company, I got command of a lifeboat . . . and it was getting swamped. A lot of people went over the side. I'm not talking about deadwood, either: I'm talking about damn good people. People with families to feed and kids to educate. People who had done their best for Chrysler, and who were on the street through no fault of their own.

Those were the most miserable years of my life and I'm never going to forget them. And I'm still mad about it, because it shouldn't have happened.

I told people when we were struggling that the problem was a lot bigger than just Chrysler. I said Chrysler was just a microcosm of what was happening to all of industrial America.

I turned out to be right. I went to the government for help, but I was just the first one to get there (I don't know why God was so good to me, but I got to be first!) After me came the steel people, then the machine tool people, then some of the high tech boys, and earlier this year even the farmers showed up. On the front page of The New York Times this morning, even the computer and high tech people are claiming they need help.

(By the way, I don't know if you've noticed, but when heavy industry gets in trouble we have to come to Washington and stand in line with our hats in our hands. But let the banks get in trouble, and they get curb service! Washington goes to them!)

Well, everybody coming to Washington is singing the same tune. Oh, the melody may be different, but the rhythm is the same: We're losing our shirts to foreign competition. We can't compete!

America is losing its ability, and maybe even its will, to compete.

Last year, our trade deficit in goods hit $123 billion. Four years earlier, we had a $40 billion surplus (adjusted for inflation). We had a swing of $163 billion in just 48 months. And it's getting worse every day. We will add another 25 billion bucks to that deficit by the end of the year. (Cracking the $150 billion mark.)

In 1980, 1.2 million Americans had jobs because of our trade surplus. Last year, 3.7 million Americans were on the street because of that big deficit.

Something's radically wrong, here. It really is. America is losing its ability to compete. Now, maybe we've gone soft and gotten lazy, but I'm not ready to believe that yet. I think Americans today are the same people they were when we were the king of the hill in world trade. But we're handcuffing ourselves with a whole festival of poor policy decisions that keep us from hooking and jabbing with the rest of them in the world marketplace.

When you look at why we aren't competing anymore, you have to start with our budget deficit. That's the root of all evil. The high dollar, which causes most of our trade problem today, is the bastard child of those scandalous budget deficits year after year.

We simply have to fix that, or nothing else will matter.

We simply cannot be competitive when we're piling up more debt year after year after year. Chrysler sure found that out the hard way. The company in 1980 was carrying a $4 billion debt (with interest payments running over $450 million a year), and when the crunch came, it couldn't compete.

And I'm afraid that's what the country is doing to itself today. And the sad part is most people don't even realize what this debt means to them.

I've often said the government should be forced to obey the truth in lending law. It should send out a statement every year along with the tax forms. This year, for the average family, it would look something like this:

"Dear Mr. & Mrs. Taxpayer:

This year your family's share of the national debt stands at $27,590.

In the past 12 months, your share has increased by $3,980.

Your share of the interest bill this year is $2,127.

Have a nice day!"

Did you notice one line that's missing? The one that says "please remit." We aren't remitting—we aren't paying our way, today. We're leaving that debt to our kids, and adding $200 billion a year to the principal.

We are, in effect, writing a blind balloon note and passing it on to our kids. And I'm afraid it's going to cripple those kids one day when it comes due.

Our economic public enemy number one used to be inflation, and we're licking it. And, I sure don't want to see the inflation of the seventies come back, believe me. But at least inflation was a penalty that we paid, now. It took money out of our pockets every day.

But the deficit is different—that problem we just pass along to our kids. Our parents didn't do that to us, and I think they'd be ashamed of us for doing it to our kids.

Another big problem is what that deficit is doing to our ability to compete today. The high dollar is literally causing the de-industrialization of America. It is moving production and jobs offshore. Foreign companies are taking business from American companies, and what's even more tragic, American companies are leaving home in order to compete.

Let me tell you the truth—as long as those deficits and the high dollar continue, it's simply going to make less and less sense for companies to build plants and put people to work in America. It doesn't take too much brilliance to figure out that you build in yen and sell in dollars.

Now, I've been complaining about that so much I'm hoarse. I really had to laugh a couple of months ago when Time magazine put me on the cover with the headline, "America loves listening to Lee."

I thought to myself, "If America's been listening to me, then what the hell am I doing packing my bags for Japan?"

And that's what I was doing just then. The car quotas were coming off. The administration—with General Motors' blessing, by the way—had decided to throw the doors wide open to all the cars Japan wanted to send in. The trade deficit, on orders from the administration, was about to get a lot bigger. And in order to compete, Chrysler had to go overseas—and fast! (Isn't that a hell of a note!)

Now, nobody fought harder than we did to keep restraints on car imports. And I'm proud that we fought to the end, because it was the right thing to do. We felt that with the dollar so far out of whack, and with so much of the Japanese market closed to American goods, it was only fair to keep the lid on until we got a level playing field. Meaning until the unfair tax and currency differences were straightened out.

I guess we were naive. We felt that America deserved a chance to compete.

But when the administration changed the rules, we pulled out what we called our "Plan B." It meant that we were going to protect our market share with more Japanese cars from our Mitsubishi partners.

I gotta tell you, we did this only because America doesn't have a trade policy that lets us compete on a fair basis. Instead of a realistic trade policy in this country, all we've got is this lofty ideal called "free trade." Who's going to argue against it? It's right up there with "goodness" and "mercy" and "charity for all."

I think it's time to break out of our idealistic shell and look at the rest of the world. Everybody else has a policy of "managed trade." Every other country writes trade policies to help its companies compete. And there's nothing wrong with that. Free trade is not one of the Ten Commandments. And "managed trade" is not a sin. You don't go blind or get warts from it.

Japan has policies to help its companies compete. (Boy, do they ever!) So do the European countries, and the Third World countries. Everybody does, except us. We are like those few crazy hockey players who still refuse to wear helmets. And we're getting our brains beat out.

We had a $37 billion trade deficit with Japan last year, and everybody got alarmed. The Senate voted 92-0 to tell the President to retaliate against Japan's closed markets. (Think of it: 92 to nothing! You know it's getting serious because those guys can't get a unanimous vote to go home for Christmas.)

Now the word is out that the deficit with Japan is going to 50 billion this year. And there are guys down town here who are really shocked. They're saying "how could this happen?" Well, (I tell them), you took off the car quotas and Japan is sending in 24% more than last year. That'll do for starters. Nobody should be surprised. What did they expect?

Now, the high dollar accounts for some of the imbalance with Japan. But so does the fact that Japan protects its home markets. It does so rather openly, and without much apology. Japan is a free and sovereign nation, and it has a right to act in its own self-interest.

But guess what? So do we! We've got a right to go to the Japanese, as close friends and allies, and say, "Look, we've got a $37 billion problem here. We can't handle that. It has to come down. If, for internal political reasons, you can't buy American rice or oranges, even though they're much cheaper than your own, okay. But then you'll have to cut back on some of the traffic coming this way across the Pacific."

We need a goal—for us and our Japanese friends. We have to say "the imbalance can be this much and no more. We don't even have something to chin against right now." We're just wringing our hands and doing nothing.

We should sit down and reason this out. No threats. No talk of trade war. Just an absolutely firm understanding that America has something to protect, too. And that we intend to protect it. We intend to protect our ability to compete!

Our huge trade deficit isn't just our problem, it's a problem for Japan, too. If the mood of Congress and the public gets any worse, we could see a wholesale swing back to the kind of mindless protectionism we had in the 30's when everybody lost—our trade partners even more than us. If you question anybody's mood, yesterday's New York Times had a survey on protectionism; it showed two-thirds of America thinks we're being had and wants some action.

I warned the Japanese about that when I was in Tokyo a few weeks ago, by the way. And I told them something else: I said their protectionism was misdirected. I said they were protecting the wrong market. They're protecting their market in Japan, when they ought to be protecting their market in America, because it's their market here that may really be in danger.

I don't know if they were listening to me, but Ambassador Mike Mansfield quoted that part of my speech to the whole Japanese Diet, so I know they got the word.

Think about this a minute. If you disregard oil imports, almost 62 percent of our total world-wide deficit last year came from trade with just one country—Japan. Now that can't go on forever. Sooner or later we're going to export so many industrial jobs that Americans won't be able to buy any foreign goods, I don't care how big a bargain they are. And then everybody loses.

Our trade with Japan is starting to take on an old and familiar pattern. See if you recognize it. Our three major exports to Japan are corn, soybeans and coal. Japan's three major exports to us are cars, trucks, and video recorders. Foodstuffs and raw materials traded for manufactured goods—that's the classic definition of a colony.

We're becoming a colony again. And I thought we were through with that 200 years ago when we threw the tea in the harbor up in Boston.

You know, we're hearing a lot today about a "Second American Revolution." I only hope we remember why we had the first one. It was because we didn't want to live in a colony anymore. We didn't think that was fair.

We're also hearing a lot about "fairness" now that tax reform is a hot item. The other buzzword is "simplification." And since we're in Washington, I guess I have to say something about tax reform.

Make the tax laws fairer and make them simpler—I'm all for it. That's motherhood. Let's do it, as long as we do it fast. And I mean lock everybody in a room and don't let them out until they agree on a plan. Don't even send in any sandwiches.

You see, what I'm really scared about is that tax reform has pushed our big problems—the budget deficit and trade—right off the front pages. I'm afraid it's going to tie this town up all year, and nothing will be done about those twin scandals.

The deficit and trade—those have to be our top priorities. Tax reform just gets honorable mention, in my book. But now those big problems are going on the back burner. (I sure hope nobody actually planned it that way!)

Of course, nothing plays better for politicians than tax reform. They all like to go home and say "I cut your taxes." It's even better than kissing babies—and you don't get germs. But what could be good for politics for the year 1985 could also be lousy economics for the rest of the century. And if they play politics too long, our kids are going to be doomed.

And I gotta tell you, there may be a little shell game going on here. If you really want to help out the guy down on main street, if you want to be a "populist," worry about tax reform next year. Do something about the deficit now.

The new tax proposal would save the average family almost $400 ($394 to be exact). But if we don't do something about the deficit, then that same family's share of the national debt will go up by almost four thousand next year—ten times as much as the tax cut. ($3,980)

You credit their account for four hundred, and then debit it for four thousand. (At 10 percent a year, that wipes out the $400 and still leaves the $4,000 on the poor guy's books.) That's not only getting your priorities screwed up—that's medicine show time! Somebody's getting the ointment rubbed all over themselves, I'm afraid.

Now, I'm not going to go into the proposal—at least the specifics. I know everybody's got their own beef with some parts of it, and I don't want to sing in that chorus.

To be honest with you, we haven't paid much attention to taxes at Chrysler until lately. That's because we didn't pay any federal taxes for six years. We found a terrific loophole—the biggest one there is: We lost $3.5 billion!

That's one helluva tax dodge, but I don't recommend it. You don't go to jail for it, but the poorhouse is no fun either.

Well, we've been taxpayers again for about six years (and very proud of it, by the way) and now they're going to lower the rates. How's that for timing? It looks like Chrysler will take a hit next year, but after that we pay less.

My tax guy called me the other day and said—get this—your savings on the new tax bill will be up in the six-figure range! Can you believe that? The guy working for me on the line is going to save around $394, but I save a hundred thousand or more.

And I know all about those marginal rate percentages. When I made a dollar a year during the dark days at Chrysler, I never heard from the IRS. I just paid the 50¢ of tax and that was it. Then I started making big bucks again, and they immediately lowered my rate from 70 percent to 50. Now they want to take it all the way down to 35. How did I get so lucky?

And the problem is—everybody else is looking at this thing in the same narrow way. We've got computers working night and day all over the country analyzing this thing, and everybody is asking the same question: "Will this be good for me?"

I wonder—Is anybody out there asking the question: "Will this be good for America?" I don't hear anybody asking that! But somebody should.

They should, because Rome's burning right now, ladies and gentlemen, and we're fiddling with the tax code when we ought to be carrying water to the fire. We ought to be doing something about the budget and trade deficits.

But as long as we are going to have tax reform (after waiting 71 years) why not use the opportunity to address those problems while we're at it?

I don't understand. Do we really want something that's revenue neutral when we're going $200 billion a year in the hole? Is this the right time to give almost everybody a tax cut? Does that make sense?

I'll tell you one thing, when we were going broke at Chrysler we didn't walk around handing out pay raises. We handed out pink slips. And we gave everybody who stayed a pay cut. That's what you do when you're going broke. You ask for sacrifice, you don't pass out goodies.

Look, I'm not being big hearted, but I'm willing to pay more taxes. I can afford it. But what I cannot afford is to bury my daughters under a dungheap of public debt that will smother them, and their kids, and their grandkids—forever! I can't afford that—none of us can.

So if we're going to reshuffle the taxes, let's give some thought to paying our debts at the same time. Let's not just pass them on to our kids, like we have been.

And let's also use the tax code to level the playing field in international trade. Every other country in the world does. How come we have to be "neutral" on that, too?

Tax reform is all over the papers, but I don't see too many people asking "Is this going to help us compete? Or is it going to hurt us?" We'd better get some answers before we go too far. (If we're only going to do this every 71 years, let's get it right.)

The cost of capital in Japan to build a factory is one-half of the cost here. Are we going to widen that gap even more? Is this the time to discourage capital formation in America? Somebody better ask that. And somebody better answer it.

We're awfully concerned about making the taxes fair inside the United States. We don't want heavy industry and high tech to get breaks that service industries don't get. Well, heavy industry has to compete in the rough and tumble world of international trade. Most service industries don't.

I have to go head to head with Toyota. But the guy running the dry cleaners is insulated from that. You don't think Americans are going to start sending their dirty laundry to Japan, do you?

So, once again, we've got our priorities upside down. We're worried about putting U.S. Steel on the same tax base as the local Taco Bell. That's just plain crazy. Put them on the same tax base as the steel companies in Europe. And put Motorola on the same base as Sony. And I guess I have to add, put Chrysler on the same base as Toyota.

Right now, we've got all kinds of economic incentives for American companies to pack up and move overseas. We need some incentives to keep them and their jobs in America. And we can put some in the new tax code, if we get our priorities straight.

Well, I'm going to be watching this whole thing unfold with just two questions in my mind: Will it help with the deficit? And will it help America compete? To me, those are more important than simplification, and at least as important as fairness.

And if tax reform doesn't help trim the deficit and doesn't help us compete, then my reaction to the whole issue is "Why the hell bother?"

(You see what's happening! They've even got me talking about tax reform now. That's the problem. I have to spend ten minutes talking about taxes when I really want to talk about how to make America competitive again.)

The simple fact is, America has no strategy to compete today. We need one, and we need one fast. Chrysler has a strategy to compete. We may not like some of the things we might have to do, but at least we have a plan and we know where we're going. We're keeping our options open—we have to. I'm not concerned about Chrysler. We can hack it. But I'm getting damned concerned about America.

I know this country is losing its ability to compete—that's right before my eyes to see. Now I'm beginning to wonder if we're also losing our will to compete, and that's what really scares me.

We went through an election campaign last fall in which the trade deficit never came up. The budget deficit was almost laughed off—"we'll grow out of it," (like it was acne or something.) We heard almost nothing about this debt that's going to bury our kids—instead the whole election seemed to center around prayer in school and abortion. (I heard so much about that, for a while I thought the two guys were running for Pope, not president.)

I just shook my head after that election. Not because of who won or who lost, but because America is getting knocked around the ring like some punch-drunk has-been—and it wasn't even an issue.

It look us 206 years to build up our first trillion dollars of public debt, and we're doubling it in about five. And that wasn't even an issue.

We've sent more than three million jobs overseas—and that wasn't an issue. It wasn't debated.

We've become a trade colony again, just like we were back in 1776. And that wasn't even an issue.

Reforming the tax code to make it more competitive (not just simplier)—that wasn't an issue.

And since the election, look what's happened.

Within days of the election, the administration said "oops, it looks like the 1984 deficit will be $38 billion worse than we've been telling you." And after years of denying that the growing debt was even a problem, the President finally had to go on TV and admit that, well maybe it was.

We took the quotas off Japanese cars—unilaterally, out of the goodness of our hearts, and got nothing in return. I couldn't believe we got nothing. The guys we have negotiating for us have obviously never sat across the table with a union—Hell, I don't think they ever played a hand of poker!

And what's the result? Well, just two weeks ago the Commerce Department said foreign cars will have 36 percent of our market by 1988, and 500,000 more Americans will lose their jobs. Ask them in two years how much they like their tax cuts!

We're going backwards, ladies and gentleman. A year ago we were in trouble because we weren't competing. And every major policy decision in the past year has accelerated our slide—every one of them!

Every one pleased some constituency, of course, and helped to get somebody elected.

And every one of them is making America more and more anemic, more and more at the mercy of our friends in the rest of the world who understand the realities of today's international competition.

I've been asking this question for years—"What kind of country do we want America to be?"

And I don't like the answer I'm hearing.

I think we've got our heads in the sand. All those Dow-Jones records and big corporate profits—that may not be reality at all. That may be just one big April Fool's joke.

All of our national economic policies should have one and only one objective—to help America compete. Because if we can't compete, then all the Social Security promises, all our good intentions toward the poor, all our conerns about the Russians, all the hundreds of special interests that feed off government policies—all of them go right out the window.

Our country today is doing just what Chrysler did a decade ago—piling up debt, getting over extended, and making a lot of weak, easy, and popular choices—instead of facing reality.

And I'm afraid the result is going to be the same, if we don't wake up.

I've been there. And I can guarantee you, you won't like it. And that's not the kind of country any of us want America to be.

Maybe some of you have heard, I've been involved for almost three years in restoring the Statue of Liberty and Ellis Island. The project has made me appreciate more than ever before what it took to build this country. It took sacrifice and sweat and a lot of tears. And, I think, somehow we're forgetting all of that!

We forgot it so much we almost let Miss Liberty—the most important symbol of America—rot away. But now we're finally putting that great lady back in shape again.

So, while we're polishing up our symbols, maybe we ought to start polishing up our own self-respect again, too.

And maybe we should ask ourselves whether the first class country we inherited . . . that so many millions broke their backs to build . . . is going to be the same kind of country we pass on to our kids.

Thank you very much.

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized.

THE FAIR ACCESS TO FOREIGN MARKETS ACT

Mr. WILSON. Mr. President, I send a bill to the desk and ask for its appropriate referral.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. WILSON. Mr. President, I rise today to offer a bill that I have just sent to the desk entitled "The Fair Access to Foreign Markets Act." I do so on behalf of thousands of American producers and processors of citrus, pasta, wheat flour, poultry, canned fruits, and raisins, who have suffered monetary loss due to the unfair trading practices of the European Economic Community [EEC] and who, because of the EEC's intransigence, have been denied fair restitution under the dispute settlement procedures of the General Agreement on Tariffs and Trade [GATT].

During the past 15 years, each of these industries has filed petitions with the Office of the U.S. Trade Representative urging the President to take actions to enforce U.S. rights under trade agreements in response to certain EEC trade practices. More specifically, these petitioners filed separate complaints pursuant to section 301 of the Trade Act of 1974 alleging that the subsidies and discriminatory tariffs of the EEC are inconsistent with the principles and terms of the GATT and have placed their respective industries at a competitive disadvantage.

The 301 petition filed by the National Pasta Association alleges that the EEC's export subsidies on pasta violate article 9 of the GATT's Subsidies Code which prohibits subsidies on nonprimary products, such as pasta. Because the EEC claimed that they are subsidizing only the primary ingredient in pasta—wheat—and have refused to resolve the dispute, the United States turned to the GATT dispute settlement process. Consequently, an objective investigatory panel was established under GATT auspices and met on three separate occasions to study the pasta complaint. On April 19, 1983, the panel issued its final report supporting the validity of the U.S. assertion of illegal EEC export subsidies. More than 2 years later, the panel's favorable report is stalled before the GATT's Subsidies Code committee, where the EEC continues to block its adoption and deny America's pasta manufacturers satisfactory restitution.

In 1975, the U.S. wheat flour industry filed a 301 petition charging that the EEC provided export subsidies that were excessively high and allowed material price undercutting in third country markets. For 3 years, the U.S. Government held technical discussions and unsuccessful consultations with the EEC, and finally in 1981, invoked the GATT dispute mechanism by requesting an investigatory panel.

After a 2-year inquiry, the panel's findings were inconclusive and failed to address a number of issues raised in the 301 petition. As a result, the matter was referred, in 1983, to the GATT's Subsidies Code committee, where the EEC has the ability to forestall the resolution of the complaint. Ten years after the original petition was filed, our Nation's wheat flour industry is understandably frustrated.

The U.S. poultry industry's 301 case, charging the EEC with using export subsidies to undercut prices and to gain a larger share of world trade, has been complicated and prolonged by EEC maneuvering. While the case has wallowed through 4 years of unsatisfactory consultations and is presently stymied before the GATT's Subsidies Code committee, the EEC's export subsidies have allowed it to become the world's largest exporter of poultry and eggs. Conversely, our own domestic industry has seen its export markets diminish. For example, in 1980, U.S. exports of broilers to the Middle East were valued at $47 million; however, by the end of last year, they had plummeted to less than $340,000—largely displaced by cheaper, subsidized EEC exports.

The U.S. processed fruit industry filed a 301 petition alleging that EEC production subsidies for canned peaches, canned pears, and raisins nullify and impair tariff concessions which the EEC has extended to our country and inhibit U.S. exports of these products to the EEC. Not surprisingly, a bilateral solution to the complaint was unsuccessful, and the United States, once again, requested that a GATT investigatory panel review the case.

After a 14-month inquiry, the panel report, which was favorable to the United States, was given to the parties to the dispute, however, on three successive occasions, the EEC was successful in delaying its formal release and in ultimately pressuring the members of the panel to alter significantly some of its findings. The final version of the report, which remained favorable to the United States on canned fruit, but less so on raisins, has yet to be adopted by the GATT, due to continued EEC opposition. In the meantime, our domestic canned fruit industry has not only lost its European markets, but is being displaced in our own country by cheap EEC imports.

The longest standing 301 complaint—filed a full 15 years ago—was initiated by U.S. citrus growers, and because of recent developments, is perhaps the most timely and symbolically important case.

Since 1969, the EEC has granted preferential treatment to citrus and citrus products from Mediterranean countries to the detriment of Ameri-

can citrus growers. The annual loss to U.S. exporters of oranges and lemons is in excess of $48 million. In 1970 and 1972, citrus growers from California, Arizona, Texas, and Florida lodged complaints against the EEC's preferential tariffs under section 252 of the Trade Expansion Act of 1962. Again, in 1976, the citrus industry utilized section 301 of the recently enacted Trade Act of 1974 to file a complaint alleging that the EEC's discriminatory tariffs are inconsistent with the most-favored-nation [MFN] principle of the GATT and placed U.S. exporters at a competitive disadvantage in the EEC market.

Throughout the past decade, the EEC has rebuffed extensive U.S. efforts to resolve the matter through bilateral consultations with the EEC, rather than mounting a legal challenge against the EEC in the GATT. Our Government also tried without success to resolve the issue with the EEC during the Tokyo round of multilateral trade negotiations, which concluded in 1979. The EEC has continued to reject all efforts at a negotiated compromise even after the United States initiated consultations under the provisions of the GATT and agreed to the unusual step of allowing the Director-General of GATT to arbitrate the dispute.

After 6 years of frustrated discussions, the United States had no choice but to invoke the dispute settlement procedures of the GATT as the only remaining means of seeking redress for American citrus growers, and yet another investigatory panel was established in November 1982 to review the merits of our case. After 2 years of study, the GATT panel found unanimously that the EEC tariff preferences on fresh oranges and lemons from Mediterranean countries nullify and impair the MFN rights of the United States and recommended that the EEC reduce its MFN tariff rate on U.S. oranges and lemons no later than October 15, 1985.

Despite the favorable panel findings, the GATT has been unable to adopt the report because the EEC has effectively prevented a vote from occurring during three consecutive GATT Council meetings held earlier this year. Therefore, on May 1, our Government disappointedly, but, in my opinion, realistically, had to conclude that the GATT dispute settlement process was terminated, and pursuant to section 301, had to consider a subsequent course of action to redress the injury to U.S. citrus exporters.

On June 20, 1985, President Reagan announced that a reasonable and appropriate course of action in response to the unwillingness of the EEC to implement the unanimous finding of the GATT panel or to negotiate a mutually acceptable resolution of this issue is to withdraw an equivalent amount of concessions from imported EEC pasta products. While the effective date of the increase in duties on pasta products imported from the EEC has been delayed until July 6, in order to provide an additional opportunity for the EEC to resolve this 15-year-old dispute, the EEC has instead notified our Government that it intends to retaliate by increasing its duties on an equivalent amount of U.S. imports.

This totally unacceptable and unjustifiable response by our European trading partners was confirmed to me by the EEC's Vice President for Agriculture Frans Andriessen during a meeting in my office earlier this week. It is my understanding that this retaliatory act will be formally approved at an EEC Council of Ministers meeting in Brussels, today, and will target our lemon and walnut exports by increasing their duties to prohibitive levels.

While our lemon exports to the EEC are understandably small—less than $2 million last year—due to 16 years of discriminatory tariffs, they were once part of a $50 million citrus trade with the EEC. The lion's share of the injury resulting from the EEC's retaliation will be borne by American walnut growers, who sell more than 60 percent of their exports—valued in excess of $30 million annually—to European countries. In my opinion, however, the injury will not be limited to our walnut groves.

Mr. President, if this unilateral, retaliatory act of the EEC goes without response, then the ultimate losers will be every American farmer who is attempting to compete in worldwide markets, every U.S. business that depends upon a fair opportunity to deal across the globe, and, in the end, the U.S. Government's trade policy—struggling to reinvigorate itself in the face of a growing balance of trade deficit.

It should come as no surprise that the EEC has contributed to our trade deficit, in recent years. Five years ago, the United States enjoyed a $16 billion positive balance of trade: however, within just 4 years, we have experienced a dramatic reversal and ended last year with a $13 billion trade deficit. There is no question that the discriminatory tariffs and unfair subsidies identified in, but not eliminated by, the 301 complaints, which I have discussed, today, have very largely created our trade deficit with the EEC.

It is for these reasons, Mr. President, that today I introduce a bill to require the President to take all steps necessary and appropriate to end unfair EEC trade practices, including practices harmful to American citrus, pasta, wheat flour, poultry, canned fruits and raisins. I am pleased that the proposal has bipartisan support and is cosponsored by Senators DECONCINI, CRANSTON, and CHILES. It is my hope that it receive the prompt and favorable attention of the Senate.

Mr. President, let me reiterate that this is not retaliation solely against those who will harvest walnuts, nor an attempt to find a legitimate market for them as they are entitled to do. This is an act against all American farmers and all American traders. We dare not simply turn the other cheek. We have been patient to a fault. It is time the European Economic Community realize that there is an end to that patience. If they can understand in no other fashion, it may be that we will have to engage in steps that we do not wish to take. We must be prepared to do so. There is too much at stake.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S. 1370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Access to Foreign Markets."

SEC. 2. Findings.

(a) U.S. producers and processors of citrus, pasta, wheat flour, poultry, canned fruits and raisins have filed complaints pursuant to Section 301 of the Trade Act of 1974 alleging that the subsidies and discriminatory tariffs of the European Economic Community (EEC) are inconsistent with the principles and terms of the General Agreement on Tariffs and Trade (GATT) and have placed U.S. exporters at a competitive disadvantage.

(b) Throughout the past decade, the EEC has repeatedly rebuffed extensive U.S. efforts to resolve these matters through bilateral consultations and multilateral negotiations, as well as through consultations under the provisions of the GATT.

(c) After many years of frustrated discussions, the United States had no choice but to invoke the dispute settlement procedures of the GATT as the only remaining means of seeking redress for American producers and processors.

(d) Investigatory panels, established by the GATT to review separately each of the U.S. complaints, concluded that EEC subsidies and discriminatory tariffs had nullified and impaired rights of U.S. exporters and were in violation of the GATT and recommended that the EEC take necessary steps to rectify the matters.

(e) The EEC has effectively and repeatedly prevented adoption by the GATT of each of these reports; most recently, the favorable report involving the fifteen year old citrus complaint.

(f) On May 1, 1985, the U.S. concluded that the GATT dispute settlement process in the citrus complaint was terminated and, pursuant to Section 301 of the Trade Act of 1974, had to consider a subsequent course of action to redress the injury to U.S. citrus exporters.

(g) On June 20, 1985, the President announced that a reasonable and appropriate course of action in response to the unwillingness of the EEC to implement the unanimous finding of the GATT panel or to negotiate a mutually acceptable resolution of the citrus complaint is to withdraw an equiva-

lent amount of concessions from imported EEC pasta products.

(h) While the effective date of the increase in duties on pasta products imported from the EEC has been delayed until July 6, 1985, in order to provide an additional opportunity for the EEC to resolve the citrus dispute, the EEC has instead notified the United States that it intends to retaliate by increasing its duties on U.S. lemon and walnut imports.

SEC. 3. The President shall take all appropriate and feasible action within the power of the Presidency (including, but not limited to, the actions described in section 301 of the Trade Act of 1974 (19 U.S.C. 2411)) to—

(a) ensure prompt and satisfactory resolution of all Section 301 complaints regarding subsidies and discriminatory tariffs of the EEC which have been filed by U.S. exporters of citrus, pasta, wheat flour, poultry, canned fruits and raisins which are currently pending before the GATT;

(b) counter any retaliatory action of the EEC by withdrawing additional concessions; and

(c) rebalance the level of concessions in the U.S.-EEC trade.

RECOGNITION OF THE SENATOR FROM WASHINGTON

The PRESIDING OFFICER (Mr. BOSCHWITZ). Under the previous order, the Senator from Washington [Mr. EVANS] is recognized for not to exceed 15 minutes.

FUEL ECONOMY CREDITS TO THE U.S. AUTO INDUSTRY

Mr. EVANS. Mr. President, yesterday, the Environmental Protection Administration announced that it would grant credits for fuel economy to members of the U.S. automobile industry. These credits have the effect of reducing the standards which were established by Congress 10 years ago. The decision apparently was based on technical factors. It does take into account such things as changes in the power content of gasoline, the use of more fuel-efficient oils, and the effects of humidity on gas mileage.

I am not appearing here at this time to dispute this decision on technical grounds. But I am here to question whether the analysis was a complete one. I am here also to speak about fuel efficiency standards in a broader perspective. Preliminary review of the EPA decision indicates that the agency may have considered only those factors that warrant granting credits and did not include changes that might compensate for the credits. The only appropriate adjustment, the only one, is one which takes into account all changes in test procedure, some that may be of benefit to automobile manufacturers; some which may inure to their deficit. For example, one manufacturer appears to have taken advantage of a loophole in the testing requirements that probably warrants a compensating reduction in fuel economy performance, and we do need a comprehensive, unbiased, total review which I believe we must ensure is obtained.

I might refer to the December 21, 1983, EPA proposal, where they acknowledge that if EPA were to apply the alternative approach of adding all fuel efficiency impact, both positive and negative, attributable to changes in the 1975 procedures, no upward correction to some manufacturers' fuel efficiency would be warranted.

The decision, however, raises some larger questions. If we are really serious about energy conservation, as I am convinced we must be, we must be vigilant and ensure that conservation measures are adhered to. We set the goals, and we cannot then forever be subtracting from these goals.

Fuel efficiency standards are one of the few direct energy conservation measures we have. I think it is appropriate, because the transportation sector of our economy uses approximately two-thirds of our total liquid petroleum products.

We adopted the fuel efficiency standards for the Nation's benefit. We should not sit idly by while they are eviscerated for the benefit of an industry whose vested interest is to have no standards at all.

I serve notice that I expect on our return from this recess to attempt to take action, decisive action, on this measure. It is highly likely that between now and the time we return, the Secretary of Transportation will issue a proposed rule on fuel efficiency standards and their relaxation. I, along with Senator EAGLETON and others, have introduced Senate Resolution 178 to urge the Secretary to not lower the standards.

If, as I suspect, the Secretary does relax the standards, I will seek to have the full Senate express their judgment as soon after we return as possible. In fact, it may be necessary at that point to seek to modify the law itself to reduce administrative discretion to change the standards. The modification may also include, or might also include, imposition of new and more stringent standards to ensure that auto makers do adopt the new technology as it develops.

It is an important national issue, one which we cannot nor should not shirk from. With 150 million cars on the roads, it is clear that fuel efficiency standards for automobiles are of critical importance. We cannot afford, because of the long investment lead times in the automobile industry, Mr. President, to sit back and allow so-called market forces to dictate our energy future, for a new energy crisis could descend upon us tomorrow. We must be prepared for it and take steps necessary to ensure that a major industry such as our automobile industry is prepared for our very security.

Mr. President, I am pleased to yield the remainder of my time to my colleague, Senator EAGLETON, to speak on the same subject.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. EAGLETON. I thank my colleague from the State of Washington, and I salute him for his leadership on this important issue.

Mr. President, yesterday's action by the Environmental Protection Agency to grant fuel economy credits to auto makers is the first move in what could be a double whammy for energy conservation and small car production in this country.

The EPA decision comes only days before an expected ruling by the National Highway Traffic Safety Administration to roll back the statutory fuel standard for 1986 and later model cars from 27.5 to 26 miles per gallon.

If the EPA ruling is allowed to stand and NHTSA moves as expected to reduce the 1986 standard, General Motors and Ford will be relieved of accumulated fines of more than $600 million. Worse, the door will be open for total abandonment of domestic small car production. That is what is really at stake here. It is only the pressure of these fuel economy regulations which have kept U.S. auto makers in the game as it is.

I find it interesting that General Motors and Ford were joined in their NHTSA petition for a reduction in the fuel standard by the Automobile Importers of America, an association of 18 foreign car producers including all of the Japanese manufacturers. Very few of these foreign producers have any problems meeting the U.S. fuel economy standards. Why then are they adding their voice to the call for a lower fuel standard? I think the answer is clear. The producers of these fuel-efficient imports see in this petition the beginning of the end of America's effort to compete in the small car market.

There is no question that the market for larger, less fuel-efficient cars has been revived by the easing of gasoline supplies and prices. That's no surprise. We ought not be deluded by this short-term blip in our energy-consumption graph, however, the long-range picture remains as bleak as ever and the need for meaningful conservation policies remains as vital as ever for the future of this country.

The action by EPA sacrifices our energy future on the altar of short-term profits.

RECOGNITION OF SENATOR KERRY

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts [Mr. KERRY] is recognized for not to exceed 15 minutes.

THE TRADE DEFICIT

Mr. KERRY. Mr. President, I commend our distinguished colleague from Texas [Mr. BENTSEN] for the effort he has organized over the past weeks to focus the attention of the Senate, the Congress, and the country on one of the greatest threats to our national security. I am speaking about the current policies of this administration which have given us an uncontrollable trade deficit abroad, uncontrollable budget deficit at home, and which thereby jointly threatens the very competitiveness of American products overseas and, as a consequence, the very survival of American industries at home.

The trade deficit which stood at $28 billion in President Reagan's first year in office is now estimated to exceed $139 billion this year. What is so frightening about these statistics is the fact that this uncontrollable trade deficit has resulted in a virtual export of our own recovery. For example, in the third quarter of 1984, 80 percent of the increase in domestic demand for products was spent abroad on imports. And since January of this year alone, more than 132,000 manufacturing jobs have been lost to foreign competition, bringing the aggregate total of jobs lost in this sector during the Reagan administration to 450,000.

Mr. President, I think all of us know that there are many reasons why this trade deficit and this current predicament exist. But prinicipal among the reasons that we have been rendered, all of us, a nation of debtors at home and abroad, are the following:

First, the administration's domestic fiscal policies have produced deficits which have forced the dollar far out of line with other hard currencies around the world, resulting in a tax on American products being exported and a subsidy on American products entering into this country.

We are now telling the businesses of the United States that before they even get to the issue of competitive quality of goods, with their goods measured against those of another nation, they have to suffer the differences of tax laws between countries, of the value-added tax, coupled with perhaps as much as a 30-percent overvaluation of the American dollar.

Second, this administration has demonstrated a total and, I think, perhaps an almost incomprehensible lack of interest in formulating and implementing a coherent trade policy. This has placed American businesses at an added competitive disadvantage to other industrialized nations, in particular, those which have placed their highest priority on export promotion.

Third, the failure of this administration to enforce existing trade laws has given foreign competitors a free ride on nontariff barriers against U.S. products while subsidizing their exports into our markets.

And what have been the results of these policies? Or more appropriately, what have been the results of this nonpolicy on trade? Many industries in almost every State in the United States are struggling to survive and to continue to compete. But even—and this is of particular concern to the Commonwealth of Massachusetts—even in the high tech frontier carved out by American private ingenuity, and hailed as the future for U.S. private enterprise, is now threatened. As our distinguished colleague from California [Mr. CRANSTON] has pointed out, America's lead in the technology-based industries, which at one time seemed virtually assured, is now in danger of slipping away, and if not in danger of slipping away in certain sectors, at the very least, in all sectors, faces unnecessarily challenges in a marketplace that is already filled with too many challenges.

The foreign competitors that our companies must face are backed by aggressive, strategically targeted government policies designed to win market shares at seemingly any cost. At the same time our companies face this increasingly hostile environment of neomercantilism, U.S. companies are placed at an additional enormous disadvantage by a dollar which has increased in value by over 60 percent since the President took office.

The net result is that jobs are being lost and, more importantly—and I am convinced that this is so—America stands to lose its competitive edge in an important sector of our modern economy which is vital to our national security.

It is a simple fact that high technology companies must compete globally in order to survive. Success in the American marketplace simply is not enough. Many companies, in fact, depend on foreign markets for 40 percent or more of their total sales. These foreign sales are instrumental to providing the extra margin of profitability technology-based companies require to plow that profit back into the research and development required to maintain their leading edge in a competitive world. Other governments around the world recognize this fact, and over the last decade, they have been pursuing policies designed to win world markets, while at the same time, excluding American products from their own markets. The administration, I am sorry to say, and the Congress, have not only failed to act aggressively on behalf of American companies in eliminating nontariff and other barriers to our high-tech products, but it has also refused to recognize that the problem exists at all.

The evidence of our economic slowdown has been alarmingly apparent in the high technology sector. Just this month, for example, Wang Laboratories and Data General—two of the proudest success stories of which Massachusetts can boast—were forced, for the first time in their history, to lay off a total of 2,900 employees. Throughout my State, the story is the same: Polaroid in Cambridge—400 employees; GenRad in Concord—400 as well; Computervision in Bedford—950. Lexidata, Honeywell, and GCA—al with layoffs. From Applicon to Ztel, more than 6,000 have been laid off since January at last count. And by all accounts, it will only grow worse. We are long past the time when we can ignore the danger signals that are apparent to all of us.

The Senator from California [Mr. CRANSTON] has already discussed the unfair trade practices petition filed last Friday by the Semiconductor Industry Association. The documents assembled by the SIA demonstrate how Japan has treated American companies unfairly, and has controlled its markets through cartel-like arrangements that relegate U.S. manufacturers to a position of residual suppliers and product innovators. The U.S. share of the Japanese semiconductor market has remained at about 11 percent since 1973 despite a "liberalization" of Japanese barriers in 1975 and increasing American investment in plants and sales efforts. In other neutral countries, where Japan and the United States compete on an equal footing, our companies have a 53 percent share compared to Japan's 17 percent.

One Massachusetts company which sells leading edge semiconductor manufacturing equipment has told me that just a few years ago, they held 85 percent of the Japanese market. Now, after several years of what they believe is an explicit Japanese Government effort to subsidize their competitors, their share has slipped precipitately to just over 50 percent, and it is slipping still. It is no coincidence that this same company recently was forced to lay off 7 percent of its Massachusetts work force.

According to the SIA, Japanese trade restrictions have cost the American semiconductor industry $3.3 billion in lost sales and 27,000 jobs last year alone.

Other strategic industries are affected as well. The fiberoptics industry, for example, which is well represented in Massachusetts, with more than 10 leading edge companies located within the State. Our companies have state-of-the-art technology, but what they do not have is a Federal Government that is willing to recognize the importance of U.S. competitiveness in telecommunications, and go toe to toe with the Japaneses by insisting on a fair, competitive framework for trade and investment.

According to Business Week, Japan's production capacity for fiberoptics and related technologies is expected to increase tenfold by 1990, providing enough capacity to meet not only their own demand in Japan, but the entire demand of the U.S. market as well. One method the Japanese have used to promote that goal has been to use the national telecommunications monopoly to indirectly subsidize fiberoptics with a protected market.

Our own companies cannot possibly compete against such tactics without a government that will use existing trade laws to enforce fairness. And what is most disappointing is that the framework exists for this administration to attack the problem, if it would choose to do so. In the last decade, 48 petitions have been filed under section 301 of the Trade Act, requesting the administration to take action against the unfair trade practices or our trading partners. In the entire decade only one such petition has been granted.

The failure of this administration to provide leadership in responding to the practices of other countries is only half the story, however. On the other side of the coin is the rigid system of export controls that the administration has imposed on U.S. companies trying to sell abroad. We can all agree that there is a national interest at stake when it comes to the exporting technologies that can be used against our country by our enemies abroad. I think every Senator is joined in their opinion that that is something we should protect against. But there are serious questions raised by high-tech manufacturers in Massachusetts, and across this country, about the methods which are currently being implemented by this administration to control our high technology exports.

For several years, companies in Massachusetts have noted that the process for controlling technology exports is flawed. It is slow, it is cumbersome, and it casts far too wide a net. Many companies report that products of little strategic or military importance are routinely delayed for weeks, or even months. Sales of products commonly available throughout the world are held up as well. In a business as time sensitive as high technology, where the state-of-the-art changes rapidly, these kinds of delays do not just spell lost sales. They spell lost opportunities and lost jobs.

According to a soon to be published study conducted by the Georgetown Center for Strategic Studies, the end result of the current overkill in export control is not only lost sales, but a decline in American high-technology's capacity to innovate. Lost foreign sales means less profits going into research and development, relative to our competitors. According to the Georgetown study, during the past several years our lead in technology over the Soviet Union has actually diminished. While it is impossible to state precisely the impact of such measures on our exports of high technology, it is agreed almost unanimously among the high-technology community that that impact is substantial and it is a handicap.

Unfair trade practices by our competitors and needlessly restrictive export controls by our own Government are only a part of our total trade problems—and my colleagues have in recent weeks been talking about the other parts of the problem—but they are particularly important to the high technology sector that is so strategically important as an engine of tomorrow growth. If we lose the lead in high-tech, it will trickle down to almost every other sector of our economy. Its significance lies in the fact that so many of our hopes are tied to the potential of these industries to lead us to the future to create the markets we so desperately need.

Mr. President, a market lost today because of this administration's policies, will be a market lost forever unless we begin to take forceful action to remedy this challenge to one of the major bright lights in our industrial base—high-technology companies. It is almost as if the only current economic plan we have is to turn the economy of the United States into a truly service-oriented economy. We are being denied the right to compete globally by a lack of sensitivity to the serious problems facing us.

In conclusion, Mr. President, I would only point out that the national security of this country—and I think this comment should almost be obvious but it appears that it is necessry to make it—is not simply defined in terms of our missiles, in terms of our readiness, in terms of our planes and our guns. The real national security of this Nation lies in the strength of our people, of our people at work, in prosperous communities, in sound mental and physical health. That is where our true national security lies. And yet our current fiscal and trade policies, unless reversed, could pose perhaps a far more serious threat, or at least as equal a threat to the ability of this country to continue along the prosperous track that we have been enjoying.

I think, Mr. President, that the future is really tied to the question of where we go in trade policy. The United States of America had the luxury for years of having resources that were unparalleled and unmatched by other countries, of having technological and innovative skills that were unmatched by other countries. As a result of our early success in the industrial revolution, we were able to create a growth level and a level of standard of living in this country which has been unparalleled in human history. But the hard reality is that our ability as a country and as businesses to be able to make a decision and believe that decision can be wrong and still go forward and succeed is more diminished today than at any time in American history. That is simply not the way the world market works today. Other countries are as competitive, other countries' populations are as educated, other countries' politicians are as desirous of providing for their people as we are for ours, and the competition for those markets will increase. We cannot continue to pretend that we are addressing the needs of the American people adequately or at all if we allow those countries to subsidize their corporations, to target our markets, to literally steal out from under us our jobs and pretend that somehow the laissez faire attitudes of an earlier period in our Nation's history are adequate to provide us with future growth and strength.

Mr. President, our future is in a linked approach of education, of high technology incentives, of venture capital efforts, of capital formation tools, but most importantly tied to our ability to move into the markets of other countries. I hope that we will have the energy and the courage to take up those steps necessary to protect this industry and literally to create the future.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, it is my hope that we can very quickly move to the conference report on S. 883, the Export Administration Act. The distinguished Senator from Wisconsin is ready, and I understand Senator HEINZ is on his way, so we hope to dispose of that. I understand that the bill will not require a rollcall vote because we have indicated to Members there would be no rollcall votes today.

I understand that H.R. 1699, the Energy Policy Conservation Act, has been cleared. That is the House bill. We have already passed a similar Senate bill.

There are Executive Calendar nominations, and it is my hope that we can dispose of most of those. If a Senator has a problem with a particular nominee, I would certainly respect that; but if it is just a blanket hold on all nominations because of some problem, I hope we will not punish all the nominees, many of whom make some sacri-

fice in serving. We hope to dispose of a number of those nominations this afternoon. I am advised that some might require rollcall votes. In that case, they will be postponed until sometime during the second week of July.

We had a briefing scheduled at 2:15 on the so-called hijacking crisis. Mr. McFarlane was to brief Senators in room S. 407. That briefing has been postponed. It is not possible for Mr. McFarlane to be here at 2 o'clock or even later today. It was our specific request that it be Mr. McFarlane, because he is certainly right in the midst of the situation, and likely to be very well informed.

I hope my colleagues will understand that things are happening. I am not certain what. I am not in a position to indicate, even if I knew. I hope they will understand that Mr. McFarlane is a key player, and right now his primary concern must be whatever may be going on at the White House with reference to the American hostages. I regret that the briefing cannot be held, but I know of no alternative. If enough Senators are around tomorrow morning, they might check, and there might be a possibility of having that briefing tomorrow.

We will also take action today, before we recess, on the so-called wheat referendum bill. It is a House bill on the calendar. We hope to amend that and send it back to the House. We understand that they will accept the Senate amendment. We are in the process of clearing that with Senator HELMS and Senator ZORINSKY, the chairman and ranking minority member, respectively of the Ag Committee.

It is necessary that we act on that matter today. We do not want to spend a million dollars on a wheat referendum that is not necessary and would not serve any purpose. So I hope we take action on that matter today.

Mr. HEINZ. Mr. President, I just want to announce, for those who are listening, that in a few minutes, as soon as it has been thoroughly cleared on both sides, we will be calling up the conference report to accompany S. 883, the Export Administration Act amendments. We will not call it up until all lines have been run.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for routine morning business.

SENATE CONCURRENT RESOLUTION 54—PROVIDING FOR A CONDITIONAL ADJOURNMENT OF CONGRESS FROM JUNE 27 OR 28, 1985, TO JULY 8, 1985

Mr. HEINZ. Mr. President, I send to the desk a concurrent resolution, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 54) providing for a conditional adjournment of the Congress on June 27 or 28, 1985, to July 8, 1985.

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader in accordance with this resolution, and that when the House adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12 o'clock noon on Monday, July 8, 1985, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify all Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

EXPORT ADMINISTRATION ACT EXTENSION—CONFERENCE REPORT

Mr. HEINZ. Mr. President, I have checked with both the majority leader and the minority leader on this. I submit a report of the committee of conference S. 883 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 883) to extend the Export Administration Act of 1979, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House preceedings of the RECORD of today, June 27, 1985.)

Mr. HEINZ. Mr. President, I am pleased to tell my colleagues—and I am joined in this by Senator PROXMIRE and Senator GARN—that at long last we are able to present to the Senate the conference report on the Export Administration Act renewal. As Senators know, it has been a long and hard-fought struggle to move this bill through the legislative process. Last year's conference ultimately failed after numerous meetings of the principals and an even larger number of staff negotiating sessions. After that failure, the efforts of Senator GARN and myself to find another formulation that might prove acceptable to the House also were unsuccessful.

Today, however, I am able to report success. The conference substitute which we are considering is similar in most respects to the unfinished product of last year's conference. The major differences, as well as the managers' interpretations of the more significant portions of the bill, are discussed in detail in the statement of managers, and I will not attempt to discuss the narly 100 amendments to current law at any length. Senators with a particular interest should refer to the statement of managers.

In that regard, however, I do want to say a word about that statement. As Senators know, a number of provisions of this bill have proved to be quite controversial and, unfortunately, subject to varying interpretation by various interested parties, some in the Congress and some not. Although it is occasionally unavoidable, and sometimes unintentional, as a matter of general practice I believe Congress should seek to make the law as specific as possible so that it is broadly understood the same way by all the interested parties. The statement of managers, filed as part of the conference report, is an effort to achieve that objective. With respect to the items covered in the statement, including comments on the relationship between the Commerce and Defense Departments in the licensing process—the so-called 10(g) issue—the relationship between the Commerce Department and the Customs Service in enforcing the act, and the authority of the President to impose foreign policy export controls retroactively—the contract sanctity issue—the conferees agreed on the interpretations presented in the spirit of compromise, notwithstanding their earlier opposing positions.

It may well be, Mr. President, that the conferees and other concerned parties continue to have differing preferences as to how various provisions of this act ought to be read. Without question, for example, Representative BERMAN of California and I have different views on the merits of the contract sanctity provision of this conference report and differing views on how certain nuances of the language should be interpreted. I want to stress, however, that the statement of managers reflects those issues on which we have been able to agree and in that respect functions as appropriate legislative history for these amendments to the act. For a more detailed discussion

of the issues involved, however, I would refer Senators to last year's debate on the act, particularly the statements made by the managers of the bill in the House and Senate, which appeared in the CONGRESSIONAL RECORD of October 10, 1984, beginning on page S14077, and October 11, 1984, beginning on page H12150, during the discussion on H.R. 4230 and amendments thereto, which served as the final vehicle in last year's attempts to enact this legislation.

Before concluding today, however, I would like to make a brief remark or two about several of the more controversial provisions in this legislation.

REVIEW OF LICENSES BY DEPARTMENTS

First, with respect to the Defense Department-Commerce Department issue, Senators will note that the legislation does not contain the amendment to section 10(g) passed by the Senate in its original bill, S. 979, last year. Senator GARN in his remarks today addresses that issue in greater detail. I would simply say that the Senate was willing to drop its insistence on the amendment since the President effectively preempted the question with his decision of last January defining those areas where the Defense Department is to have authority to review license applications. Since the President adequately addressed the matter, there was no need for the Congress to do so as well. The statement of managers, however, does make clear that the President had the legal authority to take the action he took last January, unpopular though it may have been in some quarters. Having established the legal issue, I believe it would be most useful at this point for all parties to get on with the business of making the licensing system work. Overall, this legislation significantly reduces the total licensing burden and provides procedures that will accelerate the application process in those cases where licenses are required. I hope that the business community will now turn its attention to making the new system work as efficiently and effectively as possible for all parties.

CONTRACT SANCTITY

With respect to the contract sanctity provisions of the legislation—the amendments to section 6 of the act—I would point out that the retroactive application of foreign policy export controls brands American companies as unreliable suppliers in the eyes of our trading partners. As a result, foreign purchasers have sought out alternative foreign suppliers. In my judgment—and I am the author of both the original Senate provision and the compromise embodied in the conference substitute—the contract sanctity provision set out in section 108 of the conference substitute will restore the reputation of U.S. exporting companies as reliable suppliers by prohibiting the retroactive application of foreign policy controls except in the most extreme circumstances.

The statement of managers discusses those extreme circumstances in greater detail and, in particular, explains the direct link that must be demonstrated between the event that the President has determined to be a breach of the peace and the direct threat to our national security interest, as well as the direct link between the retroactive imposition of controls and the remedying of the situation that has resulted from the breach of the peace that is a direct threat. I would reiterate at this point, Mr. President, that the conferees intend that the certification requirements of this provision be strictly adhered to. The various events, threats and actions that will be remedies and the relationships among them must be spelled out in detail, and the various applicable consultation provisions of the act must be strictly honored as well.

ENFORCEMENT

With respect to the enforcement provisions of the bill, it was the intent of the conferees to draw as bright a line as possible in delineating the functions of the Commerce Department and the Customs Service. Given the fact that the two agencies must inevitably work together in numerous enforcement areas, precise delineation of that line was in some cases difficult. Nevertheless, I believe some divisions can be clearly derived from the statement of managers. The Customs Service is without question the lead enforcement agency overseas, and the Commerce Department's responsibilities are strictly limited there. The same is true at ports of entry and exit. Elsewhere it is our intent that both agencies be in a position to investigate alleged violations, and both are required to provide access to information necessary to their enforcement efforts. This should include access to information concerning ongoing investigations, licenses issued and denied, and methods of operation used to circumvent or otherwise violate export control law and regulations. Pending applications which contain information necessary to effective enforcement should also be made available as needed. I hope that through this kind of cooperative sharing of information we can build a better working relationship between the two enforcing agencies and thus achieve more effective enforcement of the act.

There are many other provisions of the bill that deserve comment, Mr. President, but in the interest of time, I will not go into further detail, unless Senators have questions. At this point I simply hope the Senate will act expeditiously to adopt the conference report.

Mr. GARN. Mr. President, I am happy to announce that at long last, and after a conference spanning two separate Congresses, House and Senate conferees have come to agreement on legislation to amend and renew the Export Administration Act of 1979. This legislation represents the most comprehensive and detailed revision of our export control laws since they were first enacted over 30 years ago.

The provisions of this legislation will improve our security, our foreign policy, and our commerce. Export control is an art, not a science, and we are continually learning how to do it better. The provisions of this bill in many respects reflect our experience with export controls since they were last reviewed comprehensively, in 1979.

Greater emphasis is given to export controls in terms of how the Government is organized to combat the transfer of sensitive goods and technology to our adversaries. For example, increased funds are authorized for the administration and enforcement of export controls, and a new Under Secretary of Commerce for Export Administration would be established.

The lines of authority for enforcement of export controls are clearly established. As it is said that a good fence makes good neighbors, this should result in improved cooperation among our law enforcement agencies. These agencies at the same time would be required to share information with one another in the fullest manner and broadest sense.

The authority in the law for the Secretary of Defense to review applications for licenses for exports required under national security controls, which the President recently relied upon in directing the Defense Department to review certain West-West license applications, would be preserved. The legislation makes no change to this provision in current law, as none was considered necessary in light of the President's recent directive.

The President is to be commended for his directive, bringing to an end a dispute that had hampered effective implementation of our national security export controls. As legislators, our primary task is to legislate, but I am just as happy when action by the President makes legislation unnecessary. I would urge the President to continue to emphasize Defense involvement in reviewing export license applications required for national security purposes, and I would hope that the President's decision that this involvement also include review of distribution licenses be implemented in the very near future. This would ensure that no further legislation in this regard would be needed or sought.

An important new weapon in our national security arsenal is added by this legislation. The President would be authorized to deny the U.S. market, the most lucrative in the world, to persons or companies who violate our national security export controls. In effect, we will be telling such persons, "Choose your market, the American or the Soviet." When you think what a ruble will buy you these days, I do not think that the choice will be a hard one. Without this provision, Mr. President, we have the ridiculous situation where companies are profiting from the enormous American market while at the same time undermining our security by selling sensitive goods and technology to our adversaries. This provision, as much as any other in the bill, if applied effectively, can greatly improve compliance with our export controls.

The Export Administration Act is also amended by this legislation to authorize controls on transfers of sensitive items to embassies and affiliates of controlled countries. This would also cover transfers to any companies or other organizations and entities owned or controlled by these governments. This will effectively plug what has been a major loophole in our export controls.

Mr. President, there are several additional provisions that will improve the effectiveness of our export controls, particularly those designed to improve our national security. For example, several provisions strengthen the multilateral export control organization, known as CoCom. A National Security Control Office would be established within the Department of Defense, which should serve to improve the organization of Defense's export control responsibilities. This office would be under the responsibility of the Under Secretary for Policy, who draws upon information from the Under Secretary for Research and Engineering in establishing Defense export control policies. This arrangement is vital if Defense's role is to be anything more than to provide technical input. As long as export controls are assigned to the Commerce Department for overall administration a broad and direct policy role for the Defense Department will be necessary to counter balance that natural pro-trade bias inherent at the Commerce Department.

I would have preferred to establish a new Federal agency to administer our export controls, which would have been a far more efficient means of bringing balance to export administration. The provisions of the legislation, however, may serve to bring the balance into export controls that has been lacking up to now. If that does not prove to be the case in the future, I think the case for establishment of a separate Federal agency will have been unquestionably made.

The legislation toughens the criminal sanctions available, adding a criminal forfeiture provision, modeled on that contained in the RICO statute. The legislation would also make it clear that possession of goods or technology with the intent to violate the act and conspiracy to violate the act are also punishable crimes.

Mr. President, recently new regulations were issued governing distribution licenses and regarding questions of foreign availability. With regard to the latter, the new regulations come closer to the provisions of this bill than was previously the case, but they are not in full conformance with the provisions of this bill. For example, the standards for evaluation of foreign availability are different from those required under the amendments made by this legislation. These regulations will have to be brought into conformity once this legislation is made law.

With regard to the distribution license regulations, I have explained in an earlier statement where I believe these new regulations and procedures are flawed. I would hope that these will also be revised. I noted earlier that these regulations were available to the Department of Defense at the same time that they were made available to the Soviet embassy. I strongly support and emphasize the provision in this legislation added by an amendment offered by the distinguished minority leader [Mr. BYRD] that would require that new regulations must be submitted to the Departments of Defense and State prior to their issuance. I do not believe that the law would hereafter allow new regulations to become effective unless this step has been followed. I am also sure that the minority leader would probably agree with me that the provision will have to be strengthened if such submission to Defense and State becomes merely pro forma.

Mr. President, several of the provisions of the legislation are discussed in the conference report, and I and others have discussed several here. For a complete understanding of the provisions, however, and by way of legislative history, I would draw the attention of my colleagues to statements made last Congress during Senate consideration of H.R. 9230 on October 10, 1984, as well as the consideration of S. 979 during the 98th Congress.

Mr. President, there are many Members of this body who deserve special recognition and our thanks for their contributions to this legislation. These amendments include provisions from bills introduced by Senators HEINZ, NUNN, COHEN, PROXMIRE, HELMS and legislation submitted by the administration. Several others, including Senators MATTINGLY and GORTON, contributed by offering amendments that improved the legislation.

I would like to give special appreciation to Senators HEINZ and PROXMIRE, whose work has been essential to the progress of this legislation. Senator PROXMIRE was continually cooperative in a completely bipartisan spirit. Senator HEINZ, I am happy to say, was the member of the committee who did the lion's share of the work, and the improvements that this legislation represent are a tribute themselves to the outstanding quality of that work. We all owe him our gratitude. I might point out that Senator HEINZ and Senator PROXMIRE were the only Senate conferees who attended every conference session, both in this Congress and last Congress, and considering what a long process that was, that feat can only be described as Herculean.

Lastly, Mr. President, I would like to express my thanks to the staff, who over the course of three Congresses and over 4 years have worked on this legislation. For every hour put into this effort by the Members, many hours, if not days, of staff effort were involved. I would wish to name specifically for appreciation Dr. Paul Freedenberg, Wayne Abernathy, and Scott Johnson of the majority staff of the Senate Banking Committee; Patrick Mulloy of the minority staff of the Banking Committee; and William Reinsch of Senator HEINZ' personal staff. They represented the finest in professionalism, resourcefulness, and persistence.

Mr. HEINZ. Mr. President, before I yield to my distinguished colleague from Wisconsin, the ranking minority member of the committee, Senator PROXMIRE, I just want to say a personal word of thanks to the many people here in the Senate who were of great assistance to us in bringing this to a conclusion.

Because he is here and because he has been so helpful in so many ways I particularly pay my respects and give my commendations to the senior Senator from Wisconsin, who has been with me sitting, standing, running, and jogging, both intellectually and physically, through what to him, as well as to me, must have seemed like innumerable interminable meetings of the conference last year and the one long meeting we had this year.

The work of the conference could not have been as successfully completed without the enormously active and thoughtful participation of the Senator from Wisconsin. And I say to my colleagues that we are all very deeply in his debt, and I thank him for his most thorough cooperation.

I also commend and thank the chairman of the committee, Senator GARN, with whom I early on worked very closely in the development of the original Senate bill which was approved by our committee more than 2 years ago. That legislation reflected a

great deal of thought, give-and-take compromise, and was, in my judgment, an excellent bill, a good work product for the Senate, which the Senate, in turn, on the whole sent to conference almost intact where the Export Administration Act amendments were concerned.

Senator GARN has been totally supportive of the work we have been able to accomplish with the House of Representatives. Time and again he proved his ability to help us in the difficult negotiations that we had to undertake with the House of Representatives. I think it is fair to say that without his support, his good judgment, being constantly present or available, we would equally have been unable to present to the Senate a conference report on S. 883 that I think reflects the wishes of this body faithfully and in their fullness.

So, Mr. President, I am very pleased that we have gotten to this point. This is, in a sense, not an unfitting sendoff for our Independence Day recess. It means that Senator GARN, Senator PROXMIRE, and I at least will be independent of the conference committee on the Export Administration Act for a few more years.

On that, Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, first I commend my good friend, the Senator from Pennsylvania, who is the acting chair of the conference on the Senate side and he chaired the conference, as a matter of fact, during many, many of our meetings and he did a really marvelous job.

I have always felt that Senator HEINZ was probably the best-looking Member of the Senate, but he is not only the best looking, he is also extraordinarily diligent and smart, and that is a combination that is hard to beat, whether it is Hollywood or whether it is a conference.

He did a fine job in that conference and I have served with him in many conferences over the period of the last 28 years and I do not think anyone has done a more persistent job, a more effective job, smarter and wiser job than my good friend from Pennsylvania.

Mr. President, I support S. 883, a bill we have brought back from a conference with the House, which will renew, amend and extend the Export Administration Act [EAA] through September 30, 1989. That is the law which permits the President to control exports for national security, foreign policy and short supply purposes.

Late in 1983 the House passed a bill amending and extending the Export Administration Act and in March 1984 we in the Senate did the same. However, the amendments passed by the two Houses were quite different and we spent 7 months in a very long and arduous conference in an attempt to reconcile the two bills. By October 1984 we fashioned a compromise proposal that tightened national security controls, strenthened enforcement of such controls, reduced red tape and speeded up the licensing of exports, and adopted procedures restoring a real role for Congress in reviewing nuclear agreements for cooperation. Unfortunately some last minute agreements over provisions adopted in conference regarding South Africa prevented the enactment of those amendments to the EAA last October.

You may ask how we have been controlling exports in the absence of the EAA? Well in March 1984, during the process in which Congress was attempting to amend that law, it was allowed to expire. Since that time the United States has been operating its Export Control Program under a Presidential declaration of national economic emergency which, when invoked, permits the President to keep our export controls in effect under the authority of the International Emergency Economic Powers Act [IEEPA]. This is not a good situation because under that act export licensing decisions, including those involving national security controls, are subject to review by the courts. More than 100,000 export licenses are issued each year. If enough court challenges to licensing decisions were brought, it would make it difficult, if not impossible, to administer our export control program effectively. So it was very clear to all conferees at the conclusion of our unsuccessful effort in October 1984, that we should seek quick passage in 1985 of the amendments to the Export Administration we nearly enacted in that month.

This year Congressmen BONKER and ROTH of the House Foreign Affairs Committee took the lead in a truly bipartisan effort to achieve quick passage of last year's conference bill. They simply dropped the provisions dealing with South Africa, as agreement was reached to pursue legislation dealing with that issue as a separate matter. By April 1985 the Bonker-Roth bill was reported out by the full Foreign Affairs Committee on the House side and was ready for floor action there.

On April 3, 1985, we in the Senate passed S. 883, a simple extension of the Export Administration Act of 1979. As I explained on the floor at that time, this was part of a fast track procedure to have enacted the EAA amendments agreed to in conference in October 1984. It was planned that the House would amend the Senate bill by striking the extension and adding in its place the House bill to renew and amend the Export Administration Act that was a product of last year's conference. On April 16 the House did that. Unfortunately the House also added a few provisions that were not agreed to in least year's conference so on May 3 the Senate requested a new conference. We have now concluded that conference and thus S. 883, the bill before you that amends and extends the Export Administration Act, is the product of over 2 years of labor.

This bill is not everything I would have wanted. Everyone involved in putting it together in both Houses has had to make real compromises. It is, however, an improvement over current law and in particular over the current situation wherein, as noted above, the President is operating our Export Control Program under emergency legislation. Therefore, I urge its enactment.

There are a few items in this bill that I particularly want to bring to your attention. The first is the improvement this bill makes in our national security export controls. As you know the United States and its allies have traditionally relied on the technological superiority of our weapons to preserve a credible counterforce to the quantitative superiority of the Warsaw Pact. But over the past two decades the Soviet Union has mounted a massive, well managed, and vigorously pursued technology acquisition program to acquire militarily related Western technology, a kind of beg, borrow or steal program to overcome the U.S. scientific advantage. During our consideration of the EAA we learned that these Soviet efforts have provided them with significant savings of time and money in their military R&D program and have enabled them to close the gap between our weapons systems and their own. This in turn has forced us to spend more and more on our defense programs. In 1980 the United States spent $13.8 billion on defense R&D. In 1984 that figure almost doubled to $27 billion and is projected to reach $51 billion in 1989.

As a longtime member of the Appropriations Committee, who is absolutely convinced that our spiraling budget deficits also threaten our national security, I am appalled at the advantage the Soviets accrue by acquiring our expensively developed technology on-the-cheap. They benefit from our expenditures. Our taxpayers subsidize the modernization of the Soviet military machine. So one of my priorities during consideration of the Export Administration Act was to strengthen our ability to counter Soviet efforts to acquire our technologies without interfering with legitimate exports.

I think we have done that. Section 10(g) of the Export Administration Act of 1979 authorized the Department of Defense to review export license applications to countries to which exports are controlled for national security purposes. Unfortunately the Commerce Department interpreted that provision as authorizing

the Defense Department only to review East-West license applications. This prevented DOD from alerting Commerce about high-tech exports to non-Communist countries that might be diverted to the Warsaw Pact. DOD is our chief national security agency and it knows which items are on the Soviet shopping lists. So in last year's Senate bill we adopted an amendment to section 10(g) to clarify the law and reemphasize that the Defense Department does have a legitimate role in reviewing West-West export license applications. This amendment is not in the legistation before us today because it is no longer necessary. The President resolved the interagency dispute and set up procedures for the Defense Department to review certain types of exports to certain Western countries from which diversions to the Soviets are taking place. Managers of this bill from both Houses took note of the President's decision in the joint statement of managers and agreed "the need for the (Senate) amendment was removed by the decision of the President" on this issue. So the original Senate bill played a key role in getting this issue resolved and hopefully will ensure that the Soviets find it much more difficult to obtain the high-tech items on their shopping lists.

This bill also contains provisions that strengthen our ability to work for better multilateral export controls as well. We want to avoid situations where we prevent our manufacturers from selling items to the Soviets, and then find out they are obtaining them elsewhere and this bill arms the President with authority to help prevent that from happening. Among other things it permits him to block imports from foreign companies that sell to the Soviets in violation of agreed multilateral export controls.

As I noted above, this bill attempts to emphasize strict controls on truly critical items whose export needs to be restricted, and lessens controls on other items. It also seeks to ensure that the administration and enforcement of export controls will be handled more effectively. It transfers the primary responsibility for enforcing the act's provisions both overseas and at U.S. ports of entry and exit to the Customs Service. In order to avoid conflicts of authority between Commerce and Customs overseas enforcement, the bill delineates their respective responsibilities very clearly. The statement of managers notes that the "Commerce Department's overseas enforcement role is limited to * * * alleged boycott violation investigations, pursuant to section 8 of the act, investigations of firms prior to the issuance of a license which the firm has applied for, as for which the firm is indicated to be the overseas consignee, and post-shipment verifications."

Overseas investigations of allegations of export violations under this bill are the sole responsibility of the Customs Service. We do this to strengthen enforcement as that agency is one of our traditional law enforcement agencies and has substantial resources and extensive enforcement experience. It has no conflict of interest between promoting exports and tightening export controls. This bill also makes the enforcement of our export control laws at "ports of entry and exit" the sole province of the Customs Service unless that Service agrees to a Commerce role for specific operations. Hopefully, this clearer delineation of enforcement responsibilities will prevent our enforcement officials from tripping over and even thwarting one another. In areas where they do share enforcement responsibilities, this bill makes clear they must cooperate and share information.

Another provision of this bill that should strengthen our export controls is the creation of a new Under Secretary of Export Administration within the Commerce Department. While this won't cure completely the inherent conflict between Commerce's export promotion and control activities, it ensures that the latter activities will have a higher priority and visibility.

One area of this bill in which I had to settle for less than I wanted deals with restoring adequate congressional authority over agreements negotiated by the President to export nuclear technology. One reason for the refusal by conferees to act was an explicit threat by the administration to veto any bill with the so-called Proxmire nuclear amendment in it.

What was my original amendment and why was it necessary? Well, section 123d of the Nuclear Non-Proliferation Act provided that the President must submit proposed agreements for cooperation to the Congress and such agreements would not become effective if, during a 60-day period, Congress adopted a concurrent resolution stating Congress did not favor the agreement. That approval authority was knocked out by the Supreme Court's June 1983 Chadha decision. In March 1984, I offered an amendment that tried to cure the Chadha problem by requiring that both Houses approve nuclear cooperation agreements before they became effective. It passed the Senate by a vote of 74–16.

Unfortunately, after heavy lobbying by Westinghouse, calls to conferees by the Secretary of State, and a threat by the administration to veto any bill that had my amendment on it, the Export Administration Act conferees in 1984 chose to cure the Chadha problem by amending section 123d of the Nuclear Non-Proliferation Act [NNPA] to provide that if the President waived any of the nine criteria for nuclear agreements set forth in section 123a of the act, he needed to obtain a joint resolution of approval from Congress before the agreement could become effective. If the President did not waive any criteria of section 123a the agreement could go into effect after the congressional review period unless Congress adopted a joint resolution of disapproval. Expedited procedures are included for either congressional course of action.

One obvious defect of the conference solution was that an agreement was deemed within the nine criteria of section 123a of the NNPA unless the President stated he was exempting an agreement from one or more criteria. I felt Congress had to have a role in making that decision, so I labored to improve the provision adopted by conferees before it went to the floor in October 1984. I was successful in doing so and those additional amendments are present in the bill now before you, and are explained at length in the statement of managers. Let me just highlight a few of the improvements made to the provision originally approved by conferees in October 1984.

First, section 123a of the Atomic Energy Act is amended to require the administration analyze in writing why any proposed agreement is or is not consistent with each of the nine nonproliferation criteria.

Second, before the beginning of the formal 60-day congressional review period set forth in section 123d, the President must submit the proposed agreement along with the section 123a analysis to the Committees on Foreign Affairs and Foreign Relations of the House and Senate respectively, and to then stand ready to consult with each of those committees for 30 days. This provision is intended to ensure that those committees can advise the President whether they agree with the administration analysis as to whether an agreement really is consistent with all nine nonproliferation criteria. The managers of this bill state that "if either the House Foreign Affairs Committee or the Senate Foreign Relations Committee" believe the proposed agreement is not consistent with any of the nine section 123a criteria, "the Congress expects that the President will submit an exemption." This is an all-important provision for when an exemption is submitted, the Congress must pass a joint resolution of approval before such an agreement becomes effective. If, during the 30-day informal review period, either committee advises the President that he needs an exemption, he can either request one or renegotiate the agreement to make an exemption unnecessary. It is clear that this provision does require the President to act in good faith for if he overrides Congress' recommendation

during the 30-day review period, we cannot force him to comply. You can be sure, however, that if the President does not act in good faith, Congress will find ways to make sure its views are heeded, perhaps by adopting my original amendment.

A partial remedy to counter any such unexpected problem is also provided in changes made to section 123d of the act by my amendment. They provide that during the 60-day period proposed agreements for nuclear cooperation are formally before the Congress, the Committee on Foreign Affairs and Foreign Relations of the House and Senate must hold hearings on them and report to their respective bodies whether such agreements should be approved or disapproved. If the President were to ignore the advice rendered by Congress during the 30-day informal review period, this provision ensures that there will be a public forum to highlight the problem and perhaps marshall the necessary majorities in both Houses to void the agreement.

As noted, I would have preferred my original amendment, but the need for having a real role for Congress in reviewing nuclear agreements convinced me to settle for something less. If this provision proves inadequate because this President, or any future President, does not comply with the spirit of the provisions, you can be sure I will be back pressing for adoption of my original amendment.

Mr. President, one other point I would like to make. I note that Senator HEINZ has referred, in his statement last year, to the meaning of certain provisions of the Export Administration Act. I would note that the statement of Senator HEINZ last year included a narrow definition of the "breach of the peace" exception to "contract sanctity." There is some controversy about that definition.

The leading House advocate of the "breach of the peace" compromise, Congressman BERMAN, had in mind the broad definition of the term. See H12167 of the October 11, 1984, CONGRESSIONAL RECORD. I personally subscribe to the broader definition. I would urge anyone interpreting the phrase in the future to look into the legal dictionary, the legal history of the term, Supreme Court decisions and international law.

I think that, overall, for the reasons explained above, and other reasons set forth in the statement of managers, the amendments to the Export Administration Act in S. 883 are good ones. They will both improve our national security and strengthen our ability to compete internationally by efficient licensing of exports. I urge the adoption of S. 883.

I would like to mention finally that the staff did a superlative job on this conference report. I am particularly proud of the fact that Patrick Mulloy of the minority staff was very instrumental in working out the agreement that finally broke the ice in the conference we had this week. He ingeniously conceived of a way that we could compromise out the situation. He discussed it with both Senators and with the House Members and helped work out the final compromise and he deserves a great deal of credit for this. Usually the staff does much of the work on these matters, but I think in this case, Mr. Mulloy deserves a special credit.

Mr. President, I yield the floor.

Mr. MATTINGLY. Mr. President, I will be brief. I would like to first congratulate my colleagues who served as the Senate conferees in the successful effort to present to this body legislation that will renew and revitalize our export control system. I can think of no more important legislative action right now than approving export control procedures designed to facilitate U.S. exports at all levels while at the same time assuring that critical technology will not be made available to our adversaries.

One of the more difficult administrative areas of our export control system is the exportation of nonmilitary technology to friendly allied and Western nations. During the Senate Banking Committee's consideration of the Export Administration Act last Congress I proposed, and the committee accepted, an amendment easing export licensing requirements for certain nonmilitary exports to friendly Allied and Western Nations. It would have given the U.S. Secretary of Commerce discretion in this area by allowing some commercial goods to be exported under general export licenses that formerly required prior approval by the Government, while continuing to require an individual or multiple validated license for the export of militarily critical goods and technology. Eventually, language incorporating the intent of my amendment was accepted by both sides during conference.

I fully recognize the threat to U.S. competitiveness and security of allowing critical U.S. technology to leave this country in an indiscriminate flood. It is clear to me that our export control system is still not operating at its potentially optimum level, but this legislation provides us with the base on which to build a realistic and unified U.S. export policy, and I heartily applaud its passage and eventual enactment.

Mr. GARN. Mr. President, the Senate has spent a good deal of time lately agonizing about why Japan seems to be having a hard time hearing our message on the trade issue. When one stops to think about it, however, the answer is simple: Based on past experience, they have nothing to worry about.

The fact is that even when the most grievous trade practices have been brought to light in the recent past, the United States has simply rolled over. I can think of no better example than an issue on which I have spent a good deal of time writing articles and letters in the past year—machine tool imports.

Sixteen months ago—I repeat, 16 months—the Secretary of Commerce, with the support of the Secretary of Defense, sent an urgent report to the President concerning machine tools. Although the report is classified, I am told it warns that machine tool imports from Japan threaten the national security of this Nation.

That report, filed under the provisions of section 232 of the Trade Act, recommends that temporary limits be placed on imports of machine tools in certain defense-sensitive categories. Let me emphasize, this is a finding based purely on a national defense analysis that our country is endangered by the current level of machine tool imports. That is not a light matter.

Not surprisingly, as soon as the report was transmitted to the White House, lobbyists for Japan began crawling all over the place. While they got nowhere on Capitol Hill, they apparently succeeded at the White House where the issue had come to rest.

There this recommendation has sat for well over a year despite repeated attempts by Members of Congress and key Cabinet officers to get the issue to the President.

I see the Senator from Missouri on the floor, and I know he is familiar with the situation on machine tools. I remember that during the last Congress, he and Senator Percy engaged in a lengthy discussion on the issue on the floor. They were, I believe, attempting to prod the White House into some kind of action on the recommendation of Secretary Baldrige. Perhaps, Senator DANFORTH, you were being too subtle.

Apparently subtlety doesn't work, so let me be blunt. The fact is that Japan clearly feels it has nothing to lose concerning the machine tool issue. I know with certainty that key U.S. officials have told Japanese officials and lobbyists flat out that they have nothing to worry about—there is no intention of getting this issue to the President for his objective decision.

Mr. DANFORTH. Will the Senator from Utah yield for a moment?

Mr. GARN. Certainly.

Mr. DANFORTH. As the distinguished Senator from Utah knows, he and I share a similar trait—by nature we are inherently calm and collected. But as I listen to the Senator's re-

marks. I feel an all-too-familiar sense of frustration.

As you point out, I last discussed this issue on the Senate floor in the fall. At that time. Senator Percy and I politely urged action on the machine tool issue. If I remember correctly we were suggesting that 8 months was an excessive period of time for this issue to be sitting around without action.

Since then, nothing—absolutely nothing—has been done to bring the machine tool issue to a head. In these circumstances I quite agree with the Senator from Utah—why should Japan have any worries about U.S. interest to tackle the trade problem between our two countries—particularly in the face of persistent inaction on the part of the administration.

I too think that we in Congress have been too subtle. Perhaps our attempt to send a message to the Japanese has not been effective because we have been aiming at the wrong target. If I were a Japanese official, based on past experience I would be tempted simply to wait until the storm blows over. Hunker down. Sooner or later Congress will tire of this issue and move on to some other. When that happens, our friends in the administration and our high paid lobbyists will continue to protect us as they have many, many years.

Mr. GARN. If the Senator will yield, I think you just hit the nail on the head. If we can't convince our own Government to get serious about the trade issue, we can't expect the Government of Japan to do so itself.

In my view this machine tool issue offers a perfect test of the resolve of the administration. After 16 months, the recommendation must surely be ripe for a decision. If the United States is unwilling to decide a trade issue with serious national security implications, then we are nothing more than a paper tiger.

I am compelled to repeat for the record why I am particularly interested in this question of machine tool imports. I have no machine tool manufacturers in Utah. This is not a highly visible issue politically back home. Generally, I am a strong free-trade advocate. But the issue here is genuinely the national defense.

The Congress is about to pass the Export Administration Act legislation which deals in part with the need to prevent transfer of sensitive technology to the Soviet bloc. Some of that sensitive technology includes the highly sophisticated machine tools that this country is steadily losing its ability to produce due to the import flood, principally from Japan.

For the life of me, I cannot understand how we can let this situation continue. If these machine tools are important enough to the national defense that we enact legislation to keep them out of the hands of the Soviet Union, then surely they must be important enough to keep producing in our own country. Yet, because of these imports, we are no longer able to produce enough machine tools to meet our defense needs in time of mobilization or national emergency.

Look, if we are not willing to stand up to the Japanese on a trade issue that is directly tied to the national defense, how can we have any credibility at all in our negotiations on other issues?

Since subtlety obviously is not working, perhaps the Senator from Missouri will join me in insisting—I repeat, insisting—on action by the administration on this long-pending matter as a minimal indication of its resolve to face up to the trade issue?

Mr. DANFORTH. I certainly will. Finally, let me add that there can be no excuse for the reports we have heard of White House staff giving private assurances to Japanese representatives about U.S. intentions on this or any other trade or 232 case in the absence of a Presidential decision and congressional notification. If a decision has been made on the machine tools case, that decision and the rationale for it should be shared with us forthwith.

Mr. GARN. I thank the Senator from Missouri.

Mr. BYRD. Mr. President, I wish to commend the managers of this conference report for their perseverance and determination. Over the past 2 years, this legislation has traveled a long and difficult road. Our merchandise trade deficit exceeded $127 billion last year, and the Commerce Department estimates that it will be $150 billion by the end of this year. The Senate and House conferees were charged with the responsibility of rewriting the principal export control and promotion law in a way that aided American exporters while assuring that vital technologies were adequately protected against diversion. They accomplished this task against a backdrop of uncertainty and mixed signals from an administration that seemed unable to address important export issues with one voice.

Senator GARN, Senator HEINZ, and Senator PROXMIRE, along with all the other Senate and House Members who have labored on this effort, have worked to accommodate the sometimes competing goals of export promotion and technology security. I appreciate their efforts in assuring that my amendment to provide that the Defense Department has a say in regulations concerning national security survived the conference process. I hope and trust that the administration will see passage of this legislation as an occasion for a fresh approach to our export policy, and as an opportunity to put the national interests ahead of those of any one Government agency.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I thank all Members and I thank my colleague, Senator PROXMIRE, both for his excellent work and for his very kind words.

DEDICATION OF BUST OF HUBERT H. HUMPHREY

Mr. KENNEDY. Mr. President, it is a privilege to take this opportunity to note an unusual recent occasion remembering and honoring Hubert Humphrey, our friend and former colleague and one of this country's greatest statesmen.

On June 1, leaders from across the country gathered in Washington for the dedication and unveiling of a bust of Hubert Humphrey. The bust, by the distinguished sculptor Gabriel Ponzanelli, is now displayed in the Hubert H. Humphrey Cancer Research Center at the Boston University School of Medicine. It stands as an enduring reminder of a courageous public servant who fought tirelessly against poverty and injustice and who waged his own personal and equally courageous battle against the cancer that finally claimed his life.

Throughout his long and distinguished career in Government, Hubert Humphrey made his mark in many ways. He is remembered for his tireless enthusiasm and his path-breaking leadership on countless causes and issues. Everything he touched, he left better than he found it. And most of all, he is remembered in the hearts and minds of the millions of citizens whose lives he touched and helped.

As the father of the landmark Humphrey-Hawkins bill, he was a pioneer for economic growth, full employment, and wage and price restraint. He was at the forefront of all the great social battles of his generation, especially in the area of civil rights; for three decades, he led America in the enduring struggle for justice and equality.

In the years that Hubert Humphrey graced the Senate and the Vice Presidency, America was blessed with one of the finest public servants in all our history. He came within a hair's breadth of the Presidency himself, and like Clay, Calhoun, and Webster, he will be remembered more than many Presidents.

At the ceremony unveiling the bust on June 1, the remarkable achieve-

ments and courage of Hubert Humphrey were honored once again. The bust will be a tangible reminder of his greatness, and an inspiration to future generations at the cancer research center that bears his name. I know that all of us who knew Hubert Humphrey and served with him will welcome the chance to read the tributes delivered at the dedication. A number of us in the House and Senate are placing the tributes in the RECORD today, and I ask unanimous consent that those delivered by John Sandson, dean of the Boston University School of Medicine; Herbert Wotiz, director of the Hubert H. Humphrey Cancer Research Center; and John Amos, a member of the board of visitors of Boston University School of Medicine, may be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF JOHN I. SANDSON, M.D., DEAN, BOSTON UNIVERSITY SCHOOL OF MEDICINE

Ambassador Jova, Mr. Ponzanelli, and all our honored guests—I am pleased that you have joined us today to dedicate this very impressive portrait-bust of the late Vice President Hubert H. Humphrey. I want to thank Mr. John Amos for giving this portrait-bust by Mr. Ponzanelli to The Boston University Hubert H. Humphrey Cancer Research Center.

I would also like to extend special thanks to Attorney General Skip Humphrey, Mrs. Frances Humphrey Howard and Mrs. Anne Howard-Tristani, and to Ambassador Jova and his staff of Meridian House International, whose support and hard work have managed to bring all of us together today to honor the late Vice President.

Vice President Humphrey's commitment to hope inspired Boston University to name its Cancer Research Center in his memory shortly after his death in 1978. Now in 1985, we have been given a tangible remainder of this magnificent human being, who continues to be an inspiration to Americans from every walk of life, young and old.

I am particularly pleased that this work of art will be exhibited where future physicians will view it and where they will be reminded of Hubert Humphrey. The statues of ancient physicians, such as Maimonides and Hippocrates, are already in our Medical School. But young doctors also need modern heroes. Hubert Humphrey is a modern hero, and suffered a disease that plagues modern man. I hope our students will remember to look beyond the disease and see the humanity of each of their patients as Hubert Humphrey saw the humanity in the poor and underprivileged. He conquered much in his life and led Americans into a new era of understanding and tolerance.

As our students and scientists at the Cancer Research Center pass by this likeness of Hubert Humphrey, they will see a man who loved life and fervently desired his life to continue. The Happy Warrior lost his battle with cancer, but his victory of spirit and inner strength encourage us still.

The memory of Hubert Humphrey is alive at the Hubert H. Humphrey Cancer Research Center. And we hope to use that memory as the key to find ways to help other people with cancer to continue their lives. We take our inspiration from this man whose earnest and painstaking work led to the liberation of minds and bodies. We will follow the example of the life of Hubert Humphrey with very great pride and full of hope.

Thank you very much.

REMARKS OF HERBERT H. WOTIZ, Ph.D., DIRECTOR, HUBERT H. HUMPHREY CANCER RESEARCH CENTER

Mr. Ambassador, honored guests, ladies and gentlemen. I am honored to be able to participate in the dedication of the portrait-bust of Hubert H. Humphrey, which will be placed in the foyer of the Hubert H. Humphrey Cancer Research Center at Boston University.

The Hubert H. Humphrey Cancer Research Center was chartered in 1974 to coordinate many diverse research activities at the University and to stimulate new investigative approaches to the disease. Today, the Cancer Research Center represents a microcosm of research, presently considered to be among the most important investigations into cancer, which will lead to a more basic understanding of cellular growth and its regulation, prevention of exposure to toxic agents, and the improved diagnosis and treatment of various malignancies.

One mission of the Hubert H. Humphrey Cancer Research Center is the rapid application of basic laboratory findings to cancer prevention as well as clinical application. A typical and very important example of such technology transfer deals with the worldwide problem of live cancer, the most prevalent type of malignancy in the world today. The principal culprit in inducing this type of cancer is a toxin produced by a mold which is all too frequently found contaminating basic food products such as corn, rice, soybeans, wheat and peanuts. Where excessive contamination with a carcinogen exists, the population ingesting this food is at high risk for liver cancer. Thus, it is important not only to screen crops for the periodic appearance of the toxin, but also individuals using these foods to determine those most likely at risk. Until now, this has been a difficult problem, since the methods for measuring this carcinogen are cumbersome, complicated and relatively expensive, and need to be carried out in specialized laboratories.

One of our research groups has recently developed a new procedure for the measurement of the principal carcinogen, called aflatoxin B. By developing mono-clonal antibodies to this substance, as a result there will soon be available a test kit for the rapid and simple analysis of the toxin which can even be carried out in the field and by personnel with minimal training. With the knowledge of local crop contamination in hand, it should then be possible to eliminate or sufficiently dilute the toxin in foodstuffs contaminated excessively.

This ultimately should lead to a great reduction in the worldwide incidence of liver cancer. This problem is of particular significance in Asia and Africa, although not unknown in the United States. Our investigators have already been contacted by high ranking health officials from the Peoples Republic of China and from Gambia to assist those countries in screening population groups which may be at high risk for liver cancer, and, hopefully, to develop appropriate preventive measure.

In ending, I would personally like to thank Mr. Amos for the donation of this beautiful bust of our patron. Thank you.

REMARKS OF JOHN B. AMOS, MEMBER, BOARD OF VISITORS, BOSTON UNIVERSITY SCHOOL OF MEDICINE

Mr. Ambassador, Mr. Chief Justice, Mr. Vice President, family of Hubert Humphrey and distinguished guests. It's a pleasure for Elaine and me to have a small part in the Hubert H. Humphrey Cancer Research Center. My Dad also died of cancer; he was a great man, a man whom I had the rare privilege as a Southern boy to call my friend.

Hubert Humphrey was also a great man. He was a man of his time, but he was often a man ahead of his time. I have heard it said that Hubert had more answers than problems. But, if he had lived just a few more years, I think times would have caught up with him and he would have had more problems than answers. But he was a great man. It was my privilege to be with him in much of his later years—to work with him and to dream with him.

Recently I had a call from another friend of his, who is a friend of mine—Governor Wallace. And he reminded me, "You know, in the year that he died, he called me on the first day of the year." And the Governor said, "I know that he was calling a handful of people throughout the country." And Hubert had told him, "George, we are going to have a good year, aren't we?" And the Governor told me, "That's the kind of outlook Hubert had on life." And the Governor closed his story this way—he said, "John, Hubert went to Heaven."

Mr. DOLE. Mr. President, I am pleased to join Senators KENNEDY, PRESSLER, SIMON, and ROCKEFELLER in this special tribute to Hubert Humphrey. Few could speak with greater eloquence than Ambassador Kirkpatrick on the meaning of Hubert Humphrey's life's work.

Hubert Humphrey was the eternal optimist. For him, there was no such thing as an insoluble problem; there could never by an end to progress; there was always a way, with the requisite will, to help those in need. We may have belonged to different political parties, come from different schools of political thought, and disagreed, at times, on the issues. Yet, clearly, Hubert Humphrey was a statesman to emulate; a source of inspiration through his indomitable will to right the world's wrongs. He is no longer with us, but his war continues—the war against poverty, ignorance, and callous disregard for the hopes and aspirations of all humankind. The battle cry of the happy warrior still resounds throughout the Halls of Congress and will be heard for many, many years to come.

Mr. President, I ask unanimous consent that the remarks of Ambassador Kirkpatrick be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE JEANE J. KIRKPATRICK, FORMER UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS

My husband tells me that neither Hubert Humphrey nor I could ever possibly speak only three minutes but I'm going to try. I

thought of another great midwestern friend and genius and optimist—Harold Laswell and how he spoke about democratic character. I believe that Hubert Humphrey was the quintessential democratic leader, quintessential democratic policymaker, quintessential democratic model for all of us. Laswell spoke about democratic character and he said the difference between democratic political leaders and others is that democratic political leaders always want power for something good that they want to do. They have certain personal characteristics: they are open to experience, to other people, to evidence and to growth. Their empathy is as broad as the human race and God knows that Hubert Humphrey's empathy was as broad as the human race.

Whether he was dealing with small town blacks, or big city drug dealers, whether he was dealing with Iowa farmers or Pennsylvania steelworkers, or Indian untouchables, his ego was open and inclusive. Laswell said that Democratic characters are trusting, that they have a confidence in their fellow men which is stunning. If we ever stop to think about how much trust we have in each other before we trusted ourselves to electoral processing and democracy we would never do it. People who believe in democracy have to be trusting and Hubert Humphrey was more trusting than almost anybody. A Democratic character also has to be optimistic, has to believe in problem solving, and in progress. It asserts that by the efforts of the people, things can be made better. God knows Hubert Humphrey believed that and he not only believed it—he did it.

He left a democratic leader's legacy which has changed our world—we all know that. We all know that Hubert Humphrey's monuments are living. They are America's blacks, enfranchised by the civil rights revolution that he started. They are young Americans whose experience has been broadened by the Peace Corps. They are workers living and working in safer conditions; they are older Americans who need not live in quite the same terror of illness because of Medicare; they are Africans and Hondurans and untouchables who are better off because of P.L. 480. They are Israelis. They are all of us, in fact, because all our lives have been touched and transformed by the fantastic program that Hubert Humphrey, who never became President, not only conceived but brought about in our society and in our world.

I have visited, as I am sure many of you have, the Hubert Humphrey Institute in Minneapolis and the Hubert Humphrey Forest in Israel, and I am genuinely delighted to take part today in this Hubert Humphrey Cancer Memorial at Boston University. I like very much the quotation from Hubert Humphrey chosen as the text for today. "We have to believe that some day, some how, it will be better and that we can do it." He not only left us all believing we can do it, but he did it to prove it. Thank you.

Mr. PRESSLER. Mr. President, on Saturday, June 1, 1985, a ceremony for the dedication and unveiling of the portrait bust of Vice President Hubert H. Humphrey took place at the Meridian House International, Washington, DC, beginning at 4:30 p.m. The bust which was the fine work of Gabriel Ponzanelli, was unveiled in the presence of family members, dignitaries, and many distinguished guests.

The ceremony consisted of many tributes by Mr. Humphrey's friends and constituents. Among the tributes, Chief Justice Warren Burger delivered a commentary praising the work of Hubert H. Humphrey.

Mr. President, Hubert H. Humphrey was a man of great accomplishments. He was a native son of my State of South Dakota and I have admired his life-long accomplishments. He served as mayor of Minneapolis, a three-term Senator, and the Vice President of the United States. During his Senate years he was leading spokesman for arms control, civil rights, medical aid to the needy, and aid to education. As a result, many public facilities bear his name. As Vice President, he was one of the busiest, serving as chairman on many Government councils.

I ask unanimous consent that the tribute delivered by the Chief Justice of the United States and my remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF WARREN E. BURGER, CHIEF JUSTICE OF THE UNITED STATES

Mr. Ambassador, Frances Howard, Vice-President Mondale, distinguished guests, and friends of Hubert: I first knew Hubert Humphrey so long ago that if we were having this ceremony out in the rural districts of Minnesota, I would say "we go back a long way." While I was in private practice in St. Paul in the late thirties, I was the unpaid attorney for Macalaster College. They couldn't afford to pay an attorney in those lean post-depression days. Hubert was on the faculty and he had developed a program called "Two Points of View" and on a number of occasions he invited me to present one point of view on a current subject. On one occasion he and I were the speakers.

When he became Mayor of Minneapolis, he and I shared interest in a program that I had been involved in for St. Paul. We had created a Council of Human Relations and when Hubert became Mayor of Minneapolis, he started the Mayor's Council on Human Relations. To show you how much better he was as a salesman and advocate than I, he got $15,000 a year from the Minneapolis City Council and the best I could do for our group was $5,000.

I think that today we want to draw on the light things about Hubert. He and I were involved in a conference on racial problems. I don't recall the details except that we met in St. Paul and Hubert introduced me on the program and said he was going to tell two things about me as next speaker. "First," he said, "I'll tell you the bad things and then I'll tell you the good things." He said, "the bad about Mr. Burger may not be true, but there is a nasty rumor that he is a Republican." But, he went on, "even if that is true, the good things about him is that he isn't a very good Republican."

Our relationship continued and it was one of the fine friendships I've had, continuing, as it did after I came to Washington. As the young may who wrote to Frances Howard has suggested in his letter about Hubert, he will go down in history along with names like Clay and Calhoun and Webster and a number of others in more modern times, who did not reach the White House, but were great figures in their time. He enriched the life of every person that he had sustained contact with and I am happy to say that our friendship, even though we didn't always agree, was something that enriched my life. We agreed often on objectives but there was a difference—Hubert thought the objectives could be reached day before yesterday but I thought it would take a couple of weeks. I am proud to take part in the dedication of Hubert's bust and to pay tribute to him not only as a statesman, but as a truly great human being.

Mr. SIMON. Mr. President I was touched when asked to put into the RECORD the wise and thoughtful words of former Vice President Mondale at the dedication of the bust of Hubert Humphrey. These two men together have touched the lives and influenced the political development of many of us in public office today.

Whenever I think of Hubert now, I think of one of the last times I saw him. At one time, Hubert had mentioned to me that he had never had the opportunity to address the other body, where I was serving at the time. Hubert was very ill at the time, but still valiantly carrying on his responsibilities here to the people of Minnesota, and of the Nation. With the assistance of my colleagues, we were able to arrange for Hubert to address the other body. I can assure you that, when he walked on to the floor, the roar of applause and respect rose from all those present, regardless of party or ideology. Hubert had a unique ability to transcend those sometime arbitrary lines.

I still keenly feel Hubert's absence, but there is solace in seeing that people like Fritz Mondale have carried on his goals and his values. It is fitting that Fritz spoke at the recent dedication and I am pleased to share his remarks with my colleagues here. I ask that they be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE WALTER F MONDALE, FORMER VICE PRESIDENT OF THE UNITED STATES

Somewhere up there Hubert is enjoying this ceremony. He would have liked this place and its mission. It is now almost forty years since I first heard Hubert talk about sharing the American experience with others. He saw, even then the immense importance of welcoming outsiders and making them ambassadors of our values.

But Hubert would have liked this afternoon for more than this place. He would have liked the handsome Ponzanelli bust. And as I speak here and Hubert remains silent, I am reminded of the thousands of times that I wished it were the other way around. One of the happiest moments of my life, Fran, was when we were dedicating the magnificent new wing of the Minneapolis Institute of Arts—it's just a glorious building. We were doing it outside on one of the coldest days of the year (which is saying something if you're from Minnesota), and

we had something like twenty speakers. I was scheduled to speak second to last, with Hubert concluding. We were all freezing to death, the crowd was starting to disappear, and finally I got up and I said a few words. I said "I know you're all bitterly cold, and I know that you've been here for nearly an hour in these frigid conditions, and you're frozen to death and you want to leave. For that reason, I am pleased to announce that I am speaking for both myself and Hubert this afternoon." I've never been down to the Cape Canaveral Space Center to watch a space shuttle take off, but that's exactly what Hubert did. He came, zooooooooom, right out of his chair, to let people know that yes, indeed, he would speak that afternoon, and he did.

Most of all, he would have liked today because it brings together family and friends who cared about him and about the things he touched in a lifetime of love and service to humanity: to Francis and Ann who meant so much to him; Skip and the other members of the family; John Amos, who shared so many good (but not raucous) times with Hubert over the years, and whose company, generosity, and political counsel Hubert enjoyed. To Dr. Sandson, as Dean of the Boston Center, and to Dr. Wotiz, as Director of the Humphrey Research Center, you have our appreciation not only for attaching Hubert's name to an exceptional research institution, but even more for carrying on what Hubert delighted in most of all: working at solving difficult problems that touch us all. Even if your building just had an inflatable roof on it like the Humphrey Metrodome in Minneapolis, it would be perfect.

Hubert would have liked this day for one other reason. In his most-quoted statement, he defined his philosophy in these words: "The moral test of government is how it treats those in the dawn of life—our children—those in the twilight of life—the elderly—and those in the shadows of life—the sick, the needy, and the unemployed."

His plea was neither political nor tactical. It was religious and moral. And in these days, when too many would have us look the other way as poverty and hunger increase, in these days when we see our own government retreating too far in the fight for civil and women's rights, today as we are bombarded with this plilosophy of social Darwinism, on this day let us also honor Hubert by renewing our commitment to compassion and decency, those qualities that above all made Hubert's career so honorable. We can do so by supporting this superb center of medical research that bears his name. But we must go beyond that and help our society reclaim his vision of social justice. The doctrine of public selfishness would never earn Hubert's support, and it shouldn't earn ours. America is fulfilling its most sacred goal when we think not just of ourselves, but of each other. The Presidency and the federal government must begin again as an instrument of profound social justice. The sick, the hungry, our children, our minorities, and our elderly must never be permitted to suffer alone. That was Hubert's message. That was the essence of Hubert Humphrey. And that is why he is honored—that is his message to us on this beautiful day.

Thank you very much.

Mr. ROCKEFELLER. Mr. President, Hubert H. Humphrey embodied much of what makes this country great. He dedicated his long and distinguished career to helping those Americans who most needed help; the poor, the elderly, and the handicapped.

Governor Charles S. Robb of Virginia paid tribute to this extraordinary statesman at the unveiling of the former Vice President's bust. It is my honor today to submit Governor Robb's inspiring remarks, and I ask that they may be printed in the RECORD.

There being no objection, the remarks were orderd to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE CHARLES S. ROBB—GOVERNOR OF VIRGINIA

Thank you, Mr. Ambassador, Mr. Chief Justice, Mr. Vice-President, Francis, Skip, and other members of the Humphrey's family, and our family, and many other distinguished guests. I'm delighted, I'm honored to be asked to participate in this particular unveiling. I was thinking when Francis was kind enough to write me and ask me if I would do it, what my other colleagues would say, it occurred to me that there would probably be present, on this occasion, many who would have had the privilege of knowing Hubert Horatio Humphrey a lot longer than I had. In fact, I am probably one of the few here that didn't actually meet Hubert Humphrey in the flesh, if you will, for the first time, until he was already Vice-President of the United States. Our lives were going, at that point, in ways, at that time, that will always be important to me, and to Linda, and to her family.

I've been thinking about it, and it occurred to me, that our particular political careers balance each other because I happen to be sworn in to my first political office the day Hubert Humphrey died. As a matter of fact, I was notified of that particular event just before I went to take the oath of office. Linda and I were saddened by it. We knew the tremendous courage of this man, and we knew that eventually word would come, and that none of us were really prepared for it when it did. We went through with the official ceremonies that day, the events that were expected of us, and drove most of the night to come back up to the Federal City, and the Capitol, that Hubert Humphrey loved so well, to be with him, and be with so many others. That was to mark the occasion, the first occasion that all of the then living, present, and former Presidents of the United States, have gathered together to honor this one great man. I didn't get but about two and one-half hours of sleep that night, but it was important to me then, and it has remained important to Linda, and to me, and to so many others. The lives Hubert touched, Hubert enriched, he made us all feel a little bit better about being a human being. That's a very special quality. I was trying to think of those who have sought the high office of President of the United States, and didn't achieve it, and I couldn't think of anyone who falls into that category. There are many, many, many of whom I have great respect, but I can't think of anyone who has touched us in such permanent ways as Hubert Humphrey did. He demonstrated the quality. In my present line of work, I have time and time been, perhaps rightly, accused of exaggerating a bit when we talk about others and we use terms like caring, compassion, commitment, and courage, and what have you, perhaps without thinking of the implications of these words on each occasion. Yet Hubert Humphrey epitomized those words. Just talking about Hubert Humphrey, just thinking about Hubert Humphrey, again, makes all of us feel a little bit better.

I couldn't help but think, when Skip talked about a couple of things his Dad told him, I suspect that one other admonition he might have given is 'don't give up the microphone once you have it'. But I will only tell one more and then I will sit down because there are others that have known him and loved him far longer than I have and who are much more deserving to be included.

It was my privilege, when I went back to law school in the early 70's, to get up a program that allowed us to invite very distinguished Americans to speak to the University community. On occasion, I had quite a number of people that drew a great deal of attention. I had to make some choices in those that I had invited and those that were kind enough to accept the invitation as to just which of the various lecture halls, coliseums, or arenas to put them in. I remember, the beginning, I succeeded with every single person except Hubert Humphrey. I picked the second largest auditorium that seated several thousands people comfortably and thought that since it had been several years, and Hubert wasn't running for office, at that point in time, that that was the right size. I didn't want to embarrass anybody by having any empty chairs. Well, that was certainly a foolish thought on my part, because we not only overflowed the auditorium, we had to set up remote monitors outside to accommodate a crowd two or three times that size. I remember him going back and talking about the 'never give it up' speech, Hubert was never one on short speeches. This was one of the prerequisites, I asked everybody that came, very distinguished folks, I said to please speak for ten, twelve, even fifteen minutes at the most, but no more, because we want to permit you to take questions and we don't want people to feel that they have done their part and then have to go home. Hubert said "I've got it, Chuck, you don't have to worry about it, we'll do exactly as you say". Sixty-five minutes later you could have heard a pin drop because Hubert Humphrey held that crowd, as he held every other crowd he addressed, in the palm of his hand.

He was an extraordinary human being and we all loved him. So, Francis, I will simply close by saying that I am among many, many, many who's lives have been touched and feel better about being a human being. Because I had the chance to know the "Happy Warrior" and so for asking me to participate, and certainly for Linda and for me and her family, whose lives have been intertwined and forever changed, forever moved by Hubert Humphrey, a very sincere Thank You. Applause.

THE ISLAND DOCTOR

Mr. COHEN. Mr. President, I would like to call a remarkable individual to the attention of this body.

Dr. Gregory O'Keefe is the only doctor on Vinalhaven, an island 15 miles off the coast of Maine. He came to this remote, rock-bound island in 1975 as part of the National Health Service Corps Program to provide doctors to medically underserved areas.

In its wisdom, the program wished to promote Greg O'Keefe to a highly paid desk job in Washington in 1983. Incredibly, he said no. He decided he'd

rather stay with his patients on the island who had grown to truly love him over the years.

The bureaucracy had more than a little trouble comprehending why one of its doctors would turn down such a munificent offer, and sought to force the transfer. I appealed this matter to the good offices of Secretary Margaret M. Heckler of the Department of Health and Human Services, who eventually decided to let Greg stay in Maine under the program.

I had received a literal outpouring of mail from island residents imploring me to do what I could to help them keep the doctor who had become such a major part of their lives. In my 13 years in Congress I don't believe I have ever seen a case of people who were so loyally supportive and devoted—nor have I seen an instance where such devotion and love was so clearly merited. Greg O'Keefe is a compassionate, decent person as well as a superb doctor, and his good-humored endurance of the special vicissitudes of practicing medicine on a remote island has been inspirational.

On July 1, 1985, Greg's contract with the National Health Service Corps Program expires and he will be on his own. He and his wife Nancy have chosen to stay on at Vinalhaven, taking a pay cut, to serve the people they have lived with for so long. Two recent Maine newspaper articles addressed this upcoming event in Greg's life, and I ask that they be inserted into the RECORD so that my colleagues might learn more about this exceptional young man.

The articles follow:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Portland Press Herald, June 19, 1985]

ISLAND DOCTOR TO CUT FEDERAL TIES

(By Larry E. Ouellette)

VINALHAVEN.—July 1 will be a day like any other in the life of Dr. Gregory O'Keefe, with one important difference. His link to Washington and the National Health Service that placed him on this island a decade ago will be severed.

"It's kind of a non-event," O'Keefe said of his pending resignation from the National Health Service. "It was all decided 18 months ago when I decided I wanted to leave the service. I just didn't want to be a part of them anymore."

He said a bookkeeping change will signal the end of his Washington connection. "Instead of receiving my salary from the government, I'll be receiving it from the (Island) medical health center," O'Keefe said.

He explained that while his salary has been paid from Washington, the island medical center had to pay the government for providing the doctor. The difference in pay, he added, "is not a problem."

O'Keefe's decision to leave the NHS when hs term expires June 30 was precipitated by his rejection of a promotion that he said would have taken him away from his patients and anchored him to "an unwanted desk job" in Washington, D.C.

When O'Keefe turned down the promotion, hundreds of island residents joined a chorus of protest that eventually led to the offices of Maine's congressional delegation. The "island doctor" and his fight to stay on Vinalhaven was soon in the columns of newspapers across the country.

Sen. William S. Cohen finally prevailed upon then-Secretary of Health and Human Services Margaret Heckler to rescind the Washington transfer. In October 1983, O'Keefe won his battle to remain here.

Born in Boston, O'Keefe had visited Vinalhaven and met Dr. Ralph Earl, whose death in February 1975 left the community of 1,500 year-round and several thousand summer residents without medical care. Earl had proposed to O'Keefe that he succeed him, but he refused. Six months later he changed his mind, but Earl had died.

O'Keefe came to the island as "one of the original dinosaurs" of the National Service Corps program intended to put doctors in rural areas that might otherwise do without. The government offered medical scholarships in exchange for a commitment to serve in a rural area. "I was a volunteer," said O'Keefe, who financed his own education.

The program swelled to as many as 5,000 doctors during its heyday in the late 1970s, but the federal government, armed with a survey indicating a surplus of doctors and placing its faith in the market to distribute their services, is now cutting the program.

O'Keefe said another survey indicating that 70 percent of the doctors placed by the service remained in their originally assigned county may be misleading because many of those doctors have relocated to the county's capital city.

Vinalhaven is an hour away from the nearest hospital—the Penobscot Bay Medical Center in Rockport—if an airplane is available and at best two hours away if the trip to the mainland must be made by boat. The medical center also has a dentist and a pharmacy and can handle much lab work and minor surgery.

"Even though (Pen Bay) is close by, it's not close enough sometimes," O'Keefe said. Ironically, he added, "urban areas, ghettos, are probably as much of an island as we are" when medical care is needed.

[From the Rockland Courier-Gazette, June 18, 1985]

O'KEEFE WILL RESIGN POST, REMAIN AS ISLAND DOCTOR

(By Robert Lucas)

VINALHAVEN.—Dr. Gregory O'Keefe will resign, as planned, from the National Health Service June 30, but continue as the island's sole medical doctor.

O'Keefe will be supported by private subscription and money earned at the Island Community Medical Center.

His resignation culminates a series of events that began in September 1983 and produced nation-wide interest—he had just been tapped for a unwanted promotion and was slated to be moved from the island. For weeks controversy raged around the fact that the doctor, as a member of the National Health Service, had refused to accept the promotion referring to it as "an unwanted Washington desk job," one that would keep him out of the mainstream and away from treating people.

Hundreds of letters and phone calls from islanders, seasonal residents, mainland friends and patients poured into the offices of Senators William Cohen and George Mitchell. And, as the fight with Washington bureaucrats over the transfer intensified, news reports began appearing in papers across the country.

Senator Cohen, who "broke the ice," said at the time O'Keefe won his fight for a reprieve, "Of course it was a fight, and I was fighting the Administration. Every person right down, or up, the line didn't want to make an exception . . . they failed to realize that O'Keefe was performing a valuable service to this community, that he was more than a number, more than a statistic to be promoted or transferred."

Cohen finally went to Margaret Heckler, Secretary of Health and Human Services, on behalf of Vinalhaven efforts to have the island doctor kept where he said he wanted to be. O'Keefe finally won a reprieve by Heckler in October 1983.

Almost a year after the fight first began unfolding, on August 29, 1984, jubilant islanders set aside a day for "Vinalhaven's Salute to Senator Bill Cohen." The senator boarded the island ferry in Rockland and under fair skies made the one-and-one-half-hour trip where upon landing, he was greeted by O'Keefe, municipal officials and the Vinalhaven Band.

The senator praised O'Keefe, saying, "Greg O'Keefe is one of maybe three people in my life I have heard nothing bad about. He is one of the most extraordinary, genuinely considerate and kind human beings it has been my pleasure to meet and know."

When it became known the doctor was planning to stay, a fund-raising campaign was initiated by the medical center board. The response was gratifying and the initial subscription will provide for O'Keefe and his family for at least the first year. The Island Community Medical Center not only services Vinalhaven residents, but people from other nearby islands.

O'Keefe came to the island about nine years ago after the death of Dr. Ralph Earle, the co-founder of the medical center and a man well-known for his research in diabetes.

RETIREMENT OF COL. WILLIAM B. DRIGGERS, JR.

Mr. HOLLINGS. Mr. President, I would like to call to the attention of the Members of this body, on the occasion of his retirement from the U.S. Air Force, the 26 years of dedicated service to our country given by Col. William B. Driggers, Jr.

In his most recent assignment, as chief of the Congressional Inquiry Division, Colonel Driggers provided invaluable service to every Member of Congress, responding to thousands of requests every year from constituent inquiries about the Air Force. Colonel Driggers' dedicated professionalism saw to it that assignments and discharges were reviewed by those who felt it necessary, that those who had served their country honorably and patriotically were given deserved military honors at their burials, that their bereaved survivors were comforted and assisted. And his diplomacy and competence succeeded in turning concerned citizens, and even those critical of the Air Force, into active supporters

of the very governmental programs that caused them concern.

But Colonel Driggers' latest assignment is by no means the only one in which he has shown diligence and energy in serving the Air Force and in serving his country. He has been base commander at Nellis AFB; an F-4 instructor pilot, 56th Tactical Fighter Wing, at MacDill AFB; and served two tours in Vietnam and flown more than 337 missions, 169 of which were over North Vietnam.

Colonel Driggers' awards include the Distinguished Flying Cross with eight oakleaf clusters; the Meritorious Service Medal with two oakleaf clusters; the Legion of Merit with one oakleaf cluster; and the Air Medal with 29 oakleaf clusters.

Colonel Driggers was born in Hartsville, SC, and grew up to graduate from The Citadel, Charleston's esteemed military school, with a bachelor's degree in physics in 1959. He also received a master's degree in management from Central Michigan University, in 1974, and has completed courses at the squadron officer school, the Industrial College of the Armed Forces, and the National War College.

I should like to commend Colonel Driggers on his full and productive service career and wish him a successful civilian life.

PREVENTION OF AIRCRAFT PIRACY

Mr. HATCH. Mr. President, Trans World Airlines' flight 847 departed from Athens Airport at 10 a.m. on Friday, June 14, 1985, almost an hour behind schedule. There had been two security checks of the passengers before boarding. After a change of planes in Rome, the flight was to have flown to Boston, Los Angeles, and San Diego. The plane had been in the air about 10 minutes when the cabin of the aircraft became alive with running footsteps and screaming passengers. Suddenly, two hijackers appeared with hand grenades and a silver pistol.

The two hijackers identified themselves as brothers of the black Moslem Shiite extremist sect. They ordered the plane to head for Beirut, arriving just before noon; 19 hostages were released and the plane flew to Algiers where another 21 passengers were released. It left Algiers late Friday afternoon, arriving in Beirut early Saturday. When it arrived in Beirut, the hijackers removed 10 more people. The plane left Beirut a few hours later, arriving in Algiers again at 7:45 a.m. More hostages were released, and the plane returned to Beirut with 3 crewmen and 30 hostages.

During the terrible ordeal, Robert Dean Stethem was severely beaten and killed by hijackers. The terrorists dumped his bruised and bloody body from the TWA plane onto the runway in Beirut. Robert was only 24 years old. He was a Navy steelworker and petty officer second class from Waldorf, MD.

The hostages of flight 847 are being forcibly held in Beirut under the guardianship of Lebanese Shiite Amal leader Nabih Berri. Berri has associated himself with the hijackers' demand for release of between 700 and 800 Shiite Moslems taken prisoner during Israel's occupation of Southern Lebanon.

The deadly sting of terrorism has struck once again in the Middle East with the hijacking of TWA flight 847 by Shiite Moslem extremists. It is widely known that Iran is responsible for perhaps the majority of anti-American terrorist acts currently sweeping the Middle East and that the Shiite Moslems operating in Lebanon are merely their surrogates.

Unfortunately, this is not an isolated incident. In fact, there is every indication that terrorist attacks on American lives and property will not decrease, but increase, in the future. For the last 15 years, more than half of the victims killed, injured, or taken hostage in international terrorist incidents have been American citizens. There is no reason to think that the future will be any different.

Between January 1968, and June 1982, there were 684 attempted aerial hijackings which resulted in approximately 500 deaths and 400 injuries. Out of that number, 108 were politically motivated, resulting in 212 dead and 186 injured. The 108 aerial hijackings originated in 43 different countries and ended up in 47 national states.

There was an average of five politically motivated terrorist skyjackings per year between 1973 and 1980 and they have continued to increase to this day.

From January 1968, to June 1983, a total of 48 terrorist groups, totaling 416 individual politically motivated offenders, participated in the skyjackings I have just described.

It is time to indicate the end of our patience for those groups which are spreading death and destruction among innocent people. Therefore, I introduced a resolution on June 26, 1985, expressing the sense of the Senate that the U.S. Government should take further measures for the prevention of aircraft piracy.

During the past 5 years, there have been three hijackings at the Athens International Airport. We can no longer permit this situation to continue to jeopardize American carriers and citizens. Pressure should be brought to bear on the Greek Government by having the administration end Olympic Airways' privileges in the United States until the security problem at the Athens Airport is favorably resolved.

During the past 5 years, there have been six hijackings at the Beirut International Airport. Recently three skyjackings have been connected with that hub of danger. The Bonn Economic Summit countries must live up to the declaration signed 7 years ago, and cut off air service to Beirut and any other center of terrorist activity jeopardizing innocent passengers. We must isolate this dangerous disease at its source. Beirut is the best place to begin that isolation.

Applying the death penalty to airline hijackers whose actions result in the loss of life will put future potential hijackers on notice that the Western World will no longer tolerate the deaths of air travelers and airplane crews under any circumstances. Invoking the death penalty will provide a needed symbol that democracy's patience with skyjackers and hostage-takers is at an end. Middle East terrorists have operated without fear of the death penalty. It is time to change that.

When armed guards were placed on planes by FAA orders, the number of skyjackings in the mid-1970's was reduced. Placing law enforcement personnel on commercial aircraft will again put potential skyjackers on notice that attempted force will be met with force, and that America now means business in protecting her citizens, and those of other nations, from terrorist attacks in the sky.

The Federal Aviation Agency Security Division is understaffed and underfunded. It is directed by a very capable man, Billy Vincent, who, if given the tools, can do a far better job of protection and inspection than in the past. We must enable the FAA to utilize every resource to protect American lives.

Secretary of State Shultz, in testimony before the Senate Foreign Relations Committee, denounced State-supported terrorism encouraged by a handful of ruthless governments. He has repeatedly urged the development of sanctions, economic and military—permitted by international law—to help isolate, weaken, or punish States that sponsor terrorism against us.

At this critical time it is necessary to support the President, and to show the country that the Congress is determined to do something to further the safety and security of American citizens and property wherever they may be. For that purpose, I have introduced Senate Resolution 187 expressing the sense of the Senate on this important issue.

CELEBRATING THE FOURTH OF JULY

Mr. DOLE. Mr. President, next Thursday, Americans throughout this

land will celebrate the anniversary of our country's independence.

In this time of international turmoil, it is especially fitting that we single out one day to give thanks for the open and democratic homeland our Founding Fathers envisioned and secured for us. That gift of freedom is the most precious we possess.

Thomas Jefferson's eloquent phrase in the Declaration of Independence: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness * * *" is as replete with meaning now as it was 209 years ago.

America has translated what were just words on a piece of paper into a thriving, harmonious and unbound society. Today, just as it has almost since its inception, the United States is the beacon of hope for men and women throughout the world.

The streets are not paved with gold. But immigrants from every corner of the globe have discovered that this country is indeed the land of opportunity.

It is a country built and constantly expanding because dreams here can be turned into realities.

And next week, millions of Americans, Americans who come from backgrounds as varied as the world itself, will applaud the values this country always has, and always will stand for.

From Bristol, RI, which began its traditional Fourth of July celebration in 1777 with patriotic exercises, a huge parade and its famous Fireman's Muster, to the Frontier Day Rodeo in Prescott, AZ, to the mid-American Pow-Wow in Wichita, KS, to the Kamehameha Cultural Festival in Hawaii—Independence Day will be a day of fun, family and good times.

It will be a day when patriotic feelings can and should abound. And, most important, it will be a day to remember how proud we all are to be Americans.

ANNIVERSARY OF BEGINNING AND END OF WORLD WAR I

Mr. DOLE. Mr. President, June 28, marks the anniversary of both the beginning and the end of World War I. In remembering those important dates, it is useful to look for a moment at some of the lessons of that war, so many of which remain relevant today.

World War I taught us—or at least should have—that peace is fragile and preserving it more than just a matter of good intentions. No massive, overt aggression or breach of international agreement started the war. Somehow, though—through circumstance, miscalculation and probably even bad luck—a terrible war did come, a war no one really wanted.

And that war, when it came, revealed for the first time the awesome destructive potential of 20th century technology. In a terrible sense, it was the first "modern war," in which chemical weapons, the tank, and aerial warfare all were used for the first time. These technologies raised the human and material costs of war to unprecedented levels, as the following poignant item from Barbara Tuchman's classic account of the war, "The Guns of August," makes clear: At the French Academy of St. Cyr there is a tablet commemorating those graduates who have died in war. For wars of the 19th century, the toll is indeed terrible, with victims listed in the dozens. But for World War I, the inscription is chillingly brief: "The Class—The Entire Class—of 1914.

Those terrible losses, inevitably, had their effect. They sparked in the people of that time a determination war must be—would be—prevented. World War I came to be called, and was thought to be, the war to end all wars. An elaborate new system was set up—the League of Nations and a series of international treaties and agreements—which was thought to provide insurance against a new war.

Tragically, the system turned out to be ineffective in resolving fundamental political differences among the world's powers, unable to dampen the postwar arms race and impotent in the face of aggression. The system faltered, failed and, ultimately, collapsed. And in the wake of that collapse, the stage was set for an even more terrible, even more global war.

Despite the clear messages of the First World War, the leaders of the postwar period failed to prevent a new war. Have we, Mr. President, given any evidence that we have learned these terrible lessons any better than those who have gone before? A look at the world today—where parallels with the world of 1914 are disturbingly obvious—makes you wonder.

Just like an 1914, superpower tensions keep the world on edge. As that era had its "hotspots," such as the Balkans, we are struggling with recurring crisis in places like Central America and the Middle East. And the same specter of international terrorism, which in Sarajevo provided the spark which started World War I, is still with us today, in even more widespread and virulent forms.

The political challenge we face in the ninth decade of this century is not unlike the challenge faced by the leaders of 1914. But because of the very technologies which the First World War unleashed, the stakes are even higher. In those days, the peace of Europe and the future of a few nation-states of Europe were at risk. Today, it is civilization as we know it that is imperiled.

And so, Mr. President, let us reflect seriously on World War I and its lessons. And let us be determined to learn from the mistakes that were made then and to take concrete steps to insure that we not repeat them.

REMARKS OF GENERAL LEMNITZER AT DEDICATION OF EISENHOWER STATUE

Mr. DOLE. Mr. President, on June 15, I spoke at a ceremony unveiling an impressive statue of Dwight D. Eisenhower at the Eisenhower Library in Abilene, KS.

Gen. L.L. Lemnitzer, who was the special representative of the Secretary of the Army, John O. Marsh, also spoke at the ceremonies.

Mr. President, I ask unanimous consent to have printed in the RECORD this fine speech, which described Ike's uniquely successful military career.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PRESENTATION REMARKS BY GEN L.L. LEMNITZER, U.S. ARMY (RET.), AT THE DEDICATION CEREMONIES OF THE DWIGHT D. EISENHOWER MONUMENT

It is a real pleasure and privilege for me to participate in this important meeting at the Eisenhower Library.

I am honored to be here in behalf of General Eisenhower's basic military branch—the United States Army and as the Special Representative of the Secretary of the Army—Secretary John O. Marsh.

It is the nature of the military profession that the greatest opportunities for service frequently arise suddenly, not permitting a lengthy period for specific preparation. It is the successful leader who willingly and ably handles the flood of responsibilities which can be thrust forth so suddenly and brings unfailing good judgment to bear in making decisions. Our greatest admiration is accorded those who like General Eisenhower have met the call of national service and who have successfully shouldered the greatest responsibility in the midst of crisis and grave danger.

Few members of the military have undergone the rapid rise in rank and responsibility experienced by General Dwight D. Eisenhower.

The North African invasion in November 1942 was General Eisenhower's "live fire" course prior to invading Europe. It was the experiences in that campaign that quickly prepared him for the weighty responsibilities that were ahead.

It was in North Africa, too, that he began to appreciate the full wartime task facing the Allies in World War II.

Experienced now in campaign planning, combat training and logistical organization, the General put the lessons of North Africa to effective use in preparing to invade Normandy.

He put his personal touch on the plans for invasion and the advance across France and Germany. Allied troops put what he had planned into reality on the Normandy beaches on that fateful day of 6 June 1944.

Through it all he was characterized by an impressive degree of humility. In his words "humility must always be the portion of any man who received acclaim earned by the

blood of his followers and the sacrifices of his friends." He agonized over the decisions that effected so many lives, remarking that it was "awfully hard to look a soldier in the face knowing that you might be sending him to his death," but he had the moral courage to make those difficult and heartrending decisions.

Yet to many observers at the time, and historians later, it was General Eisenhower's ability to unify and coordinate the disparate elements of the Allies in World War II that was his greatest contribution to the war effort.

He was uniquely successful in dealing with the top political and military leaders and, at the same time, successfully coping with the problems of directing the military operations of large scale allied forces. The sensitivities of allied politics sorely tested his talents as he labored to balance multi-national objectives with wartime necessities.

In my opinion, General Eisenhower literally "wrote the book" on top-level Allied command and staff relationships, allied organization, and the conduct of operations of large combined allied military forces. His principles and concepts were successfully tested in the crucible of World War II and are as sound and effective today in NATO and Allied Command Europe—where they have been in effect for more than 36 years.

General Eisenhower played a key role in the organization and establishment of NATO. His ability to harmonize diverse groups for a common good, which characterized his war efforts, was instrumental in solidifying the NATO forces. His finest hour, was his inspiration to the Free Countries of Western Europe to stand firm in 1949 against the threat of communism.

But General Eisenhower's contribution to America, did not end with his retirement in 1952. The leader who was remarkable for his ability to harmonize competing forces into a cohesive force on the battlefield was also the man who became one of the most unifying Presidents in our history.

In foreign affairs he immediately set forth to bring the divisive Korean War to a close. He established an "Eisenhower Doctrine" to restrain forces of communism in the Middle East. His willingness to go to the "Summit", "his atoms of peace", "his open skies inspection" proposal and his efforts to secure a nuclear test ban were aimed at breaking through the rhetoric of conflict and establish a basis for security which relied on mutual forebearance, not mutual destruction.

He was the source of stability in an age of revolution abroad and uncertainty at home. By his very demeanor this citizen-soldier inspired confidence and security. With each passing year, as careful scholars examine the true records of his administration, which are presently available, increased respect grows for the great things that Dwight Eisenhower was able to accomplish for our Country.

UNITED STATES-JAPAN SERVICES TRADE

Mr. MURKOWSKI. Mr. President, the Commerce Department announced recently that the U.S. merchandise trade deficit of $11.9 billion for the month of April was the third highest on record. This compares to an $11 billion deficit for the month of March and brings the merchandise trade deficit for the first 4 months of 1985 to $44.6 billion—up from $42 billion for the same period last year.

Particularly distressing was the precipitous drop of U.S. exports to Japan of $550 million from March to April. This, coming on top of an additional $400 million worth of motor vehicle imports from Japan, increased the deficit with Japan by 25 percent, again comparing March to April. By contrast, our trade deficits with Europe, Korea, Taiwan, and Canada declined in April.

The United States is not alone in the trade imbalance with Japan. Although we don't have the final figures for 1984, we know that in 1983, Japan took only 8 percent of LDC—lesser developed countries—manufactured exports to developed countries, confirming suspicions that the second largest economy in the free world is essentially closed to manufactured imports. By contrast, the United States took 58 percent of those same exports.

Mr. President, the outline of our deteriorating merchandise trade with Japan is generally well known in this body. What is not well known, Mr. President, is that our vital services trade with Japan—and by service trades, I mean such things as transportation, insurance, banking, accounting, and other financial services—this service trade has now jointed merchandise trade in the deficit column. Figures provided by the U.S. Department of Commerce reveal that the U.S. longstanding surplus in services has evaporated. In 1984, for the first time, the United States was in deficit with Japan by $1.1 billion. Compare this to 1983 when the United States had a surplus of $1.4 billion in services trade. This represents a swing of almost $2½ billion in just 1 year.

Japan is a maturing economy and is looking more and more to high tech and services as its growth and high employment industries of the future. These are precisely those industries where the United States has had a competitive advantage and to which we are also looking in the future. According to the 1984 Economic Report of the President, services provided about half of our GNP and about two-thirds of our personal income. At the same time, services, broadly defined, has become the fastest growing segment of our economy, increasing from $785 billion to $1.2 trillion in 5 years. Finally, improvement of trade access by U.S. services companies will be a top U.S. negotiating goal for the new round of trade negotiations.

Therefore, given the importance of services trade to the future of the U.S. economy and the entrance of the Japanese trading system into what was formerly an American preeminence, my East Asian and Pacific Affairs Subcommittee of the Senate Foreign Relations Committee will hold 1 day of hearings on United States-Japan services trade July 18.

I am pleased that my colleague, Senator WILSON, who shares my concern over these developments, will be joining me in the conduct of these hearings. We will look at United States-Japan services trade from both directions: Japanese entrance into our market and the performance of U.S. firms in the Japanese market. The first services trade market we will focus on will be transportation. We will take a look at the experiences of American shipping lines in the United States-Japan trade, such as the practice of all Japanese automobile imports being transported in Japanese-owned or controlled shipping vessels.

We will then consider the recent entrance of Nippon Cargo Airlines [NCA] into the United States-Japan air cargo market. We will look at the structure of NCA—what it is, who controls it, how can it be expected to compete against other carriers? We will also examine whether this is a Japanese Government imposed cartel to the detriment of U.S.-flag carriers.

At the same time, Mr. President, we wish to emphasize that this is the beginning of a broad inquiry into United States-Japan services trade. At a later date, we may take a look at some service industries such as banking, insurance, financial services, and accounting.

Mr. President, the change of our previous surplus on services trade to deficit is of sufficient importance that we would make a timely and thorough examination of its implications for the future of our economy. We look forward to sharing the results of our inquiry with every Member of the Senate.

MRS. LEILA FALES CELEBRATES 100TH BIRTHDAY

Mr. DANFORTH. Mr. President, on June 29, 1985, Mrs. Leila Fales will celebrate her 100th birthday in Princeton, NJ. Leila Quackenbush Fales was born a century ago in Newton, NJ. After marrying Leroy Spalding Fales in 1904, she moved to Lafayette, NJ, where her husband worked for the U.S. Postal Service, delivering mail in a horse-drawn carriage. Leroy Fales served in both World Wars. Mr. and Mrs. Fales were married 40 years, until Leroy's death. They had two children, the late Willard Fales and Edna Fales Clifton of Lawrenceville.

Mrs. Fales has lived all of her life in New Jersey. A short military stay in Alabama and a trip to visit relatives in Pilot Grove, MO, provided some of her most entertaining memories. Currently, Mrs. Fales lives in the Princeton Nursing Home where her daughter and daughter-in-law visit her weekly.

She has been the second floor mail deliverer during all of her 5 years there.

In early June of 1985, Mrs. Fales was joined by her daughter, granddaughter, great-grandson, and great-great-grandson for a five-generation reunion. She looks forward 20 years to a six-generation gathering. Mrs. Fales will have you know, "They can't keep a good dog down."

HELEN KELLER DEAF-BLIND AWARENESS WEEK

Mr. DOLE. Mr. President, today I wish to bring to my colleagues attention that the week of June 23–29, 1985, has been proclaimed "Helen Keller Deaf-Blind Awareness Week."

The name and accomplishment of the late Helen Keller have become a legend in this country and throughout the world. Miss Keller was totally deaf and totally blind, yet she overcame her dual handicap to become a synonym for courage and achievement to countless thousands of the world's population.

Loss of sight and hearing deprives an individual of the two primary senses through which one becomes aware of the environment and acquires knowledge of the world at large. The dual disability imposes serious problems of communication and mobility, as well as social and vocational adjustment, often leading to isolation and loneliness. Historically, this population has been neglected. Within the past 20 years, however, some progress has been made, primarily through the efforts of professional workers in education and rehabilitation, and scientists and engineers who have produced aids and devices that are adding a new dimension to the independence of deaf-blind people. Yet most Americans are unaware of how many of their fellow citizens have been identified as deaf-blind, and how many more are misdiagnosed, inappropriately placed and even hidden away. The need for services has also increased since the midsixties, when some 6,000 children were born deaf-blind due to an epidemic of material rubella.

It can be a dark, silent and lonely world. But it does not have to be. Through education, training and job preparation, deaf-blind children and adults can become independent, productive and contributing members of society in the community and in the workplace.

A coordinating committee has launched a joint effort this year to inform, educate, and sensitize the general public about the needs of the deaf-blind population and create an awareness of the untapped talents and abilities, as well as the contributions of deaf-blind persons. Representing the leading national organizations concerned with the welfare of our deaf-blind citizens, the committee consists of: the American Association of the Deaf-Blind [AADB], representing deaf-blind consumers; the American Foundation for the Blind [AFB], representing blind systems that provide services to the deaf-blind; Gallaudet College, Washington, DC, representing the deaf systems that provide education and services to the deaf-blind; the Helen Keller National Center for Deaf-Blind Youths and Adults, the single national facility that provides evaluation and rehabilitation training for deaf-blind persons; and the North American Association for Deaf-Blind Persons [NAADBP], representing educators and parents of deaf-blind persons.

Helen Keller Deaf-Blind Awareness Week, June 23–29, addresses another and final crucial message: Society's investment in the provision of economic and human resources will ensure that deaf-blind Americans can develop the skills needed for socialization, recreation, personal management, independent living and emloyment. Ultimately, all Americans benefit.

MARCH OF DIMES NATIONAL TELETHON AGAINST BIRTH DEFECTS

Mr. DOLE. Mr. President, this weekend, June 29 and 30, the third national telethon for the March of Dimes Birth Defects Foundation will be broadcast on 107 television stations coast to coast. In keeping with the March of Dimes mission of preventing birth defects, and with the nearby Fourth of July holiday, the telethon will carry the theme "Let Freedom Ring for America's Babies."

What more appropriate celebration of America's spirit can there be than this affirmation of our commitment to the health and well being of America's future generations? Birth defects strike 1 out of every 14 newborns in this country. Some quarter of a million babies are also born with seriously low birthweight. Our country ranks behind 17 other industrialized nations in its rate of infant mortality.

The March of Dimes, through its programs of research, medical services, and education, has been leading the way in fostering programs to prevent birth defects—to give every baby a greater and greater chance to be born healthy. Programs of prevention have been shown to spare countless children from handicapping or even fatal conditions, while saving billions of dollars for the society as a whole.

This weekend, while being informed about March of Dimes efforts to prevent birth defects and being entertained by notable celebrities, Americans will have the opportunity to phone in their pledge of support. The telethon, like all activities of the March of Dimes, is made possible by the voluntary participation of thousands of citizens across the country. The March of Dimes was the prototype of a voluntary health agency, uniting a diversity of lay volunteers with scientists and health professionals in a winning partnership. June 29 and 30 will be each American's chance to participate in this great voluntary enterprise—in effect, to cast our votes to "let freedom ring for America's babies." I invite my Senate colleagues to join me in saluting the March of Dimes and their National Telethon Against Birth Defects.

BEN PHLEGAR RETIRES

Mr. DOLE. Mr. President, it's always a pleasure to pay tribute to a fellow Kansan, especially someone from my hometown of Russell.

So, it is with a special sense of pride that the Senator from Kansas takes this opportunity to recognize the contributions of the executive editor of U.S. News & World Report, Ben Phlegar, who is retiring this week.

I have known Ben since we grew up together in Russell. Ben was a couple of years ahead of me in school, graduating from Russell High as valedictorian of the class of 1939.

Ben has come a long way since that time. Despite his success in the Nation's Capital, however, he has never been filled with any sense of his own importance. He has chosen to live a quiet life, contributing in his own way to assure the high quality of public knowledge and debate. His integrity and dedication make him someone of who Russell, KS, the Nation, and journalists everywhere can be proud.

Ben knew he wanted to be a journalist from the start. After attending the University of Denver and receiving a journalism degree from the University of Missouri, Ben joined the St. Louis Star-Times as a reporter.

From there, Ben, always an avid sports fan, went to work for the Associated Press as a sports and general assignment reporter. He spent many years with the AP in St. Louis, Miami, Charlotte, NC, New York, and London. He finally settled in Detroit, where he rose to become a senior editor in charge of Automotive News.

On May 13, 1963, Ben joined U.S. News as the Detroit bureau chief. In 1971 he came to Washington, the magazine's headquarters, where he rose from editor to superviser of all the bureau chiefs, and finally to executive editor.

I know Ben will be missed at U.S. News & World Report. But his contribution to the magazine, to the profession of journalism, and to the American public, will not be soon forgotten.

He has been a fine friend and a wonderful ambassador for our home State. The Senator from Kansas wishes him well.

COSPONSOR OF AMENDMENT OPPOSING BINARY PRODUCTION

Mr. PRYOR. Mr. President, during consideration of the Defense authorization bill (S. 1160) when I proposed my amendment (No. 193) to delete funding for production of binary chemical weapons, I inadvertently omitted the name of the senior Senator from California [Mr. CRANSTON] as one of the cosponsors.

Senator CRANSTON has been one of the strongest opponents of binary production ever since this issue surfaced, and I ask unanimous consent that his name be added as a cosponsor of the amendment, which was considered on May 22.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROLL CALL'S 30TH ANNIVERSARY

Mr. DOLE, Mr. President, this year marks the 30th anniversary of a great institution—Roll Call, the newspaper of Capitol Hill.

Roll Call is reminiscent of the small, hometown newspaper in its warm human interest accounts about the people who make up the congressional community. At the same time, no other news periodical, large or small, exceeds Roll Call in accuracy or thoroughness when it comes to reporting the hard news about congressional decisionmaking. Everyone whose job depends upon keeping abreast of the inner-workings of Congress—be they Members, staff, administration officials, or lobbyists—read the Roll Call. We read it for information. We read it for enjoyment. We read it because we trust Sid Yudain and his staff to be fair and objective in their reports. And even though we think of the Roll Call as our own, hometown newspaper, in fact, its appeal extends to all who have an interest in national legislation or simply appreciate the value of witty prose.

I have been an avid reader of Roll Call since coming to the Congress in 1961. Since then, my responsibilities have increased along with my workload. The busier I have become, the more valuable Roll Call has become, not only for vital congressional news and tidbits, but also for its political humor. In my opinion, Sid Yudain writes some of the best political one-liners in town.

Roll Call has always enjoyed the full support, respect, and affection of the Congress. I am pleased to join my colleagues in wishing this very special newspaper a happy birthday in its 30th year. Roll Call has grown significantly since the first edition rolled off the presses in 1955. As more and more advertisers and readers become aware of this weekly piece of quality journalism, it will continue to grow over the next 30 years. But regardless of how "big" Roll Call becomes in terms of its financial backing or circulation, we can trust Sid Yudain to maintain the paper's quaint charm and unique personality as Congress' hometown newspaper. An essential source of information as well as a pleasurable reading experience, this historic experiment in political news reporting has proven to be a publication of lasting, broad-based appeal.

IMPERIAL VALLEY HYDRILLA WEED

Mr. WILSON. Mr. President, today I rise to call attention to an urgent matter in Imperial County, CA. The noxious weed hydrilla was first discovered in the valley in 1978 and has rapidly spread to infest more than 300 miles of irrigation canals and drains. Because hydrilla grows most rapidly in the shallow water of irrigation ditches and chokes water flow, the viability of the $750 million annual agriculture economy in Imperial Valley is threatened. If hydrilla cannot be controlled, it will inevitably infest other water systems, including the Coachella Valley Water District and ultimately the Colorado River Basin.

For the past 3 fiscal years, the U.S. Department of Agriculture Animal and Plant Health Inspection Service [APHIS] has provided $100,000 annually to help finance research to eradicate hydrilla. This has been matched by an equal contribution from the Imperial Irrigation District [IID] and by funds from the State of California. The Hydrilla Control Research Program has been a joint effort to identify the best means of controlling hydrilla. Numerous control methods have been extensively studied and tested, and the IID is now ready to move to the next logical step in its program. Initial research indicates that the most effective means of controlling hydrilla in the district is to stock infested waterways with triploid grass carp.

The triploid grass carp is a sterile fish which can daily consume several times its own weight. Tests have proved the grass carp's effectiveness in controlling hydrilla without adversely affecting existing fish populations. These fish are produced in an Arkansas hatchery and would be transported to the Imperial Irrigation District where they would be stocked and monitored.

The success of the Hydrilla Control Program requires a Federal appropriation of $350,000 through the APHIS Noxious Weeds Program for fiscal year 1986 for fish, equipment, transportation, and research costs. This appropriation would be supplemented by more than $100,000 per year from IID and approximately $200,000 from the State. This represents a significant non-Federal cost share and commitment to this Hydrilla Control Problem.

As a member of the Agriculture Committee, I appreciate and support the need for hydrilla control. This is a 5-year research program. The first 3 years have been successful in identifying the most effective and least costly control method. Our accomplishments of the past 3 years will be lost if the district is not permitted, because of the lack of Federal assistance, to take the next step and prove the operational effectiveness of the grass carp.

I strongly support this program not only because of its benefit to southern California agriculture but also because the experience gained through this program could be transferred to other areas of the country. This noxious weed has been found in at least 11 other States and threatens to spread to other areas and States. I firmly believe that Congress should recognize the urgency of this problem and continue funding for this eradication program.

JAPANESE BARRIERS TO U.S. SEMICONDUCTORS

Mr. RIEGLE. Mr. President, we have such a wealth of human talent and natural resources in Michigan and throughout this country that it is hard to imagine the United States losing in any sort of international competition. And yet, due in large measure to Government neglect and bureaucratic bungling, the United States is losing the international competition for jobs and economic security.

Mr. President, the U.S. trade deficit with Japan almost doubled in 1984, and is expected to balloon by a further one-third in 1985. Our disgraceful loss to the Japanese in 1983 of $19 billion in product sales, and the jobs to make those products, will soar to $50 billion this year.

Japan exports primarily manufactured goods to the United States such as autos and consumer electronics. They have now openly targeted commercial electronics, the production technologies of the future, as their next corporatist goal for domination. The United States on the other hand exports primarily raw materials to Japan such as corn, oil seeds, coal, lignite, and peat.

A long line of traditional U.S. industries have accused Japan of cheating in the competition for jobs and sales—agriculture, steel, autos, machine tools—the list goes on and on. The response from the Japanese and the Reagan administration was to blame American workers and managers or to argue that these jobs and these industries were not important because high

technology industries would solve all our problems.

Semiconductors are the very heart or, more accurately, the brain of today's technologies. As is typically the case, American firms are the acknowledged leaders in this field with 55 percent of the competitive worldwide market. Yet the market share for American firms in Japan has been held to 10-11 percent for a decade. Three weeks ago a memo was discovered from one Japanese semiconductor firm, Hitachi, to its U.S. distributors. This memo is strong evidence of the illegal, predatory pricing long suspected of the Japanese in our market. The obstacles to free competition with Japan facing the semiconductor industry illustrate the extent and severity of Japanese market distorting practices.

Mr. President, I ask unanimous consent that a copy of the Hitachi memo to its U.S. distributors be inserted in the RECORD.

The U.S. semiconductor industry filed a formal action against the Japanese on June 14 under section 301 of the Trade Act of 1974. There have been 47 such filings in the past and action has been taken in only 2 cases—with the rest settled through negotiation. The U.S. Trade Representative, therefore, has a vital and urgent role to play in this extremely important matter. On June 5, I wrote to our Acting Trade Representative, Ambassador Michael Smith, requesting that he immediately mobilize and coordinate U.S. efforts. The State Department, the Council of Economic Advisers, and the Office of Management and Budget must provide the USTR with any and all support that is needed.

An official U.S. delegation and representatives of the U.S. semiconductor industry met with the Japanese in Tokyo last week. The Japanese were unwilling to stop the cheating by their industry. Again we were asked to be patient while our jobs, markets, and economic security are stolen from us. I expect that Mr. Clayton K. Yeutter will soon be confirmed as the U.S. Trade Representative. Hard-nosed negotiating with the Japanese on semiconductors should be his first action—and his first success.

The Japanese are the protectionists. The Japanese have wildly distorted world markets, and they continue to do so today. It is absurd to suggest, as some do, that those of us willing to stand up for American interests against this sort of Japanese behavior represent anything other than the most productive and efficient economic path for the future. We don't need more stalling talks and empty promises about process. The American people need jobs and economic security now.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

EPROM LEADERSHIP—HITACHI IS UNBEATABLE

PRICE LEADERSHIP, WE'RE NUMBER 1

40% below Intel and AMD, 15%-20% below other Japanese suppliers.

PRICE CROSSOVER

128K—1.6 × the 64K, 256K—2 × the 128K.

CMOS PREMIUM SLASHED

27064—25% over NMOS and heading for parity.

WIN WITH THE 10% RULE

HN4827128, HN27256, find AMD and Intel sockets * * * quote 10% below their price * * * if they requote, go 10% again * * * don't quit till you win.

HN27064 win Fujitsu business, use the 10% rule.

25% DISTI PROFIT MARGIN GUARANTEED

HN4827128, HN27256, HN27064.

HITACHI EPROMS

SECRETARY MARGARET HECKLER LAUNCHES PROGRAM TO AID DISABLED AMERICANS

Mr. HATCH. Mr. President, as chairman of the Labor and Human Resources Committee, I have occasion to hear about most of the programs being developed or administered by the Department of Health and Human Services. Recenly, DHHS Secretary Margaret Heckler has been aggressively working to enlist the support of top aerospace and defense-related companies to launch a "national initiative on technology and the disabled." Today, I want to express to my Senate colleagues my enthusiasm for her efforts to find new, alternative ways to help people with disabilities.

President Reagan has declared the 10 years of 1983 to 1992 the "National Decade of Disabled Persons." Secretary Heckler's initiative convincingly reflects the President's leadership and his commitment to develop and promote private sector solutions to enhance the independence and dignity of disabled individuals.

Many of the companies from the State of Utah that attended the recent Paris Air Show, where HHS exhibited many of the medical devices and byproducts developed with the help of the aerospace industry, have expressed their support for this initiative. The executives of these companies met with Secretary Heckler, visited her exhibit in the U.S. pavilion and were very impressed with her initiative.

Of course, this is not surprising since the State of Utah is a leader in the development of products and devices to meet the needs of individuals with disabilities. People in Utah understand the importance of extending a hand to those of our neighbors with disabilities. For example, three of the giants in this field are associated with Utah. Dr. Willem Kolff, director of the Institute of Biomedical Engineering at the University of Utah, was one of the first to develop biomedical products. Dr. Robert Jarvik, the creator of the Jarvik 7 artificial heart, is director of Symbion Corp., a Utah company which produces artificial hearts, and is working on an advanced hearing aid to benefit those with hearing impairments. Dr. Stephen Jacobson, of the Center for Biomedical Design, has produced a robotic arm which the patient controls through the electrical signals produced by other muscles in the remaining portion of the limb, or even muscles in the other arm. I commend their efforts because it is typical of the compassion and care we share in Utah for all of those who truly need assistance.

In the near future, Secretary Heckler plans to establish a national communications and volunteer network of high-technology scientists and engineers to facilitate more research and action in this area. Specifically, these professionals will be paired with technology-dependent persons on a 1-to-1 basis to help meet the unique needs associated with a person's individual disability. Funding for this effort will come from private sector donations and this national network will be self-sufficient and self-sustaining under the direction of a private sector, nonprofit foundation.

President Reagan is fortunate to have an administrator who has compassion for the needs of Americans with disabilities, and an awareness of the tremendous technological resources that exist in our many aerospace and defense-related companies. I call on my colleagues to support Secretary Heckler in this innovative and timely initiative.

PROHIBITING THE TRANSMISSION BY COMPUTER OF CERTAIN OBSCENE MATERIAL—S. 1305

Mr. SYMMS. Mr. President, I rise in support of S. 1305, Senator TRIBLE'S bill to prohibit the use of computers to transmit pornographic material and particularly material pertaining to the sexual exploitation of children. Investigators have compiled a considerable body of evidence showing that pedophiles now are using computers to communicate with one another and catalog information about their victims. Unfortunately, these deplorable abuses of modern communications technology are not proscribed by current Federal law, according to officials at the Department of Justice and the Federal Communications Commission.

This legislation would bring Federal obscenity and indecency laws up to date with advances in communications technology. The existing prohibition on the interstate transportation of ob-

scene material would be extended to apply interstate computer transmissions. The bill also provides penalties for the production and distribution of materials relating to child molestation and child pornography. In addition, pornographers who collect child porn could no longer contact one another in writing or by computer. Our obscenity laws must be expanded in this manner if Congress is to fulfill its responsibility to protect the Nation's youth from criminal activity, including sexual abuse, when that activity falls within the purview of Federal law enforcement or regulatory agencies.

Earlier this month, Senator DENTON's Subcommittee on Security and Terrorism held hearings on the subject of child abuse and the use of computers by pedophiles. One of the witnesses, Special Agent Kenneth Lanning of the Behavioral Science Unit at the Federal Bureau of Investigation, gave a moving description of the trauma suffered by thousands of children who become the new victims of pedophiles each year. I urge my colleagues' attention to the following portion of his testimony:

Discussions and research on pornography often focus on the effects on the viewer rather than on the effects on the child subject. The latter is particularly crucial in evaluating the harm of child pornography.

Children used in pornography are desensitized and conditioned to respond as sexual objects. They are frequently ashamed of and/or embarrassed about their portrayal in such material. They must deal with the permanency, longevity and circulation of such a record of their sexual abuse. Some types of sexual activity can be repressed and hidden from public knowledge; child victims can fantasize that some day the activity will be over and they can make a fresh start. But there is no denying or hiding from a sexually explicit photograph or video tape. The child in a photograph or video tape is young forever, and therefore the material can be used over and over for years. Some children have even committed crimes in attempts to retrieve or destroy the permanent records of their molestation.

Americans of every political stripe would agree that we as a nation should act to prevent child sexual abuse and keep our children from suffering the kinds of emotional and psychological damage described by Agent Lanning. Senator TRIBLE's bill is a necessary step in that direction, and I urge its expeditious approval.

JAMES L. FERGUSON

Mr. THURMOND. Mr. President, the growth and development of industries in our country are signs of the healthy economy that has long been the backbone of our free enterprise system. I wish to call my colleagues' attention to a well-established corporation that is setting new standards for other companies across the country. General Foods Corp., under the innovative and capable leadership of James L. Ferguson, chairman and chief executive officer, has become the market leader in many product lines.

Incorporating the latest practical technology and marketing techniques, Jim Ferguson has initiated a bold, 5-year plan in response to new buying and eating habits in a changing market. His willingness to take risks and meet the competition head-on, through decisive steps to restructure and modernize, is helping him achieve his goal of making General Foods the market leader in all its major food categories.

Mr. President, while General Foods has added some new products, the plan does not call for heavy investment in product development. Instead, the corporation has begun selling a number of its ancillary companies and buying and expanding regional companies with well-know, high-quality products. These companies bring with them their established markets and their networks of route salesmen, which help the parent company diversify into new food areas.

Jim Ferguson is to be commended for the leadership and farsightedness that have moved General Foods into a position of business leadership in this Nation. His wife, the charming Esther Baskin Ferguson, a native South Carolinian, has inspired and motivated him to excel. Both these public-spirited citizens are active in many worthwhile civic organizations, including the Spoleto Festival in Charleston. I predict that under his capable leadership, General Foods will continue to grow and flourish.

Mr. President, in order that my colleagues might learn more about General Food's successful methods of operation under private enterprise, which has proved to be the most effective economic system in the world, I ask unanimous consent that an article by Aimee Stern from Dun's Business Month be printed in the RECORD.

There being no objection, the article is ordered to be printed in the RECORD, as follows:

A LOOK AT GENERAL FOODS

(By Aimee Stern)

In the sedate town of Rye Brook, New York, stands the ultramodern new headquarters building of $8.6 billion-sales General Foods Corp. The huge structure, a stark contrast to the gentrified country setting around it, is designed to tell the world that a onetime sleeping giant is being transformed into an aggressive, up-to-date company willing to take risks and meet the competition head-on. "General Foods is a far different company today than when the 1980s began," states James L. Ferguson, its chairman and chief executive officer.

Five years ago, 39% of General Foods' revenues still came from coffee, a no-growth market, and much of the rest of its volume was in similarly mature, slow-moving markets like cereals and powdered beverages. The company's sales growth was slow and profits were flat.

Realizing the need for a new long-term growth strategy, in 1981 Ferguson began a wide-ranging program to restructure and modernize the company's product mix—both by adding new products to its established brands and diversifying into new food areas. At the same time, in order to concentrate on what it knew best, the company decided to sell off a number of ancillary operations—including fast-food restaurant chain Burger Chef, ten smaller restaurant chains and, most recently, Gaines Pet Foods.

One of the major objectives of the repositioning strategy was to make General Foods the market leader in all its major product categories. Product competition for supermarket shelf space has become so intense that, as Ferguson recently told a meeting of security analysts, "Market leadership will become a matter of survival."

Indeed, the problems General Foods has been working to solve for the past four years are endemic to the food-processing industry. For one thing, overall industry growth has leveled off to a mere 1% a year.

For another, far-reaching changes in the eating and buying habits of Americans have splintered what was once basically a single mass market—namely, mom—into smaller, diverse segments of consumers, such as working women, teenagers, men and singles. At the same time, changing tastes have increased consumer demand for light, healthy, convenient and low-calorie foods. "Markets have become demassified and we wanted to target directly to specific audience groups for a more effective sell," says Executive Vice President Donald J. Keller.

But rather than make the heavy capital investment needed to invade new markets on its own, General Foods decided to acquire companies with well-established brands and expand their operations. In 1981, it bought Oscar Mayer & Co., the leading U.S. producer of branded meat products. This was followed by the purchase of two regional companies in the Northeast: fresh baked goods maker Entenmann's, Inc. in 1982 and pasta producer Ronzoni Corp. last year. "What impresses me," says food analyst William Hallinan of Phoenix brokerage house Young Smith & Peacock, "is that instead of spending $100 million on product development, they have scrapped a good deal of this to buy regional companies that already have a market and a consumer."

For example, General Foods wants to make Entenmann's the first national company in the fresh baked goods business. It began by taking Entenmann's to the West Coast and Denver in late 1984. And to simplify and speed up the distribution process, it purchased the western division of Oroweat Foods Co. (a subsidiary of Continental Grain Co.), a well-known maker of fresh breads with an established network of route salesmen. "Oroweat took us from Brooklyn to San Diego very quickly," says President David Johnson of Entenmann's. "It had bakery production facilities we could use, and we put our products on Oroweat's trucks and were in business." General Foods also is adding $7 million in capital improvements to Oroweat's bread business.

General Foods can claim a number of new-product successes since restructuring began. In beverages, its new sugar-free Crystal Light powdered soft drink, packaged in individual serving sizes and aimed at young, active singles, is expected to score sales of more than $150 million in its first year of national distribution, making it one of the

ten most successful new product introductions in grocery history, according to the company. And Oscar Mayer's Louis Rich division, a Midwestern meat and turkey processor, has been adding new products at a fast clip and scored a 15% sales gain in the quarter ended last December 31.

Besides that, Pudding Pops, the first of the company's new line of frozen desserts brought out under the Jell-O name, was an overnight success and is expected to continue showing strong sales gains. The NutraSweet version of Jell-O, introduced late last year, is also selling well, says Raymond Vialt, general manager of the desserts division.

All told, frozen-dessert products are currently generating sales of $140 million a year, and plans call for the introduction of one major new product a year for the next five years, Vialt says. Now being test-marketed in Soft Swirl, the first soft ice cream that can be stored in freezers.

With a product mix heavily weighted towards beverages and desserts, General Foods has begun to put more emphasis on main meals—what it calls "the center of the plate." Last year, a number of brands—including Birds Eye frozen foods, Minute rice, Stove Top stuffing and Ronzoni—were organized into a new Main Meals division.

The company is counting heavily on Ronzoni in its main-meal push. The second-largest pasta producer in the U.S., it was in trouble when General Foods bought it in February 1984, due to heavy competition from imported pastas. But Ferguson considered its well-known name and reputation for high-quality products to be major assets, and he expects it to provide a solid base for a broad line of Italian food products. "We want to reach far beyond just the dry pasta category and participate in other staple items, such as frozen dinners," agree Ronzoni President Robert Ronzoni,

Ronzoni's sales rose 5%-to-10% in the, quarter ended December 31, and its New York market share is now at an all-time high, Ferguson reports. He figures the division will begin expanding into new markets by next year.

General Foods is also gearing up to stalk affluent consumers with premium food products, most of which are still in the testing or development stages. "The fastest growing segments of the business are at the high and low ends," Keller explains, "Hamburgers and tacos are selling and so are premium and gourment products. We chose the premium option because it offered bigger profit margins."

In test market now, for example, is a gourment line of domestic and imported cheeses. Pre-ground premium coffees have also been tested, but Keller says the company has not hit on the right formula yet.

General Foods is by far the major coffee processor in the country, and to stimulate sales in this long-lackluster market, it decided to rebuild coffee's image as a product that tastes good and is an enjoyable way to relax after a meal. "We took the approach that coffee is terrific and our coffee is more terrific than yours," says Stephen B. Morris, vice president and general manager of the Maxwell House division. "A lot of coffee advertising back in the Sixties and Seventies started with the premise that there was something intrinsically wrong with coffee but our brand is less offensive than yours."

First, to push coffee generically, the company banded together with other coffee marketers in a national advertising campaign featuring so-called "coffee achievers," such as rock stars and contemporary writers, as spokespeople. The ads were designed to reverse the sharp drop in coffee consumption among 16-to-22-year-olds. "These young people were completely neutral on coffee because it had no relevance to their lives," Morris points out. "There was enormous growth in their consumption of soft drinks, beer and Perrier, and coffee was the loser."

General Foods also has redesigned the ad campaigns for its various coffee brands. For example, it is doing a soft-sell commercial for Maxwell House on MTV, the rock music video station, which features a comedian onstage joking about coffee, with the brand identified at the end.

The only growth segment of the coffee market is decaffeinated, which now accounts for 20% of the total market and is expected to show 8% sales growth this year. According to General Foods, it has a 50%-to-60% share of the decaffeinated market, and to keep this business rolling it recently added decaffeinated versions of Maxwell House and Yuban to its established brands, Sanka and Brim.

It is still to early to tell whether General Foods' product restructuring will give it the consistent sales and earnings growth it seeks. On the plus side, it had reduced coffee's share of overall sales to 27% by the end of fiscal 1984, and earnings of its packaged food operations have risen 19% over the past four years. In addition, it can claim market leadership in such product lines as frozen vegetables, frozen novelty desserts, fresh baked goods and sugar-free powdered soft drinks.

However, the company was hit on several fronts last year and has admitted it will be reporting lower earnings for fiscal 1985 (ended March 31) than originally projected. For one thing, some 20% of its sales come from international business, and overseas earnings were held back by the strength of the dollar; besides that, earnings at Oscar Mayer declined due to highly competitive industry pricing and labor problems, and beverages sales were hurt by cool temperatures last summer. Industry analysts now estimate that earnings (excluding nonrecurring profits from the sale of Gaines) will just equal or slightly better fiscal 1984's $6.10 a share.

But analysts are optimistic about 1986 and beyond. "It's financially a very strong company and is using an aggressive strategy that should show up in earnings gains next year," says Barry Ziegler of brokerage firm Tucker Anthony & R. L. Day. And Bill Hallinan believes, "There will be an explosion in earnings if the dollar drops." Moreover, long-term prospects look very strong for both Oscar Mayer and beverages, according to analyst Marvin B. Roffman of Janney, Montgomery Scott, Inc.

Ferguson himself seems absolutely sure about the long-term payoff. "I am confident that we can achieve 3%-to-5% volume growth in the 1986 fiscal year," he says, "and this signals the beginning of a trend that will continue for years to come."

ALZHEIMER'S DISEASE

Mr. PRESSLER. Mr. President, I rise today to commend an individual and an organization. Both have made significant contributions to the cause of finding a cure for Alzheimer's disease.

First, I salute Princess Yasmin Aga Khan for her many personal efforts not only in leading fundraising activities, but also in making the public aware of this terrible disease. Yasmin's mother, Rita Hayworth, suffers from Alzheimer's and I can assure all the Members of this body that Yasmin has done much more than lend her famous name to a cause. She has worked for increased funding for research which is so critical to our efforts to cure this devastating disease. Yasmin has also given her time and resources in her continuing effort to keep Members of Congress informed of the need for Federal funding of Alzheimer's disease research. I believe Yasmin has been instrumental in informing thousands of Americans of the ever-growing cost of caring for Alzheimer's patients and of the most difficult burden faced by families caring for an individual who suffers from this ailment. Yasmin has watched this disease overcome her mother and has been a leader in searching to find treatment for its victims.

Yasmin Khan has worked with an important association known as the Alzheimer's Disease and Related Disorders Association [ADRDA]. This outstanding organization has led the way for increased understanding of the disease, which affects an individual's memory, personality, and is the fourth leading cause of death. I credit the ADRDA for helping family members of victims of Alzheimer's to work with researchers and professionals dealing with the tragedies of this disease.

My mother is a member of the Siouxland Chapter of ADRDA in South Dakota, and I can tell you from personal experience that this fine organization is extremely helpful and supportive of the families of Alzheimer's victims.

Alzheimer's disease is the fourth leading cause of death in the United States today. Yet, so much is still unknown about this disease. How do we treat Alzheimer's? Is Alzheimer's preventable? Can we find a genetic trait for this disease? These questions and so many more remain unanswered. The answers will only be found through continued research.

Through the efforts of Princess Yasmin Aga Khan and members of the Alzheimer's Disease and Related Disorders Association, it is hoped that we will be able to soon put an end to this devastating disease. I want to commend Princess Khan and all the members of the ADRDA for their continued commitment to the cause of finding a cure for Alzheimer's disease.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

AMBASSADORS PICKERING AND CORR

Mr. BOREN. Mr. President, I am delighted to learn that the Committee on Foreign Relations has reported a number of appointments to ambassadorships to the full Senate for our action and hopefully for our confirmation.

I am especially pleased to learn that among those recommended by the committee for confirmation is Mr. Thomas R. Pickering, who has been appointed by President Reagan to be Ambassador to Israel. Mr. Pickering is now serving as our Ambassador to El Salvador.

In my opinion he is one of the most able public servants that we have in this country and is one of the most able men to hold the rank of ambassador in our country in recent years.

He has made an invaluable contribution as Ambassador to El Salvador. That assignment, of course, has been a very difficult one. Ambassador Pickering went to El Salvador as our Nation's representative at a time in which the future of that country was literally hanging in the balance.

He served as our ambassador during the critical elections that were held there which ultimately concluded with the election of Napoleon Duarte to be President of El Salvador, and more recently included the parliamentary elections where the party of President Duarte was able to succeed in winning a working majority in the parliament of that country.

During that period of time political violence from both the right and the left have been greatly reduced in El Salvador.

It is estimated by impartial observers, including the church, that the level of political violence today is only approximately 10 percent of the level just a year and a half ago.

We have seen emerging a moderate political center in that country which is bringing a level of stability that would not have been thought possible even 2 years ago.

There are still serious problems to overcome, problems with the economy of El Salvador, which has been so disrupted by the activity of the guerrilla movement, problems in rebuilding the infrastructure of the country necessary for economic growth, an infrastructure that has been destroyed by the long struggle and violence in that country.

But significant progress has been made. I think an indication of that progress and the confidence that the Congress of the United States has in the progress being made in El Salvador is reflected in the dramatic change in the margins of votes registering approval for our assistance to the Government of El Salvador.

Two years ago we were barely able to pass bills appropriating funds to help that beleaguered government. We had difficulty in even passing the bills to make it possible to carry on the free elections there which were carried on in such an exemplary fashion.

More recent votes on questions of aiding El Salvador and lending support for the government there have passed both Houses of Congress by overwhelming margins.

Mr. President, there have been, of course, many who are responsible for the turnaround in El Salvador and principal credit must, of course, go to the people of El Salvador themselves who have committed themselves to the democratic process, have risked their very lives to assure the integrity of that process.

There are many in that country who deserve credit. First among them, President Duarte, who himself for so many years suffered in the hands of those on both the left and the right who committed political repression, even from time to time suffering personal imprisonment and torture, because of his dedication and his commitment to the cause of developing a moderate democracy in that country.

But along with the people of El Salvador themselves during this critical period must go great credit to those who have so effectively represented the government of the United States in that particular country.

I can only say that I do not think that any ambassador in the past decade has exceeded in service and in results the effectiveness that Thomas R. Pickering brought to his tasks as Ambassador for the United States in El Salvador.

He developed a rapport with a broad cross-section of the political, religious, and commercial leadership of that country. He applied his immense language skills toward learning the language of the county and toward understanding the culture of the country. He effectively presented American policy not only to the media in El Salvador but indeed to the international media that had focused so much attention on that particular country.

He exercised balance and clear judgment and gave the President of the United States and the Secretary of State the benefit of his very wise counsel.

He came back to present arguments for American policy that had been developed by the administration in El Salvador to the Members of Congress. I can only say, Mr. President, that I do not believe that any ambassador has more effectively presented the policies of this government to Members on both sides of the aisle than did Thomas R. Pickering on his many visits back with those of us who serve in both Houses of Congress.

He has done so much to aid in developing what is essential to a successful foreign policy, particularly as it effects El Salvador, and that is the development of a bipartisan foreign policy that can be sustained not only in the short run, but in the long run as well.

He served not only in El Salvador, but he has served us as our Ambassador to Jordan and to Nigeria. He served as Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

Sometimes I think we forget that as many people have been killed in the line of duty serving us as our diplomatic representatives since World War II as have been killed in uniform at the rank of general or admiral. People who serve our country today in countries where there are tensions and where even violence is not unusual serve with great bravery and with great dedication to their country.

I wanted to take this opportunity, Mr. President, to say a word of thanks, as a Member of this Senate and as a citizen of this country, for those who render such service as diplomatic representatives of our country. In particular, on this occasion I want to express my appreciation, as one Senator and as one citizen, to Thomas R. Pickering, an ambassador who has done such an outstanding job for this country, in a country which has literally been turned around in the right direction over the last 2 years, in a part of the world, Central America, that is in our own neighborhood and is of such critical importance to our own country. All of us hope and pray that peace will come to that region and we hope and pray that stability will return throughout that region. And, of course, we hope that we will never see the day that young Americans have to be committed into any kind of military activity in that region.

I would say, Mr. President, that if our goals for peace and harmony and stability in that region here in our own hemisphere and here in our own neighborhood are realized, when the history of this period is written, it is going to be recorded that Thomas R. Pickering, as U.S. Ambassador to El Salvador, played a critical and an important role in building the kind of policy that made it possible for us to achieve those goals.

So I am particularly appreciative to the Committee on Foreign Relations for reporting his nomination to the floor. I hope that he will be speedily confirmed by the entire Senate so that he can go to his important responsibilities as the U.S. Ambassador to Israel.

If there is any area of the world, of course, which faces as critical a situation as that in our own area in Central America, it is, of course, the Middle East. And I know that our entire Nation will profit from having the expertise and dedication of Thomas R. Pickering committed to representing the interests of this country in that critical region.

We will profit, as well, from the service of his wife, Alice Pickering, an exceptionally able person in her own right who serves as a working partner with our ambassdor now in El Salvador and will continue to do so in Israel.

Again I want to commend the committee and urge my colleagues in the Senate that we give speedy consideration, when this matter is placed before us, to the confirmation of Mr. Pickering. The more rapidly we act so he can bring his skills to bear in the Middle East the better served will be our country.

I am also very pleased that President Reagan has decided to name as his successor in El Salvador another able American diplomat who has served with distinction in South America, who is very familiar with the region, Mr. Edwin G. Corr. If I can be allowed a bit of provincialism, my pride is increased by the fact that Mr. Corr is a native of my home State of Oklahoma. I have been privileged to visit with him on several occasions and to have the benefit of his advice in regard to our policy in Latin America.

So I want to also commend the President for appointing Mr. Corr to succeed Ambassador Pickering in El Salvador and to express my hope that Mr. Corr, as well as Mr. Pickering, will soon be confirmed in his new position so that he can begin his important work there.

These kinds of people, who serve in positions representing our Government in the diplomatic service, bring to bear an expertise which has been available to administrations of both parties in the very faithful service to their country that represents the highest and best traditions of professionalism in the Foreign Service. I, as an American, am grateful that we have people who are willing to take those risks and make those personal and family sacrifices to give us the benefit of their professional expertise and to help those of us in the Congress who are intent on hammering out long-range, bipartisan solutions to foreign policy challenges that face our Nation so that we can all get together as one people and have a continuous policy that will serve this country well, whether a Democrat or a Republican is in the White House, that will serve the long-range interests of our country, so that we can send a message to the rest of the world that the United States is a consistent and reliable ally, that you can count on what this country has said, and that it will continue to exert its tremendous influence for the right causes in international relations.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I will soon offer an amendment which will have the effect of making it permissive for the Secretary of Agriculture to postpone the wheat referendum. If this is not done, we would start sending out notices from ASC offices in all wheat-producing areas at some considerable expense, and many of us doubt the wisdom of that at this point. We have discussed this matter with the Secretary of Agriculture over the past 20 minutes. He has agreed that there will be no referer.dum prior to October 1. This amendment will give him—I understand it will be accepted by the House—the authority he needs to make that change.

I also indicate that following the action on this legislation, I hope we can then turn to the nominations. Again, I urge those who have been holding nominations to let us proceed. There are a number of outstanding nominees who would like to have their nominations confirmed. They have had hearings. They have met all of the qualifications. They should not be held hostage because there may be some problem with someone in the State Department, someone in the White House, or someone in the Justice Department unless there is a problem with some particular nominee.

Then it is my hope that we can move on these nominations this afternoon in fairness to those who have been nominated, and who have been selected by the President of the United States to be his representative in whatever capacity. I believe the President should have that right, unless there is some overwhelming reason to the contrary. I still hope we will stay in session as long as it may take to hopefully clear these nominees. We now understand, since we announced that there will be no rollcall votes today, that there is a request that we have rollcall votes on some of these. You learn as you go along. I will not make that statement again soon. That means, in effect, we have to postpone any action on many of these nominees until July 9.

Mr. BYRD. Mr. President, if the distinguished majority leader will yield, I would like to first say in response to something I heard the distinguished majority leader saying when I came into the Chamber to the effect that someone was asking there be a rollcall vote on a particular nominee. There is no request from this side.

Mr. DOLE. I make it clear that I understand the request comes from this side.

Mr. BYRD. I thank the distinguished majority leader. As far as we are concerned, we are ready to go on most of the nominees on this calendar. As far as we are concerned we can go by voice vote as of today. We keep in mind the fact that the distinguished majority leader did say yesterday that there will be no rollcall votes today. He is entitled to the support of everyone, if we can help him to avoid the rollcall votes inasmuch as Senators went away with that understanding. We are cleared on this side. We are ready to go.

NATIONAL MARKETING QUOTA FOR WHEAT

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 822.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 822) entitled "An Act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986", do pass with the following amendment:

Strike out all after the enacting clause, and insert: That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, shall not be conducted before adjournment sine die of the first session of the Ninety-ninth Congress.".

Mr. DOLE. Mr. President, if the distinguished minority leader has no objection, we can complete action on the wheat referendum. There is an amendment which I will offer for myself and the Senator from Nebraska, Senator ZORINSKY. We have worked it out with the chairman of the House Agriculture Committee. We have been meeting with Secretary Block. If we pass this amendment, I am advised the House will accept it yet this afternoon which will save the Federal taxpayers somewhere in the neighborhood of $1 million over the next 30 or 40 days.

AMENDMENT NO. 432

Mr. President, I move that the Senate concur in the House amendment with a further amendment which I have sent to the desk in the nature of a substitute.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. ZORINSKY, and Mr. BOREN, proposes an amendment numbered 432:

In lieu of the language proposed to be inserted, insert the following:

That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following. "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty-one days after adjournment sine die of the first session of the Ninety-ninth Congress.".

Mr. ZORINSKY. Mr. President, I support the amendment that is being offered as a substitute for the House-passed version of S. 822. The substitute will simply authorize the Secretary of Agriculture to defer holding a referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

S. 822 is legislation that I introduced on April 1. The bill, as approved by the Senate last week, would have authorized the Secretary of Agriculture to defer the referendum. As amended by the House last night, S. 822 would require, rather than authorize, the Secretary to postpone the referendum.

Whether the legislation should require the postponement of the referendum or simply authorize the postponement of the referendum—as has been done in the past—has been an issue of considerable discussion. The House position on this matter is entirely understandable in view of the administration's rhetoric that it fully intends to hold a referendum.

However, this afternoon the Secretary announced that the administration is now prepared to accept a bill that would authorize—but not require—the postponement of the referendum.

The legislation is needed to avoid having the Secretary of Agriculture conduct a wheat referendum by August 1, 1985, as required under the Agricultural Adjustment Act of 1938. In such a referendum, producers would vote "Yes" or "No" on the question whether marketing quotas should be in effect for the 1986 crop of wheat.

S. 822 would permit deferral of the referendum until after adjournment sine die of the first session of the ninety-ninth Congress. This will allow time for Congress to develop a new wheat program as part of the 1985 farm bill.

When the final version of the 1985 farm legislation is passed, wheat marketing quotas may not be required or a referendum will be required on a program substantially different from that provided under the Agricultural Adjustment Act of 1938.

In the absence of the enactment of S. 822, the Secretary would be required under permanent law to conduct a referendum that would be nothing more than a needless and costly exercise. In 1981 the Department of Agriculture estimated that the total cost of preparing for and conducting such a referendum would be about $4.8 million.

S. 822 is similar to legislation approved by Congress in 1977 and on three occasions in 1981 that postponed the wheat referendum. In that regard, Secretary Block sent letters—dated May 18, 1981, and October 7, 1981—recommending the enactment of legislation to postpone the 1981 wheat referendum. In his May 18 letter, Secretary Block stated that conducting the referendum would be, and I quote, "A needless and somewhat costly exercise", end of quote.

I believe that producers would not want the Secretary to conduct a referendum based on the wheat program provided under permanent law. Further, I believe that such a referendum is an unnecessary expenditure of funds since producers will not be presented with a choice of viable programs.

It is clear that, at the present time, holding the referendum would be an expensive administrative burden. Not holding the referendum will save the Department from committing resources to an unnecessary activity, prevent confusion among wheat producers regarding the 1986 wheat program, and save the taxpayers millions of dollars.

Based on the many meetings and discussions I have had with the administration and my colleagues in the Senate and the House, I am confident that the House is prepared to approve this substitute proposal; the President will sign it; and the Secretary will exercise the authority provided to postpone the referendum.

For those reasons, I urge my colleagues to support the substitute amendment to S. 822 and approve the measure.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT OF 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 198, H.R. 1714, the NASA authorization bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "National Aeronautics and Space Administration Authorization Act of 1986".

SEC. 2. There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1985:

(a) For "Research and development", for the following programs:

(1) Space station, $200,000,000;

(2) Space transportation capability development, $477,200,000;

(3) Physics and astronomy, $608,400,000;

(4) Life sciences, $68,000,000;

(5) Planetary exploration, $349,000,000;

(6) Space applications, $508,000,000;

(7) Technology utilization, $9,500,000;

(8) Commercial use of space, $16,500,000;

(9) Aeronautical research and technology, $350,400,000;

(10) Space research and technology, $145,000,000; and

(11) Tracking and data advanced systems, $14,800,000.

(b) For "Space flight, control and data communications", for the following programs:

(1) Space shuttle production and operational capability, $941,500,000;

(2) Space transportation operations, $1,700,100,000; and

(3) Space and ground network, communications and data systems, $745,300,000.

(c) Except as provided in section 3(a) of this Act, for "Construction of facilities", including land acquisition, as follows:

(1) Space transportation facilities at various locations as follows:

(A) Construction of orbiter modification and refurbishment facility, John F. Kennedy Space Center, $14,000,000;

(B) Construction of thermal protection system facility, John F. Kennedy Space Center, $3,600,000;

(C) Modifications for advanced technology engine test stand S-1C, George C. Marshall Space Flight Center, $6,500,000;

(D) Modification for enhanced life support systems testing, Lyndon B. Johnson Space Center, $1,100,000;

(E) Modification to Pad A payload changeout room, John F. Kennedy Space Center, $2,200,000; and

(F) Modifications to space shuttle main engine support systems, National Space Technology Laboratories, $2,500,000;

(2) Space shuttle payload facilities at various locations as follows:

(A) Construction of payload control rooms, John F. Kennedy Space Center, $1,200,000; and

(B) Construction of spacecraft systems development and integration facility, Goddard Space Flight Center, $8,000,000;

(3) Construction of additions to research projects laboratory, Goddard Space Flight Center, $3,800,000;

(4) Construction of microdevices laboratory, Jet Propulsion Laboratory, $8,900,000;

(5) Construction of numerical aerodynamic simulation facility, Ames Research Center, $8,200,000;

(6) Modifications to the 16-foot transonic tunnel for improved productivity and research capability, Langley Research Center, $4,900,000;

(7) Modifications of 64-meter antenna, DSS-14, Goldstone, California, $8,500,000;

(8) Modification of 64-meter antenna, DSS-43, Canberra, Australia, $8,900,000;

(9) Repair of facilities at various locations, not in excess of $750,000 per project, $22,000,000;

(10) Rehabilitation and modification of facilities at various locations, not in excess of $750,000 per project, $27,000,000;

(11) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $500,000 per project, $6,000,000; and

(12) Facility planning and design not otherwise provided for, $12,000,000.

(d) For "Research and program management", $1,370,000,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(e) Notwithstanding the provisions of subsection (h), appropriations authorized in this Act for "Research and development" and "Space flight, control and data communications" may be used for (1) any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $500,000, unless the Administrator or the Administrator's designee has notified the President of the Senate and the Speaker of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives of the nature, location, and estimated cost of such facility.

(f) When so specified and to the extent provided in an appropriation Act, (1) any amount appropriated for "Research and development," for "Space flight, control and data commuications" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of 12 months beginning at any time during the fiscal year.

(g) Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(h) Of the funds appropriated pursuant to subsections (a), (b), and (d), not in excess of $100,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and for repair, rehabilitation, or modification of facilities; *Provided*, That, of the funds appropriated pursuant to subsection (a) or (b), not in excess of $500,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 3. (a) Notwithstanding the provisions of section 2(c) of this Act, the total amount authorized to be appropriated by such section shall be $10,000,000 less than the sum of the amounts contained in paragraphs (1) through (12) of such section for individual projects.

(b) After the reduction specified in subsection (a) of this section is made, authorization is granted whereby any of the amounts prescribed in paragraphs (1) through (11) of section 2(c) of this Act—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward 10 percent, or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives on the circumstances of such action, may be varied upward 25 percent, to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 4. Not to exceed one-half of 1 percent of the funds appropriated pursuant to section 2 (a) or (b) of this Act may be transferred to and merged with the "Construction of facilities" appropriation, and when so transferred, together with $10,000,000 of funds appropriated pursuant to section 2(c) of this Act (other than funds appropriated pursuant to paragraph (12) of such section) shall be available for expenditure to construct, expand, and modify laboratories and other installations at any location (including locations specified in section 2(c)), if (1) the Administrator determines that such action is necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) the Administrator determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless a period of 30 days has passed after the Administrator or the Administrator's designee has transmitted to the President of the Senate and to the Speaker of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives a written report containing a full and complete statement concerning (A) the nature of such construction, expansion, or modification, (B) the cost thereof including the cost of any real estate action pertaining thereto, and (C) the reason why such construction, expansion, or modification is necessary in the national interest.

SEC. 5. Notwithstanding any other provision of this Act, no amount appropriated pursuant to this Act may be used for any program—

(1) deleted by the Congress from requests as originally made either to the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Science and Technology of the House of Representatives;

(2) in excess of the amount actually authorized for that particular program by sections 2 (a), (b), and (d); and

(3) which has not been presented to either such committee, unless a period of 30 days has passed after the receipt by the President of the Senate and the Speaker of the House of Representatives and each such committee of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

SEC. 6. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 7. No civil space station authorized under section 2(a)(2) of this Act may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

SEC. 8. (a) No pricing policy for the Space Transportation System for commercial and foreign users shall be established and implemented for fiscal years 1989 through 1991 unless a period of 30 days has passed after the President or the Administrator (or the Administrator's designee) has transmitted to the President of the Senate and to the Speaker of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Science and Technology of the House of Representatives a written report setting forth such policy.

(b) Such committees shall review the report transmitted under subsection (a) of this section and, if the committees determine that it is necessary or appropriate, recommend legislation to the Congress to establish a pricing policy for the Space Transportation System which is in the best interest of the Nation and more completely achieves the goals and objectives of the Nation's Civil Space Program.

SEC. 9. On and after the date of enactment of this Act, the Inspector General of the National Aeronautics and Space Administration may administer to or take from any person an oath, affirmation or affidavit, whenever necesary in the performance of the functions assigned by the Inspector General Act of 1978 (5 U.S.C. App.). Any such oath, affirmation or affidavit, when administered or taken by or before an investigator or such other employee of the Office

of the Inspector General as may be designated by the Inspector General, shall have the same force and effect as if administered or taken by or before an officer having a seal.

SEC. 10. Section 204(c) of the National Aeronautics and Space Administration Authorization Act, 1985 (Public Law 98-361; 98 Stat. 430) is amended by striking "twelve" and inserting in lieu thereof "18".

SEC. 11. (a) In accordance with the provisions of this section, during fiscal year 1986 the National Aeronautics and Space Administration shall defer payment to the Federal Financing bank of the amount attributable to principal for which the Administration is obligated during such fiscal year as a result of the contract regarding tracking and data relay satellite services (NAS 5-25,000) entered into under section 6 of the National Aeronautics and Space Administration Authorization Act, 1978 (42 U.S.C. 2463).

(b) The amount of any payment deferred under subsection (a) of this section shall be added to the amount of principal for which the Administration is obligated during fiscal year 1993 as a result of such contract. After the addition of such amount, if the total amount of repayments and prepayments under such contract for which the Administration is obligated during fiscal yar 1993 exceeds the total amount of repayments and prepayments under such contract for which the Administration was obligated during fiscal year 1992, the Administration may defer payment of such excess until fiscal year 1994.

(c) The Administration of the National Aeronautics and Space Administration is authorized to renegotiate such contract, if the Administration determines that such renegotiation is necessary to enable the Administration to defer payments as provided in this section.

SEC. 12. Section 24 of the Commercial Space Launch Act (49 App. U.S.C. 2623) is amended by adding at the end thereof the following: "There are authorized to be appropriated to the Secretary to carry out this Act $586,000 for fiscal year 1986.".

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

Mr. GORTON. Mr. President, for the purpose of authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration [NASA], I present for consideration H.R. 1714, as an amendment in the nature of a substitute. This bill is identical to S. 1278, which I introduced on June 12 along with 14 of my colleagues, and which was reported by the Commerce Committee on June 13 without objection.

This fiscal year 1986 NASA authorization bill provides total budgetary authority of $7.652 billion, which is $234 million below the administration's budget request. In reporting this bill, the committee recognized the significance of fiscal austerity and its responsibility in addressing the troublesome problem of our Federal budget deficit. This authorization bill embraces the concept of a freeze at the level of the fiscal year 1985 NASA appropriation, $7.510 billion, and provides three specific augmentations that total $142 million and account for the growth of 1.9 percent above the fiscal year 1985 appropriation.

These three augmentations are associated with problems that were not addressed in the administration's budget request and were revealed and quantified only this spring. The Commerce Committee believed that forcing these three augmentations back into a freeze baseline would exacerbate an already difficult situation. Therefore, the $142 million increase above the fiscal year 1985 appropriation is comprised of the following three augmentations:

First, $52 million for problems related to the Centaur Upper Stage Program; second, $48 million for problems related to the tracking and data relay satellite system; and third, $42 million for the restoration of the 5-percent paycut assumed in the administration's budget request.

While this bill's authorization falls far short of the administration's budget request, it does support NASA's ongoing activities so as to minimize any delays that could occur in NASA's major programs.

Specifically, this bill authorizes:

First, $200 million for NASA's permanently manned space station;

Second, $10 million for the orbital maneuvering vehicle, NASA's only new start for fiscal year 1986;

Third, $1,025 million for the space science programs. Although this authorization is $36 million below the administration's request for the space science programs, it does maintain the administration's request for the space science research and analysis programs, which support basic space science research at our universities and colleges;

Fourth, $508 million for space applications;

Fifth, $16.5 million for the Commercial Use of Space Program;

Sixth, $350 million for aeronautical research and technology; and

Seventh, $3,387 million for space shuttle production, operations, and tracking capability.

Mr. President, this bill also addresses an issue that will have a significant bearing on the commercial development of space and our Nation's role in this new era of space utilitization. This issue is the price that NASA will charge foreign and commercial customers for a shuttle launch during fiscal year 1989-91. The debate surrounding this issue has evolved from the Cabinet Council on Commerce and Trade to the senior interagency group on space, which will eventually recommend options to the President.

In the interest of imposing as few restrictions as possible on this administrative process, this bill does not recommend a specific pricing policy, but does require the President to deliver to the Commerce Committee and to the House Science and Technology Committee a report on the administration's pricing policy decision. Under this bill, these two committees will then have 30 days to review this policy and, where appropriate and necessary, recommend legislation.

Mr. President, I want to commend the chairman of the Commerce Committee, Mr. DANFORTH; the ranking Democrat of the Commerce Committee, Mr. HOLLINGS; and the ranking Democrat of the Science, Technology, and Space Subcommittee, Mr. RIEGLE, for their leadership in developing this legislation.

Finally, Mr. President, on behalf of the Commerce Committee, I ask that my colleagues accept by unanimous consent this bill which reflects budgetary conservatism at a time when we are all being asked to make sacrifices in order to restore more order to our Nation's economy. This bill is consistent with and supports the Federal initiative to reduce the budget deficits. More importantly, however, this legislation supports NASA's aeronautical and space programs in a manner that will help maintain our Nation's preeminence in science and technology and will build on the rich tradition of accomplishments that NASA has recorded since its establishment 26 years ago.

Mr. HOLLINGS. Mr. President, I strongly endorse H.R. 1714, the fiscal year 1986 NASA authorization bill that is before us today. This is a bill that balances the needs of today—a reduced Federal deficit—with the needs of tomorrow—a technologically strong and visionary America.

I am pleased to be associated with the bill and to have had a chance to help with the formulation of H.R. 1714. I think the freeze plus plan contained in this bill—a freeze for the fiscal year 1986 NASA budget request plus funding for three later requirements—represents a practical solution to NASA's budget dilemma and is a concept that should be endorsed by the full Senate, as well as the House of Representatives.

I would like to express my gratitude for the cooperation that the committee has received from the Senate Budget and Appropriations Committees in formulating this bill. The willingness of these committees to work with the Senate Commerce Committee manifests the high priority that the Senate gives to our Civilian Space Program.

Mr. President, I must be honest and say that despite my satisfaction with this bill, the $376 million cut recommended by the committee was a most difficult choice to make. However, these are difficult times, and I believe the committee's final recommenda-

tions are equitable and correctly prioritize NASA's research and development activities.

In drafting H.R. 1714, the committee adhered to five fundamental principles:

First, the bill should not necessitate a reduction in force [RIF];

Second, to the extent possible, the distribution of the reductions should affect all program areas and disciplines;

Third, the bill should not mandate legislatively a lower flight rate for the shuttle;

Fourth, the bill should stretch out rather than terminate major program activities to achieve the required savings; and

Fifth, the bill should fully fund the fiscal year 1986 request for all mission operations and research and analysis accounts—the lifeline of university research and basic research activities.

I believe these principles properly prioritize NASA's programmatic mix and properly equalize the hardships suffered.

I must inform the Senate that the committee has intentionally set aside the most critical civilian space policy issue requiring resolution this year for the conference committee. That issue is shuttle pricing policy.

Pursuant to section 8 of H.R. 1714, the Committee has established a reporting procedure for the imminent White House shuttle pricing policy decision. The committee felt that this approach let the executive branch decisionmaking process work its way while simultaneously safeguarding congressional oversight of the Civilian Space Program.

Mr. President, on June 25, I had the pleasure of attending a reception for the 114 teachers who have been nominated for the Teacher in Space Program. In particular, I had a chance to talk with South Carolina's nominees for this most distinguished opportunity, Myra Halpin and Michael Farmer—two individuals I might note who would do South Carolina and the Nation proud if they were selected as the "Teacher in Space Candidate." But more importantly, I saw 114 teachers—teachers who were so excited about the Civilian Space Program that it was hard for them to control their emotions; teachers who on a daily basis tell their students that a man's reach can far exceed his grasp; teachers who work to develop our Nation's most precious resource—the minds and imaginations of our youth.

Mr. President, I share their enthusiasm for the Civilian Space Program, and I share their desire to turn science fiction into scientific fact.

I urge my colleagues to join me in supporting H.R. 1714 and in supporting a technologically strong and visionary America.

Mr. RIEGLE. Mr. President, I support H.R. 1714, as reported by the Senate Committee on Commerce, Science, and Transportation and, urge my colleagues to support this measure.

The bill before you today is the product of many hours of work by many different people. In particular, I would like to compliment the subcommittee chairman, Senator GORTON, for a job well done. I have enjoyed working with the subcommittee chairman and his staff and look forward to future subcommittee activities.

I also would like to say that the Freeze Plus Plan proposed as the NASA fiscal year 1986 authorization bill is a tremendous compromise, given the budgetary situation. Many difficult reductions had to be made to a variety of worthwhile NASA activities. However, the fact that this bill was reported unanimously by the full committee infers that the subcommittee found an equitable solution to this difficult problem.

Mr. President, I am particularly pleased with the fact that in formulating this bill, the committee was able to provide $200 million for the space station—the next logical step, to fully fund the fiscal year 1986 budget request for mission operations and research and analysis, and to provide $350.4 million for aeronautical research and technology.

The latter is particularly important since it is the key to America's competitive posture in the world's aeronautical markets. Thanks to the NASA aeronautical research and technology program, the United States remains as the world's leader in aeronautical research and production and world trade in aircraft remains positive on the U.S. balance of trade sheet.

Mr. President, in formulating this legislation, the committee was required to carefully scrutinize NASA's fiscal year 1986 budget request and to thoroughly assess the Nation's civilian space program. I would like the Members of the Senate to know that despite the optimistic tone of the fiscal year 1986 NASA authorization bill, the space/science/technology infrastructure of our Nation, especially that of our university and research institutions, faces serious problems. Unless the NASA budget and the other basic research activities of the Federal Government receive real growth in the outyears, the technological leadership of the United States will be challenged. For example, the United States no longer holds a monopoly in the civilian space arena. The industrial countries of the world have entered the market, and they are positioning themselves to challenge our technological leadership in space much as they have done in aerospace. If the United States is to retain its leadership role in the civilian space arena, everyone must realize that after this year, real growth is required in the NASA budget.

I highlight this concern today because I fear that the budgetary situation could be worse next year and, therefore, so too could be the pressure to further reduce future NASA budget requests.

Mr. President, the time has come to commit to our civilian space program, to give it the support it deserves.

I urge my colleagues to support H.R. 1714 and to support our civilian space program.

Mr. GORE. Mr. President, I rise in support of H.R. 1714, which authorizes funds for the National Aeronautics and Space Administration for fiscal year 1986.

As an original cosponsor of this legislation, I believe that it represents a responsible effort at reducing our tremendous national deficit, while ensuring that the many valuable programs conducted by NASA are not jeopardized. The bill provides an authorization level of $7.652 billion, which represents a freeze of the President's fiscal year 1986 request at the fiscal year 1985 level, plus additional funds for later requirements that were not included in the original budget request. Although some projects will be slowed down somewhat from their original development schedules, this budget provides sufficient funding to protect their integrity.

Before my election to the Senate, I served for 8 years as a member of the Science and Technology Committee in the House of Representatives. As a member of that committee, I was a strong and consistent supporter of NASA and our national space exploration efforts. As a member of the Senate, I now serve on the Science, Technology, and Space Subcommittee of the Committee on Commerce, Science, and Transportation, where I intend to continue my support of NASA. I am convinced that the budget we have proposed for NASA is a good one.

Mr. President, the budget which we have proposed is the product of many long hours of discussion and much hard work on the part of many people. I want to take this opportunity, however, to offer a special note of congratulations to my good friend and colleague from Washington State, Senator GORTON, who serves as chairman of the Science, Technology, and Space Subcommittee. His commitment to our national space program is impressive, and this budget is a testament to his patience and perseverance. He deserves our praise and our gratitude.

I also want to congratulate my fellow subcommittee members, Senators RIEGLE and ROCKEFELLER, as well as the distinguished chairman, Senator DANFORTH, and ranking minority

member, Senator HOLLINGS, of the Commerce Committee, for their fine work on this legislation.

Finally, I want to commend two excellent members of the Commerce Committee staff—Marty Kress of the minority staff and Pete Perkins of the majority staff—for their superb work in putting this bill together. Their efforts are appreciated by us all.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The bill (H.R. 1714) as amended, was passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMERICANS MISSING IN SOUTHEAST ASIA

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 204, Senate Concurrent Resolution 46.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 46) to express the sense of the Congress regarding Americans missing in Southeast Asia.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Foreign Relations, with an amendment, on page 2, line 11, after "return", insert "of the remains."

Mr. ANDREWS. Mr. President, I thank the distinguished majority leader for bringing Senate Concurrent Resolution 46 to the floor today. This resolution was passed unanimously out of the Senate Foreign Relations Committee several days ago.

This quick action is a clear signal that the U.S. Senate is ready to take decisive action on confirmed reports of our men missing or otherwise unaccounted for in Southeast Asia.

Senate passage of this resolution means that President Reagan will receive the Senate's full support in assigning the highest national priority to the effort to obtain as full an accounting as possible of these genuine American heroes.

Today, the Senate will join together with the President in reaffirming our pledge to the "National League of Families of American Prisoners and Missing in Southeast Asia" that the full resources of the U.S. Government are committed to obtaining the release of all Americans still in captivity in Southeast Asia and obtaining the fullest possible accounting of the MIA's and the return of the remains of those who have died in captivity.

Mr. President, Senate Concurrent Resolution 46 listed 2,483 Americans as missing or unaccounted for in Southeast Asia. According to the State Department, the United States now lists 2,477 men. The State Department indicates that in March of this year, Vietnam turned over the remains of six American servicemen.

These are not just numbers, Mr. President. It should be noted that with this resolution underscores the Nation's ongoing commitment to our MIA's and POW's. The United States has not forgotten nor will we ever forget our courageous military personnel cruelly and unjustly imprisoned in Southeast Asia.

Mr. President, it is my deepest wish that this resolution strengthens our Nation's resolve to press Vietnam, Laos, and Cambodia to cooperate with the United States in bringing our men missing and unaccounted for home to America's soil where they belong.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution, as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution and the preamble are as follows:

Whereas the President has declared the issue of two thousand four handred and eighty-three Americans missing and unaccounted for in Indochina a matter of highest national priority and has initiated high level dialog on this issue with the Governments of the Lao People's Democratic Republic and the Socialist Republic of Vietnam;

Whereas the Congress, on a bipartisan basis, fully supports these initiatives to determine the fate of Americans still missing in Indochina and realizes that the fullest possible accounting can only be achieved with the cooperation of the Indochinese governments; and

Whereas the Government of the Socialist Republic of Vietnam has pledged to accelerate efforts to cooperate with the United States Government in resolving his humanitarian issue, separate from other issues dividing our two countries, and the Government of the Lao People's Democratic Republic has taken some positive actions to assist the United States Government in resolving the status of missing Americans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should—

(1) ensure that officials of the United State Government consciously and fully carry out his pledge of highest national priority to resolve the issue to two thousand four hundred and eighty-three Americans still missing and unaccounted for in Indochina;

(2) work for the immediate release of any Americans who may still be held captive in Indochina and for the immediate return of the remains of all American serviceman and civilians who have died in Southeast Asia whose remains have not been returned; and

(3) make every effort to secure the further cooperation of the Lao People's Democratic Republic and the Socialist Republic of Vietnam in resolving this humanitarian issue of fundamental importance.

SEC. 2. The Congress calls on the Socialist Republic of Vietnam to fulfill their pledge to accelerate cooperation with the United States in achieving the fullest possible accounting for Americans missing or unaccounted for in Indochina.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TESTIMONY OF SENATE EMPLOYEE IN FLORIDA BAR GRIEVANCE ACTION

Mr. DOLE. Mr. President, I send to the desk on behalf of myself and the distinguished minority leader, Mr. BYRD, a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 193) to authorize the testimony of Gregory Allen Gay before a confidential proceeding of the State of Florida Bar, 15th Judicial Circuit Grievance Committee A.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the resolution from the Senate legal counsel relates to a request for testimony from a Senate employee.

Mr. President, Greg Gay, a district representative for the distinguished Senator from Florida [Mrs. HAWKINS], has been subpoenaed by the Florida Bar to testify at a closed hearing of one of its grievance committees on July 9, 1985, in West Palm Beach. The requested appearance is based on the belief that he is a material witness in a disciplinary proceeding against an attorney involved in a civil action still pending in the district court for the southern district of Florida.

Apparently, Mr. Gay had a series of telephone conversations with the attorney in question during the course of responding to a constituent inquiry to Senator HAWKINS' office. In reflect-

ing what was said in one of those calls in particular, it is alleged, the attorney made false representations to a U.S. district court. The express purpose of Mr. Gay's appearance would, therefore, be to verify exactly what did transpire.

Because Mr. Gay has no notes or other written records about the conversations, the following resolution authorizes only his personal testimony. Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 193) was agreed to.

The preamble was agreed to.

The resolution with its preamble, reads as follows:

Whereas, in a confidential proceeding before the State of Florida Bar, Fifteenth Judicial Circuit Grievance Committee A, a subpoena has been issued for the testimony of Gregory Allen Gay, a District Representative for Senator Paula Hawkins;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony, documents, papers and records under the control of or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Gregory Allen Gay is authorized to appear and to testify before a confidential proceeding of the State of Florida Bar, Fifteenth Judicial Circuit Grievance Committee A.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REFERRAL OF S. 1223 AND SENATE JOINT RESOLUTION 143

Mr. DOLE. Mr. President, I ask unanimous consent that S. 1223, a bill to authorize the errection of a memorial on Federal land in the District of Columbia, or its environs to honor members of the Armed Forces of the United States who served in the Korean war, and Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia, at an appropriate site in the Constitution Gardens, be discharged from Veterans' Affairs Committee, and referred to the Energy Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF H.R. 752

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 752, as reported by the Committee on Veterans' Affairs, be referred to the Committee on Armed Services for a period not to exceed 45 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF PERSONAL COMMITMENTS AND CONTRIBUTIONS OF PAUL MELLON

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Senate Resolution 188, to recognize the contributions of Paul Mellon, which is being held at the desk.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 188) to recognize the personal commitment and contributions of Paul Mellon.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. PELL. I am very glad to join in honoring Paul Mellon. Few men have contributed more of themselves and their resources to the commonwealth than he. His knowledge of art and his taste are of the highest order and generously shared by him with the American people. His sensitivity and interest in boosting the individual psyche have added greatly to the enhancement of the quality of our life. His energy, vision, and intellectual curiosity vouchsafe that he will continue to make significant contributions to this Nation and all mankind.

Mr. WARNER. Mr. President, having had the privilege of knowing this extraordinary man for many years, I rise on behalf of three grandchildren who express their appreciation to the Senate for this resolution.

They attest to these well-deserved and earned citations and add that he is a devoted family man whose teachings and affection they will cherish forever.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 188) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 188

Whereas Paul Mellon retired as Chairman and Trustee of the National Gallery of Art on May 3, 1985;

Whereas the service of Paul Mellon to the Gallery and to the Nation is recognized as forty-seven years of purposeful and disinterested stewardship;

Whereas Paul Mellon has made a lifetime commitment to upholding and enriching the high standards established for the Gallery by its Founder, Andrew W. Mellon;

Whereas he has done so through a remarkable combination of unswerving insistence on the highest possible quality in all things, a dedicated scholarship tempered by imagination and vision, and a disciplined allocation of private resources for the public benefit;

Whereas his many benefactions in conjunction with his wise management and administration have resulted in the National Gallery's current standing as a magnificent and vibrant national resource;

Whereas Paul Mellon has demonstrated his commitment to the humanities after his graduation from Yale University and Cambridge University by enrolling in the celebrated course of study of "Great Books" at St. John's College in Annapolis, Maryland;

Whereas Paul Mellon has established the Yale Center for British Art, which enhances the opportunity for both academic study and public enjoyment of art, and which also illustrates the relationship between British art and the evolution of indigenous art in America;

Whereas Paul Mellon has recognized that horses and horsemanship have not only stimulated artistic expression, but constitute an art form in which he has made himself a master;

Whereas his gifts and guidance have contributed so significantly to boost the human spirit, that his rewards should include a continued life of health and intellectual challenge; and

Whereas in sum Paul Mellon is recognized as a bold and inspired collector, humanist and philanthropist who has made extraordinary and lasting contributions to the spirit and well-being of this Nation, thereby enriching the quality of life for his fellow citizens: Now, therefore, be it

Resolved, That the United States Senate recognizes the personal commitment and contribution of Paul Mellon to the elevation of the quality of life in the United States of America by the example of his own life and by his consistent support of the arts and the humanities;

SEC. 2. A copy of this resolution shall be delivered to Paul Mellon by the Secretary of the Senate as an expression of the appreciation of the American people.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE RESOLUTION (S. RES. 194)—RELATING TO RECESS APPOINTMENTS

Mr. BYRD. Mr. President, on behalf of Senator PROXMIRE, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 194) relating to recess appointments.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. PROXMIRE. Mr. President, this resolution would send a strong signal to the White House that recess appointments should not be made to fill vacancies on the Federal Reserve Board except under unusual circumstances and only for the purpose of fulfilling a demonstrable and urgent need in the administration of the Board's activities. The resolution also indicates it is the sense of the Senate that nominations to the Federal Reserve Board should be considered expeditiously by the Senate.

Mr. President, the issue of recess appointments to the Federal Reserve arose in connection with the nomination of Martha Seger which was approved by the Senate on June 13. It is not my purpose to reopen the debate on the wisdom of that nomination. The Senate has expressed its will on the nomination, and I accept the judgment of the Senate. At the same time, I am concerned that the Senate's approval of Ms. Seger not be construed as a precedent to signify the Senate's acquiescence in an unlimited use of the President's recess appointment authority to the Federal Reserve Board. Of course, there is no legal way the Senate can tell the President how to exercise his constitutional recess appointment authority. At the same time, the Senate has the constitutional responsibility to advise and consent on nominations and within that context, we have the right and indeed the duty to advise the President of what we believe to be our legitimate rights under the Constitution.

Mr. President, unlike agencies of the executive branch, the Federal Reserve has a unique status within the Federal Government. Under article I, section 8 of the Constitution, Congress is assigned the exclusive power to "coin money and regulate the value thereof." This grant of authority to the Congress is the foundation for the exercise of monetary policy. Congress delegated its monetary powers to the Federal Reserve System in the Federal Reserve Act of 1913. Under that act, monetary policy decisions are made by a seven-member Board of Governors appointed by the President by and with the advice and consent of the Senate and by the presidents of the 12 regional Federal Reserve banks.

In order to insulate the members of the Board from political pressure, Congress provided for fixed 14-year terms of service. The Federal Reserve thus has a substantial degree of independence from both the President and the Congress. Since the President has no monetary powers under the Constitution, the Federal Reserve is not subject to the policy control of the President or other officials of the executive branch. And while the Federal Reserve is a creature of the Congress and ultimately responsible to it, as a matter of practice, Congress has refrained from attempting to issue specific policy directives to the Federal Reserve. Because of this independence, the Federal Reserve has from time to time been able to take actions that have been politically unpopular in the short run but which have been proven to have been in the long run to be in the best interests of the country. The recent dramatic decline in the rate of inflation from 1979 to 1982 engineered by monetary policy is a case in point.

Because of the unique role of the Federal Reserve in our monetary system, a recess appointment to the Board places the nominee in an extremely awkard position. The nominee is entitled to participate fully in monetary policy decisions but without the protections afforded by a fixed, 14-year term. Until a recess appointment has been confirmed by the Senate, it can be withdrawn at any time by the President. Thus a member of the Board serving under a recess appointment is in effect serving at the pleasure of the President. As a result, it is possible for a President to gain influence over the conduct of monetary policy which would otherwise be denied under the Constitution and the Federal Reserve Act.

A recess appointee is also subject to the risk that he or she might not be confirmed by the Senate if the Senate takes exception to a vote or series of votes. Perhaps some Members of the Senate might like the idea of giving a nominee a trial period before voting to confirm them for a full term. It has a certain superficial appeal. But it runs contrary to the deliberate decision by the Congress to delegate its monetary responsibilities to an independent Federal Reserve System. The independence of the Federal Reserve would be seriously compromised if its Governors were serving under short term appointments pending Senate confirmation.

Mr. President, there is a certain amount of tension between the President's constitution recess appointment authority and the constitutional duty of the Senate to advise and consent on nominations. Clearly, the recess appointment authority is an exception to the Senate's advise and consent powers. The framers of the Constitution provided for recess appointments in order to allow the President to keep the Government running at a time when Congress was expected to be in recess for many months, Indeed, during the early days of our republic, Congress was in session for less than half the year. Nonetheless, the recess appointment authority has been construed by various Attorneys General to include not only the recess between sessions but the brief recesses within a session. Acting under these interpretations, Presidents have made recess appointments during recesses as short as 18 days.

The growing use of recess appointments has raised serious questions about the proper division of constitutional authority between the President and the Senate. Every recess appointment diminishes the constitutional role of the Senate to advise and consent on nominations. On the other hand, the President is the Chief Executive of the executive branch of Government and has a constitutional duty to keep the Government running. There is no clear answer as to whether any particular recess appointment is or is not an abuse of Presidential discretion. In the final analysis, comity between the President and the Senate requires that both exercise a rule of reason—reason on the part of the President in limiting recess appointments to cases of genuine need; reason on the part of the Senate in giving expeditious consideration to Presidential nominations.

The resolution I have introduced is not intended to provide a definitive Senate position on the recess appointment issue in general. Instead, my purpose is to focus on a much narrower issue—recess appointments to the Federal Reserve. For the reasons I have indicated, the Federal Reserve is a unique institution and the implications of a recess appointment raise many serious issues that may not be present in a department or agency under the supervision and policy direction of the President. The President has no supervisory authority over the Federal Reserve other than his appointment authority provided in the Federal Reserve Act. Thus there are no Presidential executive responsibilities that can be frustrated by a delay in filling a Federal Reserve Board vacancy. The key monetary policy decisions of the Federal Reserve are made by its Open Market Committee which consists of the seven members of the Board and 5 of the 12 Reserve Bank presidents. Thus a temporary vacancy on the Board does not generally impair the ability of the Federal Reserve System to discharge its responsibilities.

The resolution I have put forth expresses the sense of the Senate and is, of course, not legally binding on the President. Nonetheless, if adopted, it is a formal expression of the Senate's views on the use of recess appointments in a particularly sensitive agency, the Federal Reserve. A similar sense of the Senate resolution was passed in 1960 concerning recess appointments to the Supreme Court. Like the Federal Reserve, concern was expressed that a sitting Justice was placed in a most difficult position since he or she participated in judicial decisions but without the protections

afforded by the lifetime appointment status of the other Justices.

Under the language of the resolution, a President is urged to limit recess appointments to the Federal Reserve Board to unusual circumstances and only for the purpose of fulfilling a demonstrable and urgent need in the administration of the Board's activities. In other words, there must be evidence that the Board is having great difficulty in meeting its monetary policy responsibiiities given one or more vacancies on the Board. The mere fact of a vacancy does not by itself give rise to an emergency that would justify a recess appointment.

The resolution also expresses the sense of the Senate that nominations to the Board should be considered expeditiously. This in no way impairs the right of one or more Senators, acting under the rules of the Senate, to attempt to defeat any nomination to the Board. It does imply that Presidents have a right to expect there will not be unreasonable delays in scheduling hearings, committee markups, or floor debates.

Mr. President, several Senators have asked me whether this resolution extends to the President's appointment of a Federal Reserve Board Chairman. Because of the unique status of the Federal Reserve, some clarification is in order. The President has the authority under section 10 of the Federal Reserve Act to appoint the seven members of the Federal Reserve Board by and with the advice and consent of the Senate. In addition, he has the authority to designate one of the seven Governors to serve as Chairman for a 4-year term. Beginning in 1979, the Congress subjected this power to designate the Chairman to the advice and consent of the Senate. On the other hand, the President's recess appointment authority under the Constitution only refers to his power to fill vacancies and not to designate the status of officials already appointed. Thus, if a Fed Chairman's term expires as Chairman or if he resigns from the Board, and if a President wished to designate one of the remaining members of the Board as Chairman, he would have to submit the designation to the Senate for its advice and consent in the normal manner. There is no authority under the Constitution for a recess "designation."

Mr. President, this resolution is needed to defend the advice and consent responsibilities of the Senate under the Constitution and to preserve the independence of the Federal Reserve. It is not intended as an adverse reflection on any recess appointee to the Board. Instead, it looks to the future and advises the President as to the Senate's concern that recess appointments to the Federal Reserve Board not be made except under unusual circumstances and only for the purpose of fulfilling a demonstrable and urgent need in the administration of the Board's activities.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 194) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 194

Whereas Article I, Section 8 of the Constitution of the United States assigns exclusively to the Congress the power to "coin money and regulate the value thereof";

Whereas in 1913 the Congress in the Federal Reserve Act delegated its monetary powers to the Federal Reserve System and provided for a 7 member Board of Governors to be appointed by the President, by and with the advice and consent of the Senate;

Whereas the Board of Governors exercises the Federal Reserve System's monetary powers in conjunction with the presidents of the 12 regional Federal Reserve Banks but independent of the executive branch;

Whereas the Congress provided for fixed 14-year terms of service for members of the Board of Governors of the Federal Reserve System in order to maintain the independence of the Federal Reserve System;

Whereas a recess appointment to the Board of Governors of the Federal Reserve System allows an appointee temporarily to participate in the decisions of the Board without the protections afforded by a fixed term since the appointment can be withdrawn at any time until it is confirmed by the Senate;

Whereas a recess appointment to the Board of Governors of the Federal Reserve System could afford a President indirect influence over the conduct of monetary policy inconsistent with an independent Federal Reserve System as provided for in the Federal Reserve Act and the exclusive assignment of monetary powers to the Congress under the Constitution of the United States; and

Whereas the President is nonetheless entitled to expeditious consideration by the Senate of his or her nominations to the Board of Governors of the Federal Reserve System: Now, therefore, be it

Resolved, That it is the sense of the Senate that (1) recess appointments should not be made to the Board of Governors of the Federal Reserve System except under unusual circumstances and only for the purpose of fulfilling a demonstrable and urgent need in the administration of the Board's activities, and (2) nominations to the Board of Governors of the Federal Reserve System should be expeditiously considered by the Senate.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECORD OPEN UNTIL 5 P.M. TODAY

Mr. DOLE. Mr. President, I ask unanimous consent that the RECORD remain open until the hour of 5 p.m. today for the introduction of bills, resolutions, the submission of statements and for committees to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I am going to suggest the absence of a quorum to permit the staff to check to see if certain nominees are on the Executive Calendar, which ones are being disposed of and which ones are being held. I will indicate that we are not going to hold nominations. When we come back, we are going to start voting on nominations.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LANDSAT AUTHORIZATION ACT OF 1984

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 2800, Landsat.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2800) to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

The PRESIDING OFFICER. The Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate recede from its amendment and concur in the House bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Mr. McCLURE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 1699.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 1699) entitled "An Act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. DINGELL, Mr. SHARP, Mr. WALGREN, Mr. BROYHILL, and Mr. DANNEMEYER be the managers of the conference on the part of the House.

AMENDMENT NO. 434

Mr. McCLURE. Mr. President, I move that the Senate recede from its amendment disagreed to by the House and concur therein with an amendment in nature of a substitute, which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 434.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This act may be cited as the "Energy Policy and Conservation Amendments Act of 1985".

TITLE I—AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT

SEC. 101. EXTENSION OF TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title I of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART C—EXPIRATION

"EXPIRATION

"SEC. 171. Except as otherwise provided in title I, all authority under any provision of title I (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1989, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1989.".

(b) MATERIALS ALLOCATION.—Section 104(b)(1) of such Act is amended by striking out "December 31, 1984" and inserting in lieu thereof "June 30, 1989".

(c) CONFORMING AMENDMENT.—The table of contents for such Act is amended by adding after the item relating to section 167 the following new items:

"PART C—EXPIRATION.".

"Sec. 171. Expiration.

SEC. 102. STRATEGIC PETROLEUM RESERVE AMENDMENTS.

(a) AMENDMENTS TO STRATEGIC PETROLEUM RESERVE PLAN.—Section 159(e) of the Energy Policy and Conservation Act is amended to read as follows:

"(e) Subject to section 161(g)(2) any amendment transmitted pursuant to subsection (d) may not become effective until 60 days after the date of such transmittal, except that such 60-day period shall not apply if the President determines that such amendment is required by a severe energy supply interruption or by obligations of the United States under the international energy program.".

(b) SUSPENSION OF PROVISIONS RELATING TO THE STRATEGIC PETROLEUM RESERVE.—Section 160(e) of such Act is amended—

(1) by inserting "and" at the end of clause (i) of paragraph (1)(B);

(2) by striking out clauses (ii) and (iii) of paragraph (1)(B) and inserting in lieu thereof the following:

"(ii) the President has transmitted such finding to the Congress.";

(3) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) The suspension of the application of subsections (c) and (d) under paragraph (1)(B) may become effective on the day the finding is transmitted to the Congress and shall terminate nine months thereafter or on such earlier date as is specified in such funding."; and

"(4) by redesignating paragraph (4) as paragraph (3).

SEC. 103. STRATEGIC PETROLEUM RESERVE TEST DRAWDOWN AND DISTRIBUTION.

"(a) DIRECTIVE TO CARRY OUT TEST DRAWDOWN.—Section 161 of the Energy Policy and Conservation Act is amended by adding the following new subsection at the end thereof;

"(g)(1) In order to evaluate the implementation of the Distribution Plan, the Secretary shall, commencing within 180 days after the date of the enactment of this subsection, carry out a test drawdown and distribution under this subsection through the sale of exchange or approximately 1,100,000 barrels of crude oil from the Reserve. The requirement of this paragraph shall not apply if the President determines, within the 180-day period described in the preceding sentence, that implementation of the Distribution Plan is required by a severe energy supply interruption or by obligations of the United States under the international energy program.

"(2) The Secretary shall carry out such drawdown and distribution in accordance with the Distribution Plan and implementing regulations and contract provisions, modified as the Secretary considers appropriate taking into consideration the artificialities of a test and the absence of a severe energy supply interruption. To meet the requirements of subsections (d) and (e) of section 159, the Secretary shall transmit any such modification of the Plan, along with explanatory and supporting material, to both Houses of the Congress no later than 15 calendar days prior to the offering of any crude oil for sale under this subsection.

"(3) At least part of the crude oil that is sold or exchanged under this subsection shall be sold or exchanged to or with entities that are not part of the Federal Government.

"(4) The Secretary may not sell any curde oil under this subsection at a price less than that which the Secretary determines appropriate and, in no event, at a price less than 90 percent of the sales price, as estimated by the Secretary, of comparable crude oil being sold in the same area at the time the Secretary is offering crude oil for sale in such area under this subsection.

"(5) The Secretary may cancel any offer to sell or exchange crude oil as part of any drawdown and distribution under this subsection if the Secretary determines that there are insufficient acceptable offers to obtain such crude oil.

"(6)(A) The minimum required fill rate in effect for any fiscal year shall be reduced by the amount of any crude oil drawn down from the Reserve under this subsection during such fiscal year.

"(B) In the case of a sale of any crude oil under this subsection, the Secretary shall, to the extent funds are available in the SPR Petroleum Account as a result of such sale, acquire crude oil for the Reserve within the 12-month period beginning after the completion of the sale. Such acquisition shall be in addition to any acquisition of crude oil for the Reserve required as part of a fill rate established by any other provision of law.

"(7) Rules, regulations, or orders issued in order to carry out this subsection which have the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, shall not be subject to the requirements of subchapter II of chapter 5 of such title or to section 523 of this Act.

"(8) The Secretary shall transmit to both Houses of the Congress a detailed explanation of the drawdown and distribution carried out under this subsection. Such explanation may be a part of any report made to the President and the Congress under section 165.".

(b) CONFORMING AMENDMENTS.—(1) Section 160(d) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) In determining the number of barrels of crude oil for purposes of subparagraph (A) of paragraph (1), any crude oil drawndown from the Reserve as a result of any drawdown and distribution carried out under section 161(g) and not replaced under section 161(g)(6)(B) shall be considered to be within the Reserve.".

(2) Section 161(b) of such Act is amended by striking out "in subsections (c) and (f)" and inserting in lieu thereof "in subsections (c), (f), and (g)".

(3) Section 167(b)(3) of such Act is amended by inserting ", including a drawdown and distribution carried out under subsection (g) of such section" after "section 161".

(4) Section 167(d) of such Act is amended by inserting ", including a drawdown and distribution carried out subsection (g) of such section" after "section 161".

SEC. 104. EXTENSION OF PART B OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title II of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART D—EXPIRATION

"EXPIRATION

"SEC. 281. Except as otherwise provided in title II, all authority under any provision of title II (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1988, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1988.".

(b) TERMINATION OF CERTAIN GENERAL EMERGENCY AUTHORITIES.—Part A of title II of such Act is amended by adding the following new section at the end thereof:

"TERMINATION DATE

"SEC. 204. Except as provided in section 203(f), authority to carry out the provisions of this part and any rule, regulation, or order issued pursuant to such part shall expire at midnight, June 30, 1985.".

(c) CONFORMING AMENDMENTS.—(1) The table of contents for such Act is amended—

(A) by adding after the item relating to section 203 the following new item:

"Sec. 204. Termination date.";

(B) by adding after the item relating to section 272 the following new items:

"PART D—EXPIRATION

"Sec. 281. Expiration."; and

(C) by striking out the item relating to section 531.

(2) Section 252 of such Act is amended by striking out subsection (j) and by redesignating subsections (k), (l), and (m), and all references thereto, as subsections (j), (k), and (l), respectively.

(3) Section 531 of such Act is hereby repealed.

(4) Section 252(d)(1) of such Act is amended by striking out "(f) or (k)" in the last sentence and inserting in lieu thereof "(f) or (j)".

SEC. 105. LIMITATION ON NEW PLANS OF ACTION.

Section 252 of the Energy Policy and Conservation Act, as amended by section 104(c)(2) of this Act, is amended by adding at the end thereof the following:

"(m)(1) With respect to any plan of action approved by the Attorney General after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985—

"(A) the defenses under subsection (f) and (j) shall be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982) only if—

"(i) the Secretary has transmitted such plan of action to the Congress; and

"(ii)(I) 90 calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"(II) within 90 calendar days of continuous session after receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval pursuant to subsection (n); and

"(B) such defenses shall not be applicable to Type 1 activities if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"(2) The Secretary may withdraw the plan of action at any time prior to adoption of a joint resolution described in subsection (n)(3) by either House of Congress.

"(3) For the purpose of this subsection—

"(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"(n)(1)(A) The application of defenses under subsections (f) and (j) for Type 1 activities with respect to any plan of action transmitted to Congress as described in subsection (m)(1)(A)(i) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 90-day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term 'joint resolution' means only a joint resolution of either House of the Congress as described in paragraph (3).

"(B) After receipt by the Congress of such plan of action, a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction in the Senate, the joint resolution shall be referred in the Senate immediately to the Committee on Energy and Natural Resources of the Senate.

"(2) This subsection is enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that is inconsistent therewith; and

"(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: 'That the Congress of the United States disapproves the availability of the defenses pursuant to section 252 (f) and (j) of the Energy Policy and Conservation Act with respect to Type 1 activities under the plan of action submitted to the Congress by the Secretary of Energy on .', the blank space therein being filled with the date and year of receipt by the Congress of the plan of action transmitted as described in subsection (m).

"(4)(A) If the Committee on Energy and Natural Resources of the Senate has not reported a joint resolution referred to it under this subsection at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other joint resolution which has been referred to the committee with respect to such plan of action.

"(B) A motion to discharge shall be highly privileged (except that it may not be made after the Committee on Energy and Natural Resources has reported a joint resolution with respect to the plan of action), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"(5)(A) When the Committee on Energy and Natural Resources of the Senate has reported or has been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 90-day period following receipt by the Congress of the plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"(B) Appeals from the decision of the Chair relating to the application of rules of the Senate to the procedures relating to a joint resolution shall be decided without debate.".

TITLE II—REPORTS CONCERNING COAL IMPORTS

SEC. 201. SHORT TITLE.

This title may be cited as the "National Coal Imports Reporting Act of 1985".

SEC. 202. REPORT CONCERNING REVIEW OF UNITED STATES COAL IMPORTS.

(a) IN GENERAL.—The Engergy Information Administration shall issue a report quarterly, and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

(b) CONTENTS.—Each report required by this section shall—

(1) included current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the previous calendar year into the United States;

(2) identify the foreign nations exporting the coal, the domestic electric utility plants receiving coal from each exporting nation, the domestically produced coal supplied to such plants, and the domestic coal production, by State, displaced by the imported coal;

(3) identify (to the extent allowed under disclosure policy), at regional and State levels of aggregation, transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

(4) specifically highlight and analyze any significant trends of unusal variations in coal imports.

(c) DATE OF REPORTS.—The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

(d) LIMITATION.—Information and data required for the purpose of this section shall be subject to the law regarding the collection and disclosure of such data.

SEC. 203. ANALYSIS OF AND REPORT CONCERNING THE UNITED STATES COAL IMPORT MARKET.

(a) IN GENERAL.—The Secretary of Energy shall, through the Energy Information Administration, conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

(b) CONTENTS.—The report required by this section shall—

(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

(3) identify domestically produced coal that potentially could be replaced by imported coal;

(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

(5) evaluate increased coal consumption by domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased coal consumption, including consumption by existing coal-fired plants, new coal-fired plants projected up to the year 1995, and plants planning to convert to coal by 1995;

(6) identify existing authorities available to the Federal Government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe executive branch plans and strategies to address coal imports;

(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Columbia, Poland, and South Africa, with specific analysis of—

(A) direct or indirect Government subsidies to coal exporters;

(B) health, safety, and environmental regulations imposed on each coal producer; and

(C) trade policies relating to coal exports;

(8) evaluate the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal, and constraints on importing coal into the United States because of port and harbor availability;

(9) identify specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

(10) identify the policies governing coal imports of all coal-importing industrialized nations (including the United States, Japan, and European nations) by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.

Mr. McCLURE. Mr. President, on June 18, 1985, the Senate passed H.R. 1699 after substituting the text of S. 979 as approved by the Senate, and returned the amended bill to the House of Representatives. The House subsequently disagreed to the Senate amendment and requested a conference.

In light of the impending June 30, 1985, expiration date of titles I and II of EPCA, and our efforts to adjourn for the July Fourth recess, I am offering an amendment in the nature of a substitute in hopes that the House would quickly agree, and avoid a pause in the U.S. participation in the International Energy Agency. My amendment represents a merger of the provisions of the Senate and House passed measures, following discussions with the House.

Mr. President, the amendment extends title I of the Energy Policy and Conservation Act for 4 years, until June 30, 1989. Among other matters title I of EPCA authorizes the construction, maintenance, and the terms for drawdown of the strategic petroleum reserve.

In addition, the amendment extends until June 30, 1989, a provision in title I regarding authority for materials allocation under the Defense Production Act.

Mr. President, also in title I, the amendment deletes the EPCA "one-House veto" congressional review requirement for any amendments to the SPR plan, and replaces it with a requirement of congressional notification with an advance Presidential notification requirement and 60-day waiting period before any amendment becomes effective. The 60-day waiting period does not apply if the President determines that such amendment is required by a severe energy supply interruption or by obligations of the United States under the International Energy Program.

The amendment also deletes the EPCA concurrent resolution congressional review requirement for any Presidential decision during an energy emergency to stop filling the SPR and to continue selling naval petroleum reserve [NPR] oil, and replaces it with a Presidential notification requirement.

In addition, Mr. President, the amendment adds a new section to EPCA requiring a test drawdown and sale of crude oil from the SPR. The Secretary of Energy is required to carry out a limited test sale within 180 days of enactment. This mandatory test, which would involve approximately 1.1 million barrels of crude oil in the SPR, would be conducted in accordance with the SPR distribution plan. Proceeds from the test sale must be deposited in the SPR petroleum acquisition account in the Treasury, with a requirement for replacement of any oil sold during the test within 12 months of completion of the test sale.

Turning to title II of EPCA, the amendment extends only part B of title II of the Energy Policy and Conservation Act for 3 years until June 30, 1988. Part A of title II will be allowed to expire on June 30, 1985.

In addition, the amendment incorporates the so-called Metzenbaum amendment that adds a new subsection to section 252 of EPCA that requires the Secretary of Energy to notify the Congress in advance with respect to any plan of action to implement the International Energy Program, approved by the Attorney General after the date of enactment of this act, which would be applicable to type I activities, as that term is defined in the International Energy Agency Emergency Management Manual. In such instances, antitrust defenses and breach of contract defenses under section 252 of EPCA shall only be applicable to type I activities if the Secretary has transmitted such plan of action to the Congress and 90 calendar days of continuous session have elapsed and there has not been enacted a joint resolution of disapproval. Expedited procedures are provided for Senate, but not House, consideration of such a joint resolution.

Mr. President, the amendment includes a title II, the so-called Byrd amendment, that requires the Energy Information Administration to issue quarterly reports on coal imports into the United States, and provide an annual summary of such reports to the Congress. In addition, the amendment directs the Secretary of Energy, acting through the Energy Information Administration, to conduct a comprehensive analysis of coal import markets in the United States and report his findings to the Congress within 9 months of enactment.

I ask unanimous consent that a section-by-section analysis describing the changes make in the House and Senate provisions of H.R. 1699 be printed at the end of my remarks.

There being no objection, the section by section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

The amendment adopts the short title of the Senate bill: the Energy Policy and Conservation Amendments Act of 1985.

TITLE I—AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT

SECTION 101. EXTENSION OF TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT

General extension

Both the Senate and House measures extended Title I of the Energy Policy and Conservation Act (EPCA) for four years until June 30, 1989 (Sec. 101(a)).

Materials allocation

The amendment adopts the House provision (Sec. 101(b)) amending EPCA section 104(b)(1) to extend until June 30, 1989, the authority for materials allocation under section 101(c) of the Defense Production Act of 1950.

Conforming amendments

Conforming amendments are made to the the EPCA Table of Contents, as in the Senate bill.

SEC. 102. STRATEGIC PETROLEUM RESERVE AMENDMENTS

Amendments to SPR plan

The amendment adopts, with an amendment, the House provision (Sec. 102(a)) regarding Congressional notification of any amendments to the Strategic Petroleum Reserve Plan (SPR Plan).

The amendment deletes the "one-House veto" Congressional review requirement set by EPCA section 160(e) for any amendments to the SPR Plan, and replaces it with

an "advance Presidential notification" requirement and 60-day waiting period before any amendment becomes effective. The 60-day waiting period does not apply if the President determines that such amendment is required by the existence of a severe energy supply interruption or by obligations of the United States under the International Energy Program.

Suspension of SPR fill during an energy emergency

The amendment adopts the House provision (Sec. 102(b)) that deletes the "concurrent resolution" Congressional review requirement set by EPCA section 160(e) for any Presidential decision during an energy emergency to stop filling the SPR and to continue selling Naval Petroleum Reserve (NPR) oil, and replaces it with an advance Presidential notification requirement.

SEC. 103. SPR TEST DRAWDOWN AND DISTRIBUTION

Directive to carry out test drawdown

The amendment adopts, with clarifying amendments, the House provision (Sec. 103(a)) that adds a new EPCA section 161(g) to require a test drawdown and sale of crude oil from the SPR.

The Secretary of Energy is required to carry out a limited test sale within 180 days of enactment. This mandatory test, which would involve approximately 1.1 million barrels of crude oil in the SPR, would be conducted in accordance with the SPR Distribution Plan. Proceeds from and test sale must be deposited in the SPR Petroleum (Acquisition) Account in the Treasury with a requirement for replacement of oil sold during the test—to the extent of test sale receipts—within 12 months of completion of the test sale.

Conforming amendments

The amendment adopts necessary conforming amendments. For example, a new section 160(d)(3) clarifies that if the SPR contains less than 500 million barrels, sold as a result of withdrawals for the purpose of the test sale, then the amount of oil withdrawn for the purpose of the test sale shall be considered to still be in the SPR; this thus will permit sales of Naval Petroleum Reserve oil to continue and not be barred under section 160(d), if, but for the test drawdown, there would be 500 million barrels in the SPR. (If receipts from the test sale are insufficient to fully replace the withdrawn crude oil, then the amount not replaced would similarly be considered to still be in the SPR.)

SEC. 104. EXTENSION OF PART B OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT

General extension

The Amendment extends Part B of Title II of the Energy Policy and Conservation Act for three years until June 30, 1988 (Sec. 104(a)).

Termination of certain general emergency authorities

The amendment adopts the House provision (Sec. 104(b)) which provides a specific termination date of June 30, 1985, for Part A of Title II. (The specific termination date of September 30, 1981, in EPCA section 203(f) for gasoline rationing authorities, is left undisturbed.)

SEC. 105. LIMITATION ON NEW PLANS OF ACTION

The amendment adopts, with clarifying amendments, the Senate provision (Sec. 105) that adds a new EPCA section 252(m) requiring the Secretary of Energy to notify the Congress in advance with respect to any plan of action approved by the Attorney General after the date of action approved by the Attorney General after the date of enactment of this Act under which the antitrust and breach of contract defenses would be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual). In such instances, anti-trust defenses (under EPCA section 252(f)) and breach of contract defenses (under EPCA section 252(j)) proposed in such plan shall only be applicable to Type 1 activities if the Secretary has transmitted such plan of action to the Congress and a Congressional review period of 90-days of continuous session have elapsed without enactment of a joint resolution of disapproval or disapproval of a joint resolution of disapproval. Expedited procedures are provided for Senate, but not House, consideration of such a joint resolution.

TITLE II—REPORTS CONCERING COAL IMPORTS

SEC. 201. SHORT TITLE

The amendment provides that title II may be cited as the "National Coal Imports Reporting Act of 1985".

SEC. 202. REPORT CONCERNING REVIEW OF UNITED STATES COAL IMPORTS

The amendment adopts, with technical amendments, the Senate provision requiring the Energy Information Administration to issue quarterly reports, and provide an annual summary of such reports to the Congress (Sec. 202(a)). Details on the contents of such reports are specified in section 202(b)).

SEC. 203. ANALYSIS OF AND REPORT CONCERNING UNITED STATES COAL IMPORT MARKET

The amendment adopts the Senate provision directing the Secretary of Energy, acting through the Energy Information Administration, to conduct a comprehensive analysis of coal import markets in the United States and report the findings to the Congress within nine months of enactment (Sec. 203(a)). Details on the content of such analysis are specified in section 203(b).

Mr. JOHNSTON. Mr. President, I am pleased to support the substitute amendment for H.R. 1699, which the chairman of the Committee on Energy and Natural Resources is offering. This substitute amendment has been worked out with the House so as to obviate the need for a conference on H.R. 1699, a bill that would extend titles I and II of the Energy Policy and Conservation Act. These two titles expire on June 30, 1985, and with them would expire all the authority of the U.S. Government to fill, maintain, and in an emergency distribute the oil from, the strategic petroleum reserve. In addition these titles include the authority required for effective participation by the United States in the International Energy Program with our allies. It is therefore essential that we enact legislation to continue these authorities.

A major issue between the House and Senate versions of this legislation was how long the IEA antitrust and breach of contract authority would be extended. The House had a 4-year extension and the Senate had a 2-year extension, so this amendment compromises at 3 years. I believe that it is a reasonable way to settle the issue.

Generally, this amendment melds together all the House and Senate provisions. In particular this amendment resolves a problem that exists in the Senate bill in that our bill leaves intact the one-House veto and two-House approval provisions which some may consider to be unconstitutional forms of congressional review. In this amendment we delete these congressional review provisions and generally substitute requirements that Congress be notified prior to the time the matter submitted becomes effective.

Mr. President, I think this substitute amendment is a reasonable compromise between the House and Senate bills on this important matter and I urge its adoption so that the EPCA can be extended prior to the date of its expiration.

Mr. McCLURE. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 434) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PERMISSION TO FILE REPORT

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations have permission to file a report on S. 995 dealing with South Africa on Friday, June 28, 1985, between the hours of 9 a.m. and 5 p.m. I understand this has been cleared on the other side of the aisle.

Mr. BYRD. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 9:34 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 47. An act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 11:10 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 883) to extend the Export Administration Act of 1979.

At 1:55 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 822. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1377. A communication from the Assistant Attorney General (Land and Natural Resources Division), transmitting, pursuant to law, the comments of the Department of Justice on a provision of the 1985 supplemental appropriation affecting the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1378. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the deferral of certain budget authority not reported to the Congress by the President; pursuant to the order of January 30, 1975, referred jointly, to the Committee on the Budget and the Committee on Appropriations.

EC-1379. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, a report on a claim for damages said to have occurred in a collision in the Canal; to the Committee on Armed Services.

EC-1380. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to require the Secretary of the Treasury to impose fees upon obligations of Government-sponsored enterprises and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-1381. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to improve safety and security for people who travel in international aviation; to the Committee on Commerce, Science, and Transportation.

EC-1382. A communication from the Chairman of the National Advisory Committee on Oceans and Atmosphere, transmitting, pursuant to law, the annual report of the committee for the year ended June 30, 1985; to the Committee on Commerce, Science, and Transportation.

EC-1383. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, the proposed projects for fiscal year 1986 design authorization; to the Committee on Environment and Public Works.

EC-1384. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1984; to the Committee on Governmental Affairs.

EC-1385. A communication from the Acting Assistant Attorney General (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to amend chapter 31 of title 28 of the United States Code; to the Committee on the Judiciary.

EC-1386. A communication from the clerk of the U.S. Claims Court, transmitting, pursuant to law, a copy of the court's judgment in the Aleut Tribe by Iliodor Merculieff as Representative of the said tribe and of all members thereof and the *Aleut Community of St. Paul Island* v. *the United States*; to the Committee on the Judiciary.

EC-1387. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Comments on Report on Comparable Worth By The United States Commission on Civil Rights;" to the Committee on Labor and Human Resources.

EC-1388. A communication from the Secretary of Education, transmitting, pursuant to law, a report on the Excellence in Education Program; to the Committee on Labor and Human Resources.

EC-1389. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Secretary's Discretionary Program for Mathematics, Science, Computer Learning, and Critical Foreign Languages; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-297. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE RESOLUTION No. 13

"Whereas, The United States is the greatest nation on the face of the earth; and

"Whereas, the greatness of our nation is founded on the bedrock of the yeoman farmers who have given the United States the most productive agricultural economy in the history of mankind; and

"Whereas, in recent times the farmers of our country have labored under severe economic problems; and

"Whereas, the U.S. Congress is currently considering legislation which would alleviate a portion of the problems with credit are facing our farmers today; and

"Whereas, the Farm Credit Relief Act of 1985, Senate Bill No. 1511, sponsored by Senator Alan Dixon of Illinois and co-sponsored by Senator Bennett Johnston of Louisiana would allow lending institutions to write off a portion of a farmer's debt and restructure the farmer's obligations based on the farmer's cash flow; and

"Whereas, the Farm Credit Relief Act of 1985 would allow many farmers to remain in farming and to continue to produce the agricultural commodities which are so vital to the economic well-being of our country; and

"Whereas, the Louisiana House of Representatives supports the laudable and worthwhile goals of this legislation.

"Therefore, be it resolved that the Louisiana House of Representatives hereby memorializes the U.S. Congress to support the passage of the Farm Credit Relief Act of 1985.

"Be it further resolved that a copy of this Resolution shall be transmitted immediately to the presiding officers of each house of the U.S. Congress and to each member of the Louisiana delegation to the U.S. Congress."

POM-298. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE CONCURRENT RESOLUTION No. 198

"Whereas, soil and water are the basic resources of Louisiana and this nation and are essential for life and the well-being of this country; and

"Whereas, agriculture is the number one industry in the state and is dependent on productive topsoil and the conservation of this life-giving resource base; and

"Whereas, the USDA Soil Conservation service through its conservation programs have aided millions of Louisiana people in solving many soil and water related problems; and

"Whereas, the USDA Soil Conservation Service through its ongoing soil survey program has helped Louisiana city councils, police juries, community planners, farmers, ranchers, and hundred of thousands of individuals in making sound land use decisions by utilizing the soil data collected by the Soil Conservation Service; and

"Whereas, the Soil Conservation Service works very closely with many, many Louisiana agencies and departments to improve the health, well-being, and quality of life of people throughout Louisiana; and

"Whereas, the Soil Conservation Service's technical assistance as well as its programs not only represents a significant amount of federal funds distributed in Louisiana each year, but also generates many, many jobs statewide, working through Louisiana's forty-one soil and water conservation districts; and

"Whereas, the Soil Conservation Service is working to control severe erosion problems on Louisiana hill land, and coastal marshes and has set future goals and objectives for reducing erosion on all Louisiana land; and

"Whereas, the Soil Conservation Service has assisted Louisiana farmers, ranchers, and others in saving one and one-half million tons of soil on over eight hundred thousand acres of Louisiana land this past year alone; and

"Whereas, the quality of life in Louisiana and this nation can be attributed to the conservation of our soil and the productive capacity of this vital resource base; and

"Whereas, the Legislature of Louisiana hereby recognizes and commends the outstanding performance of the USDA Soil Conservation Service.

"Therefore be it resolved that the Legislature of Louisiana does memorialize the United States Congress to support a strong national soil and water conservation program and adequate and fair funding for the USDA Soil Conservation Service for 1986 and future years.

"Be it further resolved that a copy of this Resolution shall be transmitted to the presiding officer of each house of the congress and to each member of the Louisiana delegation to the congress."

POM-299. A joint resolution adopted by the Legislature of the State of California; to the Committee on Appropriations.

"SENATE JOINT RESOLUTION NO. 29

"Whereas, the National School Lunch Program is intended to serve the nutritional needs of all children; and

"Whereas, good nutrition is essential for growth, development, ability to learn, and the general well-being of children; and

"Whereas, Numerous studies indicate that students at all economic levels who participate in the National School Lunch Program are better nourished than children who do not participate in the school lunch program; and

"Whereas, the National School Lunch Program provides a multiple value in that it assists the agricultural economy by helping to fully utilize the nation's agricultural abundance as well as providing food assistance for children; and

"Whereas, an effort is underway to eliminate millions of students and thousands of schools from the program; and

"Whereas, the current program provides a basic infrastructure which helps pay the fixed costs of all school food service programs; and

"Whereas, without the existing level of funding, many school districts simply could not afford to participate, and when the program closes, all children in this community including the poor are denied their nutritional needs; and

"Whereas, the administration's budget plan would reduce funding of the program, nearly seven hundred million dollars; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California urges the United States Senate and House of Representatives to provide at least the level of funding provided in current law for school lunch programs in fiscal year 1986; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

POM-300. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Environment and Public Works.

"SENATE CONCURRENT RESOLUTION NO. 47

"Whereas, Passage of an Interstate Cost Estimate bill by Congress is necessary to permit apportionment of federal interstate highway funds for federal fiscal years 1985 and 1986; and

"Whereas, Failure to enact an Interstate Cost Estimate bill has delayed the release of over $7,000,000,000 in federal interstate funds to the states, including $526,046,000 to Texas; and

"Whereas, Failure to enact an Interstate Cost Estimate bill will result in delays of highway improvement projects in Texas; and

"Whereas, Delay of these projects will deprive Texas of badly needed transportation and economic development benefits; now, therefore, be it

"*Resolved,* That the 69th Legislature of the State of Texas hereby memorialize the United States Congress to take prompt action to enact Interstate Cost Estimate legislation; and, be it further

"*Resolved,* That the Secretary of State of Texas transmit enrolled copies of this resolution to the President of the United States, the President and the Secretary of the United States Senate, the Speaker and the Secretary of the United States House of Representatives, and to Texas Senators and Representatives in Congress."

POM-301. A resolution adopted by the New Jersey Federation of Women's Club relating to the Clean Water Act; to the Committee on Environment and Public Works.

POM-302. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance.

"HOUSE CONCURRENT RESOLUTION NO. 51

"Whereas, President Reagan currently has under consideration a bold and courageous plan for a much-needed reform of the federal income tax, the aim of which is to provide a more equitable and simpler tax for all citizens of the United States; and

"Whereas, while many of his proposals are meritorious and deserve further study and support, the proposal to eliminate the deductibility of state and local taxes would have a devastating impact on the state and local budgets of Louisiana; and

"Whereas, this proposal comes at a time when also under consideration are dramatic reductions in federal aid to state and local governments, coupled with the shifting to them of additional responsibilities, and the elimination of deductibility would cost Louisiana taxpayers an additional $151,000,000 per year (as estimated by the Council of State Governments based on 1980 and 1984 figures;) and

"Whereas, the elimination of deductibility would in essence, cause taxpayers to pay taxes twice for services provided by different levels of government, making it more and more difficult for state and local governments to raise revenues in order to cope with increasing demands placed upon them; and

"Whereas, the elimination of deductibility would also skew the ability of state and local governments to make their tax systems more progressive by forcing them to rely on taxing sales rather than taxing income, which would be doubly-taxed under the proposal; and

"Whereas, it is important that the President and Congress of the United States realize that state and local governments are not mere "special interests" seeking a tax break, but partners in American government; and

"Whereas, this potentially devasting proposal comes at a time when the state of Louisiana and all of its political subdivisions face a severe financial crisis.

"Therefore, be it resolved that the Legislature of Louisiana does hereby memorialize President Reagan and the members of the United States Congress to retain all provisions in federal income tax law which allow for the deductibility of state and local taxes.

"Be it further resolved that a duly attested copy of this Resolution be immediately transmitted to the President of the United States, to the Secretary of the United States Senate, to the clerk of the United States House of Representatives, and to each member of the Louisiana delegation to the United States Congress."

POM-303. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

Senate Joint Resolution No.2

"Whereas, 7,500,000 people are starving in Ethiopia; and

"Whereas, The need for grain, other food, clothing, blankets, and medical care increases daily; and

"Whereas, Relocation and improved and increased food distribution could substantially ameliorate those problems; however, the existing transportation system is in dire need of additional airplanes, buses, trucks, spare parts and fuel; and

"Whereas, Californians and Americans have reached out to those disadvantaged at home and abroad and should continue to do so; now therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the President and Congress of the United States to immediately authorize increased and continued famine relief to Ethiopia, including the provision of agricultural commodities and supply trucks and air transport; and be it further

"*Resolved,* That the President of the United States, through communication with the government of Ethiopia and using any and all other diplomatic means available, have the Ethiopian governmental officials allow food and medical aid to be distributed to all victims of the famine without regard to internal political disagreements; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-304. A petition from a Citizen of Madison, New Jersey relating to the Gay Bill of Rights; to the Committee on the judiciary.

POM-305. A resolution adopted by the Council of the City of Webster, Texas requesting Congress to exempt state and local government employees from the federal Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-306. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Labor and Human Resources.

ASSEMBLY JOINT RESOLUTION NO. 4

"Whereas. The Nuclear Waste Policy Act of 1982 established a procedure for the selection of a site for a facility for the disposal of highlevel radioactive waste; and

"Whereas. The Secretary of Energy is considering an area near Yucca Mountain in Nye County, Nevada, for selection as the site for such a facility; and

"Whereas. This resolution is not intended as an expression of support for or opposition to the placement of such a facility in Nevada; and

"Whereas. The merits of the issue aside, if Nevada is chosen to be the location for the

facility, it would severely strain the financial, environmental and human resources of this state; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly. That this legislature strongly urges the Federal Government to provide assistance to mitigate the adverse effects of such a facility in the following areas.

"1. Education, including facilities and personnel for elementary and secondary schools, community colleges, vocational and technical schools and universities.

"2. Public health, including the facilities and personel for treatment and distribution of water, the treatment of sewage, the control of pests and the disposal of solid waste.

"3. Law enforcement, including facilities and personnel for the courts, police and sheriff's departments, district attorneys and public defenders and prisons.

"4. Fire protection, including personnel, the construction of fire stations and the acquisition of equipment.

"5. Medical care, including emergency services and hospitals.

"6. Cultural and recreational needs, including facilities and personnel for libraries and museums and the acquisition and expansion of parks.

"7. Distribution of public lands to allow for the timely expansion of existing or creation of new communities and the construction of necessary residential and commercial facilities.

"8. Vocational training and employment services.

"9. Social services, including public assistance programs, vocational and physical rehabilitation programs, mental health services and programs relating to the abuse of alcohol and controlled substances.

"10. Transportation, including any roads, terminals, airports or railways built for or in any way associated with the facility and the repair and maintenance of roads, terminals, airports or railways damaged as a result of the construction, operation and closure of the facility.

"11. Equipment and training for state and local personnel in the management of accidents involving high-level radioactive waste.

"12. Availability of energy.

"13. Tourism and economic development, including the loss of revenue and future economic growth.

"14. Other needs of the state and local governments that would not have arisen but for the search for the site and the construction, operation and eventual closure of the facility; and be it further

"Resolved. That the mitigation of these adverse effects should begin as soon as they become known; and be further

"Resolved. That the Federal Government should provide whatever assistance is necessary, including equipment for data processing, to allow the state to establish appropriate methods to observe and assess the effects of the facility from the planning stages until the waste is no longer radioactive; and be further

"Resolved. That the entity to be established to coordinate the requests for assistance from the state and its political subdivisions be recognized by the Federal Government as the final authority on the needs and priorities of this state and its political subdivisions in the mitigation of the adverse effects of the facility; and be further

"Resolved. That the Federal Government should establish a special fund to be used to mitigate any adverse effects of the study of the site including, without limitation, the effects of physical exploration if the project is abandoned; and be further

"Resolved. That the legislative counsel shall forthwith transmit copies of this resolution to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada congressional delegation and the Secretary of Energy; and be further

"Resolved. That this resolution become effective upon passage and approval."

POM-307. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Commerce, Science, and Transportation.

ASSEMBLY JOINT RESOLUTION NO. 23

"Whereas, The Congress of the United States of America has imposed a national speed limit of 55 miles per hour originally as a means of conserving fuel but now retained for reasons of safety; and

"Whereas, In light of the exceptionally great distance between centers of population in this state, there is no strong evidence that such a limit promotes safety on the highways of this state; and

"Whereas, This legislature believes that allowing this state to impose a maximum speed of 70 miles per hour for a trial period while requiring the use of safety belts would promote the interests of safety; and

"Whereas, A study should be made by this state concerning the safety of the maximum speed limit and the effectiveness of the use of safety belts; now, therefore, be it

"Resolved by the assembly and Senate of the State of Nevada. Jointly, That this legislature requests that the Congress of the United States of America:

"1. Allow the State of Nevada an exemption from the maximum speed limit imposed pursuant to 23 U.S.C. § 154 from July 1, 1986, through July 1, 1989, to allow the department of transportation of this state to raise the maximum speed limit to 70 miles per hour on certain highways in this state for that period:

"2. Exempt this state from the penalty of withholding federal money, which is imposed pursuant to 23 U.S.C. § 154 for failure to post and enforce the 55 mile per hour speed limit, for the period of July 1, 1986, through July 1, 1989; and

"3. Accept the results of a study concerning the safety of the maximum speed limit and the effectiveness of a law requiring the use of seat belts conducted by the director of the department of motor vehicles of this state during that period; and be it further

"Resolved, That if these requests are met, a law requiring the use of safety belts drivers and certain passengers in certain motor vehicles driven on the highways, roads and streets of this state will become effective during that period; and be it further

"Resolved, That the legislative counsel transmit copies of this resolution to the Vice President of the United States of America as President of the Senate, to the Speaker of the House of Representatives, and to all members of the congressional delegation; and be it further

"Resolved, That this resolution become effective upon passage and approval."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, unfavorably without amendment:

S. 43. A bill to provide that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President (Rept. No. 99-92).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment.

S. 63. A bill to encourage the rendering of inflight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies (Rept. No. 99-93).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 410. A bill to repeal the Commercial and Apartment Conservation Service, and for other purposes (Rept. No. 99-94).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

H.R. 1373. A bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness (Rept. No. 99-95).

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

H.R. 752. A bill to amend title 38, United States Code, to ensure an orderly transition to the new Educational Assistance Program established by chapter 30 of that title (Rept. No. 99-96).

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs, without amendment:

S. Res. 192. An original resolution providing for the waiver of section 303(a) of the Congressional Budget Act of 1974 with respect to H.R. 752, as reported by the Senate Committee on Veterans' Affairs.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week."

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and an amended preamble:

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year."

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 444. A bill to amend the Alaska Native Claims Settlement Act (with additional views) (Rept. No. 99-97).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 638. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation to the private sector, and for other purposes (with minority views) (Rept. No. 99-98).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Loren A. Smith, of Virignia, to be a Judge of the United States Claims Court for a term of fifteen years.

By Mr. LUGAR, from the Committee on Foreign Relations:

Edwin G. Corr, of Oklahoma, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of El Salvador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Edwin Gharst Corr.

Post: El Salvador.

Contributions, amount, date, donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names none.
4. Parents names, none.
5. Grandparents names, none.
6. Brothers and spouses names; I have two borthers only one of whom has made contributions.

William Reed Corr (brother) 5409 Aiken Place, Pittsburgh, PA 15232, $25 September 30, 1981, Republican National Committee; $25 September 30, 1981, GOP Victory Fund; $25 December 23, 1981, GOP Victory Fund; $35 April 9, 1982, Republican National Committee; $25 April 9, 1982, GOP Victory Fund; $40 October 29, 1982 GOP Victory Fund; $60 December 13, 1983 Republican National Committee; $40 December 13, 1983, GOP Victory Fund; $25 February 29, 1984. GOP Victory Fund; $40 February 29, 1984 Reagan-Bush 1984; $35 February 29, 1984 Republican National Committee.

7. Sisters and spouses names, none.

Nicholas Ruwe, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Iceland.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lester Nicholas Ruwe.

Post: Ambassador to Iceland.

Contributions, amount, date, donee:

1. Self, $1,000.00, October 1984, Republican Party of Maryland.
2. Spouse, none.
3. Children and spouses names, none.
4. Parents names, Ruth Ruwe, $1,000, October 1984, Republican Party of Maryland.
5. Grandparents names, deceased.
6. Brothers and spouses names, none.
7. Sisters and spouses names, none.

L. Craig Johnstone, of Washington, a Career Member of the Senior Foreign service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Democratic and Popular Republic of Algeria.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Larry Craig Johnstone.

Post: Algeria.

Contributions, amount, date, donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names, Alexa, Christopher and Meredith, none.
4. Parents names, Jack R. Johnstone, Evelyn Steger, none.
5. Grandparents [1] names, Edith Ecker, none.
6. Brothers and spouses names, Michael Johnstone, none.
7. Sisters and spouses names, none.

Thomas R. Pickering, of New Jersey, a Career Member of the Senior Foreign Service, personal rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States to Israel.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas R. Pickering.

Post: Ambassador State of Israel.

Contributions, amount, date, donee:

1. Self, none
2. Spouse, none
3. Children and spouses, names: Margaret S. Pickering, none; Timothy R. and Mary Ann Pickering, none.
4. Parents names: Hamilton R. and Sarah C. Pickering, $25, October 1984, Mondale-Ferraro.
5. Grandparents names, deceased.
6. Brothers and spouses names, none.
7. Sisters and spouses names: Marcia P. and Bruce Hunt, $50, September 1984, Robert Mrazek; $50, September 1984, Mondale-Ferraro; $25, September 1982 Robert Mrazek.

Richard Thomas McCormack, of Pennsylvania, to be Permanent Representative of the United States to the Organization of American States, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Richard T. McCormack.

Post: U.S. Permanent Representative to the Organization of American States rank of Ambassador.

Contributions, amount, date, donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names, none.
4. Parents names, none.
5. Grandparents names, none.
6. Brothers and spouses names, none.
7. Sisters, and spouses names, none.

Richard R. Burt, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Federal Republic of Germany.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

[1] Note: Grandfather, Lester Ecker, died in 1981. Unable to determine nature of his contributions, if any.

Nominee: Richard R. Burt.

Post: U.S. Ambassador to the FRG.

Contributions, amount, date, donee:

1. Self, none.
2. Spouse, $120, January 1985, GOP Pals.
3. Children and spouses names, N/A.
4. Parents names, Mr. and Mrs. Wayne Burt, none.
5. Grandparents names, N/A.
6. Brothers and spouses names, Christopher and Winnell Burt, none.
7. Sisters and spouses names, N/A.

Charles E. Courtney, of California, to be an Associate Director of the United States Information Agency; and

Rozanne L. Ridgway, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Secretary of State.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PACKWOOD, from the Committee on Finance:

Clayton Yeutter, of Nebraska, to be United States Trade Representative with the rank of Ambassador Extraordinary and Plenipotentiary.

(The above nomination was reported from the Committee on Finance with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

John William Bode, of Oklahoma, to be an Assistant Secretary of Agriculture;

John R. Norton III, of Arizona, to be a Member of the Board of Directors of the Commodity Credit Corporation; and

Robert L. Thompson, of Indiana, to be a Member of the Board of Directors of the Commodity Credit Corporation.

(The above nominations were reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON (for himself, Mr. CHILES, Mr. DECONCINI, Mr. CRANSTON and Mr. DOLE):

S. 1370. A bill to require the President to take all steps necessary and appropriate to end unfair EEC trade practices, including practices harmful to American citrus, pasta, wheat flour, poultry, canned fruits and raisins; to the Committee on Finance.

By Mr. LEVIN:

S. 1371. A bill to designate the portion of 15th Street, Southwest, Washington, District of Columbia, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue"; to the Committee on Governmental Affairs.

By Mr. HEINZ:

S. 1372. A bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals; to the Committee on Finance.

By Mr. SPECTER:

S. 1373. A bill to amend title 18, United States Code, to authorize prosecution of terrorists and others who attack United States Government Employees abroad, and for other purposes; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 1374. A bill to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY:

S. 1375. A bill to authorize the transfer of the Fairport National Fish Hatchery to the State of Iowa to be used by the Iowa Conservation Commission; to the Committee on Energy and Natural Resources.

S. 1376. A bill to amend section 2316 of the Deficit Reduction Act of 1984 to make the application of the revised wage index developed under that section prospective and to provide for periodic updating of that index; to the Committee on Finance.

By Mr. KASTEN:

S. 1377. A bill to increase the accountability of policy coordination by, and management of, priorities by agencies through an improved mechanism for congressional oversight of the rule of agencies; to the Committee on Governmental Affairs.

By Mr. DURENBERGER (for himself and Mr. CHAFEE):

S. 1378. A bill entitled the "Long Term Care Insurance Promotion and Protection Act of 1985"; to the Committee on Finance.

By Mr. McCLURE:

S. 1379. A bill to authorize the erection of a monument given to the American people as a gift of the Kingdom of Morocco, on public grounds in the District of Columbia; to the Committee on Energy and Natural Resources.

By Mr. GLENN:

S. 1380. A bill to reform certain regulatory procedures governing the export of banned and severely restricted substances; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. QUAYLE (for himself, Mr. STAFFORD, Mr. PELL, and Mr. SIMON):

S. 1381. A bill to amend the General Education Provisions Act to improve and expand the Assessment Policy Committee; to the Committee on Labor and Human Resources.

By Mr. CHAFEE:

S. 1382. A bill to amend the Securities Exchange Act of 1934 with respect to insider trading; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SPECTER:

S. 1383. A bill to protect the internal security of the United States against international terrorism by making the use of a firearm to commit a felony by foreign diplomats in the United States a Federal felony; to the Committee on the Judiciary.

S. 1384. A bill to amend the Copyright Act of 1976 to clarify the operation of the derivative works exception; to the Committee on the Judiciary.

By Mr. DeCONCINI:

S. 1385. A bill entitled the "Money Laundering Crimes and Disclosure Act of 1985"; to the Committee on the Judiciary.

By Mr. GORTON:

S. 1386. A bill to promote the Americanization of domestic marine fishery resources, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BINGAMAN (for himself, Mr. MATSUNAGA, Mr. CHILES, Mr. HOLLINGS and Mr. GORE):

S. 1387. A bill to amend title XVII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BINGAMAN:

S. 1388. A bill to amend title 5, United States Code, to require Federal Government agencies to furnish health protection, health promotion, disease prevention, and secondary prevention services to Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BOSCHWITZ:

S. 1389. A bill for the relief of Sobhi Ibrahim Youssef; to the Committee on the Judiciary.

S. 1390. A bill for the relief of Charles Jabbra; to the Committee on the Judiciary.

S. 1391. A bill for the relief of David Lopez; to the Committee on the Judiciary.

By Mr. DeCONCINI:

S. 1392. A bill to amend title 28 United States Code regarding judicial annuities; to the Committee on the Judiciary.

By Mr. ABDNOR (for himself, Mr. NICKLES and Mr. McCLURE):

S. 1393. A bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LEAHY:

S. 1394. A bill to provide matching Federal assistance to joint initiatives by private industry, institutions of higher education, and State government to strengthen the applications of science, engineering, and technology, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MATHIAS:

S. 1395. A bill to amend title 9 of the United States Code regarding arbitral awards; to the Committee on Judiciary.

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 1396. A bill to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA and Mr. DeCONCINI):

S. 1397. A bill to amend title 38, United States Code, to define the term "detailed plan and justification" in connection with certain administrative reorganizations of Veterans' Administration facilities, and to confirm that a reorganization involving consolidation of benefits offices is prohibited by law and to permit one involving prosthetics centers to be implemented pryor to fiscal year 1986; to the Committee on Veterans Affairs.

By Mr. ANDREWS (for himself, Mr. MELCHER, Mr. DeCONCINI, Mr. ABDNOR, and Mr. BURDICK):

S. 1398. A bill to amend title XI of the Education Amendments of 1987, relating to Indian education programs; to the Select Committee on Indian Affairs.

By Mr. MURKOWSKI:

S.J. Res. 151. A joint resolution to designate the week of June 22 through June 28 in each year as "National Friendship Week"; to the Committee on the Judiciary.

By Mr. DODD:

S.J. Res. 152. A joint resolution to recognize both Peace Corps Volunteers and Peace Corps on the Agency's 25th Anniversary, 1985–1986; to the Committee on the Judiciary.

By Mr. BYRD:

S.J. Res. 153. A joint resolution calling on the President to initiate multilateral negotiations to create more effective protections against international terrorism; to the Committee on Foreign Relations.

By Mr. GARN:

S.J. Res. 154. A joint resolution to designate July 20, 1985 as "Space Exploration Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself and Mr. HATCH):

S. Res. 189. A resolution to designate the week of August 18 to 24, 1985, as "Health Care Expo '85 Week"; to the Committee on the Judiciary.

By Mr. SPECTER:

S. Res. 190. A resolution expressing the sense of the Senate that the President should call for international negotiations to make international terrorism a universal crime prosecutable in the United States; to the Committee on Foreign Relations.

S. Res. 191. A resolution urging the President to renegotiate the Vienna Convention on Diplomatic Relations to eliminate immunity for diplomats engaging in assaults with firearms or explosives; to the Committee on Foreign Relations.

By Mr. MURKOWSKI:

S. Res. 192. An original resolution providing for the waiver of section 303(a) of the Congressional Budget Act of 1974 with respect to H.R. 752, as reported by the Senate Committee on Veterans' Affairs; from the Committee on Veterans Affairs; to the Committee on the Budget.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 193. A resolution to authorize the testimony of Gregory Allen Gay before a confidential proceeding for the State of Florida Bar, Fifteenth Judicial Grievance Committee A; considered and agreed to.

By Mr. BYRD (for Mr. PROXMIRE):

S. Res. 194. A resolution relating to recess appointments; considered and agreed to.

By Mr. SYMMS:

S. Res. 195. A resolution concerning TWA Flight 847; to the Committee on Foreign Relations.

By Mr. SPECTER:

S. Res. 196. A resolution calling on the President to halt U.S. carrier traffic through Athens airport and to call for international cooperation, including establishment of an independent International Commission on Airport Security; to the Committee on Foreign Relations.

By Mr. D'AMATO (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. ARM-

STRONG, Mr. BAUCUS, Mr. BENTSEN, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. BYRD, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DENTON, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GOLDWATER, Mr. GORE, Mr. GORTON, Mr. GRAMM, Mr. GRASSLEY, Mr. HARKIN, Mr. HART, Mr. HATCH, Mr. HATFIELD, Mrs. HAWKINS, Mr. HECHT, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. LONG, Mr. LUGAR, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MCCLURE, Mr. MCCONNELL, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. QUAYLE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. RUDMAN, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SIMPSON, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. TRIBLE, Mr. WALLOP, Mr. WARNER, Mr. WEICKER, Mr. WILSON and Mr. ZORINSKY):

S. Res. 197. A resolution to agree to cooperate with the Jacob K. Javits Senate Fellowship Program; to the Committee on Rules and Administration.

By Mr. HEINZ (for Mr. DOLE (for himself and Mr. BYRD)):

S. Con. Res. 54. A concurrent resolution providing for a conditional adjournment of the Congress from June 27 or 28, 1985 to July 8, 1985; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON (for himself, Mr. CHILES, Mr. DECONCINI, Mr. CRANSTON, and Mr. DOLE):

S. 1370. A bill to require the President to take all steps necessary and appropriate to end unfair EEC trade practices, including practices harmful to American citrus, pasta, wheat flour, poultry, canned fruits and raisins; to the Committee on Finance.

(The remarks of Mr. WILSON and the text of the legislation appear earlier in today's RECORD.)

By Mr. LEVIN:

S. 1371. A bill to designate the portion of 15th Street, Southwest, Washington, DC, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue"; to the Committee on Governmental Affairs.

RAOUL WALLENBERG AVENUE

● Mr. LEVIN. Mr. President, today I am introducing legislation which would designate part of 15th Street in Washington, DC as "Raoul Wallenberg Avenue." This bill has also been introduced in the House of Representatives, where it already has 114 cosponsors.

This legislation is entirely appropriate. The area designated would be that part of 15th Street which runs in front of the future U.S. Holocaust Memorial Museum—a museum which will commemorate the millions who perished under the Nazi regime. My bill will honor a man who was responsible for saving people from the Holocaust, a man who had the courage to commit himself when too many others chose to stand by and remain silent.

All of us are familiar with Raoul Wallenberg's life. Born to a prominent Swedish banking family, he had a very comfortable upbringing and his place in society was secured. Given Wallenberg's background and nationality, it is likely that he could have escaped any direct involvement with the war. Instead, he chose to leave his genteel life for one of utter choas and danger.

In response to a request from our Government to the Swedish Government, Wallenberg went to Hungary in 1944. He was put in charge of a special department for the protection and relief of Jews.

To try and save Hungarian Jews, Wallenberg created passports—paper pledges of protection issued in the name of the Swedish Government. He took those passports and distributed them to those who were about to be taken away. He then threatened their guards with unknown but horrible consequences if they violated the protection these passports promised. It worked. People marched away from railroad cars which led to death and walked into apartments that Wallenberg rented as a refuge for the displaced.

He built up a citywide relief organization of hospitals, nurseries, and soup kitchens, staffing these institutions with 400 Jews. He even organized an undercover group of young Jews, who raided Nazi prisons and released Jews held in custody. Heedless of the personal danger to himself, Wallenberg personally engineered and aided in the rescue and escape of tens of thousands of Hungarian Jews.

Wallenberg survived the Nazis, only to be arrested by Soviet authorities. For years, the Soviet Government denied knowing anything of his whereabouts. Later, they acknowledged that he had been taken prisoner, but claimed he had died of a heart attack at age 36.

Despite these claims, there have been consistent reports of sightings of Wallenberg, of conversations and meetings with other Soviet prisoners. Even today, he may be alive.

Congress has not been unaware of Wallenberg's heroism, or of our obligation as a democratic and humanitarian government to remember his work and to work for his release if he still lives.

He has been granted honorary U.S. citizenship—only the second person to receive this honor. During the last Congress, the Senate approved a resolution I offered calling upon the Soviet Union to provide accurate information about Raoul Wallenberg and to grant him his freedom.

The bill I am introducing today will be another way of honoring this great man.

The Holocaust is a horror the world must never forget.

The values of Raoul Wallenberg are also something we should never forget. His humanity, courage, and passion were a bright light in history's darkest hour.

I hope my colleagues will join me in supporting this legislation.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of 15th Street, Southwest, Washington, District of Columbia, located between Maine and Independence Avenues shall hereafter be known and designated as "Raoul Wallenberg Avenue". Any law, regulation, map, document, or other record of the United States and the District of Columbia in which such portion of such street is referred to shall be deemed to refer to such portion as "Raoul Wallenberg Avenue".●

By Mr. HEINZ:

S. 1372. A bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals; to the Committee on Finance.

HEALTH INSURANCE AVAILABILITY ACT

● Mr. HEINZ. Mr. President, millions of Americans are financially solvent but are unable to obtain health insurance because they are in poor health. They are often referred to as uninsurable. These uninsurables include children with cystic fibrosis and adults with heart disease. They include persons of any age with a history of cancer or some other illness likely to result in an intensive use of health services. Today, I am introducing legislation—the Health Insurance Availability Act of 1985—which will greatly improve the access of these people to health insurance.

People can become uninsurable when they become unemployed and lose their group insurance coverage, or when their spouse with employer-provided health coverage dies leaving them uninsured, or when their insurance company pulls out of a certain market leaving its customers high and dry. Other insurers find it undesirable

to offer coverage to these people since their poor health status indicates substantial expenditures which the insurers would have to cover. These people are, in short, bad financial risks. Without any health coverage, however, they remain in constant danger of becoming medically indigent. The Health Insurance Availability Act is needed to make available to those people the health insurance they are willing and able to pay for, but which insurers consider unprofitable to provide.

This legislation will provide America's uninsurables with improved access to health insurance by simulating the creation of statewide insurance pools that will make available health care coverage to persons previously unable to obtain it because of a preexisting illness or impairment. Such pools now exist in at least eight States, but a stumbling block has prevented more States from following this path. In 1974, the Congress enacted the Employee Retirement Income Security Act [ERISA], which precludes the States from regulating employee benefit plans. Thus the States cannot require the large self-insured employers to participate in State pools. Besides being unfair competitively, this means that economically the burden of any pool losses will be passed on to small businesses and individual policyholders while big businesses, now virtually all self-insured, are exempt.

The Health Insurance Availability Act eliminates this stumbling block and enables all States to create risk pools to which all insurers and self-insurers will contribute on an equitable basis. The act creates a powerful incentive for all insurers, and self-insuring employers with 25 or more employees, to participate in their State's risk pool by imposing a 10-percent excise tax on those who choose not to participate. Through this mechanism, each entity which participates in the business of insurance will also participate in serving that portion of the uninsured population which is willing and able to pay for coverage that is not now available.

Mr. President, I wish to make clear that my preference for solving this problem would be to amend ERISA to allow States greater flexibility in regulating self-insured employers. At the present time, however, there is little political chance of enacting such an amendment to ERISA. Therefore, I am resorting to what is my second choice, a separate provision to create incentives for participation in insurance risk pools.

I am pleased to note that the Health Insurance Association of America supports this bill as a responsible way to address the needs of the uninsurables without spending Federal tax money or raising taxes. The bill is also supported by the America Association of Retired Persons, the National Easter Seal Society, and other prominent associations.

How would the pools work? Employers, insurers, and other health care financing entities would contribute to the pool on a pro rata basis, and would share any losses on the same basis, so that no competitive disadvantage would be imposed on entities in the private health insurance market. The actual design and operation of the insurance pools would be left to the discretion of each State as long as the following requirements were met: Deductibles would be limited to $2,500 a year, copayments would be limited to 20 percent, and total out-of-pocket payments for covered medical expenses would be limited to $3,500 per person per year. These dollar limits would be adjusted to keep pace with the medical care component of the Consumer Price Index. Premium rates would be set actuarilly to enable the pooling association to be self-supporting, but could not exceed twice the average rate charged to healthy individuals in the same State for comparable coverage.

Clearly, this coverage will not be inexpensive. It does not resolve the health care problems of the poor. It does, however, make available a group insurance plan for those middle-class Americans who want protection from catastrophic medical bills, who are willing and able to pay for it, but who cannot obtain coverage on the open market due to their health problems. This bill does not aid those who have already become medically indigent due to disastrous medical expenses, but it does offer a way for persons currently at risk for their medical expenses to avoid becoming medically indigent. This bill is, in effect, a shoring up of the dam which holds back a flood of uncompensated care. It is an initial but important step that must be taken as we begin to tackle the growing problem of America's medically uninsured. We must continue to work on solutions to the larger problems of access to health care, but let's not fail to take this important first step.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Insurance Availability Act of 1985".

SEC. 2. FINDINGS AND DECLARATION OF PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) there is a significant number of persons not covered by health insurance who, because of health conditions, cannot qualify for health insurance;

(2) the unavailability to such persons may adversely affect the availability of health care to them;

(3) the lack of adequate health insurance for such persons jeopardizes the viability of health care financing and aggravates the bad debt and cash flow problems of health care providers; and

(4) such persons includes one who lose their employment related coverages under both insured and self-funded employee benefit plans.

(b) PURPOSES.—The purpose of this Act is to—

(1) establish minimal standards for voluntary State action to establish pooling mechanisms for such persons resident in each State;

(2) encourage the establishment of such pooling mechanisms through the initiatives and resources of the State and private sector; and

(3) provide incentives for participation by all private health care financing mechanisms including self-funded employee health benefit plans.

SEC. 3. TAX ON HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subchapter:

"Subchapter B—Health Plans of Large Employers Not Members of Qualified State Pooling Associations

"Sec. 4912. Tax on expenses of health plans of large employers not members of qualified State pooling associations.

SEC. 4912. TAX ON EXPENSES OF HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

"(a) TAX IMPOSED.—In the case of a large employer, there is hereby imposed a tax equal to 10 percent of the amount of the nonqualified employee health expenses paid or incurred during the taxable year.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during the taxable year or the preceding taxable year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 25 or more individuals.

"(2) EXCEPTION FOR GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States, any State or political subdivision thereof, or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"(c) NONQUALIFIED EMPLOYEE HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'nonqualified employee health expenses' means the expenses paid or incurred by the employer for a group health plan to the extent such expenses are allocable—

"(A) to employment within a State, and

"(B) to a period during which neither

"(i) the employer, nor

"(ii) any entity through which benefits under the plan are provided,

is a member of a qualified pooling association in such State.

"(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given to such term by section 162(i)(2).

"(3) QUALIFIED POOLING ASSOCIATION.—The term 'qualified pooling association' means any organization which—

"(A) is a nonprofit corporation established pursuant to and regulated by State law;

"(B) permits any of the following doing business in the State to be participating members:

"(i) insurers writing expense incurred health insurance,

"(ii) hospital and medical service plan corporations,

"(iii) health maintenance organizations, and

"(iv) employers and other health financing entities;

"(C) makes available (without regard to health conditions) to all residents of the State not eligible for Medicare levels of health insurance typical of the levels of coverage provided through large employer groups with deductibles not to exceed $2,500, coinsurance not to exceed 20 percent, with out-of-pocket payments for covered medical expenses by the insured not to exceed in the aggregate $3,500 per individual per year including amounts paid to satisfy the deductible (such dollar amounts to be adjusted according to the Medical Care Component of the Consumer Price Index), except that variations in the amounts and applications of such deductibles, coinsurance, out-of-pocket limits, and other policy provisions such as restrictions on coverage for pre-existing conditions (not to exceed 12 months) shall be permitted in accordance with customary insurance practice;

"(D) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 200 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(E) assesses losses of the pool equitably among all participating members.

"(4) MEDICARE.—The term 'medicare' means the insurance program established under part A of title XVIII of the Social Security Act.

"(d) CROSS REFERENCE.—

"(1) For provision denying deduction for tax imposed by this section, see section 275(a)(6).

"(2) For provisions making deficiency procedure applicable to tax imposed by this section, see section 6211 et seq."

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking out the chapter heading and inserting in lieu thereof the following:

"CHAPTER 41—PUBLIC CHARITIES; CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

"Subchapter A. Public charities.
"Subchapter B. Health plans of large employers not members of qualified State pooling associations.

"Subchapter A—Public Charities".

(2) The table of chapters for subtitle D of such Code is amended by striking out the item relating to chapter 41 and inserting in lieu thereof the following:

"Chapter 41. Public charities; certain health plans of large employers."

(3) Subparagraph (B) of section 6104(c)(1) of such Code is amended by striking out "or chapter 41 or 42" and inserting in lieu thereof ", subchapter A of chapter 41 or chapter 42".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1987.

SECTION-BY-SECTION DESCRIPTION

Section 1. Establishes the short title of the bill as the "Health Insurance Availability Act of 1985."

Section 2. Contains Congressional findings and statement of purpose, i.e., to guarantee the availability of health insurance to all Americans, specifically those Americans who because of health conditions cannot currently qualify for private health insurance.

Section 3. Amends the Internal Revenue Code to establish minimum standards for qualified state pooling associations.

A "qualified pooling association" must be a nonprofit corporation established pursuant to and regulated by state law.

It must allow as participating members all health insurers, Blue Cross/Blue Shield organizations, health maintenance associations and self-insured employers doing business in the state.

It must offer to all residents of the state not eligible for Medicare health insurance coverage comparable to that provided by large employers in the state through their group insurance programs.

Deductibles are permitted, not to exceed $2,500 as are co-payments up to 20%, with a limit on "out-of-pocket" payments (the aggregate of the deductible and co-payments paid) for covered medical expenses of not more than $3,500 per person per year.

These limits are to be adjusted to keep pace with the medical care component of the Consumer Price Index.

Variations are also allowed at the discretion of the state in accordance with customary insurance practices, as, for example, in the case of mental health benefits and restrictions on pre-existing conditions (the latter not to exceed 12 months.)

Premium rates set for the health policies provided shall be set actuarily to enable the association to be self-supporting, except that in no event may they exceed twice the average rate for individual healthy lives in that state for comparable coverage.

Losses suffered by the association shall be shared equitably among all participating members.

Any expenses of an employee group health plan provided by a large employer, whether for-profit or non-profit, is subject to a 10-percent excise tax if the financing entity, i.e., the insurer of an insured plan, the employer if self-insured does not participate in a qualified state pooling association.

A "large employer" is defined as having 25 or more employees, but does not include Federal, state, or local government entities.

Section 4. The provisions of the bill apply to taxable years beginning on or after January 1, 1987.●

By Mr. SPECTER:

S. 1373. A bill to amend title 18, United States Code, to authorize prosecution of terrorists and others who attack U.S. Government employees abroad, and for other purposes; to the Committee on the Judiciary.

PROTECTION OF UNITED STATES GOVERNMENT PERSONNEL ACT

Mr. SPECTER. Mr. President, today I am reintroducing legislation that would expand U.S. law by making it a crime for anyone in any country to assault any U.S. citizen as part of an act of terrorism. This legislation would also preclude defendants in such cases from challenging the manner in which they were brought before the court.

A similar bill was originally introduced as S. 3018 in the 98th Congress. This broader version now deserves prompt enactment.

We need not wait for international agreements to be finalized before we begin to exert the full force of the law against the terrorist menace. There are steps we can take right now, unilaterally, to expand our ability to protect our own citizens abroad.

Significant security measures have already been implemented at U.S. embassies and installations, and the new Overseas Security Advisory Council recently announced by Secretary Shultz should enhance the safety of corporate personnel in threatened areas throughout the world.

But there remains a critical gap in our arsenal against terrorism: murder of U.S. citizens outside our borders, other than of specially designed Government officials and diplomats, is not a crime under U.S. law.

I was stunned to realize that those responsible for murdering over 260 U.S. marines while they slept in their barracks in Lebanon are not guilty of any U.S. crime for their murder. Nor are those terrorists who cold-bloodedly shot two U.S. citizens during the hijacking in Kuwait. Existing law punishes only those who assault our diplomats. Under my bill, when a U.S. marine is killed or wounded in a bomb attack, an investigation can be initiated and the culprits can be brought to this country and prosecuted.

This act will in no way contravene or conflict with either international or constitutional law. While criminal jurisdiction is customarily limited to the place where the crime occurred, it is well-established constitutional doctrine that Congress has the power to apply U.S. law extraterritorially if it so chooses. (See e.g., *United States* v. *Bowman*, 260 U.S. 94, 98 (1922)).

International law also recognizes broader criminal jurisdiction. If an alleged crime occurs in a foreign country, a nation may still exercise jurisdiction over the defendant if the crime has a potential adverse effect upon its security or the operation of its governmental functions. This basis for jurisdiction over crimes committed outside the United States has been applied by the Federal courts in contexts ranging from drug smuggling to perjury. Clearly, then, the exercise of U.S. criminal jurisdiction is also justified to prosecute the terrorist who assaults or murders American personnel abroad. Such attacks undoubtedly have an adverse effect upon the conduct of our Government's foreign affairs, and po-

tentially threaten the security interest of the United States as well.

But making terrorist murder a U.S. crime alone will not protect Americans abroad. We must also demonstrate our seriousness by applying the law with fierce determination. In many cases, the terrorist murderer will be extradited or seized with the cooperation of the government in whose jurisdiction he or she is found. Yet, if the terrorist is hiding in a country like Lebanon, where the government, such as it is, is powerless to aid in his removal, or in Lybia, where the government is unwilling, more forceful intervention may be necessary.

This bill provides, in accord with constitutional and international law, the necessary subject matter jurisdiction to prosecute those who attack U.S. personnel abroad. But to obtain personal jurisdiction over the culprit himself, the suspect must first be seized or arrested and brought to the United States to stand trial. Under current constitutional doctrine, both U.S. citizens and foreign nationals can be seized and brought to trial in the United States without violating due process of law. See, for example, *Frisbie v. Collins*, 342 U.S. 519, 522 (1952); *Ferr v. Illinois* 119 U.S. 436 (1886).

It may surprise some to hear that such methods are an appropriate way to bring criminals to trial. If someone is charged or chargeable with an offense and is at liberty in some foreign country, it is an accepted principle of law to take that alleged criminal into custody if necessary and return him to the jurisdiction which has authority to try him. That prosecution and conviction is sustainable and is proper under the laws of the United States and under international law.

This principle has been in effect for almost 100 years, going back to 1886, in the landmark case of Kerr versus Illinois, where the State of Illinois kidnaped a defendant in Peru, a man being charged with a crime in Illinois, and brought him back to Illinois for trial, where he was convicted. The case went to the Supreme Court of the United States and the Supreme Court of the United States said it was appropriate to try that man in Illinois and to convict him notwithstanding the means which were used to bring him back to trial in that jurisdiction.

No country in the world, no country in the history of the development of law, has more rigorous concepts of the due process of law than the United States of America and the U.S. Supreme Court. That doctrine was upheld in an opinion written by Justice Hugo Black, well known for his concern about defendants' rights, in the case of Frisbie versus Collins, handed down by the Supreme Court of the United States in 1952 and upheld in later decisions.

In the Frisbie case, Justice Black stated:

This court has never departed from the rule announced in *Kerr* v. *Illinois*, that the powers of a court to try a person for a crime is not impaired by the fact that he had been brought in the court's jurisdiction by reason of a forceable abduction.

I would suggest to Senators that in dealing with the crime of terrorism, we ought to find the terrorists when we have some reason to believe we know who they are. It requires an investigation. It requires pursuit. It may require extradition or, where extradition is not possible, it may require abduction to bring these vicious criminals to trial.

Resort to such tactics will not ordinarily be necessary. The nation where the offender is found may prosecute that person itself or that nation may extradite him or consent to a seizure by U.S. agents within its territory. In the rare instance, however, where there exists in effect no government capable of arresting or prosecuting the offender—and I would suggest that that situation exists in a nation like Lebanon today where there is hardly a government capable of enforcing law and order—in that extreme situation or wherever the terrorists may be found in nations which flagrantly violate international law or harbor international terrorists, then the United States may be compelled to use forceful methods to bring a terrorist to justice. And I would suggest that on a balancing test, that is an appropriate course of conduct.

It is this kind of forceful, effective action that the United States must be in a position to employ where necessary to respond to terrorist attacks against our citizens abroad. The legislation that I am introducing today will accomplish that result.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Protection of United States Government Personnel Act of 1985".

SEC. 2. (a) Part I of title 18, United States Code, is amended by inserting after chapter 113 the following:

"CHAPTER 113A—TERRORIST ACTS AGAINST UNITED STATES GOVERNMENT EMPLOYEES ABROAD

"Sec.
"2331. Terrorists acts against United States government employees abroad.

"§ 2331. Terrorist acts against United States government employees abroad.

"(a) Whoever kills or attempts to kill in any foreign country, or in international waters or air space, any citizen of the United States shall, if found guilty in a court of the United States, be sentenced to any term of years or imprisonment for life, and any such person found guilty of attempted murder shall be imprisoned for not more than 20 years.

"(b) Whoever assaults, strikes, wounds, imprisons or makes any other violent attack upon the person or liberty of any citizen of the United States in any foreign country or in international waters or air space, or, if likely to endanger his or her person or liberty, makes violent attacks upon his or her official premises, private accommodation, or means of transport, or attempts to commit any of the foregoing, shall be fined not more than $5,000 or imprisoned not more than three years, or both. Whoever in the commission of any such act uses a deadly or dangerous weapon shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

"(c) The United States may exercise jurisdiction over the alleged offense if the alleged offender is present in the United States, irrespective of the place where the offense was committed or the nationality of the victim or the alleged offender, or the manner in which the alleged offender was brought before the court.

"(d) In enforcing subsection (a) and (b), the Attorney General may request and shall receive assistance from any Federal, State, or local agency, including the Army, Navy, and Air Force, the Federal Bureau of Investigation and the Central Intelligence Agency, any statute, rule, or regulation to the contrary notwithstanding.".

(b) The table of chapters for part I of title 18, United States Code, is amended by inserting after the item for Chapter 113, the following:

"CHAPTER 113A—TERRORIST ACTS AGAINST UNITED STATES GOVERNMENT EMPLOYEES ABROAD

"113A—Terrorists acts against United States government employees abroad..... 2331".

By Mr. CHAFEE:

S. 1374. A bill to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island; to the Committee on Energy and Natural Resources.

BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR ACT

● Mr. CHAFEE. Mr. President, I am pleased to introduce legislation today to establish the Blackstone River Valley National Heritage Corridor. This bill provides national recognition to the Blackstone River Valley, the cradle of the American industrial revolution.

The purpose of this measure is to preserve for the benefit and inspiration of present and future generations, the cultural, historical, recreational, and economic resources of the Blackstone River Valley Corridor. This bill is not only important to the States of Rhode Island and Massachusetts, but to the Nation as well.

The Blackstone River begins in the city of Worcester, MA. Over its 46 mile course, it flows through 22 cities and towns, crossing the State boundary between Massachusetts and Rhode

Island. The Blackstone Canal, built in the 1820's, follows the western side of the river.

The mills, villages, transportation networks, and social history of the settlers in the Blackstone Valley tell the story of the industrialization of 18th and 19th century America. From the Blackstone Valley, an appreciation of the larger national patterns of industrial development may be gained.

The Blackstone Valley illustrates several historical themes that are, at present, under-represented in the National Park System. Three factors distinguish the Blackstone Valley from other industrial regions. The valley is the first industrial region in the United States. The first widespread use of water power for industry in the United States occurred along the Blackstone River. And lastly, the Rhode Island system of manufacturing developed here.

The water power potential of the river and its waterfalls played an important part in the development of the Blackstone Valley. In 1793, an event occurred that would change the history of America. In that year, Samuel Slater constructed the first water-powered mill in Pawtucket along the banks of the Blackstone. The American industrial revolution was born.

By the 1820's and 1830's textile mills had been built at nearly every drop in the river. The Rhode Island system of manufacturing gradually evolved in these mills. Entire families were recruited to work in the mills. The mills constituted the centers of company villages which typically included housing for the workers, a company store, the mill owner's mansion, a church, a school, and small machine tool shops.

As the industrial revolution took hold, entrepreneurs looked for ways to move their goods more cheaply. Construction of the Providence to Worcester canal began in 1823 and was completed in 1828. The construction of the Providence to Worcester Railroad along the river made the canal uncompetitive, and the Blackstone Canal quickly lost its prominence. However, the impact of the canal on the development of Providence, Worcester, and the towns and villages of the valley was considerable.

In 1983, Congress requested that the National Park Service assess the national significance of the Blackstone River Corridor. The National Park Service prepared a report, "Conservation Options," to address future options to conserve the Blackstone Valley Corridor. The draft report suggests the develoment of an interstate heritage protection plan complimented by an expanded level of Federal recognition, support and technical assistance.

The legislation I am introducing today builds upon the research of the National Park Service and the efforts of the Departments of Environmental Management in Rhode Island and Massachusetts, Rhode Island's Blackstone Citizen's Advisory Committee, and other interested parties. This bill provides national recognition for the corridor, lending distinction to this important project.

A commission is established to develop a unified historic preservation and interpretation plan for the corridor in Rhode Island and Massachusetts. The Commission shall operate for 5 years and will assist in the marketing and implementation of the plan. For example, the Commission will assist in the restoration of historic buildings, the preservation of the canal, or the reconstruction of the towpath. It will assist in the design, creation, and maintenance of the visitors centers. The operating budget for the Commission will not exceed $500,000 per year.

The Department of Interior will provide technical support to the Commission. Four employees from the Department of the Interior will be assigned to the Commission to enable it to carry out its responsibilities. A startup grant of $2 million will be appropriated to the Commission for developing visitors centers or interpretive facilities for the heritage corridor.

The Blackstone River Valley National Corridor has enthusiastic support in both Rhode Island and Massachusetts. The Rhode Island Senate has unanimously passed a resolution in support of this designation. The Massachusetts legislature has established the Blackstone River and Canal Heritage Park. In addition, there are a number of programs at the State level in Rhode Island and Massachusetts to encourage economic development, sound environmental management and historic preservation in the Blackstone River Corridor. In 1984, a citizen's advisory committee was formed to advise State planners in Rhode Island on the establishment of a Blackstone Linear Park. Similarly, in Massachusetts, the Blackstone River and Canal Commission was formed to help direct the planning and design of a State heritage park along the Blackstone.

The Blackstone River Valley Corridor promises to be both educational and recreational. The river itself will be the center of the park. Visitor's centers, displays, presentations, and brochures will explain the technology, transportation and culture of the valley. Visitors will have the opportunity to explore operational mills, such as Slater's mill and the Stanley Woolen mill, as well as the ruins of old mill towns. Recreational trails for walking, biking, and horseback riding will be developed along the river's edge. Canal barge rides and canoeing will be available. The railroad line, which once carried goods up and down the valley, will carry park visitors. Incorporated into the park will be beautiful natural areas like the valley falls marshes in Rhode Island, a haven for wildlife adjacent to the most densely populated city in New England—Central Falls. The Blackstone Gorge is a spectacular area offering the best white-water canoeing in Rhode Island.

The Blackstone River Corridor was once one of the most heavily industrialized regions of the Nation and has potential for further economic expansion and modernization. Establishment of the heritage corridor may provide the stimulus required to retain existing industry and to provide further industrial growth and commercial revitalization.

National designation helps to assure that the cultural, historical, natural, and recreational resources of the corridor realize full potential. We can help to establish a legacy of the past as well as develop a vision for the future of the valley. With our assistance, the vision of a renewed Blackstone Valley and Park can become a reality.

I hope the Senate will give the matter expeditious and favorable consideration.●

By Mr. GRASSLEY:

S. 1375. A bill to authorize the transfer of the Fairport National Fish Hatchery to the State of Iowa to be used by the Iowa Conservation Commission; to the Committee on Energy and Natural Resources.

TRANSFER OF FAIRPORT NATIONAL FISH HATCHERY TO THE STATE OF IOWA

● Mr. GRASSLEY. Mr. President, on July 1, 1973, the Iowa Conservation Commission assumed operation of the Fairport Fish Hatchery through a cooperative management agreement with the U.S. Fish and Wildlife Service. The commission was willing to aquire Fairport, with its 19 acres of rearing ponds, because it could gain additional acres in rearing capacity and close another antiquated fish hatchery it operated at Lake Wappello. Today, Fairport is Iowa's largest pond culture hatchery and is an integral part of the State's fish hatchery system. Fairport produces fish species that are unavailable from any other Iowa hatchery, such as largemouth bass, northern pike, white amur and bluegill. As one of the six full-time hatcheries operated by the Iowa Conservation Commission, it is a major fish supplier to the statewide fish stocking program.

As long as the Fish and Wildlife Service renews the 10-year co-op agreement, the State will continue to operate the Fairport Hatchery. However, over the past 12 years there are a number of capital improvements which are now needed to expand fish rearing capacity and modernize the facility. The State would be willing to invest the $500,000 that is needed to renovate the hatchery and construct

additional ponds if it owned the Fairport facility and could be assured of continued operation. However, Iowa will not invest this amount of money in a hatchery that it operates through short-term co-op agreements.

Therefore, Mr. President, I am introducing legislation today which would transfer fee title of the fairport hatchery from the U.S. Fish and Wildlife Service to the Iowa Conservation Commission. It is my understanding that the Fish and Wildlife Service fully supports this transfer. This transfer would allow Iowa to responsibly make capital improvements to the facility and would assure that it will be effectively used for maximum fish production.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Secretary of the Interior may convey the Fairport National Fish Hatchery, without consideration, to the State of Iowa to be used by the Iowa Conservation Commission as a part of the Iowa fisheries management program.

(b) If the property conveyed by subsection (a) is ever used for purposes not provided in subsection (a), title to such property shall revert to the United States.●

By Mr. KASTEN:

S. 1377. A bill to increase the accountability of policy coordination by, and management of priorities by agencies through an improved mechanism for congressional oversight of the rule of agencies; to the Committee on Governmental Affairs.

AGENCY ACCOUNTABILITY ACT

Mr. KASTEN. Mr. President, today I am introducing the Agency Accountability Act of 1985, a measure which would establish a simple, effective and constitutionally sound legislative veto mechanism for orderly and expeditious congressional oversight of agency rulemaking.

I am a firm believer in congressional oversight of Agency rulemaking. I believe that such oversight is an essential element in our arsenal of weapons for regulatory reform. I believe that a legislative veto mechanism for oversight of Agency rulemaking provides Congress with an important opportunity to insure that any Agency's exercise of its delegated legislative power is consistent with congressional intent, and that such a mechanism is necessary if we are to shift the real power of government away from the bureaucracy and back to our elected officials.

The Agency Accountability Act of 1985 would establish such a mechanism. It provides us with an opportunity to restore the balance in government and re-establish a congressional check on the bureaucracy's rules. This proposal avoids the constitutional deficiencies that caused the Supreme Court to strike down earlier legislative veto mechanisms. It provides for a joint resolution of disapproval that requires adoption by both Houses of Congress and presentment to the President.

My proposal meets the constitutional requirements set forth in the Supreme Court's Chadha decision, and it also retains the principal advantage of the legislative veto, because it allows Congress to disapprove rules before they take effect. Moreover, the bill contains procedures for expedited consideration of agency rules within a limited time period. It provides Congress sufficient time to act without becoming bogged down in prolonged consideration of a disapproval resolution.

Mr. President, the procedures for congressional review of Agency rulemaking set forth in this legislation are quite simple. A newly issued final Agency rule must be transmitted to Congress for referral to the appropriate House and Senate Committees on the same day the rule is forwarded to the Federal Register for publication. Such a rule would become effective 30 days thereafter unless Congress acts in a two-step process. First, within 30 days the appropriate House or Senate Committee must report a joint resolution of disapproval of the rule or the committee must be discharged from consideration of such a joint resolution. Second, within 60 days from the date on which the resolution was reported or the committee was discharged from further consideration of the resolution, this disapproval measure must be enacted into law.

Procedures for expedited consideration of such disapproval resolutions are also established by my bill. It provides that committees may be discharged from further consideration of a joint resolution of disapproval after a 20-day period by a privileged motion on the floor of the appropriate House of Congress. It also provides for privileged floor consideration of such resolutions and limits debate to 2 hours.

This measure is almost identical to S. 1650, a bill I introduced in the 98th Congress along with my colleagues, Senators LEVIN, BOREN, GRASSLEY, and DECONCINI. The only difference is that the bill I am introducing today contains a new section providing for resubmission of Agency rules if Congress adjourns sine die before the period for consideration of a rule has expired.

Mr. President, I am aware that others who share my concern about the need for a legislative veto mechanism and oversight of agency rulemaking have introduced another proposal earlier this year. Their bill, S. 1145, is similar to mine in that it utilizes a joint resolution of disapproval to review Agency rules and assure Agency accountability. However, S. 1145 differs from my proposal in two significant ways.

First, my bill utilizes a simple expedited procedure and a single timeframe for review of all final rules issued by an agency. S. 1145 requires that a distinction must be made between major and minor rules for the purposes of congressional review, and utilizes different time periods for review of each type of rule.

The second and more significant difference, however, is that the bill I am introducing today does not impose additional restrictions on the appropriations process. S. 1145 would institute a new point of order on appropriations measures. It provides that when the Senate and House have passed a joint resolution disapproving the implementation of a rule, a point of order would lie against any appropriations measure providing funds for the relevant agency, unless such a measure contains an express prohibition on the implementation of the disapproved rule. The proposed point of order would lie regardless of whether or not the joint resolution of disapproval had been enacted into law.

Mr. President, I share the interest of the proponents of S. 1145 in establishing an effective mechanism for congressional review of agency rulemaking; however, I question the need for this additional restriction on the appropriations process, and I share the view of this procedural mechanism expressed earlier this year by Senator HATFIELD, chairman of the Senate Appropriations Committee, in testimony he submitted to the Consumer Subcommittee of the Commerce Committee.

Senator HATFIELD stated in his testimony that the point of order mechanism of S. 1145 is an unwarranted restrictions on appropriations activities that does nothing to further the interest of this legislation. In his statement, Senator HATFIELD explained and I quote:

> . . . [A] disapproval resolution must be passed by both Houses of Congress and signed into law by the President. To further require that the relevant appropriations measure carry an express prohibition on the use of funds appropriated to implement that same rule would be redundant. Our expectation should be that the affected agency will abide by the law prohibiting the implementation of the rule and that no further action is required.
>
> In the case where a joint resolution disapproving a rule is passed by both Houses of the Congress but has not yet been signed by the President, or the Congress has not yet acted to override a Presidential veto, I can understand the concern of the proponents of this legislation. In such case, there may be a "window of time" for the affected

agency to promulgate the rule before final action is taken. However, a requirement that the relevant appropriations measure contain a back-stop prohibition on the use of funds to implement that rule is not necessarily a solution to this problem. There is no guarantee that the appropriations provision would be enacted in time to "close" that window. At any time such an appropriations prohibition would prevent an action contrary to the express will of the Congress, I believe you would find this Chairman and the members of the Appropriations Committee open to such a solution.

It is preferable to take appropriations action when such a case arises, rather than to mandate appropriations action that may be unnecessary with a consequent procedural bar against consideration of an entire appropriations measure. The proposed point of order would merely frustrate the appropriations process.

Mr. President, I certainly share the concern of those who have sponsored S. 1145 about the vital need for an effective legislative veto mechanism for oversight of agency rulemaking. But I believe that the bill I am introducing today is a sound alternative to S. 1145 and its burdensome and unnecessary point of order mechanism. I believe that my measure is a more viable means to obtain a common goal, and I intend to offer this legislative veto mechanism as an amendment to the authorization legislation for such regulatory agencies as the Federal Trade Commission and the Consumer Product Safety Commission.

Mr. President, I urge my colleagues to support this measure and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill as ordered to be printed in the RECORD, as follows:

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agency Accountability Act of 1985".

SEC. 2. (a) The Congress finds and declares that—

(1) agencies issue a large number of rules that have a significant impact on the Nation;

(2) such agencies are staffed by persons who are not elected and who are therefore not directly accountable to the public;

(3) some of the rules issued by such agencies may conflict with or duplicate other rules or may not conform with legislative intent;

(4) conflicting or duplicative rules may contribute to governmental inefficiency, and rules which do not conform with legislative intent may frustrate the purposes and implementation of congressionally mandated programs; and

(5) conflicting or duplicative rules and rules which do not conform with legislative intent may also impose unnecessary burdens on State and local governments.

(b) It is therefore the purpose of this Act to assure increased agency accountability to the public through their elected officials and adherence to legislative intent in the issuance of agency rules.

SEC. 3. As used in this Act, the term—

(1) "agency" has the same meaning as in section 551(1) of title 5, United States Code;

(2) "appropriate committee" means the committee in the House of Representatives and the committee in the Senate which has primary legislative jurisdiction over the statute pursuant to which an agency may issue a particular rule;

(3) "joint resolution" means a joint resolution the matter after the resolving clause of which is as follows: "That the Senate and the House of Representatives disapprove the rule entitled ————————, transmitted to the Congress by the on ————————, 19 —.", the blank spaces being filled with the appropriate title of the rule, agency, and date;

(4) "rule" means a rule subject to section 553 of title 5, United States Code, except that such term does not include any rule of particular applicability that approves or prescribes for the future rates, wages, prices, services, or allowances therefor, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing; and

(5) "significant rule" means any rule which an agency shall determine to be significant, after considering at least the type and number of individuals, businesses, organizations, and State and local governments affected; the compliance and reporting requirements likely to be involved; the direct and indirect effects of the rule, including the effect on competition; and the relationship of the rule to rules of other programs and agencies.

SEC. 4. (a) Each agency shall prepare an agenda listing all areas in which the agency intends to propose significant rules within the following twelve-month period. The agency shall transmit such agenda or relevant portion thereof to the appropriate committee in the Senate and the House of Representatives. Failure to list an area of possible rulemaking on an agenda shall not preclude an agency from proposing or issuing any rule. The agenda, or relevant portion thereof, shall be transmitted to the appropriate committees within one hundred and eighty days after the effective date of this Act and semiannually thereafter.

(b) Except as provided in section 8(a) of this Act, on the day an agency forwards to the Federal Register for publication a recommended final rule, the agency shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended final rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

(c) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended final rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

SEC. 5. (a) Notwithstanding any other provision of law, no recommended final rule may become effective until the expiration of a period of thirty days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives. If before the expiration of such thirty-day period, either appropriate committee orders reported or is discharged from consideration of a joint resolution with respect to such rule, such rule may not become effective until the earliest of—

(1) the expiration of a period of sixty days beginning on the date on which the committee ordered reported or is discharged from consideration of such joint resolution, except that such rule may not become effective under this paragraph if within such sixty-day period a joint resolution with respect to such rule has become law;

(2) any time after either House of Congress has rejected a joint resolution with respect to such rule; or

(3) the adjournment of Congress sine die at the end of a Congress, except that such rule may not become effective under this paragraph if—

(A) a period of thirty days has not expired since the date on which such rule was received by the appropriate committees; and

(B) within such thirty-day period, a joint resolution with respect to such rule has become law.

(b) Notwithstanding any other provision of law, any final rule subject to this section shall be considered a recommendation of the agency to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

(c) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

(d) For purposes of this section—

(1) the term "days" means only days of continuous session of Congress;

(2) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

(3) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the thirty-day period referred to in subsection (a)(3) of this section if the adjournment is for more than three days, and shall be excluded in such computation for the sixty-day period referred to in subsection (a)(1) of this section if the adjournment is for more than fifteen days.

SEC. 6. The provisions of section 4 and section 5 of this Act may be waived with respect to a particular rule if—

(1) the head of the agency promulgating the rule—

(A) makes a finding with respect to such rule under clause (B) of section 553(b) of title 5, United States Code; or

(B) determines that such rule is being issued in response to an emergency situation or other exceptional circumstances requiring immediate agency action in the public interest, or that the contents of such rule must be kept confidential prior to the effective date of such rule; and

(2) the head of the agency submits to the chairman and ranking minority members of the appropriate committees a written notice of the finding under subparagraph (A) of paragraph (1) or the determination under subparagraph (B) of such paragraph.

SEC. 7. Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of any agency with the requirements of this Act, including any determination by an agency under this Act, shall not be subject to judicial review of any kind.

SEC. 8. (a) If a recommended final rule of an agency does not become effective because of an adjournment of Congress sine die before the expiration of the period spec-

ified in section 5(a)(3), the agency may resubmit the recommended final rule at the beginning of the next regular session of Congress. The thirty-day period specified in the first sentence of section 5(a) shall begin on the date of such resubmission, and such rule may only become effective in accordance with the provisions of this Act. The agency shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

(b) If a recommended final rule of an agency is disapproved under this Act, the agency may issue a recommended final rule which relates to the same acts or practices as the disapproved rule. Such recommended final rule—

(1) shall be based upon—

(A) the rulemaking record of the recommended final rule disapproved by the Congress; or

(B) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the agency, in accordance with section 553 of title 5, United States Code, in any case in which the agency determines that it is necessary to supplement the existing rulemaking record; and

(2) may reflect such changes as the agency considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

(c) After issuing a recommended final rule under this section, an agency shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with section 4(b) of this Act, and such rule shall only become effective in accordance with this Act.

SEC. 9. (a) The provisions of this section, section 3 (2) and (3), and section 5(c) are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) Except as provided in subsection (e) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

(c)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within 20 days of continuous session of Congress after the date of transmittal to the Congress of the recommended final rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within 30 days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

(2) Any motion to discharge under paragraph (1) of this subsection must be supported in writing by one-fifth of the Members, duly chosen and sworn, of the House of Congress involved, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to the motion is not in order.

(d)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding the provisions of rule XXII of the Standing Rules of the Senate or any other rule of the Senate or the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable. An amendment to the motion is not in order.

(3) Debate on a joint resolution shall be limited to not more than two hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. A motion further to limit debate is not in order. An amendment to, or motion to recommit, the joint resolution is not in order. A motion to reconsider shall be in order only on the day on which occurs the vote of adoption of the joint resolution, and shall not be debatable. Any other motions shall be decided without debate.

(e) If a joint resolution has been ordered reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.

SEC. 10. (a) Section 553(a)(2) of title 5, United States Code, is amended by striking "or to public property, loans, grants, benefits or contracts".

(b) Clause (A) of section 553(b) of such title is amended to read as follows:

"(A) to an interpretive rule, a general statement of policy, or a rule of agency organization, procedure, or practice, unless such rule or statement has general applicability and substantially alters or creates rights or obligations of persons outside the agency; or".

SEC. 11. This Act shall become effective on the first day of the second session of the Ninety-ninth Congress.

By Mr. DURENBERGER (for himself and Mr. CHAFEE):

S. 1378. A bill entitled the "Long Term Care Insurance Promotion and Protection Act of 1985"; to the Committee on Finance.

LONG TERM CARE INSURANCE PROMOTION AND PROTECTION ACT

● Mr. DURENBERGER. Mr. President, I am pleased to join today with my distinguished colleague from Rhode Island, Mr. CHAFEE, in introducing the Long-Term Care Insurance Promotion and Prevention Act. This act is comparable to H.R. 2293, introduced in the House of Representatives by Mr. WYDEN of Oregon. I congratulate Representative WYDEN on his interest in the area of long-term care policy and look forward to working with him and my colleague in this body, Senator CHAFEE, in further developing the concepts in this legislation.

Mr. President, I have been involved since I came to the Senate in the process of reforming this Nation's health care system. This process began in the late 1970's when this Nation was experiencing rampant inflation in the cost of medical care. Since that time, the Congress and the executive branch have made great strides in restructuring the economic incentives in the health care marketplace. These efforts have aided us in containing the cost of medical care by making providers more efficient and consumers more sensitive to the cost of services.

Health systems reform has focused from the Federal level at changing incentives through a new payment scheme for Medicare. In the private sector, health systems reform has been marked by employers and insurers increasing cost sharing for those they cover and promoting the use of more cost effective alternative delivery and financing mechanisms such as HMO's. These activities have focused primarily on the acute care side of the health system. This is where Medicare spends most of its dollars, and is the portion of the system where the problems and needs are well-defined.

On the long-term care side, the appropriate directions for health system reform are less clear. Definition of the problems, much less approaches to the solutions, are more difficult to pin down than on the acute care side. I am convinced the principles of consumer choice and competition are relevant to

long-term care, but we are still learning about their applications.

This statement and S. 1378, which we are introducing today, are far from the last word on the subject. Each is more like the first word. Both provide, however, a vehicle to begin a discussion on the means to best assure access for Americans to high quality long-term care at a reasonable cost.

Any discussions of long-term care will necessarily focus on the elderly. It is the elderly who are at risk of chronic illness or major impairments in function which require nursing home or home-based services. Despite the risk, the elderly today have little or no private insurance protection against the cost of such illness or impairment.

Many people think Medicare will cover their long-term care needs. A survey by the American Association of Retired Persons indicates that 80 percent of the elderly believe Medicare covers all their health care needs, acute and long term. The fact is that Medicare covers only up to 100 days in nursing home care and on average pays only 23 home health visits per year. This barely qualifies as long-term care by any definition.

The elderly who require long-term care must spend their private savings and income if they require nursing home or home health services. If they are not already poor, they can eventually spend-down their resources and qualify for Medicaid. More than a third of the elderly who need long-term care will do just that.

This povertization of the elderly is unconscionable. I frequently hear tragic stories about spouses who must give up everything so that an institutionalized wife or husband can go on Medicaid.

This situation is graphically illustrated by Andrew Stein, Manhattan Borough president, in "Medicare's Broken Promise," an article recently published in the New York Times Sunday Magazine. He tells the story of Sarah S. Dorfman whose husband, Joseph, is suffering from Alzheimer's disease. Mrs. Dorfman is no longer able to care for her husband of 52 years, formerly an eminent economist at Columbia University. The Dorfmans saved all their lives, but Mr. Dorfman's illness and his need for constant skilled care is draining their modest resources.

Mrs. Dorfman is in the process of povertizing herself so she can keep her husband in a nursing home. To qualify for Medicaid she must "spend down". The tragedy is clear. As Mrs. Dorfman says, "I look fear and dread in the face every day, living with this illness * * * Must I lose my financial independence and security as well?"

Mr. Stein's article grippingly describes the dilemma many couples face when a spouse requires long-term care. I do not agree with all the policy options he offers, but Mr. Stein's article is important. Mr. President, I commend it to my colleagues and ask that it be put in the RECORD following this statement and my bill.

On the other hand, it is not uncommon, as Mr. Stein also points out, for families to plan for the divestment of a parent or grandparent's assets so they will qualify for Medicaid. A recent Business Week article even laid out a strategy for such divestment.

Whether the elderly are forced into poverty to receive Government assistance for long-term care or families shelter assets to achieve eligibility for their loved ones, this is an inappropriate use of Medicaid. This is not only costing the taxpayer money, but taking scarce public resources for Medicaid which should be financing health services, both acute and long-term, for the truly indigent.

Virtually half of the $38 billion the Federal and State governments spend annually for Medicaid goes to pay for nursing home care. In 1972, 32 percent of Medicaid expenditures went to nursing home care. By 1984, 46 percent of Medicaid expenditures went to pay for nursing home care and if home health and other related services are added, then 57 percent of program costs went to long-term care last year.

A partial solution to this problem is the development of private long-term care insurance which could protect individuals and families against the potential financial calamity of long-term care. Long-term care insurance would allow for people to secure their futures and allow private financing for the care of many who now are compelled to go on the dole.

The insurance industry has been reluctant to market long-term care insurance in the past. It shied away from this area because of the perceived difficulties of designing affordable and salable benefits packages and concern over adverse selection. Today, they are reexamining its potential.

With the dynamic growth in America's elderly population the market is there for health insurance broadened beyond Medicare's acute care services and Medigap supplemental coverage to include long-term care protection. If we were truly wise, we would include health promotion and disease prevention benefits as well.

Long-term care coverage, data indicates, would provide a limited risk to the insurance industry. Only 5 percent of the elderly will ever require these services. The experience of that group who will require nursing home or intensive home-based care is also limited. Of the 1.3 million elderly in nursing homes today, 38 to 55 percent are likely to be short-stayers—either recover or die within 90 days of illness or impairment; 10 percent will probably stay in a nursing home over 3 years; and just 4 percent will stay over 5 years. Clearly, there are distinct, estimateable periods of need for which insurance coverage could reasonably be developed.

A few insurance companies have already begun to experiment with long-term care plans. Fireman's Fund American Life Insurance Co. offers one of the most comprehensive policies in a number of States. Its policy covers up to 4 years of confinement in a nursing home—paying $60 a day—or home care—paying up to $30 a day. There are certain restictions, but the plan appears to be affordable and illustrates that a reasonable package can be designed. Further, I understand that the Prudential is even developing a plan for marketing to AARP's 18 million members.

The companies are entering the market cautiously. It is in the public interest for the Federal Government to promote this activity. The Long-Term Care Insurance Promotion and Protection Act can be part of a larger set of policies to assist in the development of interest in a long-term care insurance.

The act would establish a voluntary Federal certification program for long-term care insurance plans comparable to the voluntary program in place for Medigap policies. The Secretary would develop standards for certification in cooperation with the insurance industry, seniors groups, long-term care providers, and others interested parties.

The certification process would allow insurers to obtain the Federal Government's seal of approval for their policies. The certification process will be strictly voluntary. It is not meant to regulate. Its purpose is to stimulate public confidence and understanding in the products developed by the insurance industry.

The model standards used in the certification process will also be helpful to States which decide to regulate long-term care insurance. Many States are now using the guidelines they have developed for regulating Medigap policies in setting criteria for long-term care insurance. These regulations are unnecessarily restrictive and the development of Federal minimum standards will help differentiate Medigap and long-term care insurance.

As long-term care insurance begins to catch on, the unscrupulous will be tempted to market poorly defined or fraudulent plans. Such abuse led to the development of Federal certificate of Medigap policies. It is important to guard against this danger for long-term care insurance and to provide assurance that the products offered to the public are financially sound. The act includes criminal penalties for companies and agents who misrepresent themselves and their policies.

The existence of a Federal seal of approval for long-term care policies

alone will not create a new industry. Insurance companies will remain wary of the area. The public will have to be educated about their needs and of the insurance opportunities to resolve them. Other incentives, preferably economic, must be developed. It is my intent to use the discussion surrounding this bill to pursue the development of these incentives. It is critical to the success of reform of long-term care that insurance mechanisms become a realistic alternative to the povertization of the elderly.

BILL SUMMARY

First, the Secretary of Health and Human Services is required by S. — to work with the National Association of Insurance Commissioners, senior groups, long-term care providers, insurers, and others to develop suggested standards for long-term care insurance. The recommended standards will not be binding on States which regulate long-term care insurance nor the insurance companies which develop long-term care policies. The standards are meant to help define for the public a minimum long-term care insurance benefit package and prevent market abuses.

Second, the Supplemental Health Insurance Panel of the Health Care Financing Administration [HCFA) will determine, at an appropriate length of time from the enactment of the act, what State insurance regulations and laws meet or exceed the recommended standards.

Third, a voluntary Federal certification program modeled after the Medigap certification process, but using distinct, standards, will be available from HCFA under this program, insurers in States which do not follow the standards recommended by the Secretary may submit policies to HCFA certification, a seal of approval, that the policy meets standards as outlined by the Secretary in consultation with appropriate outside groups.

Fourth, the act provides criminal penalties for companies and their agents who misrepresent themselves as Government representatives.

Mr. President, I ask unanimous consent that the bill and the article mentioned earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Long Term Care Insurance Promotion and Protection Act of 1985".

MEDICARE AMENDMENTS

SEC. 2. Section 1882 of the Social Security Act is amended—

(1) by inserting "or long-term health care policies (as defined in subsection (k)(4))" in subsection (j) after "medicare supplemental policies", and

(2) by adding at the end thereof the following new subsection:

"(k) STANDARDS FOR REGULATION OF LONG-TERM HEALTH CARE POLICIES.—(1)(A) The Secretary shall, in consultation with Federal and State regulatory agencies, the National Association of Insurance Commissioners, private insurers, organizations representing consumers and the aged, and providers of long-term health care services, establish model standards for the regulation of long-term health care policies not later than one year after the date of the enactment of this subsection. Such standards shall be designed (i) to limit marketing and agent abuse, (ii) to assure the dissemination of such information to individuals entitled to benefits under this title (and to other consumers) as is necessary to permit informed choice, (iii) to promote policies which provide reasonable economic benefits for such individuals, (iv) to reduce the purchase of unnecessary duplicative coverage, and (v) to improve price competition.

"(B) In establishing the model standards the Secretary may incorporate standards developed through an independent process, provided that such independent process included consultation with all groups described in subparagraph (A).

"(2) Once the standards are established under paragraph (1), subsections (a) through (e) of this section shall apply separately to long-term health care policies (as defined in paragraph (4)) in the same manner as those subsections apply to medicare supplemental policies, and for this purpose—

"(A) any reference to a medicare supplemental policy is deemed a reference to a long-term health care policy;

"(B) any reference to the NAIC Model Standards is deemed a reference to the standards established by the Secretary under paragraph (1) and any reference to a specified percent in subsection (c)(2) is deemed a reference to a percent specified in such standards; and

"(C) any reference to a date is deemed a reference to a corresponding date specified by the Secretary by regulation.

"(3) The Secretary shall include in the biannual report submitted under subsection (f)(2)—

"(A) a periodic assessment of actions taken by States and by the Secretary to regulate the offering of long-term health care policies, and

"(B) appropriate recommendations for legislative or administrative changes needed to secure consumer protection in the area of long-term health care policies.

"(4) For purposes of this subsection, a long-term health care policy is a health insurance policy or other health benefit plan offered by a private entity to individuals who are entitled to have payment made under this title, which provides, or provides reimbursement for expenses incurred for, long-term health care services (as defined by the Secretary, and including home and community based services as well as institutional services); but does not include any such policy or plan of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations (or combination thereof), for employees or former employees (or combination thereof), or for members or former members (or combination thereof) of the labor organizations.".

MEDICARE'S BROKEN PROMISE

(By Andrew Stein)

Sarah S. Dorfman speaks with a mixture of dread and irony of the seven-year nightmare since her husband, Joseph, once an eminent economics professor at Columbia University, first showed indications of having Alzheimer's disease. Mrs. Dorfman had always lived by the old-fashioned maxim "Earn $10, put aside $2." Now, she notes, the Government is telling her to "get rid of the $2."

The Federal Government is insisting that 75-year-old Mrs. Dorfman become a welfare case before she can apply for the aid she desperately needs to care for her husband. The devastation spread by such long-term diseases as Alzheimer's and chronic geriatric illnesses affects not just the victims, but also the family members who must care for their loved ones for many years. Added to the physical and psychological burdens, American families now face the very real specter of financial ruin. Their experience underlines the need for some specific reforms of a medical-care system that virtually ignores the benefits of caring for people at home.

It wasn't supposed to be like this. Nearly 20 years ago, President Lyndon B. Johnson promised that it would be different. On July 30, 1965, he signed the Medicare Act into law, extending health-insurance benefits to the elderly for the first time under Social Security. A companion piece of legislation, Medicaid, provided health-care benefits for the poor out of general tax revenues. Many Americans hoped a successful Medicare program would eventually lead to national health insurance.

At the signing, President Johnson pledged: "Every citizen will be able, in his productive years when he is earning, to insure himself against the ravages of illness in his old age. . . . No longer will illness crush and destroy the savings that they [older Americans] have so carefully put away over a lifetime so that they might enjoy dignity in their later years."

Today, approximately 6.5 million of the elderly with chronic illnesses require some form of nonskilled nursing care, yet they have been excluded by Medicare. This problem will only worsen. By the year 2000, the number of chronically ill old people is expected to rise to 9 million. The over-85 group—the part of our elderly population that is most likely to require long-term care—is growing at an almost geometric rate. This demographic time bomb will explode in our faces if we do not begin to plan now.

Testifying at my hearing on home care for the aged last July, Mrs. Dorfman said she and her husband had every reason to believe they were adequately insured against illness. Their working lives were models of productivity and thrift. For more than four decades, Professor Dorfman was a prominent member of Columbia University's economics department, a distinguished scholar whose books on Thorstein Veblen, including the five-volume "The Economic Mind in American Civilization," are still counted as classics. Mrs. Dorfman worked as a guidance counselor for the New York City Board of Education. They raised two children and have three grandchildren.

They saved their money and rarely took vacations. Professor Dorfman retired in 1971; his wife, in 1976. They felt they were well prepared. Each had a small pension as well as Social Security, and they had accu-

mulated some cash savings. With Medicare, plus Blue Cross to fill any gaps, they had every reason to believe they were secure against all eventualities.

On a vacation in Israel about seven years ago, Mrs. Dorfman noticed that her husband was forgetting the most obvious things—such as what landmarks their tourist bus had just passed. As his memory lapses became more frequent and severe, the couple went from doctor to doctor to find out what was wrong. Finally, Professor Dorfman was diagnosed as having Alzheimer's, an incurable, degenerative disease for which virtually no treatment exists.

Mrs. Dorfman recalls asking one doctor what she could hope for. He threw up his hands in despair and exclaimed: "What do you expect me to do with an Alzheimer's patient?" He told her to take her husband home.

Mrs. Dorfman has spent the last five years valiantly caring for her husband in their apartment, watching helplessly as the disease robbed him first of his brilliant mind, then control of his motor functions. Eventually, Mrs. Dorfman needed to hire an around-the-clock attendant.

In addition to the common agonies of guilt, loss of sleep, nervous exhaustion, loss of friends, and anger, Mrs. Dorfman now had to live with the persistent anxiety that the disease that was destroying her husband of 52 years would also drive her into poverty and strip away her independence. She had discovered that Medicare makes no provision for the custodial care her husband required, nor did her Blue Cross policy. (Custodial care includes those services not requiring skilled medical intervention.) To pay the home attendant, she was going to the bank every two weeks and withdrawing $1,000 from her savings.

"I look fear and dread in the face every day, living with this illness," she says. "Must I lose my financial independence and security as well?"

As far as the Government is concerned, the answer to Mrs. Dorfman's question is yes. To qualify for Medicaid assistance for nursing-home care, as well as a limited amount of home care, patients and their spouses must "spend down"—pauperize themselves by disposing of almost all their assets, as well as turning over monthly income above a given public-assistance level. (In New York, among the most liberal states on Medicaid rules, the allowable income for a couple is a mere $567 a month.)

Last October, Mr. Dorfman went into a coma and had to be hospitalized, with Medicare paying his bill. After his discharge, he had to be transferred directly to a nursing home. Once again, Medicare stopped paying. The nursing-home bills—around $45,000 a year—go directly to Mrs. Dorfman, and will continue to do so unless she turns herself into a pauper to apply for Medicaid.

With one eye to the powerful hospital and doctors' lobbies, the Congressmen who put the Medicare package together steered its disbursements almost exclusively toward the treatment of diseases requiring hospitalization and intensive, skilled medical intervention. Those services—mainly custodial—needed by older citizens afflicted with chronic diseases or long-term disabilities were virtually ignored. Dr. Robert N. Butler, a leading authority on the aged and head of the department of geriatrics and adult development at the Mt. Sinai School of Medicine, has pointed out that the Medicare legislation was written as if intended for the disease pattern typically found among the young—episodic illnesses for which the patient is hospitalized then is curred or dies. That bias hurts many of the chronically ill elderly.

As a result of what health specialists refer to as the "paradox of medical progress," profound changes in the primary healthcare needs of the elderly have occurred. Revolutionary advances in research and technology, partly financed by Medicare, have contributed to the increased longevity of the population. But as Americans live longer and longer, and as major acute illnesses are eliminated, the elderly are more likely to be struck by such diseases as Parkinson's, Alzheimer's and stroke, requiring long-term custodial care. One striking statistic dramatizes the scope of this change: According to the National Center for Health Statistics, 83 percent of "restricted activity days" of the aged occur as the result of chronic illness.

One consequence of the Medicare exclusions and the Medicaid "spenddown" requirements is the creation of an underground information network of the elderly. Some of the aged literally keep their assets in cash under their mattresses. Others give it away to their children, trusting they will get some back in the form of support. Occasionally, someone even divorces an ailing spouse in order to remain solvent.

Resourceful aged citizens increasingly avail themselves of the services of lawyers who have developed novel legal approaches for preserving some of their clients' assets and incomes. One New York law firm, for example, now does a thriving business advising the families of Alzheimer's victims on how to get their money into irrevocable trusts so as to qualify for Medicaid and still receive income. Though they speak about their lawyers in hushed tones, the patients' families have really nothing to be ashamed of. Indeed, the lawyers are playing a role many in the Government have abdicated: making the laws more responsive to the real medical needs of the aged population.

One New York lawyer recently came up with an innovative approach to protect a 72-year-old client whose husband was in a nursing home. Medicaid was allowing her to retain so little of her husband's income that she would have been forced to give up her modest apartment. Her lawyer filed a support petition in family court, demanding a larger portion of the husband's pension and Social Security income.

In what one can only hope is a legal precedent, Judge Jeffrey H. Gallett of the Queens County Family Court ruled in favor of the wife and against the New York City Department of Social Services, disbursers of the Medicaid funds.

Judge Gallett's decision is notable, among other reasons, because it recognized the hidden sexist bias in Medicaid's present rules for "spend-down." Those rules, the judge wrote, were devastating to women of the plaintiff's generation, who had been denied equal opportunity to fulfill their economic potential, and thus were dependent on their husband's earnings for support. The judge also stressed the "common knowledge that medical costs for many illnesses of old age are beyond the financial means of most American families." He concluded that "in cases such as this, where the petitioner is 72 years old and infirm, women will be forced from their homes, deprived of even their modest life styles and relegated to a life of grinding poverty."

In the Halls of Congress, budgetary considerations now determine the political agend. In 1983, the Senate Special Committee on Aging stated that the increase in health expenditures was "the single most destabilizing element in the Federal budget on the domestic side," and that consequently dealing with the crisis had become "the principle domestic challenge facing the Congress." The fiscal 1986 budget recommends a general freeze on Medicare costs.

For the last two years, the actuaries have been predicting that the Medicare trust fund, which finances hospital care out of Social Security revenues, would be insolvent by the year 1990; that by 1995, the cumulative deficit would reach $150 billion, Now, as a consequence of recent cost-containment measures imposed on hospitals, and the increased deductibles and coinsurance payments demanded from the elderly, the predictions of insolvency have been pushed back another three or four years.

No one doubts that a major cause of this fiscal crisis is the astronomical inflation in medical fees. Between 1960 and today, for example, medical costs have risen four times as fast as the Consumer Price Index.

Some proponents of Medicare reform have argued that medical biases (the exclusion of long-term care and preventive care) built into the Medicare system led to the over-emphasis on expensive acutecare technology and hospitals, and thus contributed to the inflation. Whatever the cause, the effects on the pocketbooks of the elderly have been extreme. Presently, Medicare pays only 44 percent of the total medical costs of the elderly. In 1984, the aged paid an average of $1,500 out of pocket for their care, a figure estimated to rise to $5,000 by the year 2000. Because the median annual income of those over 65 is $6,974, it is clear just how far we still are from President Johnson's dream of an insurance system that protects the incomes and assets of the elderly—and their dignity.

Senator Edward M. Kennedy, Democrat of Massachusetts, described the grim situation quite accurately in a Senate speech last year: "Once again, as in the dark ages before Medicare, the cost of illness is becoming the highest price that Americans have to pay for growing old."

Yet given the present political mood in the Congress, proponents of Medicare reform are resigned to the crisis' getting worse before it gets any better. Testifying at the July hearing, Anne Somers, a professor at the University of Medicine and Dentistry of the New Jersey-Rutgers Medical School and a leading authority on the economics of health care and geriatrics, said: "The need for a reorientation of health policy for the elderly is abundantly evident, but the problem is so difficult and so complex that few of our national leaders have had the courage to tackle it. In this election year, the silence on Medicare reform is truly deafening."

Last year, at a joint conference of the House Ways and Means Committee and the Congressional Budget Office, ostensibly held on Medicare "reform," there was little on the agenda about chronic care, but a great deal was heard about "deductibles" and "co-insurance"—meaning more out-of-pocket expenses for the elderly. The director of the National Institute on Aging, Dr. T. Franklin Williams, an outspoken proponent of reform to allow for more home care wasn't even invited.

For the time being, the would-be Congressional "reformers" have their hands full just staving off the expected assaults on the Medicare program by the Reagan Adminis-

tration. During last year's election, the Reaganites were rather blasé about the prospects of huge budget deficits. After the election, however, Administration officials were quick to cite the impending Medicare deficits as a reason to force the elderly to reach even deeper into their pockets.

And if a budget freeze or reductions won't work, a more sweeping proposal is being pitched by the Washington-based Heritage Foundation, a conservative research organization and a favorite of the Reagan Administration. Its proposal, discussed in the Cabinet, envisions a private alternative to Medicare, offering individuals and their employers voluntary tax-exempt savings, so-called "health bank IRA's," to pay for their own health costs after retirement. The Federal Government would retain the role of insurer of last resort for catastrophic illness and for the poor.

By and large, the liberal response to pressures from the right has been defensive. The Kennedy-Gephardt Bill, sponsored by Senator Kennedy and Representative Richard A. Gephardt, Democrat of Missouri, would retain the principle of socializing risk through an all-payers system within Social Security. It has been introduced several times but never voted out of committee. The bill proposes to fight inflation of costs by directly controlling doctor and hospital fees. It does not, however, address the crucial issue of reorienting Medicare to the treatment of chronic illness.

Another Medicare bill previously introduced by Senators Bob Packwood, Republican of Oregon; H. John Heinz, 3d, Republican of Pennsylvania, and Bill Bradley, Democrat of New Jersey, did contain a provision for expanded home care, but because of fiscal pressures this item was revised to provide for the underwriting of costs for a demonstration project in four states to test whether Medicare-financed home care would be feasible.

Despite the Congress's steady retreat, Americans appear to support Medicare's original promise. Proposals for stringent cutbacks have been defeated in the past because of public pressure. Opinion polls also indicate Americans would be willing to pay even higher taxes for a truly comprehensive system of health insurance for the elderly.

A prevailing myth exists that Americans are quick to "dump" their aging and ill family members into nursing homes. Most families, however, struggle to keep their ill loved ones at home as long as possible. The problems they face are often staggering Called upon to help in providing home care, the children of the "old old" as the over-85 age group is called, are themselves likely to be in their 60's and have their own health and financial difficulties.

At my home-care hearings, numerous family members, including Mrs. Dorfman, testified that with just some help they would be able to keep their relatives out of nursing homes. One witness said all she needed was relief for a few hours a day, so she wouldn't be exhausted.

"The Medicare law must be amended to provide for pre-paid long-term care at home or in a nursing home for all the elderly," says Bernard Warach, executive director of the Jewish Association for Services for the Aged, a non-profit group that serves Medicaid clients in New York City.

Compared to the inflated costs of hospitals and doctors, home care may be far more economical. Some studies have shown home care likely to be only one-third as expensive as a nursing home.

An additional benefit of intelligent home care and community-based health programs for the elderly would be to cut down on the overuse of hospital beds. In New York State, for example, an estimated 4,000 patients are inappropriately hospitalized daily. Many of these patients are the elderly who might be discharged earlier if adequate home-care services were available. Because Medicare pays for hospital stays, but rarely for home care, many of these patients, with the cooperation of their doctors, now elect to spend extra days in the hospital.

One recent pilot program conducted by the New York City Department of City Planning and the Lutheran Medical Center of Brooklyn attempted to measure just how much money could be saved with a selected group of hospital patients by encouraging earlier discharges to home care. By investing $500,000 to make home-care services available, it was possible to save $2.5 million in hospital and nursing-home expenditures.

The ostensible objections to Medicare financing of home care have always been budgetary. Although home care was recognized as initially cheaper than hospitalization and nursing-home care, it would be harder to control. Everyone would want it, and costs would skyrocket. Thus, the argument was: First get the country to accept the idea of Federal insurance for acute care and doctors' visits, and worry about home care later.

But the costs of hospital care and doctors' visits have spiraled out of control anyway—partly as a result of Medicare policies. Now, whenever home-care reforms are suggested in the Congress, it is against a backdrop of the impending insolvency of the Medicare trust fund. The home-care option is rarely discussed, never seriously considered. It's a classic case of public policy that is penny-wise and pound-foolish. By refusing to support home care, legislators save money from the highly visible Federal budget but inevitably shift the burden to state and local governments in ways that are often less equitable.

Home care is but one element in a larger package of necessary reforms of Medicare and Medicaid that would give us a Federal Insurance program that truly fits the needs of the elderly. The aged need what proponents of Medicare reform call "continuum of care" services, including prevention, long-term care and community-based support.

At the very minimum, the following important changes ought to be put on the agenda for serious consideration by the Congress:

(1) Medicare restrictions—presently, home care is paid for only after episodes of acute illness and only for "skilled nursing" care—should be eased so the treatment of chronic and devastating illness can take place in the home for as long as possible.

(2) The Government should use the Medicare system to encourage insurance companies and health-care providers to shift priorities away from the acute-care model and toward prevention and home-based and community care.

(3) Medicaid should permit the spouse of a home-care recipient or a nursing-home patient to retain a larger percentage of the couple's joint savings so the able-bodied spouse is not left destitute by the other's illness.

(4) Both Medicare and Medicaid should encourage respite care and day centers for the treatment of the chronically ill, so that family care givers are given relief to preserve their own health.

Because these reforms will surely cost money, politicians will inevitably ask: Can we afford it? But let's turn the question around: Can we afford not to? Put another way, is it conceivable that Americans will meekly accept that the richest, most successful society in history can't afford to take care of the health needs of its older citizens?

Americans also can't help noticing that every other advanced industrial democracy has managed to extend comprehensive health coverage to its elderly without bankrupting itself. Indeed, every one of these nations has also done a far better job of controlling health-care inflation than we have.

A groundswell of anger is now building among millions of the elderly and their families who have come to understand that the present system will force them into poverty should they become ill with a chronic disease. The demographic realities insure that the anger will grow. These millions are not likely to accept the argument of "fiscal restraint." They will insist that protecting the elderly against the ravages of illness is something a civilized government must do. Sooner or later, they will force the Congress to live up to the promise made 20 years ago.●

Mr. CHAFEE. Mr. President, I am pleased to join my colleague from Minnesota in introducing the Long-Term Care Insurance Promotion and Prevention Act.

Over the past few years I have become increasingly concerned about whether our health care system is meeting the needs of Americans—especially the elderly.

By the year 2000, only 15 years away, the number of people over age 65 in the United States will increase by 18 percent. Those over age 85 will double. These figures are nothing compared to what will happen in the next century; moreover, they are probably conservative, This means that the number of elderly individuals who require long-term care will be rapidly growing.

Currently, the Medicaid Program is absorbing a large portion of the long-term care needs of the elderly. Long-term care services for the elderly alone account for almost half the cost of the Medicaid Program. Medicaid assumed this role by default—many elderly individuals who are in nursing homes entered as private payors. Once their savings become depleted—they run through all of their savings and assets—they end up on Medicaid. Half of all nursing home residents are the newly impoverished.

Mr. President, during our deliberations on the budget, we spent a great deal of time debating the merits of a cap on the growth of the Medicaid Program. I fought against that restriction and offered an amendment with a number of my colleagues to strike it from the budget. The amendment passed by an overwhelming majority. While in preventing the enactment of a cap during this year's budget means that we've won the battle, we have not won the war. I predict that we will see

the cap proposal again and again during the next few years. My reasoning is simple—as the number of elderly relying on the Medicaid Program for long-term care services continues to increase and consequently the expenditures for the program grow, the pressure to contain its growth will be even stronger.

Mr. President, what all of this means—the changing demographics, the increasing dependency on Medicaid for the long-term care needs of the elderly and proposals to restrict Federal participation in those needs—is that we are fast approaching a crisis in long-term care.

How shall we deal with this problem? There have been many suggestions. Underlying all of them is the question of how much it will cost and whether Federal involvement is appropriate—in other words, who is responsible for the care of the elderly—the family or the Government.

We must begin to examine our options. We should begin to look at methods to encourage individuals to plan for their future—one possibility is to encourage individuals to examine the option of purchasing long-term health care insurance.

One of the problems that elderly citizens frequently share with me is that they fear going to the doctor because they may be sent to the hospital. This leads to the fear that they will then be placed in a nursing home where they will spend all of their assets—have to sell their house—and will have to remain in the nursing home under the Medicaid Program. There must be some other, more sensible, way to deal with this situation.

Mr. President, the legislation we are introducing today is a step in the right direction. Although insurance companies have traditionally been reluctant to enter the long-term care insurance market, they are beginning to re-examine the potential market. The Federal Government must develop a policy to encourage this trend. The Long-Term Care Insurance Promotion and Protection Act will assist the development of this new insurance market. In addition, it is my hope that the debate over this legislation will help focus attention on the needs for a coherent and reasonable approach to addressing the long-term care needs of the elderly.

I urge my colleagues to join us in this endeavor.

By Mr. McCLURE:

S. 1379. A bill to authorize the erection of a monument given to the American people as a gift by the Kingdom of Morocco, on public grounds in the District of Columbia; to the Committee on Energy and Natural Resources.

MOROCCAN MONUMENT LEGISLATION

● Mr. McCLURE. Mr. President, I send to the desk, for appropriate reference, legislation to authorize the placement of a monument, which is a gift from the Kingdom of Morocco, on Federal land.

In 1987, it will be fully 200 years since the Government of the United States, then a newly established republic, entered into a landmark treaty of peace and friendship with the Kingdom of Morocco. Morocco was the first nation to recognize the United States of America and to present our credentials to her North African neighbors. President George Washington wrote warmly of the "friendship and harmony which so happily subsist between" the two countries—friendship and harmony, Mr. President, which thrive to this very day.

It is with great honor that I introduce this legislation for a monument which will symbolize 200 years of peace and friendship between the United States and Morocco—a monument which is to be a gift of the Kingdom of Morocco to the people of America. This monument will be in tribute to a relationship which has seen United States and Moroccan soldiers fight side by side through two World Wars in defense of shared democratic values, and pursue those values through cultural and economic ties in times of peace.

As chairman of the Committee on Energy and Natural Resources, I encourage all my colleagues to join with me in sponsoring this legislation and in working toward its prompt enactment.●

By Mr. GLENN:

S. 1380. A bill to reform certain regulatory procedures governing the export of banned and severely restricted substances; to the Committee on Banking, Housing, and Urban Affairs.

REFORM OF EXPORT NOTIFICATION ACT

● Mr. GLENN. Mr. President, today I am introducing legislation to regularize the notification procedures currently required by law for the export of banned or severely restricted substances or products. The legislation also contains a provision requiring an annual compendium listing all past, present, and future regulatory actions taken by U.S. governmental agencies banning or severely restricting these substances. This report is to be compiled by the Office of Management and Budget [OMB] and will be circulated by the State Department to foreign governments via their embassies in the United States.

It is critical for information to be provided prior to export. Without this information it is difficult for the importing countries to make well informed decisions. The purpose of notification regarding control action is to give competent authorities in other countries the oportunity to assess the risks associated with banned or severely restricted substances, and to make timely and informed decisions as to the importation and use of the substances concerned, after taking into account local, public health, economic, environmental, and administrative conditions.

Industry has been a leader both in requiring testing and registration of potentially hazardous materials, and, environmentalists have lead the movement for requiring notification and information exchange on export of these materials. In fact, representatives have worked closely with OECD, FAO, and Departments of State and Commerce, and the Office of the U.S. Trade Representative to develop a coordinated U.S. export policy for such substances. While manufacturers have been diligent in fulfilling regulatory responsibilities and, in some instances, have gone beyond what is statutorily required, the lack of a uniform, regularized notification procedure by our Government has created a situation in which necessary information about potential hazards has failed to reach the appropriate individual or institution in an importing country. The legislation I am proposing today would eliminate this possibility by making our State Department the single point of contact for export notices of banned or severely restricted substances.

The 1977 Tris incident focused international attention on the issue of hazardous exports. The House Subcommittee on Commerce, Consumer, and Monetary Affairs conducted an extensive survey of Federal regulatory agencies. The subcommittee concluded that provisions in the statutes administered by CPSC, EPA, and FDA were highly inconsistent. Despite the best efforts by industry, there could still be situations in which pertinent information would not reach an official in the importing nation who could properly interpret and disseminate such information. The combination of a uniform notification procedure and an annual compilation of regulatory actions which I am proposing in this legislation will put the United States on the path to a comprehensive, consistent policy on the export of regulated substances.

The notification portion of this bill has four components. First, the State Department would be the single point of contact for all export notices of regulated substances. The exporter would continue to notify the regulatory agency, as is current practice, and the regulatory agency would in turn contact the State Department. Second, a minimum amount of information must be included in the notice, and contain: The name of the substance, concise summaries of agency action regarding the substance in question, and the

statutory authority for that action. Third, the notice must include a summary of determined health and environmental safety risks that could result from use of the substance. Finally, the notice must include the identification of the person within the responsible U.S. agency that has statutory jurisdiction if the receiving nation requests additional information.

Currently, OMB reviews all regulatory actions taken by Federal agencies and publishes them in the Federal Register. Since OMB is the bookkeeping agent for monitoring Federal regulatory actions, it is the logical body to publish and make available to the State Department an annual compendium of final affirmative Federal regulatory actions taken on banned and severely restricted substances. The State Department will then disperse this publication to embassies here in the United States.

The subject of exporting banned or severely restricted substances is one of great controversy. Conflict arises between two roles which the U.S. Federal Government plays—the protection of health, safety, and the environment, pitted against the promotion of U.S. exports. Mr. President, this bill will streamline and regularize existing regulations in a way that is in our national interest. I urge my colleagues to join me in supporting it.●

By Mr. QUAYLE (for himself, Mr. STAFFORD, Mr. PELL, and Mr. SIMON):

S. 1381. A bill to amend the General Education Provisions Act to improve and expand the Assessment Policy Committee; to the Committee on Labor and Human Resources.

NATIONAL ASSESSMENT OF EDUCATION PROGRESS

● Mr. QUAYLE. Mr. President, today I am introducing a bill to amend the National Assessment of Education Progress, NAEP, to enhance the important task of assessing the achievement levels of students in the basic skills of reading, mathematics, and communications. Specifically, this bill would amend the General Education Provisions Act which establishes the National Assessment of Education Progress to include an elementary school principal and a secondary school principal on the policy committee of the NAEP.

The National Assessment of Education Progress was mandated to measure achievement levels of students across the basic skills areas in order to assess performance levels of certain grade levels over several years. The assessment policy committee [APC] of the NAEP is charged with selecting the learning areas to be assessed, developing goals and assessment objectives, identifying appropriate methodology for measuring educational progress, and determining the form and content of the assessment's reports, as well as the method of dissemination. The policy committee also conducts studies on how to improve the ultimate use of the national assessment.

Under current law, the assessment policy committee includes: one chief State school officer, two State legislators, two school district superintendents, one chairman of a State board of education, one chairman of a local school board, one Governor of a State, and four classroom teachers. The bill I am introducing today would add to the policy committee one elementary school principal and one secondary school principal.

Many studies have been conducted that show that the building principal is the most influential person in the success of a school. The building principal sets the learning climate for the school and is the force behind effective and excellent schools. The building principals are closest to the students in terms of administering policy and curriculum and thus are in a good position to assess the value of curriculum schoolwide, and not just in one discipline or grade. I have been continually impressed by the job done by the elementary and secondary school principals in Indiana and commend both the Indiana Association of Elementary School Principals and the Indiana Secondary School Administrators for all of their hard work in creating and maintaining excellent schools.

Because of their important roles in encouraging excellence in their schools and students, I believe it is essential that an elementary school principal and a secondary school principal be included on the policy committee of the NAEP. I urge my colleagues to support this measure in recognizing the value of elementary and secondary school principals in assessing the educational needs and achievements of our children.●

By Mr. CHAFEE:

S. 1382. A bill to amend the Securities Exchange Act of 1934 with respect to insider trading; to the Committee on Banking, Housing, and Urban Affairs.

INSIDER TRADING

Mr. CHAFEE. Mr. President, I am pleased to introduce legislation today, amending the Securities Exchange Act of 1934, to make better information available to the investing public about stock transactions.

This legislation requires corporate executives, officers, and directors to report their purchases and sales of their companies' stocks on the same day of the transaction. Under current law, such transactions must be reported by the 10th day of the month following the date of the transaction. This delay in reporting gives insiders an obvious edge over the investing public. Failure to comply with this new requirement would result in a $50,000 civil penalty.

There are numerous examples of huge sales and purchases by insiders preceding the announcement of major changes in sales volume or corporate priorities. The June 3, 1985 issue of New England Business, for example, reported the sales by certain high tech executives of large blocks of stock immediately preceding the release of bad news from their companies. The recent downtrend in sales in the microcomputer industry was preceded by the sale of hundreds of thousands of shares of stock by corporate officials. Of course, these transactions were completed before the disappointing sales figures hit the street.

These stock transactions were reported according to requirements of the SEC and complied with the individual policies of each company. However, they raise the question of how outside investors are affected by the delays. In most cases the required reports are filed several weeks and often months after the legally required reporting date without penalty. Lack of knowledge about these inside transactions places the investing public at a considerable disadvantage.

Access to current information is essential in the securities business and benefits accrue to those who obtain it first, act on it quickly and use it to their best advantage. When key officers in a particular industry can buy or sell large amounts of stock, based on inside information, before a price increases or declines, they obviously have an advantage over those who are not employed by the corporations. The delay in reporting gives them an unfair advantage.

Every investor should have the right of equal access to the marketplace and should feel assured that they go into the marketplace with as much information about corporate activity as possible. By imposing an immediate reporting requirement, this bill will provide greater access and restore confidence in the marketplace.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 16(a) of the Securities Exchange Act of 1934 is amended by striking out all after "of which he is the beneficial owner, and" and inserting in lieu thereof "at the time of any change in such ownership, shall file with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange), a statement indicating such change in his ownership as has occurred.".

(b) Section 32 of such Act is amended by adding at the end thereof the following:

"(d) If the Commission finds, after notice and an opportunity for a hearing on the record, that a person has failed to file a statement as required by section 16(a), it shall assess a civil penalty of $50,000 against such person.".

By Mr. SPECTER:

S. 1383. A bill to protect the internal security of the United States against international terrorism by making the use of a firearm to commit a felony by foreign diplomats in the United States a Federal felony; to the Committee on the Judiciary.

CRIMINALIZATION OF TERRORIST ACTS BY FOREIGN DIPLOMATS

Mr. SPECTER. Mr. President, today I am reintroducing legislation that would make foreign diplomats in the United States subject to prosecution for using a firearm to commit any act constituting a felony under U.S. law.

I originally introduced this legislation as S. 2771 on June 15, 1984. The need for its speedy enactment has only increased since that time.

In my statement accompanying reintroduction today of my resolution urging the President to seek renegotiation of the Vienna Convention on Diplomatic Relations, I have discussed the case of the Libyan so-called "diplomats" in London, who used their country's embassy as a terrorist base. I need not recite the sad facts of that case again.

Even while we await renegotiation of the Vienna Convention, we must take steps to protect ourselves against the abuse of diplomatic immunity. And if that renegotiation does indeed take place, we will need legislation to implement it. This bill will serve that purpose. I urge my colleagues to give it speedy consideration.

CONCLUSION

The proposals I have outlined reflect the current state of my own effort to provide a viable alternative to a unilateral military response to terrorism, an alternative I believe will prove more effective.

These suggestions can command the necessary public support, and they will send an urgently needed signal to terrorists-criminals and their patrons that the time of talking tough is over; that the United States has a coherent policy for waging an international war on this international crime and the Nation will take whatever steps are necessary to carry it out.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was orderd to be printed in the RECORD, as follows:

S. 1383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 44 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 930. Foreign diplomats

"(a) It shall be unlawful for—

"(1)(A) any member of a foreign diplomatic mission in the United States entitled to immunity from the criminal jurisdiction of the United States under the provisions of the Vienna Convention on Diplomatic Relations, done on April 18, 1961; or

"(B) any member of a foreign consular post in the United States entitled to immunity from the criminal jurisdiction of the United States under the provisions of the Vienna Convention on Consular Relations, done on April 24, 1963,

to use a firearm to commit any act constituting a felony under the criminal laws of the United States or any State.

"(b) Whoever violates this section shall be punishable by a fine of $10,000 or by imprisonment for 10 years, or both.

"(c) For purposes of this section—

"(1) the term "member of a foreign diplomatic mission" includes any individual described by Article 1(b) of the Vienna Convention on Diplomatic Relations, done on April 18, 1961; and

"(2) the term "member of a foreign consular post" includes any individual described by Article 1(g) of the Vienna Convention on Consular Relations, done on April 24, 1963.".

(b) The analysis for chapter 44 of title 18, United States Code, is amended by adding at the end thereof the following:

"930. Foreign diplomats.".

By Mr. SPECTER:

S. 1384. A bill to amend the Copyright Act of 1976 to clarify the operation of the derivative works exception; to the Committee on the Judiciary.

COPYRIGHT HOLDER PROTECTION ACT

Mr. SPECTER. Mr. President, today, I introduce a bill to correct an unfair interpretation of a minor, yet complicated, provision of the Copyright Act of 1976. The Supreme Court properly has noted that the principal purpose of the relevant provisions was to provide added benefits to authors. Its decision earlier this year, however, in Mills Music, Inc. versus Snyder, does precisely the opposite, benefiting middlemen at the expense of creators. As the Court's sharply divided 5-to-4 decision was based almost exclusively on its perception of Congress' intent, it is appropriate now for Congress to clarify its intent and alter the effect of the decision in Mills Music.

Mills Music involved the interplay of the termination provisions in the act and the so-called derivative works exception to those provisions. The termination provisions of the act, section 304, affect the rights of certain copyright holders in two important ways:

First, they provide an automatic extension of the life of any copyright which was in its renewal term, or for which a renewal registration was made, during 1977. Such copyrights were extended to endure for a term of 75 years from the date of the original copyright.

Second, the provisions gave the author or his heirs a right to terminate any preexisting grant of rights to others in a renewal copyright. The act provides that such a termination causes all rights covered by the terminated grant to revert to the author or his heirs.

The purpose of these unusual provisions was plain: To allow an author or his heirs to reclaim a copyright he previously had bargained away, along with any rights under that copyright, and to extend the term of such copyright an additional 19 years.

Congress undertook these changes in order to allow an author who had underestimated the value of his creation at the outset to reap some of the benefits of its eventual success. In so doing, it recognized the unequal bargaining position of authors that resulted from the impossibility of determining a work's value before it had been exploited. Congress created the termination right as a means of correcting this imbalance.

The author's right to terminate his prior grant of rights to a copyright was made subject, however, to a major exception. Under the "derivative works" exception, the "utilizer" of a derivative work may continue to use the derivative work under the terms of the prior grant, notwithstanding a termination of the grant by the author or his heirs.

The exception was intended to protect the actual owners of derivative works from having to renegotiate rights in underlying works, when an author exercised termination rights with regard to the underlying work. Were it otherwise, the author or his heirs might exercise veto power over continued performance of a derivative work lawfully created prior to the termination. For example, the author of a book or play might prevent continued performance of a film based upon the underlying book or play, by terminating his earlier grant and demanding unreasonably high royalties. The derivative works exception placed a limit on the author's termination rights, in order to protect the public interest in access to derivative works. In effect, it permits owners of derivative works to continue to have such works performed at the same royalty rate existing prior to termination.

In Mills Music, a songwriter's heirs exercised their termination rights with regard to the 1923 copyrighted song, "Who's Sorry Now." In 1940, the author has assigned his entire interest in all renewals of the copyright to the defendant, Mills Music, a music publisher, in return for a share of the royalties received by the publisher for mechanical reproductions. The publisher licensed more than 400 record companies to use the song in phonograph records.

It was clear in Mills Music that the record companies' versions of "Who's Sorry Now" were derivative works which, under the exception, the record companies could continue to utilize. The only issue in dispute was whether the royalties from these derivative works would continue to be paid to Mills, the publisher, or would now be paid to the author's heirs, to whom all rights covered by the terminated grant had reverted.

The Supreme Court, in a 5-to-4 decision, held that the royalties would continue to go to the publisher. The decision has been roundly criticized as favoring noncreative middlemen at the expense of authors, without regard to the purposes of the act.

As noted by Justice White in his dissenting opinion in Mills Music, promotion of public access to existing derivative works—the sole purpose of the exception—requires no more than allowing the owners of derivative works to continue to disseminate them after a termination: "The rights of middlemen to receive royalties under terminated grants do not enter into the balance; regardless of who receives the royalties, the owner of the derivative work may continue to pay the same rate, and public access to the work will be unimpeded." Slip Op. at 9-10. By holding that royalties go to middlemen rather than authors, Justice White noted, the Court's decision "frustrates the congressional purpose of compensating authors who, when their works were in their infancy, struck unremunerative bargains." Slip Op. at 10.

Mr. President, it is clear to me that Mr. Justice White is correct—that the decision in Mills Music does frustrate congressional intent. It is important to note that this is not a situation where any party could have acted in reliance, or could have had any reasonable expectations. The royalties in question will result from the 19-year copyright term extension granted by Congress in the 1976 act. The only question is whether this windfall should be received by author or by middlemen. The effect of the Court's interpretation of the act is that middlemen will receive this unforeseen benefit.

Mr. President, I believe that this benefit rightfully should go to authors, who were the intended beneficiaries, in general, of the entire termination scheme. I would note that my belief is strongly supported by the testimony of Barbara Ringer, former Register of the Copyright Office during the drafting of the act. As Ms. Ringer noted in testimony before the Subcommittee on Patents, Copyrights and Trademarks on April 17, 1985, it is no secret that Ms. Ringer was the author of the termination and derivative works provisions.

Ms. Ringer stated that:

The basic purpose of the termination was to make sure that authors had first crack at renegotiating their old contracts rather than just letting them run on through the longer term. And I believe that the Supreme Court decision effectively defeats this purpose in a lot of cases. She also noted that, even where the record company had taken its license not from the author but from the author's grantee, the exception * * * was not intended to deprive the author of his or her full share of the royalties.

Mr. President, I wholeheartedly agree with former Register Ringer that the Court's decision in Mills Music "seriously undercuts what Congress intended and deprives authors of benefits that are rightfully theirs." The bill I introduce today would assure that authors do receive these benefits, by making a simple clarification of the termination provisions in section 304 of the Copyright Act. I urge my colleagues to join me in supporting this change, so that the policies underlying the Copyright Act can be realized fully.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Copyright Holder Protection Act of 1985".

Section 304(c)(6) of the Copyright Act of 1976 (17 U.S.C. § 304 (c)) is amended by adding at the end thereof the following:

"(7). Notwithstanding any other provision of law, where an author or his successor, as defined in subsection (c)(2), has exercised a right of termination pursuant to this section and a derivative work continues to be utilized pursuant to subsection (c)(6)(A) of this section, any right to royalties from the utilization of the derivative work shall revert to the person exercising the termination right."

By Mr. DECONCINI:

S. 1385. A bill entitled the "Money Laundering Crimes and Disclosure Act of 1985"; to the Committee on the Judiciary.

MONEY LAUNDERING CRIMES AND DISCLOSURE ACT

● Mr. DECONCINI. Mr. President, I am introducing today the Money Laundering Crimes and Disclosure Act of 1985. This legislation addresses the ever-increasing problem of money laundering, especially the laundering of illicit profits generated by organized crime.

Money laundering is one of the most costly ills infecting our Nation. In 1984 the President's Commission on Organized Crime reported that it was possible to launder $100 million in a single transaction. Moreover, violations of tax laws are an inevitable byproduct of laundering schemes, and this costs the Nation millions of dollars in public revenue.

Modern, sophisticated money laundering techniques have contributed to the financial success of organized crime in recent years, particularly in the narcotics trade. Without the means to launder money, thereby making cash generated by a criminal enterprise appear to come from a legitimate source, organized crime could not flourish as it now does. Studies cite narcotics trafficking as one of the growth industries within the underworld, and it is impossible for any American city, social or ethnic group to inoculate itself from the drug epidemic. As long as organized crime continues to successfully conceal enormous amounts of illegally generated income, our law enforcement agencies will continue to do battle with the narcotics traffickers from a position of weakness.

Money laundering techniques are used by large legitimate businesses, as well. The President's Commission discovered that American corporations, such as Gulf Oil, Lockheed Aircraft, and McDonnell Douglas, have engaged in illegal money laundering. Each corporation was involved in schemes to make illegal payments to foreign government officials in order to win lucrative overseas contracts. The broad array of groups participating in money laundering illustrates how widespread the problem has become.

While I do not maintain that this bill is a panacea, it will enable law enforcement agencies to begin eliminating the huge profit reaped by those who deal in crime.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the "Money Laundering Crimes and Disclosure Act of 1985."

SEC. 2. (a) Chapter 95 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"Section 1956. Laundering of monetary instruments

"(a) Whoever initiates or causes to be initiated a transaction or series of transactions involving one or more monetary instruments in, or through a financial institution which is engaged in, or the activities of which affect, interstate commerce, or attempts to do so—

"(1) with intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity; or

"(2) with knowledge or reason to know that such monetary instruments represent income derived, directly or indirectly, from any unlawful activity, or the proceeds of such income.

shall be fined not more than $250,000 or twice the value of the monetary instruments, whichever is greater, or imprisoned not more than ten years, or both, for the first such offense, and shall be fined not more than $1,000,000 or five times the value of the monetary instruments, whichever is greater, or imprisoned not more than twenty years, or both, for each such offense thereafter.

"(b) As used in this section—

"(1) the term 'conducts' includes commencing, concluding, or participating in the commencement or conclusion of a transaction;

"(2) the term 'transaction' includes a deposit, withdrawal, transfer between accounts, exchange of currency, obtaining a loan or an extension of credit, purchase or sale of any stock, bond, certificate of deposit, or other monetary instrument, or any other payment, transfer, or delivery through or to a financial institution, by whatever means effected;

"(3) the term 'monetary instruments' means monetary instruments as defined in section 5312(A)(3) of title 31;

"(4) the term 'financial institution' means financial institution as defined in section 5312(a)(2) of title 31; and

"(5) the term 'unlawful activity' means any act or acts constituting—

"(A) a continuing criminal enterprise, as that term is defined in section 408 of the Controlled Substances Act (21 U.S.C. 848);

"(B) an offense under any of sections 201 (relating to bribery), 224 (relating to bribery in sporting contests), 471–473 (relating to counterfeiting), 659 (relating to theft from interstate shipment) if the offense is felonious, 664 (relating to embezzlement from pension and welfare funds), 891–894 (relating to extortionate credit transactions), 1084 (relating to the transmission of gambling information), 1341 (relating to mail fraud), 1343 (relating to wire fraud), 1461–1465 (relating to obscene matter), 1503 (relating to obstruction of justice), 1510 (relating to obstruction of criminal investigations), 1511 (relating to obstruction of State or local law enforcement), 1951 (relating to interference with commerce by threats or violence), 1952 (relating to racketeering enterprises), 1953 (relating to interstate transportation of wagering paraphernalia), 1954 (relating to unfair welfare fund payments), 1955 (relating to prohibition of illegal gambling businesses), 2314 or 2315 (relating to interstate transportation of stolen property), 2341–2346 (relating to trafficking in contraband cigarettes), or 2421–2424 (relating to white slave traffic) of this title;

"(C) an offense under section 302 (relating to restrictions on payments and loans to labor organizations) of the Labor Management relations Act, 1947 (29 U.S.C. 186) or section 501(c) (relating to embezzlement from union funds) of the Labor-Management Reporting and disclosure act of 1959 (29 U.S.C. 501(c)); or

"(D) an offense involving the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic or other dangerous drugs, punishable under any law of the United States.

"(c) Nothing in this section shall supersede any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section.

"(d) Violations of this section shall be investigated by the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Internal Revenue Service, as appropriate.

"(e) There is extraterritorial jurisdiction over the conduct prohibited by this section.

(b) The table of sections at the beginning of chapter 95 of title 18, United States Code, is amended by adding at the end the following new item:

"1956. Laundering of monetary instruments."

SEC. 3. Section 5318 of Title 31, United States Code, is amended to read as follows:

"Section 5318. Compliance and exemptions

"(a) The Secretary of the Treasury may (except under Section 5315 of this title and regulations prescribed under Section 5315)—

"(1) delegate duties and powers under this subchapter to an appropriate supervisory agency;

"(2) require a class of domestic financial institutions to maintain appropriate procedures to ensure compliance with this subchapter and regulations prescribed under this subchapter;

"(3) prescribe an appropriate exemption from a requirement under this subchapter and regulations prescribed under this subchapter. The financial institution must provide on a quarterly basis to the Secretary of the Treasury a list of the customers of the financial institution whose transactions have been exempted in accordance with the provisions of the regulations prescribed under this subchapter. The Secretary of the Treasury must review and approve or revoke the list of exemptions within 90 days after the date of receipt. Upon revocation, a financial institution shall file the usual reports as prescribed under Section 5314 with respect to any customer whose exemption has been revoked. The financial institution may consider the exempt list approved for purposes of this subchapter, unless notified in writing to the contrary by the Secretary of the Treasury within the 90 day period.

"(4) (A) examine any books, papers, records, or other data of domestic financial institutions pursuant to the recordkeeping and reporting requirements under this subchapter;

"(B) summon an officer or employee of a domestic financial institution, or any person having possession, custody, or care of the reports or records required under this subchapter, to appear before the Secretary of the Treasury or his delegate at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony under oath, as may be relevant material to such inquiry and

"(C) take such testimony of the officer, employee or person having possession of the relevant reports or records, under oath, as may be relevant or material to such inquiry.

"(b) The purposes for which the Secretary of the Treasury may take any action described in subsection (a)(4) include the purpose of investigating any offense connected with the administration or enforcement of this subchapter, section 21 of the Federal Deposit Insurance Act, section 411 of the National Housing Act, or chapter 2 of Public Law 91-508.

"(c)(1) The Secretary of the Treasury may delegate the powers conferred by subsection (a)(4) to an appropriate supervisory agency.

"(2) A summons may be issued under subsection (a)(4)(B) only by, or with the approval of, the Secretary of the Treasury or a supervisory level delegate of an appropriate Treasury bureau, pursuant to title 12, United States Code, sections 3401 through 3422, 12 U.S.C. section 3401–3422."

Section 4. Section 5321 of Title 31, United States Code, is amended to read as follows:

"Section 5321. Civil Penalties

"(a) A domestic financial institution, and a partner, director, officer, or employee of a domestic financial institution, willfully violating this subchapter or a regulation prescribed under this subchapter (except section 5315 of this title or a regulation prescribed under section 5315) or causing such a violation, is liable to the United States government for a civil penalty of not more than:

"(1) The amount of the transaction where the violation involves a transaction reporting requirement; or

"(2) $10,000 for any other violation.

"(b) For violation of section 5318(a)(2) of this title or a regulation prescribed under section 5318(a)(2), a separate violation occurs for each day the violation continues and at each office, branch, or place of business at which a violation occurs or continues.

"(c) A person willfully violating the provisions of section 5314 of this title or of a regulation prescribed under section 5314 is liable to the United States government for a civil penalty of not more than the amount of the foreign transaction or foreign account involved in the violation.

Section 5. Section 5322 of Title 31, United States Code, is amended to read as follows:

"(a) A person willfully violating this subchapter or a regulation prescribed under this subchapter (except section 5315 of this title or a regulation prescribed under section 5315) shall be fined not more than $500,000, imprisoned for not more than 10 years, or both.

"(b) A person willfully violating this subchapter or a regulation prescribed under this subchapter (except section 5315 of this title or a regulation prescribed under section 5315), while violating another law of the United States or as part of a pattern of illegal activity involving transactions of more than $100,000 in a 12-month period, shall be fined not more than $1,000,000, imprisoned for not more than 20 years, or both.

"(c) For a violation of section 5318(a)(2) of this title or a regulation prescribed under section 5318(a)(2), a separate violation occurs for each day the violation continues and at each office, branch, or place of business at which a violation occurs or continues.●

By Mr. GORTON:

S. 1386. A bill to promote the Americanization of domestic marine fishery resources, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AMERICANIZATION OF DOMESTIC MARINE FISHERY RESOURCES

● Mr. GORTON. Mr. President, this bill which I am introducing today would amend the Magnuson Fishery Conservation and Management Act [MFCMA] in order to promote the Americanization of our fishery resources located within the U.S. 200-mile fishery conservation zone [FCZ]. This legislation represents a significant change in our current policy of developing the FCZ. I believe that such a change is imperative when one examines the events that have tran-

spired following the passage of the MFCMA.

The Magnuson Act was signed into law on April 13, 1976. One of the major goals of the MFCMA has been to facilitate the development of the U.S. fishing industry. Indeed, the Magnusion Act has been successful in providing stimulation necessary for the expansion of the U.S. fishing industry which in 1984 landed over 2.9 million tons of fish and shellfish. In this regard, the recent growth of U.S. joint-venture fisheries—whereby U.S. harvesters sell their catch over the side to foreign processing vessels in our FCZ—is particularly noteworthy. In 1984, these fisheries accounted for over half a million metric tons. Not all segments of the U.S. fishing industry, however, have been able to take advantage of our fishery resources. Foreign fishing vessels directly continue to harvest over 1.4 million tons in our FCZ. Together, direct foreign harvests and joint-venture fisheries accounted for over 40 percent of all U.S. landings. It should also be noted that the U.S. trade deficit in fish and fish products has risen from $2.6 billion in 1980 to nearly $5 billion in 1984. It is quite apparent that better U.S. development and utilization of our fishery resources could reduce this deficit and produce employment for thousands of Americans.

In an attempt to promote the penetration by the U.S. fishing industry of foreign markets, industry-to-industry negotiations with certain foreign nations have taken place; however, to date, such negotiations have not been able to bring about the sufficient changes in foreign governments' restrictive trade policies or growth in our industry. At the same time, foreign nations, such as Japan, have been able to develop promising import markets here in the United States utilizing species caught and processed in the FCZ by foreign nations and then exporting them back to the United States.

The time has come to change the ground rules we're operating under. "Fish and Chips"—the policy of linking foreign fishing allocations to trade benefits for the U.S. industry—has been successful in accomplishing many things, particularly growth in joint ventures. But it is increasingly clear that this policy is inadequate by itself. This inadequacy has led to proposals for total, date-certain phaseout of all foreign presence in our FCZ, and many other ideas as well.

This proposal is a little different. It is based upon a unique recommendation developed by a very broad-based group of Northwest fishing industry representatives who have a major stake in the outcome of this decision. This group included joint venture fishermen, factory trawlers, longliners, and smaller vessel operators, and processors. Their differences are well known. Their feelings and beliefs about the best course of action are deeply held. But they were able to develop this compromise approach, and deserve a tremendous amount of credit for their constructive and cooperative effort.

This bill is an attempt to put in legislative form that compromise. It is a first step in the process, and I welcome comments on the bill. But it is also clear that the lack of certainty in U.S. policy toward foreign fishing is detrimental to gaining the full benefits available to this Nation. This is an attempt to provide certainty.

The purpose of this bill is to develop an integrated industry approach on improving our efforts to Americanize our FCZ. The phase-in provisions in this bill were based on the following principles: First, there is a mutual need for viable U.S. processing and harvesting sectors in order to maximize the socioeconomic values offered in the Americanization of the U.S. FCZ; second, phase in should be designed to augment existing marketing opportunities for processors and fishermen and not at the expense of either party; third, a phase in is necessary to stimulate the growth of the industry, particularly with regard to full utilization of our vast pollock resources; and fourth, phase in should be expressed in terms of sectors of the industry, regions, and specific timeframes.

This bill reduces the total allowable level of foreign fishing by 60 percent in 1986. The 1986 level of foreign fishing is then lowered by 33 percent during 1987, and the 1987 foreign fishing level decreased by 67 percent in 1988. Beginning in 1989 and thereafter, a foreign nation's harvest of fish over which the U.S. exercises exclusive management authority will be capped. The reductions prescribed in this paragraph will apply only to foreign nations which are authorized to harvest more than 65,000 tons in 1985 in any Council's geographical area.

The above-mentioned reductions in foreign fishing after 1986 can be changed, however, if a foreign nation is willing to enter into a bilateral fishery agreement that provides substantial, defined benefits for the U.S. fishing industry. The bill authorizes the Secretary of State, in cooperation with the Secretary of Commerce, to enter into a fishery agreement with a foreign nation for 1987 through 1994 if the benefits to the U.S. fishing industry sufficiently justify increasing the foreign nation's level of fishing above that prescribed in this bill. When negotiating a bilateral international fishery agreement, the Secretary of State is required to establish, designate, and consult with an industry advisory committee composed of equal numbers of representatives from the harvesting and processing sectors of the U.S. fishing industry. After January 1, 1995, however, a foreign nation's level of fishing cannot exceed a relatively small residual amount.

The bill provides that the amount by which foreign fishing is reduced under this bill will be placed into two separate reserves. The reduction in foreign fishing is to be equally divided for the benefits of domestic harvesters who deliver their catch to foreign processors and domestic processors. Because of the special potential of Pacific pollock, 40 percent of the reductions in foreign fishing on that species shall be placed in a reserve for domestic harvesters and 60 percent in a reserve for U.S. processors. If these reserves are not utilized, they will accumulate until they are utilized by the appropriate sectors of the domestic fishing industry. U.S. harvesters will not be allowed to increase deliveries to foreign processors above the amount of fish that is placed in the reserve established for harvesting vessels. If the growth of the U.S. processing industry exceeds the amounts placed in the reserve established for domestic processors, the existing preferences specified in the MFCMA will take precedence, and the allowable level of foreign fishing will be reduced beyond what is provided for in this bill.

This legislation also refines the so-called basket clause to provide that when allocating the allowable level of foreign fishing among foreign nations, the Secretary of State, in cooperation with the Secretary of Commerce, may only consider fishery matters.

Mr. President, this bill is a first step in the process of ensuring that this Nation's marine fisheries are utilized for the maximum benefit of Americans. As I said earlier, I applaud the cooperative efforts of the industry representatives who have helped develop this proposal, and I look forward to working with all interested parties as this bill is further developed.

Approaches to full Americanization of our fisheries differ, but the goal is shared by all. This bill is intended to bring the diverse interests together, to stimulate the growth of our industry and create thousands of new American jobs, and to end the practice of giving away our valuable natural resources to foreign countries when we can utilize them ourselves.●

By Mr. BINGAMAN (for himself, Mr. MATSUNAGA, Mr. CHILES, Mr. HOLLINGS, and Mr. GORE):

S. 1387. A bill to amend title XVII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system; to the Com-

mittee on Argiculture, Nutrition, and Forestry.

IMPROVED PUBLIC HEALTH THROUGH NUTRITION MONITORING ACT

● Mr. BINGAMAN. Mr. President, today I am introducing the Improved Public Health through Nutrition Monitoring Act of 1985, a bill which I believe will help us better understand and assess the nutritional and health status of Americans.

Last year I introduced similar legislation. This year's version has some important changes, but the basic purpose is the same. A national nutrition monitoring and surveillance system will help us obtain timely information about the nutritional health of Americans, including diet, nutrition, and health status measurements, food consumption patterns, with the overall goal of ensuring a safe and nutritious food supply.

Importantly, this bill links nutrition-monitoring efforts to health promotion. The bill promotes the public health and the prevention of disease by coordinating and improving Federal efforts in nutrition monitoring. We need to begin to combine what we know about good nutrition and health promotion. This bill does this.

Much is being done in this country at this time to improve health care, to reduce costs, and to promote good health. Much of this activity has taken place as a self-help effort, and these efforts need to continue. But we also need to increase our knowledge of those Americans who are in high risk groups or geographic areas and who lack basic nutritional and dietary needs. Presently, however, we have a major problem—a lack of timely nutrition and dietary data, and an analysis of such data that can be used for public use and planning.

The Department of Health and Human Services now engages in several nutrition-related research and monitoring activities. Foremost is the National Health and Nutrition Examination Survey [NHANES]. The Department of Agriculture also conducts a comparable survey in the Nationwide Food Consumption Survey [NFCS]. In 1981 the administration submitted to Congress the long-awaited joint implementation plan for a comprehensive national nutrition monitoring system. This was done to consolidate the two major nutrition studies of NHANES and NFCS into one coordinated survey to begin in 1987. To this date we are still waiting for implementation and it looks virtually impossible to meet the 1987 deadline.

We now know that nutrition is linked to our health. It is a major component in promoting health and preventing disease, especially during pregnancy, infancy, childhood, and adolescence. We also know that without proper nutrients the most severe impact can be malnutrition and even hunger and long-term illnesses.

Representative GEORGE E. BROWN, Jr., of California, who has been a leading advocate for nutrition-monitoring legislation in the House, has eloquently described the connection between health and the use of nutrition data. I believe his statement concisely explains the critical need that we in Congress have for adequate up-to-date nutrition data to make informed policy-making decisions:

> Congress needs and should use the information from such a national nutrition monitoring system to formulate and evaluate the consequences of nutrition and health policies and programs, oversee the effectiveness and efficiency of such federal programs, evaluate the quality of the administration of the programs, and assess the extent to which the program and policies are consistent and coordinated. Establishment of national baseline data is essential for evaluating the implications of changes in agricultural policy related to food production, processing and distribution which may affect the nutritional quality and safety of the food supply; for monitoring the impact of food consumption practices and trends; for identifying early warning signals of both low and high caloric and nutrient intake; and for determining the appropriateness of federal efforts regarding food regulations and nutrition research and education.

Mr. President, my bill would amend title 17 of the Public Health Service Act and require that the Secretary of Health and Human Services prepare a comprehensive health promotion and nutrition-monitoring plan over a 10-year period to improve Federal health promotion and disease prevention efforts, particularly nutrition monitoring and related research programs. To advise the Secretary, an Interagency Health Promotion and Nutrition Monitoring Board is established. Furthermore, an Advisory Council on Health Promotion and Nutrition Monitoring will be appointed by the President and Congress to give scientific and technical advice on the development and implementation of the comprehensive plan and to evaluate the progress of the Nutrition Monitoring Program.

The bill authorizes $3 million to carry out the health promotion and nutrition plan; $2 million for a competitive grants program to encourage nutritional status research and cost effective methods for surveillance, and $1 million for technical assistance to State and local governments. These costs, however, would be offset by the improved health and collection of new, useful nutrition information which would be generated.

In conclusion, Mr. President, nutrition monitoring and related research is now scattered among various Federal agencies and departments. The result has been inefficient management, untimely data collection and dissemination, and a lack of coordination among the various Federal agencies. In these times of Federal spending restraints, more needs to be done to improve the efficiency and effectiveness of nutrition monitoring. This legislation is a first attempt to assure that accountability, while at the same time getting the information that is so desperately needed.

Similar legislation—H.R. 2436—has been introduced in the House by Representative MACKAY. I urge my colleagues to support this critical measure.●

By Mr. BINGAMAN:

S. 1388. A bill to amend title 5, United States Code, to require Federal Government agencies to furnish health protection, health promotion, disease prevention, and secondary prevention services to Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES WORKSITE HEALTH PROMOTION ACT

● Mr. BINGAMAN. Mr. President, today I am introducing legislation to improve health protection, health promotion, and disease prevention for employees of the Federal Government.

Primary health care is vital to each of us, particularly the Federal Government, the Nation's largest employer, which spends over $4.6 billion a year providing such benefits to its 2.5 million employees.

We are all interested in the efficient delivery of health services. Congress has incorporated into the Federal Employee Health Benefits Program enhanced competition, encouraged second opinions, allowed for alternative provider care in some instances, and more. However, little has been done to promote health promotion and disease prevention before people get sick.

Acccording to recent information the Federal Government spent $1 billion on workman's compensation claims in 1984. In addition, according to a 1982 study, the average sick leave by Federal employees was 8.69 days per year. This translates into approximately $4.6 billion per year. The Office of Personnel Management tells us that sick leave and other health-related illness results in the additional loss of approximately $1.24 billion per year.

Mr. President, I think more can be done to reduce these costs. Furthermore, I am concerned that as a nation we are not as healthy as we could be. Each year we spend in excess of $200 billion, nearly a tenth of the gross national product on health care. Health-related spending has risen nearly 600 percent over the last two decades. Eleven cents of every dollar are now spent on health. Many people are interested in reducing these costs, and some activities are underway. Lately some of these have focused on pre-

ventative health. Yet, I believe more can be done.

The Federal Government, in particular, can play a more aggressive role in preventive health leadership, which includes education, research, and technical assistance. Such leadership should begin with the employees of the Federal Government. My bill is one way to address this need.

Without question, health promotion and disease prevention can have a real impact on improving one's health. Good programs can increase productivity, reduce absenteeism, and also reduce primary health care costs.

President Reagan recognizes the benefits of health promotion and disease prevention. Last year at a health conference he said:

Disease prevention and health promotion are in all of our interests, not only for people in the insurance business, but for employees and employers throughout the wide spectrum of American enterprise. I don't need to tell you employers that the illness of your employees is a costly proposition. A healthier work force means higher productivity, reduced absenteeism, and less overtime. In the long run, it also means a reduction in the cost for employee health benefits.

I agree with the President's assessment. However, I believe that specific steps need to be taken to foster health promotion.

Last year, joined by the distinguished Senator from South Dakota, the chairman of the Treasury Appropriation Subcommittee and the Senator from Arizona, the ranking Democrat on the subcommittee in requesting that a blue ribbon panel of public health experts and management specialists be convened to assess the present level of health promotion activities among the Federal civilian employees. The panel was to make recommendations on how current wellness programs for Federal workers can be expanded and improved. Our request called upon the Office of Personnel Management, the U.S. Department of Health and Human Services, and the Division of Federal Employee Occupational Health [DFEOH] of the Public Health Service, to make this study. Its report has not been completed at this time, but I hope it can be completed soon.

The legislation I am introducing today will add to the existing authority which already provides some occupational health coverage to Federal employees. Since the passage of Public Law 79-658 in August 1946, the Federal Government has had such a focus. The Division of Federal Employee Occupational Health serves as the Federal Government's consultation authority on the development, implementation, and evaluation of occupational health programs for Federal agencies.

This organization has done a remarkable job. It operates over 160 health units in 38 States and four employee assistance programs which serve about 270,000 Federal employees. The services provided have had a real impact on the promotion of occupational health, which is provided on a reimbursable basis to Federal agencies. While the division has attempted to expand its services into health promotion and disease prevention, it has met with budgetary resistance by the administration. Its reimbursable budget for next year is being cut from approximately $15 million to $4,750,000. This would eliminate the entire direct appropriation of $600,000 for the DFEOH program and reduce its position strength from 329 to 85 positions. If this funding cut is carried out it will be disastrous. We will lose an opportunity potentially to save millions of dollars.

I support the past efforts of the Division of Federal Employee Occupational Health and I encourage its continuation. But, it not only needs its full appropriation, it also needs new clarifying statutory authority.

My legislation meets these needs. It will establish in Federal law a requisite for worksite health protection, health promotion, and disease prevention services in the Federal Government. It requires a study of health promotion efforts now underway in the Federal Government and in the private sector. It requires the Secretary of Health and Human Services to develop a comprehensive plan to provide health promotion. It will also create a demonstration project in the Government to carry out health promotion activities. And, it requires a report to the Congress on Federal health promotion activities.

These are modest, but important provisions which should be included in law. Comprehensive occupational health programs will improve the physical and mental health, and the well-being of Federal employees. It will reduce the medical expenses of Federal employees and the Federal Government, and transform the concept of worksite health promotion into a reality. Such programs can lead to significant financial savings, to higher employee productivity, reduced absenteeism, less overtime and leave time, and reduced disability-related liability. Comprehensive occupational health programs, including health protection, health promotion, disease prevention and secondary prevention for Federal employees needs to be undertaken as part of the coordinated efforts of the Federal Government at this time. This bill achieves these major objectives.

I hope my colleagues will support this legislation.●

By Mr. DECONCINI:

S. 1392. A bill to amend title 28 of the United States Code regarding judicial annuities; to the Committee on the Judiciary.

JUDICIAL SURVIVORS' ANNUITIES REFORM ACT

● Mr. DECONCINI. Mr. President, I am today introducing a bill entitled the "Judicial Survivors Annuities Reform Act of 1985." I am introducing this legislation in order to rectify a glaring insufficiency in the Federal Judicial Survivors' Annuities Program.

The current Judicial Survivors' Annuities Program is insufficient to ensure that Federal judges can adequately meet their obligations to their families. Judges salaries are modest in comparison to what they could make practicing law, and all the lifetime benefits they enjoy as members of the Federal bench cease at their death. Under today's annuities program, a judge with limited personal capital who dies after serving on the bench for a number of years leaves his widow and orphans with just a pittance. Judges appointed a decade ago have seen their real income eaten away by inflation, leaving no opportunity to prepare adequately for their own untimely death.

If current conditions are allowed to continue, an ever-increasing number of family-oriented judges will be forced to leave the bench. Moreover, many qualified lawyers will weigh their duties to family against the benefits of the judiciary and decide against seeking Federal judgeships. We would be ill-advised to allow judges with years of experience to leave the bench or to discourage capable lawyers from joining the Federal judiciary.

In response to letters he had received on the inadequacy of the existing survivors' annuity law, Chief Justice Burger created the Committee on the Judicial Branch of the United States to study the problem. During the 97th Congress, the chairman of that committee, U.S. Court of Appeals Judge Irving S. Kaufman, reported to the Senate Subcommittee on the Courts that "financial pressures and constant worry over them are diverting judges' attention from their primary responsibilities." Judge Kaufman added that "judges do not stand to benefit directly from annuity reform", but that their benefit will be in knowing that their survivors will not pay an "unconscionable price for our continued devotion to the law." Judge Kaufman concluded his remarks by encouraging the Senate to support the Judicial Branch Committee's reform proposal.

The bill I am introducing today is substantially the same as the proposal endorsed by Judge Kaufman in 1982. While not identical to the Judicial Branch Committee's proposal, I believe the bill I am introducing today will ameliorate many of the problems with the current system of judicial survivor's annuities, and it will help ensure that our Federal judges are the best lawyers at the bar.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Judicial Survivors' Annuities Reform Act of 1985".

ANNUITIES FOR SURVIVORS

SEC. 2. (a) Subsections (b) and (d) of section 376 of title 28, United States Code, are amended by striking out "4.5 percent" each place it appears and inserting in lieu thereof "5.0 percent".

(b) Subsection (c) of section 376 of title 28, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following: "There shall also be deposited to the credit of the 'Judicial Survivors' Annuities Fund', in accordance with such procedures as may be prescribed by the Comptroller General of the United States, amounts required to maintain the actuarial balance of the program as such amounts are actuarially determined on an annual basis in accordance with the provisions of subtitle C of part II of title I of the Budget and Accounting Procedures Act of 1950 (Public Law 95-595; 31 U.S.C. 68a).".

(c) Subsection (h)(1)(B) of section 376 of title 28, United States Code, is amended by striking out clauses (i) and (ii) and the matter between clause (ii) and subparagraph (C) and inserting in lieu thereof the following:

"(i) 10 percent of the average annual salary amount determined in accordance with the provisions of subsection (l) of this section; or

"(ii) 20 percent of such average annual salary amount, divided by the number of children; or".

(d) Subsection (h)(1)(C) of section 376 of title 28, United States Code, is amended by striking out clauses (ii) and (iii) and the matter between clause (iii) and paragraph (2) and inserting in lieu thereof the following:

"(ii) 20 percent of the average annual salary amount determined in accordance with the provisions of subsection (l) of this section; or

"(iii) 40 percent of such average annual salary amount, divided by the number of children.".

(e) Subsection (l) of section 376 of title 28, United States Code, is amended—

(1) by striking out "1¼ percent", in paragraph (1), and inserting in lieu thereof "1.5 percent"; and

(2) by striking out all after "of this subsection" in paragraph (2) and inserting in lieu thereof the following: ", except that such annuity shall not exceed an amount equal to 50 percent of such average annual salary, nor be less than an amount equal to 30 percent of such average annual salary, and that any amount determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d) of this section, if applicable."

(f) Subsection (h)(2) of section 376 of title 28, United States Code, is amended by inserting before the period, "prior to the attainment of sixty years of age".

AVAILABILITY OF BENEFITS

SEC. 3. The benefits conferred by this Act shall immediately become available to any individual becoming eligible for an annuity under section 376 of title 28, United States Code, on or after the date upon which this Act becomes effective, except that, although the rights of any judicial official electing to come within the purview of section 376 of title 28, United States Code, on or after the date this Act becomes effective, shall be determined exclusively under the provisions of such section as amended by this Act, nothing in this Act shall be interpreted to cancel, abrogate, or diminish any rights to which an individual or his or her survivors may be entitled by virtue of such individual having contributed to the judicial survivors annuity fund before the effective date of this Act.

RIGHT TO REVOKE ELECTION TO PARTICIPATE

SEC. 4. At any time within one hundred and eighty days after the effective date of this Act, any judicial official who is participating in the judicial survivors annuity program created by the Judicial Survivors' Annuities Reform Act (28 U.S.C. 376; 90 Stat. 2603), on such date shall be entitled to revoke his or her earlier election to participate in such program and thereby withdraw from participation in the program as amended by this Act, except that—

(a) any such revocation may be effected only by means of a writing filed with the Director of the Administrative Office of the United States Courts,

(b) any such writing shall be deemed to have become effective no sooner than the date such writing is received by the Director,

(c) upon receipt of such a writing by the Director, any and all rights to survivorship benefits for such judicial officials' survivors shall terminate, and all amounts credited to such judicial official's individual account, together with interest at 3 percent per annum, compounded on December 31 of each year to the date of such revocation, shall thereafter be returned to such judicial official in a lump-sum refund payment, and

(d) any judicial official who effects such a revocation and who subsequently again becomes eligible and elects to join the judicial survivors annuities program created by this Act under the provisions of section 376 of title 28, United States Code, as amended by this Act, shall be permitted to do so only upon the redeposit of the full amount of the refund obtained pursuant to this section plus interest at 3 percent per annum, compounded on December 31 of each year from the date of the revocation until the date such amount is redeposited.

Any judicial official who fails to effect a revocation in accordance with the right conferred by this section within one hundred and eighty days after the date upon which this Act becomes effective shall be deemed to have irrevocably waived the right to such revocation.

EFFECTIVE DATE

SEC. 5. This Act shall become effective on the first day of the third month following the month in which it is enacted.●

By Mr. ABDNOR (for himself, Mr. NICKLES, and Mr. MCCLURE):

S. 1393. A bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes; to the Committee on Environment and Public Works.

STUDY ON USE OF UNLEADED FUEL IN AGRICULTURAL MACHINERY

Mr. ABDNOR. Mr. President, I am pleased to introduce today a measure, on behalf of myself and the Senator from Oklahoma, Mr. NICKLES, to require a study of the potential effects a ban on lead, used as a fuel additive, would have upon the agricultural sector.

Simply stated, Mr. President, this measure would direct the Environmental Protection Agency [EPA] to conduct a study in cooperation with the U.S. Department of Agriculture [USDA] to gauge the effects of a lead ban upon the agriculture community. My bill requires that the results of this study be published in the Federal Register no later than January 1, 1987, and that a full report be submitted to Congress no later than January 1, 1988. This report shall include recommendations on the need for lead additives in gasoline used in agricultural machinery. Finally, my bill states that no ban on leaded gasoline could be implemented until 3 months after this report is filed with Congress.

Agriculture is the forgotten economy. Farmers have not shared in the economic recovery the rest of the Nation has enjoyed. In fact, commodity prices are at postdepression lows, and land values have dropped dramatically, and agricultural exports have fallen for 4 consecutive years.

In light of the current hardships in the agricultural community, any measure, regulation, or law which would add to farmers' overwhelming costs of production could be the "straw that breaks the camel's back."

The American Farm Bureau Federation is now conducting a survey of farmers and ranchers in order to determine how a complete ban of lead in gasoline would effect the agricultural community. The preliminary results indicate that 84 percent of the gasoline consumed on farms is leaded fuel—used to power farm machinery and farm implements. This machinery in most cases has a productive life of 20 years or more. The expected life could be shortened drastically if unleaded fuel is used in these engines designed for leaded gasoline and its lubricative values.

I wish to make it clear that I have no intention of altering the proposed EPA phase-down of lead in fuel. The potential health benefits of a lead phase-down are substantial; any measure which will improve the health of our children must receive our full consideration and support. The evidence showing the negative health consequences of high lead levels in paint and fuel is significant. However, the negative health consequences of very low lead levels in fuel has not been clearly demonstrated and even EPA officials question whether reducing

the level of lead in fuel below 0.1 grams per gallon would yield any perceptible health benefits.

Under current EPA regulations, the maximum amount of lead permissible in gasoline will be 0.1 grams per gallon by January 1, 1986. This represents a 90-percent reduction in lead from the present level of 1.1 grams per gallon [GPG]. Before a total ban of lead as a fuel additive is implemented, I feel that a thorough study of how such a ban would affect the fragile farm economy is necessary.

At this time EPA contends that the burning of unleaded fuel in engines designed for leaded fuel would not be harmful to the valves and other parts of these engines which need the additional lubrication provided by lead. However, EPA research was conducted on U.S. Postal Service and Department of Defense vehicles which do not operate under the same heavy-load, high rpm, and other stressful conditions under which farm engines operate. I am concerned that under typical farm or ranch work conditions, engines designed for leaded fuel could experience very premature valve seat wear from a lack of lead as a lubricant. Therefore, it is imperative that EPA conduct a study in conjunction with USDA which would examine the performance of engines operating under typical agricultural conditions if these engines—which are designed to burn leaded fuel—are powered by unleaded fuel only. The concerns of our Nation's farmers and ranchers must be taken into account and we all have the right to know what kind of damage, if any, would occur if a complete ban on leaded fuel was implemented.

According to the Farm Bureau, a complete ban of leaded fuel could make it necessary to replace all tractors, combines, and windrowers which presently run on leaded fuel. The estimated average cost of such replacement would be $90,000 per farm. At a time when farm income is at an all-time low, such an expense would force thousands of farmers into bankruptcy or force them to leave farming. Additionally, such an expense would disproportionately affect small- and average-sized farmers since these farmers typically use older, leaded-gasoline-powered farm tractors and combines.

It has been argued that, in some cases, it would be possible to retrofit engines designed for leaded fuel consumption with hardened valves seats which are less susceptible to valve wear. Even by EPA's own figures this retrofitting would cost $500 per engine, a formidable cost when one considers the desperate conditions which the farm sector is now experiencing.

Mr. President, it is clear that there is a need for a complete and thorough study of the potential negative effects a ban on lead used as a fuel additive would have on the farm sector. The possible problems and economic hardships caused by such a ban should be carefully researched and determined. To do less would be to sentence our Nation's farmers to a term of possible economic disaster. I urge my colleagues to support this legislation which would require EPA and USDA to conduct this desperately needed study.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STUDY OF LEADED FUEL IN AGRICULTURAL MACHINERY.

(a) JOINT STUDY.—The Administrator of the Environmental Protection Agency and the Secretary of Agriculture shall jointly conduct a study of the use of fuel containing lead additives in gasoline engines which—

(1) are used in agricultural machinery, and

(2) are designed to combust fuel containing such additives.

The study shall analyze any mechanical problems (including but not limited to valve recession) which may be associated with the use of other fuels in such engines.

(b) CONTRACTS AND OTHER ARRANGEMENTS.—For purposes of the study under this Act, the Administrator of the Environmental Protection Agency and the Secretary of Agriculture are authorized to enter into such contracts and other arrangements as may be appropriate to obtain the necessary technical information. All testing of engines carried out for purposes of such study shall be reflective of actual agricultural conditions to the extent practicable, including revolutions per minute and payloads.

(c) FINDINGS AND REPORT.—The Administrator of the Environmental Protection Agency and the Secretary of Agriculture shall jointly publish in the Federal Register not later than January 1, 1987, their proposed findings pursuant to such study. After notice and opportunity for hearing, but not later than January 1, 1988, the Administrator and Secretary shall jointly submit to Congress a final report containing the results of the study under this section, together with any public comments received and recommendations on the need for lead additives in gasoline to be used by agricultural machinery.

(d) AGRICULTURAL MACHINERY.—The Secretary of Agriculture shall specify the types and items of agricultural machinery to be covered by the study under this Act.

(e) REGULATION OF LEAD ADDITIVES DURING STUDY.—No regulation of the Administrator under section 211 of the Clean Air Act (42 U.S.C. 7545) or any other provision of law regarding the control or prohibition of lead additives in gasoline may require an average lead content per gallon which is less than 0.1 gram per gallon until the date 3 months after the report required by subsection (c) has been submitted to Congress.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

For fiscal years beginning after September 30, 1985, there is authorized to be appropriated $250,000 to carry out section 1 of this Act.

Mr. NICKLES. Mr. President, it is my pleasure to join my colleague from South Dakota, Senator ABDNOR, in introducing legislation which would put the brakes on the Environmental Protection Agency's proposal to ban leaded gasoline by 1988. Proper study and consideration must be given to determine if such a move would have an adverse impact on the agriculture community.

A recent survey of over 3,000 farmers and ranchers found an average of 10 lead gas burning engines per farm, ranging from chainsaws and grain augers to combines. A ban on leaded gasoline could cost individual farmers $100,000 if their equipment had to be replaced. The fact is, EPA doesn't really know if this farm machinery would be permanently damaged by fueling with unleaded gasoline. We need to know and this bill would let us find out under actual working conditions.

The legislation we are introducing today would require the Secretary of Agriculture and the EPA Administrator to jointly analyze any mechanical problems which may stem from the use of nonleaded fuels in engines of agricultural machinery.

Most farmers could not afford to buy new machinery if they wanted to. They are having a hard enough time trying to service what they have. All too often, Federal agencies step blindly forward without giving adequate consideration to the drawbacks in the regulations they propose. Proper attention must be given to the adverse impact Government actions can have on our Nation's farmers and ranchers.

I urge my colleagues to join us in support of this legislation.

By Mr. LEAHY:

S. 1394. A bill to provide matching Federal assistance to joint initiatives by private industry, institutions of higher education, and State governments to strengthen the application of science, engineering, and technology, and for other purposes; to the Committee on Labor and Human Resources.

TECHNOLOGY EDUCATION AND EXTENSION ACT

● Mr. LEAHY. Mr. President, the bill I am presenting to the Senate today can accurately be described as a bill to inspire a resurgence in American technology.

That alone would be enough to make this vital legislation.

But it would be equally accurate to say this is a bill to help sustain our national security. And it would be no less true to call this a bill to assure our competitive future.

I like these two alternative ways of describing the Technology Education and Extension Act of 1985 because

they stand for two challenges which this Nation must meet—challenges that must not be deferred or ignored. One is the competition with the Soviet Union to maintain a strong defense and to keep a secure peace, and the other is the contest with many other nations for a certain economic future.

Both of these challenges are alike in one important way: Meeting them will depend on whether Americans will continue to be the world's best researchers, brightest inventors, and most skilled workers.

We've always been the leader of the world in technology, but today—and more importantly, for tomorrow—that position is not secure.

Japan produces twice as many electrical engineers for its size as we do. West Germany graduates five times as many engineers.

Our share of high-technology products sold in the world has dropped from 30 to 20 percent in the last 20 years.

We have dropped from second to seventh among the leading industrial nations in the skill level of our workers.

We are not turning out the engineers we need, and we are not even certain what training they should have to meet the challenges that are a few years down the road.

Our work force is as bright as any in the world. But our men and women are not trained for today's and tomorrow's new industries.

This brings me to the industries themselves: We are not yet committing enough dollars to research and development to give us a sure picture of what those industries will look like in 5 or 10 years. It's pretty hard to get workers ready for an uncharted future.

I am pleased that last year we took a big step forward with legislation that for the first time sanctions joint research and development projects by two or more companies, without running afoul of our antitrust laws.

That is a good beginning, but clearly it is only the start.

The joint research and development statute permits working together. The Technology Education and Extension Act of 1985 will promote it.

I have designed the bill to remind everyone of why the United States had become—and will remain—the leader of the world in bringing the benefits of science and technology to our own people and to mankind.

That key is sharing.

Through sharing between higher education and industry, the inspired work in a university laboratory can become a cure for an intractable disease, available to all who need it.

In turn, the bounty from a profitable patent can find its way back into a university science program, to fund the genius of tomorrow.

Men and women whose primary interest is science can work with industry counterparts to apply that science, both giving and taking inspiration and direction.

Mr. President, the legislation I am proposing today would not be possible without this deep and rich tradition of sharing among the men and women of skill and talent all around this country.

What the bill seeks to do is to invigorate that tradition, to create the means for it to thrive, and to open with renewed determination the doors through which the fruits of science and technology have always been transferred and extended to the communities that have sorely needed them.

I like using the model of a partnership to describe how this bill will work, because in a traditional partnership each partner makes an investment, and each hopes to reap a benefit.

That's how I see this bill, exactly.

It would have three main goals:

To bolster technology-related education in colleges and universities, including 2- and 4-year colleges and graduate schools,

To coordinate the needs and plans of higher education and industry—to start a dialog that will talk about the next generation of American industry and technology, and

To establish high technology extension centers to provide training and retraining and to encourage the efficient dissemination of skills and information within the wider community.

The heart of the Technology Education and Extension Act would be a trust fund, created by royalties from the mining of public lands.

The TEEA would authorize a program of competitive grants for technology education or research projects in colleges and universities or in newly designed programs in which education, industry, and government would pool resources and talents to address specific research or training goals.

The most prominent program in the bill will be the high technology extension centers. These will be projects to provide a way for colleges and universities to extend their technical expertise wherever it is needed.

In many parts of the country, research, development, and training skills are clustered in institutions of higher education, which may not be located in the same communities that want to attract new industries or revitalize old ones.

The high technology extension centers will fill that need.

Extension centers will be used to bring educators into worker training programs.

Extension centers will be used to help localities assess their industrial development futures.

Extension centers will help fledgling industries to evaluate the feasibility of alternative technologies or to learn about developments flowing from successful experiments elsewhere in the country.

Extension centers will spread the fruits of research.

They will spur entrepreneurship.

They will mean that in this information age—finally—no region of this country, however distant from an urban center, need fall behind or lose out because it lacks indigenous skills or resources.

The extension centers are meant to be analogous to the agricultural extension services now successfully operating in Vermont and elsewhere, but not exact copies.

Generally agricultural extension work is conducted through a single college in each State and operates in cooperation with the U.S. Department of Agriculture. The activities follow a definite pattern, within the prescription of 7 U.S.C. 342.

High tech extension centers will not be limited to particular numbers within a State, will not have to be the same in structure, size, or specific purpose. They will all be useful consortiums of industry, education, and government with a well-defined plan to assist the area or the region through training, resource or feasibility analysis, technology transfer—all aimed at helping existing industries or attracting new ones.

The length of service for extension centers will vary with the scope of its plan, but grants are not intended to be part of a project's permanent financing. They should last only so long as they are needed, and each grant application will have to specify how its goals will be met within the resources and the timeframe it describes.

I should add that where high tech extension centers can cooperate with existing agricultural extension services, because of commonality of purpose, there is every reason to promote that cooperation. The extension service itself can be a member of an applicant group.

There are no special limits on the kinds of grants that can flow to higher education institutions to improve research or technology-related education. As with the high tech extension centers, the questions are practical ones: What kinds of plans and programs will ultimately boost the quality of American technology?

Though we have defined "technology" in this bill, the National Science Foundation will have a great responsibility as well as broad discretion to target grants—both the education and the extension—toward our greatest needs and the greatest potential for productivity.

Whether the recipient is an institution of higher learning or an extension center, the Federal share of any grant would not exceed 50 percent of its cost, with State or local government and industry providing the balance.

The inclusion of industry as a voluntary partner assures that its voice will be heard, as a work force for the future is developed, and will encourage industry to lend its people, as well as its dollars, to the educational process.

The inclusion of State and local funds—which may be in-kind—will give a major stake in any grant to those government units closest to the people who will be developing the skills and filling the jobs which are the ultimate goals of this legislation.

This bill is similar in its outward design to one introduced in 1983 by Senator Paul Tsongas of Massachusetts and others. His S. 631 was an excellent bill, and he is to be commended for the thought and effort that it reflects.

I was pleased that S. 631 was named the "High Technology Morrill Act," after Justin Morrill, a Vermonter whose monumental 1862 legislation established for the land-grant college system and literally revolutionized American higher education.

That bill quite rightly decried the defects in our educational system from the lowest grades, on through our graduate schools. It was a comprehensive bill that would have sought, in one enactment, to address every level of the problem, and as such its goals were noble and ambitious.

But at a time of colossal deficits, we need carefully targeted solutions to distinguishable national problems.

I think we should reverse the inexcusable nonchalance about math and science education in elementary and secondary schools, and at the same time we should prompt universities and industry to pool their brainpower.

But I think each of these goals should have its own set of answers. The problems of elementary and secondary education are very different from the quest for stronger cooperation between higher education and industry.

I think that the Technology Education and Extension Act will work very well in concert with existing and pending legislation designed to promote better math and science education at the elementary and secondary levels.

I strongly support the pending American Defense Education Act, which would improve the quality of teaching in math, the sciences, technology, communication skills, and foreign languages, through the high school level.

And I would also like to see the elementary and secondary education provisions of the Education for Economic Security Act, already on the books, but without an appropriation, funded by the Congress to address the problem of promoting better early instruction in the sciences and mathematics.

But if excellence in early education is our guarantee for the future, the legislation I am presenting today responds to the need for technology and our determination to compete in the world marketplace now.

It is designed to help us marshal and organize all of our present productive strength.

I strongly believe that technology extension is to technology what conservation is to energy resources. In both, the theme is the same—to better use what we already have.

And the higher education component of this bill will go a long way to assure that our brightest minds will continue to function in the most supportive possible environments.

Mr. President, there are some who might say that we cannot afford this bill right now.

I say we cannot afford to go much longer without this kind of support for the future of American technology.

I ask unanimous consent that the text of the bill be printed in the RECORD, along with a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Technology Education and Extension Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) the future economic growth and development of the United States and its position in the competitive world marketplace will depend increasingly on the quality of its technology and the ability of its basic industries to apply that technology with proficiency and imagination;

(2) this innovative spirit will thrive only if our education system offers strong support for the basic sciences and comprehensive training in new fields of technology, and then, only if our society provides a practical means of extending the benefits of that education and training to the industries and regions that need them;

(3) cooperation between the academic community and industry is essential if the promise of new technology is to be translated into greater productivity, an improved national economy, and enhanced citizen satisfaction; and effective programs for the extension of technology are the essence of that cooperation;

(4) the national resources available for improving technology-related higher education, including two- and four-year colleges and graduate schools, and promoting technology extension are presently inadequate to meet these national goals; and

(5) a national partnership among higher education, industry, and government can most effectively promote the improvement of scientific engineering, and technical education in colleges and universities and provide for the extension of high technology skills in areas where they are vitally needed, for the mutual benefit of workers, communities, and the Nation.

STATEMENT OF PURPOSE

SEC. 3. It is the purpose of this Act to—

(1) strengthen programs in science, technology, and engineering in both public and private colleges and universities and to assure an adequate supply of personnel to serve in high technology industries and in education;

(2) establish high technology extension centers to provide training and retraining of employees and to encourage the effective dissemination of skills and information within the wider community;

(3) encourage the scientific and technological research needed to maintain the competitive position of the United States in the world market and to enhance the Nation's security;

(4) coordinate and facilitate the alliance of industry and education in such areas as curriculum design, industrial program development, long-term research planning, personnel needs projections, and productivity assessments for both industry and educational institutions; and

DEFINITIONS

SEC. 4. As used in this Act—

(1) The term "Director" means the Director of the National Science Foundation.

(2) The term "institution of higher education" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965.

(3) The term "State" means each of the several States and the District of Columbia.

(4) The term "technology" means both the branch of knowledge dealing with the principles of the physical sciences, biological sciences, chemical sciences, engineering, computer sciences, as well as the application of any such knowledge to industrial, commercial, or other practical objectives.

(5) The term "Trust Fund" means the Technology Education and Extension Trust Fund established under section 5 of this Act.

ESTABLISHMENT OF THE TECHNOLOGY EDUCATION AND EXTENSION TRUST FUND

SEC. 5. (a)(1) There is established in the Treasury of the United States a trust fund to be known as the "Technology Education and Extension Trust Fund" consisting of such amounts as are transferred to the Trust Fund under subsection (b). Subject to subsection (d) the Trust Fund shall remain available without fiscal year limitation and the amounts may be used only for payments in accordance with this Act.

(2) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation status of the Trust Fund during the preceding fiscal year.

(b) The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Trust Fund—

(1) for fiscal year 1986, 2 per centum,

(2) for fiscal year 1987, 2 per centum,

(3) for fiscal year 1988, 2 per centum,

(4) for fiscal year 1989, 2 per centum, and

(5) for fiscal year 1990, 2 per centum,

of the rents, royalties, and other sums paid to the United States under—

(A) the Outer Continental Shelf Lands Act;

(B) the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium in the public domain", approved February 25, 1920 (commonly known as the Mineral Leasing Act of 1920); and

(C) any other Federal statute authorizing payments for mineral resource development designated by the Secretary of the Treasury for the purpose of this Act;

except that transfers under this subsection shall not exceed $100,000,000 in any one fiscal year. The amounts required to be transferred under this subsection shall be transferred at least quarterly on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in any amount subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(c)(1) Amounts in the Trust Fund shall be available for making payments in accordance with this Act as provided in advance by appropriations Acts.

(2) Notwithstanding any other provision of law, unless enacted in specific limitation with the provision of this subsection, any funds appropriated from the Trust Fund to carry out this Act shall remain available without fiscal year limitation.

(d)(1) No transfers required by subsection (b) of this section may be made by the Secretary of the Treasury to the Trust Fund after September 30, 1992.

(2) The Secretary of the Treasury shall pay into the general fund of the Treasury any amounts remaining in the Trust Fund after September 30, 1992, which were not expended and remain in the Trust Fund.

TECHNOLOGY EDUCATION AND EXTENSION GRANTS

SEC. 6. (a)(1) The Director, after consultation with the Secretary of Commerce and the Secretary of Education, is authorized to make grants, for the uses, and in accordance with the procedures, set forth in this Act, to institutions of higher education, business concerns, nonprofit private organizations, and State or local public agencies or instrumentalities.

(2) An application may be instituted under paragraph (1) by an institution of higher education, a business concern, a nonprofit private organization, or a State or local public agency or instrumentality, singly, if the applicant furnishes the assurances contained in clause (2) of subsection (b). An institution of higher education, a business concern, and a State or local agency or instrumentality may file a joint application.

(b) Each applicant shall prepare and submit an application at such time, in such manner, and containing or accompanied by such information as the Director deems reasonably necessary. Each applicant shall—

(1) provide a description of the activities for which assistance is sought, including an estimate of the costs of the activities and the location in which the activities will be carried out,

(2) provide assurances that the applicant will pay from non-Federal sources, or secure payment of, the remaining cost of carrying out the application, and identify any other prospective sources of funding, indicating the amount and nature of the contribution from each such other source,

(3) provide justification for any operational cost associated with carrying out the activities so described which have been supported under this Act for a period of more than one year,

(4) provide an analysis of the benefits which such activities may be expected to produce, particularly economic, employment, and educational benefits, and

(5) provide such fiscal control and fund accounting procedures as may be necessary—

(A) to ensure a proper accounting of Federal funds paid to the applicant under this Act; and

(B) to ensure the verification of the costs of the technology education program furnished by the applicant.

(c) Applications made under this section may not be approved unless the Director determines that—

(1) the application meets the requirements set forth in section 7 of this Act and is consistent with the other provisions of this Act,

(2) the activities for which assistance is sought under the application describe innovative approaches in the fields of technology education, extension, or application which are not adequately addressed by existing public or private programs, and

(3) the activities described in the application are likely to result in sustained efforts or lasting improvements in the courses offered by the institutions of higher education, the training offered by the extension centers, and the services offered by any other organization or entity receiving grant funds under this Act.

(d) No grant may be made under this section unless the application is consistent with the economic development and educational policies of the State, as determined by the chief executive of the State.

USES OF FUNDS

SEC. 7. Grants made under this Act may be used—

(1) to establish, improve, and promote high technology education and research within institutions of higher education, including the attraction and retention of faculty and the enhancement of effectiveness through new or experimental teaching methods of curricula,

(2) to develop, modernize, or expand laboratories and related facilities, including therein all of the necessary equipment and instrumentation,

(3) to establish and maintain high technology extension centers to train or retrain students and teachers to stimulate applied research, to encourage technology transfer, and to promote an appropriate climate for investment in technology-related industries, combining available resources from colleges and universities, business and industry, State and local government, and nonprofit organizations, and

(4) to develop programs to coordinate academic high technology programs with industry-based research and training, to promote the common use of resources, to improve curriculum design within academic centers and program development within the private sector, to avoid unnecessary duplication, and to stimulate interest in high technology careers,

(4) to improve the access of women, minorities, and the handicapped to technical, engineering, and scientific fields.

PAYMENTS; DISTRIBUTION OF FUNDS

SEC. 8. (a)(1) From the amounts appropriated for each fiscal year pursuant to section 5, the Director shall pay, in accordance with the provisions of this Act, to each applicant which has an application approved under section 7, an amount equal to the Federal share of the cost of activities described in the application.

(2)(A) The Federal share of the cost of carrying cut the application under this Act shall not exceed 50 per centum for any fiscal year.

(B) The non-Federal share shall be in cash or in-kind.

(b)(1) Payments under this Act shall be made as soon as practicable after approval of the application.

(2) Payments under this Act may be made in installments, in advance, or by way of reimbursement with necessary adjustments in account on overpayments and underpayments.

(c) In carrying out this Act, the Director may enter into contracts with any applicants having an application approved under section 6 containing provisions for multiyear obligations.

WITHHOLDING

SEC. 9. Whenever the Director, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section 6, the Director shall notify the applicant that further payments will not be made under this Act until he is satisfied that there is no longer any failure to comply. Until he is so satisfied, no further payments shall be made under this Act.

ADMINISTRATION

SEC. 10. (a) In order to carry out this Act, the Director is authorized—

(1) with the approval of the Secretary of Commerce and the Secretary of Education to establish, rescind, and amend such rules and regulations as may be necessary;

(2) to appoint and fix the compensation of such personnel as may be necessary;

(3) to procure temporary and intermittent services to the same extent as authorized by section 31 of title 5, United States Code;

(4) in consultation with the Secretary of Commerce and the Secretary of Education, to establish such advisory committees including representatives of industry, the academic community, State governments, professional societies, and labor organizations; and

(5) to accept and use with their consent with or without reimbursement, such services, equipment, and facilities of other Federal agencies as are necessary to carry out such functions efficiently.

(b) Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, as determined by the Director, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

(c) Each Federal agency is authorized and directed to furnish such services, equipment, and facilities directly to the Director, upon a written request made by the Director.

(d)(1) In carrying out the provisions of this Act the Director shall consult with the Secretary of Defense to coordinate technical training programs supported by the Department of Defense and activities assisted under this Act.

(2) Whenever the Secretary of Defense determines that funds available for technical training programs to the Department of Defense are available for and would contribute to carrying out the purposes of this Act, the Secretary of Defense is authorized to transfer such funds for use by the Director in carrying out the provisions of this Act.

(e) The Director shall prepare and submit to Congress an annual report on the activities assisted by this Act during the preceding fiscal year.

AUDIT

SEC. 11. The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant receiving assistance under this Act that are pertinent to the sums received and disbursed under this Act.

SECTION-BY-SECTION ANALYSIS

Section 2.—Like the bill itself, the Congressional findings stress two main areas: improving high-technology related higher education and extending the benefits of university education and research to the wider community.

The central finding is (4), that the resources to achieve these two principal goals are now inadequate.

Section 3.—The first two purposes stated in this section correspond to the two large goals set forth in Section 2.

The words "strengthen programs" is broad enough to cover improvements both in the quality of teaching and the quality and range of research programs.

The bill throughout refers to "high technology extension centers," not to a high technology "extension service." The difference reflects the difference in concept between this bill and the existing agricultural extension services connected to land-grant colleges in the states.

Centers are intended to be set up to achieve specific, directed goals. They will not be government agencies and will end when their purpose is achieved. There can be many centers in a state, if there are many fundable projects. They can work with different higher education institutions and can include one or more industry partners, government boards or agencies, nonprofit organizations, and even an existing agricultural extension service.

The test for a prospective high tech extension center that otherwise meets the requirements of the legislation is simple: Will it get the job done?

Section 4.—The only term requiring comment here is "technology." A definition is included to establish for the record that the term is much broader than the current popular understanding, which might lean too heavily in the direction of simply computer technology.

It is also important to state that technology includes both the branch of knowledge itself, as well as the application of that knowledge. In some ways the term "technology" has come to connote the application of knowledge, more than the knowledge itself.

It is very difficult to draw distinct lines between pure and applied science in the high technology area, because of the rate of development and change. "Theoretical" research has very often come to the marketplace in record time, and the sponsors want to make clear that the worth of a proposed application should not turn on artificial distinctions. There should be some showing in an application that an education or research grant will be likely to be translated into practical improvements in technology within a reasonable period, but just what that period will be will necessarily vary greatly from project to project.

The sponsors do not attempt to define "high technology" in the bill itself, not because of any inherent problems in describing high technology, at least as it is now perceived, but rather because of the likelihood that such a definition would have implied a degree of precision or exactness in the choice of grant candidates that is not realistic, and which might actually be harmful.

What is high technology today might not be thought so tomorrow. The bill's standards are meant to give very clear directions to the National Science Foundation in administering the grant program. But at some point clarity becomes constriction, and on balance, the sponsors believe that defining "high technology" would be that point.

Section 5.—The Technology Education and Extension Fund will rely on royalties from the leasing of public lands under the Outer Continental Shelf Lands Act and the Mineral Leasing Act of 1920.

Transfers will be limited to a five-year period, and in no year will the amount transferred exceed $100,000,000.

Section 6.—The Director of the NSF will be responsible for making grant awards under the Act, after consulting with the Secretaries of Commerce and Education.

Section 6(a)(2) establishes the flexibility possible in the makeup of an applicant. While most applications are expected to be joint efforts, given the strong statutory preference for working community partnerships, there are no formal constraints on the organizational structure of applicants.

The federal share of the cost of an award is limited to 50 percent, with state or local governments and private sources providing the balance.

Under Section 6(c)(2), the grant activities must consist of innovations that are not adequately addressed by existing public or private programs. Under the earlier Tsongas bill, these activities had to be not addressed at all to qualify for grant funds. The sponsors believe that there will be few instances where the problems addressed by a grant application will have been wholly unaddressed at the time an application is filed. The standard is intended to be a practical and workable one.

Section 7.—The uses of funds section should need little elaboration, as the intent is to describe specific programs that promote high technology education, research, and extension.

For colleges and universities, the emphasis will be both on the improvement of teaching and the upgrading of laboratories and instrumentation. The TEEA will not be able to grant student aid.

The philosophy of the extension centers is discussed in the analysis of Section 3. It is the intention of the sponsors to give equal weight to student and teacher training and retraining, applied research (research in an institution of higher learning may be theoretical or applied), technology transfer, and the promotion of a healthy climate for technology-related investment. The last category is much more general than the earlier three, but a specific program is still required. If the grant is designed to assess the capability of a region to attract and maintain high-technology industries, the specific outlines of that assessment, together with budget projections, would be expected with the application, as with any other specific program.

Section 8.—This section should be clear on its face. It is the intent of the sponsors that the regulations implementing this Act should be clear and detailed and that the in-kind contributions represent auditable fair-market figures.

Section 9.—Withholding future payments for noncompliance, after notice and an opportunity for hearing, is a necessary sanction. It is not intended by the sponsors to be the sole remedy for substantial noncompliance with the terms and conditions of a grant.

Section 10.—It should be noted that while the Director of the National Science Foundation makes grants after "consultation" with the Secretaries of Commerce and Education under Section 6, regulations are to be adopted "with the approval" of these Secretaries.

Section 11.—It is intended that audit controls for granted programs will be particularly well implemented and that accountability standards will be very high. Regulations issued under Section 10 should be clear and thorough on the nature of the audit standards.●

By Mr. MATHIAS:

S. 1395. A bill to amend title 9 of the United States Code regarding arbitral awards; to the Committee on the Judiciary.

INTERNATIONAL ARBITRATION ENFORCEMENT

● Mr. MATHIAS. Mr. President, today I am introducing a bill that would allow U.S. courts to help Americans engaged in international business get a fair shake in court. It would enable U.S. courts to enforce the decisions of international arbitrators, which they cannot do now.

The procedure of submitting disputes to an impartial arbitrator extends back to the earliest days of international law. Thucydides writes that a treaty of alliance between Sparta and Argos in 418 B.C. stipulated that they submit their differnces to arbitration on fair and equal terms. Today, more than 2½ millenia later, international arbitration is relied on increasingly as a mechanism for resolving international disputes, but this time the controversies involve commercial relationships between governments and private individuals or corporations.

Under this procedure, an arbitration clause is written into an agreement negotiated between a foreign company and the government of the country in which it wishes to do business. The clause stipulates that any disputes that arise can be resolved by a mutally agreed upon arbitrator or by an arbitrator assigned by the International Court of Justice. From the point of view of the business executive or corporation, this process has obvious advantages to the alternative—litigation in the judicial system of the country involved.

Of course, if one of the parties refuses to comply with the decision of the arbitrator, the matter is still likely to end up in court when the other party tries to have the arbitrator's decision enforced.

Serious uncertainties surround the enforcement of international arbitration proceedings. On several occasions the courts have failed to recognize ar-

bitration awards against foreign governments because they have been interpreted as conflicting with the act of state doctrine or the Foreign Sovereign Immunity Act.

The bill I am introducing today will reassure U.S. businesses that the international arbitration process will work. It does so by stipulating that U.S. courts cannot invoke the act of state doctrine or the sovereign immunity defense as a basis for refusing to recognize an otherwise valid arbitration award. This modification is entirely consistent with our international obligations, and it does not permit a court to re-try the case or second-guess the arbitrator's findings of fact and law. The court could only examine the procedural issues-whether or not the terms of the arbitration clause were followed, and whether or not the arbitrator's decision was in accord with the norms of international law to the extent articulated in the New York Convention for the Recognition and Enforcement of Foreign Arbitral Awards.

Some of my colleagues are familiar with a broader measure I introduced in this Congress, S. 1071. That bill amends the Foreign Sovereign Immunities Act to perfect the jurisdiction of the court and provide for better enforcement and execution of judgments once they are rendered by U.S. courts. The reform I am proposing today is more limited in scope, as it applies only to the enforcement of arbitral awards, not to firsthand international legal cases that are brought before U.S. courts.

One case in particular illustrates the shortcomings of current law. In 1955, LIAMCO—the Libyan American Oil Co.—and the Libyan Government signed a contract giving the company oil exploration and production rights. The agreement specified that arbitration would be used to settle any contract disagreement. Thus, when the Libyan Government nationalized 51 percent of LIAMCO's concessions in 1973 and refused to provide compensation, in violation of the contract, LIAMCO initiated arbitration proceedings.

The International Court of Justice chose a Lebanese jurist to hear the case, and the arbitration was held in Geneva. Libya refused to participate, and the arbitrator issued a default award to LIAMCO in the amount of $80 million.

When Libya refused to comply with the decision, LIAMCO brought the case before the U.S. District Court of the District of Columbia, and asked that it enforce the award. The court, while acknowledging that the Libyan Government had waived its right to sovereign immunity when it agreed to the original contract, held that it could not move to enforce the award. This, the court found, would violate the act of state doctrine because it would put the court in the position of passing judgment on the political decisions of the Libyan Government to nationalize LIAMCO's holdings.

Both Libya and LIAMCO disagreed with the judge's ruling. LIAMCO claimed that enforcing the award would have no relationship to the act of state doctrine. By enforcing the award the court would not have to deal with whether Libya was right or wrong in its decision to nationalize its oil wells. The court only had to enforce the arbitrator's decision. Libya continued to insist that it was protected by the sovereign immunity doctrine. Seeing the problems that arose in this case, a large group of amici curiae lamented the misapplication of the act of state doctrine in cases dealing with the enforcement and confirmation of arbitral awards. However, before the court of appeals could decide on the issue, LIAMCO and the Government of Libya settled out of court. Even though the case was dropped, however, the problem remains.

Since arbitration agreements are becoming more common as a means of settling international commercial disputes, we need this simple guarantee to secure the safety of U.S. companies' interests abroad. This amendment would recognize the positive role of international arbitration and encourage its use. It would also prevent U.S. courts from invoking the act of state doctrine in inappropriate cases, and it would prevent the foreign government from invoking the sovereign immunity defense to escape enforcement of arbitral awards.

Reform is needed to promote the international rule of law, which provides the protection that U.S. businesses need when they operate overseas.

I ask all my colleagues to give serious thought to the problems I have outlined and the remedy I propose.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 207 of title 9, United States Code, is amended by adding at the end thereof the following: "An agreement to arbitrate shall be deemed to constitute consent to proceedings to recognize, confirm, or enforce by levy, attachment, or otherwise any arbitral award made pursuant to such agreement and referred to in this section, and neither the federal act of state doctrine nor the doctrine of sovereign immunity shall constitute grounds or be the basis for refusal or deferral of recognition, confirmation, or enforcement of any such arbitral award against a foreign state or an agency or an instrumentality of a foreign state.".●

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 1396. A bill to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes; to the Select Committee on Indian Affairs.

WHITE EARTH RESERVATION LAND SETTLEMENT ACT

● Mr. BOSCHWITZ. Mr. President, today I am joined by Senator DURENBERGER in introducing the White Earth Reservation Land Settlement Act of 1985.

This bill seeks to solve a very difficult and complex land claims problem that exists on the White Earth Reservation in Minnesota. Over 100,000 acres of land on the reservation are subject to claims. Our bill would provide compensation to the Indian allottees or their heirs while at the same time removing the cloud on the titles to the affected lands.

BACKGROUND

The approximately 825,000 acres of land which comprise the White Earth Chippewa Reservation in Mahnomen, Becker, and Clearwater Counties, MN, were originally wholly owned by several bands of Chippewa Indians. Through a series of treaties culminating in 1867, the United States agreed to reserve and preserve this land for the use and benefit of the Chippewas.

In 1889, Congress, under the Nelson Act, directed the Secretary of the Interior to divide up the 36 townships of land reserved by the 1867 treaty and to provide a parcel to each living Indian. The process of selection of tracts by individual Indians began in the early 1890's, and the first trust patents were issued in 1902. In accordance with the terms of the General Allotment Act of 1887, each trust patent issued to an individual Indian guaranteed that the United States would hold title to the land in trust for the Indian or his heirs for a period of 25 years from the date of issuance, and that no taxes or assessments could be imposed during that period, nor would any conveyance or encumbrance of the land be valid without approval of the Secretary of the Interior. Most White Earth trust patents were issued in 1902, 1907, or 1908.

An Executive order signed in 1927 had the effect of extending, for an additional 10 years, all trust periods which would have expired in 1927 on White Earth allotments, with the exception of a small number of tracts specifically listed. Similar orders extended all trust periods at White Earth which would have expired in 1932 or 1933. With the passage of the Indian reorganization in 1934, all trust periods then in existence, including those which had been extended by Ex-

ecutive order, were extended indefinitely.

To this point, the legal history of the allotment process at White Earth does not differ substantially from that of a number of other reservations. This history however was made immeasurably more complicated by the passage by Congress of what is commonly called the Clapp amendment in 1906. That statute purported to provide that adult mixed blood White Earth Chippewas took their allotments in fee simple rather than subject to any trust. But the language of the provision, even though fairly straightforward, cannot be taken at face value. A number of judicial decisions such as Minnesota versus Zay Zah (1977) have dealt with its effect. Taken together, they have held that the General Allotment Act, and the issuance of trust patents thereunder, created vested rights in the Indians—rights which Congress could not unilaterally abrogate without compensation.

Among the vested rights, which Congress did not terminate by the Clapp amendment, were the right to the continuance of the trust relationship and the right to immunity from taxation for the original 25-year period plus applicable extensions, unless the adult mixed blood or his heirs took some affirmative action evidencing a desire to terminate the trust, such as selling or mortgaging the land. The solicitor, in 1979, has also ruled that, since the Clapp amendment did not terminate the trust relationship, it is the Department of the Interior, and not State or local probate courts, which has jurisdiction and responsibility to determine the heirs of deceased White Earth Chippewas and to distribute their trust estates.

WHITH EARTH RESERVATION LAND SETTLEMENT ACT OF 1985

These very complex issues will lead to protracted litigation if not resolved by legislation. And the only certain result of litigating those claims is that these problems would continue to exist for a long time. If litigated, there are no assurances those making the claims would prevail, especially those claims resulting from minor aged sales and improper probates. If litigated, the White Earth Band as an entity would have no claim.

By contrast, this legislative solution has the following components.

First, compensation would be provided for all the claims. The allottees and heirs would receive compensation equal to the value of the land at the time of taking plus 5 percent compounded interest. The Department of the Interior estimates that this compensation would total approximately $10.4 million. The Minnesota delegation will seek the appropriation of that amount. It will be placed into a trust account on behalf of the heirs and allottees. Any unclaimed shares will revert to the White Earth Band.

Second, an additional $3.5 million will be provided to the White Earth Band for economic development.

Third, the State of Minnesota, by an act of the State legislature, will provide 10,000 acres of current State and county land to the band.

Fourth, allottees and heirs would have 180 days following enactment to file suit to regain title of the land, at the same time forfeiting any claim to this compensation.

Fifth, the clearance of titles would take place following the appropriation of the $10.4 million for the heirs compensation funds, and the Secretary of the Interior's approval of the 10,000 acres to be provided by the State of Minnesota.

Last fall, just prior to the adjournment of the 98th Congress, we came very close to working out an agreement on this issue. Many parties were involved in those negotiations, including the White Earth Band; Minnesota Attorney General Hubert H. Humphrey III; Congressmen ARLAN STANGELAND, BRUCE VENTO, MORRIS UDALL; the Department of the Interior; OMB; and Senators DAVE DURENBERGER, MARK ANDREWS, and myself. This bill is very similar to that agreement, which was opposed by the White Earth Band and disliked by OMB. However, I am convinced it is a fair and equitable settlement. It provides assured compensation to the heirs and allottees, more than they could expect or guarantee through litigation. It provides land and economic development assistance to the White Earth Band. If litigated, they would receive nothing. It clears titles for the current landowners. And it avoids expensive litigation costs for the Federal Government and the State of Minnesota.

I want to thank the many people who have worked very hard to resolve this issue. I urge my colleagues to give it their support. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "White Earth Reservation Land Settlement Act of 1985."

SEC. 2. The Congress finds that:

(1) Claims on behalf of Indian allottees or heirs and the White Earth Band involving substantial amounts of land within the White Earth Indian Reservation in Minnesota are the subject of existing and potential lawsuits involving many and diverse interests in Minnesota, and are creating great hardship and uncertainty for government, Indian communities, and non-Indian communities;

(2) The lawsuits and uncertainty will result in great expense and expenditure of time, and could have a profound negative impact on the social and economic well-being of everyone on the reservation;

(3) The White Earth Band of Chippewa Indians, State of Minnesota along with its political subdivisions, and other interested parties have made diligent efforts to fashion a settlement to these claims, and the Federal Government, by providing the assistance specified in this Act, will make possible the implementation of a permanent settlement with regard to these claims;

(4) Past United States laws and policies have contributed to the uncertainty surrounding the claims;

(5) It is in the long term interest of the United States, State of Minnesota, White Earth Band, Indians, and non-Indians for the United States to assist in the implementation of a fair and equitable settlement of these claims; and

(6) This Act will settle unresolved legal uncertainties relating to these claims.

SEC. 3. For purposes of this Act:

(a) "Allotment" shall mean an allocation of land on the White Earth Reservation, Minnesota, granted, pursuant to the Act of January 14, 1889 (25 Stat. 642), and the Act of February 8, 1887 (24 Stat. 388), to a Chippewa Indian.

(b) "Allottee" shall mean the recipient of an allotment.

(c) "Full blood" shall mean a Chippewa Indian of the White Earth Reservation, Minnesota, who was designated as a full blood Indian on the roll approved by the United States District Court for the District of Minnesota on October 1, 1920, or who was so designated by a decree of a federal court of competent jurisdiction; it shall also refer to an individual who is not designated on said roll but who is the biological child of two full blood parents so designated on the roll or of one full blood parent so designated on the roll and one parent who was an Indian enrolled in any other federally recognized Indian tribe, band or community.

(d) "Inherited" shall mean received as a result of testate or intestate succession or any combination of testate or intestate succession, which succession shall be determined by the Secretary of the Interior or his authorized representative.

(e) "Mixed blood" shall mean a Chippewa Indian of the White Earth Reservation, Minnesota, who was designated as a mixed blood Indian on the roll approved by the United States District Court of Minnesota on October 1, 1920, unless designated a full blood by decree of a federal court of competent jurisdiction; it shall also refer to any descendants of an individual who was listed on said roll providing the descendant was not a full blood under the definition in subsection (c) of this section. The term "mixed blood" shall not include an Indian enrolled in any federally recognized Indian tribe, band, or community other than the White Earth Band.

(f) "Tax Forfeited" shall mean an allotment which, pursuant to State law, was declared forfeited for nonpayment of real property taxes and purportedly transferred directly to the State of Minnesota or to private parties or governmental entities.

(g) "Majority" shall mean the age of twenty-one years or older.

(h) "Secretary" shall mean the Secretary of the Interior or his/her authorized representative.

(i) "Trust period" shall mean the period during which the United States held an allotment in trust for the allottee or the allottee's heirs. For the purpose of this Act, the Executive Order Numbered 4642 of May 5,

1927, Executive Order Numbered 5768 of December 10, 1931, and Executive Order Numbered 5953 of November 23, 1932, shall be deemed to have extended trust periods on all allotments or interests therein the trust periods for which would otherwise have expired in 1927, 1932, or 1933, notwithstanding the issuance of any fee patents for which there were no applications, and if such allotments were not specifically exempted from the executive orders; and the Indian Reorganization Act of June 18, 1934, shall be deemed to have extended indefinitely trust periods on all allotments or interests therein the trust periods for which would otherwise have expired on June 18, 1934, or at any time thereafter. Said executive orders and Act shall be deemed not to have extended the trust period for allotments or interests which were sold or mortgaged by adult mixed bloods, by non-Indians, or with the approval of the Secretary, or for allotments or interests which were sold or mortgaged by anyone where such sale or mortgage was the subject of litigation in federal court which proceeded to a judgment on the merits and where the outcome of such litigation did not vacate or void said sale or mortgage.

(j) "Interest", except where such term is used in conjunction with "compound", shall mean a fractional holding, less than the whole, held in an allotment.

(k) "Adult" shall mean having attained the age of majority.

(l) "Heir" shall mean one who received or was entitled to receive an allotment or interest as a result of testate or intestate succession under applicable federal or state law.

(m) "Transfer" includes but is not limited to any voluntary or involuntary sale, mortgage, tax forfeiture or conveyance pursuant to state law; any transaction the purpose of which was to effect a sale, mortgage, tax forfeiture or conveyance pursuant to state law; any act, event, or circumstance that resulted in a change of title to, possession of, dominion over, or control of an allotment or interest therein.

SEC. 4. (a) The provisions of this Act shall apply to the following allotments:

(1) Allotments which were never sold or mortgaged by the allottees or by their heirs and which were tax forfeited during the trust period;

(2) Allotments which were sold or mortgaged during the trust period, without the approval of the Secretary, by the allottees prior to having attained majority, and were never again sold or mortgaged either by the allottees upon their having attained majority or by heirs of the allottees;

(3) Allotments which were sold or mortgaged during the trust period by full blood allottees without the approval of the Secretary, and were never again the subject of sale or mortgage by heirs of the allottees; and

(4) Allotments which were never sold or mortgaged by the allottees, but which subsequent to the deaths of the allottees, purportedly were sold or mortgaged, during the trust period, by administrators, executors, or representatives, operating under authority from State courts, and were never again the subject of a sale or mortgage by heirs of the allottees.

(b) The provisions of this Act shall also apply to the following allotments or interests in allotments:

(1) Allotments or interests which were inherited by full or mixed bloods who never sold or mortgaged their allotments or interests or by Indians enrolled in other federally recognized Indian tribes, bands, or communities who never sold or mortgaged their allotments or interests, where the allotments or interests were tax forfeited during the trust periods;

(2) Allotments or interests which were inherited by mixed bloods under the age of majority and which were sold or mortgaged during the trust period without the approval of the Secretary prior to such mixed bloods having attained majority, but which were never again sold or mortgaged by them upon having attained majority or by their heirs;

(3) Allotments or interests which were inherited by full bloods or by Indians enrolled in other federally recognized Indian tribes, bands or communities, who sold or mortgaged such allotments or interests during the trust period without the approval of the Secretary;

(4) Allotments or interests which were inherited by full or mixed bloods who never sold or mortgaged their allotments or interests, but which, subsequent to the deaths of such heirs, were sold or mortgaged during the trust period by administrators, executors, or representatives operating under authority from State courts;

(5) Allotments or interests which were owned by allottees or which were inherited by full or mixed bloods for whom guardians were appointed by State courts, which guardians sold or mortgaged the allotments or interests during the trust period without the approval of the Secretary;

(6) Interests which were inherited by full or mixed bloods who never sold or mortgaged their interests during the trust period, even though other interests in the same allotment were sold by other heirs where the land comprising the allotment has been claimed in full by other parties adversely to the full or mixed bloods who never sold or mortgaged their interests;

(7) Allotments or interests which were inherited by full or mixed bloods or by Indians enrolled in other federally recognized Indian tribes, bands, or communities which were never sold or mortgaged during the trust period but which were purportedly distributed by State court probate proceedings to other individuals.

(c) This Act shall not apply to:

(1) Any allotment or interest the sale or mortgage of which was the subject of litigation which proceeded to a judgment on the merits in federal courts and where the outcome of such litigation was other than vacating and voiding such sale or mortgage;

(2) Any allotment or interest which was tax forfeited subsequent to the date on which the tax exemption was declared by a federal court to have expired;

(3) Any allotment or interest which was sold, mortgaged, or tax forfeited after the expiration of the trust period; or

(4) Any allotment or interest which was sold or mortgaged at any time by an adult mixed blood Indian.

SEC. 5. (a) Nothing in this Act is intended to question the validity of the transactions relating to allotments or interests as described in section 4(c), and the transactions as described in section 4(c) relating to such allotments or interests hereby are ratified and confirmed and are declared to be outside the scope of sections 6, 7, and 8, of this Act.

(b) It is the intent of this Act that no title to lands on the White Earth Reservation shall be rendered unmarketable solely by virtue of the fact that the Secretary has not determined the heirs or heir of an allottee. In order to implement such intent, the Secretary shall include on the lists mandated by section 7 of this act all allotments or interests held in trust for, at the date of death of, full or mixed bloods, or Indians enrolled in other federally recognized Indian tribes, bands, or communities, which allotments or interests have not, as of the effective date of this act, been the subject of a determination of heirship by the Secretary. No individual shall be compensated under the provisions of section 8 of this Act solely because a State court purported to determine heirship of an allottee where such determination is the same as is made by the Secretary. It is further the intent of this Act that no individual be compensated twice for the same interest in an allotment.

(c) As to any allotment which was granted to an allottee who had died prior to the selection date of the allotment, the granting of such allotment is hereby ratified and confirmed, and shall be of the same effect as if the allotment had been selected by the allottee before the allottee's death: *Provided*, That the White Earth Band of Chippewa Indians shall be compensated for such allotments in the manner provided in sections 6, 7, and 8. Such compensation shall be placed in the Fund established under section 12.

(d) As to any allotment that was made under the provisions of the Treaty of March 19, 1867 (16 Stat. 719) and which was reallotted under the provisions of the Act of January 14, 1889 (25 Stat. 642), such reallotment is hereby ratified and confirmed.

SEC. 6. (a) As soon as the conditions set forth in section 10 of this Act have been met, the Secretary shall publish such findings in the Federal Register. After such publication, any allotment or interest which the Secretary, in accordance with this Act, determines falls within the provisions of sections 4(a), 4(b), or 5(c), the tax forfeiture, sale, mortgage, or other transfer, as described therein, shall be deemed to have been made in accordance with the Constitution and all laws of the United States specifically applicable to transfers of allotments or interests held by the United States in trust for Indians, and Congress hereby does approve and ratify any such transfer effective as of the date of said transfer, subject to the provisions of section 6(c). Compensation for loss of allotments or interests resulting from this approval and ratification shall be determined and processed according to the provisions of section 8.

(b) By virtue of the approval and ratification of transfers of allotments or interests therein effected by this section, all claims against the United States, the State of Minnesota or subdivisions thereof, or any other person or entity, by the White Earth Band, its members, or by any other Indian tribe or Indian, or any successors in interest thereof, arising out of, and at the time of or subsequent to, the transfers described in sections 4(a), 4(b), or 5(c) and based on any interest in or non-treaty rights involving such allotments or interests therein, shall be deemed never to have existed as of the date of the transfer, subject to the provisions of section 6(c).

(c) Notwithstanding any provision of law other than the provisions of this section, any action in any court to recover title or damages relating to transactions described in sections 4(a), 4(b), or 5(c), and any action attacking title to land based on the lack of an heirship determination by the Secretary with regard to any allotment or interest appearing on either list mandated by section 7, shall be forever barred unless the complaint

is filed prior to the publication required by section 6(a): Provided, That immediately upon the date of enactment of this Act any such action on behalf of the White Earth Band of Chippewa Indians shall be forever barred, unless the publication required by section 6(a) does not take place within two years of the date of enactment of this Act in which case the bar of any such action on behalf of the White Earth Band of Chippewa Indians shall be deemed lifted and nullified: Provided further, That the Secretary shall not issue to the White Earth Band any report rejecting litigation nor submit to Congress any legislation report pursuant to section 2415 of Title 28, United States Code, relating to transactions described in sections 4(a), 4(b) or 5(c) of this Act, until and unless the bar against actions on behalf of the White Earth Band is lifted and nullified. The provisions of this Act shall not apply to any such action filed within the time allowed by this subdivision, and the filing of any such action by an allottee, heir, or others entitled to compensation under this Act shall bar such allottee, heir, or others from receiving compensation pursuant to the provisions of section 8. The United States District Court for the District of Minnesota shall have exclusive jurisdiction over any action otherwise properly filed within the time allowed by this subdivision.

(d) This section shall not bar an heir, allottee, or any other person entitled to compensation under this Act from maintaining an action, based on the transactions described in sections 4(a), 4(b) or 5(c), against the United States in the Claims Court pursuant to The Tucker Act, section 1491 of Title 28, United States Code, challenging the compensation provisions of this Act as they apply to a particular allotment or interest: Provided, That such action shall be filed with the Claims Court within 180 days of the issuance of the notice of the Secretary's compensation determination as provided in section 8(c). If such an action is not filed within the 180 days period, it shall be forever barred. The United States hereby waives any sovereign immunity defense it may have to such an action. The filing of an action by any heir, allottee, or any other person under the provisions of this section shall bar such person forever from receiving compensation pursuant to the provisions of section 8:

(e) This section shall not bar any person from maintaining an action against the United States in the Claims Court pursuant to the Tucker Act, section 1491 of Title 28, United States Code, for damages relating to the loss of current possession of an allotment or interest caused by a final judgment of a court of competent jurisdiction in favor of any heir or allottee in a lawsuit maintained within the limitations period of section 6(c): Provided, That such action shall be filed with the Claims Court within 180 days of the entry of such final judgment. If such an action is not filed within the 180 day period, it shall be forever barred. The United States hereby waives any sovereign immunity defense it may have to such an action.

SEC. 7 (a) The Secretary is hereby authorized to and shall investigate all White Earth allotments and shall determine which allotments or interest fall within any of the provisions of sections 4(a), 4(b), 5(b), or 5(c). As to all such allotments or interests determined to be within the provisions of sections 4(a), 4(b), 5(b), or 5(c), the Secretary shall prepare lists of such allotments or interests, which shall include allotment number, land decription, and allottee's name, in English and Ojibway where available. A first list shall be published within one-hundred eighty (180) days after the date of enactment of this Action in the Federal Register; in a newspaper of general circulation in Mahnomen County, Minnesota; in a newspaper of general circulation in Becker County, Minnesota; in a newspaper of general circulation in Clearwater County, Minnesota; in one newspaper of general circulation in metropolitan Minneapolis-St. Paul; and, in the Secretary's discretion, in any appropriate band or tribal newspaper. Publication in the required newspapers shall take place no later than thirty days after publication in the Federal Register.

(b) Any tribe, band, or group of Indians, or any individual shall have one year after the date of publication in the Federal Register to submit to the Secretary any additional allotments or interests which the tribe, band, group, or individual believes should fall within any of the provisions of section 4(a), 4(b), 5(b), or 5(c). The Secretary, without such submissions, may also independently determine that additional allotments or interests fall within such provisions. Any additional allotments or interests submitted to the Secretary shall be accompanied by a statement identifying the allotment or interest and its land description and summarizing the reasons why it should be added to the list required by this section.

(c) The Secretary shall determine which additional allotments or interests fall within the provisions of the sections 4(a), 4(b), 5(b), or 5(c), and within 540 days of the date of publication of the Secretary's first list in the Federal Register, the Secretary shall publish a second list in the Federal Register and previously required newspapers of the allotments or interests the Secretary has determined should be added to the first published list.

(d) Any determination made by the Secretary under this section to include an allotment or interest on the first list required by the section to be published in the Federal Register may be judicially reviewed pursuant to the Administrative Procedure Act within ninety days of the publication date of the first list in the Federal Register. Any such action not filed within such ninety day period shall be forever barred. Any determination made by the Secretary to include an allotment or interest on the second list required by this section to be published in the Federal Register, or any determination made by the Secretary not to include an allotment or interest on such list, may be judicially reviewed pursuant to the Administrative Procedure Act within ninety days of the publication date of the second list in the Federal Register. Any such action not filed within such ninety day period shall be forever barred. Exclusive jurisdiction over actions under this subdivision is hereby rested in the United States District Court for the District of Minnesota.

SEC. 8. (a) Compensation for loss of an allotment or interest shall be the fair market value of the land or interest therein as of the date of tax forfeiture, sale, allotment, mortgage, or other transfer described in sections 4(a), 4(b), or 5(c), less any compensation actually received, plus interest compounded annually at five (5) per centum from the date of said loss of an allotment or interest until the date of enactment of this Act, and at the general rate of interest earned by U.S. Department of Interior funds thereafter. A determination of compensation actually received shall be supported by clear and convincing evidence. Compensation actually received shall not be subtracted from the fair market value in any instance where an allotment or interest was sold or mortgaged by a full blood or mixed blood under the age of eighteen years, or in any instance where there is prima facie evidence that fraud occurred in a sale or mortgage. No compensation for loss of an allotment or interest relating to transfers described in section 4(b) shall be granted to any person or the heirs of such person where such allotment or interest was received pursuant to State court probate proceedings and where it has been or is determined by the Secretary that such person or heirs were not entitled to inherit the allotment or interest.

(b) For the purpose of this section, the date of transfer applicable to interests described in section 4(b)(6) shall be the last date on which any interest in the subject allotment was transferred by document of record by any other heir of the allottee; and the date of transfer applicable to allotments describe in section 5(c) shall be the selection date. For purposes of this section, the Secretary shall establish the fair market value of various types of land for various years, which shall govern the compensation payable under this section unless a claimant demostrates that a particular allotment or interest had a value materially different from the value established by the Secretary.

(c) The Secretary shall provide written notice of the Secretary's compensation determination to the allottees or heirs entitled thereto. Such notice shall describe the basis for the Secretary's determination, the applicable time limits for judicial review of the determination, and the process whereby such compensation will be distributed. The Secretary shall proceed to make such hairship determinations as may be necessary to provide the notice required by this section: *Provided*, That the Secretary shall give written notice only to those allottees or heirs whose addresses can be ascertained by reasonable and diligent efforts; otherwise such notice shall be given by publication in the Federal Register.

(d) The Secretary's compensation determination may be judicially reviewed within 180 days of the issuance of notice as aforesaid; after such time the Secretary's determination shall be conclusive and all judicial review shall be barred. Exclusive jurisdiction over any such action is hereby vested in the United States District Court for the District of Minnesota.

(e) Once a compensation determination has become conclusive according to the provisions of subsection (d), the Secretary, where possible, within 90 days, shall distribute the appropriate amounts. The Secretary shall make a diligent effort to locate each allottee or heir; however, if, after two years from the date on which a determination becomes conclusive an allottee or heir cannot be located, the Secretary shall declare the amount owing to such allottee or heir forfeited.

(f) Any and all amounts forfeited pursuant to subsection (e) together with the interest accumulated thereon, pursuant to section 8 shall be transferred annually to the Fund established under section 12 for the White Earth Band.

SEC. 9. The Secretary shall determine the heirs, if heretofore undetermined, or modify the inventory of an existing heirship determination of any full or mixed blood or Indian enrolled in any other federally recognized Indian tribe, band, or community,

where appropriate for the purposes of this Act.

SEC. 10. (a) The provisions of section 6 of this Act shall take affect upon the publication in the Federal Register by the Secretary of findings that the following conditions have been satisfied:

(1) The State of Minnesota, in accordance with Laws of Minnesota 1984, chapter 539, has entered into an agreement with the Secretary providing for the transfer of ten thousand (10,000) acres of land within the exterior boundaries of the White Earth Reservation to the United States to hold in trust for the White Earth Band of Chippewa Indians as the State's contribution to the settlement provided for by this Act. The Secretary shall not enter into such an agreement until the Secretary determines that the agreement will result in the transfer of ten thousand acres which possess reasonable value for the White Earth Band, including but not limited to value for agricultural, recreational, forestry, commercial, residential, industrial, or general land consolidation purposes; *Provided,* That a written determination by the White Earth Band, submitted to the Secretary, that the above conditions have been satisfied shall be conclusive and binding on the Secretary;

(2) The State, in accordance with the Laws of Minnesota 1984, Chapter 539, has appropriated five hundred thousand dollars ($500,000) for the purpose of providing the United States with technical and computer assistance for implementing the settlement provided for in this Act;

(3) The United States has appropriated three million, five hundred thousand dollars ($3,500,000) for economic development for the benefit of the White Earth Band of Chippewa Indians;

(4) The United States has appropriated ten million, four hundred thousand dollars ($10,400,000) for purposes of providing compensation to heirs, allottees and others entitled to compensation under the provisions of this Act.

(b) Upon final acceptance by the Secretary, the land referred to in subsection (a)(1) shall be deemed to have been reserved as of the date of the establishment of the White Earth Reservation and to be part of the trust land of the White Earth Band for all purposes.

SEC. 11. Nothing in this Act is intended to alter the jurisdiction currently possessed by the White Earth Band of Chippewa Indians, the State of Minnesota, or the United States over Indians or non-Indians within the exterior boundaries of the White Earth Reservation.

SEC. 12. (a) There is established in the Treasury of the United States a fund to be known as the "White Earth Economic Development and Tribal Government Fund." Money in this fund shall be held in trust by the United States for the White Earth Band of Chippewa Indians, and shall be invested and managed by the Secretary in the same manner as Tribal Trust funds pursuant to the Act of June 24, 1938 (25 United States Code, section 162a).

(b) The White Earth Economic Development and Tribal Government Fund shall consist of:

(1) Money received by the White Earth Band as compensation pursuant to section 8;

(2) Money received by the White Earth Band as a result of amounts forfeited pursuant to section 8(f); and

(3) Money received as an appropriation pursuant to section 15(c).

(c) Interest accruing to the White Earth Economic Development and Tribal Government Fund shall, without further appropriation, be available for expenditure as provided in subdivision (d).

(d) The funds described in subsection (c) shall only be used by the authorized Governing Body of the Band, for the benefit of the Band for economic development of such Band, for land purchases for such Band, investments for such Band, and Band administration: *Provided, however,* that under no circumstances shall any portion of the income described in subsection (c), or any income accrued thereon, be used for per capita payments to any members of the Band: *Provided further,* That none of the funds described in subsection (c) shall be expended by the Governing Body of the Band until:

(1) such Body has adopted a Band Financial Ordinance and Investment Plan for the use of such funds;

(2) such Body has submitted to the Secretary a waiver of liability on the part of the United States for any loss resulting from the use of such funds; and

(3) the Secretary has approved the Band Financial Ordinance and Investment Plan. The Secretary shall approve or reject in writing such Ordinance and Plan within sixty days of the date it is mailed or otherwise submitted to him: *Provided,* That such Ordinance and Plan shall be deemed approved if, sixty days after submission, the Secretary has not so approved or rejected it. The Secretary shall approve the Ordinance and Plan if it adequately contains the elements specified in section 12(d).

SEC. 13. Notwithstanding any other law to the contrary, the United States grants its permission to the State of Minnesota to transfer land to the White Earth Band as described in section 10(a)(1) which prior to the date of enactment of this Act may have been obtained by the State pursuant to other federal law or with federal assistance. Any restrictions or conditions imposed by any other federal law or regulation on the transfer of such land are hereby waived and removed.

SEC. 14. As soon as possible, but not later than five years after the date of enactment of this Act, the Secretary shall make all determinations, provide all notices, and complete the administrative work necessary to accomplish the objectives of this Act. The Secretary shall give priority in making compensation determinations and payments under this Act to original allottees and elderly heirs. The Secretary shall submit a report by January 1 of each year to the Chairman of the House of Representatives Committee on Interior and Insular Affairs and the Chairman of the Senate Committee on Indian Affairs, which report shall summarize the administrative progress to date and shall estimate the amount and nature of work left to be done.

SEC. 15. (a) There are hereby authorized to be appropriated to the Secretary for the purpose of providing compensation to eligible claimants under this Act ten million, four hundred thousand dollars ($10,400,000), and such other funds as may be necessary to carry out the purposes of section 8.

(b) There are hereby authorized to be appropriated to the White Earth Band three million five hundred thousand dollars ($3,500,000) as a grant for economic development purposes.

SEC. 16. None of the funds or income therefrom which are distributed under this Act shall be subject to Federal or State income taxes or be considered as income or resources in determining eligibility for or the amount of assistance under the Social Security Act or any other federally assisted program.

SEC. 17. The Secretary is authorized, if so requested by the authorized governing body of the White Earth Band, to exchange any of the land which is transferred to the United States as described in section 10(a)(1) for any other land within the exterior boundaries of the White Earth Reservation which is owned by the United States, the State of Minnesota, or any of the State's political subdivisions. Nothing in this section shall be deemed to require an exchange not agreed to by all parties to the exchange.

SEC. 18. Any lands acquired by the White Earth Band within the exterior boundaries of the White Earth Reservation with funds referred to in section 12, or by the Secretary pursuant to section 18, shall be held in trust by the United States. Such lands shall be deemed to have been reserved from the date of the establishment of said Reservation and to be part of the trust land of the White Earth Bank for all purposes.●

● Mr. DURENBERGER. Mr. President, the bill that Senator BOSCHWITZ and I are introducing today is the result of many years of effort. The legislation is designed to resolve the crisis surrounding the ownership of tens of thousands of acres of land on the White Earth Reservation in my home State, Minnesota. This crisis would be resolved because the measure does two basic things: The clouds on current land owners' titles would be eliminated, and since the statute confirms past questionable transactions, it must also compensate Indian heirs who might have lost their right to challenge title to disputed lands. The measure sets up a system to compensate these Indian heirs.

The issue of Indian land claims is very complex. Complex, because of the intricate legal issues involved, the incomplete and tangled historical records, the conflicting legislation and treaties, the large number of groups that have an interest, and the passion with which these groups approach the issue.

The history of the Federal Government's treatment of native Americans is not a proud one, to say the least. The recent land claims arise from this history. However, they are different from the past land claims because they are against States, counties, cities, and individuals, and not against the United States. Claims against the United States were thought to have been settled by the Indian Claims Commission Act of 1946.

But even though the current land claims are not against the United States, the Federal Government has a duty, based upon its unique relationship with the Indians, to help all parties concerned reach a fair settlement and to be the major contributor to the settlement fund.

The chief justification for making the Federal Government the major

compensator in any White Earth land claim settlement is that in large part, it was past Federal policies or lack of Federal diligence that caused the current problem. Over the past 100 years, the policies of Congress and the executive branch have swung wildly back and forth between trying to eliminate tribes and assimilate Indians into non-Indian culture, and promoting tribal independence and emphasizing Federal trust responsibility toward individual Indians. The Bureau of Indian Affairs, at times, has ignored its trust responsibilities, and at other times, has charged off swiftly to defend what it considered to be the Indians' interest. In large part, as a result of these policy swings, White Earth has become a reservation that is owned largely by non-Indians, and which now has hundreds of land titles sprinkled with alleged irregularities and inconsistencies.

A prime example of the effect of Federal policies at White Earth concerns the land titles which the Justice Department intends to challenge in court soon. The lands involved in the litigation currently being prepared were at one time forfeited for nonpayment of taxes. The tax forfeitures usually came about as a direct result of congressional legislation. When Congress decided to begin to allot White Earth lands in 1889—pursuant to the so-called Nelson Act—the allotments were all supposed to be held in trust, and therefore nontaxable, for at least 25 years, Yet only 18 years later, Congress passed what is now called the Clapp Act of 1907. That statute could hardly have been more clear. It stated:

> That all restrictions as to the sale, incumbrance, or *taxation* for allotments within the White Earth Reservation in the State of Minnesota, heretofore or hereafter held by adult mixed-blood Indians, *are hereby removed,* and the trust deed heretofore or hereafter executed by the department for such allotments are hereby declared to pass the title in fee simple. . . . 34 Stat. 1034 (emphasis added).

Minnesota counties followed the absolutely clear intent of the U.S. Congress that as to mixed bloods the "restrictions as to * * * taxation * * * are hereby removed." The counties assessed taxes against various allotments, and in some cases the taxes were not paid and the allotments forfeited for the nonpayment of taxes. Now, some 75 years later, the Department of the Interior and Justice Department are maintaining that reliance on clear congressional wording was wrong, and that titles to such lands—many of which are now in private citizens' hands—should be turned over to Indian heirs.

If, in fact, the allotments of mixed bloods should not have been taxed, the State and counties were certainly not guilty of intentional wrongdoing. They relied on Congress. If any entity is take blame for confusion over tax forfeitures, it should be Congress—the entity that passed the Clapp Act.

Furthermore, if the Clapp Act was inappropriate, the United States has aggravated the situation by doing very little over the last 75 years to correct the problem. By now, the titles to forfeited lands are in the hands of all sorts of entities, from private parties to State government, local government, and even the Federal Government itself.

This is just one example of Federal Government actions that had a direct bearing on the clouding of title to land on White Earth.

Besides this settlement legislation, the only other way out of the morass of White Earth would be litigation. Litigation over these claims would benefit no one. Litigation would result in enormous social costs and would require enormous financial expenditures. It could cause scars within Minnesota that would take years to heal. And in all likelihood, one innocent party or another will be hurt. The losers could be Indian heirs who were the victims of ambiguous Federal policies or inept Federal administrators. Or the losers could be the current landowners who obtained their property in good faith and in many cases, have spent substantial money and time into improving the property. Neither of these parties deserves to be losers or to pay for mistakes that were not theirs.

Myself and Senator BOSCHWITZ introduced S. 885 in the 98th Congress as a focal point for discussion on how to resolve the White Earth problem.

The White Earth settlement legislation introduced today is the byproduct of these discussions and hard work by the principals involved in the issue. Senator BOSCHWITZ, Congressman STANGELAND, Congressman VENTO, the Indian Affairs Committees of both bodies, the Department of the Interior, OMB, representatives of the White Earth Band, and the attorney general of Minnesota have all been trying to develop a compromise settlement. A compromise means just that. Nobody is going to get everything he wants. However, I believe this is an equitable settlement. The State of Minnesota has passed legislation to provide 10,000 acres of land to be held in trust for the band. The Federal Government has provided $3.5 million of economic development money for the band in order to develop this land. The heir and allottees will have a settlement pot of $10.4 million so that they will be compensated for their loss of rights. If this amount is not enough to settle all the claims, additional funds will be provided based upon the compensation formula. If this pool is not used up, the leftover shares and interest on this fund held in trust will escheat to the band.

This legislation is needed; nobody wants litigation of the claims. The consequences and cost of that course of action are too high. It is the nature of compromise that no one comes away especially happy, but this is a fair settlement for Minnesota's citizens that will resolve the crisis and put the matter behind us. I urge my colleagues to support this bill.●

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, and Mr. DECONCINI):

S. 1397. A bill to amend title 38, United States Code, to define the term "detailed plan and justification" in connection with certain administrative reorganizations of Veterans' Administration facilities, and to confirm that a reorganization involving consolidation of benefits offices is prohibited by law and to permit one involving prosthetics centers to be implemented prior to fiscal year 1986; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION REORGANIZATION ACT OF 1985

Mr. CRANSTON. Mr. President, I am today introducing for Senators MATSUNAGA and DECONCINI, and myself, S. 1397, a bill to amend title 38, United States Code, to define the term "detailed plan and justification" for purposes of certain administrative reorganizations of Veterans' Administration facilities. The bill would also confirm that the Administrator of Veterans' Affairs has not yet complied with current-law requirements with respect to the recently proposed reorganization involving consolidation of VA benefits office and would permit one proposed with respect to prosthetics centers to be implemented prior to October 1, 1985.

BACKGROUND

In March 1981, in connection with the Reagan administration's revisions of the fiscal year 1982 budget for the VA, the President proposed that the VA's Department of Veterans' Benefits—DVB—consolidate its claims processing and loan guaranty activities and regionalize its benefit-delivery operations. Before any steps could be taken to implement this proposal, the Congress, in the budget and appropriations processes, flatly rejected it.

That same year, in response to that proposal and in recognition of the severe disruptions in services to veterans that could occur from such reorganizations and consolidations of services in any VA departments or offices, the Congress enacted, in section 2(e)(1) of Public Law 97-452, a provision of law designed to prevent such a proposal from being implemented prior to the Congress having had an adequate opportunity to review the plan for it in detail. Specifically, section 210(b)(2) of title 38 provides, in part, that the VA may not in any

fiscal year implement a reorganization involving a more than 10-percent reduction in the number of full-time equivalent employees at any VA facility with more than 25 employees unless the Administrator, not later than the date on which the President submits the budget for that year, submits to the appropriate congressional committees "a report containing a detailed plan and justification for the reorganization.

On February 1 of this year, Mr. President, the Administrator submitted to the Congress a letter giving notice of the administration's plan to "consolidate DVB benefit processing and support activities from 59 regional offices into 3 processing centers over the course of fiscal years 1986 through 1988." The Administrator stated in his letter that it was submitted in accordance with section 210(b)(2).

This proposal raised in my mind very serious questions—which remain unanswered—regarding the potentially damaging impact of the proposal on the furnishing of various types of services to veterans and their dependents. Moreover, I believed then, and continue to believe, together with many others in the Congress, including the distinguished chairman of the House Veterans' Affairs Committee, Mr. MONTGOMERY, and the ranking minority member of that committee, Mr. HAMMERSCHMIDT, that that notice clearly failed to meet the requirements of law.

I communicated this to the Administrator in a February 8 letter to him and requested that a formal written opinion from the VA's general counsel be obtained as to whether the February 1, 1985, letters regarding the proposed DVB reorganization complied with section 210(b)(2) so as to permit the implementation of the reorganization in fiscal year 1986. On March 12, the Administrator responded to my letter and submitted a general counsel's opinion which did not express a clear conclusion as to the legal sufficiency of the VA's February 1 letter under section 210(b)(2). So that Members may understand fully the issues involved here, I ask unanimous consent that the Administrator's February 1 letter, my February 8 letter, and the March 12 response from the Administrator, together with the enclosed opinion, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, DC, February 1, 1985.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CRANSTON: In accordance with the provisions of Title 38 United States Code, Section 210(b)(2), we are providing notification of a planned reorganization and consolidation of field office functions of the Department of Veterans Benefits (DVB), that do not require face-to-face contact with the veteran.

JUSTIFICATION

Consolidation of these functions will enable us to take better advantage of the advances of recent years in management and communications technology. In this way, we can further improve our efficiency in delivering veterans' benefits and provide for continued high quality service to veterans. This change will enable employment to be reduced by 17 percent over 1986–88. In addition, after the consolidation is complete, substantial budget savings will be achieved.

PLAN

We propose to consolidate DVB benefit processing and support activities from 59 regional offices into 3 processing centers over the course of fiscal years 1986 through 1988. Activities designated for centralization include adjudication of compensation, pension, and education claims; loan processing; and support services, including administrative, finance, and personnel functions.

DVB operations involving direct personal contact with veterans and beneficiaries will continue in the regional offices, and no office would be closed by this consolidation. Veterans assistance, compliance survey, vocational rehabilitation and counseling, and loan servicing, property management, and construction and valuation activities will remain at the field offices.

DVB employment would be reduced by more than 2,300 FTEE over the three years as a result of efficiencies possible with consolidation. Current budgeted staffing for FY 1985 is 13,518. A reduction of 624 FTEE is scheduled for FY 1986. Employment reductions will be accomplished through centralization of the designated functions. Staffing reductions will be achieved through attrition, voluntary reassignments, and special initiatives for employee placement.

Annual savings of more than $55 million can be realized after full implementation of the planned consolidation. However, one-time costs for relocation and severance pay, as well as site preparation and equipment, will require approximately $85 million over the next three year. The 1986 President's Budget contains $25 million for the 1986 consolidation, and the remainder of the $85 million has been included in the projections for 1987 and 1988.

Reorganization will be achieved by transferring the designated activities to the three center locations through a transfer of function. Between 7,800 and 7,900 FTEE would be affected. We will meet all labor-management obligations, including the requirement to provide 120-day notice to the American Federation of Government Employees (AFGE) and the National Federation of Federal Employees (NFFE).

A task force has been established to develop an implementation plan by July 1985. The task force will provide definitive plans on locations and relocation strategies, as well as detailed estimates on translocation and equipment costs (particularly for ADP equipment).

To allow for the lead time required to prepare office space, we now expect the first move to occur in July 1986.

I will be pleased to provide any additional information you may desire regarding our plans for consolidation and reorganization.

Sincerely,

Harry N. Walters,
Administrator.

UNITED STATES SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, February 8, 1985.

Hon. HARRY N. WALTERS,
Administrator of Veterans' Affairs,
Washington, DC.

DEAR HARRY: I am writing in response to your February 1, 1985, letter regarding a planned reorganization and consolidation of certain field office functions of the Department of Veterans' Benefits. In that letter, you stated that you "propose to consolidate DVB benefit processing and support activities from 59 regional offices into 3 processing centers over the course of fiscal years 1986 through 1988."

I share with you a strong desire to improve the efficiency of VA operations and the quality of services. I also believe that the VA should make a concerted effort to take advantage of recent advances in communications and data processing technology in order to make such improvements. However, any actions taken in pursuit of the goal of greater efficiency must, I'm sure you will agree, not be at the expense of service to veterans and be carried out in full compliance with the law.

In your February 1 letter, you stated that you were providing notification "[i]n accordance with" section 210(b)(2) of title 38, United States Code. For the reasons discussed below, I believe that your letter fails to meet the requirements of section 210(b)(2) and that this law prohibits action to implement the planned reorganization during FY 1986.

Under the pertinent provisions of section 210(b)(2), you "may not in any fiscal year implement" a reorganization involving a more-than-10-percent reduction in the number of full-time equivalent employees (FTEE's) at any VA facility with more than 25 employees unless you first submit, not later than the date on which the President submits the budget for that year, to the appropriate Congressional committees "a report containing a detailed plan and justification for the . . . reorganization." In my view, your letter falls far short of providing the type of "detailed plan and justification" required by the law. For example, the letter does not even indicate the number of employees who would be moved (either in total or from each regional office) or identify the cities at which the 3 processing centers would be located. Nor does the letter state how the consolidation would make the estimated more than 2,300 FTEE-reduction possible other than through a vague and conclusory reference to "efficiencies possible with consolidation", which I do not view as satisfying section 210(b)(2).

Moreover, the letter was totally ambiguous as to whether employees who adjudicate claims and attend hearings requested by claimants would remain in the regional offices. Your letter said both that claims adjudication activities would be centralized and that "operations involving direct personal contact with veterans and beneficiaries" would not be moved. This raises the question whether the adjudication personnel whose duties involve direct personal contact with veteran-claimants, such as conducting hearings, would or would not be moved.

These and many other questions would have to be specifically addressed in any type of "detailed plan" in my judgment.

I believe that your letter also fails to provide a "detailed . . . justification". The mere recitation in the letter of claims that the reorganization would enable you to take advantage of recent technological advances, improve efficiency, and achieve savings is unsatisfactory.

In contrast, I note your letters, also dated February 1, 1985, regarding two other proposed reorganizations: the proposed closing of the three data processing and telecommunications field stations and the transfer of certain functions from the VA Prosthetics Center in New York City to a new Prosthetics Assessment and Information Center (PAIC) in the Washington, D.C., area. Both of these letters set forth in much greater detail the specifics of the proposed, much more limited reorganizations (whether or not the data processing letter contains a "detailed . . . justification" as required by the law is an open question in my mind). Indeed, in the case of the proposed PAIC, the letter is accompanied by a description of the implementation actions and a summary of the proposal that discusses justification, organization impact, personnel impact, and fiscal and related impacts.

Indeed, you seem to recognize in the letter on the proposed DVB reorganization that you have not provided the requisite plan. You state that a "task force has been established to develop an implementation plan" and that, in July of this year, this "task force" will provide definitive plans on locations and relocation strategies, as well as detailed estimates on translocation and equipment costs. . . ." It may be that that plan, if accompanied by specific information justifying the reorganization, would provide the level and kind of detail required.

If such a plan and justification is submitted this year (or any time prior to or concurrent with submission of the President's FY 1987 budget), actions to implement the reorganization could lawfully be initiated in FY 1987.

In light of the extensive work that would be necessary to acquire and prepare the office space at the 3 centers, I would also like to emphasize the prohibition in section 210(b)(2) against any "action to carry out" a reorganization until the beginning of the fiscal year with respect to which adequate notification is given. In my view, the law applies not apply only to the transfer and attrition of personnel but also to all actions preparatory to the personnel moves that would be taken pursuant to the plan. Thus, even assuming that the July 1985 notification of this proposed reorganization will meet the law's reporting requirement, I believe that no work may be done or expenditures incurred to implement the reorganization plan until October 1, 1986, the first day of fiscal year 1987.

As you know, Harry, this reorganization propoasl is of great interest and deep concern to many veterans, VA employees, and their families and to all members of the House and Senate. Therefore, I would very much like to learn as quickly as possible your responses to the issues I have raised. In addition, I request that you seek a formal written opinion from your General Counsel as to whether your February 1, 1985, letters regarding the proposed DVB reorganization and the closing of three data processing and telecommunications field stations comply with section 210(b)(2) as to an October 1, 1985, implementation date.

As always, I very much appreciate your cooperation and look forward to your prompt reply.

With best personal regards,

Cordially,

ALAN CRANSTON,
Ranking Minority Member.

VETERANS ADMINISTRATION,
Washington, DC., March 12, 1985.

Hon. ALAN CRANSTON,
Ranking minority member, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: Thank you for your letter of February 8 concerning our reported reorganizations of the Department of Veterans Benefits (DVB) and the Office of Data Management and Telecommunications (ODM&T). You raise a number of matters regarding these proposed reorganizations.

As you requested, I have solicited an opinion from our General Counsel regarding the question of the adequacy of our February 1 letter reporting the proposed DVB and ODM&T reorganizations. A copy of that opinion is enclosed.

No final decision has been made as to the specific DVB consolidation proposal. It has been agreed that the Veterans Administration will develop a plan for modernizing its entire operations, and that we will consider various efficiency alternatives, one of which may be DVB consolidation. The DVB effort has just begun however, and, when it is completed, a decision will be made as to the best course of action to be taken concerning DVB. I want to assure you that we will, as always, work closely with you through our oversight committees, and with veterans' organizations to achieve a consensus before proceeding. We do believe that the ODM&T reorganization is appropriate. We will be providing you with additional specifics concerning it, and the DVB proposal.

I am sure that you would agree with the Administration's position that there is, today, an urgent need to work with the Congress to find ways to achieve savings in all Federal programs. We will attempt to do our part. However, while management improvements and greater efficiency can be realized in VA programs, I want to assure you that this will never be done, while I am the Administrator, by sacrificing compassionate, timely, and good quality care and services for our Nation's veterans.

Sincerely,

HARRY N. WALTERS,
Administrator.

MEMORANDUM

To: Administrator (00).
From: Acting General Counsel (02).
Subject: Request for our opinion as to the legal sufficiency of the VA's 2/1/85 letters to Congress reporting planned DVB and ODM&T reorganizations under 38 U.S.C. § 210(b)(2).

1. The attached letters dated February 1, 1985 reported to appropriate VA oversight committees and subcommittees in the Congress two planned VA administrative reorganizations. One letter concerned the planned DVB consolidation of certain functions from 59 regional offices into 3 processing centers. The second reported the plan to close three ODM&T field stations and transfer their functions to two other VA Data Processing Centers. You request our opinion as to whether these two report letters were sufficient to meet the notice requirements of 38 U.S.C. § 210(b)(2). A second, related question is what kinds of VA activity constitute "implementation," or "actions to carry out" a reorganization, since such activity must be delayed under 38 U.S.C. § 210(b)(2)(A) until the first day of the fiscal year for which the reorganization is reported.

2. Section 210(b)(2)(A) of title 38, U.S. Code requires the VA to submit a "detailed plan and justification" to appropriate committees of Congress for certain planned VA administrative reorganizations. The first issue presented by your request is what degree of specificity must such a plan and justification meet in order to comply with this standard. The terms of the clause are not defined in the statute. It must be acknowledged, however, that the meaning of the term "detailed" is somewhat subjective and is an area where reasonable minds may differ.

3. The legislative history of this provision does not provide a definition as to the standard of specificity or description therefor. This provision was adopted as a Congressional response to an Agency reorganization involving DVB. In that proposal, substantially all DVB regional office functions would have been consolidated into approximately three offices. One of the two subject reorganizations would similarly consolidate significant portions of the local regional offices. It is noteworthy that Congress, in responding to the earlier plan, did not prohibit such a consolidation of DVB, but rather imposed the notice and wait requirement on any future such reorganization plans, such as the one which is a subject of this opinion. Thus, it is apparent that Congress did not intend to block significant reorganizations so much as to gain time to learn of and evaluate such proposed Agency action.

4. Taken together, the language of the statute, the legislative history and the events giving rise to this legislation, it may be concluded that the subject clause requires that any such report of a planned reorganizaation provide notice sufficient to enable the Congress to effectively and efficiently mount its own fact finding and evaluative efforts regarding the planned reorganization so as to make its own assessment of whether to attempt to block such action by legislative means. This provision establishes a period of time in which Congress is assured of several months for fact finding, evaluation and effecting a legislative response. Thus, while the statute uses the word "detailed," the degree of specificity must be considered in the context of the overall process.

5. It is quite clear that once a report provides notice to Congress of a proposed plan the VA oversight committees have the experience and resources to closely scrutinize, question, and if necessary block any proposed reorganization. Such oversight is effected regularly and effectively in all VA program and budget areas by the VA committees. This effectiveness is amplified by the "work together" and openness attitude which characterizes the VA's relationship with these committees. This significant, effective oversight process by the VA committees, fully available to them during the lengthy consideration period following submission of the reorganization plan, must be considered in calculating the degree of specificity required by the "detailed plan" requirement of section 210(b)(2)(A). The absence of definition of a standard here, coupled with the lengthy waiting period, underlines further the clear intent that much fact finding would ensue following provision of

notice of a planned reorganization. Between antagonists, the requirement for a "detailed" plan might never be satisfied. The fact that there is no statutory resolution mechanism in such an event suggests the intent, born of lengthy experience between the VA oversight committees and the VA, that whatever details may be lacking at the outset would be filled in sufficiently for the oversight committees to make a reasonable judgment on the desirability of a reorganization.

6. The conclusion then, is that while the Agency has a duty under section 210(b)(2)(A) to provide a "detailed," report on any significant VA reorganization, the absence of all of the details, should not, given the context of the Congressional evaluation oversight process established by this section, render invalid a report which, in other circumstances, might fail to meet commonly-accepted standards of what constitutes a "detailed" plan.

7. Applying the foregoing to the subject DVB report, it must be conceded that considerable detail is lacking; that substantive discussions of how much FTEE will be affected, or, how particular, critical affected activities would be administered following reorganization would contribute significantly to the understanding of what is proposed. On the other hand, the Agency stands ready to provide more information as that information is obtained. It is noted that the Agency letter admits that the VA lacks some details regarding the DVB plan. The Agency has given notice of its basic objective. There is no doubt as to the overall intended result. The Agency will be obliged to provide additional information regarding this reorganization plan, however, to enable the oversight committees to evaluate it properly.

8. Although not of great length, the ODM&T submission provides somewhat greater detail, and, when considered in light of the whole process, seems to meet the submission requirement of the subject section.

9. The second question is what kinds of VA action constitute "implementation" or "actions to carry out" a reorganization for purposes of the waiting period requirement. The words of 38 U.S.C. § 210(b)(2)(A) provide that the "Administrator may not . . . implement [a covered] administrative reorganization" until he first submits the required report, and further that *"[n]o action to carry out such reorganization* may be taken" after submission until the first day of the fiscal year for which the report was submitted. (Emphasis added.) Obviously, any complex VA reorganization involves a great deal of lead time and much activity ranging from early planning, to preparation for relocation of functions and personnel, to the actual execution of the reorganization with movement of people and equipment. Again, in the absence of a statutory or legislative history definition the purpose of the waiting period would appear to be the best guide to the intended meaning of the word "implementation." By providing for a lengthy waiting period, the Congress sought to preserve its option to "veto" a covered reorganization.

10. In light of this purpose, it would be inappropriate for the VA to obligate sizable government resources for a planned reorganization if, during the waiting period, it became reasonably apparent that the reorganization would be prohibited by the Congress. However, assuming compliance with the notice provision, we do not believe that the statute generally bars the Administrator from taking steps to commence the movement of personnel and equipment on the first day of the next fiscal year. Submission of such a report is an indication that an Administrator has already determined, in accordance with his statutory responsibilities, that serious pursuit of a reorganization may be in the best interests of program implementation and efficient management. Having made that determination he is obligated to proceed with planning and preparations, so as to permit any actual reorganization to be carried out as soon as possible, once the waiting period has expired. As indicated above, the commitment of resources predicated upon implementation of the plan must be tempered by continuing calculations of whether Congress will block the reorganization. But the fundamental duty of the Administrator to effect the correct management structure requires that prudent resource allocation be undertaken during the waiting period in order to realize the benefits of such reorganization as soon as possible.

11. Presumably, the Congress would only rarely take action to block a reorganization which the Administrator has determined would improve Agency management. Moreover, a measured VA commitment of resources is consistent with the statutory language itself. The language calls for the submission of information about the planned reorganization well before it could be implemented legally, and, contemplates the possible generation of extensive additional information during the oversight waiting period. Thus, the statute itself clearly contemplates that the Agency will expend resources to evaluate, continue evaluating and otherwise plan actual implementation of the reorganization, well before the date before which no actual implementation could take place.

12. Based upon the above, it is our opinion that VA "implementation" action which is prohibited during the waiting period under 38 U.S.C. § 210(b)(2)(A) is the actual carrying out of the reorganization with movement of people and equipment.

ROBERT E. COY.

PROVISIONS OF THE BILL

Mr. CRANSTON. Mr. President, the measure I am introducing today would do three things.

First, it would express the congressional finding that—for reasons set forth in the measure itself—since the detailed plan and justification submitted by the VA fails to meet the requirements of law, the VA is prohibited from taking any steps to carry out the proposed reorganization of DVB in fiscal year 1986.

Second, the bill would resolve the issue now and for the future by amending section 210(b)(2) to clarify precisely what a detailed plan and justification for a proposed reorganization must entail. Thus, section 2 of the bill would define the term "detailed plan and justification" to include at a minimum a number of specific items, including a specification of the number of employees to be reduced or to be increased at each office that is affected, together with the salaries and the responsibilities of those employees; a description of the changes in functions that would occur at the affected offices; an explanation of the reason for the reorganization and a description of the effects that it would have on the provision of benefits to veterans and their families; and a cost estimate of the implementation of the reorganization.

These minimum requirements for specificity would apply with respect to reorganizations proposed by fiscal year 1987 and subsequent years. By virtue of section 3(b)(2) of the bill, the VA would be prohibited from carrying out the DVB consolidation in fiscal year 1986.

Mr. President, the information that this bill would require is, in my view, essential for the Congress to be able to make responsible and thoughtful decisions as to any proposed reorganization. Consideration of such proposals without a knowledge of the full facts and an appreciation for pertinent aspects of the problems they may entail is simply unwise and impractical.

Finally, this bill would permit the VA to move ahead with a proposed reorganization within the Department of Medicine and Surgery with respect to the functions of the Technology and Performance Evaluation Section and the Information and Education Service at the VA's Prosthetics Center in New York, NY, to a new Prosthetics Assessment and Information Center—PAIC—in the vicinity of Washington, DC. In this connection, I note that the February 1 justification for this latter reorganization does contain a relatively detailed plan and satisfactory justification. So that Members may judge the differences between those submissions for themselves, I ask unanimous consent that the Administrator's February 1 letter pertaining to the proposed PAIC be printed in the RECORD at the conclusion of my remarks, followed by the text of the bill.

Mr. President, I urge my colleagues in the Senate to review this matter carefully and to join with me in this effort to ensure that the responsible and effective delivery of benefits and services to our Nation's veterans is not disrupted.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VETERANS ADMINISTRATION,
Washington, DC, February 1, 1985.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: The purpose of this letter is to report a planned administrative reorganization within the Veterans Administration (VA) involving the transfer of certain functions from the Veterans Administration Prosthetics Center (VAPC) in New York City to a new Prosthetics Assessment and Information Center (PAIC) in the Washington, D.C. area.

We are also transmitting herewith and recommending enactment of proposed legislation which would permit the VA to imple-

ment the prosthetics reorganization prior to the beginning of the next fiscal year.

As you are aware, under the Congressional "report and wait" requirements of 38 U.S.C., Section 210(b)(2), a detailed plan and justification must be submitted to the appropriate committees of Congress for certain VA administrative reorganizations involving a reduction during any fiscal year by ten percent or more in the number of full time equivalent employees (FTEE) at a VA covered office or facility. The report must be made not later than the date on which the President submits his budget for the upcoming fiscal year. Thereafter, no action can be taken to implement the reorganization until the first day of that fiscal year. This letter and the detailed enclosures are submitted in order to satisfy the above reporting requirements regarding the prosthetics reorganization.

Much of the VA prosthetics reorganization has already been cleared under the above statutory requirement. However, because this VAPC reorganization has not previously been reported to Congress, implementation of this aspect of the overall plan cannot begin prior to fiscal year 1986 under the "report and wait" restrictions of 38 U.S.C. Section 210(b)(2). In order to begin implementation of the VAPC reorganization immediately, and thereby realize the expected improvement in the provision of the VAPC functions much sooner, the Agency recommends enactment of a legislative waiver of the waiting period. A proposed bill to accomplish this purpose is enclosed.

Currently, administration of the major elements of the prosthetics program is divided between two Assistant Chief Medical Directors in Central Office, the ACMD for Professional Services and the ACMD for Research and Development. The overall reorganization will consolidate administration of all prosthetics activities, including rehabilitation research, in Professional Services, under the direct control of a new Deputy Assistant Chief Medical Director for Prosthetics Services, Research and Development. This will improve the provision of prosthetics service by providing an appropriate focus, centralized guidance, and improved coordination of prosthetics activities.

The planned, new PAIC, located in the Washington, D.C. area, will be responsible for managing and coordinating all prosthetics administration, testing, evaluation, and information dissemination. This Center will: test and evaluate new commercially-available devices and procedures; prepare and disseminate informational material and program guides regarding testing prosthetics and sensory aids; and provide technical information and assistance, As indicated above, the missions of the PAIC will replace those of the Technology and Performance Evaluation Section and the Information and Education Service, both now located at the VAPC in New York. Locating the PAIC in the Washington, D.C. area, will facilitate direct control and coordination of PAIC's mission from VA Central Office. The positions to staff the PAIC will come from 24 FTEE positions now allocated to the VAPC for these functions.

A more detailed summary of the overall reorganization of prosthetics services within the VA is enclosed. The Agency would be pleased to provide any additional information which may be desired concerning this reorganization.

The Office of Management and Budget advises that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

HARRY N. WALTERS,
Administrator.

S.

A bill to waive the prior Congressional report and waiting period requirements of 38 U.S.C. § 210(b)(2) for a planned administrative reorganization involving the transfer of certain functions from the Veterans Administration Prosthetics Center

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the prior Congressional report and waiting period requirements of 38 U.S.C. § 210(b)(2) shall not apply to a planned administrative reorganization within the Veterans Administration involving the transfer of the functions of the Technology and Performance Evaluation Section and the Information and Education Service at the Veterans Administration Prosthetics Center in New York City to the new Prosthetics Assessment and Information Center in the Washington, D.C. area.

MEMORANDUM

VETERANS ADMINISTRATION,
October 10, 1984.

To: Administrator.
From: Acting Chief Medical Director.
Subject: Reorganization of Prosthetics.

1. The purpose of this memorandum is to request approval to implement the reorganization of Prosthetics and Rehabilitation Research.

2. At present, the major components of the Prosthetics program are organizationally divided between the Office of the ACMD for Professional Services and the Office of the ACMD for Research and Development. The reorganization, as proposed, would consolidate these components in Professional Service under the direction of a Deputy ACMD for Prosthetics Services, Research and Development. This would provide the Department, as well as the Agency, a focal point responsible for guidance and coordination of all prosthetics and rehabilitation research, including program guidance of patient care activities.

3. The reorganization will be implemented in two phases. The first phase of the reorganization involves the establishment of the DM&S Central Office organizational component in the Office of the ACMD for Professional Services. Following is a brief description of the implementation actions to be taken when this proposal is approved:

Establish the position of Deputy ACMD for Prosthetics Services, Research and Development within the Office of Professional Services.

Administratively reassign the Rehabilitation Research and Development Service, functions and positions, from the Office of Research and Development to the Office of Porfessional Services, under the Deputy ACMD for Prosthetics Services, Research and Development.

Administratively reassigning the Prosthetics and Sensory Aids Service within Professional Services from the Deputy ACMD for Rehabilitation Services to the Deputy ACMD for Prosthetics Services, Research and Development.

Assign program management responsibility for the Special Teams for Amputation Mobility Prosthetics/Orthotics to the Deputy ACMD for Prosthetics Services, Research and Development.

The establishment of an Advisory Committee to the Deputy ACMD for Prosthetics Services, Research and Development, to provide advice and recommendations concerning prosthetics/orthotics, sensory aids, and related research and development issues.

The second phase of the reorganization involves transfer of functions and positions from the VA Prosthetics Center, New York, New York, to the Washington, D.C., area. The field structure will also include the establishment of Special Teams for Amputation Mobility Prosthetics/Orthotics (STAMPs). The following is a summary of that portion of the reorganization involving field structure:

Create a Prosthetics Assessment and Information Center organizationally responsible to the Deputy ACMD for Prosthetics Services, Research and Development. The Center will be physically located in the Washington, D.C., area, and administratively supported by the VA Medical Center, Washington, D.C. The Center will be composed of 34 positions transferred from the VA Prosthetics Center. All positions are now located in New York.

Transfer of Office of Technology Transfer, Rehabilitation Research and Development Service, from New York to the Washington, D.C., area. The Office will consist of 11 positions and will be colocated with Prosthetics Assessment and Information Center. All positions are located in New York.

4. The Central Office portion of the reorganization will be implemented immediately upon approval. Implementation of the portion of the reorganization involving the transfer of certain functions and positions from the VA Prosthetics Center in New York to the Washington, D.C., area, to establish the Prosthetics Assessment and Information Center will be subject to the provisions of Section 210 (b)(2)(A) of Title 38 U.S.C. The Department has taken action to request General Counsel initiate legislative action necessary to secure a congressional waiver of the requirements of 38 U.S.C., Section 210 (b)(2)(A). When approval of the implementation plan is secured and a waiver granted, DM&S will work closely with the Office of Personnel and Labor Relations to accomplish actions necessary to effect the transfer of function. The transfer will be accomplished once appropriate space has been secured in the Washington, D.C., metropolitan area. The attached Implementation Plan provides a detailed list of actions necessary, responsible office, and timeframes for accomplishment. This plan will be followed closely throughout the implementation process.

5. Specific information relating to the purpose, justification, functions, and impact of implementing this reorganization is discussed in the attachment to this memorandum.

6. This request has been prepared in accordance with the draft chapter, "Policy and Procedure for Establishing and Changing Organizational Structures," which the Office of Program Planning and Evaluation has written for inclusion in VA Manual MP-1.

JOHN A. GRONVALL, M.D.,
HARRY N. WALTERS,
Administrator.

SUMMARY OF THE PROPOSED ORGANIZATIONAL CHANGE

I. PURPOSE AND DISCUSSION

At present, the major components of the Prosthetics program are aligned under Professional Services and Research and Development. The proposed reorganization would consolidate all activities relating to prosthetics, including rehabilitation research, in Professional Services, under the direct control of a Deputy ACMD for Prosthetics Services, Research and Development. This will provide an appropriate focus, improved centralized guidance, and coordination of those activities related to Prosthetics. This organizational consolidation will provide the most effective and efficient means to assure the Prosthetics program mission is being fulfilled.

II. SPECIFIC CHANGES PROPOSED

The reorganization will affect organizations within DM&S, Central Office, and positions now located at the VA Prosthetics Center in New York. The following describes the Central Office portion of the reorganization:

Create the position of Deputy ACMD for Prosthetics Services, Research and Development within the Office of the ACMD for Professional Services.

Reassign the Rehabilitation Research and Development Service from the Office of the ACMD for Research and Development to the Office of the ACMD for Professional Services, to be under the Deputy ACMD for Prosthetics Services, Research and Development.

Reassign the Prosthetics and Sensory Aids Service within Professional Services from the Deputy ACMD for Rehabilitation Services to the Deputy ACMD for Prosthetics Services, Research and Development.

Assign program responsibility for the STAMPs to the Deputy ACMD for Prosthetics Services, Research and Development.

Establish an Advisory Committee to the Deputy ACMD for Prosthetics Services, Research and Development to provide advice and recommendations concerning prosthetics/orthotics, sensory aids, and related research and development issues.

The following describes the portion of the reorganization involving transfer of functions and positions from the VA Prosthetics Center in New York:

Create a Prosthetics Assessment and Information Center (PAIC) under the Deputy ACMD for Prosthetics Services, Research and Development. The Center will be physically located in the Washington, D.C. area. The PAIC will be the principal organizational element responsible for managing/coordinating all administration, testing, evaluating, and information dissemination associated with Prosthetics. This center will test and evaluate new commercially available devices/procedures; prepare and disseminate informational material and program guides regarding testing and evaluations; maintain databases (catalogues, slides and tape collections, computerized systems etc.) related to orthotics, prosthetics and sensory aids; and provide technical information and assistance.

The mission of the PAIC would replace that of the TAPES and Information and Education Services at VAPC. Locating these programs in the Washington, D.C., area will allow for better direct control and coordination of PAIC's mission. The positions to staff PAIC will come from the current position ceiling at the VA Prosthetics Center. These programs at VAPC would be deactivated once PAIC becomes operational.

Programs remaining at VAPC would include the Orthopedic Shoe Service and those services providing direct hands-on care to individual veterans. The clinical services, which include Special-Clinic Team, and the Orthotic, Prosthetic and Restoration Laboratories, are scheduled to be administratively and physically reassigned to the VA Medical Center, New York, New York, upon completion of a remodeling project necessary to provide appropriate space (Spring 1985).

III. JUSTIFICATION

This reorganization provides the Department, as well as the Agency, a consolidated organization responsible for management and coordination of those activities related to prosthetics, including research and development. Organizationally consolidating these activities under the direction of a single manager will facilitate the delivery of high quality care and at the same time provide a focal point for development of new and better devices and services.

IV. ORGANIZATION IMPACT

The organization chart reflects the organizational structure as it current exists. (Attachment 1). Also attached to this paper is an organization chart for the proposed organization. (Attachment 2). Functional Statements and Mission Statements for the new organization are included as Attachment 2A.

[Attachments mentioned not reproducible for the RECORD.]

Rehabilitation Research and Development Service in the Office of the ACMD for Research and Development will be administratively reassigned with function to the Deputy ACMD for Prosthetics Services, Research and Development.

Prosthetics and Sensory Aids Service will be administratively reassigned to the Deputy ACMD for Prosthetics Services, Research and Development.

An Advisory Committee to the Deputy ACMD for Prosthetics Services, Research and Development will be established. This Committee will be a multidisciplinary body, including users, that represent major parties interested and involved in the field of prosthetics/orthotics, sensory aids, and related research and development. The Committee will advise and make recommendations to the Deputy ACMD for Prosthetic Services, Research and Development on policy. The Committee will meet no less than twice each year, at the call of the Deputy. Actual membership of Committee will be determined based on input from PVA, DAV, and other concerned parties together with the Deputy ACMD.

Based on discussions with the Director, VA Medical Center, Washington, D.C., it has been determined that the Washington Medical Center will provide administrative support to the Prosthetics Assessment and Information Center (PAIC). The PAIC will be physically located in the Washington, D.C., area, or at the Medical Center upon completion of a remodeling/construction project necessary to provide adequate space for the function.

The PAIC will also be located in close proximity to the Technical Development and Evaluation Unit, Rehabilitation Research and Development Service, which is currently located at the Washington, D.C., Medical Center. Both organizational elements will be involved in evaluations. However, the Technical Development and Evaluation Unit coordinates technical and clinical evaluations of newly developed, preproduction research protocols and techniques and facilities the movement of these devices and methods into commercial preproduction, distribution and use, while the PAIC will be performing evaluation and testing of new commercially available devices/procedures. The PAIC will also serve as primary point of contact for facilitating development of innovative ideas and suggestions outside the Research structure from field personnel. It is imperative that the work of these two organizational elements be closely coordinated. The colocation of these two elements will facilitate close coordination and interface. Once the reorganization is implemented, the Director, Prosthetics Assessment and Information Center, and the Director, Rehabilitation Research and Development, will work together to establish operating procedures outlining how coordination and interface of these functions will be accomplished, and insure that both operational entities maintain clinical experience with severely disabled veterans.

Seven Special Teams for Amputation/Mobility Prosthetics (STAMP) have been established in the field to provide the highest quality service for patients with amputations and otherwise impaired mobility or limitation in self-care that can be lessened or overcome by the use of prosthetic and orthotic devices, or by other rehabilitation engineering techniques. The teams serve as regional resource and referral centers to provide definitive treatment of the most complicated and difficult cases which cannot be satisfactorily managed elsewhere.

The STAMPs will be programmatically responsible to the Deputy ACMD for Prosthetics Services, Research and Development. The teams will provide input on such issues as policy planning, quality of care, rehabilitation research and development, and budget issues affecting the program. The teams must closely coordinate with other elements in the organization to be apprised of developments or problems related to their area of responsibility, and to provide information for dissemination system-wide relating to program accomplishments. The teams will have direct access to the Deputy ACMD for Prosthetics Services, Research and Development on any issue relating to program responsibilities. Once the Deputy ACMD position is encumbered, a system for meeting on a regularly scheduled basis will be established.

A working group composed of representatives involved in the field of prosthetics/orthotics and related research and development will meet in mid-September. The charge of the working group will be to develop program guides, performance criteria, reporting mechanisms, and evaluation methodology for the STAMPs.

V. PERSONNEL IMPACT

Central Office Reorganization.—Prosthetics and Sensory Adis Service is now composed of eight positions. The eight positions and the total function will be administratively reassigned to the new organization. This will result in a change in supervision only and will result in no adverse impact on employees.

Rehabilitation Research and Development Service is now composed of six positions. All six positions and total function will be administratively reassigned to the new organization. This will result in a change in supervision only and will have no adverse impact on employees.

Three new positions will be established as a result of this reorganization: Deputy ACMD for Prosthetics Services, Research and Development; Health Systems Specialist (GM-14 proposed); and, Secretary (GS-8 proposed).

These positions are necessary in order to establish the organization.

A proposed position description for Health Systems Specialist, GM-14 is attached. (Attachment 3).

Field reorganization

Prosthetics Assessment and Information Center.—Thirty-four positions now located at the VA Prosthetics Center in New York have been identified for transfer with function to the Washington, D.C., area. The number of positions identified is based on a review of position descriptions and functions being performed currently at the VAPC. Attachment 4 displays staffing breakdown for the PAIC.

The recruitment process for the Director, PAIC, will include establishment of selective factors which will identify candidates with a strong background in Rehab Engineering and related fields of prosthetics and management experience.

Eleven positions in the Office of Technology Transfer, Rehabilitation Research and Development Service, will also be transferred from New York to the Washington area and will be colocated with the PAIC. These staffs require a high level of interchange and coordination; and therefore should be located in close proximity to each other.

The movement of these functions and related positions from New York may require legislative action to request Congressional waiver of the requirements of Title 38 USC, Section 210(b)(2). The Department has initiated a request to the General Counsel requesting assistance in this matter.

Twenty-four of the 34 positions being transferred from the VAPC are encumbered. DM&S will work closely with the Office of Personnel and Labor Relations to initiate appropriate transfer of function procedures to meet labor relations obligations, once this reorganization concept has been approved so that adverse impact on employees can be minimized.

VI. MANPOWER MANAGEMENT IMPACT

The proposed reorganization was developed in accordance with sound position management principles.

VII. FISCAL AND RELATED IMPACT

Three additional FTEE will be required for the Central Office organization. This may result in an increase in personnel related expenses in MAMOE. Positions involved in the field portion of the reorganization currently exist in Medical Care. This will remain unchanged.

There will be construction monies required to construct space to accommodate the PAIC function at the Washington, D.C., Medical Center.

A Memorandum of Understand has been developed and jointly agreed upon by the ACMD for Research and Development and the ACMD for Professional Services outlining internal operating procedures concerning the Research budget.

The DACMD/PS, R&D, working with the ACMD for Professional Services, the ACMD for Research and Development, and the Director, Rehabilitation Research and Development, is charted with making formal recommendations on processes necessary to achieve a seperate line item for Rehab Research and Development.

S. 1397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Administration Reorganization Act of 1985".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress makes the following findings:

(1) On February 1, 1985, the Administrator of Veterans' Affairs submitted to the Veterans' Affairs Committees of the Congress letters regarding an administrative reorganization (as defined in section 210(b)(2)(C)(i) of title 38, United States Code), for the consolidation of certain Veterans' Administration Department of Veterans' Benefits activities from 59 regional offices into 3 processing centers, planned to be initiated in fiscal year 1986.

(2) Those letters failed to (A) indicate the number of employees by with each regional office affected would be reduced, (B) describe the means by which the reductions at each such office would be accomplished, (C) specify the locations of and the numbers persons to be employed at the 3 processing centers, (D) describe the effects of the reorganization on the provision of benefits and services to veterans and dependents, (E) explain the reasons why the reorganization was considered advisable, and (F) provide estimates and analyses of the cost impacts of the reorganization.

(3) By reason of the Administrator's failure to provide such basic information regarding the proposed reorganization, the February 1, 1985, letter did not constitute a "detailed plan and justification" for the reorganization, as required by section 201(b)(2)(A) of title 38, United States Code.

(4) Therefore, under section 210(b)(2) of such title, which prohibits the implementation of such an administrative reorganization in a given fiscal year unless the Administrator has submitted to the appropriate Committees of the Congress not later than the date on which the President submits the Budget for the United States Government for that fiscal year a detailed plan and justification for the reorganization, any action in fiscal year 1986 to carry the administrative reorganization referred to in the Administrator's February 1 letters is prohibited by such section 210(b)(2).

CLARIFICATION OF REQUIREMENT FOR DETAILED PLAN AND JUSTIFICATION FOR ADMINISTRATIVE REORGANIZATIONS

SEC. 3. (a) Subparagraph (C) of section 201(b)(2) of title 38, United States Code, is amended by inserting at the end the following new division:

"(iii) The term 'detailed plan and justification' means, with respect to an administrative reorganization, a document which at a minimum—

"(I) specifies the number of employees by which each covered office or facility affected is to be reduced, the means by which the reduction is to be accomplished, and the salary levels and responsibilities of those employees;

"(II) identifies any existing or planned office or facility at which the number of employees is to be increased and specifies the numbers, salary levels, and responsibilities of the additional employees at each such office or facility;

"(III) describes the changes in the functions carried out at any existing office or facility and the functions to be assigned to an office or facility not in existence on the date that the plan and justification are submitted pursuant to subparagraph (A) of this paragraph;

"(IV) explains the reasons why it has been determined that the reorganization is appropriate and advisable;

"(V) describes the effects that the reorganization may have on the provision of benefits and services to veterans and dependents of veterans; and

"(VI) provides estimates of the costs of accomplishing, and of the cost impact of, the reorganization, together with the analyses supporting those estimates.".

(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall take effect with respect to administrative reorganizations proposed to be carried out in fiscal year 1987 and subsequent fiscal years.

(2) The amendment made by subsection (a) applies so as to prohibit any action in fiscal year 1986 to carry out the administrative reorganization referred to in section 2(1).

AUTHORIZATION FOR ADMINISTRATIVE REORGANIZATION WITHIN VETERANS' ADMINISTRATION DEPARTMENT OF MEDICINE AND SURGERY

SEC. 4. (a) The Administrator of Veterans' Affairs may undertake the administrative reorganization described in subsection (b) without regard to the requirements of section 210(b)(2) of title 38, United States Code.

(b) The administrative reorganization referred to in subsection (a) is a reorganization within the Department of Medicine and Surgery of the Veterans' Administration, as described in February 1, 1985, letters from the Administrator to the Speaker of the House of Representatives and the President of the Senate, to transfer the functions of the Technology and Performance Evaluation Section and the Information and Education Service at the Veterans' Administration Prosthetics Center in New York, New York, to a new Prosthetics Assessment and Information Center in the vicinity of Washington, D.C.

Mr. ANDREWS (for himself, Mr. MELCHER, Mr. DECONCINI, Mr. ABDNOR, and Mr. BURDICK):

S. 1398. A bill to amend Title XI of the Education Amendments of 1978, relating to Indian education programs; to the Select Committee on Indian Affairs.

INDIAN EDUCATION TECHNICAL AMENDMENTS

● Mr. ANDREWS. Mr. President, I am pleased to introduce today, a bill that will make technical changes to title XI of the Education Amendments of 1978. These amendments will greatly enhance the manner in which the Bureau of Indian Affairs administers its elementary and secondary education programs. The amendments address such different areas as immunization standards, school closures, academic standards, school boundaries and the education functions of the Bureau of Indian Affairs.

These technical changes are further refinements of the Indian education amendments enacted into law during the closing days of the 98th Congress. Although the amendments were enacted as title V of Public Law 98-511, the Appropriations Committees placed

a 1-year moratorium on the expenditure of any funds by the Bureau of Indian Affairs to implement the law in fiscal year 1985. Both the Appropriations Committees and the administration had concerns about the feasibility of implementing some of the provisions of the act. During the last 6 months, the Select Committee on Indian Affairs has worked to alleviate these concerns and I am confident that we have addressed them. I am also confident that these changes will go a long way toward improving the quality of education for Indian children. It is with this intention, that I and my colleagues are introducing this bill. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the "Indian Education Technical Amendments Act of 1985".

(b) REFERENCE.—References in this Act to "the Act" refer to the Education Amendments of 1978.

SEC. 2. STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS.

(a) ESTABLISHMENT OF STANDARDS.—Section 1121(d) of the Act (25 U.S.C. 2001(d)) is amended by adding at the end thereof the following new sentences: "Such revised standards shall be established by the Secretary unless such standards are specifically rejected by the Secretary for good cause and the Secretary notifies each affected tribe and local school board in writing of such rejection. Such rejection shall be final and not reviewable.".

(b) IMPLEMENTATION OF STANDARDS.—Section 1121(e) of the Act is amended—

(1) by striking out "Within two years" and all that follows through "Education Assistance Act" in paragraph (2) and inserting in lieu thereof the following: "Within two years after the date of enactment of the Indian Education Technical Amendments Act of 1985, or two years after the date of the initial contract for the provision of educational services under the Indian Self-Determination and Education Assistance Act, whichever is later,";

(2) by adding at the end of paragraph (2) the following: "The Secretary shall not rescind or fail to renew a contract because of this paragraph until at least one year after notifying the school of a failure to comply. During such one-year period, the Secretary shall render technical assistance to aid the school to comply."; and

(3) by striking out "through contract with a national Indian organization, establish" in paragraph (2) and inserting in lieu thereof the following: "either directly or through contract with an Indian organization, establish a consistent system of".

(c) PERSONNEL ACTIONS.—Section 1121(f) of the Act is amended by striking out the last sentence.

(d) CLOSING CONSOLIDATION, AND CURTAILMENT.—Section 1121(g) of the Act is amended—

(1) in paragraph (1), by striking out "no school operated by the Bureau of Indian Affairs on January 1, 1984, may be closed or its program curtailed" and inserting in lieu thereof "no school or peripheral dormitory operated by the Bureau of Indian Affairs on or after the date of enactment of the Indian Education Technical Amendments Act of 1985 may be closed or consolidated or have its program substantially curtailed";

(2) by adding at the end of such paragraph the following new sentence: "The requirements of this of this subsection shall not apply when the closure, consolidation, or substantial curtailment is required by plant conditions which constitute an immediate hazard to health and safety.";

(3) in paragraph (2) by striking out "closing or consolidation" and inserting in lieu thereof "closing, consolidation, or substantial curtailment"; and

(4) by striking out paragraphs (3), (4), and (5) and inserting in lieu thereof the following:

"(3) Such standards and procedures shall require that whenever closure, consolidation, or substantial curtailment of a school is under active consideration or review by any division of the Bureau or the Department of Interior, the affected tribe, tribal governing body, and designated local school board will be notified as soon as such consideration or review begins, kept fully and currently informed, and afforded an opportunity to comment with respect to such consideration or review. When a formal decision is made to close, consolidate, or substantially curtail a school, the affected tribe, tribal governing body, and designated local school board shall be notified at least 6 months prior to the end of the school year preceding the proposed effective date. Copies of any such notices and information shall be transmitted promptly to the Congress and published in the Federal Register.

"(4) The Secretary shall make a report to Congress, the affected tribe, and the designated local school board describing the process of the active consideration or review referred to in paragraph (3). At a minimum, the report shall include a study of the impact of such action on the student population, with every effort to identify those students with particular educational and social needs, and to insure that alternative services are available to such students. Such report shall include the description of the consultation conducted between the potential service provider, current service provider, parents, tribal representative and the tribe or tribes involved, and the Director of the Office of Indian Education Programs within the Bureau regarding such students. No irreversible action may be taken in furtherance of any such proposed school closure, consolidation, or substantial curtailment (including any action which would prejudice the personnel or programs of such school) until the end of the first full academic year following the academic year in which such report is made.".

SEC. 3. SCHOOL BOUNDARIES.

Section 1124(b) of the Act is amended to read as follows:

"(b) On or after the date of enactment of the Indian Education Technical Amendments Act of 1985, no attendance area shall be changed or established with respect to any such school unless the tribal governing body or the local school board (if so designated by the tribal governing body) has been (i) afforded at least six months notice of the intention of the Bureau to change or establish such attendance area, and (ii) given the opportunity to propose alternative boundaries. Any tribe may petition the Secretary for revision of existing attendance area boundaries. The Secretary shall accept such proposed alternative or revised boundaries unless the Secretarty finds, after consultation with the affected tribe or tribes, that such revised boundaries do not reflect the needs of the Indian students to be served or do not provide adequate stability to all of the affected programs.".

SEC. 4. BUREAU OF INDIAN AFFAIRS EDUCATION FUNTIONS.

(a) COORDINATION.—Section 1126(b) of the Act (25 U.S.C. 2006(b)) is amended by striking out the second sentence and inserting in lieu thereof the following: "The Assistant Secretary for Indian Affairs shall provide for the adequate coordination between the affected Bureau Offices and the Office to facilitate the consideration of all contract functions relating to education, except that the Secretary shall review the applications for the new school starts which were filed with the Bureau before October 1, 1984, under the rules and guidelines in effect on the date the application was filed.".

(b) Facilities.—Section 1126(d) of the Act is amended—

(1) in paragraph (1), by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and", and by inserting after subparagraph (B) the following new subparagraph:

"(C) including a 5-year plan for capital improvements.";

(2) by striking out the second sentence of paragraph (2);

(3) by striking out "the allocation" in paragraph (2)(C) and inserting in lieu thereof "a notice of an allocation";

(4) in paragraph (2), by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and", and by inserting after subparagraph (C) the following new subparagraph:

"(D) a system for the conduct of routine preventive maintenance.";

(5) by striking out "expended or transferred" in the next to last sentence of paragraph (2) and inserting in lieu thereof "authorized for expenditure";

(6) by striking out paragraph (3) and redesignating paragraph (4) as paragraph (3); and

(7) in paragraph (3), as so redesignated, by striking out "Indian Education Amendments of 1984" and inserting in lieu thereof "Indian Education Technical Amendments Act of 1985".

SEC. 5. ALLOTMENT FORMULA.

(a) SPECIAL COST FACTORS.—Section 1128(a)(2) of the Act (25 U.S.C. 2008(a)(2)) is amended—

(1) by inserting "and" at the end of subparagraph (G);

(2) by striking out "and" at the end of subparagraph (H); and

(3) by striking out subparagraph (I).

(b) SEPARATE FUND FOR EMPLOYEE COSTS.—Section 1128(e) of the Act is amended to read as follows:

"(e) Supplemental appropriations enacted to meet increased pay costs attributable to school level personnel shall be distributed under this section.".

SEC. 6. UNIFORM DIRECT FUNDING AND SUPPORT.

(a) AVAILABILITY OF APPROPRIATIONS.—Section 1129(a) of the Act (25 U.S.C. 2009(a)) is amended—

(1) by striking out "this section" each place it appears and inserting in lieu thereof "section 1128";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by adding at the end of paragraph (1) the following new sentence: "Amounts appropriated for distribution under this section may be made available under paragraph (2) or under paragraph (3), as provided in the appropriation Act.";

(4) by inserting after paragraph (1) the following new paragraph:

"(2)(A) For the purpose of affording adequate notice of funding available pursuant to the allotments made by section 1128, amounts appropriated in the appropriations Act for any fiscal year shall become available for obligation by the affected schools on October 1 of the fiscal year for which they are appropriated without further action by the Secretary, and shall remain available through six months of the succeeding fiscal year. In order to effect the transition to the advance funding method of distribution described in the preceding sentence, there are authorized to be appropriated, in an appropriations Act or Acts for the same fiscal year, two separate appropriations for such allotments, the first of which shall not be subject to the preceding sentence.

"(B) The Secretary shall, on the basis of the amount appropriated in accordance with this paragraph—

"(i) publish, on July 1 preceding the fiscal year for which the funds are appropriated, allotments to each affected school made under section 1128 of 75 per centum of such appropriations, based on the school's student court for the preceding academic year; and

"(ii) publish no later than November 1 of the fiscal year for which funds are appropriated the allotments to be made from the remaining 25 per centum, adjusted to reflect actual student court, such funds to be immediately available for obligation by the affected schools.";

(5) by striking out "Notwithstanding any law" in paragraph (4) (as redesignated by paragraph (1) of this subsection) and inserting in lieu thereof "Pursuant to guidelines established by the Assistant Secretary, notwithstanding any law"; and

(6) by striking out "expend no more than 10 percent" in such paragraph and inserting in lieu thereof "expend no more than $25,000 annually".

(b) USE OF SELF-DETERMINATION GRANTS.—Section 1129(c) of the Act is amended—

(1) by striking out "shall institute a program" and inserting in lieu thereof "may approve applications"; and

(2) by inserting before the period at the end thereof the following: "from funds appropriated pursuant to section 104(a) of such Act".

SEC. 7. ANNUAL REPORTING.

Section 1136(b) of the Act (25 U.S.C. 2016(b)) is amended by striking out "the Bureau, the Office, and".

SEC. 8. VOLUNTARY SERVICES.

Section 1140 of the Act (25 U.S.C. 2020) is amended—

(1) by striking out "an officer or employee of the Bureau or the Office" and inserting in lieu thereof "the Secretary"; and

(2) by adding the following at the end thereof: "An individual providing volunteer services under this section is a Federal employee only for purposes of chapter 81 of title 5, United States Code, and chapter 171 of title 28, United States Code.".

SEC. 9. ADDITIONAL TECHNICAL AMENDMENTS.

(a) REDESIGNATION.—Sections 1141, 1142, and 1143 of the Act (as added by the Education Amendments of 1984) are redesignated as sections 1140A, 1140B, and 1140C, respectively.

(b) EXTRACURRICULAR ACTIVITIES.—Section 1140B of the Act (as so redesignated) is amended—

(1) by striking out "Secretary shall provide" in subsection (a) and inserting in lieu thereof "Secretary may provide, for each Bureau area,";

(2) by striking out subsection (b); and

(3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(c) HOUSING.—Section 1140C of the Act (as so redesignated) is amended—

(1) by striking out "90 percent" in subsection (b) and inserting in lieu thereof "40 percent";

(2) by striking out "aid the school" in such subsection and inserting in lieu thereof "aid an isolated school"; and

(3) by striking out "in non-pay status" in subsection (c) and inserting in lieu thereof "in involuntary non-pay status and who have not obtained employment".

SEC. 10. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b) but notwithstanding any other provision of law, the amendments made by this Act and by the Indian Education Amendments of 1984 to title XI of the Education Amendments of 1978 shall be effective on the date of enactment of this Act and shall apply with respect to any expenditure of funds for the operation or support of Bureau of Indian Affairs schools and Indian controlled contract schools for school years beginning after August 1, 1985.

(b) EXCEPTION.—The amendments made by sections 504, 505, and 506 of the Indian Education Amendments of 1984 shall be effective on October 1, 1985.●

By Mr. MURKOWSKI:

S.J. Res. 151. Joint resolution to designate the week of June 22 through June 28 in each year as "National Friendship Week"; to the Committee on the Judiciary.

NATIONAL FRIENDSHIP WEEK

● Mr. MURKOWSKI. Mr. President, I am introducing Senate Joint Resolution 151, designating the week of June 22 to 28 of each year as "National Friendship Week," a special time for all Americans to cherish the friendship that exists in their lives, and to extend it to others around them. Tomorrow is the last day of friendship week for many communities in our country.

Friendship week has been recognized in California, Alaska, and Hawaii as a time for everybody to reflect upon the value that friendship has in their personal lives, and their Nation. The idea has been initiated by the former mayor of Anchcrage, AL, George Byer, who now resides in Hemet, CA. It is mainly because of his efforts that friendship week has been successful on the local level. An article last year in the Anchorage Times recognized his efforts in this area.

We seems to live in a world where war, terrorism, crime, and a myriad of other violence dominate our thoughts and conversation. How easily we take for granted the constructive power of friendship to heal wounds and alleviate hatred caused by men. We should celebrate our common humanity instead of dwelling on our differences.

National Friendship Week is but a small, symbolic step, but small gestures like this can sometimes capture the imagination of mankind. One is reminded of the philosophical reflection that was spawned when Time magazine ran a cover photograph of Pope John Paul II in a drab, Italian prison extending a hand of forgiveness to the young man who tried to kill him—Turkish terrorist Mehmet Ali Agca. Amidst all the violence in the world, here was Pope John Paul II comforting his would-be assassin. This act of forgiveness will long endure in the thoughts of many people, and it is with this vision in mind that I request the support of my colleagues of this most worthwhile effort.

The passage of this resolution will not bring peace tomorrow, but it will clearly show that hope can still triumph and friendship prevail in the world.

Mr. President, I ask unanimous consent that the previously mentioned article from the Anchorage Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FORMER MAYOR PROMOTES HOLIDAY FOR FRIENDSHIP

(By A.J. McClanahan)

Former Anchorage Mayor George Byer doesn't spend much time thinking about what he will do with all his "free" time now that he is retired and living in Hemet, Calif.

Beyer, 71, was busy in Anchorage this week promoting "Annual Friendship Week." Byer initiated the week several years ago as a means of encouraging people to take some time out for their friends. It is to be observed in Alaska June 22-28.

The observance was proclaimed at Byer's request by Gov. Bill Sheffield. Similar proclamations have been signed for California and Hawaii, as well as Los Angeles. And Byer said Mayor Tony Knowles has indicated he will sign one for Anchorage.

But that's not enough for Byer, who wants the week to become a national observance like Mother's Day, and maybe eventually an international event.

Although he has been unsuccessful for the last three years in getting Congress to put its stamp of approval on the idea, Byer does not plan to give up. He just wrote to President Reagan and hopes to get him to act before the week starts.

Byer describes himself as the founder, director, promoter, flunkie—"Anything you want to call me, dear"—of the week. A poster promoting the concept proclaims "People to People" and shows a map of the world, surrounded by the words: Anywhere a friend. Everywhere, Earth.

The proclamation signed by Sheffield late last month states that friendship is an essential ingredient in maintaining world peace.

"By sharing our secrets, cherished memories and dreams for our future with our neighbors here and abroad, we can develop an everlasting bond of friendship that will create a better world of reason and understanding," it states.

The idea for Friendship Week goes back more than a decade when Byer began the "Earthalite Message" that called for Christmas greetings to be relayed around the world by the American Radio Relay League and other broadcast and print media. The message originated in Anchorage in 1959 by Byer while he was mayor and was repeated until 1966.

He was mayor from 1959 to 1961.

Byer arrived in Anchorage this week for another reason. He was to be one of the signers of the first "Anchorage Character Print," a silver anniversary poster for Anchorage. The 29-by-39-inch poster depicts facts about and places in Anchorage, as well as major businesses and buildings.

The poster made its debut at a reception at the Sixth Avenue gallery of Stephan Fine Arts. A thousand of the prints were made and will each be sold for $100. Half the price will be donated to the Brother Francis Shelter of Anchorage.

Byer also took time out to meet a man who has his former job: long before Byer was mayor he was a mailman. So Byer went along his old Downtown route with postal carrier William Pryor.●

By Mr. DODD:

S.J. Res. 152. Joint resolution to recognize both Peace Corps volunteers and Peace Corps on the agency's 25th anniversary, 1985–86; to the Committee on the Judiciary.

PEACE CORPS 25TH ANNIVERSARY

● Mr. DODD. Mr. President, I rise to introduce a joint resolution to commemorate the 25th anniversary of the Peace Corps. The test of this resolution is identical to that of House Joint Resolution 305, introduced by the several Members of the House who are former Peace Corps volunteers.

Over 120,000 Americans have served in the Peace Corps, in more than 90 countries. Millions of people who know little else about America have a firm impression of the goodness of this Nation and its people because of the commitment and dedication of Peace Corps volunteers, tens of thousands of them, who have given of their time to live among the peoples of underdeveloped nations, to share their problems, learn of their ways, and contribute what they can to bettering the lot of the world's poor.

It is not an easy task, Mr. President. I know. I spent two of the hardest and finest years of my life in the Dominican Republic as a Peace Corps volunteer.

But it is a rewarding task in a way that may be hard to describe. There are statistics for the good that the Peace Corps has done. There are those who can explain in great detail how many people have learned to read and write, how many homes, schools, and health care units have been built, and how many wells and irrigation ditches have been dug, and so many other projects, by Peace Corps volunteers.

And, Mr. President, there are certainly those who can cite the number of returned Peace Corps volunteers in the Foreign Service, or in successful international businesses, and in education, and a variety of other fields that may not at first glance seem to have much to do with the rest of the interdependent world in which we live, to show that it is not only the host country that benefits from the Peace Corps. The United States of America benefits as well, not just in the good will of those we have helped, but also in the knowledge and understanding returned Peace Corps volunteers bring home.

But for this returned Peace Corps volunteer, what summarizes the value of the Peace Corps is the memory of the individuals in the Dominican Republic whom I taught, and with whom I worked, and from whom I learned. They do not stand out in the statistics. They do not make a dent in the data that we use around here when we discuss U.S. relations with foreign countries in terms of the size of our foreign aid programs. But I know from the struggle of personal experience that there are a few people in the mountains around Moncion in the Dominican Republic who know something of what is good about America because of what the Peace Corps has done there. And I know that in every one of the thousands of other villages and hamlets in each of the 90 countries where the Peace Corps has done its work, there are people, who may never even see this country, but who believe in America because of the service that those 120,000 American volunteers have performed.

So as the Peace Corps begins its second quarter century, I take great pride in introducing this joint resolution to the Senate. I encourage my colleagues to support it.

I hope in another 25 years some other returned Peace Corps volunteer will stand in the Senate to commemorate the Peace Corps' first half-century. I hope that Senator will tell how his or her experience amid the poverty and potential of some other nation inspired a renewed appreciation and commitment to what is great and good about America.

The Peace Corps is a vital, valuable part of how America presents itself to the rest of the world, and it is, indeed, what it claims to be: "The toughest job you'll ever love."

I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 152

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas the United States Peace Corps is beginning its twenty-fifth year of providing Volunteers to serve in countries of the developing world in helping people help themselves in their reach for a better life;

Whereas over 120,000 Americans have served in Peace Corps in over ninety countries around the world in programs that have significantly added to bridges of understanding between the people of the United States and the peoples of the countries it has been privileged to serve;

Whereas Peace Corps Volunteers have returned to their communities enriched by the experience, more knowledgeable of the world and the challenges of building a lasting peace;

Whereas Peace Corps Volunteers continue to maintain open channels of communication with their friends in the country where they served, thereby continuing to build solid commitments of understanding.

Whereas the response of Americans to Peace Corps' call for service in seeking long-term solutions to the complex human problems of hunger, poverty, illiteracy, and disease continue to exceed its recruitment requirements: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period October 1, 1985 through September 30, 1986, shall be the official time set aside to reflect on the achievements of the Peace Corps during its twenty-five years, as well as to consider innovative ways that the talents and expertise of its volunteers and other bilateral volunteer programs might be used in the future; the President is authorized and requested to issue a proclamation setting forth October, 1, 1985 through September 30, 1986 as a period of time to honor Peace Corps Volunteers past and present, and reaffirm our nation's commitment to helping people in the developing world help themselves.●

By Mr. BYRD:

S.J. Res. 153. Joint resolution calling on the President to initiate multilateral negotiations to create more effective protections against international terrorism; to the Committee on Foreign Relations.

(The remarks of Mr. BYRD and the text of the legislation appear earlier in today's RECORD.)

By Mr. GARN:

S.J. Res. 154. Joint resolution to designate July 20, 1985, as "Space Exploration Day"; to the Committee on the Judiciary.

SPACE EXPLORATION DAY

● Mr. GARN. Mr. President, today, we have the opportunity once again to observe what has become a symbol of the American spirit of progress. I introduced a joint resolution calling for the designation of July 20 as "Space Exploration Day".

The Apollo astronauts changed forever, for all humanity, our concept of and relationship to the universe. Apollo II was an unparalleled triumph of determination and technological

genius. The concerted Government efforts led by the National Aeronautics and Space Administration [NASA], supported by industry and science, epitomizes the strengths and potential of the American people.

July 20, 1985, is the 16th anniversary of the first landing on the Moon, the 10th anniversary of the international Apollo-Soyuz mission, and the 9th anniversary of the first Viking landing on Mars. The American people have an innovative spirit. It is this desire that brought many of our ancestors to America. This same spirit gave rise to the exploration and settlement of the West.

The declaration of "Space Exploration Day" has a rich heritage. Indeed, there have been several Presidential Proclamations concerning "Space Exploration Day" observances, since President Ford initiated this activity in 1976. Last year, Congress passed this resolution. For the past 4 years, this growing tradition has achieved nationwide endorsement from all 50 State Governors and the Governor of Puerto Rico. The pioneer work of the United States in the area of space exploration continues to be an awe-inspiring undertaking.

This joint resolution reminds us that it is the American spirit of exploration—of desiring to cross new horizons and learn more about ourselves and the world and universe around us—that made the Space Program successful. In the 27 years since the beginning of the Space Program, more information has been gathered about the cosmos than had been gleaned in all the centuries before: Remotely controlled spacecraft have been sent on missions extending from near-Earth orbit to far reaches of the solar system; humans have set foot for the first time on truly foreign soil; in the last decade, the winds of Mars have been measured, and the rings of Saturn counted; recently, a sophisticated new order of space research potential has been demonstrated by America's space shuttle—a machine which allows humans to walk in space, permits spacecraft to be launched, retrieved, or serviced in space, and returns crews' experiments, and irreparable spacecraft to Earth.

This resolution commemorates the achievements of the past and offers hope for the future. The Space Program has produced rapid technological advances, which have significantly contributed to improving the American standard of living. However, the adventures and challenges are not yet over. We are just beginning to explore the feasibility of manufacturing in space, to examine the ecological impacts of natural and man-made events on Earth, and to investigate how events in the universe around us influence the world we live in. These explorations in space offer hope for a better and more peaceful world.

I urge my colleagues to join me in this worthwhile endeavor.●

ADDITIONAL COSPONSORS

S. 86

At the request of Mr. DOLE, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 86, a bill to amend the laws of the United States to eliminate gender-based distinctions.

S. 140

At the request of Mrs. HAWKINS, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from New York [Mr. D'AMATO], the Senator from Massachusetts [Mr. KERRY], the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 367

At the request of Mr. HART, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 367, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 425

At the request of Mr. GOLDWATER, the name of the Senator from Louisiana [Mr. LONG] was added as a cosponsor of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 505

At the request of Mr. DURENBERGER, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Oklahoma [Mr. BOREN], the Senator from Maine [Mr. MITCHELL], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 505, a bill entitled the "Maternal and Child Health Preventive Care Amendments of 1985".

S. 635

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 635, a bill to express the opposition of the United States to the system of apartheid in South Africa and for other purposes.

S. 680

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 680, a bill to achieve the objectives of the multifiber arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

S. 697

At the request of Mr. THURMOND, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 697, a bill to amend title 10, United States Code, to establish a program to provide high school graduates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Armed Forces.

S. 704

At the request of Mr. THURMOND, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 704, a bill to establish an intercircuit panel, and for other purposes.

S. 865

At the request of Mr. MATHIAS, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 876

At the request of Mr. MURKOWSKI, the names of the Senator from South Dakota [Mr. ABDNOR] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 876, a bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs.

S. 881

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

S. 982

At the request of Mr. BAUCUS, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 982, a bill to amend the Trade Act of 1974 regarding international trade in softwood lumber, and for other purposes.

S. 987

At the request of Mr. EXON, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Oklahoma [Mr. BOREN], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-65.

S. 1005

At the request of Mr. NICKLES, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1005, a bill to amend the Davis-Bacon Act to modify the provisions of such Act prescribing the minimum wages to be paid laborers, mechanics, and helpers employed on public construction projects, and for other purposes.

S. 1018

At the request of Mr. GORTON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1018, a bill to amend the National Labor Relations Act to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

S. 1032

At the request of Mr. DANFORTH, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 1032, a bill to establish a commission to study amusement ride safety, and for other purposes.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1198

At the request of Mr. MITCHELL, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Pennsylvania [Mr. HEINZ], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from New York [Mr. MOYNIHAN], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 1198, a bill to establish in the Environmental Protection Agency a program of research on indoor air quality, and for other purposes.

S. 1237

At the request of Mr. DODD, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1237, a bill to provide a comprehensive legislative program for children, adolescents, and families, and for other purposes.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who perform service as National Guard technicians before January 1, 1969.

S. 1264

At the request of Mr. QUAYLE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1264, a bill to amend the National Foundation on the Arts and Humanities Act of 1965, to extend the authorizations of appropriations for that act, and for other purposes.

S. 1305

At the request of Mr. TRIBLE, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1312

At the request of Mr. PRESSLER, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 1312, a bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes.

S. 1326

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1326, a bill to provide air passenger security for certain air carrier flights.

SENATE JOINT RESOLUTION 132

At the request of Mr. DANFORTH, the names of the Senator from Oregon [Mr. HATFIELD], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating October, 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 145

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 145, a joint resolution designating November 1985 as "National Diabetes Month."

SENATE JOINT RESOLUTION 146

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 146, a joint resolution designating August 1985 as "Polish American Heritage Month."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. MITCHELL, his name was added as a cosponsor of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

At the request of Mr. ANDREWS, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Concurrent Resolution 46, supra.

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Concurrent Resolution 49, a concurrent resolution expressing congressional approval of the plans being made to commemorate the 200th anniversary of the Northwest ordinance, and calling for a national celebration of such anniversary.

SENATE RESOLUTION 173

At the request of Mr. KASTEN, the names of the Senator from Washington [Mr. EVANS], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of Senate Resolution 173, a resolution expressing the sense of the Senate that any tax reform measure enacted by Congress should restore the value of the personal exemption by increasing it to a minimum of $2,000 and indexing it to prevent further erosion of its value.

SENATE RESOLUTION 186

At the request of Mr. D'AMATO, the names of the Senator from Florida [Mrs. HAWKINS], The Senator from Wyoming [Mr. WALLOP], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Resolution 186, a resolution expressing the sense of the Senate that the President should call for negotiations with those Democratic nations plagued by terrorism for a treaty to prevent and respond to terrorist attacks.

SENATE RESOLUTION 188

At the request of Mr. WARNER, his name was added as a cosponsor of Senate Resolution 188, a resolution to recognize the personal commitments contributions of Paul Mellon.

AMENDMENT NO. 193

At the request of Mr. PRYOR, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Amendment No. 193 proposed to S. 1160, an original bill to authorize appropriations for the military functions of the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes.

SENATE CONCURRENT RESOLUTION 54—PROVIDING FOR AN ADJOURNMENT OF THE CONGRESS

Mr. HEINZ (for Mr. DOLE) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 54

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader in accordance with this resolution, and that when the House adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12 o'clock noon on Monday, July 8, 1985, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE RESOLUTION 189—DESIGNATING HEALTH CARE EXPO 1985 WEEK

Mr. KENNEDY (for himself and Mr. HATCH) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 189

Whereas Health Care Expo 1985, a unique health care concept designed to explore critical issues in the practice and business of medicine; and to promote mutual understanding among professionals, paraprofessionals and the general public, is holding its first exposition in the Washington Convention Center during the week of August 18 to 24, and

Whereas it is recognized that public understanding and appreciation of the opportunities and problems of current health care concepts, both public and private, is essential to a proper functioning of our health care system: Now, therefore, it is hereby

Resolved, That to further these aims and goals the week of August 18 to 24, 1985 is designated Health Care Expo 1985 week.

● Mr. KENNEDY. Mr. President, today I am introducing a resolution to designate the week of August 18 to 24 as Health Care Expo 1985 Week. This week will coincide with Health Care Expo 1985, an exposition which will be held at the Washington Convention Center, and which will feature numerous educational exhibits and distinguished guest lecturers. The designation of this week will make people aware of this special health event.

Health Care Expo 1985 promises to be a stimulating educational experience for all who attend. The public, private, and voluntary sectors of health care will cooperate to produce hundreds of exhibits, lecturers, and demonstrations, which collectively will touch on every major aspect of health care in the United States today. The programs are geared for health care professionals as well as the general public. There will also be special events for children.

The National Institutes of Health will be a major participant, contributing special displays to commemorate NIH's 100th anniversary. Numerous professional and voluntary organizations will participate including the American Cancer Society, American Diabetes Association, American Heart Association, National League for Nursing, and the National Pharmaceutical Council. In addition, there will be hundreds of distinguished guest lecturers over the 6 days of the exposition.

In our rapidly developing system, there is often a lag between new developments and public and professional awareness of them. This exposition is a comprehensive program designed to reduce this lag. Health Care Expo 1985 is designed to keep the public and health care professionals abreast of developments in the health care field. I am confident that it will be effective.●

SENATE RESOLUTION 190—MAKING TERRORISM A UNIVERSAL CRIME

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 190

Whereas in the past decade there have been nearly 6,500 terrorist incidents around the world, killing over 3,500 people and wounding more than 7,600, including over 2,500 incidents against Americans;

Whereas terrorism anywhere affects nations everywhere by chilling the free exercise of sovereign authority;

Whereas rampant terrorism by its very nature threatens world order and thereby all civilized nations and their citizens;

Whereas any and every nation has the right, under current principles of international law, to assert jurisdiction over offenses considered to be "universal crimes", such as piracy and slavery, in order to protect sovereign authority, universal values, and the interests of mankind; and

Whereas individuals commiting "universal crimes" may be prosecuted in any nation in which the offender may be found, irrespective of the nationality of the offender or victim or the place of the offense: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should call for international negotiations for the purpose of agreeing on a definition of "international terrorist crimes" and for the purpose of considering whether such a crime would constitute a universal crime under international law. Such definition should require that acts constituting an international terrorist crime—

(1) involve the threat or use of violence or be dangerous to human life,

(2) would be a crime in the prosecuting jurisdiction if committed within its boundaries,

(3) appear to be intended—

(A) to intimidate or coerce a civilian population;

(B) to influence the policy of a government by intimidation or coercion; or

(C) to affect the conduct of a government by assassination or kidnapping; and

(4) transcend national boundaries in terms of the means by which they are accomplished, the persons they appear intended to coerce or intimidate, or the locale in which their perpetrators operate or seek asylum.

These international negotiations should also include consideration of establishing an international criminal court along the lines of the International Military Tribunal established after World War II for the trial of major war criminals at Nuremburg, Germany, that would have jurisdiction over the crime of international terrorism.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. SPECTER. Mr. President, I am submitting a resolution designed to encourage an international declaration that terrorism is a universal crime. This is part of my continuing effort to redirect the focus of national and international attention from the divisive issue of whether to respond militarily to terrorist acts to a fundamental reality too often forgotten: terrorists are criminals. And nations that aid and abet these terrorists are effective accomplices.

This resolution is identical to Senate Resolution 473 in the 98th Congress, which I submitted October 4, 1984.

Ultimately, I am convinced that law-abiding nations will succeed against this threat to law and order worldwide, not by adopting the terrorists' tactics that threaten innocents, but by fiercely maintaining that threatened order and bringing the full force of the law to bear against these most heinous criminals.

When pirate-infested waters threatened the commerce and safety of all civilized nations, the international community agreed that this common threat transcended traditional concepts of sovereign jurisdiction. They agreed that any country that captured a pirate, anywhere, could prosecute him on behalf of all countries. Today's international criminals have left the high seas for airplanes and trucks loaded with explosives. But the threat posed by terrorists is just as universal as that once posed by pirates, and, like piracy, terrorism should be prosecuted as a "universal crime" against humanity.

A universal crime, according to well-established principles of international law, is one that, by its very nature affects the interests of all nations, regardless of where committed or the nationality of the offender.

Piracy is the oldest universal crime, but the principle has also been applied over the years to other generally condemned acts such as slavery and torture.

If piracy and torture violate the law of nations, surely the heinous acts of terrorism do. In the past decade, there have been nearly 6,500 terrorist incidents around the world, killing over 3,500 people and wounding more than 7,600, including over 2,500 incidents against Americans. Like piracy, terrorism anywhere affects nations everywhere by spreading fear and paralysis that chills the free exercise of sovereign authority with the threat that lawless fanatics will display their disapproval through violent means.

To encourage a united effort by all nations dedicated to combating this deadly menace, my resolution proposes that the President call for international negotiations aimed at determining an international definition of terrorism which could then be established as a universal crime punishable by any nation that captures the terrorist.

The resolution suggests guidelines for arriving at a definition of international terrorism: it should involve the threat or use of violence or acts dangerous to human life that would be a crime in the prosecuting jurisdiction if committed there, and that appear to be intended to intimidate or coerce a civilian population, to influence the policy of a government by intimidation, or to affect the conduct of a government by assassination or kidnapping. The acts must be international in the sense that they transcend national boundaries. This language closely parallels the definition of international terrorism codified in the Foreign Intelligence Surveillance Act at 50 U.S.C. 1801(d). Uniformed military engaged in combat would be excepted from the definition.

The resolution also calls on the President to include on the agenda for these negotiations consideration of establishing an international criminal court along the lines of the International Military Tribunal established after World War II for the trial of major war criminals at Nuremberg, Germany. Such an international forum could provide an optional alternative to persecution by an individual nation and may, in some cases, provide a more credible and collective judgment. Jurisdiction could be limited to established universal crimes.

In making terrorism a universal crime we broaden both the class of people protected—all citizens of any nation—and the class of protectors—all law-abiding nations. In doing so, we enhance the likelihood that terrorists will be punished and deterred. No longer will prosecution of a terrorist be limited by the inclination or ability of any country. Nor will it be limited to the coincidence of an extradition treaty between the country asserting jurisdiction over the terrorist and the country in which that terrorist is found.

The political use of terror generated by violent acts against innocent victims is intolerable. It is an affront to all nations of the world, and requires an international resolve to combat it. The U.S. should exercise its leadership role and call on all civilized nations to translate international indignation into international action by making terrorism a universal crime.

SENATE RESOLUTION 191—ELIMINATION OF DIPLOMATIC IMMUNITY FOR TERRORISTS

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 191

Whereas article 31 of the Vienna Convention of 1961 provides: "A diplomatic agent shall enjoy immunity from the criminal jurisdiction of the receiving state," thus granting absolute and complete immunity for all crimes, including murder by assassination;

Whereas this grant of full immunity was based on the assumption that either accredited diplomats would not commit heinous crimes or that, pursuant to article 37 which provides "The immunity of a diplomatic agent from the jurisdiction of the receiving state does not exempt him from the jurisdiction of the sending state," any diplomats committing such crimes would be prosecuted by their own government;

Whereas the recent machinegunning by diplomats of Libya from their London Embassy in which eleven dissident Libyan students were injured and a British policewoman was killed, reportedly on instructions radioed from Tripoli, began a new era in the history of diplomacy and showed complete contempt for human life and international law and proved that the established assumptions about lawful behavior and home government prosecution are no longer valid: Now, therefore, be it

Resolved, That it is the sense of the Senate that in order both to deter assassinations and other armed assaults and to bring to justice any diplomats committing such grave offenses, the President of the United States should seek a renegotiation of the Vienna Convention as to immunity from criminal jurisdiction with the objective of amending article 31 to exempt from such immunity murder and other grave crimes involving assault with firearms or explosives.

Mr. SPECTER. Mr. President, today I am resubmitting a resolution that would help prevent foreign diplomats who engage in terrorism from claiming immunity from criminal prosecution.

This legislation was originally submitted as Senate Resolution 395 on June 6, 1984. It calls upon the President to seek a renegotiation of the Vienna Convention on Diplomatic Relations with the objective of exempting murder and other grave crimes involving assault with firearms or explosives.

Terrorists are not diplomats, regardless of any title they may have assumed or protection they may have enjoyed prior to their terrorist actions.

Last year's tragic "shoot-out" at the Libyan Embassy in London and the news that those suspected of firing the machine guns were protected by diplomatic immunity alerted the world to the new nightmare of the so-called "terrorist-diplomat."

The inherent contradiction in this term is clear. I have introduced legislation aimed at preventing any recurrence of grotesque spectacle of terrorists walking away from prosecution behind the shield of diplomatic immunity. We must make it clear that murder is not, and can never be, protected diplomatic activity.

Article 31 of the Vienna Convention states: "A diplomatic agent shall enjoy immunity from the criminal jurisdiction of the receiving State." The convention thus codified a tradition of many centuries. Justice, it was assumed, would be done by the sending state.

Yet, that assumption abrogates all justice in a situation of State-sponsored terrorism. In that circumstance, obviously, the sending state will reward rather than prosecute its agent. Again, the shooting in London illustrates the problem. News reports asserted that Embassy personnel had received electronic communications from Tripoli instructing them to shoot the Libyan dissidents demonstrating near the Embassy. The result, as the whole world knows, is that 11 students were injured and a British policewoman was shot to death. No Libyans were ever prosecuted for this violence.

The grant of immunity in the Vienna Convention should be revised to allow the receiving state to prosecute diplomats for murder and other armed offenses against persons.

Critics of this proposal will argue that the present unqualified immunity protects American diplomats in hostile nations such as Eastern bloc countries and the Soviet Union. With the revisions, it would still do so.

It is inconceivable that this country or any other law-abiding country would instruct or permit diplomats to use firearms to assault political opponents. Therefore, the revisions would not limit the proper functioning of our diplomatic agents. Nor could armed assault charges such as murder by firearm be readily brought on manufactured evidence. Diplomats of all countries would continue to be immune from prosecution for the sort of charges that could readily be trumped up, such as espionage or fraud.

If there is a slight risk that some country might fabricate evidence against our Ambassador that he shot someone, even though the fabrication would be obvious, that risk is worth taking. Otherwise, fanatical and lawless states such as Iran, Syria, and Libya will be encouraged to turn their embassies into nests of terror from which murder can be routinely dispensed with impunity.

Nor is it sufficient in the face of these death squads to argue that the receiving state can adequately protect itself by expelling the terrorist-diplomat after the fact. He or she can and will simply be replaced by a new terrorist-diplomat. Assassinations will continue.

Some may argue that revising the terms of immunity will be insufficient to deter murders by fanatics employed by murderous governments. This may be so in some cases. There is a great difference, however, between surreptitious assassinations by secret agents of a foreign power and overt shootings from Embassy windows. Both are intolerable, but the latter makes the victim state compound the crime by forcing it to release the criminal.

No doubt it will take years to revise the Vienna Convention, but merely making the proposal will make a difference. It will put nations on notice that the world community will not tolerate another London.

SENATE RESOLUTION 192—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. MURKOWSKI, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 192

Whereas, the provision of H.R. 752, as reported, the proposed "New GI Bill Amendments of 1985" would provide for the payment of monthly basic educational benefits commencing during fiscal year 1990; and

Whereas, since Senate consideration of H.R. 752 at the present time, before the first concurrent resolution on the budget for fiscal year 1990 has been adopted, would violate section 303(a) of the Congressional Budget Act of 1974, in that the bill would provide new spending authority described in section 401(c)(2)(C) of that Act to become effective during fiscal year 1990, a waiver of section 303(a) of that Act is necessary to provide for the timely consideration of H.R. 752: Now, therefore, be it

Resolved by the Senate, That, pursuant to section 2303(c) of the Congressional Budget Act of 1974, section 303(a) of that Act be waived with respect to H.R. 752 as reported.

SENATE RESOLUTION 193—AUTHORIZING TESTIMONY BY A SENATE EMPLOYEE

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 193

Whereas, in a confidential proceeding before the State of Florida Bar, Fifteenth Judicial Circuit Grievance Committee A, a subpoena has been issued for the testimony of Gregory Allen Gay, a District Representative for Senator Paula Hawkins;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony, documents, papers and records under the control of or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Gregory Allen Gay is authorized to appear and to testify before a confidential proceeding of the State of Florida Bar, Fifteenth Judicial Circuit Grievance Committee A.

SENATE RESOLUTION 194—RELATING TO RECESS APPOINTMENTS

Mr. BYRD (for Mr. PROXMIRE) submitted the following resolution; which was considered and agreed to:

S. RES. 194

Whereas Article I, Section 8 of the Constitution of the United States assigns exclusively to the Congress the power to "coin money and regulate the value thereof";

Whereas in 1913 the Congress in the Federal Reserve Act delegated its monetary powers to the Federal Reserve System and provided for a 7 member of Board of Governors to be appointed by the President, by and with the advice and consent of the Senate;

Whereas the Board of Governors exercises the Federal Reserve System's monetary powers in conjunction with the presidents of the 12 regional Federal Reserve Banks but independent of the executive branch;

Whereas the Congress provided for fixed 14-year terms of service for members of the Board of Governors of the Federal Reserve System in order to maintain the independence of the Federal Reserve System;

Whereas a recess appointment to the Board of Governors of the Federal Reserve System allows an appointee temporarily to participate in the decisions of the Board without the protections afforded by a fixed term since the appointment cna be withdrawn at any time until it is confirmed by the Senate;

Whereas a recess appointment to the Board of Governors of the Federal Reserve System could afford a President indirect influence over the conduct of monetary policy inconsistent with an independent Federal Reserve System as provided for in the Federal Reserve Act and the exclusive assignment of monetary powers to the Congress under the Constitution of the United States; and

Whereas the President is nonetheless entitled to expeditious consideration by the Senate of his or her nominations to the Board of Governors of the Federal Reserve System: Now, therefore, be it

Resolved, That it is the sense of the Senate that (1) recess appointments should not be made to the Board of Governors of the Federal Reserve System except under unusual circumstances and only for the purpose of fulfilling a demonstrable and urgent need in the administration of the Board's activities, and (2) nominations to the Board of Governors of the Federal Reserve System should be expeditiously considered by the Senate.

SENATE RESOLUTION 195—CONCERNING TWA FLIGHT 847

Mr. SYMMS submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 195

Whereas on Friday, June 14, 1985, Shiite terrorists hijacked TransWorld Airlines flight 847, carrying over a hundred United States citizens;

Whereas the terrorists did brutally beat and coldbloodedly murder Robert Stethem, USN;

Whereas on Saturday, June 15, 1985, the terrorists singled out seven American citizens whom the terrorists apparently believed to be Jewish or were United States military personnel, and separated them from the other hijack victims, so that their whereabouts and safety were unknown;

Whereas the brutalization and terrorism of innocent American citizens is intolerable and destructive to American freedom;

Whereas the foreign ministers of Libya, Syria, and Iran met in January of this year in Tehran and laid the ground work for a new "anti-American strategy";

Whereas the countries agreed to escalate terrorism against U.S. interests and personnel on a world-wide scale;

Whereas Libyan leader Muammar Qadhafi formally organized and agreed to finance his first pan-Arab terrorist organization, called the Organization of Arab Revolutionary forces;

Whereas the organization pledged to "conduct the Arab struggle for liberating all Arab territories" and "confront American imperialism";

Whereas this alliance includes the following activities: cooperation in exchange of intelligence information, forging passports for their operatives, and providing funding and other infrastructural support;

Whereas the Shiite terrorists' actions are a result of a policy of systematic terrorism towards the United States and its citizens through the Iizbulla organization which Iran supports and arms through the Revolutionary Guards stationed in the Bekaa valley;

Whereas Libyan leader Muammar Qadhafi, Syrian President Hafiz al Assad, and Iranian leader Ayatollah Khomeini must be held accountable for their role in this systematic policy of terrorism;

Whereas international terrorism continues unabated, indeed at an accelerated rate, with no credible or significant response from the United States or the international community;

Whereas this country must forceably respond to such an intolerable policy of systematic terrorism against its citizens: Now, therefore, be it

Resolved, That it is the Sense of the Senate that—

(1) it deplores the policy of systematic terrorism against the United States pursued by the Shiite terrorists and its allies; and

(2) it considers such actions against the United States and its citizens tanamount to war, and that such war like actions should be treated accordingly; and

(3) the President reserves the right to resort to any military measures he deems necessary to defend the United States and its citizens to bring justice to the perpetrators of terrorism, and to retaliate against this and all other such acts of terrorism in accordance with the laws and principles of self-defense; and

(4) it strongly endorses the United States policy of demanding the immediate, safe, and unconditional release of the hostages and not negotiating with the terrorists or acquiescing to their demands; and

(5) it calls for the cessation of all American flights into Greece until the security measures at Athens International Airport meet established international standards; and

(6) the United States refuses to permit terrorist attacks or policy to alter or shape the United States' general diplomatic policy in or towards the Middle East or any other part of the world.

Mr. SYMMS. Mr. President, this resolution I am offering condemns the Shiite terrorists for their inhumane actions aboard flight 847. Only recently, Israel permitted a prisoner exchange, in which 1,000 terrorists were swapped for 3 Israeli prisoners of war. This event was viewed with dismay by many of my colleagues, by many Israelis, and in fact, could well be seen as encouraging the Shiite hijacking of flight 847.

To protest the prisoner exchange, 100,000 Israelis took to the streets of Tel Aviv last Sunday to demonstrate against the exchange and negotiations. Under tremendous domestic political pressure, the chief negotiator for the swap resigned. I think it's apparent that Israel does not want a victory for the terrorists through negotiation, because they believe it will invite further hostage and terrorist incidents.

In our all too recent past, the United States has suffered from terrorism, and has failed to devise an effective policy to respond to these outrages. The Iranian hostage incident was a source of public and private agony, and a deep humiliation to the American people, and to the previous administration. We all felt stung by Iran's actions, but even more stung by our inability to deal with the situation.

Following the Korean airliner incident, I, along with a number of my other colleagues, urged the Senate to force the Soviets to pay the consequences of their barbarism. Unfortunately, the Senate chose not to react to KAL 007. The Soviets got a clear message from the aftermath of the Korean airliner massacre—the Americans have no guts—we can continue to get away with murder.

And, they have been proven right again. Maj. Arthur Nicholson, in the service of this great Nation, was brutally shot and subsequently left by the Soviets to bleed to death. The Soviets prevented Nicholson's fellow serviceman from lending him any assistance. Major Nicholson broke no law. Major Nicholson was murdered without any reason, and became just another innocent victim of Soviet terrorist tactics and intimidation. Again, the Soviets have paid no cost. The lesson from Major Nicholson's murder—just keep it up, guys, because the great United States is incapable of responding to your atrocities and your flagrant disregard for international law, and the tenets of civilized countries.

Unless the United States can gather the courage to act decisively in the defense of its citizens, the kidnapings, bombings, assassinations, and hijackings will continue. The United States must take retaliatory measures to deter terrorism.

We are in fact, the target of the international terrorists. Some 35 to 40 percent of the recent terrorist attacks throughout the world are aimed at U.S. targets, and 65 percent of terrorist attacks are directed at the United States or our allies. Not once has the United States taken military action to preempt a terrorist strike, or to destroy terrorist training bases or infrastructure in retaliation for a terrorist attack. Even if some of my colleagues believe that reprisals will not stop terrorism, they must certainly recognize that eliminating terrorist bases will reduce the number of terrorist incidents.

Let's have no doubt about this—unless we devise a strategy to prevent terrorism, we will be increasingly subject to the type of persecution we are experiencing now, and it will worsen as terrorism proliferates, and as its perpetrators profit from their media exposure, and their enhanced political power.

I readily acknowledge that the President and the officials he has assigned to deal with this crisis are in a difficult bind. But I also think that we, as a nation, need to think about saving lives in the future. Once we have resolved this crisis, and I am certain that we will, I want the President to know that the American public has the common sense to understand that international criminals must be dealt with firmly. It's popular for politicians to talk about law and order at home. Let's address the challenge overseas, which threatens all civilized men. This resolution, which I hope my colleagues can support, lets the President know that we will endorse any strong measures he may take to respond to this attack upon not just the hostages, but upon the entire American population.

I ask unanimous consent that an article from the Wall Street Journal of June 19th describing the radical entente—Syria, Libya, and Iran's systematic and coordinated terrorist activities against the United States be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Wall Street Journal, June 19, 1985]

LIBYA, SYRIA, AND IRAN COORDINATE SCHEMES TO STRIKE U.S. TARGETS, ARAB SOURCES SAY

BEIRUT, LEBANON.—While attention is focused on the hijacked American jetliner held hostage here, a much broader terrorist network aimed at America and moderate Arabs is taking shape in the Middle East.

The region's radical states of Libya, Syria and Iran all share a desire to strike out at American targets right now. Their motives are different, but their common interest in terrorist action has given rise to a series of troubling moves suggesting that an upsurge in state-sponsored terrorism could be in the offing.

Among the indicators:

The foreign ministers of Libya, Syria and Iran met in January in Tehran and laid the groundwork for a new "anti-American strategy," Arab sources close to the Syrian government say. The countries agreed to escalate terrorism against U.S. interests and personnel on a world-wide scale the sources say.

More recently, Libyan leaders Muammar Qadhafi formally formed and agreed to finance his first pan-Arab terrorist organization, called the Organization of Arab Revolutionary Forces. The organization, with headquarters in Tripoli, pledged to "conduct the Arab struggle for liberating all Arab territories" and "confront American imperialism."

Other organizations aimed at overthrowing Jordan's King Hussein and Iraqi leader Saddam Hussein recently set up operations in Syria.

Several weeks ago, Egypt announced that it had uncovered and foiled a Libyan plot to blow up the U.S. Embassy in Cairo with a truck loaded with explosives smuggled into the country. Egyptian officials said the incident was part of a broader Libyan terrorism campaign.

There isn't any evidence linking the latest hijacking of an American jetliner to these new organizations. But Shiite terrorists—such as those holding the American jet and its passengers hostage—acquire inspiration, guidance and often material assistance from radical states, particularly Iran.

Unless the U.S. finds some clear link between the current hijacking and terrorist efforts sponsored by radical states, however, it will have a difficult time retaliating. The U.S. has had to refrain from striking back after previous terrorist episodes because it lacked clear evidence that any government or group of governments had sponsored terrorists that hit American targets.

Hard-line states in the Middle East, of course, share a general anti-American sentiment that always makes them eager to undercut American interests. Now, though, they have special reasons to want to lash out at the U.S.

Iran is enraged at the American tilt toward Iraq in the Persian Gulf war. Syria wants to demonstate that it won't allow the U.S. to engineer an Arab-Israeli peace package that satisfies moderate Arabs and Palestinians but doesn't satisfy the region's hardliners. Libya wants to encourage radicals to disrupt the new "moderate Arab Axis" of Jordan, Egypt and Iraq that the U.S. is fostering.

"There is something in common" among these states, says one knowledgeable Lebanese. "Blackmail the Americans."

Moreover, the Shiite fundamentalist movement that has sprung from the anarchy in Lebanon has given the radicals a new stock of young Moslems willing to carry out terrorist actions.

Perhaps the most ominous of the new movements in the region is the loose agreement apparently struck by Libya, Syria and Iran early this year. Arab sources close to the Syrian government say that Syria and Libya spearheaded the drive. At Iran's urging, the group avoided forming a formal alliance that would appear to put the group

on the side of the Soviet Union; Iran doesn't want to appear to be on either side of the superpower struggle.

But the sources say the three countries did agree on a strategy to coordinate policy on Middle East issues and to strengthen relations with Soviet-backed states like South Yemen and Ethiopia.

Syria and Libya also agreed to whip up Palestinian terrorism by radical Palestine factions opposed to Palestine Liberation Organization leader Yasser Arafat. Mr. Arafat has angered the radicals by his apparent willingness to participate in a peace process led by moderate Arabs and the U.S.

Iran, the sources say, pledged to encourage terrorism by Moslem extremists.

All three countries have agreed to cooperate in the exchange of intelligence information, forging passports for their operatives and providing them with finances and transport facilities, according to the sources. The countries also reportedly ordered their diplomatic missions abroad to cooperate closely.

SENATE RESOLUTION 196—CONCERNING INTERNATIONAL AIRPORT SAFETY

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 196

Whereas the world has recently witnessed three terrorist skyjackings in as many days;

Whereas 167 skyjacking attempts on U.S. and foreign aircraft occurred between 1980 and 1984;

Whereas these terrorist acts threaten not just the targeted nations but democracy everywhere;

Whereas there is strong evidence that security measures at the Athens airport were unacceptably lax and, thus, contributed to the current hijacking tragedy;

Whereas the universal interest in halting hijackings has prompted unified action in the past resulting in the Montreal Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation; the Hague Convention for the Suppression of Unlawful Seizure of Aircraft; and the Tokyo Convention on Offenses and Certain Other Acts Committed On Board Aircraft;

Whereas signatories to these international agreements include over 130 nations;

Whereas the heads of state of the seven economic summit partners jointly agreed in July, 1978, in the "Bonn Declaration," that in cases where a country refuses extradition or prosecution of aircraft hijackers, their governments would both cease all flights to that country and take action to halt all incoming flights from that country; and

Whereas the United States should assume a leadership role in a unified effort to protect the security of international airline passengers and crew; Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should immediately take steps to halt all U.S. carrier traffic into and out of Athens airport and should promptly consult with the heads of state of the seven economic summit partners who signed the "Bonn Declaration" to urge them to join us in an international boycott of the Athens airport unless that country agrees to take immediate action to bring its security measures up to internationally acceptable standards, and to join us in similar action with respect to other international airport facilities determined to be inadequately adhering to these standards for aircraft security. In addition, the President should call a meeting of the signatories of international anti-hijacking agreements to formulate a coherent response to the most recent rash of hijackings, including the establishment of an International Commission on Airport Safety to certify as to the adequacy of security measures at all international airports as a basis for an international boycott of facilities failing to meet international standards.

Mr. SPECTER. Mr. President, I am introducing today a resolution calling on the President of the United States to immediately take steps to halt all U.S. carrier traffic into and out of Athens Airport. The resolution also calls on the President to promptly consult with the heads of state of the seven economic summit partners who joined in the Bonn Declaration on hijackers to urge them to join us in an international boycott of the Athens Airport unless Greece takes immediate action to bring its security measures up to internationally acceptable standards, and to join us in similar action with respect to other international airport facilities determined to be inadequately adhering to these standards for aircraft security. In addition, the resolution urges the President to convene a meeting of signatories to the Montreal Convention of 1971 and of the Hague Convention of 1970 and the Tokyo Convention of 1963, all relating to skyjackings and aviation security, to put together an independent International Commission on Airport Security that would investigate and certify the adequacy of security measures at all international airports to lay the foundation for international standards.

We cannot continue to pay the price for lax or corrupt security procedures in foreign airports. It is time to take an active role in ensuring the safety of passengers not just on international flights leaving the United States, but on all international flights.

As an interim step, I am asking the Secretary of State to initiate an immediate investigation of the security measures at Athens Airport and other international airports where security is believed to be inadequate and to determine what steps can be taken to improve security and whether the United States should take action unilaterally to suspend American-carrier flights into and out of those facilities.

In addition, placing a security officer on every international flight of U.S carriers and banning carry-on luggage for such international flights should be considered by the international convention signatories as part of a comprehensive international response to this universal threat.

In the final analysis, however, only a cooperative international effort to develop and enforce security standards will lead to worldwide improvement in the safety of air travelers from terrorists.

This resolution is a first and urgently needed step in that direction.

SENATE RESOLUTION 197—CONCERNING THE JACOB K. JAVITS SENATE FELLOWSHIP PROGRAM

Mr. D'AMATO (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BAUCUS, Mr. BENTSEN, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. BYRD, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DENTON, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GOLDWATER, Mr. GORE, Mr. GORTON, Mr. GRAMM, Mr. GRASSLEY, Mr. HARKIN, Mr. HART, Mr. HATCH, Mr. HATFIELD, Mrs. HAWKINS, Mr. HECHT, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. LONG, Mr. LUGAR, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MCCLURE, Mr. MCCONNELL, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. QUAYLE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. RUDMAN, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SIMPSON, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, Mr. TRIBLE, Mr. WALLOP, Mr. WARNER, Mr. WEICKER, Mr. WILSON, and Mr. ZORINSKY) submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 197

Whereas Jacob K. Javits served with distinction in the United States Senate for twenty-four years and in the House of Representatives for eight years;

Whereas Senator Javits was known, during his tenure, for his intellectual acumen, his effectiveness in legislation, and his broad expertise;

Whereas the Jacob K. Javits Foundation has proposed a Senate Fellowship program to be established under its jurisdiction for the purpose of promoting the ideal of excellence in public service;

Whereas the Foundation will support this fellowship program at no cost to the United States Senate;

Whereas highly qualified and greatly talented young men and women will be selected by the Foundation, based upon their academic credentials, achievements and their goals in public service, to participate in the Jacob K. Javits Senate Fellowship program whereby these fellows, after two years of graduate study, would interview for employment with Senate Members, committees, or officers;

Whereas the Senate is the greatest deliberative body in the world and, therefore, would provide the opportunity for these Fellows to closely observe and participate in the legislative and public policy process and then utilize this experience to contribute to society and to the Nation in the years to come: Now, therefore, be it

Resolved by the Senate of the United States of America, That the Senate agrees to cooperate with the Jacob K. Javits Senate Fellowship program and furthermore directs the Office of the Secretary of the Senate to provide assistance as may be necessary for the success of this fellowship program.

Mr. D'AMATO. Mr. President, I rise today in recognition of a great man and humanitarian, Senator Jacob K. Javits. In an effort to honor the dedication of Senator Javits and those who have given of themselves as he has, I submit this resolution to promote cooperation between this great body and the Senator Jacob K. Javits Senate Fellowship Program.

It is the basic sense of dedication and responsibility found in individuals such as Senator Javits that provides the cornerstone of our democracy. Unlike more regimented and oppressive governments around the world, our Nation has borrowed a most sacred principal from the ancient Greeks: the right to have a voice in our government. While we have viewed government by the people as an inalienable right, others have not. Although our basic philosophy considers this matter to be a right and not a privilege, it demands another quality from the individual in exchange: responsibility.

It is just such responsibility that exemplifies Jacob Javits. Senator Javits has long recognized this responsibility on the part of the individual citizen to make his or her voice known, and, in turn, he has acknowledged the duty of those individuals who have been selected to assure that those voices are heard. This strong bond of responsibility mandates that communication lines remain open and that reliable, well thought out information and analysis is provided those entrusted with public office.

In response to this need, the Jacob K. Javits Foundation is creating the Senator Jacob K. Javits Senate Fellowship Program. To provide qualified, trained minds to advise and to lead our Nation, this program would allow graduate students from accredited colleges and universities to compete for the fellowship. This fellowship would provide these young minds with thorough graduate instruction coupled with work in U.S. Senators' offices.

It is critical that we provide this Nation with the potential that exists. We can do this by agreeing to this resolution which expresses our desire to assist in this endeavor. Our propensity to deliberate at great length mandates our need for expert advice. By obtaining this advice and assistance from Jacob K. Javits fellows, we can provide an excellent educational background for maturing young minds.

I urge my colleagues to join me in facilitating this program by agreeing to this resolution.

AMENDMENTS SUBMITTED

MARKETING QUOTA FOR WHEAT

DOLE (AND OTHERS) AMENDMENT NO. 432

Mr. DOLE (for himself, Mr. ZORINSKY, and Mr. BOREN) proposed an amendment to the amendment of the House to the bill (S. 822) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; as follows:

In lieu of the language proposed to be inserted, insert the following:

That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty-one days after adjournment sine die of the first session of the Ninety-ninth Congress. ".

OPPOSING SOUTH AFRICA'S POLICY OF APARTHEID

ROTH (AND McCONNELL) AMENDMENT NO. 433

(Ordered referred to the Committee on Foreign Relations.)

Mr. ROTH (for himself and Mr. MCCONNELL) submitted an amendment intended to be proposed by them to the bill (S. 995) to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policy; as follows:

At the appropriate place in the bill, insert the following:

PREEMPTION

SEC. . To the extent that any law, rule, regulation, or ordinance of any State or political subdivision thereof, the District of Columbia, or any territory or possession of the United States conflicts with any provision of this Act, such law, rule, regulation, or ordinance shall be deemed to be preempted by this Act.

ENERGY POLICY AND CONSERVATION ACT EXTENSION

McCLURE AMENDMENT NO. 434

Mr. McCLURE proposed an amendment to the bill (H.R. 1699) to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes; as follows:

Strike all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Policy and Conservation Amendments Act of 1985".

TITLE I—AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT

SEC. 101. EXTENSION OF TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title I of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART C—EXPIRATION

"EXPIRATION

"SEC. 171. Except as otherwise provided in title I, all authority under any provision of title I (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1989, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1989.".

(b) MATERIALS ALLOCATION.—Section 104(b)(1) of such Act is amended by striking out "December 31, 1984" and inserting in lieu thereof "June 30, 1989".

(c) CONFORMING AMENDMENT.—The table of contents for such Act is amended by adding after the item relating to section 167 the following new items:

"PART C—EXPIRATION

Sec. 171. Expiration.".

SEC. 102. STRATEGIC PETROLEUM RESERVE AMENDMENTS.

(a) AMENDMENTS TO STRATEGIC PETROLEUM RESERVE PLAN.—Section 159(e) of the Energy Policy and Conservation Act is amended to read as follows:

"(e) Subject to section 161(g)(2), any amendment transmitted pursuant to subsection (d) may not become effective until 60 days after the date of such transmittal, except that such 60-day period shall not apply if the President determines that such amendment is required by a severe energy supply interruption or by obligations of the United States under the international energy program.".

(b) SUSPENSION OF PROVISIONS RELATING TO THE STRATEGIC PETROLEUM RESERVE.—Section 160(e) of such Act is amended—

(1) by inserting "and" at the end of clause (i) of paragraph (1)(B);

(2) by striking out clauses (ii) and (iii) of paragraph (1)(B) and inserting in lieu thereof the following:

"(ii) the President has transmitted such finding to the Congress.";

(3) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) The suspension of the application of subsections (c) and (d) under paragraph (1)(B) may become effective on the day the finding is transmitted to the Congress and shall terminate nine months thereafter or on such earlier date as is specified in such finding."; and

(4) by redesignating paragraph (4) as paragraph (3).

SEC. 103. STRATEGIC PETROLEUM RESERVE TEST DRAWDOWN AND DISTRIBUTION.

(a) DIRECTIVE TO CARRY OUT TEST DRAWDOWN.—Section 161 of the Energy Policy and Conservation Act is amended by adding the following new subsection at the end thereof:

"(g)(1) In order to evaluate the implementation of the Distribution Plan, the Secretary shall, commencing within 180 days after the date of the enactment of this subsection, carry out a test drawdown and distribution under this subsection through the sale or exchange of approximately 1,100,000 barrels of crude oil from the Reserve. The requirement of this paragraph shall not apply if the President determines, within the 180-day period described in the preceding sentence, that implementation of the Distribution Plan is required by a severe energy supply interruption or by obligations of the United States under the international energy program.

"(2) The Secretary shall carry out such drawdown and distribution in accordance with the Distribution Plan and implementing regulations and contract provisions, modified as the Secretary considers appropriate taking into consideration the artificialities of a test and the absence of a severe energy supply interruption. To meet the requirements of subsections (d) and (e) of section 159, the Secretary shall transmit any such modification of the Plan, along with explanatory and supporting material, to both Houses of the Congress no later than 15 calendar days prior to the offering of any crude oil for sale under this subsection.

"(3) At least part of the crude oil that is sold or exchanged under this subsection shall be sold or exchanged to or with entities that are not part of the Federal Government.

"(4) The Secretary may not sell any crude oil under this subsection at a price less than that which the Secretary determines appropriate and, in no event, at a price less than 90 percent of the sales price, as estimated by the Secretary, of comparable crude oil being sold in the same area at the time the Secretary is offering crude oil for sale in such area under this subsection.

"(5) The Secretary may cancel any offer to sell or exchange crude oil as part of any drawdown and distribution under this subsection if the Secretary determines that there are insufficient acceptable offers to obtain such crude oil.

"(6)(A) The minimum required fill rate in effect for any fiscal year shall be reduced by the amount of any crude oil drawdown from the Reserve under this subsection during such fiscal year.

"(B) In the case of a sale of any crude oil under this subsection, the Secretary shall, to the extent funds are available in the SPR Petroleum Account as a result of such sale, acquire crude oil for the Reserve within the 12-month period beginning after the completion of the sale. Such acquisition shall be in addition to any acquisition of crude oil for the Reserve required as part of a fill rate established by any other provision of law.

"(7) Rules, regulations, or orders issued in order to carry out this subsection which have the applicability and effect of a rule as defined in section 511(4) of title 5, United States Code, shall not be subject to the requirements of subchapter II of chapter 5 of such title or to section 523 of this Act.

"(8) The Secretary shall transmit to both Houses of the Congress a detailed explanation of the drawdown and distribution carried out under this subsection. Such explanation may be a part of any report made to the President and the Congress under section 165.".

(b) CONFORMING AMENDMENTS.—(1) Section 160(d) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) In determining the number of barrels of crude oil for purposes of subparagraph (A) of paragraph (1), any crude oil drawdown from the Reserve as a result of any drawdown and distribution carried out under section 161(g) and not replaced under section 161(g)(6)(B) shall be considered to be within the Reserve.".

(2) Section 161(b) of such Act is amended by striking out "in subsections (c) and (f)" and inserting in lieu thereof "in subsections (c), (f), and (g)".

(3) Section 167(b)(3) of such Act is amended by inserting ", including a drawdown and distribution carried out under subsection (g) of such section" after "section 161".

(4) Section 167(d) of such Act is amended by inserting ", including a drawdown and distribution carried out under subsection (g) of such section" after "section 161".

SEC. 104. EXTENSION OF PART B OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title II of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART D—EXPIRATION

"EXPIRATION

"SEC. 281. Except as otherwise provided in title II, all authority under any provision of title II (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1988, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1988.".

(b) TERMINATION OF CERTAIN GENERAL EMERGENCY AUTHORITIES.—Part A of title II of such Act is amended by adding the following new section at the end thereof:

"TERMINATION DATE

"SEC. 204. Except as provided in section 203(f), authority to carry out the provisions of this part and any rule, regulation, or order issued pursuant to such part shall expire at midnight, June 30, 1985.".

(c) CONFORMING AMENDMENTS.—(1) The table of contents for such Act is amended—

(A) by adding after the item relating to section 203 the following new item:

"Sec. 204. Termination date.";

(B) by adding after the item relating to section 272 the following new items:

"PART D—EXPIRATION

"Sec. 281. Expiration."; and

(C) by striking out the item relating to section 531.

(2) Section 252 of such Act is amended by striking out subsection (j) and by redesignating subsections (k), (l), and (m), and all references thereto, as subsections (j), (k), and (l), respectively.

(3) Section 531 of such Act is hereby repealed.

(4) Section 252(d)(1) of such Act is amended by striking out "(f) or (k)" in the last sentence and inserting in lieu thereof "(f) or (j)".

SEC. 105. LIMITATION ON NEW PLANS OF ACTION.

Section 252 of the Energy Policy and Conservation Act, as amended by section 104(c)(2) of this Act, is amended by adding at the end thereof the following:

"(m)(1) With respect to any plan of action approved by the Attorney General after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985—

"(A) the defenses under subsection (f) and (j) shall be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982) only if—

"(i) the Secretary has transmitted such plan of action to the Congress; and

"(ii)(I) 90 calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"(II) within 90 calendar days of continuous session after receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval pursuant to subsection (n); and

"(B) such defenses shall not be applicable to Type 1 activities if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"(2) The Secretary may withdraw the plan of action at any time prior to adoption of a joint resolution described in subsection (n)(3) by either House of Congress.

"(3) For the purpose of this subsection—

"(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"(n)(1)(A) The application of defenses under subsections (f) and (j) for Type 1 activities with respect to any plan of action transmitted to Congress as described in subsection (m)(1)(A)(i) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 90-day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term 'joint resolution' means only a joint resolution of either House of the Congress as described in paragraph (3).

"(B) After receipt by the Congress of such plan of action, a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction in the Senate, the joint resolution shall be referred in the Senate immediately to the Committee on Energy and Natural Resources of the Senate.

"(2) This subsection is enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that is inconsistent therewith; and

"(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: 'That the Congress of the United States disapproves the availability of the defenses pursuant to section 252 (f) and (j) of the Energy Policy and Conservation Act with respect to Type 1 activities under the plan

of action submitted to the Congress by the Secretary of Energy on .', the blank space therein being filled with the date and year of receipt by the Congress of the plan of action transmitted as described in subsection (m).

"(4)(A) If the Committee on Energy and Natural Resources of the Senate has not reported a joint resolution referred to it under this subsection at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other joint resolution which has been referred to the committee with respect to such plan of action.

"(B) A motion to discharge shall be highly privileged (except that it may not be made after the Committee on Energy and Natural Resources has reported a joint resolution with respect to the plan of action), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"(5)(A) When the Committee on Energy and Natural Resources of the Senate has reported or has been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 90-day period following receipt by the Congress of the plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"(B) Appeals from the decision of the Chair relating to the application of rules of the Senate to the procedures relating to a joint resolution shall be decided without debate.".

TITLE II—REPORTS CONCERNING COAL IMPORTS

SEC. 201. SHORT TITLE.

This title may be cited as the "National Coal Imports Reporting Act of 1985".

SEC. 202. REPORT CONCERNING REVIEW OF UNITED STATES COAL IMPORTS.

(a) IN GENERAL.—The Energy Information Administration shall issue a report quarterly, and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

(b) CONTENTS.—Each report required by this section shall—

(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the previous calendar year into the United States;

(2) identify the foreign nations exporting the coal, the domestic electric utility plants receiving coal from each exporting nation, the domestically produced coal supplied to such plants, and the domestic coal production, by State, displaced by the imported coal;

(3) identify (to the extent allowed under disclosure policy), at regional and State levels of aggregation, transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

(4) specifically highlight and analyze any significant trends of unusual variations in coal imports.

(c) DATE OF REPORTS.—The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

(d) LIMITATION.—Information and data required for the purpose of this section shall be subject to the law regarding the collection and disclosure of such data.

SEC. 203. ANALYSIS OF AND REPORT CONCERNING THE UNITED STATES COAL IMPORT MARKET.

(a) IN GENERAL.—The Secretary of Energy shall, through the Energy Information Administration, conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

(b) CONTENTS.—The report required by this section shall—

(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

(3) identify domestically produced coal that potentially could be replaced by imported coal;

(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

(5) evaluate increased coal consumption by domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased coal consumption, including consumption by existing coal-fired plants, new coal-fired plants projected up to the year 1995, and plants planning to convert to coal by 1995;

(6) identify existing authorities available to the Federal Government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe executive branch plans and strategies to address coal imports;

(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Columbia, Poland, and South Africa, with specific analysis of—

(A) direct or indirect Government subsidies to coal exporters;

(B) health, safety, and environmental regulations imposed on each coal producer; and

(C) trade policies relating to coal exports;

(8) evaluate the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal, and constraints on importing coal into the United States because of port and harbor availability;

(9) identify specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

(10) identify the policies governing coal imports of all coal-importing industrialized nations (including the United States, Japan, and European nations) by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of 2 days of public hearings before the Committee on Energy and Natural Resources to examine some of the fundamental problems facing our Nation's electric utility industry. These oversight hearings will consider the prospect of serious shortages of electric power in this country by the early 1990's and focus public attention on the question: "When will the light go out?"

The hearings will be held on Tuesday, July 23, and Thursday, July 25, beginning at 9:30 a.m. in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should contact the Committee on Energy and Natural Resources, room SD-358 Dirksen Senate Office Building, Washington, DC 20510. Oral testimony will be limited to 5 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 150 copies of their testimony 24 hours in advance of the hearing.

For further information, please contact David Doane or Gerry Hardy at (202) 224-7144.

● Mr. McCLURE. Mr. President, I wish to announce that the Committee

on Energy and Natural Resources will begin oversight hearings next month to examine some of the fundamental problems facing our Nation's electric utility industry. These hearings, to be held on July 23 and 25, will consider the prospect of serious shortages of electric power in this country by the early 1990's and focus public attention on the question: "When will the lights go out?"

Particular emphasis will be placed on current forecast of future electricity supply and demand. Some forecasters are predicting serious shortages of electricity in the next few years, particularly in the Northeast.

The Department of Energy predicts that with only a 2-percent-per-year growth in demand, shortages could occur in the 1990's in Kansas, Arkansas, Lousiana, Texas, California, and parts of Missouri and Mississippi.

To further complicate the matter, some analysts are forecasting high growth and predicting a coming "electricity crisis," while others are projecting low growth and claiming that a possible power shortage is a "mirage."

The committee also will consider the problem of the inability or unwillingness of electric utilities to construct new powerplants because of adverse regulatory policies by State public utilities commissions.

Witnesses will include forecasters, utility executives facing potential shortages, members of State public utilities commissions in States where utilities have been financially penalized when new capacity is brought on line, as well as Federal agencies, industry trade associations, and environmental organizations.

I believe it is absolutely essential that the committee hold these hearings to address some of the fundamental problems, and to elevate the attention that may be paid, so that we get a comprehensive understanding of the nature and severity of future shortages of electric power.

The hearings will be held on Tuesday, July 23, and Thursday, July 25, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements should contract the Committee on Energy and Natural Resources, room SD-358, Dirksen Senate Office Building, Washington, DC 20510.●

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding the following hearings:

On July 10, 1985, in Senate Russell 485, beginning at 10 a.m., on S. 1106, a bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan, and for other purposes. Those wishing additional information on S. 1106 should contact Michael Mahsetky or Peter Taylor of the committee at 224-2251.

On July 11, 1985, in Senate Russell 485, beginning at 9:30 a.m., on S. 954, a bill to provide for additional protection of steelhead trout as a game fish, and for other purposes. Those wishing additional information on S. 954 should contact Debbie Storey at 224-2621 or Peter Taylor of the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON AVIATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Aviation of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, June 27, to conduct a meeting on international airport security and antihijacking measures.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, Reserved Water, and Resource Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 27, to hold an oversight hearing on recreation fees as authorized in the Land and Water Conservation Fund Act of 1965 as amended.

The PRESIDING OFFICER. WIthout objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS, AND ALCOHOLISM

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Children, Family, Drugs, and Alcoholism of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, June 27, 1985, in order to conduct a hearing on drug abuse in the military.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. EVANS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate, on Thursday, June 27, 1985, until the hour of 12:30 p.m., to continue markup of S. 616, the farm bill, and related issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. EVANS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 27, 1985, in order to mark up S. 1271, a bill which authorizes appropriations for intelligence activities of the U.S. Government.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. EVANS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 27, 1985, in order to discuss Zionism, and to consider the following nominations:

Thomas R. Pickering, to be Ambassador to Israel;

Edwin G. Corr, to be Ambassador to El Salvador;

Rozanne L. Ridgway, to be Assistant Secretary of State for European Affairs;

Richard R. Burt, to be Ambassador to West Germany;

Richard T. McCormack, to be Ambassador to the Organization of American States;

Nicholas Ruwe, to be Ambassador to Iceland; and

L. Craig Johnstone, to be Ambassador to Algeria.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SENATOR HATCH HONORED BY ASSOCIATION OF AMERICAN CANCER INSTITUTES

● Mrs. HAWKINS. Mr. President, on June 17, 1985, Senator ORRIN G. HATCH, chairman of the Senate Labor and Human Resources Committee, was honored by the Association of American Cancer Institutes, composed of the nearly 70 cancer centers in the country, by means of a resolution of appreciation. Senator HATCH was the featured speaker at their annual meeting.

Dr. John E. Ultmann, president of the Association of American Cancer Institutes, and also director of the University of Chicago Cancer Research Center, read the resolution passed earlier in the day by the entire membership:

In recognition of the hard work and dedication of Orrin Hatch as Chairman of the Senate Labor and Human Resources Committee, who has championed in legislation the widest possible freedom for the National Cancer Institute and the National Institutes of Health to conduct their affairs * * *

Who with his staff, Dr. David Sundwall in particular, has generously accorded our members opportunities to present the Association of American Cancer Institutes' membership views regarding important legislative matters * * *

Who has strongly supported cancer centers * * *

Who has sponsored legislation calling for a National Skin Cancer Prevention and Detection Week * * *

Be it resolved that the Association of American Cancer Institutes recognizes with highest praise those efforts and accords Senator Orrin Hatch its sincerest appreciation for his vision and support.

This is an extraordinarily well-deserved resolution of praise, and is particularly meaningly as it comes from the directors of cancer centers located in many academic centers across the country.

Two Florida cancer centers are institutional members of this organization, including the Comprehensive Cancer Center for the State of Florida, located at the University of Miami School of Medicine, and the Goodwin Institute for Cancer Research in Plantation, FL. I believe it is useful for my colleagues to see the very strong support that the National Cancer Institute gives the Cancer Centers, as shown in the official fiscal year 1986 justification sent to the Appropriations Committee. I quote from the section on cancer centers:

Cancer centers are vital links in the cancer research and control network which has been established through NCI support and will continue to be utilized to achieve the Institute's goals for the year 2000. Many centers not only are foci for high-quality laboratory, clinical and cancer control research, but also are specifically organized to transfer research results expeditiously to general application. Centers provide excellence in research and training while expanding cancer control activities. Many centers have a network of local hospitals and other organizations similar to the larger NCI network.

The Cancer Centers Program provides core grant support for its multidisciplinary programs in basic and clinical center research to education and research institutions. Centers are an important national resource for research, education, training and community outreach activities. The major purposes of the Cancer Centers Program are to facilitate interdisciplinary collaboration and coordination of research through the use of shared equipment and specialized research facilities; provide support for key professional staff; foster participation in national and regional clinical investigation programs; and contribute to the development and strengthening of specific research programs of the centers through support of investigators and newly recruited scientists during the early phase of their research efforts.

Mr. President, I should like to note that one of the items of praise in the resolution referred to Senator HATCH's sponsoring of legislation calling for the National Skin Cancer Prevention and Detection Week. I was a cosponsor of this important resolution, which was signed by the President on March 22, 1985. This resolution has been reprinted and widely promulgated throughout the United States by the American Academy of Dermatology. It is my understanding that there have been nearly 400 skin cancer screening clinics held throughout the United States by State and local affiliates of the American Academy of Dermatology. Volunteer dermatology physicians, and lay persons, have developed these screening programs.

In the State of Florida, several of these screening programs are being promoted by the Florida Society of Dermatology, and the Florida West Coast Society of Dermatology. I am informed that we will be receiving the results of these screening programs shortly.

Mr. President, Senator HATCH's leadership of this committee, especially in the areas of health and medicine, has been superb. I am pleased to see that he has been honored by such a prestigious group of cancer research directors.●

STUDENT AID

● Mr. SARBANES. Mr. President, as Senators know, the administration, in its fiscal year 1986 Federal budget proposal, as submitted to the Congress in February, recommended drastic cuts in Federal support for student financial aid programs. Pursuant to the President's proposal, a cap would be placed on federally subsidized student aid at $4,000 per student, students from families with annual incomes over $32,500 would be excluded from eligibility for guaranteed student loans, Pell grants would be restricted to those students from families with annual incomes of $25,000 or less, recipients of Federal student financial aid would be required to contribute at least $800 annually toward the cost of their education, and a high school diploma would be required in order to be eligible for financial assistance.

Because of my great concern about these proposals, and because of the similar concerns expressed in the many letters, phone calls, and personal visits I received from constituents on the administration's student aid cuts, I wrote to Maryland's colleges and universities to ascertain the impact of the President's proposed cutbacks and restrictions on their institutions. I received a great deal of useful information from the responding schools, and I wanted to share this information with my colleagues.

As can be seen from the table I will have printed in the RECORD, the effect of the administration's proposals on my State would be devastating.

Nearly 10 percent of the students attending Maryland's institutions of higher education would be unable to return to school under the Reagan proposals, and over 40 percent of the student bodies of several schools would be unable to continue at the college of their choice. The additional written comments I received from Maryland's university and college presidents indicate the enormity of the negative impact of these cuts on our current system of higher education. I have included below several of these letters from presidents and financial aid directors of representative colleges and universities in Maryland for your perusal.

It is clear that the implementation of these proposals would serve only to limit or eliminate educational opportunities for our most valued resource—our young people—and I am pleased that the Senate and the House, in considering the President's budget, rejected most of his proposals. It is my strong hope and expectation that Congress will continue to oppose efforts to destroy our Government's historic commitment to the principles of equal access to higher education.

I ask that the table to which I have referred be printed in the RECORD, together with other papers in connection with this matter.

The material follows:

IMPACT OF REAGAN FINANCIAL AID CUTS ON MARYLAND'S COLLEGES AND UNIVERSITIES

School	Enrollment	Students receiving financial aid		Students unable to return under Reagan budget	
		Number	Percent	Number	Percent
Bowie State College	2,357	1,079	46.0	350	15
University of Baltimore	5,177	1,647	32.0	750	15
University of Maryland Eastern Shore	1,160	810	70.0	290	25
University of Maryland University College	11,640	2,281	20.0	342	3
University of Maryland College Park	38,307	9,106	24.0	1,366	4
University of Maryland Baltimore County	8,153	2,547	31.0	382	5
Salisbury State College	3,525	1,497	43.0	180	5
St. Mary's College of Maryland	1,302	532	41.0	510	39
Towson State University	15,106	4,480	30.0	400	3
University of Maryland at Baltimore	4,633	1,977	43.0	198	4
Coppin State College	2,433	1,638	67.0	486	20
Morgan State University	3,290	2,900	88.0	950	29
Goucher College	871	473	54.0	382	44
Columbia Union College	862	581	67.0	116	14
Johns Hopkins University	3,340	1,878	56.0	803	24
Capitol Institute of Technology	1,045	383	37.0	190	18
Baltimore Hebrew College	1,100	6	.5	0	0
Loyola College	2,674	1,222	46.0	240	9
Washington College	725	448	62.0	200	28
College of Notre Dame at Maryland	519	317	61.0	217	42
Hood College	1,042	464	45.0	200	19
Western Maryland College	1,117	790	71.0	400	36
Dundalk Community College	3,203	700	22.0	100	3
Hagerstown Junior College	2,304	517	22.0	85	4
Garrett Community College	523	135	26.0	62	12
Community College of Baltimore	9,182	6,152	67.0	2,474	27
Charles County Community College	3,884	270	7.0	40	1
Catonsville Community College	9,793	1,908	20.0	89	1
Frederick Community College	2,850	246	7.0	240	8
Montgomery College Germantown, Rockville, Takoma Park	19,886	2,500	13.0	2,000	10
Villa Julie College	1,039	440	42.0	149	14
Total all respondents	163,042	49,924	31.0	14,101	9

UNIVERSITY OF MARYLAND,
CENTRAL ADMINISTRATION,
Adelphi, MD, March 15, 1985

Hon. PAUL S. SARBANES,
U.S. Senate
Washington, DC.

DEAR SENATOR SARBANES: I write in response to your inquiry about the probable impact of student financial aid cuts proposed in President Reagan's fiscal year 1986 budget. I am greatly concerned about that budget and how it will affect the University

of Maryland students as well as faculty research.

Because I know that you have always worked for the betterment of higher education, I am especially pleased to supply the information you seek. I have attached a table that shows, for each of the University of Maryland campuses, the particular information you requested.

Estimating the number of students that would no longer be able to enroll, were the cuts to be sustained, is very difficult. We have estimated that thirty percent of current student aid recipients at our Eastern Shore campus could not continue and that fifteen percent could not continue on our other campuses.

This may be a conservative estimate. It is based on the premise that many families will endure extreme financial hardship to keep their students enrolled. We anticipate a loss of thirty-five to forty percent of the federal student aid funds on our campuses if the proposed reductions take place. Clearly there will be hardships even for those who remain in school.

Graduate students will be especially hard hit. Approximately 3,200 recipients of student aid on our campuses are graduate students. Over 2,000 of them (66 percent) will be adversely affected by the $4,000 per year cap by the reduced availability of guaranteed student loans, and by higher interest rates if they can afford loans.

While I understand and appreciate the importance of reducing the nation's deficits, I am also convinced that abrogating our commitment to education for our talented youth will ignore what should be one of the nation's highest priorities. I am most hopeful that you and your colleagues will be able to preserve funding for these essential programs.

Sincerely yours,

JOHN S. TOLL,
President.

THE JOHNS HOPKINS UNIVERSITY,
Baltimore, MD, March 19, 1985.

Hon. PAUL S. SARBANES,
SD-332 Dirksen Building,
Washington, DC.

DEAR PAUL: I appreciate your continued concern about the administration's proposed budget reductions to the federal student aid and categorical programs. If enacted, these cuts strike at the core of the educational mission of private research universities like Hopkins, affecting our libraries, our basic research, our facilities and our students. The implications are grave.

As the attached data reveal, Hopkins' federal dollar loss to students enrolled in the divisions of Arts and Sciences, Engineering and Nursing is significant, well above the 25% quoted by the administration. Based on 1984-85 funding, students in these three divisions stand to lose $2,396,938 in federal student aid dollars. While the Federal Government has provided nearly $6 million to these students this year, the University has provided over $13 million in student aid to the same group. We continue to be committed to ensuring an excellent education to the very best and brightest of America's youth, regardless of economic circumstance.

Our American democracy, since its inception has been dedicated to the ideals of freedom of choice and equal opportunity. The administration's proposed budget reductions appear to exclude citizen choice relative to higher education from our basic American heritage. The wealthy may still choose. The poor and middle class, however, must settle; or worse, the inability to meet college costs may leave them with no choice at all. The result signifies an immeasurable loss in talent, ability and human resources, to the detriment of our nation's future.

Given the reported erosion in American education at every level, those of us who believe in guaranteeing a strong national future must stand united in the preservation of our educational systems. Your efforts are commendable, and I wish you success in the weeks ahead.

Sincerely,

STEVEN MULLER,
President.

WESTERN MARYLAND COLLEGE,
Westminster, MD, June 3, 1985.

Hon. PAUL S. SARBANES,
SD-332 Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR SARBANES: Thank you for the opportunity to respond to the Administration's proposals drastically to reduce Federal aid to students in 1986. The survey information is enclosed.

At Western Maryland College, the impact of the proposed cuts will be extremely detrimental since 61% of our students come from low to middle income families. Middle income families will face financial desperation if they cannot obtain Guaranteed Student Loan funds. Low income families requiring additional financial assistance will not be able to make loan payments on Parental Loans for Undergraduate Students (PLUS) even if a loan is approved, which is unlikely in low income categories.

The proposed cuts will remove the opportunity of a private education from all but the wealthy.

Your support in terminating or greatly modifying such legislation is crucial.

I am hoping to have the opportunity to testify on Capitol Hill this summer on behalf of students and the independent colleges of Maryland. I certainly appreciate and support your very capable efforts on behalf of higher education.

Yours sincerely,

ROBERT H. CHAMBERS,
President.

MONTGOMERY COLLEGE,
Rockville, MD, March 13, 1985.

Senator PAUL S. SARBANES,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR SARBANES: I would like to share with you the effects of President Reagan's proposed budget on the students at Montgomery College and urge your support to maintain the current funding levels of these financial aid programs that are so vital to the future of our nation's well-being.

$4,000 MAXIMUM FEDERAL AWARD AMOUNT

Of all President Reagan's 1986-87 budget proposals, the one most likely to have the greatest impact on students at Montgomery College is the $4,000 maximum amount of federal aid that a needy student can receive. This means a student would be prohibited from receiving more than $4000, in any combination from Pell Grant, Supplemental Educational Opportunity Grant, College Work-Study, National Direct Student Loan, and Guaranteed Student Loan. Currently there are 1,808 students whose demonstrated financial need exceeds $4000 and whose awards could be affected in 1986-87. This constitutes 49% of those students applying for financial aid in 1984-85. There are 762 dependent students and 1,046 independent students, many with dependent children, who will be seriously impaired in their efforts to receive an education. Grant monies are awarded to cover tuition, fees, and books. Lunch, transportation, child care, medical and dental expenses, etc. are either earned or borrowed. A $4000 award maximum will cause many students to take fewer courses in order to work away from college. This effect will also cause a longer dependency on grants for direct educational expenses meaning that more grant money in future years will be needed at the Federal level.

STUDENTS NOT HAVING A HIGH SCHOOL DIPLOMA NOR EQUIVALENCY

Montgomery College, by legal statute, is an open door comprehensive community college and must admit students who can profit from a higher education. President Reagan's proposals would eliminate from federal funds those students who do not possess a high school diploma or its equivalency. In 1984-85, there are 144 such students who have been awarded $295,547 to enable them to receive a college degree. They would all be eliminated from receipt of any aid in 1986-87.

PELL GRANT PROGRAM

The FY86 Budget proposal calls for the Pell Grant student eligibility to be limited to families whose adjusted gross income is less than $25,000. Across the nation 574,000 students currently eligible for Pell Grant will be el'minated from receipt of funds. At Montgomery College, 85 students with family incomes of over $25,000 received $51,871 Pell Grant in 1983-84. There are 62 students currently (1984-85) receiving Pell Grant awards of $38,535 who would be ineligible in 1986-87.

SUPPLEMENTAL GRANT PROGRAM

Another part of the Administration's budget proposal calls for the elimination of funding of the Supplemental Grant Program. In 1983-84, 1,427 students received $357,788 at Montgomery College. Of these students, 1,255 came from families with incomes of less than $24,000. In 1984-85, 1,316 students have been awarded $370,689 which has been credited to their accounts.

At Montgomery College, Supplemental Grant funds are generally used to pay for tuition, fees, and book expenses not adequately covered by Pell Grants. Sometimes Supplemental Grant funds are the only grant funds available to students who are not eligible for the Pell Grant program. Returning women and independent students are awarded these funds to meet exceptional expenses such as child care. Many of these students will be forced to take smaller course loads or drop out of college if this source of funding is eliminated.

COLLEGE WORK-STUDY VS. WORK-STUDY GRANT

Proponents of the Administration's budget state that a new "Work-Study/Grants Program" would be used to award grants and employment. Colleges would receive one allocation and could use up to one-half of its allocation for awarding grants to needy students. The other one-half would be used for employment of students with the colleges "matching by at least 20%" from institutional funds. For the past four years, Montgomery College has used 100% of its College Work-Study allocation plus some Supplemental Grant funds to pay students who want to work their way through college. In 1983-84, 608 students earned $838,149 at Montgomery College. Of this amount, $37,605 was transferred from the Supplemental Grant program while Mont-

gomery College contributed $175,786 of institutional funds. If in 1986-87 part of these funds must go to assist the neediest students with direct educational expenses, then other students will not be able to work while attending classes. It is estimated that across the nation 200,00 student jobs will be eliminated. That amounts to a 26% drop from current amounts and translates into a loss of 158 student positions at Montgomery College. With the average amount earned by students in 1983-84 being $1,378, Montgomery College would be forced to eliminate funding tuition, fees, and books of the neediest students in order to allow other students an opportunity to work. In either case, Montgomery College students will lose. In one case (increasing institution's matching contribution), the Operating Budget revenues would have to be increased by raising tuition and fees and possibly adding to the Montgomery County tax rate should the Montgomery County government pass the increases on to the taxpayers. In the other case, if certain funds (Supplemental Grant) are eliminated, fewer students will enroll driving up the costs of enrolled students. Some services would necessarily be reduced in order to balance the budget, and the students who do attend would be subject to reduced services.

NATIONAL DIRECT STUDENT LOANS

Under these same proposals, the National Direct Student Loan would have its interest raised to eight or nine percent, tying it to the rate of 91-day Treasury bill notes for the quarter ending March 31, 1986 and rounded to the nearest whole percent. No new federal NDSL funds would be allocated to colleges in FY87. Due to MC's improved default rate (7%), the 1985-86 Federal allocation is $66,100. Assuming the same level of lending is allowed and a moderate increase of former student repayments is continued, Montgomery College is projected to lose approximately $50,000 in 1986-87. At the same average per student, 120 students would not be awarded in 1986-87. On one hand, the increase in the interest rates may cause the NDSL program to not be as popular as in other years. On the other hand, if some programs are eliminated, students may have to turn to the NDSL for meeting tuition fees and book expenses.

GUARANTEED STUDENT LOAN PROGRAM

The Guaranteed Student Loan Program is scheduled to have the greatest changes made. The Administration is proposing to eliminate from participation all families whose adjusted gross income is over $32,500. In 1983-84, 124 dependent students with family incomes over $32,500 were able to demonstrate financial need and borrow $233,179. These students would be prohibited from participation in future GSL borrowing if the new proposals are adopted by Congress. During this year (1984-85), there are 148 students receiving or scheduled to receive $251,159 in Guaranteed Student Loans.

Under current eligibility criteria, all students with adjusted gross incomes under $30,000 are considered to have financial need and are eligible to borrow in the program. The new proposals would force each student to demonstrate financial need prior to being eligible for borrowing in the GSL Program. There are many independent students, newly married and with dependent children, who have incomes under $32,500 and who cannot demonstrate financial need according to the current criteria but who don't have funds for college tuition, fees, and books. These students will no longer be able to borrow and continue their education.

Another factor to be considered is the availability of loans from the lending institutions. The new proposals would reduce the special administrative allowance lenders received for making and servicing students' loans. The interest rate charged to students would become a variable rate tied to the 91-day Treasury bill notes. Lenders will also be forced to disburse the loan proceeds in multiple disbursements rather then one lump sum. Taken totally, these proposals will increase lenders' expenses and reduce their net yields, forcing many lenders to cease participation in the GSL Program.

Attached is a reference chart showing a four year progression of the financial aid programs that will be affected by the President's budget proposals for 1986-87.

Please contact me should you have any questions. I am also available to testify on short notice as to the impact of these cuts on Montgomery College.

Sincerely,

CARL EMERICK,
Director,
Office of Student Financial Aid.

VILLA JULIE COLLEGE,
Stevenson, MD, March 20, 1985.

Hon. PAUL S. SARBANES,
U.S. Senate,
Washington, DC.

DEAR SENATOR SARBANES: The current administration's budget proposal for fiscal year 1986 compels me to write to you to request your support to ensure that the proposed reductions in student financial assistance programs are not enacted.

The proposal to restrict guaranteed Student Loans to only those students from families earning less than $32,500 annually would cancel out 36 percent of the students at Villa Julie College who have been found eligible for this assistance during the current academic year by demonstrating financial need as provided under current regulations.

The proposed $25,000 income ceiling on eligibility for Pell Grants, National Direct Student Loans, Supplemental Grants, and College Work-Study funds would eliminate 32 percent of the college's currently enrolled students who have been found eligible and who are presently receiving aid from these programs.

Overall, 34 percent of the students at Villa Julie College who currently receive assistance from these federal student aid programs would be adversely affected by the administration's proposals, and would find it impossible to continue their education at the college should the above limitations be imposed.

The proposed cuts will not, as alleged, deny students the supposed "luxuries" of college life; they will deny them, on the basis of economic means, the benefits of a quality practical higher education, and limit educational access and choice. In doing so, they will be denied the opportunity to secure the skills needed for a good job—and thereby deny the federal government their higher taxes!

I can only encourage you to vigorously oppose such unfair and inequitable reductions in the student financial assistance programs. By doing so, the nation's most important resource—our "human captial"—will be not crippled but enhanced, at precisely the time when this is most needed in our increasingly competitive world.

Sincerely,

CAROLYN MANUSZAK.
President.●

U.S. ASSISTANCE PROGRAMS IN LATIN AMERICA

● Mr. HATFIELD. Mr. President, last fall Mr. Richard L. Collins, of the Appropriations Committee staff, and Mr. Douglas C. Olin of the Budget Committee staff undertook a field survey of U.S. assistance programs in Latin America, pursuant to the authorization of Chairman DOMENICI and myself. In accordance with established committee practice, Mr. Collins and Mr. Olin submitted a report of their findings and recommendations upon their return. That report contains a number of insights and observations that I believe warrant our attention, and while I do not necessarily agree with them all, I ask unanimous consent that the report be printed in the RECORD at this point.

The report follows:

FIELD SURVEY, U.S. ASSISTANCE PROGRAMS IN LATIN AMERICA

Assistance objectives

Congress has appropriated for fiscal year 1985 $909 million in economic and development aid and $280 million in security assistance to Latin American nations. The President's 1986 budget request is expected to include increased assistance to the region, and possibly a request for supplemental funding for FY 1985. These figures may be compared with fiscal year 1980 assistance levels of $272 million for economic and development aid and $22 million for security assistance. Such dramatic increases reflect broad acceptance of the underlying premise of U.S. foreign assistance programs. Specifically, foreign economic aid is justified as contributing to a stable world order both by blunting short-term political unrest arising from economic and finanical instability and by promoting a long-term social and economic development. Military aid is justified as improving America's defense capabilities and improving relationships with regional friends and allies. Foreign assistance, both security and developmental, are said to be major factors in our ability to help friends and allies meet economic, political and social challenges. These are the stated objectives of the Reagan Administration's foreign assistance programs as artriculated to the Congress.

Consequently, it is highly appropriated to review current U.S. foreign assistance programs in Latin America, as well as the Administration's proposals for continuing and expanding that assistance, both in terms of the actual conditions which exist in the region and the contribution these programs make to the larger goals which such assistance programs are intended to serve. To do otherwise, to consider these proposals without reference to the political, economic and military realities of Latin America, would make it impossible to evaluate the ability of U.S. foreign assistance programs to effect these stated objectives. Today, in Latin America, this means that one must examine whether proposed U.S. foreign assistance programs represent appropriate measures

for dealing with the region's deteriorating economic situation; a deterioration which is reflected in the heightened security concerns and accelerated political changes which characterize the region.

Common factors affecting stability

U.S. economic and security assistance programs for Latin America are seen as contributing to political stability and economic development by responding to the following disruptive influences:

International debt as a contributing factor in economic and political destabilization;

Internal economic conditions and insurgent political movements as threats to nascent democracies; and

Illicit narcotics production and trafficking as a corrosive influence on the economy and polity of certain countries in Latin America.

To examine the accuracy of this view, in November 1984, we traveled to Latin America, visiting a total of seven countries. The countries visited were carefully chosen because they all have certain commonalities which commend them to a comparative review, although it is also true that they have many other characteristics which distinguish one from another. The countries visited were the Dominican Republic, Panama, Colombia, Peru, Bolivia, and Argentina. These countries are all nascent democracies burdened by heavy external debts. Each is considered important to U.S. foreign and security interests. Moreover, each of these countries repesent a different stage of political and economic development along a continuum. Without drawing too fine a distinction, it can be said that they represent different points along a continuum measuring political and economic stability. As will be seen, we found that U.S. foreign assistance programs are often blind to these differences and give too great an emphasis to the promotion of short-term stability. Furthermore, we believe this misplaced emphasis frequently occurs at the expense of the larger goal of helping countries move along the continuum towards the greater stability and development which is the mark of mature democracies.

Divergent policies

In our visits to these seven nations, we were struck by the increasing divergence between rational long-term economic policies and short-term political demands. Bolivia represents the most extreme example, where short-term political dynamics have completely captured the decision-making process, thereby rendering the government incapable of halting a marked economic decline. This has left Bolivia with an annual inflation rate in excess of 1000%, debt payments which exceed export earnings, a fiscal deficit in excess of 28% of gross domestic product (GDP) and virtually unchecked growth in the money supply. As will be discussed more fully in the section of this report which deals with Bolivia, we found that current and proposed assistance to Bolivia is recognized by knowledgeable U.S. officials to be wholly inadequate with respect to the magnitude of the amounts required to restore economic order. Furthermore, continued U.S. assistance does not respond to the inability of the of the Bolivian government as presently constituted to make any meaningful use of such assistance. Increased U.S. assistance, specifically, recent and projected cash transfers, will provide little economic benefit, but may well serve to extend ineffective government in Bolivia. Nevertheless, we learned that the U.S. Agency for International Development and the State Department propose to provide Bolivia $20 million in economic support funds in 1986.

Colombia, on the other hand, presented a more favorable picture. It is likely to be successful in controlling this political-economic divergence, providing the government does not succumb to increasing domestic political pressures. The government of President Belisario Betancur Cuartas has been attempting to pursue economic policies aimed at encouraging long-term development. Rapidly increasing debt service requirements, however, have hampered the government's ability to finance development projects. Because he has been unable to respond to political pressure from groups demanding continued high government spending for development, President Betancur's popularity has declined sharply. In time, perhaps in short order, this may force the Colombian government to take politically popular, but economically undersirable, decisions. While at present the United States provides no economic assistance to Colombia; the United States may want to consider, working through multilateral institutions, such as the Inter-American Development Bank or the IMF, assisting the Colombian government in its efforts to achieve economic reform.

Current economic and political pressures

The situation facing the Betancur government is not unique. Political stability and economic development in the countries we visited is being hindered by the burden of heavy external debt and the insatiable demands of historically deprived and volatile electorates. These debt burdens were incurred during the late 1970s and early 1980s by governments attempting to ease economic and political pressures and maintain standards of living in the face of global recession. Repayment difficulties were further exacerbated by the increasing prices of imported energy and the falling prices for exported commodities in this same period. While South American economies continued to grow in this period, this growth was largely financed with borrowed capital from Western banks.

At present, each of the countries we visited is simultaneously confronted by:

Global economic conditions which impose varying degrees of hardship on their respective national economies;

The harmful after-effects of economic mistakes and burdens incurred by previous governments; and,

The demands of electorates which assume that their present governments, though newly established and imperfect democracies, should be able to satisfy immediately both political and economic needs.

These conditions and expectations undercut the ability of the governments in the region to purse rational economic policies. In consequence, sound political responses, which take into account economic realities and lay the groundwork for stable government, are often swept away by the flood of competing demands.

Paradox of capital exports

While these influences are strongly felt in the United States and other developed nations, in Latin America their effect is compounded by such factors as a marked decline in capital inflow and a marked increase in capital outflow from Latin America to the United States and Western Europe. In Latin America, we find the paradox that developing countries, which in accordance with classical economic theory, should be importing capital to offset a chronic lack of sufficient investment to spur economic growth, are currently net exporters of capital. This outflow has occurred as investors take advantage of the high returns on investment opportunities and interest rates in the industrialized nations. In 1981, capital inflow to Latin America (largely borrowings) was at a record $38 billion; in 1984, Latin America became a net exporter of capital—at a time when payments for interest and principal on a large volume of previously contracted foreign debts were accelerating. Additionally, the monetary and budget policies of the United States and other industrialized countries made access to additional external credit too costly. Simply put, Latin American countries were no longer able to borrow sufficient funds to finance development and debt service.

Expectations of U.S. assistance

It is ironic that countries which undertook political reform with the encouragement of the United States and Western Europe, and with the expectation that the adoption of democratic institutions would be rewarded by increasing flows of financial assistance, now find that the economic policies of the industrialized nations work to their disadvantage. This has led many of these countries to conclude that their economic futures are at the mercy of international financial institutions and private banks which appear quite willing to sacrifice new and fragile political institutions on the alter of economic austerity. The expectation on the part of these countries that the Western democracies, particularly the United States, would soften the impact of austerity and support an extended period of adjustment has not been realized. In point of fact, it is questionable whether U.S. economic assistance programs, which also include U.S.-supported multilateral programs, could approach what is required to finance such a transition. It is evident that the strength of private banking would have to carry the largest share of such financing program.

"Muddling through"

While it is commonly recognized that austerity measures are required to reverse economic decline, in the absence of a comprehensive program to finance what may be termed graduated austerity, the unfortunate political tendency in these countries is to try to "muddle through." Obviously this is not a workable solution and only exacerbates fundamental economic problems. The ability of many of these nations to strike a balance between political and economic imperatives is being tested as never before. The answer, however, must be found; and soon, for the longer these issues are put off, the more acute the economic situation will become and, consequently, the more difficult the political choices.

Exerting U.S. influence

Equally, delaying decisions needed to deal with deteriorating economic conditions makes it more difficult and more costly for the United States to effectively contribute to the development of stable and economically viable democracies. If at present, it is costly and difficult to make this contribution—and it is—in time it will be even more so. We must recognize the means available to exert U.S. influence are limited. The U.S. can:

Undertake domestic economic policies which reduce the export of capital to the United States and which create a favorable trade environment;

Take a more active role within multilateral institutions, such as the IMF, to ensure that adjustment programs are appropriate;

Adopt regulatory changes which would more directly involve private banking in the adjustment process; and,

Structure and implement bilateral aid programs which are supportive of, and not a substitute for, an integrated structural adjustment program.

Clearly, U.S. domestic economic policies could be structured to have an enormously beneficial impact on the situation. However, we learned that U.S. domestic economic policies are having an extremely detrimental impact on Latin American economies. It must be noted, that two-third of the total debt of the Latin American region has been contracted at floating interest rates. Knowledgeable officials in several of the capitals we visited told us that current U.S. policies, associated with high interest rates, are responsible for unanticipated and increasingly burdensome debt service costs. This problem, they told us, is compounded by the acceleration of outward capital flows encouraged by the same economic policies. The willingness of the United States to accept large trade imbalances, and thus increase the export incomes of foreign countries has but a marginal effect in these countries which, apart from Argentina, have relatively little of value to export. In the view of these officials, U.S. trade imbalances do not adequately compensate for the high interest rates and capital flight being experienced in the region.

Role of private banking

Since the largest portion of Latin America's debt, is held by the IMF and private banks, the U.S. role in multilateral institutions and in exercising influence over the private banks offers great potential to bring positive change. However, U.S. participation in multinational banking is often in conflict with the goal of achieving stable and economically viable democracies. In its relationships with the IMF, the multilateral development banks and commercial banking, the U.S. too often succumbs to the overriding objective of these institutions, namely the preservation of the Bretton Woods system. The banks and the IMF seek, with active U.S. participation, to enforce the repayment norms which are part of that system. The private banks and the IMF are by their charters indifferent to the nature or form of the governments which participate in sovereign borrowing. Their sole objective is to maintain the existing international financial system. In consequence, nascent democracies, such as Argentina, which have succeeded "borrow-and-spend" authoritarian governments, are held to repayment schedules which bear little relationship to the new government's stability or its capacity to meet such repayment schedules. As the IMF and the banks adhere to the code of austerity and rigidly insist upon prompt repayment, they effect a gradual but certain impoverishment of these countries. Under conditions of rigid austerity, there is no opportunity for growth, for an increase in capacities to service debt and to satisfy consumer demands; there is only the requirement that governments somehow achieve a revenue surplus which can be used to repay existing debt—a requirement that wealth be transferred from poor in the developing countries to the rich in the developed.

Earlier in this paper, we noted that there is common recognition of the need for austerity measures to halt economic decline in Latin America. There is equally broad agreement that austerity measures will fail if taken without regard to differences in the capacities of the respective countries to withstand the rigors of austerity. Furthermore, such measures will fail if they are not constructed so as to visibly enhance prospects for positive economic growth. This is what we mean by the term graduated austerity.

The rigid application of IMF inspired austerity measures has two predictable results: (1) it leads to failures to achieve the provisions of the structural adjustment programs and, thus, their subsequent collapse; and, (2) as a corollary, if all countries were to pursue austerity, the global economy would collapse inward and, rather than preserving the Bretton Woods system, austerity would lead to its demise.

Thus, powerful arguments exist for easier repayment terms. Not only did the present democratic governments not contract the debt, to a large extent they also never received much long-term benefit from it since much of borrowing was squandered on unwarranted military purchases and ill-conceived development programs. Furthermore, authoritarian governments which faced no serious monitoring by legal oppositions allowed, and in some cases encouraged, the flight of capital abroad. Equally, lending institutions did not place responsible constraints on the amounts and terms of the loans made to these governments. In an effort to recycle "petrodollars" in the late 1970s and early 1980s, banks, through unconstrained lending, allowed these authoritarian regimes to mortgage their countries' economic futures.

Constraints of the Bretton Woods system

Not withstanding these arguments, the banks appear anxious to maintain the existing arrangements for dealing with countries facing debt crises (specifically, using the IMF as the primary agent for establishing economic conditionality by using the Fund agreements with individual governments as precursors to the renegotiation of privately held loans). Neither the Administration, the IMF nor the private banks appear to be undertaking positive action adequate to deal with the potential unravelling of that system. There are, however, increasing signs that the countries of the region are no longer willing to blindly adhere to a system which is increasingly at odds with their political and economic aspirations. While we would not want to place too great an emphasis upon this point, nonetheless it is significant that officials of various governments in the region talk of establishing a "debtor's cartel" (the Cartegena Group) as a means of protecting the interests of debtors.

Moreover, this newfound resolve on the part of debtors to question the existing system is echoed in expressions of concern by IMF and bank representatives that certain governments are apparently unwilling or unable to negotiate in good faith. Questions as to the continued viability of IMF agreements as a means of guaranteeing economic adjustment are being raised. Indeed, it is broadly accepted that the value of IMF adjustment programs is being debased as debtor countries attempt to cope with the difference between what they are required to say they will do to secure further financing and what they know will be beyond their capacity after they have obtained such financing. This is demonstrated by the increasing incidence of renegotiation of IMF adjustment programs before they have run their course. These unrealistic requirements for policy change have prompted officials in the Dominican Republic, Colombia, Peru and Bolivia to express desires to circumvent IMF agreements as prerequisites to further U.S. economic aid or the renegotiation of debts held by private banks. The Dominican Republic, for example, recently secured the disbursement of $50 million in U.S. economic support fund financing prior to final agreement on an IMF approved economic plan.

A policy of insufficiency

The Dominican Republic secured this extraordinary infusion of U.S. bilateral aid by successfully arguing that these funds were needed to avoid a recurrence of the riots and political unrest which followed last April's efforts to implement an IMF approved program for economic stabilization. It remains to be seen whether this extraordinary assistance will enable the Dominican Republic to undertake a revived and more realistic IMF adjustment program, or whether the $50 million, because it is insufficient or inappropriate, will have no beneficial impact. What must be proven is that the disbursement of this $50 million, if it is to be considered sufficient and appropriate, is linked to a sustainable program of adjustment which corresponds to the concept of graduated austerity.

Current U.S. economic assistance funding often functions as a placebo. Because these programs are driven by the foreign policy objectives of demonstrating support to nascent democracies and short-term considerations relating to the maintenance of political relationships with various governments, more often than not they simply subsidize failing economies. However, the level of subsidy is insufficient to gain any real economic policy advantage or to substantially alleviate the human suffering associated with deteriorating economic conditions. For example, internal State Department proposals to give Bolivia a $20 million cash transfer in the context of a country which, at the end of 1984, was well over $1 billion in arrears on its public and private sector debt, are, in our judgement, so politically and economically irrelevant as to be absurd.

The United States must develop a systematic and cohesive approach for dealing with the region's economic crisis. Such an approach would have to recognize the weaknesses of the current system of debt management. The present system remains heedless to internal political dynamics; provides insufficient assurance that these countries actually implement the economic reforms agreed to as part of debt management proposal; does not afford positive opportunities for these countries to improve their own economic conditions while meeting past debt obligations; and, finally, does not shield these countries from the unintentional negative impacts of the economic policies of the industrialized world, particularly the United States. Since there is not a concerted approach, the benefits from one set of activities are frequently nullified by the damage caused by other actions.

It is critically important that proposals for future U.S. aid programs to the region be evaluated as to their potential to actually contribute to economic recovery and give full consideration to the recepient nation's economic woes. Palliatives, such as the proposed cash transfer to Bolivia or further balance of payments support to Peru while foreign military purchases continue unabated, only contribute to the continued defer-

ral of necessary economic and political choices.

The United States is appropriately favoring democratic governments in the region over authoritarian alternatives, even though some of these alternatives offer the illusion of being more able to survive the political repercussions of harsh but necessary economic reforms. While this democratic preference is a worthy consideration, the United States cannot base continued economic support to countries in the region simply because they maintain a facade of "democracy." Governments which seek to lay claim to that title must demonstrate that they are prepared to manage government finances through civilian institutions which are accountable to the people through their elected representatives. Democracies which are unable to build solid economic foundations will not be able to develop long-term political stability. In this sense, the United States can best promote democracy by nurturing "good government" and by supporting those governments that are willing to consistently undertake rational economic policies within realistic political frameworks. To finance failure not only wastes U.S. tax dollars, but also raises questions in the region as to the desireability of democratic governments and the ability of the United States to act as an intelligent and capable ally.

Narcotics

As an adjunct to our review of U.S. economic and security assistance programs, we also examined the effectiveness of U.S. supported activities to counter the corrosive influence of illicit narcotics production and trafficking on political and economic stability in certain of the countries we visited.

Clearly the control and suppression of narcotics is of significance not only to Latin American countries, who wish to free themselves from the corruption and violence associated with the drug trade, but also to the United States, which in addition to corruption and violence, suffers enormously from the destructive influence of narcotics on our youth. It should not be forgotten, that while Latin American countries are the producers of illicit narcotics, it is we who are the consumers.

U.S. narcotics control assistance has registered dramatic successes in the control and eradication of narcotics substances in many regions of Latin America, especially in Mexico and Colombia. At great personal risk, anti-narcotics officers of the United States and local governments have tirelessly pursued those who profit from this trade. Unhappily, the narcotics traffickers continue to flourish and interdiction and eradication efforts in the region appear to have passed the point of diminishing returns. Although recent efforts directed against cocaine processing laboratories in the region have resulted in several spectacular and well-publicized cocaine seizures, the Miami police department's vice and narcotics squad reports that wholesale prices of cocaine dropped from $60,000 a kilo to just over $20,000 a kilo in 1984. A major increase in street prices should have occurred if cocaine imports were significantly constrained or disrupted by the Colombian seizures. Yet, as noted, the price continued to drop following the large seizures of Colombian cocaine.

In meetings with knowledgeable U.S. and local officials, we learned that the amount of money derived from illicit narcotics trafficking, which flows into the national economies of Latin America is vastly overstated. This is not to say that substantial money flows are not associated with the narcotics trade. Rather, the money which comes from the production and sale of narcotics remains largely outside the producing nations. For example, Colombia, which produces 75% of the cocaine and 66% of the marijuana entering the United States, is estimated to see only $400 million returned to the national economy. U.S. officials in Colombia estimate that if the drug trade were to be completely eradicated, the economic impact would be less than one-and-a-half of Colombia's GDP. The impact of narcotics money on the economies of Latin America is further diluted because narcotics traffickers seldom use their repatriated profits for capital investment, but rather for conspicuous consumption.

Furthermore, while we note that on a national level the economic impact of the narcotics trade is negligible, many Latin American economies are so unevenly distributed that in impoverished regions, the money derived from illicit narcotics trafficking can have a disproportionate if not controlling influence. Invariably, it is in these regions that narcotics trafficking is most deeply entrenched. Crop substitution or eradication programs are stymied by the undeniable evidence that production of narcotics is the most profitable cash crop and that narcotics producing plants are among the heartiest found in nature and grow virtually everywhere. This makes it prohibitively costly to "buy off" the small producers or to completely destroy the crop.

New approaches need to be developed which would directly attack the incentive structure for dealing in narcotics. Specifically, new approaches are needed to:

Lower the demand for illicit drugs;

Disrupt the enormous money flow associated with these activities (much of which flows through reputable banking institutions); and,

Arrest, extradite and imprison major narcotics traffickers.

In the absence of such measures, sizeable new investments in narcotics interdiction and eradication should be limited since their overall impact on the problem is likely to be negligible.

DOMINICAN REPUBLIC

Economic situation

With prudent management, and some outside assistance, the Dominican Republic should be able to arrest the decline in its economic situation. This Caribbean country has managed to sustain modest real growth (+3.9% in 1983) despite continued depressed prices in the international markets for its primary exports (sugar and ferronickel) and an overvalued currency. U.S. Embassy and Dominican officials, as well as private bank representatives, all agree that if the government takes appropriate measures to establish a hospitable environment, significant potential exists for outside investment in non-traditional areas, such as specialty fruits for export to the United States.

The depth of the economic crisis facing the Dominican Republic should not be underestimated. The Gross Domestic Product (GDP) is not expected to grow significantly in 1984 and per capita GDP is forecast to decline. Unemployment now exceeds 24% of the workforce and is projected to grow in 1985. Per capita income stands at around $525 per year, nearly one-half 1980 levels. Inflation in 1984 was approximately 30% and is forecast to be even higher in 1985.

As of December 1984, the Dominican Republic's external liabilities, including accumulated debt arrearages, exceeded $3 billion. That this debt places an extraordinary burden on the economy is shown by the fact that debt service requirements for 1984 will total $729 million, almost one-third of the total 1983 GDP. This problem has been growing at least since 1978 when balance-of-payments difficulties began to worsen. For 1984, cash flow analysis forecast Central Bank reserve losses of some $400 million. Accelerating losses are demonstrated by the fact that while 1984 losses alone will total some $400 million, the cumulative deficit accrued during the 1978–1982 period was $768 million. The balance-of-payments situation had become so acute that by December 1984, the Dominican Republic effectively suspended external debt service payments pending an IMF stand-by agreement and a hoped-for rescheduling of debts held by private banks.

To recover control of its economy, it is estimated that the Dominican Republic must reschedule in 1985 about $570 million in debts on commercial bank and government loans. A substantial portion of this $570 million in arrears from 1983 and 1984 and consequently renegotiation will be costly because, in accordance with customary practice, past due interest must be paid.

Negotiations on a new IMF agreement have been protracted. The Dominican government has claimed that IMF conditionality is politically unacceptable. This assessment has been based in part on the government's fear of a recurrence of the April 1984 riots which followed an earlier IMF agreement. These riots, which left 60 people dead, were triggered by the government's decision to raise cooking oil prices to market levels, pursuant to conditionality provisions which required a reduction in government subsidies. In August 1984, the Dominican government produced an Economic Policy Statement outlining a comprehensive adjustment program. This document has served as the basis for current negotiations toward a 1985 agreement with the IMF, leading to additional IMF adjustment financing.

Largely in anticipation that an agreement with the IMF would be reached, the United States, in December 1984, disbursed $50 million in economic support fund grants. These funds were part of the $95 million programmed for the Dominican Republic in accordance with Congressional directives. It must be underscored that this disbursement was made prior to the conclusion of an IMF agreement. It was made with the expectation that the Dominican Republic would institute economic reforms, to include unification of the exchange rate, reduction of fiscal imbalances and a rescheduling of debt payments. Since the United States disbursed these funds to support a government prior to conclusion of an IMF agreement, this action marks somewhat of a departure. In contrast to established practice, the United States advanced these funds with the understanding that doing so would encourage the Dominican Republic to follow through on its announced intentions for economic reform. The unintended effect of this infusion of cash, however, may be to make it easier for the Dominican government to defer action on the more difficult policy reforms required by the IMF and the private banks. Therefore, unless the United States acts to ensure that this funding facilitates a comprehensive effort by all parties involved to assist the Dominican Republic in extricating itself from its economic predicament, it may actually be counterproductive.

Political situation

The government of President Salvador Jorge Blanco appears to be committed to economic reform. However, since 1983, splits within the ruling Revolutionary Democratic Party (PRD) appear to be limiting Jorge's ability to move ahead with economic adjustment measures, especially those designed to increase tax revenues. This situation is exacerbated further by elections scheduled for this year and the search for a successor to Jorge Blanco.

The willingness of the Dominican legislature to act positively and promptly on an austerity package will be a crucial factor in the Dominican Republic's ability to meet any new conditions imposed by an IMF agreement. While the executive has demonstrated the political will to carry out an adjustment program, the willingness of the Dominican congress to support budget cuts and tax increases in an election year is unclear.

Not to be forgotten is the fact that there is a violatile electorate in the Dominican Republic. Some 40% of the population lives below the poverty line. As a result of economic reforms, prices of basic staples have steadily risen at a time when real wages were declining. Of necessity, conditionality is likely to force further increases in prices, which hit hard on the poorest sectors of society. Consequently, if the United States expects to see the Dominican Republic successfully implement appropriate economic policies, it must make every effort to ease the political costs of implementing those policies.

PANAMA

Economic situation

The overall Panamanian situation appears to be one of slow but continued deterioration. The Panamanian economy has been at a virtual standstill since 1983. This be attributed largely to a slackening of world trade brought on by the global recession and a sharp decline in the demand for traditional exports of goods and services. The economic outlook will worsen in 1985 and 1986 because projected government revenues will fail to keep pace with scheduled increases in debt service costs. This will limit the government's ability to maintain current services and could arouse resistance to necessary austerity measures.

Panama is facing a public debt of some $3.4 billion, of which $700 million was due at the end of 1984. With IMF financing, it is expected that Panama will experience only a shortfall of $35 million in financing 1984 expenditures. In 1985, the gap between government obligations and revenues is projected to grow to $75 million.

The Administration is considering a $40 million cash transfer to help fill this gap; although obviously, this amount is insufficient to meet Panama's projected need. We do not know of any decision to condition future economic support fund disbursements on the maintenance of an economic reform program by the new Panamanian President and legislature which was convened in November 1984. In December 1984, in response to widespread public protest, President Nicholas Barletta announced he would withdrew his government's economic reform program. Unless a meaningful economic reform program is instituted, and soon, U.S. assistance funds will be among those lost to the perpetuation of inefficient and ineffective economic policies.

Panama's ability to adjust monetary policy to meet short-term political needs is constrained because the Panamanian currency is the U.S. dollar. Since Panama cannot print money to finance the government's budget deficit, certain political choices are more painful. For example, Panama's ability to create jobs through currency inflation is limited; yet, job creation is very important to maintaining social and political stability. The key benefit to maintaining the dollar as the unit of currency, is that a weak government is prevented from moving the country into an inflationary spiral.

Political situation

This year's Panamanian election is generally acknowledged to have been "flawed." There is universal recognition in Panama that the Presidential elections were not fair, and that President Barletta was installed in office by the National Guard. Nonetheless, many people (including Barletta opponents) believe that Barletta did receive nearly 50% of the vote and this represents some kind of mandate. Equally, many believe that if his opponent, Arnulfo Arias, had been elected, he would not have been allowed to take office.

Barletta is seen by some to be freer from National Guard influence than previously thought. Questions relating to the conduct of the election may weaken his ability to carry-out broad-scale and unpopular economic reforms. In this context, it does not seem appropriate for the United States to initiate cash transfers until policy reforms are fully articulated and actually underway. Then, it would be appropriate for the United States to step in and provide visible support to President Barletta through assistance which moderates the impact of austerity on the most vulnerable elements of Panamanian society.

COLOMBIA

Economic situation

Although the current state of the Colombia's economy appears healthy, many observers believe that external debt service requirements may precipitate an economic crisis in the next two to three years. Colombia is facing very heavy capital payments in this period. In 1982 debt service payments were $250 million. In 1985, these payments will climb steeply to $730 million. Concurrently, in 1985, a balance-of-payments shortfall exceeding $1 billion is expected to wipe out Colombia's remaining hard currency reserves. This balance-of payments situation is expected to improve over time, but projections of current trends suggest an additional $500 million draw on hard currency reserves will come in 1986 and Colombia will be forced to seek external financing.

The next two years will be critical, Colombia must integrate a long-term development strategy (based on opening new coal and oil deposits which will be exploitable in the late 1980s) and, short-term policies designed to halt the erosion of hard currency reserves. This will be extremely difficult, because it appears that Colombia is mortgaging future income potential to meet the costs of short-term stabilization. For example, our conversations led us to believe that Colombia is considering selling coal futures in order to finance current budget shortfalls. If so, it is probable that they will be selling their future development potential at rock-bottom prices because current market prices for coal are depressed. Since most of the future income of these projects is already obligated to pay back development and production costs, the benefits of such a scheme are likely to be marginal.

Over the years, Colombia has been conservative in its handling fiscal matters. Hence, Colombia has a relatively small external debt. In recent years, however, Colombia has been hurt by high interest rates which the Colombian Ministry of Finance has linked to the record U.S. budget deficit which it asserts have cost Colombia some $1.5 billion in increased interest payments. Additionally, Colombian government finances have been weakened by slow economic growth and reduced revenues from tax evasion.

Colombia does not presently have an IMF program. It does not receive economic assistance from the United States. Currently, Colombia is seeking to reschedule its commercial debts in the absence of an IMF agreement. Colombia intends to convince the commercial banks of its credit-worthiness by unilaterally undertaking an IMF-like economic austerity program. However, the banks have resisted as already indicated that they will not reschedule Colombia's debt in the absence of the legitimacy ascribed to an IMF sanctioned adjustment program. It is not clear whether the banks will continue to maintain this hardline position.

Political situation

Colombia's political stability seems predicated on Betancur's ability to balance competing political interests—which range from a conservative establishment opposed to social change to leftist insurgencies demanding a fundamental re-ordering of society. Betancur's continuing ability to maintain this equilibrium will be challenged by new outside forces, particularly in the form of pressure exerted by the banks and the IMF as they seek to instill economic reforms in return for continued credit and eased debt service requirements.

Colombia's efforts to rationalize its economy could be disrupted by internal security considerations. Growing pressures for budget austerity have reduced the 1984 Columbian military budget to a level 30% less than the 1983 budget and the 1985 budget is expected to be 40% less than the 1984 budget. The total impact of these reductions is not clear, since the 1983 budget totals were unusually high and the potential remains for 1985 supplemental funding. However, this could be disasterous if the current truce with the insurgents breaks down and the level of fighting increases (requiring higher defense expenditures). In that case, increases in military expenditures would be driven by urgent requirements which would override budgetary considerations for austerity. Thus, in the Colombian situation, where spending on military items has been relatively modest, U.S. security assistance could meaningfully contribute to shielding economic reform from the legitimate demands for increased military spending. Of course, Colombian military requirements would need to be carefully reviewed.

PERU

Economic situation

Peru's economy is in a state of imminent collapse. This is largely due to the sharp contraction in international markets for Peru's main export commodities, a series of devastating natural disasters, and continued government mismanagement of the economy through interventions and subsidies, as well as excessive spending on capital investment projects of dubious value.

GDP, which had averaged approximately 4% annual growth in 1980-1981, fell by 12%

in 1983 alone and continued to decline in 1984. As a result, by 1984, massive unemployment and the collapse of entire sectors of the economy had driven real per capita income to below 1963 levels. The public sector deficit, which was 1% of GDP in 1979 had grown to 11% of GDP in 1983. Under Peru's short-lived 1982 stand-by agreement with the IMF, the public sector deficit was not to exceed 4.1% of GDP in 1984. Nonetheless, the deficit was larger and is forecast to grow to 15% in 1985. By the end of 1984, Peru, having suspended payments on principal in March 1983, was some $400 million in arrears on interest payments to its $13.3 billion foreign debt. Including unpaid interest, Peru is scheduled to pay $1.6 billion to foreign creditors in 1985.

No one knows how this will be done. At present, because the government has financed on-going activities through the sale of dollar-denominated certificates, which are liquid claims, Peru actually has net negative reserves. Being a resource poor country, which has mortgaged the major portion of its foreign exchange-earning fishing industry to the Soviet Union to pay for arms purchases, it is highly unlikely that Peru can expand its remaining exports sufficiently to obtain the hard currency required to meet its overdue interest payments, let alone retire any principal. Beleaguered officials in the Peruvian government, told us that because of Peru's unfavorable reserve position, and the demands for foreign exchange to meet existing overdue obligations of interest and principal, a "mere rescheduling" would not ease the financial crisis. Peru needs "fresh" money, and in substantial amounts.

It is in this context that U.S. proposals to provide additional economic support funding must be evaluated.

It is questionable that additional U.S. assistance could have any utility. The government of President Fernando Belaunde Terry shows little sign of fiscal responsibility, and appears unable to set and enforce priorities. For example, in a declining economy with some 75% of government revenues already being spent on interest payments and military spending, the government has signed newly negotiated contracts with France for the purchase of 26 Mirage 2000 interceptor aircraft for the Peruvian air force. This $600 million deal is said to represent a victory for the armed forces over civilians who would have preferred to dedicate this hard currency to managing the present debt. It is indicative of the weakness of democratic institutions in Peru that, some four years after civilian rule was said to have replaced military control, the armed forces are able to unilaterally commit government resources.

The ability of the IMF to secure Peruvian commitment to economic reform is questionable. Peru's former Prime Minister, Manuel Ulloa, resigned in late 1982, at least partially over disputes with President Belaunde over the government's commitment to maintaining the economic reforms which were conditions of their 1982 stand-by agreement with the IMF. Negotiations with the IMF have broken down completely, effectively precluding refinancing and rescheduling agreements with the private banks which will be necessary to stabilize Peru's economy. Such economic decisions have been put off until after a new president is installed in June.

Political situation

The first round of Peruvian national elections are scheduled for April 1984. The political parties of the ruling center-right coalition have failed to build a coalition and, as a result, have splintered into three factions. This favors the prospects of the center-left APRA party, led by Alan Garcia, in the run-off election scheduled for May. Peru's electoral system, providing for run-off elections, virtually guarantees that the party of whomever is elected President will not have a majority in the legislature. Obviously, this could have negative implication for the new president's ability to implement economic reforms.

BOLIVIA

Economic situation

Bolivia's economy has been described as "imploding". Inflation has surpassed an annual rate of 1000%. Per capita income is the lowest in Latin America and declining. The country is $3.7 billion in debt and faces a debt service ratio over 100%. Bolivia is in its fourth year of real economic decline (real GDP fell 1.5% in 1981; 8.7% in 1982; 7.7% in 1983; and is expected to continue its decline in 1984 and 1985). The fiscal deficit is in excess of 28% of GDP; the Bolivian peso is overvalued by some 200% (in spite of a 75% devaluation in April 1984). Official unemployment is 12%, but real unemployment is reportedly as high as 40% in the cities. The money supply is growing at 100 billion pesos per month.

Even if the country had not been the victim of declining world commodity prices and the Andean drought, the economy would still be deteriorating because of ineffective economic policies that, for example, subsidize fuel prices to a level of $0.06 per gallon. In reference to this policy, a Bolivian cabinet minister noted that a liter of gasoline costs less than the price of a cigarette. Tax rates are based on a 1970 census and peso rate. The government of President Hernan Siles Zuazo appears incapable of implementing economic reform. The real economy has shifted almost completely to the unofficial side.

The government has all but repudiated its extenal debts and has stopped payments since May 1984. An IMF stabilization program is out of the question at this point. Moreover, negotiations with the private banks have been suspended. Banks has disbanded groups formed for the purpose of negotiating with the government. The few U.S. banks which remain in La Paz are reduced to skelatal staffs and remain only to monitor the situation.

In this context, the State Department is considering granting a $20 million cash transfer to Bolivia, a country well over $1 billion in arrears on its debt service.

Political situation

The Bolivian political scene is dominated by continuing conflict between the original leaders of Bolivia's 1952 revolution. These men include: Victor Paz Estenssoro, leader of Bolivia's largest opposition party; Siles Zuazo, the President; Juan Lechin, the leading trade unionist; and, Guillermo Lora, the Trotskyite theoretician of the powerful Bolivian worker's union. Their continued fractious approach to government has effectively frozen the decision-making process in Bolivia.

Perhaps the most surprising thing about the government of President Hernan Siles Zuazo is that it survived for two years. Siles Zuazo's National Revolutionary Movement of the Left and its allies won three successive elections in 1978, 1979 and 1980, but were prevented from taking office each time by military action or electoral fraud. Bolivia had ten different governments between 1978 and 1982. Since Siles Zuazo came to power in October 1982 there have been seven known coup attempts.

This instability and continued strangulation of the government, while preventing the effective day-to-day functioning of the government, has at least created pressures for change. A positive sign may be found in the decision, by consensus, to advance presidential elections to June 1985. It is, of course, questionable whether these elections will lead to the creation of a government capable of undertaking the painful steps of restructuring Bolivia's economy. In any case, the United States should husband scarce foreign assistance resources until it becomes clear that the new government is willing to undertake substantive reforms.

ARGENTINA

Economic situation

The Argentine economy began a modest recovery in 1983, with GDP growing by 2.5% after a cumulative decline in 1981–1982 of 11%. This has been taken by some as a sign that the recession in Argentina has bottomed out. Nonetheless, while Argentina's economy is more robust than that of other Latin American countries, it still faces a $43 billion external debt; annual inflation of over 300%; declining government revenues (down by 1.5% of GDP in 1983) and a growing government budget deficit.

Moreover, the legacy of the previous military government, which had presided over an increase in external debt from $8 billion in 1975 to nearly $45 billion in late 1983, without a significant addition to the nation's capital base and infrastructure, has severly constrained the present democratic government's ability to deal with contemporary economic difficulties. Furthermore, the military, through incompetent management of the economy, brought disorganization and disruption to the entire system for producing goods and services. This legacy has made it extraordinarily difficult for the present government to effectively use Argentina's economic strengths to produce and export in sufficient quantities to meet debt service requirements, and promote vigorous economic growth.

Argentina's economic problems appear resolvable. It has a broadly-based economy and is well-endowed with human and natural resources. If the country is not subjected to economic disasters (such as a collapse in commodity prices) and the government remains committed to maintaining its economic reform program sustained recovery and growth is possible. This will be tested by its adherence to the austerity plan associated with the latest IMF stand-by agreement which will require squeezing government wages.

Political situation

Alfonsin's most powerful adversaries are the labor unions, particularly the Peronist-dominated labor federation. The unions have already expressed their reluctance to accept economic austerity measures. The unions claim that almost any alternative would be preferable to an IMF agreement and, as a consequence, they will not cooperate in wage reductions.

Furthermore, the unions will probably move to protect the jobs of rank and file members threatened by budget reductions. For example, Aflonsin is planning substantial cuts in Argentina's military budget. While in the wake of the Falklands/Malvinas debacle, the country might be willing

to accept these reductions, Argentina has over 26,000 people employed in domestic arms industries. These workers are unionized and likely to have great influence on whether the government is able to follow through with the proposed cuts.

Alfonsin's government appears stable for now. Labor groups are expected to grow more resistive over the summer months, particularly if the government maintains its austerity program. Although the political role of the military has been limited since the elections, observers of the Argentina military question whether Alfonsin's impact has been more than superficial.●

ETHIOPIAN FAMINE RELIEF

● Mr. BUMPERS. Mr. President, the tragedy of the famine in Ethiopia has touched children and adults from around the country and moved them to join the African relief effort. I am pleased to note the generous actions of students at the Woodruff Elementary School in West Helena, AR. These students have dug deep into their own pockets and shown great initiative to raise $361 for the African relief effort. The following article appeared in the June 1, 1985, edition of the Phillips County Progress and details the efforts of the Woodruff Elementary School students. I ask that it be printed in the RECORD.

The article follows:

[From the Phillips County Progress, June 1, 1985]

WOODRUFF STUDENTS RAISE $361 TO ASSIST ETHIOPIAN RELIEF

Most of the students at Woodruff Elementary School come from middle, lower middle, and poverty level homes and, therefore, their pockets aren't exactly full of nickles and dimes when they go to school each morning.

But, when presented with a genuinely worthwhile project, the students somehow respond—and they did just that shortly after the news media broke the story of the African famine and the thousands of starving people in Ethiopia.

The students' interest was aroused after they had watched Tom Jarrel's special report on Ethiopia, which was aired on ABC. After viewing the program, the pupils sent a written request that they be allowed to raise funds for that country to Kenneth Murphee, their principal.

Murphee, of course, quickly approved the request and the students started to work.

In a two week period, the students conducted numerous benefits, including a magician show and a popcorn sale, and contributed to the fund individually.

When it was all said and done, the children had $361.11 in the coffers.

But they were not finished. The students had heard that not all of the relief funds were getting to Ethiopia and, therefore, not benefiting those in need. They considered carefully each agency involved in the task of getting food and supplies to the African country and decided to send the money to the "Interaction Ethiopia" Fund.

This was done Wednesday.

Murphee and all of the Woodruff teachers are extremely proud of their charges.

"They worked awfully hard on the drive," said a teacher. "And we were really a little bit amazed that they came up with a fairly large sum of money . . . the thing that made it nice was that they did it on their own, with very little help from the faculty."●

COST TO ATTACK

● Mr. GORE. Mr. President, the sheer complexity of decisions we must make in funding strategic nuclear weapons contributes to the political devisiveness of this subject. As it now stands, we debate strategic issues in isolation from each other, even though we know that legislative choices affecting any one element of the nuclear capabilities of the United States inevitably have consequences for the system as a whole. What we need is a way to understand and evaluate these interactions.

Last fall, I asked the Congressional Research Service to engage this problem by focusing on the concept of "cost to attack:" That is, the cost to the Soviet Union, measured in nuclear warheads expended, to destroy a given number of U.S. nuclear warheads, under conditions that could be varied at will in order to permit study and comparative analysis.

It was my hope that the cost-to-attack approach would lead to insights concerning a whole series of questions. For example, we could look at the effect of varying the number of MX missiles in silos; at the implications of deploying Midgetman missiles; at the consequences of increased Soviet ICBM accuracy for superhardened silos; at the impact of strategic defenses on ICBM vulnerability—all on a common scale of measurement.

If such things could be done, we could go beyond merely talking about strategic stability to defining it in precise terms, so that it could be studied under changing assumptions about forces on both sides, including not only their number, but their performance characteristics. We could also ask questions and get answers about the impact of arms control agreements of any kind we might like to examine.

As this work proceeded, even partial products greatly aided my own efforts to come to terms with strategic issues. Now, however, the project has been concluded—in my opinion with great success and promise—and I would like to share it with my colleagues and the concerned public. Therefore, I take this occasion to draw your attention to two companion-piece CRS studies: "Cost To Attack: Measuring How Strategic Forces Affect U.S. Security, A Methodology for Assessing Crisis Stability" and "Cost To Attack U.S. and Soviet Strategic Forces Under Three Alternative Arms Control Approaches."

I also wish, Mr. President, to briefly summarize the first-order conclusions and implications of these papers.

What they tell us is that the strategic development or event which promises to have the most profound implications for strategic stability is the small ICBM. The cost to attack Midgetman as presently conceived is on the order of 10 Soviet warheads to destroy one of ours: A vast improvement over silo-based missiles, which are lucrative targets.

A force of 500 Midgetman missiles—on mobile-hardened launchers, able to withstand on the order of 35 psi overpressure, located on 10,000 square miles of existing U.S. military property—could indeed be destroyed by the Soviet Union—but the price would be a very large portion of their ICBM force. The total cost to attack our silo based weapons and Midgetman would approximate the entire inventory of Soviet counterforce weapons. In the aftermath of such an attack, the United States would not only be left with a massive bomber force, but—once the Trident D-5 force is deployed at sea—a very large and invulnerable second strike force with counterforce capabilities of its own.

With respect to arms control, the implications of the Midgetman are similarly far reaching. If current numerical subceilings and MIRV limits are carried over from SALT, and combined with the Midgetman's ability to charge the Soviet Union an exorbitant cost-to-attack, the resulting combination is arguably resistant to a first strike, and therefore crisis-stable.

CRS's computations do show that the Soviet advantage in throw-weight is potentially meaningful, if the Soviets were to break out of existing agreements and convert that throw-weight into additional warheads. But the same computations also suggest how arms control should be employed to bound this possibility, and also how various U.S. countermeasures could offset it.

Mr. President, I highly commend the CRS and its analysts for their creativity and diligence. My comments today do only partial justice to the value of their work. For that reason, I urge those of my colleagues whose interest in strategic matters runs deep to make themselves familiar with the cost-to-attack methodology, and its potential as a means for leading us towards a more systematic, insightful and productive debate over strategic weapons and policy.

The CRS studies follow, except for the charts contained therein, which are not reproducible in the RECORD:

[Report No. 85-64F]

COST TO ATTACK: MEASURING HOW STRATEGIC FORCES AFFECT U.S. SECURITY, A METHODOLOGY FOR ASSESSING CRISIS STABILITY

(By Lou Finch, Specialist in International Affairs and Al Tinajero, Specialist in National Defense, Foreign Affairs and National Defense Division)

ABSTRACT

This report illustrates a technique to measure how changes in nuclear forces effect crisis stability (a condition where neither we nor a potential enemy has strong reason to expect to gain a decisive military advantage through a nuclear attack). It lays out a method to quantify some aspects of crisis stability and, through a series of examples and charts, it gives the reader a basic understanding of how the method works, what some of its uses and shortcomings are, and what types of issues on the congressional agenda it can address. This report, however, does not provide results related to actual current force issues and options. Rather, it gives background so that the reader can understand the method and interpret any future reports using this method.

NOTE

This report was originally prepared in response to a request by Senator Albert Gore and it is reproduced for general congressional availability by CRS with Senator Gore's permission.

PURPOSE

This report presents a method to help Congress understand how changes in U.S. strategic nuclear forces and arms control policies could effect a basic goal of our security—crisis stability (a condition where neither we nor our enemies have a strong incentive to gain a decisive military advantage through a nuclear attack). Through a series of examples and charts, it gives the reader a basic understanding of how the method works, what some of its uses and shortcomings are, and what type of issues on the congressional agenda it can address. This report, however, does not provide results related to these issues. Rather, it gives background so that the reader can correctly understand and interpret future reports using this method.

ANALYTICAL STRATEGY

The method discussed in this report look directly at the question of crisis ability. It does so by simulating nuclear attacks by the strategic nuclear forces of the United States and Soviet Union against each other. By analyzing the results of these simulated first strikes, it may be possible to see whether the leadership of one side would have confidence that they could gain a decisive military advantage from a preemptive nuclear attack. If leaders think they can get a decisive military advantage in these simulated attacks, one might conclude that the situation would be unstable. Alternatively if leaders of both sides see no clear advantage, one might conclude that the forces on both sides would produce a stable situation.

This report first describes how these attacks might be simulated. Given the results of these simulations, the report also suggests how the results might be interpreted—whether the outcome is stable or unstable—from two perspectives. First, it looks at the cost-to-attack for an aggressor in terms of the forces it might use in executing an attack, and compares these with the forces that it would destroy on the other side. The idea is to compare the costs of an attack (measured in forces used) with the gains from an attack (measured in forces destroyed) to see if the attacker would realize a net benefit. Second, the report considers the level of forces surviving an attack to evaluate their potential for retaliation—the potential for counter attacks that would deter an aggressor from launching strikes in the first place.

If, for a particular set of U.S. and Soviet forces, the results of this analysis seem unstable, the method described here can then be useful in two ways. First, it can help uncover the sources of instability. Second, it can analyze ways that the forces might be changed in order to produce a more stable outcome. Thus this approach could provide guidelines to shape policies for the United States for future force modernization and arms control negotiations in order to push toward improved crisis stability, and thus improved deterrence and security.

SIMULATING A NUCLEAR ATTACK

The discussion which follows goes through an example to show what is involved in simulating a nuclear attack. It provides a simple overview of how the methodology works. More elaborate details of this methodology are described in appendix A. In addition, CRS has developed a software package to apply this methodology on its microcomputers. This features the ability to see promptly the graphic results of simulated nuclear attacks for differing assumptions on force composition and effectiveness.

To simulate a nuclear attack, we first need to postulate composition and characteristics of forces for both the side doing the attacking and the side being attacked. To simplify things, let us suppose that the Soviets are considering launching an attack against U.S. intercontinental ballistic missile forces. (Later on, we will consider U.S. attacks on Soviet ICBMs and attacks on other strategic forces.) Table 1 describes a U.S. ICBM force that might be typical some time in the future.

TABLE 1.—ILLUSTRATIVE U.S. ICBM FORCE [1]

ICBM type	Basing posture	Number of missiles	Warheads per missile
Minuteman III	Silo	450	3
MX	Silo	100	10
Midgetman	Mobile	450	1

[1] The basis for these forces is as follows. Once the current program to retire Titan II missiles is complete, the U.S. will have 1000 ICBMs all based in silos. If the U.S. modernized its ICBM force, but maintained the level of 1000 ICBMs, it plausibly would deploy 100 MX (in accordance with current Administration plans) in 100 of the 550 existing Minuteman III silos, replace the existing 450 Minuteman II single warhead ICBMs with Midgetman ICBMs, and retain the remaining 450 Minuteman IIIs in silos.

The ICBMs described in table 1 are postured in basically two ways. Some of them (Minuteman III, and MX) are based in silos. Other ICBMs (Midgetman) are based in a mobile mode. (Mobile basing basically involves mounting ICBMs on trucks that are designed to resist to some extent the effects of nuclear explosions. These trucks are deployed throughout a wide area, presumably making their location unknown to the enemy, and thus requiring the enemy to saturate the whole area with nuclear explosions in order to assure that the missiles deployed in that area are destroyed.)

In order to compute how many U.S. ICBMs are destroyed for a Soviet attack, we first need some data that define the vulnerability of these forces. For ICBMs in silos, the commonly used measure of vulnerability is the "hardness" of the silos. (This is a measure of how resistant silos are to the effects of nuclear explosions. It is measured in units of pounds per square inch of overpressure, PSI, that a silo can take before the missile inside it is destroyed.) For the purposes of this example, let us assume that the hardness of U.S. ICBM silos is 2,000 PSI. This is typical of that for current U.S. forces.[1]

For mobile ICBMs their vulnerability is a function of two factors:

1. Hardness of the mobile launcher. An estimate for Midgetman hardness is 45 PSI.[2]

2. Area in which the mobile ICBMs are deployed. One estimate is 10,000 square miles for Midgetman.[3]

To compute results of an attack, we also need data on the effectiveness of the attacker's warheads. This effectiveness is measured in terms of a combination of the explosive power of these warheads (the "yield," measured in kiloton equivalents of ordinary, chemically based explosives) and accuracy (measured in circular error probable, CEP, which is the distance from the target within which a warhead directed at that target would have a 50% chance of falling). To make some illustrative calculations, let us suppose that Soviet warhead yield is 550 kilotons and an accuracy of .14 [4] nautical miles CEP. (These values are commonly associated with the Soviet SS-18 ICBM.)

Another factor needed to determine the effectiveness of Soviet attacks is the reliability of their ICBMs. (Reliability is the probability, given a decision to launch, that an ICBM will indeed be launched successfully and follow a normal course, carry its warheads to the vicinity of the target.) An arbitrary value for Soviet ICBM reliability chosen for purposes of this illustration is .90.

Finally, we need to know how many Soviet warheads are available to attack U.S. ICBMs. In launching an attack, the Soviets may choose to use some number less than all they have available. (For example, they may cut short their attack because they can destroy most U.S. ICBMs with a number less than their total inventory, and/or they may want to hold some warheads in reserve for future strikes.) Nevertheless, the total Soviet warheads available form a bound on the biggest attack the Soviets could launch. For the purpose of illustration, we have assumed the Soviets will have about 9,000 warheads available.

Given the data just described (and a number of assumptions described in appendix A), one can compute then the ability of one Soviet warhead to destroy U.S. ICBMs. There is, however, one additional factor to consider. Since the Soviets have 9,000 warheads in our example, if they were to attack the ICBM force described in table 1, they would need to decide how best to allocate their warheads against targets in this force. They need to decide what emphasis they should place on attacking Minutemen versus MXs versus Midgetmen in order to destroy as many U.S. warheads as possible.

To determine how they might reach this allocation decision, the discussion below considers allocating warheads to targets for

[1] Ulsamer, Edgar. The Prospect for Superhardened Silos. Air Force Magazine, January 1984, p. 74.

[2] Estimate based on information provided CRS by the Boeing Company.

[3] Estimate provided in briefing by Glen Kent of the Rand Corporation.

[4] U.S. Library of Congress, Congressional Research Service, U.S./Soviet Military Balance, Statistical Trends, 1970-1983, Report No. 84-163S by John M. Collins and Patrick M. Cronin, Washington, 1984, p. 16.

a whole range of Soviet attacks. It begins with very small ones and works up to very large scale strikes using the whole inventory of warheads. While the allocation process is built up by assigning a sequence of groups of warheads to targets, in an attack, all groups of warheads would be launched toward their targets simultaneously.

ALLOCATION OF WARHEADS TO TARGETS

To understand how the Soviets might allocate their forces, suppose we begin by considering what the Soviets would do if they only had one warhead to attack our ICBMs. (Of course the Soviets, in reality, would never attack us with only one warhead. This is just a starting point to describe how the Soviets might do planning for large scale attacks.) If they only had one warhead, presumably they would attack that target which gave them the biggest return in terms of forces destroyed.

Let us assume for the moment that this return is measured in terms of number of U.S. warheads destroyed. In the example in table 1, the Soviets could use this one warhead to attack either a Minuteman III silo, an MX silo, or Midgetmen dispersed in their deployment area. It turns out that the Soviets can do the best (destroy the most U.S. warheads) with one warhead by directing it against one MX silo. This is because, for each MX that they destroy, they are able to destroy ten warheads. If they attacked a Minuteman III silo, however, they would destroy only 3 warheads for every Minuteman III destroyed. Compared with attacking an MX silo, attacking a Midgetman dispersal area gives relatively low returns. This is first because Midgetmen, being widely dispersed, are a lot more difficult to destroy than an MX silo. Also, if the Soviets were indeed able to destroy a Midgetman, they would only kill one warhead as opposed to ten warheads for each MX destroyed.

If the Soviets expanded their attack to two warheads, the best thing that they could do is to allocate the second warhead against a second MX silo based on the same reasoning described above. If the size of their attack continues to grow, they could continue to get the best return for their attack by allocating one warhead for each MX silo up to the point where they have one warhead targeted against each of the 100 MX silos.

Calculations based on assumed CEP, yield, reliability, and silo hardness suggest that each Soviet warhead aimed at an MX in a silo would have .544 probability of destroying it. Thus, a Soviet warhead aimed at an MX silo would destroy an average 5.44 warheads. (i.e. Probability of destruction of an MX of .544 times 10 warheads on an MX equals 5.44 warheads destroyed.) Figure 1 shows the returns the Soviets would get (measured in U.S. warheads destroyed) as a function of the warheads they might use for attacks up to a level of 100 Soviet warheads. For this example, the Soviets use 100 warheads to destroy 544 U.S. warheads.

If the Soviets considered an attack larger than one using 100 warheads against 100 MX silos, they would still plan to use 100 warheads against 100 MX silos. For warheads in excess of 100, however, they would look for the next best target to attack, in order to give them the greatest return for the warheads that they were using. Their choices are to start allocating warheads against Minutemen III silos, the Midgetmen dispersal area, or directing a second warhead against each of the MX silos. It turns out that the best thing that they can do to maximize the return from their investment is to put a second warhead on each of the MX silos. Even though the second warhead would provide less additional gain than the first, because MX has so many warheads on each missile in each silo, the Soviets are better off accepting diminished returns from the second warhead against MX than placing the first warhead on other targets.

Figure 2 shows the results in terms of U.S. warheads destroyed as a function of Soviet warheads used if the Soviets were to allocate two warheads each against 100 MX silos.

It shows that the Soviets might expect on the average to destroy 544 MX warheads (54.5 MX) for the first 100 warheads in the attack, and pick up an additional 248 MX warheads (24.8 MX) destroyed for the second 100 warheads used.

At this stage the Soviets have used 200 warheads to kill 792 U.S. warheads. Thus their average return is 3.96 warheads destroyed for each warhead used.

If the Soviets thought about an attack using more than 200 warheads, they would continue to allocate 200 warheads against MX silos, but look for the next best target to attack for warheads over 200. For these added warheads, it now turns out that they would be better off allocating one warhead against each of the 450 Minuteman III silos in the U.S. ICBM force. Figure 3 illustrates what would happen if, in addition to allocating two warheads against each MX silo, the Soviets with a larger scale attack covered each Minuteman III silo with one warhead.

As the size of the Soviet attack grows up to a level of about 2,400 warheads, in order for them to maximize the effects of their attack, they should keep allocating against targets that give the best return. This turns out to be successive allocations against MX and Minuteman III. Figure 4 shows the results of this allocation scheme.

For Soviet attacks above 2,400 warheads, an interesting shift occurs in their best allocation scheme. The next best thing for the Soviets to do is to barrage the area in which the mobile Midgetmen are located. They would continue allocating more and more warheads to attack this area until they had totally saturated it, and consequently killed off all of the Midgetmen.[5] In the example we are using, this would take, 4,830, Soviet warheads to destroy 450 Midgetmen warheads. Figure 5 shows the results of this allocation.

After attacking and destroying all of the Midgetmen, if the Soviets contemplated even larger attacks, they would do best to go back to attacking silo-based ICBMs, directing large number of warheads against each of the U.S. ICBM silos. The Soviets could continue to do this until they used up all of the warheads in their inventory. If the Soviets had an inventory of 9,000 warheads, Figure 6 shows the range of possible outcomes if the Soviets attacked up to that level.

In summary, figure 6, shows the Soviets cost-to-attack (measured in Soviet warheads used) for any level of attack up to 9000 warheads, and the corresponding returns for such and attack (measured in U.S. warheads destroyed). (Of course the Soviets may not have 9000 warheads available for an attack. For Soviet warhead inventory levels less than 9000, the curve would be cut off at that level.)

INTERPRETATION OF RESULTS

Given the results shown in figure 6, there is next the question of what the implications are for stability and U.S. security. Specifically, is there some level of attack that the Soviets would find particularly attractive, at least in terms of a military outcome, and perhaps so attractive that in a crisis they would be tempted to launch a first-strike nuclear attack?

To answer this question, it is useful to develop some notions of stability that can be represented graphically on the results of figure 6. One possible notion is as follows: The Soviets might view potential nuclear attack as a classic problem in economics. If they got greater returns for an attack (U.S. warheads killed) than they invested in an attack (Soviet warheads used), they might view an attack as being worthwhile. Conversely, if they got fewer returns than they invested for an attack, they might find such an attack unattractive.

A way to portray this returns versus investment notion on figure 6 is to plot a line that shows where a Soviet attack would exactly break even in terms of warheads used versus warheads destroyed. Figure 7 has such a break even line.

For any attack whose result lies along this line, the Soviets would destroy exactly the same number of warheads as they used in their attack. For any attack whose result lies above this line, the Soviets would kill more warheads than they would use. Below the line, Soviets kill fewer warheads than they would use. Thus, comparing the results of nuclear attacks in figure 7 with a break-even line shows that the Soviets would gain more than they lose from an attack up to a level of about 2,300 warheads. Above this level of attack, the Soviets use up more warheads in an attack than they can destroy on the U.S. side.

If one used this break-even notion alone, lower levels of attacks (i.e. below 2,300 warheads) would seem desirable. If the Soviets viewed nuclear attacks simply as returns on investment, they would choose lower level attacks to maximize their "profits." But it is at these lower level attacks where, for stability and deterrence, the return on investment analogy breaks down.

In figure 7, while Soviet gains exceed Soviet losses, attacks at these levels destroy only part of the U.S. force and leave large number of U.S. weapons surviving. The Soviets may well find the threat of retaliation from these weapons (and thus these lower level attacks) as undesirable. Thus, attacks in this region may be deterred and stability preserved because of the threat to the Soviets of large-scale retaliation from U.S. surviving ICBMs.

This concern over forces available for retaliation leads to another measure of stability—the level of forces surviving an attack. To portray this notion graphically, we can superimpose on figure 7 a line that shows the starting U.S. inventory—the total number of warheads in the U.S. ICBM force before a Soviet attack occurred. Figure 8 shows this line.

U.S. surviving ICBM warheads are simply the number of warheads before the attack minus those that are destroyed. To visualize this in figure 8, one should look at the distance between the U.S. warheads destroyed

[5] The methodology presented here assumes a "perfect" barrage of the Midgetman deployment area (i.e. there is no overlap of the destructive effects of nuclear weapons). Under this assumption, it is possible to destroy all Midgetmen in a deployment area. Under an actual attack, some Midgetmen might survive since they might fall between the cracks of multiple nuclear explosions. The assumption of "perfect" barrage, however, does give a conservative estimate of Midgetman survivability.

curve (the "cost-to-attack" curve) and the upper horizontal line which describes how many warheads the U.S. had before an attack. If there is a great distance between these two lines (e.g. at the left portion of the graph), then a large number of U.S. ICBM warheads survive. As these lines merge together (e.g. at the right portion of the graph), U.S. surviving ICBM warheads become small (but at great expense in Soviet assets).

COST-TO-ATTACK RESULTS AND STABILITY

The discussion above and the results in figure 8 suggest that there are at least two measures from this cost-to-attack analysis that are relevant for stability—relevant in considering whether an attacker would find nuclear strikes desirable. These are:

1. Does an attack provide greater returns (forces killed) than forces invested (forces used in the attack). Graphically, attack returns are greater than the investments when the cost-to-attack curve lies above the 45 degree break-even line. If the cost-to-attack curve lies above the break-even line (i.e. the curve has a big hump above this line), then more warheads are destroyed than are used up. This might imply instability. If the cost-to-attack curve lies close to, or below the break-even line, then fewer warheads are destroyed per warhead used in an attack, indicating that the attack was not very efficient (an attack where the results might leave the enemy worse off than where he started). This may imply a stable situation.

2. Do enough forces survive so that the damage from a possible retaliation would be so great as to discourage an attack in the first place? Addressing this question graphically in figure 8, if the cost-to-attack curve rises close to the total prewar inventory of U.S. ICBM warheads, then few U.S. warheads survive. This suggests that a massive attack might be desirable in the minds of the Soviets since it would reduce the amount of military force available for U.S. retaliation, and thus potential damage to the Soviet Union. This in turn would seem bad for stability. Alternatively, if the cost-to-attack curve lies well below the initial U.S. warhead inventory line, then a large number of U.S. forces survive Soviet attacks and would be available for retaliation. Presumably the greater the size of the U.S. surviving force, the greater the threat of retaliation, and thus the better for stability.

EXAMPLE APPLICATION

To see how these measures of stability can be used for insights into how changes and forces might affect our security, consider the following examples. First suppose we altered the forces used to generate the results in figure 8 in two ways. Assume that the Soviets improve the accuracy of their ICBMs from the current level of .14 nautical miles CEP to .05 nautical miles CEP. (The .05 figure is that often attributed to the accuracy of our MX.) [6] Also suppose that the U.S. does not deploy mobile Midgetmen, but keeps older Minuteman II ICBMs. Figure 9 shows how the results might change in our stability analysis as a consequence of these force changes.

Looking over figure 9 and comparing it with figure 8, one sees that the Soviets get a great improvement in U.S. weapons destroyed for a given number of Soviet weapons used in an attack. (This can be seen by the rather large hump in the cost-to-attack curve that rises above the 45 degree break-even line.) Furthermore, the cost-to-attack curve rises sharply and approaches close to the line that depicts the initial inventory of U.S. ICBM warheads. This means that the U.S. would have few surviving ICBM warheads for relatively low level Soviet attacks. These results suggest that, at least in military terms, the Soviets could see an attack as leaving them with a considerable advantage, at least with respect to ICBM forces. This perception implies that an unstable situation might arise in a crisis, where the Soviets would have strong incentives to launch an attack against our ICBMs.

As an alternative example which shows quite another effect, suppose we take the basic forces used to generate results in figure 8 but alter them somewhat. In particular, suppose that the U.S. beefs up the hardness of its ICBM silos (a process often called "superhardening") to 50,000 PSI, which is a figure cited as technically feasible for silo hardness improvement.[7] Also, let us assume that the Soviets do not improve their accuracy above the current .14 nautical miles CEP level. Figure 10 shows the cost-to-attack results for this possible situation.

For the results shown in figure 10, the Soviets use more warheads in their attacks than they can destroy on the U.S. side. This is indicated by the absence of a hump between the cost-to-attack curve and the 45 degree break-even line. In addition, the results show that the United States has generally large numbers of surviving warheads throughout the range of possible Soviet attacks. This particular case suggests that the Soviets might find much less advantage from an attack than under our initial conditions. From their perspective, the attacks would be inefficient and also leave substantially more U.S. force available for retaliation. Thus one might conclude from these results that stability had been improved, at least in comparison with the results shown in figure 8.

While the results in figure 10 suggest improvements in silo hardening will improve stability, they assume that the Soviets do not improve the accuracy of their ballistic missiles. Suppose we take the same case in figure 10 (U.S. silos superhardened) but assume that the Soviets improve their ballistic missile accuracy to that of MX. Figure 11 shows what might happen. The shape of the cost-to-attack curve returns to one quite similar to that for our initial conditions shown in figure 8. This suggests that, in terms of stability, improvements from U.S. silo superhardening could be offset by Soviet accuracy improvements.

ATTACKER INVENTORY

A final factor to consider in stability analysis is size of the forces available for the attacker to use in the nuclear strike. This is important because if one side has an overwhelmingly large force, it may not be all that concerned about the efficiency of an attack. If one side can destroy a high percentage of its opponent's force and still have a large residual force left over for other purposes (e.g. coercion of an enemy in order to achieve concessions in a peace settlement), then that side may still find an attack worthwhile, even though it might be terribly inefficient.

To illustrate the effects of the size of an attacking force, figure 12 repeats the results illustrated earlier in figure 8, but superimposes on its various levels of Soviet forces that might be available to conduct an attack.

If the Soviets have very high levels of forces available to attack U.S. ICBMs (e.g. level 3 in figure 12), the Soviets could destroy most of the U.S. ICBM force, even though these attacks, especially those to take out the last few U.S. surviving warheads, would be highly inefficient. The Soviets, however, with very large numbers of warheads available, might be tempted to launch a very inefficient attack in order to wipe out U.S. capability, knowing that they would escape retaliation from U.S. ICBMs and that they would still have additional forces left over to further threaten the United States. Thus, under these circumstances, conditions of instability might still exist.

Alternatively, if the Soviets only had lower levels of forces available for attack, (perhaps as a result of arms control restraints), this might guarantee that the U.S. would have some number of forces that would survive a Soviet attack. This then would seem to create a condition of improved stability.

USING RESULTS TO ADDRESS ISSUES

Results produced by the methodology described above are sensitive to a number of factors related to future U.S. and Soviet forces. These include the size of the forces, the mix of various types of weapon systems, force vulnerability characteristics, and the effectiveness of attacking forces in destroying targets. Thus the method described here can be used to address how stability might be affected by: Size and composition of current U.S. and Soviet strategic forces; Proposals to modernize U.S. and Soviet forces that would change the size and mix of these forces; use of new technology to improve in ICBM survivability (e.g. silo hardness, dispersal of mobile ICBMs); improvements in the effectiveness of attacking forces (e.g. warhead yield and accuracy).

EXTENSION OF THE METHODOLOGY

To this point, the examples shown involve only Soviet attack of U.S. ICBMs. The methods described, however, can be easily extended to consider a number of other situations of interest in analyzing the effects of U.S. and Soviet force changes on stability. Some are listed below.

U.S. attacks on Soviet ICBMs

In the methodology described, the roles of the U.S. as the defender and the Soviet as the attacker can be reversed. Analysis of the U.S. attacking Soviet forces is important for stability in the following respect. If the U.S. can attack and destroy a substantial portion of the Soviet forces (a situation that this methodology might uncover), then the Soviets may be tempted to launch a preemptive attack, knowing that a U.S. first strike would leave them at a considerable military disadvantage. Thus a U.S. capability that threatens large-scale destruction of Soviet forces is a potential source of instability.

Attacks on nuclear triads

The results above consider only attacks on ICBMs. Since, even if most ICBMs are destroyed, other forces may survive. It is a matter of debate as to whether looking at ICBM attacks alone is an adequate basis for analyzing stability. In any event, this methodology can easily be extended to consider situations where the full triad of forces on either side (ICBMs, SLBMs, and bombers) are subject to attack. This extension of the

[6] Robinson, Clarence A., Jr. Parallel Programs Advance Small ICBM. Aviation Week and Space Technology, Mar. 4, 1984, p. 17.

[7] In Focus: Washington Observations, Air Force Magazine, January 1985, p. 20.

methodology would allow one to look at cases where, while ICBMs may have problems for survivability and thus stability, the remaining parts of the strategic forces may not be so vulnerable and thus be sufficient to deter an attack and preserve stability.

Ballistic missile defense

The results shown earlier assume that, after ICBM reliability is accounted for, all warheads launched at a target would get through to their targets without interference. The number of warheads that get through to targets, however, can be degraded to account for possible defenses against ballistic missiles. One could do this first by specifying a probability that an incoming warhead would be intercepted by these defenses, and second to specify capacity for defenses such that attacks above this capacity would saturate defenses and allow additional warheads to get through unscathed.

Nuclear winter

For simulated attacks considered earlier, a very large number of warheads might be used. Recent analysis, however, suggests that an attacker might want to be cautious about the overall level of destructiveness unleashed on an opponent. Very high level attacks might result in fundamental changes to the environment (e.g. the Nuclear Winter phenomenon). This might form a practical constraint on the size of an attack that an aggressor might contemplate. If one knew the threshold at which decision-makers on both sides thought the environment would be endangered from attacks, one could easily reflect that in this methodology by specifying that attacks should not occur above this threshold level.

Alternative measures of costs and benefits

The examples described earlier depict costs to the attacker in terms of numbers of warheads used and benefits to the attacker in terms of enemy warheads destroyed. The methodology can easily be changed to consider other measures. For example, throw weight (payload capacity of missiles) used versus throw weight destroyed could be used for assessing stability.

Limiting multiple attacks on a target

An important assumption used in the illustrative example is that it is feasible to attack one ICBM silo with a number of warheads. In practice, such attacks may be difficult to execute. Specifically, the timing of when each of these warheads would reach their target has to be carefully worked out so that the explosion of one warhead does not render other warheads ineffective. (i.e., What is known as fratricide effects needs to be avoided.) If one believes that multiple attacks on a target above a certain level are impractical, the methodology can easily handle this by simply not allowing allocation of warheads against a target above a certain level.

Attacks by different types of weapons

The example given earlier assumed that the attacking force had only one type of weapon. (The example postulated attacks using warheads with characteristics of the Soviet SS-18 ICBM.) In cases where the lethality characteristics of attacking warheads are similar (e.g. warheads from SS-18s and SS-19s are quite close in effectiveness), then using one estimate of lethality to represent different types of weapons does not affect results very much. When the attacking force consists of weapons of diverse characteristics, attack effectiveness can be approximated by computing a warhead lethality that is the average of the attacking force. Alternatively, the scheme in appendix A that allocates warheads to targets can be modified so that different types of attacking warheads are allocated optimally against different types of targets.

LIMITATIONS

As in inevitably the situation, the methods described above provide only a simple model of reality. As a result they have several shortcomings including the following:

1. *Measuring Deterrence.*—What constitutes necessary conditions for deterrence is not easily amenable to the type of calculations presented here. Even when a high degree of crisis stability exists, other factors may dominate decision-making. Such things as the overall state of political relationships between countries, the ability of the leadership on both sides to make rational decisions and avoid miscalculations, and other intangible factors may have a dominant influence on the decision of whether to launch a nuclear strike.

2. *Simple Modeling Versus Operational Planning.*—The methodology in this report makes a number of simplifying assumptions that may or may not be an accurate reflection of reality. For example it makes an assumption that multiple attacks on a number of diverse targets is something that is possible to execute in practice. In fact, it may be that the complexities of working out the timing and execution of such attacks would be extremely complicated, perhaps to the point of being infeasible.

3. *Technical Uncertainties.*—The data and equations used to represent the interaction of forces in a nuclear attack are subject to high levels of uncertainty. In all cases, the data and equations used in our initial calculations are those made available from unclassified sources. As such, they generally do not provide rigorous backup that describes what information and sources they are based on. In many cases, this information provides only rough estimates that can never be validated without extensive nuclear testing in the atmosphere (a practice currently prohibited by treaty) or perhaps even experience gain from an actual nuclear conflict. The model does allow for an assumption to be varied in order to determine how results might change. It cannot, however, compensate for the significant uncertainty that pervades such calculations.

4. *Other Nuclear Forces.*—The methodology considers only intercontinental nuclear forces possessed by the United States and the Soviet Union. Left out are so-called theater nuclear forces (e.g. ground launched cruise missiles and Pershing missiles stationed in Western Europe, and SS-20 missiles stationed in the Soviet Union) which could be used for attacks on the two superpowers or their allies. These forces would have profound effects on each other's security. Also not included are British, French, and Chinese nuclear forces which are also designed to strike targets in the Soviet Union.

APPENDIX A

INTRODUCTION

This appendix shows the details of how cost-to-attack curves are produced. It lays out what characteristics are needed to describe forces, how destruction of forces attacked is computed and how attacking forces are allocated to targets. The methodology describes attacks on ICBMs. The basic approach can be extended to cover the full strategic triad of ICBMs, SLBMs, and bombers.

FORCE CHARACTERISTICS

Following force characteristics need to be specified before computations begin:

Forces Being Attacked

Si = number of silo-based ICBMs of type i.

M = number of mobile ICBMs (this assumes there is only one type of mobile ICBM).

Wi = number of warheads per missile for silo-based ICBM of type i.

V = number of warheads per mobile ICBM.

Hi = hardness of ICBM silo of type i (in PSI).

G = hardness of a mobile ICBM launcher (in PSI).

D = area in which mobile ICBMs are deployed (in square statute miles).

N = total number of warheads available for an attack.

Y = yield of attacking warhead (in magatons).

C=accuracy of attacking warheads measured in CEP (in nautical miles)

R=the reliability of an attacking warhead (probability, given a command to launch a missile, that it is successfully launched and warheads from the missile arrive in the vicinity of the target)

FORCE DESTRUCTION CALCULATIONS

For silo-based ICBMs, the probability that a single warhead destroys a silo is estimated to be:

$pi=R(1-2^{-(F/C)^2})$

Where $F=Y^{2/3}*6.08\ ((Hi/3152)^{4}-.038)^{-3/2}$

pi=probability of an ICBM silo of type i is destroyed by a single attacking warhead

Source: Equation provided to CRS by U.S. Air Force

If several warheads are used to attack a silo, and the effects of each warhead are independent of all other warheads, then:

$Pi,n=1-(1-pi)^n$

When Pi,n=probability that an ICBM silo of type i is destroyed by n warheads

For computing mobile ICBMs destroyed, one first needs to determine the lethal area of an attacker's warhead directed against a mobile ICBM launcher. (Lethal area is the area around the point where an attacking nuclear warhead detonates such that, if a mobile launcher is located in that area, it will be destroyed.) A formula for lethal area estimates (which assumes optimal height of burst) is:

$A=(((3.04903 \times 10^7/G)^{1/2}-300)Y^{1/3}/528)^2$

Where A=lethal area

Note: equation valid only for $10 < G < 50$

Source: Based on data from Department of Defense and Department of Energy, The Effects of Nuclear Weapons, Third Edition, 1977. pp. 112-113.

If one assumes that mobile launchers are randomly distributed thoughout their deployment area and that the attacker executes a "perfect" barrage of the dispersal area (i.e. the lethal area of no two attacking warheads overlap), then:

$Q=mA/D$ for $mA < D$

$=1.0$ for $mA > D$

Where: Q=probability that mobile ICBM launcher is destroyed by an attacking warhead

ALLOCATION OF ATTACKING WARHEADS

Given the force characteristics and force destruction relationships above, there remains the problem of allocating attacking warheads against a variety of ICBM targets. Assume that the attacker wanted to maximize the number of opposing ICBM warheads destroyed. Then the following strate-

gy can be used to produce such an optimal allocation.

Suppose the attacker had only one warhead to allocate against a set of targets. To maximize the number of opposing warheads destroyed, he would allocate it against the target that produces the greatest marginal increase in warheads destroyed per attacker warhead used. If the attacker had a second warhead, he would then allocate it against the target that had the second best marginal increase in warheads destroyed per attacker warhead used in order to maximize his gains.

More generally, if the attacker has already allocated N-1 warheads optimally, then allocating the Nth warhead against the target that will produce the best marginal warhead destroyed per warhead used will give an optimal allocation for N warheads. By induction, this strategy of building up one-by-one attacker warhead allocations will produce allocations of warheads at any level of attack that is optimal.

In order to put this strategy into practice, one first needs to compute the marginal number of warheads killed per attacker warhead used. For silo-based ICBMs, this can be computed as follows:

Suppose $n-1$ attacking warheads are already allocated against a silo of type i. Then from an equation discussed earlier:

$Pi,n-1=1-pi)^{n-1}$

and $Ki,n-1=WiPi,N-1$

Where Ki, $n-1$=number of warheads killed from $n-1$ warheads used to attack a particular silo.

Suppose that one additional warhead were allocated against a silo of type i, giving a total of n warhead attacking that silo. Then the marginal increase in warheads of type i killed for the addition of one more attacking warhead:

$\Delta Ki,n/\Delta n=Ki,n-Ki,n-1$

$=Wi\,(1-(1-pi)^n)-Wi(1-(1-pi)^{N-1})$

$=Wipi\,(1-pi)^{n-1})$

When $\Delta Ki/\Delta n$=marginal increase in number of ICBM warheads of type i destroyed for the nth warhead allocated against a silo of type i.

For mobile ICBMs, suppose $m-1$ warheads are already allocated to attack the mobile ICBM dispersal area. Then from an earlier equation:

$Q=(m-1)\,A/D$ for $m-1 < A/D$

$=1.0$ for $m-1 > A/D$

Suppose one additional warhead were allocated to attack while ICBMs of type i area in their deployment area, giving a total of m warheads allocated. Then the marginal increase in mobile ICBM warheads of type I destroyed per additional warhead used in an attack is:

$\Delta L/\Delta m=A/D$ for $m < A/D$

$\Delta L/\Delta m=O$ for $m > A/D$

Where

$\Delta L/\Delta m$=marginal increase in number of ICBM warheads for the mth warhead allocated against mobile ICBMs.

Given the formulae for the marginal increase in warheads destroyed for attacking a silo, $\Delta Ki,n/\Delta n$, and for attacking mobile ICBM, $\Delta L/\Delta m$, there is next the problem of using these to optimally allocate attacking warheads against targets. The following steps are used to do this:

1. Calculate values for $\Delta Ki,n/\Delta n$ and $\Delta L/\Delta m$.

In the case of $\Delta Ki,n/\Delta n$, attacking a silo with too many warheads becomes impractical past a certain point and also gives generally very small returns. Therefore limiting n to a maximum of 6 puts a practical bound on the number of calculations needed.

2. Order the set of marginal warheads killed per warhead used, ($\Delta Ki,n/\Delta n$, $\Delta L/\Delta m$) from greatest to least.

3. Go through the ordered set of marginal warheads killed per warhead used from step 2 (i.e. consider the largest value first, the next largest second, etc.). For each of these:

a. If the marginal warheads destroyed per warhead used is that for an ICBM silo, assign one additional attacking warhead to each of the Si silos of type i. If the attacker warhead inventory is exhausted at this stage in the allocation, assign only those warheads available to a portion of the Si targets and stop the allocation process. If not, return to step 3 to consider the next greatest marginal warhead destroyed per warhead used.

b. If the marginal warhead killed per warhead used is that for a mobile ICBM, assign enough warheads to totally cover the dispersal area for these ICBMs. This is D/A warheads. If the attacker warhead inventory is exhausted, assign only those warheads available to attack a portion of mobile ICBMs deployment area and stop the allocation process. Otherwise, return to Step 3 to consider the next greatest marginal warhead destroyed per warhead used.

As the assignments of warheads of targets in step 3 takes place, it is easy to calculate the incremental number of ICBM warheads destroyed for each group of attacker warheads assigned. Cumulative number of warheads used and cumulative warheads destroyed can also be easily computed at each stage in the iterative allocation process in step 3. This data (cumulative warheads used versus warheads destroyed) then defines the cost-to-attack curve for the forces being considered and can be used for crisis stability analysis.

EXTENSION TO ATTACK OTHER STRATEGIC FORCES

The method just described considers attacks on ICBMs only. A simple assumption to compute results of attacks for bombers and ballistic missile launching submarines is as follows. A certain percentage of the bomber force is postured on alert so that it will be able to take off before attacking warheads can explode. Thus this portion of the bomber force can survive, but those nonalert bombers that remain on the ground would be quite vulnerable to attack and easy to destroy. In the case of SSBNs, a certain percentage of them are at sea at a given time, and again might be reasonably presumed to survive an enemy attack. However, those SSBNs not at sea would be quite vulnerable and easily subject to destruction from an attack. Thus, the way this method estimates the effects of attack on these forces is to assume that all bombers on alert and submarines at sea escape attack, and that these forces not in those postures could easily be destroyed with a few warheads allocated against each bomber base and submarine port. (In applications, two warheads are assumed sufficient to destroy one of these facilities.)

Given this means of computing forces destroyed, allocation of attacking warheads to bomber bases and SSBN ports is integrated into the ICBM attack allocation scheme above by considering the marginal bomber weapons and SLBM warheads destroyed for attacking warheads used.

[Report No. 85-117 F]

COST TO ATTACK U.S. AND SOVIET STRATEGIC FORCES UNDER THREE ALTERNATIVE ARMS CONTROL APPROACHES

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ABSTRACT

This report analyzes three arms control approaches—the U.S. build-down proposal, the July 1983 Soviet negotiating position, and a modified version of SALT II—with respect to their effect on stability. As used in this study, "stability" is defined as a condition where neither the United States or the Soviet Union has a strong incentive—securing a decisive military advantage—to launch a strategic nuclear attack. The analysis first projects the strategic nuclear forces that each side might deploy through the year 2000 under each of the three arms control approaches. Based on the alternative forces deployed, simulated attack scenarios are used to analyze the implications of each arms control approach on crisis stability, but it is expressed in terms of overall reductions of and limitations on somehthing called "destructive potential" (presumably involving the throw-weight or carrying capacity of ballistic missiles, combined with an analogous measure for bombers). In the absence of a more specific formulation, this analysis assumes that bomber limitations would be that of an earlier and separate U.S. negotiating position, namely limiting bombers to a level of 400, with a maximum of 20 air launched cruise missiles (ALCMs) for each bomber.

Soviet Proposal

This analysis uses the last publicly known proposal offered by the Soviets during the START negotiations. (As of this writing, it is understood that in the current Geneva talks the Soviets have not offered a proposal for reducing strategic nuclear arms.) The July 1983 proposal would have brought each side into full compliance with SALT II by the end of 1985, and by 1990 would have required each side to be at the following limits: 1,800 Strategic Nuclear Delivery Vehicles (SNDVs); 1,200 MIRVed ballistic missiles plus ALCM-carrying bombers; 1,080 MIRVed ballistic missiles; 680 MIRVed ICBMs.

They have also expressed a willingness to accept equal limits on "nuclear charges" (i.e., nuclear warheads).

SALT II

Both the United States and the Soviet Union are currently following a policy of "not undercutting" the provisions of SALT II. In practice, this has come to mean something other than complete adherence to the SALT II agreement. In particular, the Soviets are already in excess of the 2,250 SNDVs allowed under SALT II. In addition, the United States plans to deploy two new types of ICBMs, MX, and the Midgetman mobile ICBM. The Soviets may also be planning to deploy two new types of ICBMs, the SS-24 MIRVed ICBM, and the SS-25 small mobile ICBM. These potential U.S. and Soviet deployments would not be consistent with the SALT II provision limiting each side to one new ICBM.

ANALYTICAL APPROACH

To analyze selected arms control approaches, this report:

1. Projects strategic nuclear forces under the various approaches that might be typical of those deployed by the United States

and the Soviet Union through the year 2000.

2. Assesses changes in U.S. and Soviet strategic nuclear forces over time in order to gain some insights as to how easy or difficult it might be to accept each approach from the prospective of a force planner.

3. Uses simulated attack scenarios to analyze the implications of each arms control approach on crisis stability. This analysis is based on the kinds of strategic nuclear forces that might evolve on both sides under each approach.

4. Varies certain key assumptions made in the analysis of steps 1-3 in order to determine whether changes in these assumptions might affect the basic conclusions drawn.

The data and calculations made in this report are drawn entirely from unclassified sources. These are identified at appendix A. Readers are also encouraged to see CRS report 85-64F, Cost-to-Attack: Measuring How Strategic Forces Affect U.S. Security, which presents the methodology used to assess the crisis stability of various alternative arms control approaches.

Two further explanatory notes: First, the results of the various attack scenarios used in this analysis are expressed in terms of warheads surviving or destroyed. For convenience, "warheads" includes not only those on ICBMs, SLBMs, and air-launched cruise missiles (ALCMs) but gravity bombs as well. Second, the various attack scenarios assume that neither side's strategic nuclear forces are on "generated alert" that might be caused by increased tension between the two sides. In other words, each side's strategic nuclear forces are in their normal peacetime alert status. In this sense the analysis assumes worst case attack scenarios.

FINDINGS

Current Forces

For current forces, Soviet ICBMs can, with great inefficiency, destroy about 97 percent of U.S. ICBM warheads but their ICBMs and SLBMs together can destroy only about 40% of all U.S. strategic warheads, (ICBMs, submarines carrying SLBMs, and strategic bombers).

In comparison, U.S. ICBMs can destroy only about half (52%) of the Soviet's ICBM warheads, and U.S. ICBM and SLBM attacks on the Soviet triad (ICBMs, SLBMs, and bombers) could destroy about 52% of all Soviet strategic warheads.

Forces in the year 2000 under alternative arms control approaches

The U.S. build-down proposal forces much greater shifts in the size and composition of strategic forces than do the other two approaches. If one believes that the greater the shift in the basic composition of forces the greater will be the resistance to these shifts by force planners, then build-down would appear to be more difficult to accept by both sides than the other two approaches.

The Soviet proposal would require a substantial (about 28%) reduction in Soviet SNDVs while having virtually no effect on the number of U.S. SNDVs. It caps warheads at a very high level, allowing the Soviets to retain their large number of ICBM warheads. The SALT II approach would be the most generous of the three approaches both for SNDVs and warheads.

None of the three approaches significantly constrains modernization plans of the United States. The extent of Soviet modernization plans is unknown, but even build-down, the most restrictive approach, allows the Soviets substantial opportunities to modernize. The build-down proposal as described in this report encourages growth in the bomber forces of both sides. (Limits on destructive potential which encompass both bomber and ballistic missile forces might change this outcome had such limits been included in the report's formulation of the build-down proposal.)

None of the approaches forces "deep cuts" in overall strategic weapons. The build-down proposal forces substantial reduction in ballistic missile warheads (about 35% for the U.S., about 45% for the Soviets), but these reductions could be compensated for by increases in bomber weapons (again assuming that limits on destructive potential were not in effect). Although the Soviet proposal requires large cuts in delivery vehicles on the part of the Soviet Union (about 29%), it does not force reductions in overall numbers of warheads.

None of the approaches would produce big reductions in procurement costs because each one permits substantial modernization. The build-down proposal might possibly reduce operating costs of the ballistic missile forces of both the United States and the Soviet Union, but the larger bomber forces allowed under the formulation of build-down as used in this report could offset those savings. The Soviet proposal suggests that operating costs for the Soviet Union would be reduced more than they would for the United States because the proposal substantially cuts the number of Soviet delivery vehicles without requiring similar reductions in U.S. delivery vehicles.

Stability analysis

All three approaches share some common characteristics for crisis stability associated with forces estimated to be in place in the year 2000. In all proposals, ICBMs in silos are quite vulnerable.

All three approaches assume that the United States and the Soviet Union deploy small single-warhead mobile ICBMs in substantial numbers (about 500). In all cases, mobile ICBMs seem to make a substantial contribution to crisis stability. Under all three approaches mobile ICBMs are subject to attack, but they can be destroyed only at great expense to the attacking side. (The results of the cost-to-attack analyses indicate that it requires about ten attacking warheads to destroy one mobile ICBM.)

Of the three approaches, the build-down proposal places the lowest limits on numbers of ICBM warheads. This would tend to improve stability since each side would have fewer ICBM warheads available to attack ICBMs, in particular, to barrage the dispersal areas of mobile ICBMs. Although some portion of the mobile ICBM dispersal areas could be barraged, a significant portion of mobile ICBMs would survive (about 63 percent for the United States, about 83 percent for the Soviet Union). The Soviet proposal and SALT II allow sufficient numbers of warheads so that the total mobile ICBM dispersal area might be barraged. Such attacks, however, would be highly inefficient, requiring about ten warheads for each mobile ICBM warhead destroyed. This inefficiency may be sufficient to discourage such attacks and thus bolster crisis stability.

For ballistic missile (ICBMs and SLBMs) attacks on strategic triads (ICBMs, SLBMs, bombers), substantial numbers of warheads on each side survive under each approach. A lesser proportion of the Soviet Union's warheads survive because of its greater emphasis on silo-based ICBMs, which are more vulnerable to attack than mobile ICBMs, submarines, or bombers. At the same time, U.S. advantages in surviving bomber forces may be offset by the prolific Soviet air defenses.

Sensitivity Analysis

A concern often raised about Soviet ICBMs is their large throw-weight (payload capacity) relative to U.S. ICBMs. The worry is that the Soviets could exploit this throw-weight advantage by rapidly increasing the number of their ICBM warheads. Assuming that the Soviets had the technology to exploit the throw-weight of the ICBMs (SS-17, SS-18, SS-19, SS-24, SS-25) at the same level of efficiency as that reported for MX, it could have a much larger number of warheads available for attack (an increase from 6,420 to about 14,000 under the launcher constraints of the SALT II proposal, for example). Though this larger number of warheads would violate the terms of all three approaches, it is important to consider because the Soviets might be able to realize this boost in numbers of warheads in approximately five to ten years if they chose to break out of the provisions of any of the approaches.

In terms of crisis stability, more Soviet ICBM warheads would not increase the vulnerability of U.S. silo-based ICBMs. The Soviets need only a relatively small number of ICBM warheads to destroy MX and Minuteman silos and that number is well within the warhead limits of each arms control approach. The advantage of more warheads is that it would allow the Soviets to saturate Midgetman deployment areas, and under the Soviet proposal and the SALT II approach they would have many thousands of warheads. Although such a capability may worsen stability, large scale attacks of the magnitude needed to destroy Midgetman missiles may not be practical or desirable (e.g., they might trigger major changes in the world environment). It is not clear however, how much attention the Soviets might pay to such concerns.

In other areas considered, the findings in the stability analysis above do not change significantly under the following assumptions:

Lowering the alert rates of Soviet bombers and ballistic missiles and submarines (SSBNs) from the higher equivalent U.S. rates used in most of the analyses to those given in unclassified estimates. This is because the Soviets have a relatively small capability in their bomber force (thus, changes in its vulnerability do not affect overall results very much) and because in actual practice a significant portion (about 50%) of their SSBNs are at ready alert in port or deployed at sea.

Limiting attacks on ICBM silos to no more than two warheads per silo to reduce the possibility of fratricide and to alleviate difficulties in planning and conducting larger scale attacks. This is because under the assumed high accuracies used in the analysis, two warheads have a very high probability of destroying a target. Thus, adding more warheads per target does not affect the outcome very much.

Giving the Soviets their currently estimated ICBM accuracy, which is lower than that used in the section on stability analysis for strategic forces in the year 2000. (This analysis used accuracies equivalent to the MX.) This is because Soviet accuracies are sufficient to give them substantial capability to destroy U.S. ICBMs. They can therefore compensate for lower accuracy by allocating more warheads to ICBM targets, these additional warheads being generally available under all three approaches considered.

FORCES UNDER ALTERNATIVE ARMS CONTROL APPROACHES

As a point of departure, Table 1 shows estimates of the strategic nuclear forces currently deployed by the United States and the Soviet Union. Over time, of course, the size and mix of these forces will change, depending in part on the plans each side has for retiring, and modernizing particular elements in the forces. One influence on these plans would be possible constraints from arms control agreements. Table 2 lays out the general constraints that would affect the structures of both sides' strategic forces under the three arms control approaches. Some key assumptions that this analysis uses to interpret the provisions of these proposals are as follows:

Build-down

The formulation used in this analysis considers only limits on ballistic missile warheads, numbers of bombers, and bomber weapons. The United States also has publicly stated its intention to propose additional limits on something called "destructive potential." Although destructive potential probably entails some quantitative measue of throw-weight for ballistic missiles and payload capacity for bombers, the term has not been clearly defined publicly. For this reason, this analysis does not consider limits on destructive potential. As an alternative means of dealing with limitations on bomber armaments that are inherent in the destructive potential formulation, this report assumes on overall limit of 400 bombers on both sides with a maximum of 20 air launched cruise missiles for each bomber. (The projection of Soviet and U.S. forces in the year 2000 credits each side with 400 bombers: of the Soviet total, 60% carry ALCMs; of the U.S. total, 50% are equipped with ALCMs.)

TABLE 1.—SALT-ACCOUNTABLE STRATEGIC FORCES—JANUARY 1985

Type	Number	MIRVed	RVs/Missile	Total RVs
SOVIET				
ICBMs:				
SS-18	308	308	10	3,080
SS-19	360	360	6	2,160
SS-17	150	150	4	600
SS-13	60	0	1	60
SS-11	520	0	1	520
SS-24	0	0	10	0
SS-25	0	0	1	0
Subtotals	1,398	818		6,420
SLBMs:				
SS-N-20 (Typhoon)	40	40	9	360
SS-N-18 (Delta III)	240	240	7	1,680
SS-N-8 (Delta II)	64	0	1	64
SS-N-8 (Delta I)	216	0	1	216
SS-N-8 (Golf III(	6	0	1	6
SS-N-8 (Hotel III)	6	0	1	6
SS-N-17 (Yankee II)	12	0	1	12
SS-N-6 (Yankee I)	352	0	1	352
SS-N-5 (Hotel II)	6	0	1	6
Subtotals	942	280		2,702
Total ICBMs/SLRMs	2,340			
Total MIRVed Missiles/RVs		1,098		8,542
Total ICBM/SLBM RVs				9,122
Heavy bombers:				
Bear C (Penetrate)	100	0	4	400
Bison	45	0	4	180
Bear H (ACLMs)	19	19	8	152
Blackjack (Penetrate)	0	0	12	0
Blackjack (ALCMs)	0	0	12	0
Subtotals	164	19		732
Totals	2m594	1,117		9,854
Strategic submarines (class):				
Typhoons (SS-N-20)	2	[1] 20		

TABLE 1.—SALT-ACCOUNTABLE STRATEGIC FORCES—JANUARY 1985—Continued

Type	Number	MIRVed	RVs/Missile	Total RVs
Delta IIIs (SS-N-18)	15	[1] 16		
Delta IIs (SS-N-8)	4	[1] 16		
Delta Is (SS-N-8)	18	[1] 12		
Golf III (SS-N-8)	1	[1] 6		
Hotel III (SS-N-8)	1	[1] 6		
Yankee II (SS-N-17)	1	[1] 12		
Yankee I (SS-N-6)	22	[1] 16		
Hotel II (SS-N-5)	2	[1] 3		
Total SSBNs	66			
UNITED STATES				
ICBMs:				
M-X	0	0	10	0
Minuteman III	550	550	3	1,650
Minuteman II	450	0	1	450
Titan II	29	0	1	29
Midgetman (Mobile)	0	0	1	0
Subtotals	1,029	550		2,129
SLBMs:				
Trident II (Ohio)	0	0	8	0
Trident I (Ohio)	120	120	8	960
Trident I (Lafayette)	192	192	8	1,536
Poseidon (Lafayette)	304	304	14	4,256
Subtotals	616	616		6,752
Total ICBMs/SLBMs	1,645			
Total MIRVed Missiles/RVs		1,166		8,402
Total ICBM/SLBM RVs				8,881
Heavy bombers:				
B-52G (Penetrate)	80	0	8	640
B-52G (ALCMs + Penetrate)	88	88	12	1,056
B-52G (ALCMs)	0	0	12	0
B-52H (Penetrate)	96	0	8	768
B-52H (ALCMs + Penetrate)	0	0	20	0
B-52H (ALCMs)	0	0	20	0
B-1B (Penetrate)	0	0	8	0
B-1B (ALCMs + Penetrate)	0	0	20	0
ATB	0	0	4	0
Subtotals	264	88		2,464
Totals	1,909	1,254		11,345
Strategic submarines (class)				
Ohio (Trident II)	0	[1] 24		
Ohio (Trident I)	5	[1] 24		
Lafayette (Trident I)	12	[1] 16		
Lafayette (Poseidon)	19	[1] 16		
Total SSBNs	36			

[1] SLBM's/SSBN.

Note.—Under SALT each Poseidon SLBM is counted as carrying 14 warheads rather than the deployed number of 10.

TABLE 2.—SNDV'S AND WARHEAD CEILINGS UNDER THE ARMS CONTROL APPROACHES ANALYZED

Ceilings	Build down	Soviet proposal	SALT II mod
MIRV'd ICBM's	Not stated	680	820.
Heavy ICBM's	do	Not stated	308.
MIRV'd ICBM's/SLBM's	do	1,080	1,200.
Total ICBM's/SLBM's	Approximately 1,250.	Not stated	Not stated.
MIRV'd ICBM's/SLBM's plus CMC bombers.	Not stated	1,200	1,320.
Delivery vehicles	do	1,800	Not applied.
Modern SSBN's	do	Not stated	62.
SLBM RV's plus ICBM RV's	5,000	do	Not stated.
Total warheads	Not stated	Approximately 10,000.	Do.
Reduction schedule used in projections.	[1]	[2]	[3].

[1] Projected that the reductions would begin in 1986. 2 older ballistic missile warheads are retired for every warhead introduced with a new MIRV'd ICBM. 3 older SLBM/ICBM warheads are retited for every 2 warheads introduced with a new MIRV'd SLBM. the total inventory of ICBM/SLBM warheads is reduced by no less than about 5 percent per annum.

[2] Projected that the reductions would begin in 1986 and be completed by the end of 1990. The annual reductions in delivery vehicles to be no less than 20 percent of the difference between the 1985 inventory and the ceiling. The warhead ceiling would enter into effect starting in 1986.

[3] Projected that the United States and U.S.S.R. would continue to adhere to all SALT II ceilings except for the ceiling on total delivery vehicles.

Soviet Proposal

As reported in the press, the Soviet proposal involves limits on strategic nuclear delivery vehicles. It also includes broad limits on warheads. For this study, the limit was set at 10,000 warheads based on public statements by the Soviet Union that it would be willing to accept "limits on nuclear charges at levels equal to or below those of the current U.S. forces."

SALT II

The SALT II proposal used in this analysis accepts the provisions of the SALT II treaty with two exceptions. First, the overall limit of 2,250 delivery vehicles is not enforced. (The Soviets now have about 2,500 delivery vehicles and probably would not take reductions unless the treaty were in force.) Second, both sides are allowed to deploy two new ICBM types—one MIRVED and one single-warhead mobile. This is at variance with the SALT II proposal limiting each side to one new type of ICBM.

Figures 1, 2, and 3 show estimates of U.S. and Soviet forces projected through the year 2000 under each proposal. The results are displayed both in terms of deployed strategic nuclear delivery vehicles (i.e., ICBMs in silos or on mobile launchers, SLBMs in tubes on submarines, and bombers) and strategic warheads on ICBMs and SLBMs, and gravity bombs and ALCMs on bombers).

Observations

The build-down proposal shows a modest decline in U.S. strategic delivery vehicles (about 19%) compared with a larger decline in Soviet delivery vehicles (about 39%). Soviet warheads also decline more than U.S. warheads (about 24% versus about 10%). The number of U.S. and Soviet bomber warheads could grow under this proposal; the projection used in this report reflects about a 70% increase for the United States and about a 138% increase for the Soviet Union. U.S. and Soviet ballistic missile warheads decline to a level of 5,000 a piece (a decline of about 38% for the United States and about 44% for the Soviet Union). The projection suggests a major decrease in Soviet ICBM warheads (from 6,012 to 2,600, or about 57%). On the U.S. side, the projections indicate a major decrease in SLBM warheads (from to 6,112 to 3,072, or about 50%).

Under the Soviet proposal, the number of U.S. delivery vehicles declines only about 7%; Soviet SNDVs decrease about 29% (from 2,523 to 1,800). Projected U.S. warheads under the Soviet proposal show an initial drop from 11,505 to 9,914 due primarily to SLBM retirements. Soviet warhead inventories remain almost constant throughout the period of the projections.

Under SALT II, numbers of delivery vehicles remain almost constant over the period of the projections. The projection of U.S. warheads show some small shifts, including more bomber weapons (2,472 to 3,816) and ICBM warheads (2,121 to 2,800) and fewer SLBM warheads (6,912 to 5,120). On the Soviet side, warheads increase some 22% (10,228 to 12,487). Most of this growth is in ICBM warheads and bomber weapons.

STABILITY ANALYSIS

An important question is how forces projected under each arms control agreement would affect crisis stability. In other words, would these forces increase or decrease incentives to one or both sides to gain a decisive military advantage through a preemptive nuclear attack? To help address these

questions, the following analysis presents the results of simulated attacks by the strategic nuclear forces of one side against the forces of the other. These results are potentially useful in analyzing crisis stability from two perspectives:

They provide a measure of the cost-to-attack for the aggressor—that is, the military force used in an attack relative to the size of opposing forces destroyed. By comparing forces used versus forces destroyed one can derive a measure of the extent to which an attack by an aggressor would be "profitable."

They show the forces surviving a particular level of an aggressor's attack. Presumably, if the size of the surviving force is increased by an option, the threat of retaliation by those forces would increase, thereby strengthening deterrence and enhancing crisis stability. Conversely, if the number of survivors declines as a result of selection of an option, the incentives for the opposing side to attack increase, and crisis stability is degraded.

The results of simulated attacks are shown in a series of graphs. They present numbers of one side's warheads destroyed as a function of the other side's warheads used in an attack. Attacks are simulated on each side's ICBM forces alone as well as on each side's strategic triads (ICBMs, SLBMs, and bombers). These attack scenarios are constructed so that ICBMs attack ICBMs, and ICBMs plus SLBMs attack triads.

Each graph has a diagonal line that cuts through its middle. This is a "break-even" line. For any result that lies on it, the number of warheads used by the attacker are exactly equal to the number destroyed of the side attacked. Results above the break-even line indicate situations where the number of warheads destroyed is greater than the number of warheads used, indicating that the aggressor might find such attacks "profitable." Results below the break-even line suggest situations where the number of warheads destroyed is less than the number of warheads used, indicating that the attacker might find such attacks inefficient or "unprofitable."

Also shown on each graph is a horizontal line indicating the starting inventory of warheads for the side attacked. The number of surviving warheads is the vertical distance (gap) between the starting inventory line and the curve that shows the number of warheads destroyed for the side attacked. Presumably, the larger the level of survivors at a given level of attack, the more unprofitable for an aggressor to attack because of the increased potential for retaliation.

Finally, the curve that shows the number of warheads required for an attack versus warheads killed stops at a point where either there are no more warheads available for the attack or there are no more targets left to attack.

Current forces

Figures 4a, b, c, and d show results of simulated nuclear attacks using current U.S. and Soviet strategic forces. From these results the following observations can be made:

The Soviets, with an ICBM attack, can destroy almost all U.S. ICBMs. These attacks, however, are very inefficient, because many more Soviet warheads are used than are destroyed on the U.S. side. This inefficiency is due in large measure to the relatively low accuracy of Soviet ICBMs.

U.S. ICBM attacks are able to destroy a significant number of Soviet ICBMs, and do so more efficiently than Soviet ICBM attacks on U.S. ICBMs. Nonetheless, if the objective is to destroy a high percentage of Soviet ICBMs, the United States would need more ICBM warheads than it has deployed.

A major portion of the U.S. triad would survive Soviet ballistic missile (ICBM and SLBM) attacks. The numbers of U.S. bombers on alert and SSBNs at sea provides much of this margin of security.

U.S. ballistic missile attacks on the Soviet triad could destroy about half of the Soviet strategic capability. This is because the majority of Soviet warheads are mounted on ICBMs in silos, which are relatively vulnerable to U.S. attacks.

Forces in the year 2000

Figures 5a, b, and c show results for Soviet ICBMs attacking U.S. ICBMs under the three approaches. U.S. silo-based ICBMs are quite vulnerable under all approaches. Most of them are destroyed with no more than 500 Soviet ICBM warheads (or about four U.S. warheads killed for each Soviet warhead used). From this perspective each approach has about the same result with respect to crisis stability.

Midgetman ICBMs can also be destroyed, but at high cost. To destroy one Midgetman takes about ten Soviet warheads if the dispersal area is 20 square miles per missile as assumed in this analysis. Under the Soviet proposal and SALT II, the Soviets have enough warheads to attack silo-based ICBMs and to barrage the total Midgetman deployment area (10,000 square miles) but this would require their entire ICBM force. Furthermore, Midgetman survivability could be improved by expanding the dispersal area.

Under all approaches when only attacks on ICBMs are considered, Midgetman is the principal hope for stability. That hope rests, however, on the possibility that the Soviets would be dissuaded from barraging Midgetman deployment areas because of the great inefficiency of such attacks. Were they dissuaded from doing so, Midgetman would provide from 450 to 500 surviving warheads, depending on the arms control approach.

Figures 6a, b, and c results under all three approaches for the case of U.S. ICBMs attack on Soviet ICBMs. The results are similar to those in Figures 5a, b, and c with respect to very high returns for the attacker (5–6 warheads destroyed for each warhead used) for attacks on ICBM silos. In these cases, however, the United States does not have enough ICBM warheads under any of the approaches to successfully attack both silo-based and mobile ICBMs. Thus, under all approaches, the Soviets would have approximately 500 surviving warheads on mobile systems. The stability attributes of all approaches thus seems to be about the same for the results shown in Figure 6, though the measure of stability provided by Soviet mobile ICBMs is greater since the U.S. lacks the ICBM force necessary to barrage them.

Figures 7a, b, and c show the results of a Soviet ballistic missile attack on the U.S. triad. It suggests that relatively small attacks destroy all U.S. bombers not on alert, SLBM launching submarines that are in port, and ICBMs in silos. This situation applies for each approach. Under each approach, the United States still has 4,000–5,000 warheads (principally Midgetman, bombers on alert, and SLBMs on submarines at sea) available for retaliation. This would seem to provide a substantial retaliatory capability, and a strong deterrent of Soviet attacks, and thus a positive attribute for stability. Again, the results in terms of crisis stability do not appear to vary significantly among the approaches considered.

Figures 8a, b, and c show the results of U.S. attacks on the Soviet triad. In each case, about 2,000–3,000 warheads would survive, suggesting that each arms control approach has roughly the same characteristics with respect to crisis stability.

SENSITIVITY ANALYSIS

The results above are dependent on a number of assumptions. Some of the critical ones are investigated below. The procedure followed is to modify the assumption to see if the modification changes the basic conclusions concerning the effects the alternative arms control approaches have on crisis stability.

Effects of Throw-weight

None of the approaches as described limit throw-weight (the payload carrying capacity of ballistic missiles), although, as mentioned before, the most recent U.S. negotiating position includes a limitation on "destructive potential," which could include throw-weight. An important question is how throw-weight would affect crisis stability under each approach?

The basic concern is that the Soviets could use the rather large throw-weight of their ICBMs to deploy substantially more warheads for attacking U.S. forces. They could do this by more efficiently packaging their ballistic missile warheads. Adding more warheads would, of course, violate the warhead limits imposed by each of the three arms control approaches.

To see to what extent the Soviets could proliferate warheads through the more efficient use of throw-weight, consider the following: One benchmark for packaging efficiency might be the MX ICBM. The throw-weight for the MX is estimated to be approximately 7,000 pounds. With this throw-weight, the MX is able to deliver ten warheads, or 700 pounds of throw-weight per warhead. If the Soviets were able to utilize their ICBM throw-weight as efficiently, the SS–17 would be able to carry 9 warheads, (versus 4 now), the SS–18, 24 warheads (versus 10), the SS–19, 11 warheads (versus 6), the SS–24, 11 warheads (versus 10), and the SS–25, 2 warheads (versus 1).

Figures 9a, b, and c show the results of Soviet ICBM attacks on U.S. ICBMs assuming that the Soviet Union would be able to (and chose to) equip its ICBMs with more warheads. In this case, the numbers of Soviet ICBMs are the same as those shown in Figures 4a, b, and c for the year 2000. Each type of ICBM is armed with the number of warheads indicated in the preceding paragraph. It appears as though proliferation of warheads has little effect on U.S. ICBM silo survivability. This is because U.S. silos are quite vulnerable to attack from relatively small numbers of Soviet warheads as shown in earlier results. Assuming that the Soviet Union had the number of ICBMs projected under the build-down proposal, it appears that there would be only marginal gain in capability to destroy Midgetman ICBMs. But if the Soviet Union had the number of ICBMs permitted under the Soviet proposal or the SALT II approach, it could destroy the Midgetman force and have 1,000–4,000 ICBM warheads left, again assuming that the U.S. would not increase Midgetman's dispersal area. Results of Soviet attacks on the U.S. triad differ somewhat from those analyzed earlier, in that the Midgetman force becomes vulnerable to a massive barrage on the part of the Soviets; bombers that are on alert

and SLBM-launching submarines at sea are assumed to continue to survive.

Despite the possibility that the Soviets could effectively destroy all U.S. mobile and silo-based ICBMs, they still might be deterred from an attack because, under the assumptions made, large numbers of SLBMs and bomber weapons would survive and be available for retaliation. Also, the Soviets might be inhibited from launching such large-scale attacks because these attacks might trigger fundamental changes in the world's environment (the so-called "nuclear winter" effect). Nevertheless, the Soviet ability to destroy virtually all of the U.S. ICBM force and still have substantial ICBM capability remaining will be viewed with concern by some observers, especially those who argue that the Soviets would not view the remaining U.S. forces (SLBMs and bombers) as an effective retaliatory force.

Soviet Ballistic Missile Accuracy

All the results shown this far assume that by the year 2000 the accuracy of Soviet ballistic missiles will equal that of the MX (attributed by public sources to be .05 nautical mile CEP). There is no assurance, however, that they can achieve this degree of accuracy. Currently, Soviet modern ICBMs are estimated to have a CEP of about .14 nautical mile. An interesting excursion in analysis is to see what happens if the Soviets do not improve accuracy. Comparing the results of this excursion (Figures 10a, b, and c) to the results shown in Figures 5a, b, and c, which assumed Soviet ICBM accuracies of .05 nautical mile CEP, it can be seen that the attacks would be somewhat less efficient. This seems, however, to have little or no effect on stability. The reason is that even with lower accuracy a Soviet ICBM has a substantial probability (i.e., 54% of destroying a U.S. ICBM silo). By using a few more warheads the results are not markedly different from those shown in Figure 5.

Assumptions Regarding Fratricide

To this point, all the results are based on the assumptions that targeting decisions derive from a calculus in which targets for every additional warhead are chosen to maximize the probability of disabling remaining enemy warheads. This has produced attacks in which several warheads would be targeted against high value (i.e. multiple warhead) missiles in silos. In practice, however, attacks by more than two warheads are widely believed to be impracticable because of fratricide effects (when the explosions of nuclear warheads render ineffective other warheads directed at the same target). Attacks by more than two warheads on the same target are theoretically feasible, but would require feats of such extraordinary accuracy in the timing of thousands of warhead explosions that few believe them to be sensible bases for targeting strategies.

Two analyses were conducted to take fratricide constraints into account. Both analyses permit no more than two warheads to be targeted on a single silo. In the first analysis (Figures 11a, b and c), the assumption that Soviet ICBM accuracy is equal to that of the MX (.05 nautical mile CEP) is retained. In the second analysis, that assumption is relaxed and it is assumed that the Soviets do not improve their ICBM accuracy beyond our estimates of the capabilities of their modern systems (.14 nautical mile CEP).

The first analysis yields results that are almost indistinguishable from those of analyses in which there is no limit to the number of warheads that can be targeted on a single silo. In this case, the advantages—ignoring any fratricide considerations—of targeting a third or fourth warhead on a silo rather than some other target, are so small as to appear inconsequential in our analysis.

The second analysis (Figures 12a, b and c)—incorporating targeting restraints to account for fratricide in which it is assumed that the accuracy of Soviet ICBMs is .14 nautical mile CEP—in contrast, does show a significant less effective attack than the analysis in which there is no limit on the number of warheads that can be targeted on a single silo. In this analysis, however, the effects of the three different arms control proposals are, indistinguishable.

Readiness of Soviet Strategic Forces

The analysis presented above assumes that the alert rate of Soviet bombers is equal to that for U.S. bombers. It also assumes that the alert rate for their SSBNs is somewhat lower than for U.S. SSBNs. Publicly available estimates of readiness rates for Soviet bombers and submarines, however, are well below U.S. rates. (Normally Soviet bombers are not on alert while 30% of U.S. bombers are on alert continually. Soviet SSBN alert rates are about 50% versus 55% and 67% for U.S. Lafayette and Ohio class-SSBNs respectively.)

Figures 13a, b, and c show results of U.S. attacks on Soviet strategic triad forces using the publicly available estimates of current Soviet readiness rates. These lower readiness rates for bombers show some decrease in the overall Soviet warheads surviving the U.S. attack. The results are not remarkably different than the results shown in Figure 8 for bomber readiness rates of 30%. The reason is that bombers constitute a relatively small portion of the overall Soviet force capability.

APPENDIX A

ASSUMPTIONS AND REFERENCES

The following assumptions and references were used to project the inventories of strategic offensive weapons for the United States and the Soviet Union under three arm control approaches: (1) SALT II Mod Case; (2) Build Down Proposal; and (3) Soviet START Proposal. References are cited as follows: (12:31). The first number refers to the reference in the list of references printed at the end of this appendix. The second number is the specific page number of the cited reference.

Projections for the United States

SALT II Mod Case

ICBMs.—CRS projects the United States would have 100 M-X (each equipped with 10 warheads), 450 Minuteman IIIs (each with 3 warheads), and 450 mobile Midgetman ICBMs (each equipped with one warhead) by the end of calendar year 2000.

Titan II: By mid-1984, the United States will have 33 Titans (12:31), all of which will be retired by the end of 1987 (10:187).

Minuteman II: The United States has 450 of these single-warhead missiles (12:23).

Minuteman III: The United States has 550 Minuteman IIIs, 300 of which were converted to carry the MK 12A reentry vehicle by the end of FY83 (5:74). Because the MK 12A has about twice the yield of the MK 12 (15:17), CRS assumes that the U.S. would deploy MX in Minuteman III (MK 12) silos rather than Minuteman III (MK 12A) silos.

M-X/Peacekeeper: DOD announced that the first M-Xs will be deployed in late 1986 (10:186). The Air Force originally planned to deploy 10 M-X by the end of 1986, 40 by the end of 1987, 70 by the end of 1988, and 100 by the end of 1989 (verbal communication in with U.S. Air Force representatives, July 1983). CRS has followed this schedule although congressional cuts in M-X procurement may change it.

Midgetman: DOD indicates that this missile will be first deployed in 1992 (8: 25). Because deployment rates typically start low and increase over time, CRS assumes that 20 would be deployed in 1992, 50 more in 1993, and 60 thereafter until 450 are deployed in the year 2000. CRS also assumes that this missile would be mobile and that for each one deployed a Minuteman II would be retired.

SSBNs/SLBMs.—CRS projects the United States would have 24 Ohio-class SSBNs (each carrying 24 Trident II SLBMs equipped with 8 warheads apiece) and four Lafayette-class SSBNs (each carrying 16 Trident I SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class: The United States has deployed 31 Lafayette-class SSBNs, 12 with Trident I SLBMs and 19 with Poseidon SLBMs (5: 7). To comply with SALT limits on MIRVed systems, CRS assumes that as the eighth Ohio-class SSBN begins sea trials, Poseidon-equipped SSBNs rather than Minuteman IIIs would be retired. Nonetheless, even if some Minuteman III silos were dismantled, some of the older SLBM launchers would have to be scrapped (in order to remain within the SALT I limit of 710 SLBM launchers) when the ninth and following Ohio-class SSBNs begin sea trials.

Ohio-class SSBNs: Ohio-class SSBNs will be deployed at the rate of about one a year. These boats become SALT-accountable when they start sea trials even though they do not begin operational missions until about 12 months later. Sea trials begin about four months before the boat is delivered to the Navy. The sea trial date for each Ohio-class boat was furnished by the Navy. As of the end of 1985, seven Ohio-class boats will have completed sea trials (14). CRS assumes that 24-25 of these boats could be acquired under SALT II.

The first eight Ohio-class SSBNs are to be equipped initially with Trident I SLBMs. Each boat will be subsequently converted to carry Trident II SLBMs when it undergoes major overhaul, which occurs about ten years after delivery (verbal communication with U.S. Navy representative, June 1984).

The ninth and subsequent Ohio-class SSBNs will be deployed with Trident II SLBMs (10: 188).

The number of warheads each Trident II SLBM will carry is classified, but most unclassified sources estimate eight warheads (7: 63). The missile's initial deployment is scheduled for 1989 (14: 17).

Bombers.—CRS projects the United States would have 96 B-52Hs and 34 B-1Bs (each equipped with 20 ALCMs), 86 additional B-1Bs (each equipped with eight bombs/SRAMs), and 132 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

The current operational inventory of heavy bombers is 168 B-52Gs and 96 B-52Hs (9: 21). According to Air Force plans, B-52s will have three strategic missions: (1) penetrate, in which they would attack targets inside Soviet borders with bombs and short-range missiles; (2) standoff/penetrate, in which they would launch ALCMs from beyond the range of Soviet air defenses,

then penetrate; and (3) standoff, in which they would only launch ALCMs.

In projecting the U.S. bomber force under SALT II, CRS assumes that: (1) The United States will maintain 550 MIRVed ICBMs and just under 650 MIRVed SLBMs, leaving room for 120 ALCM-equipped bombers under the SALT II limit of 1,320 "MIRVed" delivery vehicles; (2) the Air Force tries to minimize fluctuations in the bomber inventory; (3) the Air Force would try to maintain a balance between standoff and penetration capability in its bomber force; and, (4) all the B-52G bombers would be retired by the end of 1996.

B-1B: "The B-1B initial operational capability is projected for September 1986 when 15 B-1Bs are to have been delivered to the Strategic Air Command. Full operational capability is scheduled for June 1988, when the 100th aircraft is delivered" (5: 46). CRS projects that 20 additional B-1Bs (for a total of 120) would be acquired by 1989 to replace retiring B-52Gs in the standoff role.

ATB: While details of the ATB ("Stealth") program are classified, published reports indicate a possible buy of 132 aircraft and initial availability in 1991 or 1992 (3; 4: 16).

BUILD DOWN CASE

ICBMs.—CRS projects the United States would have 100 M-X (each equipped with 10 warheads), 159 Minuteman IIIs (each equipped with 3 warheads), and 451 Midgetman mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000. The total number of ICBMs and their types to provide about two fifths of the 5,000 ballistic missile warheads allowed in the Build Down Proposal.

SSBNs/SLBMs.—CRS projects the United States would have 16 Ohio-class SSBNs (each carrying 24 Trident II SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class SSBNs would be retired as M-X ICBMs and/or new Ohio-class submarines are introduced. The number of submarines required is estimated to provide about three fifths of the 5,000 ballistic missile warheads allowed in the Build Down Proposal.

Bombers.—CRS projects the United States would have 200 B-1Bs (each equipped with 20 ALCMs) and 200 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

It is assumed that the number of ALCM-carrying bombers would rise above 120 projected in the SALT II Case. CRS assumes that all FB-111 bombers would be counted under Build Down, and that all B-52 bombers would be retired by the end of 1998, after 200 B-1Bs and 200 "Stealth" bombers would be operational.

SOVIET PROPOSAL CASE

ICBMs.—CRS projects the United States would have 100 M-Xs (each equipped with 10 warheads), 450 Minuteman IIIs (each equipped with 3 warheads), and 500 Midgetman mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000.

CRS assumes that 500 Midgetman, rather than 450 under the SALT II Case, would be deployed to attain the proposed ceilings on delivery vehicles, MIRVed ballistic missiles, and warheads.

SSBNs/SLBMs.—CRS projects the United States would have 22 Ohio-class SSBNs (each carrying 24 Trident II SLBMs equipped with 8 warheads) by the end of calendar year 2000.

Lafayette-class SSBNs: CRS assumes that Lafayette-class boats would be retired as new Ohio-class SSBNs are delivered.

Ohio-class SSBNs: A total of 22 Ohio-class boats would be required to attain the proposed ceilings. Conversion of eight Ohio-class boats from Trident I carriers to Trident II carriers would proceed as in the SALT II Case.

Bombers.—CRS projects the United States would have 122 B-1Bs (each equipped with 20 ALCMs) and 100 "Stealth" bombers (each equipped with four bombs/SRAMs) by the end of calendar year 2000.

B-52s: CRS assumes that all the B-52s would be retired by the end of 1995.

B-1B and ATB: Given the ceilings of the Soviet Proposal, CRS projects that 122 B-1B and 100 "Stealth" bombers would be acquired, versus 120 B-1Bs and 132 ATBs projected for the SALT II Case.

Projections for the Soviet Union

SALT II Mod Case

ICBMs.—CRS projects the Soviet Union would have 308 SS-18s (each equipped with 10 warheads), 360 SS-19s (each equipped with 6 warheads), 150 SS-24s (each equipped with 10 warheads), and 580 SS-25 mobile ICBMs (each equipped with one warhead) by the end of calendar year 2000.

The number of ICBMs deployed and number of warheads per missile are from 12: 21-23. (The SS-11 mod 3 carries 3 warheads, but since each missile can attack only one target CRS counts one warhead per missile.)

DOD estimates initial deployment of the SS-24 will be in 1985 (12: 24). CRS assumes deployment after 1985 at the same rate as the Reagan Administration plans for M-X, 30 a year.

CRS assumes initial deployment of the SS-25 as 1985 for two reasons: (1) The Soviet Union conducted the first flight tests of the SS-24 and SS-25 at about the same time—October 1982 for the SS-24 and February 1983 for the SS-25 (2: 1; and 1: 20). (2) The SS-25 is smaller than the SS-24 (12: 23) and should be easier to develop.

CRS assumes a deployment rate of 60 a year for the SS-25. The rate should be higher than for the SS-24 because the SS-25 is smaller than the SS-24 and carries one warhead (12: 24) versus 10 for the SS-24 (7: 64).

CRS assumes that: (1) MIRVed SS-24s will be deployed in silos now occupied by SS-17s, the least capable Soviet MIRVed ICBM; and (2) SS-25s, although mobile ICBMs, replace SS-11s and SS-13s, single-warhead silo-based ICBMs, on a one-for-one basis.

Ballistic Missile Submarines/SLBMs

CRS projects the Soviet Union would have six TYPHOONs (each carrying 20 new SLBMs equipped with 9 warheads), 13 units of a new SSBN (each carrying 16 single-warhead SLBMs of a new type), 16 DELTA IIIs (each carrying 16 SS-N-23 SLBMs equipped with 7 warheads), four DELTA IIs (each carrying 16 SS-N-8 single-warhead SLBMs), 18 DELTA Is (each carrying 12 SS-N-8 SLBMs, one HOTEL III (carrying six SS-N-8 SLBMs), one YANKEE II (carrying 12 single-warhead SS-N-17 SLBMs), and four YANKEE Is (carrying 16 single-warhead SS-N-6 SLBMs) by the end of calendar year 2000.

SALT I limits the Soviet Union to 62 modern ballistic missile submarines, i.e., YANKEE class or newer (6: 8). It also limits the Soviet Union to 950 SLBM launchers, counting all launchers on SSBNs and "modern launchers on older submarines (G[OLF]-class diesel-powered submarines)" (ibid.). SALT II also counts SLBM launchers on SSBNs and launchers of modern SLBMs on any submarine (13: 11). Modern SLBMs are those operational or flight tested after 1965, i.e., SS-N-6 or newer (ibid.). The SS-N-4 and SS-N-5 were flight tested before 1965. As of 1979, all SS-N-4s and some SS-N-5s were deployed on existing diesel-powered submarines (GOLF I and GOLF II class), so do not count (ibid.).

Basis of Submarine/SLBM Projections: In 1983, DOD said that the "Delta-III program is nearing completion. Thus far, 14 of these SSBNs have been launched; a few more will probably be built" (11: 22). CRS assumes 16 boats will be operational in 1986.

According to DOD, "by the early 1990s, the Soviets could have as many as eight [TYPHOONs] in their operational force" (12: 25). However, if the Soviets are not to violate the SALT II ceiling on MIRVed ballistic missiles (1,200), retain 818 MIRVed ICBMs, and have 16 DELTA IIIs, as CRS assumes, then they could have only six TYPHOONs. A delivery rate of one TYPHOON every two years is assumed.

CRS counts SS-N-18s (carried by DELTA IIIs) and SS-N-20s (carried by TYPHOONS) at the highest level of "MIRVing" indicated for each, 7 and 9 warheads, respectively (12: 26).

Projected future SSBN and SLBMs: Flight testing of the SS-N-23 started in 1983. (11: 23 and 12: 25). The SS-N-23 will probably replace the SS-N-18. (Ibid.) The maximum number of warheads on the SS-N-18 is 7 (12: 26); CRS assumes the SS-N-23 will have 7 warheads, the same number carried by the SS-N-18.

CRS projects the Soviets would introduce a new SSBN with a new SLBM in 1988 to replace retiring YANKEE-class SSBNs. This new SLBM would have to be equipped with only a single warhead, not to exceed the SALT II ceiling of 1,200 MIRVed ballistic missiles.

CRS also projects that in 1988 the Soviets would begin to replace SS-N-20 SLBMs on TYPHOONs with a missile equivalent to the U.S. Trident II. This new SLBM is projected to carry the same number of warheads currently carried by the SS-N-20.

Bombers.—CRS projects the Soviet Union would have 60 BEAR Hs (each equipped with 8 ALCMs), 60 BLACKJACKs (each equipped with 12 ALCMs), and also 105 BLACKJACKs (each equipped with four bombs and one SRAM) by the end of calendar year 2000.

Current inventory: The Joint Chiefs of Staff credit the Soviet Union with 100 BEAR and 45 BISON as of January 1, 1984 (9: 21). DOD notes that the Soviets "Strategic aviation assets include some 170 BEAR and BISON bombers . . ." (12: 27). DOD does not indicate, however, if all these are strike forces or if some are for other purposes (tankers, antisubmarine warfare). It notes that "An entirely new variant of the BEAR bomber (BEAR H), probably designed to carry long-range cruise missiles, is now in production . . . With the new BEAR H in series production, the decline in the inventory of BEAR and BISON aircraft characteristic of recent years has been reversed. The Soviets today have more bombers operational than just a few years ago" (12: 28). Collins lists 100 BEAR and 45 BISON as of the end of 1983, but notes that the BEAR H "is now in production but is not counted in 1983 totals. As of January 1, 1984, 10 BEAR H bombers had been built; four were at operational installations for flight training and 6 were being used for research and development." (16: 23-24). CRS counts the 100 BEAR and 45 BISON listed by Collins and

estimates a total of 34 BEAR Hs by the end of 1985.

Bomber weapon load: CRS counts BEARs and BISONs as carrying four bombs, BEAR H (standoff) with 8 ALCMs, BLACKJACK (penetrator) with 5 bombs, and BLACKJACK (standoff with 12 ALCMs. DOD notes that BEAR H is "probably designed to carry long-range cruise missiles" (12: 28). Collins notes, "Soviet figures for 1983 reflect average loadings of 2 bombs plus 2 ASMs [air-to-surface missiles] per BEAR and BISON." And, "BEAR H reportedly will carry an average of 8 long-range cruise missiles" (16: 24). CBO counts BEAR and BISON as carrying 4 weapons, the BEAR H cruise missile carrier with 20 weapons, and BLACKJACK with 12-20 weapons (7: 64).

Future force levels and rates of change: CRS assumes the BEAR A/G and BISON will be retired. They were first deployed in 1955 and 1956, respectively (15: 25) and they are assigned a modest role (11: 23-24).

DOD notes that BLACKJACK "could reach operational status in 1987" (12: 28). CRS estimates that 15 BLACKJACKs will be deployed in 1987 and 30 BLACKJACKs deployed per year thereafter. The 30 units per year is the rate that BACKFIREs are being deployed (12: 28). Also, CRS projects that by the end of 1993 60 BEAR Hs and 60 BLACKJACKs will provide the Soviet bomber force with a standoff capability and 105 additional BLACKJACKs a penetration capability.

Build Down Case

ICBMs.—CRS projects the Soviets Union would have 50 SS-18s (each with 10 warheads), 100 SS-19s (each with 6 warheads), 100 SS-24s (each with 10 warheads) and 500 SS-25s (each with one warhead by the end of calendar year 2000.

SSBNs/SLBMs.—CRS projects the Soviet Union would have 4 TYPHOON SSBNs (each equipped with 20 new advanced SLBMs equivalent to the U.S. Trident II SLBM and armed with 9 warheads), and 15 DELTA III SSBNs (each equipped with 16 SS-N-23 SLBMs armed with 7 warheads) by the end of calendar year 2000.

Bombers.—CRS projects the Soviet Union would have 120 BEAR Hs (each carrying 8 ALCMs), 160 BACKFIREs (each carrying 2 bombs), and 120 BLACKJACKs (each carrying 12 ALCMs) by the end of calendar year 2000.

Soviet Proposal Case

ICBMs.—CRS projects the Soviet Union would have 250 SS-18s (each equipped with 10 warheads), 230 SS-19s (each equipped with 6 warheads), 150 SS-17s (each equipped with 4 warheads), 50 SS-24s (each equipped with 10 warheads), and 520 mobile SS-25s (each equipped with one warhead) by the end of calendar year 2000.

SSBNs/SLBMs.—CRS projects the Soviet Union would have 8 TYPHOON SSBNs (each carrying 20 advanced SLBMs equivalent to the U.S. Trident II and equipped with 9 RVs), and 15 DELTA III SSBNs (each carrying 16 SS-N-23 SLBMs equipped with 7 RVs) by the end of calendar year 2000.

Bombers.—CRS projects the Soviet Union would have 120 BEAR Hs (each carrying 8 ALCMs) and 80 BLACKJACKs (each carrying four bombs and one short range attack missile).

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PROTECTION OF OUR NATIONAL PARKS

● Mr. CHAFEE. Over the last several weeks there have been articles in the Washington Post and the New York Times on a number of problems facing the National Park System.

The biggest of these problems are external threats to park units—those activities which occur outside park boundaries but nevertheless have adverse impacts on resources inside the park. These impacts often arise as a result of federally support projects and activities on contiguous Federal lands. For example timber harvesting and oil and gas leasing on lands contiguous to Yellowstone National Park threaten the grizzly bear which often need habitat outside the park's boundaries for its well-being.

Last year I introduced the Wildlife and the Parks Act which was aimed at protecting native fish and wildlife species found within the various units of the park system. In June 1984, the Subcommittee on Environmental Pollution held a hearing on this legislation and received testimony which confirms that threats to the parks are real and are a problem. Concern over the future of the parks prompted the House to pass comprehensive park protection legislation in the last two Congresses.

As a result of this congressional interest the Interior Department has launched an initiative which would establish administrative procedures to resolve conflicts between parks and other Federal land-managing agencies. This certainly is a step in the right direction although the actual implementation of any new policy directives has yet to occur.

History points out that previous well-intentioned efforts to protect the parks have been sidetracked.

Sixty-six years ago, in 1918, Secretary of the Interior Franklin Lane wrote in a letter setting forth the policy guidelines of the new Park Service:

> In considering projects involving the establishment of new national parks or the extension of existing park areas by delimitation of national forests, you should observe what effect such delimitation would have on the administration of adjacent forest lands, and, wherever practicable, you should engage in an investigation of such park projects jointly with officers of the Forest Service, in order that questions of national park and national forest policy as they affect the lands involved may be thoroughly understood.

In 1964 Secretary of the Interior Udall wrote to the Director of the NPS:

> In the development of these goals and procedures, I think it is important to emphasize that effective management of the National Park System will not be achieved by programs that look only within the parks without respect to the pressures, the influences, and the needs beyond park boundaries . . . The concern of the National Park Service is the wilderness, the wildlife, the history, the recreational opportunities, etc., within the areas of the system and the appropriate uses of these resources. The responsibilities of the Service, however, cannot be solely within the boundaries of the areas it administers.

Secretary Udall's Advisory Board on Wildlife Management said this about problems outside the parks:

It would seem to us that the National Park Service might well take the lead in studying this problem and in formulating cooperative management plans with other agencies even though the management problem lies outside the park boundaries.

In 1969 Secretary Hickel wrote the NPS Director:

I am encouraged by the steps you have taken to plan jointly with other Federal land managing agencies, the States and the private sector to share the recreation load in the vicinity of the areas of the National Park System. I would like to see you, however, increase the emphasis on joint regional planning because in the long run the total environment in which the park is located depends on vigorous and coordinated action.

There are serious gaps and inadequacies which must be remedied while opportunities still exist if the System is to fulfill the people's need always to see and understand their heritage of history and the natural world.

You should continue your studies to identify gaps in the System and recommend to me areas that would fill them. It is my hope that we can make a significant contribution to rounding out more of the National Park System in these next few years.

In 1981 Secretary Watt wrote the NPS Director:

Two recent developments have provided the Service with the opportunity to reemphasize its basic responsibilities. First, the "State of the Parks" analysis begun in 1980 should continue, and actions vigorously pursued to monitor, prevent, or mitigate significant threats.

Well, now, here we are after 66 years and after all these directives we still haven't resolved these problems. But one thing is certain: Unless the appropriate Federal agencies or the Congress take swift action to eliminate threats to our National Park System we risk losing some of our most treasured and spectacular natural, culture, and historical resources. In setting up our Park System, the United States provided a model for other nations to establish their own parks. We can be proud of our vision and foresight in setting aside these areas and now we must continue our efforts to ensure they will be protected for future generations.

Mr. President, in the coming months I will be working with my colleagues, the Department of Interior and other interested organizations to continue the development of strategies to protect our national parks. At this point, I ask that the newspaper articles be printed in the RECORD.

The articles follow.

[From the Washington Post, June 23, 1985]

YELLOWSTONE HAS TO BE BIGGER—AMERICA'S ONLY WHOLE ECOSYSTEM CAN'T SURVIVE WITHOUT GROWING

(By T.R. Reid)

The history books tell us that the main legacy of Ulysses S. Grant's presidency was a sorry record of scandal and corruption. But the Grant administration also produced one of the most successful and influential governmental innovations in recent world history.

On March 1, 1872, Grant signed a law that may well have been the most original and influential in U.S. history—a piece of legislation that historian Wallace Stegner called "the best idea we ever had."

This short page of legalese set aside "the tract of land . . . near the headwaters of the Yellowstone River" as a wholly new kind of official entity never before seen anywhere: the national park.

In an unprecedented feat of legislative grandeur, the Yellowstone Park Act designated a 2.2 million acre rectangle—an area larger than some whole states—to be "a public park or pleasuring ground for benefit and enjoyment of the people."

This bold new American concept spread rapidly across the globe, spawning 47 more national parks in the U.S. and some 2,600 others in 137 countries around the world.

But now a significant body of thought holds that Congress and Grant made a major—and possibly fatal—mistake when they set apart Yellowstone as the world's first national park.

These revisionists—ranging from liberal environmentalists to Ronald Reagan's chief guru on park issues—say that Congress' ambitious action was not nearly ambitious enough.

"Congress saved about 2 million acres, but the whole ecosystem, the biological and geological unit, extends more than 6 million acres," says Bob Anderson, director of the Greater Yellowstone Coalition, a union of 40 environmental groups.

"The problem is, since we didn't protect the whole ecosystem, we probably can't protect the wildlife and the geysers in the part of it that has been designated the national park."

Environmental groups have been working—with singular lack of success—for several years to win legal protection of the entire "Greater Yellowstone Ecosystem."

But this year the movement is getting a major boost.

In a monograph to be published later this year, Yellowstone Park Superintendent Robert D. Barbee argues that "Most of the * * * resource problems that Yellowstone National Park faces today trace back to its creation over 100 years ago."

Because of "the earlier Congressional oversight," Barbee writes, the Yellowstone area "has become an ecological island" with boundaries that "do not encompass a complete ecological unit, nor do they adequately protect the area's unique geothermal areas."

As head of the nation's flagship park, Barbee represents a key convert to the "greater ecosystem" idea. This month, though, the cause won an even more significant recruit in the person of William Penn Mott, Jr., the energetic park expert who ran the California state park system under Gov. Ronald Reagan and was just named by Reagan as the new chief of the National Park Service.

On a visit to Yellowstone, Mott endorsed the "greater ecosystem" idea and said he would work hard "to create a legal buffer zone around the park that represents the entire ecosystem."

An ecosystem, according to Webster's, is "a community of animals, plants and bacteria and its interrelated physical and chemical environment."

Because of encroachments of industrial man, many naturalists say there are only three complete ecosystems on earth that are still largely intact: the Arctic, and Antarctic and Greater Yellowstone.

One reason the Yellowstone region is still somewhat preserved is that the 6-million acre swath contains numerous federal reservations, including six national forests, several wilderness and wildlife refugees, and two national parks (Yellowstone and Grand Teton).

But there are significant dangers as well, because the Yellowstone region is greater than the sum of its parks.

This magnificent hunk of God's handiwork has always been home to a rich population of fish, fowl and land animals. Today, though, the ecosystem also contains an assortment of human creations ranging from Burger Kings and Best Westerns to jails, junk yards, oil wells, ski resorts, highways and hydroelectric dams.

The basic thesis of the "greater ecosystem" movement is that the environmental fallout from these human activities does not honor the neat bureaucratic boundary lines that Congress drew when it created the parks and preserves in the region.

Barbee, the Yellowstone Park superintendent, cites as an example the park's intensive effort to save the dwindling population of grizzly bears, the largest and best-known carnivore on the North American continent.

"In the park, we do everything we can to keep the grizzlies free of human contact so they can survive in their [natural] habitat," he says. "And then we find out that there's a bunch of them who go over to West Yellowstone [the Montana town five miles outside the park border] and have dinner in the garbage dump.

"When that happens, you've got a family of bears that may never go back to natural forage. Who knows if those bears can survive?"

Further, human development could endanger the unique geological features, such as Old Faithful geyser basin, that prompted 19th-century visionaries to propose the idea of national park here in the first place.

In the towns to the west of Yellowstone, energy companies have proposed deep earth drilling to generate power from geothermal forces—the intense heat that is fairly near the earth's surface in this geologically young region.

"There is mounting evidence that the aquifer feeding Yellowstone's geothermal features has its origins outside the park," Barbee writes in his new monograph.

"This, combined with the potential exploitation of the known geothermal resource areas adjacent to Yellowstone, shows why the recognition of this ecosystem is so important."

To date, the major achievement of the "greater ecosystem" movement has been to identify the general problem and point out some of the external threats to this world-famous natural preserve.

The Greater Yellowstone Coalition has put together a depressingly thick catalogue titled "Threats to Greater Yellowstone" which includes a "threat inventory" of nearly 100 human encroachments on the natural ecosystem.

But it is one thing to identify "threats" and something else altogether to do something about them.

The response in Congress to demands for legal protection of the entire ecosystem has been an indifferent shrug.

Rep. Dick Cheney (R-Wyo.), the influential Republican whose district includes most of the ecosystem, told a gathering of environmentalists on June 8 that the buffer

zone plan "is not going to be an easy one to sell."

Ironically, the present patchwork of development was exactly what the first explorers of Yellowstone hoped to avoid when they came up with the startling suggestion that a "national park" be created to preserve this natural gem.

At a time when the government was eagerly selling or giving away its western lands—and when powerful railroad interests were eagerly gobbling up any land of value—the legislation setting aside Yellowstone as a public preserve was considered a daring political act.

The question now arises whether Congress can be as daring once again to save this marvelous park.

[From the New York Times, June 7, 1985]

'BYE, NATIONAL PARKS

(By John B. Oakes)

The national parks are as sacred to most Americans as the flag, motherhood and apple pie, but unlike those other symbols of our national psyche, the National Park System is in imminent danger.

The parks have long staggered under the double burden of over-crowding and underfunding. This summer, there will be more than 300 million visits to the parks. The current Reagan budget proposals would cut 33 percent from the already grossly inadequate levels of last year.

Surpassing these dangers, however, is an increasing threat to the integrity of the parks—even to their existence. This threat comes from the fierce pressure of exploitative interests within the parks or, frequently, at their very borders. It is pressure from real estate speculators; oil and gas explorers; tar sand and geothermal energy developers; unrestrained air polluters; road and airport and tourist-resort builders; grazers, ranchers, hunters and poachers; gas station, souvenir shop and pizza parlor owners. They're all out to make a buck (or several million) at the expense of the parks.

Here are some examples:

Yellowstone (Wyoming): World-famous geysers and hot springs may be wiped out by prospective geothermal development along northern and western boundaries; threat to habitat of critically endangered species, especially the grizzly bear, from oil and gas exploration at park edge.

Grand Canyon (Arizona): Heavy air pollution at least 100 days a year, caused by uncontrolled emissions from smelters and power plants; intensive overflights by planes and helicopters, and motorized river traffic, shattering the majestic silence of one of the world's most awesome spectacles.

Glacier (Montana): Habitat critical to grizzly and elk populations jeopardized by a permit allowing American Petrofina to drill a huge exploratory well just south of park; proposed road-building, mining operations and logging on borderlands.

Acadia (Maine): Acid rain already at dangerous levels, with no controls in sight.

Cape Cod (Massachusetts) and Big Cypress (Florida): Off-road and all-terrain vehicles destroying fragile dune resources and disrupting critical habitat for endangered species.

Dinosaur (Utah-Colorado), Zion (Utah) and Yosemite (California): Projected dams outside these parks certain to destroy quality of living rivers in each of them, robbing parks of irreplaceable natural asset.

Santa Monica Mountains (California) and Chattahooche (Georgia): Subdivision development proceeding on private lands within authorized park boundaries.

Denali (Alaska): Fouling of water and degradation of land from mining inside park; mining claims being sold within park for resort development.

Canyonlands (Utah): Projected high-level nuclear waste dump site immediately adjacent to this unique scenic wonderland.

Big Bend (Texas): Illegal poaching, at huge profits, of rare native desert plants.

Capitol Reef (Utah): Totally unnecessary multimillion dollar paved road (to replace adequate dirt road) proposed to cut across 66-mile stretch of unique wild scenic area; water contamination, soil erosion and habitat destruction from continued overgrazing (also in several other parks).

Chaco Canyon (New Mexico) and Custer Battlefield (Montana): Large-scale pilfering of valuable cultural, archeological and historical artifacts (also in other parks).

Everglades (Florida): Water, flood control and drainage projects near park boundaries, resulting in loss of 90 percent of park's wading bird population.

This is but a tiny sampling of what is happening and is about to happen to our national parks. The despoilers and exploiters and developers are moving fast. The only way to stop them is to support those members of Congress (like Senator Chafee, Republican of Rhode Island, and Representative Seiberling, Democrat of Ohio, to name but two) and private organizations (like the National Parks and Conservation Association, and the Wilderness Society, among others) in their unremitting efforts to protect the parks from those who would destroy them.

[From the Washington Post, June 9, 1985]

OVERUSE, DEVELOPMENT CITED AS THREATS TO PARKS—GROUP CALLS FOR RESTORATION PLAN

(By Stephen Labaton)

The National Park System is threatened by heavy use, overdevelopment of surrounding areas and inadequate research, a report issued by an environmental group says.

The Conservation Foundation report released today also says that the nation's 334 parks and historic monuments are plagued by the decline of plant and animal species within the parks.

"The National Park System has entered an era for which its traditions and policies have not prepared it," the nonprofit foundation says.

The new director of the National Park Service, William Penn Mott Jr., said yesterday that he generally agrees with the study.

"What really drives me is this sense that we don't know the long-range impact of our human activities in the park today," he said.

In a speech prepared for delivery last night before the Greater Yellowstone Coalition at Yellowstone National Park, Mott said, "We must not and should not use up the resource or diminish its inherent natural and historic values.

"When in any doubt, we must err on the side of preservation," he said. "Should we subsequently find ourselves wrong, we can always provide for more use."

The Conservation foundation report said the impact of heavy use and deferred maintenance, combined with encroachment by landholders near parks, "will seriously damage the parks unless checked at least in part by a infusion of fix-up funds and by new imaginative responses."

Mott has said he will close the gates of some major parks once they have reached their capacity of visitors.

The foundation recommends a 10-year, $500 million effort to restore park resources and a 10-year, $2 billion program to acquire land around and in parks.

But Mott said yesterday that the Park Service budget will be tight for some time.

Scores of scientists, environmentalists and government officials surveyed last week said Mott faces many of the problems outlined five years ago in a Park Service report on threats posed to the parks.

That report listed 73 different threats grouped in seven categories—aesthetic degradation, air pollution, water pollution, the impact of visitors, removal of resources, encroachment by exotic wildlife and the effect of park operations.

It concluded that "current levels of science and resource management are completely inadequate to cope effectively with the broad spectrum of threats and problems which have been identified and discussed in this report."

While both the quality and quantity of research has since increased, "it is not sufficient," according to John Reed, chief of the Biological Resources Division of the Park Service.

Clay Peters of the Wildlife Society said the Park Service had "abysmally failed" to catalogue threats to the parks. "It has just not been a high priority," he said.

Peters' view was echoed by Ro Wauer, assistant superintendent at the Great Smoky Mountains National Park. "We're not getting any request for what's going on," he said. "The Washington office is presumably not interested in what is happening or how things might be * * *. This park will continue to go downhill."

Proposals in the last two Congresses for a biannual report on the state of the nation's parks have failed.

"The people who have been getting away with certain things adjacent to the parks do not want the right hand to know what the left is doing," Rep. John F. Seiberling (D-Ohio) said. "They view it as an effort to have more government control. In a way, if the government knows more, then I suppose they can exercise more control."●

LOSS OF LIVES IN IRELAND PLANE CRASH

● Mr. LEVIN. Mr. President, the recent crash off the coast of Ireland of a plane bound for New Delhi from Toronto, killing all 329 persons aboard, brought inordinate grief to my State. Twenty-one members of the Indian community in Michigan were among those who lost their lives. I have expressed my deepest condolences to the grieving families in Michigan, and my prayers that the Almighty will grant shanti—peace—to the souls of the departed. I will be monitoring closely our Government's efforts to assure that a thorough investigation of the disaster is conducted, so that we will have the fullest possible explanation of it.●

OPPOSITION TO THE GENOCIDE TREATY

● Mr. SYMMS. Mr. President, I would like to include in the RECORD today an article on the Genocide Treaty which

was published in the Kansas City Star on May 8.

The real heart of the argument against the treaty is contained in the final paragraph of this editorial: "* * * endorsing the treaty cannot be a substitute for a sound position on human rights." That is just what this treaty represents—a diversion from addressing the need for America to take strong action to defend freedom and to back up our stance on human rights with substantive measures.

Mr. President, I ask that this article be printed in the RECORD, and I would also like to add to the RECORD the resolution adopted by the veterans of Foreign Wars, of the Department of the District of Columbia, in opposition to passage of the Genocide Treaty.

The material follows:

TROUBLE WITH A GENOCIDE TREATY

Let's be specific about opposing the Genocide Treaty now before the U.S. Senate. This is not an issue upon which conservatives should plead national sovereignty and upon which liberals should plead the overriding need of international law. It's an issue that should be decided by common sense, not ideologies or idealism. Common sense says the treaty is a waste of time. It cannot be enforced. It can only be used as a propaganda instrument in the babble of today's international politics.

Having a genocide treaty is unnecessary. Should it be needed, it would be a worthless scrap of paper. Having this treaty on the books would be like having a pledge by the superpowers of no first strike with nuclear weapons. It's meaningless. When countries turn against their own ethnic populations, the first casualty would be the genocide treaty.

Sen. Jesse Helms of North Carolina strongly opposes Senate approval of a treaty written at the end of World War II, when genocide claimed the lives of six million Jews, as a threat to national sovereignty. He sees this treaty as a potential bludgeon in the hands of other nations not so friendly to the destiny of the United States. The matter of Washington's treatment of native Americans might be raised. Or of Turkey's killing of hundreds of thousands of Armenians at the end of World War I. Or of Vietnam's slaughter of Cambodians, or Nicaragua's war against the Meskito Indians. Signing the treaty could open a country up to a variety of charges, since the treaty would prohibit the deliberate murder of people based on religion, race or nationality. (A clever government would find a way.)

No nation should waste more than five minutes on this scrap of paper. The Senate Foreign Relations Committee need not bother, although it is under pressure to do so. The United States can continue to stand strongly for human rights without endorsing the treaty, but endorsing the treaty cannot be a substitute for a sound position on human rights. That is far more important—and that is where the Senate and this and future administrations should place emphasis.

UNITED VETERANS OF AMERICA,
Washington, DC, June 17, 1985.

Re Genocide Convention.

MICHAEL E. HAMMOND, Esq.,
General Counsel, Senate Steering Committee, U.S. Senate, Washington, DC.

DEAR MIKE: Enclosed for your information is a copy of a resolution passed by the Department of District of Columbia, Veterans of Foreign Wars of the United States opposing the Genocide Treaty.

The resolution will now go to the national convention to be held in Dallas, Texas in August, 1985 for passage by the national organization.

Sincerely,

J. THOMAS BURCH, Jr.,
Senior Vice Commander.

RESOLUTION NO. 35: PREVENT U.S. ADHERENCE TO THE U.N. GENOCIDE TREATY

Whereas, there are those who would subordinate the interests of citizens of the United States of America to foreign powers and foreign interests in conflict with the Constitution of the United States of America; and

Whereas, there is constantly pending in a committee of the United States Senate a proposal to accept a treaty known as the "International Convention on the Prevention and Punishment of the Crime of Genocide," more commonly known as the United Nations Genocide Treaty; and

Whereas, the acceptance by the United States of America of said Treaty would be a circumvention and abdication of its citizens' Constitutional rights; i.e.:

(1) under the Treaty, the International Court of Justice (World Court) could legally require the United States of America to engage in armed conflict—war;

(2) the World Court could permit the United Nations to probe actions of United States of America's public officials and individuals and have full access to privileged United States of America government and private papers;

(3) the Treaty could make members of the United States military services subject to charges and trial in a foreign country for performing their military duty during armed conflict if they were to wound or kill an enemy combatant; and

(4) the Treaty could lead to the establishment of an International Court for the trial of United States of America citizens charged with genocide and deprive them of their Constitutional rights and safeguards such as afforded in this country to all those charged with a crime; and

Whereas, these are but a few of the ways in which the citizens of the United States of America could be victimized and deprived of their Constitutional rights and guarantees; Now, therefore be it

Resolved, by the Department of District of Columbia of the Veterans of Foreign Wars of the United States, that we oppose the Genocide Treaty as presently written; and be it further

Resolved, that the Veterans of Foreign Wars reaffirms its previous action and continues to oppose adherence by the United States Senate to the United Nations Genocide Treaty, more fully known as the "International Convention on the Prevention and Punishment of the Crime of Genocide."●

FEDERAL BUDGET

● Mr. PRYOR. Mr. President, last Saturday, June 22, the Washington Post and other newspapers printed an article by Jack Anderson and Joseph Spear headed "Scraping Off a Budgetary Barnacle." The authors find the National Endowment for Democracy to be "an eminently expendable barnacle."

As the Senate will recall, our distinguished colleague, the junior Senator from South Carolina [Mr. HOLLINGS] last year led an effort to eliminate the funding for NED as this institution is commonly called, and use the savings to fully fund the scholarships for Latin Americans recommended by the Kissinger Commission. That effort, which I supported, fell short by a scant five votes.

I expect that Senator HOLLINGS will be offering us the chance to eliminate NED again this year. Accordingly, I bring this article to my colleagues' attention and ask that the article be printed in the RECORD.

The article follows:

SCRAPING OFF A BUDGETARY BARNACLE

The federal budget is encumbered with pet projects that cling to it like barnacles. We have joined J. Peter Grace in a campaign to scrape off these expensive increments.

But every government project, no matter how wasteful, has acquired a constituency of influential beneficiaries. They swarm like termites out of the woodwork at the slightest threat to their programs.

The National Endowment for Democracy, for example, is an eminently expendable barnacle. It has a fancy name and a glorious purpose—spreading the good word about democracy to the rest fo the world—but it's really a multimillion-dollar boondoggle.

We've written about the endowment's extravagances in the past: its apparently incurable weakness for funding junkets to exotic places, and its frequent duplication of programs handled by other federal agencies. As a result of the publicity, the endowment has agreed to change some of its practices to get its $19.3 million 1986 budget through Congress without undue difficulty.

But the basic problem remains: The National Endowment for Democracy, for all its laudable goals, has no business being funded by the taxpayers. Yet it was shrewdly set up so that it is almost impossible to kill. The endowment's four principal money-disbursing "institutes" are controlled by the Republican Party, the Democratic Party, the U.S. Chamber of Commerce and the AFL-CIO. This evenhanded distribution of dollars guarantees the agency support from both sides of the aisle at budget time.

Just ask Sen. Ernest F. Hollings (D-S.C.). He was one of five Senate and House members who met to discuss the billion-dollar shortage in appropriations for the State, Commerce and Justice departments. Hollings reportedly questioned the wisdom of spending public funds on get-out-the-vote drives in foreign elections when, for example, poor Americans are being denied legal services because of budgetary restrictions. A source told our associate Vicki Warren that when the subject of the endowment was raised, everyone present lambasted the agency except Sen. Paul Laxalt (R.-Nev.), the president's staunchest Senate friend.

Hollings soon got a letter from Brian Atwood, a former member of the Democratic Senatorial Campaign Committee who is now with the National Democratic Institute for International Affairs, which gets $1.5

million from the endowment. The letter extolled the endowment and urged the senator to drop his opposition to it.

Another opponent who heard from Atwood was Rep. John Conyers, jr. (D-Mich.), who also was lobbied by labor and business representatives. Conyers wants to cut the endowment's budget because he's concluded that funds it gave to a labor institute were used to back right-wing political parties in El Salvador, Honduras and Nicaragua, and a right-wing labor group in Chile.

And when Rep. Mervyn M. Dymally (D-Calif.) attacked the endowment on grounds that it was unrepresentative of all Americans, particularly minorities, he was told that "labor didn't want the endowment's funding delayed," according to a congressional source. Dymally, an endowment board member, dropped his opposition.●

HELEN KELLER DEAF-BLIND AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today humbled by the will, determination, and spirit of Helen Keller. As June 27, 1985, marks the 105th anniversary of her birth, we honor her contributions and hope to broaden society's vistas by designating this week as "Helen Keller Deaf-Blind Awareness Week."

Helen Keller lost her sight and hearing at the age of 2 due to a severe illness. Before fully learning to speak, she was plunged into a world of silence and darkness: One of the most severe and isolating disabilities. Like many others, currently 40,000 Americans, Helen spent her early years as, she once said, "wild and unruly, giggling and chuckling to express pleasure; kicking, scratching, uttering the choked screams of a deaf-mute to indicate the opposite."

This was the fate of many deaf-blinds. However, Helen Keller was more fortunate; her father took her to the noted Dr. Alexander Graham Bell. Dr. Bell advised them to contact the Perkins Institute for the Blind in Boston. As a result, Anne Sullivan, who had been nearly blind herself in childhood until surgery in 1881 and 1887 restored partial sight, came from Boston for what turned out to be a very long relationship. Within 3 years, Anne had taught Helen the alphabet and how to write in braille.

At the age of 10, Helen ventured onto a tremendous new path in her life. Helen Keller would learn to speak. By the age of 16, Ms. Keller spoke well enough to attend preparatory school and to select a college. She graduated from Radcliffe in 1904 with honors.

Emerging from a void of darkness that had so often dominated the lives of blind deaf-mutes, Helen Keller, reached out to heighten the awareness of society and opened the door for further advances and increased opportunities for those suffering from this extreme disability. Later on, Helen would become active with the American Foundation for the Blind and the American Foundation for the Overseas Blind. She created the Helen Keller Endowment Fund of $2 million, appeared before legislatures, lectured, wrote articles, and authored eight books, which have been translated into more than 50 languages.

In her later life, Helen was very concerned about the blind in underdeveloped and war-plagued nations. During World War II, Helen worked with soldiers who have been blinded in the war. She received Chevalier's ribbon of the French Legion of Honor, the Alumni Achievement Award of Radcliffe College, and numerous decorations from governments throughout the world.

There are few individual lives that are more impressive than that of Helen Keller. She accomplished much to advance the cause of the disabled here and abroad and to demonstrate the true indomitability of the human soul.●

S. 680, TEXTILE AND APPAREL TRADE ENFORCEMENT ACT OF 1985

● Mr. LEVIN. Mr. President, today I am cosponsoring S. 680, the Textile and Apparel Trade Enforcement Act of 1985. I am doing so primarily because the multifiber arrangement [Mfa] extended in 1981 regarding international trade in textiles has not produced the promised results. The multifiber arrangement, extended in 1981, set a goal of 6 percent annual growth for textile and apparel imports. Although the Mfa does not mandate the import limit to be strictly held at 6 percent annual growth, the intent of the Mfa is clearly to limit import growth to a reasonable level and to avoid market disruption in the textile industry.

Instead, we have seen much more radical and uncontrolled growth. For instance, exports from Korea, Taiwan, Hong Kong, China, and Japan, from 1980 to 1984, ranged from 33 to 205 percent. The following table shows that if the Mfa goals of 6 percent had been achieved, there would have been 772 million square yard equivalents [SYE] imported from Korea in 1984. Instead, there were 1,178 million SYE. In Taiwan, if Mfa goals had been met, there would have been 835 million SYE exported to the United States. Instead there were 1,587 million SYE. And so forth. That sorry record of radical growth in imports broke the promise of the Mfa that there would be reasonable, measured growth.

Mr. President, a new approach is justified to control textile imports to this country and S. 680 is such an approach. S. 680 sets new levels of imports which are still higher than would have existed had Mfa projections been achieved.

One of the concerns I have about this bill is that it might put long-term pressure on the industries that are being overwhelmed by imports which do not have reasonable controls. The situation is exacerbated because many countries that have relatively free access to our markets but discriminates against our goods. Japan, for example, has free access to our auto markets but discriminates against our beef, lumber, tobacco, citrus, telecommunications, rice, and so forth. Korea, for example, bans de facto many of our textile and apparel products by requiring import licenses which must be approved by their private textile industry associations. In addition, Korea restricts a great many of these products and imposes high tariffs to keep American textiles out. Taiwan restricts U.S. access to their textile market by the imposition of excessively high tariffs. All trade with China must be channeled through the Government and it only permits imports into the country which their domestic production cannot meet. These are only a few examples of discrimination against our products, including textiles.

I fear that a piecemeal approach to trade problems may result in some industries being under greater pressure than they are now if other countries perceived that we will give some protection to one sector but none to others. Therefore, I intend to propose and support amendments to this bill to broaden its scope beyond textiles.

No one wants a trade war but we cannot live with a peace which discriminates against our goods and our workers. That is the current situation. The administration is closing its eyes to the gradual dismantlement of our industrial manufacturing base. We must stop that erosion without precipitating a world recession. It will not happen if we simply continue to ignore the reality that many of our industries are facing extinction while other countries discriminate against our products where we are the most efficient.

S. 680 represents an effort at a moderate trade policy in one industrial sector and it is my hope it will be strengthened and broadened as it moves throught the Senate.

Mr. President, I submit for the RECORD the table to which I have made reference.

The table follows:

Country	Total exports to United States 1980	Million square yard equivalent			Level if Mfa followed
		1984	Percent growth	New level under S. 680	
Korea	640	1,178	84	[1] 780	772
Taiwan	783	1,587	103	[2] 884	835
Hong Kong	787	1,049	33	[3] 894	885
China	325	990	205	[4] 431	427
Japan	461	738	60	[5] 613	607

[1] 34-percent reduction.
[2] 47-percent reduction.
[3] 16-percent reduction.
[4] 57-percent reduction.
[5] 18-percent reduction.●

U.S. INTERESTS IN CENTRAL AMERICA

● Mr. LUGAR. Mr. President, Janos Horvath, a professor at Butler University in Indiana, sent me an excellent article he wrote about U.S. interests in Central America. I ask that it be printed in the RECORD.

The article follows:

THE UNITED STATES CANNOT AFFORD INDIFFERENCE IN NICARAGUA

(By Janos Horvath [1])

In a recent article, title "Promoting U.S. Interest in Central America" Senator Richard Lugar (R-Ind) concludes that the situation in Nicaragua will surely get worse without our considered involvement. His train of thought conveys the recognition that the United States cannot afford the attitude of a well-wishing and best-hoping bystander while regional destabilization threatens peace in Central America and beyond.

There are opponents to Lugar's foreign policy who claim that the U.S. should not tell any country how to govern herself. What a number of well-meaning critics seem to overlook is that the escalating destabilization may deprive countries in Central America of the right to govern themselves. Instead of securing tranquility, the advocates of non-interference set in motion the very momentum which could render war inevitable in the future.

It is in his role as Chairman of the Senate Foreign Relations Committee that Senator Lugar analyzes the tumultuous drama in Nicaragua and that is why he calls for protection of vital United States interest. Realistically the Lugar agenda will convince some critics and gain the trust of some skeptics. Yet the opponents' reservations will mellow much farther if additional facts and evidence are made publicly known about the impending drama. To borrow the wording of the theatrical methaphor: where is the script and who is the playwright; how do the profiles of the main protagonists look; who is the stage manager?

Here are a few pertinent facts and observations which may serve as background and fill some gaps so that evolving events could be anticipated with better accuracy.

Fact 1: The government of Nicaragua continues to destabilize the country and the region and constantly endangers peace.

Fact 2: It was a broadly based populist revolution of all democratic forces and elements in Nicaragua that toppled the Somoza dictatorship in 1979. Yet during the subsequent years a group of elitist intellectuals has captured the government. In this process, the Sandinistas betrayed their revolutionary allies, either degrading them into subservient puppets or forcing them into opposition, resistance, and exile.

Fact 3: The latter-day Sandinistas avail themselves of the Marxist-Leninist ideology because it readily provides the blueprint which has proven effective in other countries for the purpose of regimented transformation from a genuinely democratic revolution into communist party monopoly.

Fact 4: Meticulously implementing the Marxist-Leninist blueprint, the close-knit regime did not stage an election for the purpose of allowing people to choose among political and economic alternatives. Beside the Sandinistas many obscure parties appeared on the ballot but the stronger democratic parties were left out. The latter-day Sandinistas discredit democratic ideas and groups while solidifying their own self-perpetuating rule. Carried away by their own propaganda the regime claims credit for improved literacy and health which was actually accomplished by the revolutionary coalition with substantial U.S. foreign aid. In this vein the next election is likely to be engineered to display 99.9 percent affirmative votes.

Fact 5: One of the grave problems with such a society is that it is inherently unstable domestically and adventurist internationally. Upheavals which usually accompany side-tracked revolutions are likely to result in counter-revolutions and coups which become routinely cursed with destruction and bloodshed. An example is Indonesia for the 1960s when Sukarno's leaning toward the communist front ultimately cost the lives of four million persons involved with the experiment. Nkhuma's Ghana and Lumumba's Zaire felt long lasting tribulations and pains. As a variation on the theme, Fidel Castro's Cuba directs sizeable human and material resources into international military Adventures. Other examples abound.

Fact 6: The United States stands for a principle that everywhere, including Nicaragua, the representative system of government guarantees the best chance of steady progress toward the well-being of peoples. In Nicaragua a self-appointed and self-perpetuating government of the Sandinistas has compressed the political sphere to such narrow limits that sizeable democratic parties and fractions are coerced into resistance. Some groups are frustrated enough to choose armed resistance while the much larger masses grudgingly hope that the enthusiastic expectations of the post-Somoza revolutionary days will materialize eventually.

Fact 7: In the United States the Administration and the Congress, reinforced by broad popular support across the nation, are exploring and designing programs which will make it possible to support the democratic elements who represent all the people in Nicaragua. Moral, material, and political supports to the alliance of national resistance, the Contras, are the instruments geared to bring about the revival of the coexistance and accommodation of the whole gamut of revoluntionary parties who had liberated Nicaragua from the Somoza dictatorship. Indeed, from the early days of the revolution, Washington welcomed the new democratic government, encouraged its program, and provided generous economic aid. This time continued support to all the democratic elements appears to create the millieu for reinforcing the reconciliation of all former revolutionary allies. This is the best chance to achieve stability and peace.

Fact 8: Senator Lugar sensibly reasons that the United States cannot settle for the fever of hemorrhaging instability concurrent with aggressive totalitarian dictatorship in Central America because such a state of affairs is bound to escalate and explode tension into armed confrontation. These days, as time and again at her finest hours in history, the United States re-discovers that adherence to a pillar of her heritage, which is the representative system of government for all peoples, proves to be the safest guarantee for material betterment, for peaceful systemic change, and for securing peace on earth.●

[1] Dr. Janos Horvath is a Distinguished Professor of Economic holding the John W. Arbuckle Chair at Butler University. He was a Member of Parliament in Hungary during the post-war years when the coalition government included the Communist Party which subsequently siezed power and liquidated democracy.

CONWAY HIGH

● Mr. BUMPERS. Mr. President, I acknowledge the great honor recently granted Conway High School in Conway, AR. Conway High was chosen by the U.S. Education Department as one of 277 secondary schools which are "models for the Nation." The award was made only after Conway High was evaluated by experts from across the country, and the school's selection as a model school is recognition of the commitment of administrators, teachers, and the community to provide a quality public education for all Conway students.

The following article appeared in the June 23, edition of the Arkansas Gazette and details the selection process for this award. I ask that it be printed in the RECORD.

The article follows:

[From the Arkansas Gazette, June 23, 1985]

CONWAY HIGH SCHOOL CHOSEN AS "MODEL FOR THE NATION"

CONWAY.—Conway High School is one of 277 public and private secondary schools singled out by the federal Education Department as "models for the nation," according to an announcement Thursday by Education Secretary William J. Bennett.

Conway High School principal James Clark said he was "very happy" that the school had been chosen. He said he had first heard of the selection about 9 a.m. Thursday.

Bennett said each of the schools chosen had surmounted difficulties in sustaining high levels of achievement. They "represent the strength and vitality of America's pluralistic system to public education," he said.

"LACK OF MONEY"

Clark said that the major problem the Conway school had surmounted in providing a quality program "was lack of money." He said despite that fact, "We are maintaining a well-rounded program, and we feel that we have something here for all our students."

He said about 60 percent of the students graduating from Conway High go on to college "with the remainder going into the working world. We feel we have a program to prepare both, and one of our strengths is that we are meeting the needs of all our students."

Each of the schools chosen will receive a plaque and flag from the federal Education Department.

Officials from the winning schools will be invited to Washington for a recognition ceremony, but the date has not yet been chosen, an Education Department spokesman said.

A panel of experts from outside the government chose the 212 public schools from among 509 nominated by chief state school officers in the 48 states that participated.

Conway High has 1,100 students in grades 10 through 12, with a 63 member faculty, Clark said.●

IDAHO'S 95TH ANNIVERSARY

● Mr. SYMMS. Mr. President, I rise today to pay tribute to the great State of Idaho. On July 3, 1890, the territory of Idaho became the 43d State to be admitted to the Union. For Idahoans, this year's 95th anniversary will be a time to reflect on the past and hope and work for a continued free and prosperous future.

Idaho's forefathers were hearty men and women; epic size heroes and heroines who firmly believed in independence and self-reliance. Idaho has always been a haven for free enterprise. No less so in the early 19th century, when fur-trapping adventurers like John McLoughlin and Major Henry braved the raw Idaho wilderness and established some of Idaho's first successful enterprises. Others, like the Spalding missionaries, took native Indians into their own homes and taught them agricultural skills, religion, and how to read and write. Still others came to Idaho looking for a place free from persecution, as did some of the members of the Latter Day Saints, who established the first permanent settlement and schoolhouse in Idaho.

Today, Idaho continues to produce pioneering men and women. We can boast of many outstanding enterpreneurs, statesmen, and scholars. In sports, Idaho is well represented by Superbowl star Jerry Kramer, Olympic skiers Cindy Nelson and Bill Johnson, and baseball Hall-of-Famer Harmon Killebrew, as well as many other famous athletes. And who can forget that rugged American individualist Ernest Hemingway.

The spirit of the pioneer legacy lives on and has been preserved and strengthened by successive generations of Idahoans. We are a people who believe in freedom, family, self-reliance, responsibility, and all the traditional values that have served Americans well.

Idaho's environment is our greatest prize. We have over 50 mountain peaks above 10,000 feet. Mount Borah, named for our revered Senator, rises to a majestic 12,662 feet. In these and other mountain ranges, it is not uncommon to see mountain goats precariously picking their way across some of the most breathtaking scenery in the world. Hells Canyon is the deepest land gorge in America—deeper even, than the Grand Canyon. Shoshone Falls, named for the famous warrior Indian tribe, plunges from cliffs from a height greater than Niagara Falls. Forest covers over 40 percent of the State. In southern Idaho, there are some 100 natural springs.

Animal life is rich and varied. Bobcat, coyote, big game like elk and moose, as well as mink, beaver, and a host of other fowl and game can be seen in forests and rangelands.

Of course, Idaho is the ultimate vacationer's paradise. Skiers from around the world come to enjoy our powder-covered slopes every winter. The famous Sun Valley resort has always been a cosmopolitan vacation spot, commonly known as the "Little Alps." Backpackers, hunters, and fishermen also enjoy our lakes, streams, and great outdoors.

Agriculture is Idaho's leading industry. Idaho does over $1½ billion worth of trade every year. Potatoes are our most famous product, of course, and indeed, they are deserving of their reputation. From Paris to Tokyo, potato lovers dine on this hearty food from Idaho. Our other crops are diverse and run the gamut from apples and other fruits, to grains, to meats, to dairy products, to a variety of row crops, mint, and hops. In addition, the State produces over 6 million pounds of wool every year.

Idaho industries have been leaders in their fields. Just before World War II, J.R. Simplot, the famous Idaho industrialist, developed a method for the dehydration of potatoes. This technological innovation revolutionized Idaho's agricultural industry.

In other scientific areas, nuclear engineers built the free world's largest collection of nuclear reactors near Idaho Falls. On December 20, 1951, the world's first nuclear electrical powerplant pumped out 100,000 watts of power. The town of Arco became the world's first to be entirely illuminated with nuclear power. The Idaho National Nuclear Engineering Laboratory was also the building site for the prototype for the first nuclear submarine.

Idaho is a vast land with abundant resources, but by far its greatest resource is its people. Idahoans have long recognized this fact. The means of developing this resource for the future welfare of all is well in evidence. The State boasts of numerous public libraries, institutions of higher learning, and junior and private colleges.

Idaho stands second to none in its observance of democratic ideals. For instance, in 1896, Idaho gave women the right to vote—24 years before the 19th amendment was passed.

Surely, Idaho is and always has been a land of opportunity where hard-working honest men and women could "raise themselves up by their bootstraps."

We who are fortunate to be Idahoans look forward to another 95 productive years as the 43d State.●

POLISH-AMERICAN HERITAGE MONTH

● Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague from Illinois as a cosponsor of Senate Joint Resolution 146, a resolution to designate August 1985 as Polish-American Heritage Month. It is with great pleasure that I take this occasion to honor a great country and its people and all that they have given the United States and the world.

Both world and American history is abundant with Polish descendants and their contributions. One such legendary Pole was Gen. Casimir Pulaski. This Polish-American was introduced to George Washington by Benjamin Franklin in 1777. He went on to fight valiantly in the American Revolution and served our patriotic forces with distinction in the Battle of Brandywine. In Poland, he was active in the struggle against foreign domination. General Pulaski is still remembered in New York where, since 1937, it has been tradition for over 100,000 Polish-Americans to parade through New York City once a year in honor of this man.

Casimir Pulaski was not the only Polish-American to have been a major contributor in the Revolutionary War. Thaddeus Kosciuszko loved Poland so much that he never stopped calling it home, but he also loved America enough to help defeat the British at Saratoga in 1777. Kosciuszko was given 500 acres of land for his service in the revolution. In his will he directed that the land be sold and the proceeds be used to educate slaves. Both of these gentlemen demonstrate the true character of the Polish people. Poland is rich in a heritage of forthright, freedom-loving people who have shown over and over again their commitment to freedom and human dignity.

Mr. President, let us take a look at the contributions of other Poles around the world. In 1543, Nicolaus Copernicus, a Polish astronomer, came out with his masterpiece "Concerning the Revolutions of the Celestial Spheres." Through the work of Copernicus, it was finally necessary for the world to accept the movement of the planets, including Earth, not around the Earth, but around the Sun. As a result, Nicolaus Copernicus is now the father of modern astronomy.

Now, almost 450 years later, Poles are still providing leadership for the world. In Rome, Pope John Paul II has become the first Polish Pope, an inspirational leader for both the Roman Catholic Church and struggling peoples everywhere. At the same time, in Poland itself, Lech Walesa has moved the Polish people further along in their battle against the oppressive hand of the Soviet Union in their homeland. He has done this with con-

stant concern for the safety of his people in mind so much so that he was awarded the Nobel Peace Prize in 1983.

In the United States, we also are inspired by the leadership provided by such Polish-Americans as Edmund Muskie, our first Polish-American Senator, and Zbigniew Brzezinski, former National Security Adviser. These individuals have contributed much to their country, their heritage, and mankind as a whole. I am pleased to honor such a determined, freedom-loving people.●

HUMAN RIGHTS IN EAST TIMOR

● Mr. DURENBERGER. Mr. President, I wish today to bring a new report by Amnesty International on human rights abuses in East Timor to the attention of the Senate.

Following the collapse of the Caetano regime in April 1974 and the subsequent liquidation of the Portuguese empire in Africa and Asia, Indonesia took advantage of the chaos associated with decolonization to assert its claims on East Timor, an island at the eastern end of the Lesser Sunda island chain in the Indonesian archipelago. East Timor's remoteness should not obscure the fact that serious violations of human rights have occurred in the 10 years since the Indonesians invaded. This new report from Amnesty International provides a grim history of the abuses of fundamental human rights that have occurred on East Timor:

First, hundreds of non-combatant civilians have been arbitrarily killed; second, people who surrendered to Indonesian forces, or were captured, have been extrajudicially executed; third, prisoners have 'disappeared' after arrest and after being taken from detention centers and prisons; fourth, prisoners in the custody of Indonesian troops have been tortured—electric shocks, beatings, and near-drownings have all been reported; and fifth, arbitrary arrests and detention without trial have been carried out on a massive scale.

In August 1975, Portuguese authorities evacuated the island without transferring authority to any responsible party. As a result, a brief civil war broke out between the two leading political parties in East Timor. Fretilin, a party favoring immediate independence, prevailed in the civil war and declared independence on November 28, 1975. There is considerable evidence that, in the months prior to the full-scale invasion of East Timor, Indonesian troops made repeated incursions on the island. In response to Fretilin's declaration of independence, Indonesia invaded East Timor on December 7, 1975. Some 11 days later, the Indonesians announced the formation of a provisional government. On May 31, 1976, the People's Representative Assembly established by the Indonesians approved a petition calling for the integration of East Timor with Indonesia. President Suharto of Indonesia signed the "Bill of Integration" on July 17 of that year.

A majority in the United States has, on numerous occasions since 1975, deplored the Indonesian invasion and called on all States to respect the right of the East Timorese people to self-determination. The United States has opposed these UN resolutions criticizing Indonesia's role in East Timor. In several letters to me, the State Department indicated that our Government accepts East Timor's incorporation into Indonesia without asserting that a valid act of self-determination has taken place there. While I fully recognize the value of the friendly relationship between Indonesia and the United States, I am disappointed that our Government has not taken a stronger stand on behalf of self-determination and human rights in East Timor.

As a result, I helped author two congressional letters on the issue of East Timor to Secretary of State Shultz in 1982 and 1984 which received substantial bipartisan support. The 1982 effort attracted 16 cosponsors, while the 1984 letter had 22 cosigners. The 1984 letter noted the poor human rights situation as well as a serious hunger problem within East Timor. As in 1982, this bipartisan group sought the Reagan administration's support for Indonesian compliance with the following requests:

As before, there are no independent sources of information to confirm or correct these stories (relating to human rights violations and malnutrition), because access has been denied to the press and severely restricted for others. Under the circumstances, we feel the same confusion and concern which prompted us to write in late 1982.

We strongly believe that our own impressions can only be clarified, and the actual situation only improved, by a resumption of full-time, on-the-ground access to all of East Timor by the International Committee of the Red Cross, UNICEF, the Catholic Relief Services, and other comparable international relief agencies. Such a presence could go a long way to curbing abuses and aiding in food distribution. We therefore ask that you impress upon the Indonesian government the urgency of permitting such full-time and unrestricted access as soon as possible.

Mr. President, I again want to take this opportunity to urge the Reagan administration's support for these humanitarian and informational efforts in East Timor. I would further urge that my colleagues in the Congress take a few moments to read Amnesty International's report on human rights conditions in East Timor. The intense suffering of the Timorese people over the past 10 years demands that we keep a numbing statistic in mind when we think of East Timor. In 1974, Portuguese officials estimated East Timor's population to be approximately 650,000 persons. A recent State Department briefing paper supports the contention that at least 10 percent of East Timor's population has perished during 10 years of war:

In 1983, a well-informed Indonesian Government official told foreign diplomats that the number dead on both sides since 1975 may total 60–75000, the great bulk of the victims having died in the first years of fighting from inadequate medical care and food rather than directly from battle. While we cannot confirm that estimate, it is consistent with our overall information about what has occurred in East Timor.

Mr. President, I ask that a summary chapter from "East Timor: Violations of Human Rights" be printed in the RECORD.

The material follows:

REPRESSION IN EAST TIMOR, 1975–84

Since the invasion of December 1975 Indonesian troops have systematically and persistently violated human rights in East Timor. Amnesty International has received reports from a variety of sources of the "disappearance" and arbitrary killing of non-combatants; of the torture and ill-treatment of people taken into the custody of Indonesian forces, including their detention in cruel and inhuman conditions; and of the imprisonment without charge or trial of people most often held on suspicion of opposing the Indonesian occupation. Since December 1983, when a number of East Timorese charged with political offences began to be brought to trial, Amnesty International has been concerned about the lack of fairness of these trials.

The reports received by the organization have included accounts of hundreds of killings of non-combatant civilians during and shortly after the invasion itself; the systematic execution of hundreds of people who had surrendered to or been captured by Indonesian forces in 1978 and 1979; the "disappearance" or killing of more than 80 men and women in 1980; the reprisal killing of some 200 villagers in 1983; and the killing of about 100 men in one incident in 1984.

Prisoners are reported to have "disappeared" after arrest on suspicion of links with Fretilin forces; after interrogation in centres in Dili; after being taken out of temporary detention centres or official prisons. The fate of many of these "disappeared" remains unknown.

Prisoners are reported to have been tortured in "resettlement villages" all over the territory and in interrogation centres in the capital. Tortures reported have included the use of electric shocks, beatings and the near-drowning of prisoners. A number of the alleged victims are feared to have died as a result of their ill-treatment.

Arbitrary arrests and detentions are reported to have been carried out on a scale massive by any standard but particularly in relation to the territory's relatively small population: in one operation in 1981 up to 3,000 people are said to have been rounded up and deported to the island of Atauro, to live in conditions of squalor, disease and malnutrition.

The reported victims of all these abuses have come from virtually the whole spectrum of East Timorese society, although most have been villagers living in small highland settlements.

ACCESS TO INFORMATION

Amnesty International's information on East Timor cannot be regarded as complete

and it is not possible to assess the full scale of violations. The strict controls imposed by the Indonesian forces have limited access to the territory and the flow of information out of it. The violations described in this report have occurred in a situation in which the fundamental freedoms of expression, assembly, association and movement have not existed and in the absence of the constraints of legality. People have been detained and ill-treated for asserting their right to these freedoms. Movement and communication within and beyond East Timor have been tightly controlled. East Timorese permitted to leave the territory to be reunited with their families abroad have been routinely warned by Indonesian intelligence officers before leaving not to reveal information which might discredit the Indonesian occupation and have been threatened with reprisals against themselves and their relatives still in East Timor if they do so. Amnesty International has not been able to visit East Timor. In March 1984 it wrote to the Indonesian Minister of Justice asking to attend trials of political detainees then in progress in Dili. This request was refused on the grounds that the trials were a matter of domestic jurisdiction and were being conducted in accordance with international norms.

Despite these circumstances, Amnesty International has accumulated a large body of information on its concerns in East Timor. Some of this information has been documentary, comprising published reports, accounts written and passed on to Amnesty International in confidence and other confidential material, including copies of interrogation reports by the Indonesian authorities. Among these documents are official interrogation reports on prisoners taken into the custody of Indonesian forces.

MILITARY MANUALS

In July 1983 Amnesty International received a set of military manuals issued to Indonesian troops serving in East Timor. These manuals, among other things, contain guidelines which appear to permit the use of torture and the issuing of threats on the lives of prisoners being interrogated. Although Indonesian officials have repeatedly tried to cast doubt on the authenticity of these documents, neither they nor anyone else has produced any evidence that might indicate that they are false. Indonesian officials have correctly stated that the Ministry of Defense and Security (HANKAM) never published the manuals, but Amnesty International is not aware of any claims that the Ministry did so. The manuals appear to have been written by officers of the Command for East Timor for local use and to have no application beyond East Timor.

Experts on Indonesia asked by Amnesty International to examine the documents were satisfied that they were genuine on the basis of the military terminology used, the nature of the charts and diagrams included, the format and style, the official stamps and their detailed comprehension of military organizational structure and tactics.

Indonesian officials have argued against the authenticity of the manuals largely on the grounds that it would, in the words of the country's Foreign Minister, Dr. Mochtar Kusumaatmadja, be "fantastic" that a manual prescribing the use of torture should have been issued. But the documents do not deal exclusively with torture. They are not "torture manuals" and Amnesty International has never referred to them as such.

There are nine manuals in all covering a wide range of strategic problems, such as how to break up Fretiling support networks, the system of security in towns and resettlement villages, how to provide comprehensive guidance for villages, and procedures for interrogating captives. The reference to—and clear acceptance of the use of—torture is contained in a subsection of the manual on interrogation methods. Guidelines in the manuals on breaking up the Fretilin support networks and on the system of security in towns and "resettlement villages" appear to permit interrogators to threaten the lives of prisoners.

First-hand evidence from other sources that military personnel have persistently resorted to torture and that people taken into custody by Indonesian troops have been arbitrarily executed tends to confirm Amnesty International's belief that the manuals are authentic. In any event, these manuals are only one part of the extensive evidence available on torture and other human rights violations in East Timor.

Other information has come from people interviewed by Amnesty International—they were generally unwilling to be identified by name. They included people who, because of work, position or family relationship, claimed to have knowledge of particular violations, Amnesty International also interviewed people who said they themselves had been the victims of human rights violations; they included former prisoners, people who said they had been tortured and others who gave accounts of how they had survived mass executions. Some of these informants have been affiliated with one or another East Timorese political grouping. However, Amnesty International has not relied exclusively on sources identified with any one political party or social or religious grouping in East Timor.

ALLEGED ABUSES BY FRETILIN

On several occasions Amnesty International has received reports of human rights abuses through Fretilin channels. In some instances, it has been able to check such reports through other sources.

Amnesty International has been accused of showing partiality by ignoring reports of human rights violations allegedly perpetrated by supporters of Fretilin. The organization is aware of a number of such reports, including some which appear to be well-founded. They include:

Reports of the killing and serious ill-treatment of prisoners held by Fretilin in Dili and Aileu in the period from August 1975 to January 1976.

A statement issued by Fretilin itself reporting the execution in December 1983 of a number of East Timorese alleged to have collaborated with Indonesian forces.

Complaints about "Fretilin brutalities" made by Msgr Carlos Filipe Ximenes Belo, the Roman Catholic Apostolic Administrator for the Diocese of East Timor, in press interviews given between July and September 1984.

Amnesty International takes no position on armed conflicts. In the particular case of East Timor, the organization does not take a position on the status of that territory. Amnesty International's sole concern relates strictly to the protection of human rights falling within its mandate. The organization believes that the torture and killing of detainees by anyone, including all parties to any armed conflict, can never be accepted.

INDONESIA'S GUARANTEES

Torture and arbitrary killing of people in custody by Indonesian troops are clearly at variance with publicly-stated Indonesian policy. In August 1977 President Suharto personally announced an amnesty for East Timorese surrendering to Indonesian forces which unconditionally guaranteed their safety. The initial amnesty offer was subsequently renewed and was still in force at the end of 1984. In addition people interviewed by Amnesty International have reported that Indonesian forces constantly dropped leaflets in areas where there was believed to be a Fretilin presence assuring people who surrendered that they would be safe. They have reported also that individual East Timorese were given guarantees for their safety when they surrendered and that people who had surrendered or been captured were induced to make radio broadcasts and other forms of propaganda attesting that they had not been harmed. In his September 1984 statement to the Special Committee on Decolonization, Indonesia's representative stated:

"The use of torture and other forms of ill-treatment in interrogating suspects is contrary to the State philosophy, *Pancasila*, to the basic values of the Indonesian people and to the laws and regulations, particularly Law No. 14 (1970) on the Basic Provisions concerning Judicial Power and Law No. 8 (1980) on Criminal Law of Procedure. The use of torture and other forms of ill-treatment in the interrogation of suspects is subject to disciplinary action and prosecution. The Indonesian Government has also intensified efforts to prevent such torture and ill-treatment from occurring."

AMNESTY INTERNATIONAL AND THE INDONESIAN GOVERNMENT

Amnesty International has repeatedly presented its concerns directly to the Indonesian Government in meetings with its representatives and in appeals and letters to President Suharto and to government officials. It has also made its concerns known through the United Nations Commission on Human Rights, the United Nations Special Committee on Decolonization and the Fourth Committee of the General Assembly.

Indonesian officials have responded publicly by questioning Amnesty International's methods and motives and denying the validity of its findings. They have accused the organization of relying on unnamed sources and documentary material of dubious authenticity such as the military manuals; and of making no effort to verify reports and of not attempting to consult the Indonesian authorities about its concerns. They have also stated that there is no basis to the reports of serious human rights violations, and have maintained that human rights are respected in East Timor. To support these arguments they have stated that international humanitarian bodies are granted regular access to the territory. They have also announced the releases of detainees held on Atauro Island, the most widely publicized of East Timor's places of detention, and on several occasions have set a date by which the island will have ceased to be used to detain prisoners. They have presented the fact that since December 1983 people charged with political offences have begun to be brought to trial as further evidence of the respect that Indonesian forces have shown for human rights in East Timor.

The question of access is important, particularly in view of the frequent resolutions

passed by bodies of the United Nations which have requested unrestricted access to East Timor by humanitarian organizations. Amnesty International has noted with regret that visits by humanitarian organizations, particularly the International Committee of the Red Cross (ICRC), have been irregular and have not involved full access to all parts of the territory.

ICRC VISITS

ICRC teams operated in East Timor from 30 August 1975 until the eve of the Indonesian invasion, 6 December 1975. After the exposure to visiting diplomats and journalists of famine conditions in the "resettlement villages" in September 1978, an agreement in principle was reached between the ICRC and the Indonesian authorities for a preliminary ICRC visit in 1979. This visit took place in April 1979 and was followed in July 1979 by a survey resulting in agreement on a program covering eight villages with about 60,000 inhabitants.

The relief operation began in October 1979, more than a year after famine conditions in East Timor had been first exposed, and continued until April 1981, reaching some 80,000 people in 15 villages. After April 1981 a limited food relief program run by the Indonesian Red Cross continued without the continuous presence of ICRC personnel.

After the military "Operation Security", which lasted from April to September 1981, the ICRC and the Indonesian authorities agreed on a program of prison visits by an ICRC delegation. These began in February 1982 with visits to Atauro island and the Comarca prison in Dili. In October and November 1982 the ICRC visited the Comarca, Atauro island and KODIM, the district command military barracks in Lospalos.

Despite initial Indonesian agreement in January 1983 to an ICRC proposal to visit all detention centres in East Timor from June 1983 and subsequent requests for permission to proceed with this, the ICRC was able to undertake protection activities only on Atauro during 1983. Its food relief program was suspended in July 1983 because of restrictions imposed by the Indonesian authorities on the movement of delegates.

In December 1983 an agreement was reached on a phased program of prison visits from March to October 1984: ICRC delegates visited East Timorese detainees held on Atauro and in prisons in Dili, Jakarta, Kupang (West Timor), Lospalos and Viqueque. (All the preceding information on ICRC activities relating to East Timor is taken from the ICRC's public Annual Reports.)

In other words:

The ICRC was not permitted to undertake activities of any description in East Timor from December 1975 to October 1979.

The first prison visits did not take place until February 1982, more than six years after the invasion.

Prison visits since then have been irregular and by the end of 1984 they had still covered only a limited number of prisons.

OTHER VISITS

Irregular visits by humanitarian organizations which are denied total access cannot in themselves provide reassurance that violations of human rights are not occurring or have abated. The objective of these organizations is primarily the provision of humanitarian assistance, which in the circumstances of East Timor has been incompatible with their engaging in public reporting of the situation, even where their mandate would allow them to do so.

Amnesty International has received extensive information on the difficulties facing visitors who wish to assess the situation in East Timor. These difficulties have included: limitations of their freedom of movement (usually explained by the Indonesian authorities as being due to the security situation or the unavailability of transportation); constant surveillance; and reliance on interpreters selected by the Indonesian authorities.

Journalists applying to visit East Timor or once there seeking to travel have often been refused permission on the grounds that helicopters were not available. For instance, in November 1982 the *New York Times* daily newspaper reported; "One reporter's requests were turned down on the grounds that there were too few helicopters to transport a visitor . . . and that the province's newly appointed Governor, Mario Carrascalao, needed "time to breathe'."

Amnesty International has interviewed people who acted as interpreters during such visits. These people said they were instructed by the Indonesian authorities not to pass on complaints or information that would discredit the authorities. Amnesty International has a copy of a tape recorded by an Australian Broadcasting Corporation correspondent during an unscheduled meeting between a group of Fretilin fighters and members of the Australian parliamentary delegation which visited East Timor in July 1983. The tape clearly showed that the Indonesian-appointed interpreter misinterpreted crucial points of the meeting.

At the same time, East Timorese have testified to the elaborate preparations made for such visits such as the mobilization of people to greet the visitors and to demonstrate during their visits in favour of integration with Indonesia; the removal of military equipment from public places; and steps taken to ensure that people who might communicate information that could discredit the Indonesian occupation did not do so, including their detention for the period of the visit.

Amnesty International therefore considers it of utmost importance that the Government of Indonesia grant to outside and independent observers every possible cooperation in assessing the human rights situation in East Timor. This is particularly important in the light of reports from December 1975 onwards of human rights violations and the denial by the Indonesian Government that such violations have been occurring.

It was partly with these considerations in mind that Amnesty International made its request in March 1984 to be allowed to send a delegation to observe the trials then taking place. Permission was refused. No international observers attended the trials: The organization considers that trials of this kind must be open to international observers so that their conformity with international legal standards for fair trials can be ascertained.

RECOMMENDATIONS

Amnesty International has on several occasions since the 1975 invasion presented its concerns in East Timor directly to the Indonesian Government. It has also made a series of recommendations to the Indonesian Government.

In December 1977 it appealed to the government to permit international observers increased access to East Timor.

In April 1980 it expressed concern about reports that people who had surrendered to or been captured by Indonesian forces had subsequently "disappeared" and might have been executed. It urged President Suharto to undertake full inquiries into these reports and into conditions of detainees. It requested that Indonesian forces be instructed to ensure the safety of former Fretilin supporters in accordance with the terms of the amnesty initially offered by the President in August 1977 and subsequently renewed.

In July 1983, on receipt of the military manuals, it expressed concern to President Suharto that these documents appeared to indicate that torture and threats to the lives of prisoners were official Indonesian policy, in violation of the guarantees previously offered under the amnesty. Amnesty International urged President Suharto to issue immediate instructions to all forces under his command prohibiting the torture of prisoners under all circumstances.

In August 1984, after its request to observe trials in East Timor had been refused, Amnesty International informed the Indonesian Government of its reasons for believing that the trials might not conform to international standards. It requested further specific information on the conduct of the trials and on the fate or whereabouts of a number of people who were reported to have "disappeared".

The organization believes that the urgency of its recommendations has not diminished. It considers it imperative for the protection of human rights in East Timor that full investigations be started immediately into all reported cases of "disappearance", torture and extrajudicial execution; that instructions be issued to Indonesian troops to ensure the safety of people taken into custody; and that judicial action be taken against people found to have engaged in torture, extrajudicial execution and arbitrary detention. Amnesty International has not received any information to suggest these recommendations have been followed.

In this report, Amnesty International presents its findings on human rights in East Timor between December 1975 and the end of 1984. It believes that the evidence shows a persistent pattern of human rights violations in the territory extending over a period of nine years. Although Amnesty International believes that the violations have continued over the whole nine-year period, including during those periods described by the Indonesian authorities as periods of "normality", the most widespread of violations have occurred in recurrent waves and have generally been associated with times of increased military activity.

WAVES OF REPRESSION

The most serious of these waves of repression occurred in 1978 and 1979. Several hundred people at least are believed to have been executed or to have "disappeared" after the completion of the major Indonesian offensive begun in November 1978, which drove thousands of East Timorese out of the bush and down from the mountains. Since 1979 Indonesian Government spokespersons have repeatedly represented the situation in East Timor as having returned to a state of normality with opposition to Indonesian rule allegedly confined to small bands of Fretilin "remnants". The main focus of Indonesian activity is claimed as having been the economic development of the territory.

The available evidence indicates in fact that human rights in East Timor continued to be persistently violated after 1979. At times of heightened military activity, this repression is reported to have been particu-

larly intense and to have involved the arrest, execution and "disappearance" of large numbers of people. Such repressive waves occurred: (1) after a Fretilin attack on Dili in June 1980; (2) during the period from April to September 1981 when Indonesian forces launched Operation Security; and (3) after the Indonesian offensive initiated in August 1983 with the stated aim of eliminating Fretilin.

However, even during periods of supposed normality Amnesty International has received information of continuing violations of human rights.

During his address to the Fourth Committee of the United Nations General Assembly in November 1982, the Indonesian representative stated:

"We are made to believe that there are over 1,000 armed Fretilin guerrillas in East Timor, that they are organized in underground groups in every city and resettlement camp and that they carry out large-scale attacks. The fact is that there is no more Fretilin in East Timor."

The assessment of the situation given in the Indonesian military manuals which were issued at about the same time tends to confirm the picture that the Indonesian representative wished to deny. These manuals refer to the existence of networks of Fretilin support as a "concrete fact that must be faced"; to Fretilin as having adopted an offensive strategy; and to it drawing support from influential members of the community, including people who had been placed by the Indonesian authorities in positions of trust.

Of specific concern to Amnesty International, information received indicates that at this time of supposed normality, arrests and extrajudicial executions were still being carried out.

In August 1982 in the district of Ainaro, more than 600 people were reported to have been arrested and deported to the island of Atauro. Several people were reported to have been executed in the district during the same period.

The information available indicates that the fundamental rights to freedom of expression, association, assembly and movement have been systematically denied in East Timor since the invasion of December 1975. These rights have been denied in many ways including: by prohibiting groups of more than four people to gather in public places; by requiring people wishing to travel beyond their immediate neighborhood to obtain permits (surat jalan); by the periodic imposition of curfews; by regular house-to-house searches; by checking mail sent to and from East Timor. Moreover, Indonesian troops have generally acted outside the framework of the law, conducting themselves in an arbitrary fashion not simply towards people suspected of opposition to their presence but towards the general population.[1] Amnesty International believes that the evidence of this report indicates, that in the absence of clear efforts by the Indonesian Government to bring its forces within the framework of law, gross and persistent human rights violations have occurred in East Timor since 1975.●

[1] In the course of its investigations into human rights violation which fall within its mandate, Amnesty International has received wider allegations of serious misconduct by Indonesian troops. Thus, for example, it has received reports of random acts of public brutality, of the conscription of the population to perform forced labour and to participate in military operations, of sexual molestation and rape and of the abduction of orphaned children children from East Timor, all attributed to members of the Indonesian armed forces.

INCREASED PROTECTIONS FOR YELLOWSTONE

● Mr. BAUCUS. Mr. President, William Penn Mott's recent visit to Yellowstone National Park made news all over the United States.

The reason: Mr. Mott, as President Reagan's new Chief of the National Park Service, endorsed increased protections for the entire Yellowstone ecosystem.

What makes Mr. Mott's statement important is that it comes from an administration that has shown little interest in expanding our National Park System.

I applaud Mr. Mott's endorsement. Those of us who live near Yellowstone National Park deeply appreciate the special qualities this area possesses.

The Greater Yellowstone ecosystem is generally includes Yellowstone and Grand Teton National Parks and the surrounding national forest and national wildlife refuge lands.

This area is one of only three ecosystems in the world that are intact. It is believed to be the only one left intact in a temperate climate.

But mineral exploration and population growth in the surrounding areas threaten to cause permanent damage to this area.

Mr. Mott's endorsement of additional protection for this area will help guarantee its future protection.

But more will have to be done to ensure that future generations have the same opportunity to enjoy this area that we have had.

The first step in this effort is to educate Members of Congress and officials in the executive branch about the importance of this area.

An article in the June 23, 1985, Washington Post is a good start in this effort. I ask that it be printed in the RECORD.

The article follows:

[From the Washington Post, June 23, 1985]

YELLOWSTONE HAS TO BE BIGGER: AMERICA'S ONLY WHOLE ECOSYSTEM CAN'T SURVIVE WITHOUT GROWING

(By T.R. Reid)

The history books tell us that the main legacy of Ulysses S. Grant's presidency was a sorry record of scandal and corruption. But the Grant administration also produced one of the most successful and influential governmental innovations in recent world history.

On March 1, 1872, Grant signed a law that may well have been the most original and influential in U.S. history—a piece of legislation that historian Wallace Stegner called "the best idea we ever had."

This short page of legalese set aside "the tract of land . . . near the headwaters of the Yellowstone River" as a wholly new kind of official entity never before seen anywhere: the national park.

In an unprecedented feat of legislative grandeur, the Yellowstone Park Act designated a 2.2 million-acre rectangle—an area larger than some whole states—to be "a public park or pleasuring ground for the benefit and enjoyment of the people."

This bold new American concept spread rapidly across the globe, spawning 47 more national parks in the U.S. and some 2,600 others in 137 countries around the world.

But now a significant body of thought holds that Congress and Grant made a major—and possibly fatal—mistake when they set apart Yellowstone as the world's first national park.

These revisionists—ranging from liberal environmentalists to Ronald Reagan's chief guru on park issues—say that Congress' ambitious action was not nearly ambitious enough.

"Congress saved about 2 million acres, but the whole ecosystem, the biological and geological unit, extends more than 6 million acres," says Bob Anderson, director of the Greater Yellowstone Coalition, a union of 40 environmental groups.

"The problem is, since we didn't protect the whole ecosystem, we probably can't protect the wildlife and the geysers in the part of it that has been designated the national park."

Environmental groups have been working—with singular lack of success—for several years to win legal protection of the entire "Greater Yellowstone Ecosystem."

But this year the movement is getting a major boost.

In a monograph to be published later this year, Yellowstone Park Superintendent Robert D. Barbee argues that "Most of the . . . resource problems that Yellowstone National Park faces today trace back to its creation over 100 years ago."

Because of "the earlier Congressional oversight," Barbee writes, the Yellowstone area "has become an ecological island" with boundaries that "do not encompass a complete ecological unit, nor do they adequately protect the area's unique geothermal areas."

As head of the nation's flagship park, Barbee represents a key convert to the "greater ecosystem" idea. This month, though, the cause won an even more significant recruit in the person of William Penn Mott, Jr., the energetic park expert who ran the California state park system under Gov. Ronald Reagan and was just named by Reagan as the new chief of the National Park Service.

On a visit to Yellowstone, Mott endorsed the "greater ecosystem" idea and said he would work hard "to create a legal buffer zone around the park that represents the entire ecosystem."

An ecosystem, according to Webster's, is "a community of animals, plants and bacteria and its interrelated physical and chemical environment."

Because of encroachments of industrial man, many naturalists say there are only three complete ecosystems on earth that are still largely intact: the Arctic, the Antarctic and Greater Yellowstone.

One reason the Yellowstone region is still somewhat preserved is that the 6-million acre swath contains numerous federal reservations, including six national forests, several wilderness and wildlife refuges, and two national parks (Yellowstone and Grand Teton).

But there are significant dangers as well, because the Yellowstone region is greater than the sum of its parks.

This magnificent hunk of God's handiwork has always been home to a rich population of fish, fowl and land animals. Today, though, the ecosystem also contains an assortment of human creations ranging from Burger Kings and Best Westerns to jails, junk yards, oil wells, ski resorts, highways and hydroelectric dams.

The basic thesis of the "greater ecosystem" movement is that the environmental fallout from these human activities does not honor the neat bureaucratic boundary lines that Congress drew when it created the parks and preserves in the region.

Barbee, the Yellowstone Park superintendent, cites as an example the park's intensive effort to save the dwindling population of grizzly bears, the largest and best-known carnivore on the North American continent.

"In the park, we do everything we can to keep the grizzlies free of human contact so they can survive in their [natural] habitat," he says. "And then we find out that there's a bunch of them who go over to West Yellowstone [the Montana town five miles outside the park border] and have dinner in the garbage dump.

"When that happens, you've got a family of bears that may never go back to natural forage. Who knows if those bears can survive?"

Further, human development could endanger the unique geological features, such as the Old Faithful geyser basin, that prompted 19th-century visionaries to propose the idea of a national park here in the first place.

In the towns to the west of Yellowstone, energy companies have proposed deep earth drilling to generate power from geothermal forces—the intense heat that is fairly near the earth's surface in this geologically young region.

"There is mounting evidence that the aquifer feeding Yellowstone's geothermal features has its origins outside the park," Barbee writes in his new monograph.

"This, combined with the potential exploitation of the known geothermal resource areas adjacent to Yellowstone, shows why the recognition of this ecosystem is so important."

To date, the major achievement of the "greater ecosystem" movement has been to identify the general problem and point out some of the external threats to this world-famous natural preserve.

The Greater Yellowstone Coalition has put together a depressingly thick catalogue titled "Threats to Greater Yellowstone" which includes a "threat inventory" of nearly 100 human encroachments on the natural ecosystem.

But it is one thing to identify "threats" and something else altogether to do something about them.

The response in Congress to demands for legal protection of the entire ecosystem has been an indifferent shrug.

Rep. Dick Cheney (R-Wyo.), the influential Republican whose district includes most of the ecosystem, told a gathering of environmentalists on June 8 that the buffer zone plan "is not going to be an easy one to sell."

Ironically, the present patchwork of development was exactly what the first explorers of Yellowstone hoped to avoid when they came up with the startling suggestion that a "national park" be created to preserve this natural gem.

At a time when the government was eagerly selling or giving away its western land—and when powerful railroad interests were eagerly gobbling up any land of value—the legislation setting aside Yellowstone as a public preserve was considered a daring political act.

The question now arises whether Congress can be as daring once again to save this marvelous park.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. DURENBERGER. Mr. President, I am pleased once again to join in the congressional call to conscience on behalf of the numerous victims of political and religious oppression in the Soviet Union.

As many of my colleagues have previously noted, the plight of Jews in the Soviet Union is particularly galling. The Andropov and Chernenko years in the Soviet Union were characterized by a significant increase in state-encouraged, anti-Semitic activities. Some in the West recently expressed optimism that the rise of Mikhail Gorbachev would result in an increase in Jewish immigration from the Soviet Union and a decrease in anti-Semitic incidents. Unfortunately, such optimism was unfounded. The Jewish emigration statistics for the past several months do not offer a great deal of hope to those of us who support the right to emigrate freely. In April, 166 Soviet citizens of Jewish extraction were allowed to leave their country. In May, only 51 were allowed to leave the Soviet Union. As of June 20, only 14 have been permitted to emigrate during the current month. While this trend is discouraging, we should not forget those whose rights are being denied. Our diplomats should remind the officials of the Soviet Union, at every opportunity, of this Nation's commitment to human rights in the Soviet Union and of our concern about the violations occurring every day throughout the Soviet Union.

The treatment of Lazar Rulyov-Kagan speaks volumes about the Soviet Union's respect for law and individual rights. He is the son of the noted pianist and composer Simon Kagan, who was also a member of the Union of Soviet Composers. When his parents emigrated to Israel, Lazar remained in the Soviet Union to finish his education as an electronics engineer. His father indicates that Lazar intended to emigrate to Israel with his wife, Svetlana, once he had finished his schooling. He had made his first visa application in 1976.

Following the departure of his parents, Lazar was subjected to harassment by Soviet authorities. In January 1983, he was arrested. All of his property was confiscated immediately after his arrest for alleged black marketeering, although it is clear that his constant efforts to obtain an exit visa to emigrate to Israel had angered Soviet bureaucrats. During the investigation and prior to his trial, he was tortured and put into cells which he shared with common criminals and vicious anti-Semites. His trial took place on October 22 and 23 at which the only witness was a notorious smuggler named Maidankin. Apparently, Soviet authorities promised Maidankin his freedom if he would testify against Mr. Rulyov-Kagan. Mr. Rulyov-Kagan was not permitted any witnesses during the trial and his lawyer, a Mr. Laschenko, was not allowed to speak on his behalf. His defense attorney was subsequently expelled from the Soviet College of Advocates and is now prohibited from practicing law, because "he took the side of the accused who was obviously guilty."

Mr. Rulyov-Kagan was sentenced to 12 years at hard labor at Burepolom camp in Gorkovskaya Oblast near the city of Gorki. His family has received reports that he has been badly abused by camp officials and that his health has suffered greatly. He has been repeatedly beaten and has had a rib broken. He receives a restricted diet every other day and has been confined within a special punishment cell for his intransigence. Most recently, camp officials explained his treatment by stating that, "We have to destroy all Jews." It's my fervent hope that Mr. Rulyov-Kagan be released from prison and that he be granted the right to emigrate as soon as possible.

In a related human rights matter, Soviet authorities are cracking down on various types of independent peace activity, possibly in anticipation of the International Youth Festival which will be held in Moscow from July 27 to August 1. Several reports have been received from the Moscow Trust Group and the Dutch peace organization IKV concerning detentions and arrests of independent peace activists in the Soviet Union. For example, on May 14, 30 activists were detained by KGB agents on their way to a peace seminar sponsored by the Moscow Trust Group. They were released after interrogation. On May 16, approximately 40 people were detained in Moscow to prevent them from participating in a joint demonstration with West European peace activists visiting Moscow.

It is likely that prior to the International Youth Festival, Soviet authorities will make sure that any independent activists are detained in psychiatric hospitals or jails, sent out of Moscow, or intimidated. This occurred during the 1980 Olympics and during the 1982 Scandinavian Women's Peace March. Even so, it will be impossible to arrest the hundreds of Soviet young people interested in independent peace activities and in free contacts with westerners. I would urge all American

peace activists attending the festival to do what they can to offer their solidarity with independent activists in the Soviet Union.

Among the more horrifying incidents associated with this independent peace activity concerns the treatment of Olga Kabanova and Natalya Okulyonok. Olga is 18 years old and was, until recently, a member of the Young Communist League. Natalya is 17 years old. On April 12, Miss Kabanova and Miss Okulyonok were part of a peace group which attempted to deliver a petition to the Soviet Academy of Sciences, asking that the issue of nuclear winter by given more publicity and greater official attention. These two teenagers were arrested on May 15 and interned in a psychiatric hospital near Moscow. It is my understanding that these high school students are being administered heavy doses of depressants, are in poor condition, and are denied visitors. I would hope that Chairman Gorbachev would intercede on behalf of these young women and release them to the custody of their parents.

This blatant misuse of the psychiatric professsion by the Soviet Government against dissidents of all types is both unbelievable and inhumane. I would urge the international psychiatric community to investigate these practices and to publicize widely these abuses. There is no reason for either the American Psychiatric Association or the World Psychiatric Association to be silent. Such abuses of psychiatry by the Soviet Union and its satellites must come to an end.●

TRIBUTE TO JUDITH MADONIA

● Mr. SIMON. Mr. President, Members of Congress may appreciate better than any other elected officials the fact that our democratic institutions and the American way of life could not survive without volunteers. I am referring to those dedicated and selfless citizens who pour their energies into the causes in which they believe while expecting neither monetary reward nor public recognition. I know that our two-party political system could not survive without them. And I am constantly aware of how much my State and my own community are benefiting from their service. Every day I see the fruits of their talent and energy.

The example I have in mind at the moment is Judith Madonia of Springfield, IL, and her accomplishments for the Association of Community College Trustees and the American Association of Community and Junior Colleges. Her success has earned her election to the board of directors of both associations, a rare distinction indeed.

Just 3 years ago the two associations struck a formal agreement to establish the ACCT-AACJC Joint Commission on Federal Relations, in order that the two largest organizations serving community colleges would speak with one voice on legislative issues. From my recent experience as chairman of the Subcommittee on Postsecondary Education in the other body, I can attest that this approach has worked. Clearly, congressional awareness of the community colleges and their tremendous importance both to access in postsecondary learning and to the growth of the Nation's skill base has quickened in the last several years. And the ACCT-AACJC Joint Commission has been largely responsible. Mrs. Madonia chaired this commission in its first year, and she has chaired it again the past year.

Rallying behind the leadership of Mrs. Madonia and the joint commission, the community and technical colleges have been a notable factor in the last two Congresses in many of the important measures benefiting education. These successes include:

The $2,100 maximum grant and the 60 percent cost allowance that Congress is now supporting for Pell Grants. The combination of Pell Grants and community colleges has revolutionized access to postsecondary education and life-long learning for low-income students and working adults.

The $500 increase that Congress approved 2 years ago in the cost allowance for commuting students. Low-income commuting students are a great majority of higher education's enrollment, and this was the first time their cost cap had been increased since the Pell Grant program began 10 years earlier. Cost erosion of the purchasing power of Pell Grants is one of the more serious challenges the Congress faces in reauthorization of the Higher Education Act, and we appreciate what the community colleges have done and are doing to strengthen the Pell Grant Program. The ACCT-AACJC Joint Commission instigated the formation of the National Pell Grant Coalition.

The expanded emphasis on adult training, career opportunities for single parents and other underserved populations, and on the skill needs of the employer community, embodied in the Carl Perkins Vocational Education Act of 1984. Properly funded and administered, the Perkins Act will surely make vocational education more responsive to the job needs of emerging technology and global economic competition.

The endowment grants that have been incorporated in title III of the Higher Education Act.

The support for college and school partnerships with industry to upgrade math, science, and technical education, included in the Education for Economic Security Act of last year.

Hardly last or least, the community colleges have been higher education's most active supporter of the new GI bill that Congress adopted last year.

This list highlights only some of the national initiatives in which community colleges are involved. Yet they graphically reflect Mrs. Madonia's leadership. An art teacher for most of her career, she became city treasurer of Springfield 2 years ago. Over the years, she has also served as chair and vice chair of the Lincoln Land Community College. She is a devoted mother and homemaker. As an artist, she strives for perfection in all that she undertakes, and her successes show that she typically achieves it.

Mr. GRASSLEY. Mr. President, I want to echo my colleague's tribute to Mrs. Madonia. It is hardly surprising that the land of Lincoln produces civic leaders of Mrs. Madonia's caliber. Largely because of the kind of leadership that she typifies, the community colleges have become the largest branch of American higher education and an indispensable delivery system in educating the advanced work force our country must have to remain in the forefront of global economic competition. The community colleges are a uniquely American institution. And, thanks to Mrs. Madonia, the ACCT-AACJC Joint Commission and the commission's able staff, the Congress is increasingly aware of this, as my colleague has observed. I commend my colleague for his tribute to Mrs. Madonia and the community colleges.●

THE HIJACKING OF TWA 847: THE KHOMEINI CONNECTION

● Mr. HELMS. Mr. President, the seizure of the TWA 847 flight from Athens that has shocked the American people is but the most recent terrorist action taken against the United States by the Governments of Iran, Libya, Syria, and their agents.

It is an established fact, beyond contradiction, that the hijackers are Shiite terrorists who actively support the Khomeini and his strategic designs for global international terrorist activity. What the American people have yet to learn of is the deep involvement of the Khomeini regime in setting the hijacking into motion.

Mr. President, the West has yet to face the fact that the Khomeini regime is a revolution within the Islamic world that is just as significant as the Communist revolution in the Western World. It is just as ruthless, just as authoritarian, and intended to be just as permanent as the Marxist-Leninist revolution itself. As such the Khomeini regime does not depend upon Khomeini himself; it depends upon the ideology of Shiite doctrine, and upon the State-structure which Khomeini has established. Khomeini

is an old man; but his revolution is young—and it will grow like a massive cancer unless the West acts affirmatively to eliminate terrorism in its base of operations and theory.

Mr. President, for many months now, I have been deeply concerned about the growing dangers of a conflagration in the Middle East generated not only by Soviet involvement, but also by the radical doctrines of Khomeinism, and other terrorist movements. I have been distressed by the seeming willingness of some elements in the U.S. Government to seek détente and accommodation simultaneously with active elements of both Soviet and Islamic subversion. I think that our entire Middle East policy is on a dangerous course. Our willingness to accommodate, our refusal to face the facts of the growing militancy of Islam, and the growing network of subversion financed from Moscow and Tehran have fueled the Islamic ventures into terrorism, rather than resolving the crisis.

During these months, I have had my staff follow the Middle East situation on a daily basis, studying reports that are available on an unclassified basis, as well as gathering information for me through regional travel and personal contact with individuals directly involved. The facts that they have reported to me directly have been very disconcerting, almost defying belief. I have refrained from speaking out in public on these matters because, frankly, much of the information contradicts widely held beliefs and perceptions on Middle East situation.

Finally, however Mr. President, when the hijacking of TWA 847 occurred, I decided that it was time to bring these matters to public attention for debate and discussion. Our tracking system had already discovered a pattern that indicated that a confrontration was coming. As I will shortly demonstrate, Khomeini's people were already beginning to move early in May. Others may interpret differently the documents I will put in the RECORD, but I submit that the statements of Iranian and other Islamic officials reveal a venom and purpose going beyond mere fanaticism.

What we have is an Iranian-inspired and supported conspiracy for state-sponsored terrorism. There may be other facts which are not available to me. I have consciously made a decision that I would not examine classified data or use the results of classified briefings. Nor would I seek classified material of any kind. Once debate and discussions go behind closed doors, then only the American people do not know what is happening. Therefore, I would emphasize that nothing in this analysis is based on "leaks" of classified information.

Indeed, the situation is quite the reverse. When the hijacking occurred, I directed my staff to provide some of our files to the U.S. intelligence community. I was amazed that some of the material was unknown to the intelligence community and has proved to be valuable for the community's own purposes. For that reason some very sensitive material that we have developed from our own sources will not be released until after the safety of our hostages has been secured.

The statement that follows will be divided into the following parts: First, the Iranian situation in brief; second, the role of Iran, Syria, and Libya in collaborating on state-sponsored terrorism; and third, documenation on Iran's actions.

IRAN'S ROLE IN BRIEF

Mr. President, the central fact that we have to face in the hijacking is that the Khomeini government organized the hijacking of TWA 847. I believe the Khomeini did this for at least three objectives: First, he wanted to strike a blow against the "Great Satan" that is, the United States; second, he wanted to get control of the Shiite community in southern Lebanon, which he terms "the Pathway to Jerusalem"; third, as the self-styled and only Imam of the Muslim world, he wants to use the Lebanese Shiite community to seize Jerusalem and reincorporate the territory of Israel into the Islamic world. He obviously wants to show that it is the Iranian revolution that will liberate the Muslim world.

According to this analysis, Mr. President, it is not strange that Khomeini should be seeking hegemony in southern Lebanon, so far away from Tehran. I conclude that he may be seeking this for strategic reasons: It is the closest territory to Jerusalem, and it has a supply of fighting men. Therefore, he has been very active in trying to heal the divisions between PLO factions and Shiite factions in southern Lebanon. What better way to invade Israel?

It is noteworthy that Khomeini proclaimed June 14—the day that was to be the day of the hijacking—as the "Day of Jerusalem," a day to be observed throughout the Shiite world. It is also noteworthy that on June 23, 9 days after the hijacking, Iran and Libya signed a treaty declaring their intention to establish the Army of Jerusalem to liberate Palestine, an event that caused Iraq to break diplomatic relations with Libya.

Accordingly, I have been informed that he has been sending delegations of Shiite clergy to Lebanon and Damascus, and that they have carried with them millions of dollars for the revolution. Moreover, I am informed that in early and late May there were significant meetings both in the Iranian Embassy in Damascus and in certain places in the Bekaa Valley. Through these meetings, there is evidence that at least one of the key hijackers was recruited, taken to Iran for training on actual Boeing aircraft belonging to Iran Air, and returned to Lebanon.

Specifically these facts appear indisputable: In early May, the Iranian Parliament—the Majlis—appropriated funds equivalent to 100 million Lebanese pounds, about $65 million, for the so-called Martyrs Foundation. The head of the Martyrs Foundation is an Islamic clergyman with the title of Hojjat ol-Eslam, and his name is Karrubi. On May 3, Karrubi led a delegation of other clerics to Lebanon, where they met with the leading radical Shiites, including the leaders of the Hisbola, or Party of God, transferring at least half of the money to the local radicals, and leaving the other half with the Iranian ambassador in Damascus.

On May 5, according to my information, about 100 families of Lebanese martyrs were taken to Iran by the Martyrs Foundation. Among this group was one Ali Atwa, whose brother had been killed in fighting 2 months before, and who became one of the three original hijackers of TWA 847. In Iran, Atwa underwent a rigorous terrorist training course at a center near Meshed in Khorassan Province. At Meshed were two Iran Air planes, a 727 and a 707, parked on the runway and used to familiarize hijacker-trainees with cabin layout and controls. Later Atwa went to a special training center for suicide squads at Manzariyeh Park, close to Khomeini's residence in Tehran. It is reported he spent 3 days there.

On May 17, I am informed, the President of Iran, Ali Khamene'i, delivered a sermon in which he spelled out that one of the objectives of the Khomeini revolution was to regain Palestine and Jerusalem. There were reports from some sources in the Khomeini regime that on Jerusalem Day—June 14—something would happen that would shake the world.

On May 30, the No. 2 official in Iran, Grand Ayatollah Montazeri, appointed the head of the Martyrs Foundation, Mr. Karrubi, as a special envoy to Lebanon. Karrubi's mission was ostensibly to quell the warring factions in Lebanese Islam, including establishing liaison with Syrian authorities. About the first of June, Tehran radio stepped up the tenor of its threats against the United States. On June 3, Karrubi arrived in Beirut for the unity talks. He returned to Tehran on June 6, spouting further threats against the United States.

On June 8 or 9, an Iranian C-130 Hercules aircraft arrived in Damascus carrying high officials of the Iranian Revolutionary Guards, as well as Ali Atwa. By June 10, it is believed that the Iranian officials were in Baalbek

working on the actual logistics and operations of the hijack operation. Atwa was next seen in public in Athens pounding on the door of TWA 847 trying to get in; he had been bumped from the passenger list for arriving late, although his comrades were on board. Later the Greek Government released him in exchange for Greek passengers on the plane, and he joined the rest of the hijackers in Algiers.

Mr. President, that is the basic sketch of events as reported to me. The details are developed in part 3, along with public documentation of the situation. But first, it is necessary to describe the background of state-supported terrorism throughout the Middle East.

THE ROLE OF IRAN, SYRIA, AND LIBYA

Mr. President, please indulge my reviewing, in some detail, the conclusions I have reached; I will include nothing that is mere speculation. There is substantial evidence to support what I am about to say. Much of it, as I said earlier, has been shared with intelligence agencies.

It is no secret that Iran, Syria, and Libya play the major role in encouraging, supporting, and often directing terrorist attacks in order to further their own political objectives. These countries, as state policy, provide training and material assistance to international terrorist groups. They also utilize their own assets to conduct terrorist operations against those whom they consider opponents or adversary states. By instigating, supporting, and influencing terrorist violence in the Middle East and other parts of the world, these countries have intensified the threat to U.S. interests and citizens even in incidents in which Americans are not the sole targets.

Much state-sponsored terrorism has occurred in Lebanon. There, radical Lebanese Shias using the name of "Islamic Jihad" have operated with Iranian support and encouragement from Syrian controlled territory. They were responsible for the suicide bombing attacks against the United States and French contingents of the multi-national force [MNF] in Beirut which resulted in some 557 deaths. They have been responsible for numerous other terrorist attacks against U.S. citizens in Lebanon.

In Kuwait, members of the Dawa—Islamic Call—network, most of whom have received training and direction from Tehran, successfully carried out six major bombings in December 1983 including a blast that severely damaged the U.S. Embassy. Iran has trained numerous Shia terrorists from most of the Arab nations in the Persian Gulf region.

Mr. President, when Khomeini seized power in Iran in February 1979, Iran became a haven for radical terrorist movements for the first time in her history. These movements shifted location from Cairo, which was their center in the 1960's, to Tehran.

Iran then proclaimed to the Islamic world its revolutionary message. Khomeini's first foreign guest was the PLO chief, Yassir Arafat. Arafat provided thousands of Palestinian terrorists to train the Pasdaran, the Iran Revolutionary Guard. These PLO cadres were followed by terrorists from Thailand to Sudan.

Early in 1979, Muhammad Montazeri, who had close ties to the Syrian and the Libyan regimes, organized the office for the promotion of liberation movements in West Tehran. The office, which was located in one of the Ekbatan buildings adjacent to the International Airport, provided facilities for representatives of international terrorist organizations. Although Montazeri was killed in a bomb blast in 1981, his father Ayatollah Hosseyn Ali Montazeri, Khomeini's heir apparent, assumed this role.

Simultaneously, the Iranian regime established the Department of Liberation Movements, headed by Mrs. Sudabeh Sadifi, in the Foreign Ministry. Leaders of the Moslem Brotherhood of Egypt and Sudan were invited to Iran under these auspices.

It has been established that seizure of the U.S. Embassy in Tehran in November 1979, was organized by Ayatollah Mossavi Khoenia, a leader of the Imam Line students. The Department of Liberation Movements was later reorganized along more secretive lines and its mission continues to be implemented.

In February 1980, the Imam line students sponsored a conference of international terrorists in the Hotel Sina, now Hotel Qhods, in Tehran. The conference was chaired by Khalil Al Vazir, also known as "Abu Jahad," who was deputy commander of the Palestinian terrorist organization Al Fatah. Khalil and Fatah leader Yassir Arafat were longtime close associates. Following this highly visible policy of exploiting the close ties to international terrorist organizations, the Khomeini regime began a more secretive policy away from the limelight.

In September 1981, the Supreme Council of Islamic Revolution was formed in Tehran. The organization consists of some 25 international Middle Eastern terrorist organizations. The Council coordinates the activities of its members and outlines their fundamental strategy and tactics.

Among the key leaders in the Council are the following Hojjat ol-Eslam Muhammad Taghi Modaresi, an Iranian national, is the chairman. He is the leader of the Islamic Action Party which seeks the overthrow of the Governments of Kuwait, Bahrain, and Qatar. Hojjat ol-Eslam Muhammad Bagher Hakin, an Iraqi national, is the deputy chairman. He is the leader of the Al Dawa Party of Iraq.

Hojjat ol-Eslam Muhammad Kaboli, an Afghan national is the coordinator of the pro-Khomeini Islamic forces in Afghanistan.

Hojjat ol-Eslam Hadi Modaresi, an Iranian national, was Khomeini's former representative in Bahrain.

Sadegh Mossavi, an Iranian national, is the son of Khomeini's former representative to Kuwait, Mehdi Mossavi.

Hojjat ol-Eslam Ali Akbar Mohtashemi, an Iranian national, is Khomeini's current representative in Syria.

Jalal Edin Saghir, a Lebanese national, is a prominent Moslem clergyman operating in Lebanon.

Shaykh Abbas Mehri, an Iranian national, is a cousin of Khomeini and his former representative to Kuwait.

Saed Al Hosseini, a Lebanese national, was a former officer in the Moslem militia in Lebanon.

Ahmad Nokhavallah, a Saudi Arabian national, is a prominent Shia leader in the Saudi Shia community.

Mehdi Zarivand is an Iranian Kurdish commander.

The Supreme Council of Islamic Revolution has several committees which are targetted at specific areas of concern. Among these committees are those for: Iraq; the Middle East—Jordan, Syria, and Lebanon; the Persian Gulf—Saudi Arabia, Kuwait, Bahrain, and Qatar; North Africa—Egypt, Sudan, Tunisia, Morrocco; Asia—Philippines, Indonesia, Malaysia, Afghanistan; Western Europe; United States.

The committee for Iraq is chaired by Hojjat ol-Eslam Muhammad Bagher Hakim. Its revolutionary activities within Iraq are focussed through the Al Dawa Party, which has a 20-year history of opposition to the governments in power. A founder of Al Dawa was Ayatollah Bagher Sadr, a close friend of Khomeini. Sadr, his sister, and 400 of his followers were executed by the Saddam Hosseyn government. The Al Dawa Party is headed by Hakim who spends a large part of his time in Manchester, England coordinating international support. He collaborates with Hojjat ol-Eslam Mohammad Mehdi Baharal-Omum who organizes Iraqi Moslem militants abroad.

The Iraq committee's military affairs are supervised by Iraqi Col. Sharif Asgari, while Hosseyn Dehghani is in charge of suicide units. These suicide units collaborate with the Islamic Towhid and the Arms of the Islamic Revolution groups operating the Gulf region. There are over 40,000 Iraqi prisoners of war in Iran and the Khomeini regime uses a number of techniques to recruit these Iraqis into armed subversive units in Iraq.

The Middle East Committee was chaired by Shaykh Ragheb Harab, a Lebanese Shia clergyman. After his death, Shaykh Mehdi Jafari, a fellow

Lebanese Shia clergyman, assumed the post. The regional command center of the committee is located in Damascus, Syria. Active participants in its regional meetings include Hossein Mossavi, Shaykh Muhammed Hosseyn Fadlallah, Muhammad Khansari who serves as liaison between Damascus-Tripoli-Tehran, Hojjat ol-Eslam Ali Akbar Mohtashemi who is Khomeini's ambassador in Syria, and various other Syrian officers such as Col. Ghazi Kanan who is the Director of the Syrian Armed Forces Intelligence Service and who was the former commander of Syrian Armed Forces in Lebanon.

The Middle East Committee coordinates the activities of a number of regional terrorist organizations. Among these organizations is the Islamic Amal in Lebanon. This group is a splinter group of Shia radicals who grew out of Habi Birri's Amal Party in 1982. The initial break was occasioned by a falling out over Amal strategy between Khomeini's Beirut Ambassador, Hoj Fakhr Rohani, and Birri. The Middle East Committee of the Supreme Council of Islamic Revolution had fully supported the Amal.

The leader of the Islamic Amal, which is a paramilitary force, is Hosseyn Mossavi who is of Iranian descent. His cousin, Mohsen Mossavi who is an Iranian national, was employed in Khomeini's Beirut Embassy. Another cousin, Muhammad Hosseyn Fadlallah is a Khomeini intimate and a key pro-Khomeini preacher in Lebanon. Fadlallah is in charge of Hossein Mossavi's Islamic Amal suicide units and works closely with a fellow Iranian, Mehdi Gharavi. When the split occurred in 1982, the Amal Party's religious leader, Sheykh Muhammad Mehdi Shamseddin joined Hossein Mossavi and the Islamic Amal.

The Islamic Amal became the principal military arm of the Middle East Committee. It operates under a variety of names depending upon the target selected. For example, for some operations against non-Muslim targets, such as the U.S. Embassy in Beirut, the name "Islamic Jihad" is used. Other names used against Muslim targets are "Al Ghods," "Islamic Revolutionary Guards" or "Pasdaran" and "Hezbollah." Islamic jihad terrorists are not confined exclusively to the Middle East as they conduct selected operations against targets in West Europe.

The Committee for the Persian Gulf is chaired by Hojjat ol-Eslam Muhammad Taghi Modaresi. Modaresi established the Amal Party for the Liberation of Bahrain in 1979. Their attempts to overthrow the Bahrain Government have so far proven unsuccessful. Other fronts of activity, however, in Kuwait, Saudi Arabia, Qatar, and Oman are supported by Modaresi. In Saudi Arabia, the central figure in the underground movement supported by Modaresi is Ahmad Nokhavallah. The committee also oversees operations of the Islamic jihad movement under Shaykh Abbas Mehri.

The Committee for Africa is chaired by Omar Almesri, a Tunisian clergyman; Sefavat Abdulmajid, an Egyptian national with possible links to the Moslem Brotherhood;

Rezvan al haj, a Moroccan writer; and Hojjat ol-Eslam Agh Mohammadi, Khomeini's representative in Libya who is charged with monitoring Moslem subversion in Morocco, North Africa, and Nigeria.

In 1983, the Government of Senegal closed the Iranian Embassy and broke diplomatic relations with Iran when they uncovered the Embassy's subversive role in fomenting Moslem opposition within Senegal. In Nigeria, the African Committee was successful in inciting Muslim riots. In Egypt, the committee supports the Al Jihad organization which was responsible for the assassination of President Anwar Sadat. In 1984, the African Committee was responsible for fomenting Muslim rioting in Tunisia and in Morocco.

The Committee for Asia is comprised of pro-Khomeini Afghanis, Pakistanis, Turks, Philippine Moros, Fatani in Thailand, Indonesians, and Malayans. The activities of Khomeini supporters in Malaysia became threatening enough that the Malaysian Deputy Prime Minister lodged a formal complaint.

The Committee for Europe has its main center of operations in London with associated centers in Rome and in Bonn. In London, the operations of this committee are based at the Islamic University Center. The head of the center is Ayatollah Shahabadi. The center serves as the collection point for the Khomeini spy network in England and assists in the formulation of operations on behalf of Tehran in Europe. Also in London and linked to the Islamic University Center's operations is the Iraqi exile political organization of Al Dawa. The head of this organization is Mehdi Al Hakin who is the brother of the leader of the Al Dawa Party in Iraq.

The center for Khomeini's terrorist operations in Rome is the Embassy of Iran to the Vatican. The Iranian Ambassador's name is Hadi Khosrowshahian and the Embassy is located at 361-363 Nomantana Street. The complex consists of a large building with some 60 rooms and several secret exits to adjoining streets. This complex is the main logistical center for Khomeini's terrorist operations in Western Europe. According to Italian police sources and other informed sources, weapons and explosives are stored in this complex for use by terrorist groups planning attacks against West European targets. More than 100 individuals with diplomatic status live in the complex.

It has been observed that hundreds of trunks with diplomatic seals arrive on Iranian aircraft bound for this terrorist operational center. Owing to the diplomatic status of these trunks, the Italian authorities cannot interfere with their passage for further investigation of the contents. Italian authorities have reported that hundreds of terrorists from black Africa, Pakistan, India, France, Ireland, Scandinavia, and North America come to the Embassy for orders or protection.

It is known that top officials of the Syrian, Iranian, and Libyan intelligence services meet with some frequency in Rome. For example, last year Gen. Ali Doba of the Syrian Intelligence Service met with a key Khomeini intelligence officer, Gen. Ali Fardost, twice in Rome. Fardost had just flown into Rome from Tripoli, Libya after conferrring with key Libyan officials. Shortly after this series of meetings, the Libyan terrorists set into operaton the well known incident in London in which a British policewoman was murdered during the shooting from the windows of the Libyan Embassy of anti-Qadhafi students demonstrating in front of the Embassy.

In Bonn, Germany, the center of Khomeini's operations is located in the Islamic Institute. The director of this institute is Ayatollah Hosseyn Moghadam. In Paris, the key Khomeini operative is the Charge d'Affaires in the Iranian embassy, Mr. Hosseyn Mozeyerri, an officer of the Iranian intelligence services. So concerned were the French about Khomeini's operations on French soil that in December 1983, the French Government deported many Khomeini supporters from France. Many of these deportees, together with deportees from West Germany, have gathered in Brussels and are residing there today. Within the last year, more than 100 safehouses used by Khomeini terrorists and sympathizers have been identified and raided by West European authorities. These safe houses were located in Paris, London, Cologne, Rome, Vienna, Madrid, and Athens.

The Committee for North America has its operational centers in both Canada and in the United States. Last year, Shayk Nassari was dispatched from Tehran for an extended visit to North America in order to develop the terrorist infrastructure and operations in the United States and Canada. He is an Iraqi by birth but travels on an Iranian passport and plays a central role in coordinating Khomeini's operations for North America.

Within the past 2 weeks, another Khomeini representative, Shayk Majdeddin Mahalati, was dispatched to visit the United States as the personal

representative of Khomeini for the Moslem religious ceremonies of Ramadan. Shayk Mahalati is the son of Ayatollah Mahalati who was an influential pro-Khomeini supporter until his death last year. During the overthrow of the Shah of Iran's government, Shayk Mahalati was Khomeini's personal representative in the city of Shiraz where he actively coordinated the executions of hundreds of people including many high ranking officers of the Shah's military forces. One wonders why the Department of State granted a visa to Mahalati given his well known terrorist background and his influential position within the Khomeini regime.

The Khomeini regime operates an extensive system of terrorist indoctrination and training in Iran. Among the terrorist training camps in Iran are the following. At the Tarigh Al Qhods Camp, located near Tehran, Iraqi Al Dawa terrorists are trained. At Manzariyeh Park, close to Khomeini's residence in north Tehran, suicide units are trained militarily and indoctrinated ideologically. At Aram Park, a former hotel in Qom, religious and ideological indoctrination is inculcated in young students to prepare them for various terrorist missions. The Parandak Camp, near Tehran, is another important training center, the Beheshtia Camp which is located in Karaj. This latter camp specializes in training female terrorists. Close to 300 women terrorists reside at the camp at any given time with ages ranging from 17 to 35. The women come from all over the Arab world, Pakistan, North America, and Europe. This is the only terrorist training center for women which trains foreigners. There are an additional 10 training camps exclusively for female Iranian nationals. It should be noted that non-Moslems are also trained in these camps.

Among the directors of the Baheshtia Camp is Mrs. Zahra Rahnevard who is the wife of the current Iranian Prime Minister, Mir Hosseyn Mossavi Khamenehei. She is approximately 30-years old and was trained in Palestinian guerrilla centers. She also serves as a coordinator of terrorist training programs in Iran.

In Khorasan Province, there is a training camp in Bojnord at the Bojnord Regiment Facility. Also in the Khorasan Province is the terrorist training center near the city of Meshad at Vakilabad. This location was once used for Iraqi prisoners of war but in December 1984 it was converted into a terrorist training center. Near this base is a small airport. On the tarmac are two Iranian airline aircraft which are used for the instruction of terrorists specializing in hijacking. One aircraft is a 727 and the other is a 707. There is another terrorist training camp with an Airbus aircraft for training purposes located near Shiraz.

We shall return to the Vakilabad base and the Manziriyeh Park centers shortly.

DOCUMENTATION ON IRAN'S ACTIONS

Mr. President, in recent weeks a number of reports have been made available to my office from a number of sources in the Middle East and in West Europe concerning the highjacking of TWA 847. I asked my staff to prepare an outline of the background of the hijacking based on these reports as well as on information reported by the Federal Broadcast Information Service and published daily by the Department of Commerce. These reports are available to the public and are used extensively here in Washington.

Mr. President, as we piece together the outline of the events leading up to the highjacking it becomes clear that the Khomeini regime at the highest levels has been intimately involved, and perhaps even initiated, this crime against innocent American citizens. The American people have a right to know the facts about this terrorist incident so that our Nation can take every appropriate step to ensure that this terrorist crime is not repeated in the future.

In January of this year, the Foreign Ministers of Iran, Libya, and Syria met in Tehran to lay the groundwork for a new anti-American strategy. The countries agreed to escalate terrorism against the United States, our interests, and our personnel and citizens on a global scale. On January 28, the Iranian Foreign Minister was quoted on Tehran Radio as follows:

There are many common views among our countries (Iran, Libya, and Syria). We hope that in the future, with more efforts, other friendly countries such as Algeria and the PDRY (Peoples' Democratic Republic of Yemen) will join us.

The Foreign Minister, Mr. Velayati, went on to state that—

The most important objective of these gatherings is closer relations among Islamic countries, especially progressive Islamic countries, in order to seriously confront the problems.

The problems that he was referring to are the United States and Israel.

The following day, in Tripoli, Libya, the JANA news agency reported the following comments by the secretary of the General People's Committee for the Foreign Liaison Bureau, Dr. al-Turayki:

He said to the Iranian press before leaving Tehran yesterday, these meetings are only directed against imperialism, Zionism, and reactionary forces allied with it.

He pointed out that such meetings will be more and more expanded, in continuous regular manner, in the three countries through conferences, organizations, and international bodies.

He stressed that Jamahiryah (Libya), Iran and Syria are bound by one revolutionary struggle line and that their viewpoints on different Islamic and world matters are in full harmony.

He went on to say, "The Jamahiriyah (Libya) and Syria considered the Iranian revolution, after its victory, a natural ally and that it was a huge asset for the joint struggle against Zionism and imperialism and for the realization of the liberation of Arab and Islamic land."

He pointed out that the Jamahiriyah (Libya) was the only Arab country that refused to establish relations with agent shah regime. In his announcement he stressed that the Islamic revolution is a big gain for the Islamic nation and for world liberation forces.

Following this meeting in Tehran, Colonel Qadhafi formally formed and agreed to finance his first pan-Arab terrorist organization, called the Organization of Arab Revolutionary Forces. The organization, with headquarters in Tripoli, pledged to conduct the Arab struggle for liberating all Arab territories and to confront American imperialism. The liberation of all Arab territories is a code phrase for the reconquest of the territory that is now Israel.

On February 5, Iranian Foreign Minister Velayati, met with the leader of the Lebanese Islamic Towhid Movement, Shaykh Sa'id Sha'ban. This movement is composed of pro-Khomeini Sunni Moslems in Lebanon. Tehran radio stated in an English language broadcast that day that—

At this meeting, Shaykh Sha'ban stressed the importance of solidarity among all Moslems in Lebanon in expanding their struggle against the Zionist regime (Israel).

Dr. Velayati concurred and said that the Islamic Republic (Iran) has always supported Lebanese Muslims.

Shaykh Sha'ban is a guest of the Islamic Republic on the 6th anniversary of the Islamic revolution (in Iran).

Shaykh Sha'ban's meeting with Velayati followed by one day his visit to the Tariq ul-Qods terrorist training camp near Tehran which I described earlier. It is at this camp that Iraqi's recruited by the Al Dawa terrorist movement in Iraq and recruited by the Khomeini regime among Iraqi POW's are trained.

Tehran radio broadcast a report about Sha'ban' visit to the camp on February 4. In the report, the following was stated:

Foreign guests currently in Iran to attend celebrations marking the 6th anniversary of the Islamic revolution, visited the Tariq-ul Qods, POW camp in Tehran today and talked with the POWs.

During the visit of some 200 guests from 65 countries, the Iraqi POWs who had lined up to receive the visitors chanted slogans in condemnation of the Iraqi regime and the Iraqi ruler. The visitors talked about the POWs and enquired about their conditions.

Speaking to the POWs and the guests, Shaykh Sa'id Sha'ban, the leader of the Islamic Towhid Movement of Lebanon, spoke about the impact of the Islamic revolution on the Islamic movements. The shaykh said the heroic movement of the Lebanese Mus-

lims has made the Zionist regime to realize that it could no longer remain in Lebanon.

Such a victory, he added, has been accomplished under the unity of the muhajidin and the devotion of Lebanese Muslims, who "prefer a courageous death to a life under foreign domination." On the unity of Lebanese Muslims with Iranian Muslims, he said Lebanese Muslims were on the side of the Iranian people in their effort to free all Muslims of the world.

Shaykh Sha'ban praised the Iraqi POWs for having chosen to live an Islamic life. He urged them to use the opportunity of living among Iranian Muslims and take steps towards Islamic principles so in future they would be able to defend Islam and fight alongside other Muslims against Zionism.

I shall return to Shaykh Sha'ban in a few minutes but suffice it to say, Senators should note his pro-Khomeini orientation as a factor in Sunni Muslim politics in Lebanon.

During the month of April, Lebanon was discussed at Cabinet level in Iran. Tehran radio broadcast in English on April 14 a report about a Cabinet session. The report stated that—

Iranian Cabinet met Sunday to discuss latest national and regional developments. Foreign Minister 'Ali Akbar Velayati discussed the Lebanese situation and said resistance by Muslim forces in Lebanon has thwarted plans the Phalangists wished to carry out after Zionists withdrawal.

Just the day before, on April 13, the Grand Ayatollah Montazeri was reported by the Tehran Domestic Service as having spoken widely about the situation in Lebanon. Grand Ayatollah Montazeri is the No. 2 man in Iran and many observers feel that he will be Khomeini's successor. The report stated that—

Grand Ayatollah Montazeri at various meetings last week referred to the necessity for awareness by the self-sacrificing youth of Lebanon of the conspiracies of world arrogance and Zionism and stressed the need for safeguarding Islamic unity and full understanding among the Lebanese ulema, both Shi's and Sunni, in the face of the front of blasphemy and Zionist occupiers.

During this week in April, the Khomeini regime was celebrlating Army Day which fell on the 18th. A number of international visitors were one the scene to take part in the celebration. One of the visitors was Shaykh Mahdi Shamseddin who is the vice chairman of the Lebanese Shiite Muslem Assembly and one of the key figures in the pro-Khomeini Shiite forces in Lebanon. Earlier, I noted that Shayk Shamseddin was the Lebanese Amal Party's spiritual leader until 1982 when the Islamic Amal split away under the leadership of Hussayn Mussavi. Shamseddin became the spiritual leader of the Islamic Amal following the split.

Shaykh Shamseddin met with the speaker of the Majlis, or Iranian Parliament, Hashemi-Rafsanjani on April 17. On April 21, he was received by Khomeini. On April 24, he was interviewed by Tehran radio which reported in English that—

Vice-speaker of the Supreme Assembly of the Shiite Muslims of Lebanon, Shaykh Muhammad Mahdi Shams al-Din criticised the United Nations and the U.N. Security Council for having deliberately winked at the deployment of chemical weapons against Iran's Muslim combatants by the Iraqi Government.

In an interview with IRNA Tuesday, he said the reservation of the United Nations and of other international bodies from explicitly condemning the Baghdad government for such violations of international conventions is a vivid proof that such international bodies have been created principally for safeguarding the interests of the big powers.

He said that immediately after the Security Council had issued a vague resolution in relation with the issue without condemning Iraq, the Supreme Assembly of the Shiite Muslims of Lebanon condemned the Security Council for its meaningless resolution.

Elsewhere speaking in the same interview, the official of the Supreme Assembly noted that the Islamic Revolution in Iran had left its obvious effects on Lebanon and that it had inspired the Lebanese Muslims to a more determined fighting with the Zionists.

Speaking on the situation in Lebanon he said the Shiite Muslims of Lebanon believe that engaging in negotiation with the Zionists is not to the best interests of the Muslim Arabs and Palestinians. He added that the Lebanese people have long since been convinced that once they should make any consession to the Zionist government, the latter will respond by brutal acts upon Muslims.

The stand of the Islamic Republic of Iran and of Syria and Libya, will be in the best interest of the people of Palestine and the Arabs, he said.

The same day that Shaykh Shamseddin was interviewed was also the day set aside to celebrate the Iranian Revolutionary Guards or Pasdaran. These are Khomeini's storm troopers at the cutting edge of his revolution. They are the ones who have a major base in the Bakaa Valley in Lebanon which is used for terrorist training and terrorist operations such as the destruction of the U.S. Marine Barracks at the Beirut Airport.

On this day, Khomeini delivered a long address outlining his viewpoints and instructing his faithful. One particularly significant passage reflects his view of the Iran as the leader of the revolutionary movement in the Islamic world. It is worth noting:

You should bear in mind that you have made Islam powerful throughout the world and all the noise raised throughout the world that they want Islam, all that is a ray that has emanated from Iran. In the past this did not exist. These rays have gone from Iran to everywhere; and these rays will do their work everywhere. We should safeguard this source; we should protect the center of these rays. You should protect yourselves and should reject and repulse all the satans that want to dominate us, so that Almighty God may multiply his bounties to you, may make them a hundred-fold, that you may become victorious and may protect the wronged ones.

Khomeini's potential successor, Grand Ayatollah Montazeri in a speech on April 27 in honor of the celebration of Army Week and the Iranian Revolutionary Guards Day echoed his leader's global perspective. He stated that—

It is appropriate for us to pay greater attention to the global situation of Islam and to the revolution in order to understand the importance of our nation's achievement; and we should prepare ourselves to put up with difficulties and make sacrifices to safeguard this great revolution.

On May 2, the Iranian Foreign Minister met with Shaykh Shamseddin and discussed the Islamic struggle against Israel. Shaykh Shamseddin, for his part, briefed the Foreign Minister on the situation in Lebanon.

Mr. President, the outline of the background of the hijacking now begins to commence in a more direct manner. On May 3, a delegation led by Hojjat ol-Eslam Mahdi Karrubi who is the head of the Iranian Martyrs Foundation as well as a member of the Majlis, left for Lebanon with the objective of holding extensive talks with Lebanese ulema and clerics. It is possible that Shayk Shamseddin as the leading spiritual figure among pro-Khomeini was aboard the same flight. On the flight to Damascus were members of the Iranian Foreign Ministry and Majlis as part of the delegation.

The Martyrs Foundation has an extensive war chest in the hundreds of millions of dollars range, possibly more. Its purpose is to give money to the families of fallen terrorists as well as to finance the logistical infrastructure of terrorist training and operations. On his visit, Karrubi is reported to have distributed 100 million Lebanese pounds to advance the radical Shiite cause in Lebanon. This sum might be equivalent to about $65 million. The money had been appropriated earlier by the Iranian Majlis. Of this sum, half went into Lebanon into the hands of the key pro-Khomeini Lebanese clergy and the other half was left with the Iranian Ambassador at Damascus, Hojjat ol-Eslam Ali Akbar Mohtashemi for distribution as needed. It is unclear whether these funds were delivered as actual money or whether they were delivered in the form of a banking instrument which could be drawn against the Martyrs Foundation accounts held, for example, by the Marine Midland Bank in London or by Credit Suisse in Switzerland.

Among the prominent radical clergy in Lebanon with whom Karrubi met were Shayk Mohammed Mehdi Shamseddin, Shayk Hosseyn Fadlallah, Shaykh Ibrahim Amin, Shaykh Fallah Arghedan, and Shaykh Sobhi Tofailli Shaykh Fadlallah runs the Beirut branch of the Hisbollah or Party of God. Shaykh Amin runs Hisbollah elements in southern Lebanon and is based in Sidon. Shaykh Arghedan is linked to radical Sunni Muslims in the

Sidon area. Shaykh Tofailli runs the Baalbek Hisbollah branch.

According to some reports, Karrubi was rebuffed by Nabi Birri and his Amal group. It is said that Birri is closer to Syria than to Iran. Apparently, Karrubi could not get into southern Lebanon because Birri's Amal declined to provide for his security.

An important event occured on May 5, an event which, if the reports are true, was central to the initiation of the hijacking of TWA 847. On this day about 100 families of Lebanese martyrs departed for Tehran sponsored by the Martyrs Foundation. Among them was one Ali Atwa one of the three original hijackers of TWA 847. Atwa's family is from the village of Almarekeh near Sidon. In March of this year, his brother Abdullah was killed in the fighting in the region.

On May 5, the Tehran Domestic Service reported the arrival of this group of families of Lebanese martyrs as follows:

On the eve of the blessed birthday anniversary of the Lord of the Era [the 12th imam] may God speed his coming, and by invitation of the foundation for the oppressed of the Islamic Revolution, approximately 100 families of Lebanese martyrs arrived in Tehran this evening and were welcomed by officials from that foundation. A member of a family of one of the Lebanese martyrs, Haj 'Abbas Hoseyn Musavi, in an interview with our correspondent said: We are continuing the victorious path followed by Iran which is now present in Lebanon. We are prepared to become martyrs on this path.

With regard to the Lebanese Muslims' operations, which have dealt fatal blows on Israel, the United States and the Phalangists, he said: These blows have been so powerful that they do not leave the way open for them to return. God willing we will, with our determination and steadfastness, deal more deadly blows on the rotten corpse of Israel. We will succed in cleaning our Islamic homeland from their filthy presence.

Hasan 'Ali Shokor, a resident of Jabal 'Amil in southern Lebanon, said: I come from the land of 'Abuzar Ghafari [one of the Shi'ites' religious heroes] and on behalf of my compatriots I wish to send my greeting to the iman of the ummah and Iman Musa Sadr.

We, the children of Islam in Jabal 'Amil, have put up a resistance against the Israelis since the start of Israel's aggression against southern Lebanon's pure soil. Our resistance was inspired by guidelines given by Imam Khomeini, the leader of the world's oppressed. We have succeded in reaching a state whereby we are capable of throwing out all aggressive forces from our country.

On May 7, the delegation led by Karrubi returned to Iran. Tehran Radio broadcast in English a report of its return. It was as follows:

The Lebanese people have a high and revolutionary morale despite the devastations caused by the Zionist invasion, said Hojjat ol-Eslam Mahdi Karrubi upon his return from Lebanon today.

Karrubi, who heads Iran's Martyrs' Foundation, said the morale of the Lebanese people is a source of hope for "the liberation of all occupied territories soon."

Karrubi headed a Foreign Ministry and Majlis delegation to Lebanon during his three-day visit to Lebanon. While inspecting the destructions caused by the Zionist forces in Lebanon, he held talks with Sunni and Shi'a Ulema.

He said talks centered on the Zionist plot to put Sunni and Shi'a Muslims against one another as well as ways to further intensify the struggle against the Zionist forces.

On the activities of the Martyrs' Foundation in Lebanon, Karrubi said the foundation operated three offices in Ba'labakk, Beirut and in a region recently liberated in southern Lebanon.

Their main function is to provide a pension and to create jobs for the relatives of martyrs.

On May 8, Khomeini received the Information Minister, Mohammad Reyshahri for a special briefing. Reyshahri, whose original family name is Nik, is the head of the Iranian intelligence service with close ties to the Soviet KGB. He has adopted the religious title of Hojjat ol-Eslam but never was part of the real clergy.

On May 14, Khomeini met with the families of Lebanese martyrs. The Tehran Domestic Service reported the meeting as follows:

[Excerpts] Families of Lebanon martyrs who have come to Iran at the invitation of the Shahid Foundation of the Islamic Revolution, together with the families of those martyred, missing and captured in the war from the towns of Garmi, Moghan and Parsabad in Eastern Azarbayjan, and a group of families from Tehran of those martyred missing and captured in the war met Imam Khomeini, the leader of the revolution and the founder of the Islamic Republic of Iran.

At the end of this meeting Imam Khomeini responded to the expressions of emotions by the audience.

It appears that Ali Atwa missed this meeting with Khomeini because he was involved in a rigorous terrorist training program. According to reports from informed sources, Atwa, after arriving in Tehran, went to the city of Meshed in Khorassan Province. He was in Meshed for 3 days and then dropped out of sight. He was nearby, however, being trained at the Vakilabad terrorist center about 3 miles away. Earlier, I described this training center and noted that there are two aircraft on the runway of a nearby airport. Apparently, he was practicing for a hijacking.

After 3 weeks of intensive training at Vakilabad, Atwa was then sent to the terrorist training center at Manzariyeh Park, close to Khomeini's residence in Tehran. I noted earlier that this is a training center for suicide squads who receive both military and ideological training. Atwa's state of mind must have been pliable owing to the death of his brother only 2 months before. This camp is commanded by Muhammad Shamkhani and it is reported that Atwa spent 3 days there. We shall return to Atwa's movements in a few minutes.

At some point in early May, the Khomeini regime took a decision to declare the last Friday of Ramadan, June 14, as "Jerusalem Day," and to assist in fomenting ceremonies in the Islamic world to mark this day as a symbol for the objective of the reconquest of Jerusalem and Israeli lands.

On May 17, Hojjat ol-Eslam val-Moslemin 'Ali Khamene'i, the Tehran Friday Imam and the President of Iran, delivered a series of sermons which focussed particularly on Israel and the Palestinian question. He stated clearly that one of the objectives of the Khomeini revolution was to regain Palestine and Jerusalem. He stated in this regard the following:

The outbreak of the Islamic revolution in Iran has upset the permanent equation of the world oppressors with regard to the Palestinian question and brought about a great change in the equation. The Islamic revolution is hostile and opposed to the Zionist state. The Islamic revolution firmly confronts the world oppressors. Therefore, we find that the agents of the world oppressors are today fighting the Islamic revolution instead of fighting the Zionists who usurped Palestine and Jerusalem. This is because they realize that the Islamic revolution is determined to regain Palestine and Jerusalem.

In a report by the Tehran Domestic Service on Khamene'i's sermons the following was stated:

Tehran's Friday imam referred to the reason for setting up Israel by imperialism, saying: The prime reason for setting up that totalitarian regime was not building houses for a number of Jews, but was rather setting up a province of the Western powers in the heart of the Arab and Muslim countries and thanks to all-round assistance gave Israel such a free hand for carrying out any aggression, greed for glory, insulting the Arabs, initiating war and attack on the Arab countries that already a great many Arab nations have come to believe that Israel should continue to exist.

He added: All the endeavors by 'Abd al-Nasir and the PLO, which also enjoyed Arab support, in confronting Israel got nowhere at all, but only Iran's Islamic Revolution and inspiration from its movements that generated among the Arab nations a feeling of invincibility arising out of Islamic faith—so much so that Muslims in southern Lebanon, without arms and only through reliance on Islamic faith, dealt such a blow at the Israeli aggressors that is unprecedented in the past 37 years of the history of that land—only the Islamic Revolution and inspiration were successful. And when we victoriously conclude Iraq's imposed war we, too, will strike our blows at the Zionists even harder.

Hojjat ol-Eslam val-Moslemin Seyyed 'Ali Khamene'i said in conclusion: Rumors about our purchase of weapons from Israel and on the dispatch of a number of Iranian Jews to Israel precisely constitute a new scheme by world arrogance aimed at accusing us of having relations which we deem both religiously unclean and forbidden and also at preventing the exposure of the political collusion between Arab and Muslim leaders and world arrogance; and I tell the world Muslim nations, particularly the Palestinians, to distance themselves from such

traitors! It is essential to remind you that every year, on the eve of the ceremonies marking world Jerusalem Day, observed throughout the world at the suggestion of the Islamic Republic, such rumors are disseminated by the imperialist and Zionist mass media.

Senators should note the last sentence which discloses that the Khomeini regime instigated the celebration of Jerusalem Day. Some reports cite statements from the Khomeini regime that on Jerusalem Day, something would happen which would shake the world. The hijacking of our TWA 847 flight appears to coincide with Jerusalem Day planning.

Simultaneously, in Lebanon, the radical pro-Khomeini clergy propagated the same schemes in their Friday sermons. The Tehran Domestic Service reported on this activity as follows:

Friday prayer ceremonies were held in various parts of Lebanon yesterday. According to a Central News United dispatch from Beirut, during this week's Friday prayers the mosque imams emphasized the need to continue the struggle against the Zionist regime which has begun certain desperate attempts aimed at bringing about a new compromise agreement similar to that of 17th May between the then Lebanese Government and Israel.

According to this report, the religious scholar Sayyid Muhammad Husayn Fadlallah, one of Lebanon's militant ulema, in his prayers sermon at the Iman Rida mosque in the southern outskirts of Beirut, called on Muslims to wage jihad against the Zionist enemy until he is driven from the entire territory of Lebanon. He also urged that the slogan "Forward to Jerusalem" should be adopted in all phases of the struggle against Israel and that the blessed month of Ramadan should be the month of jihad.

He said: Muslims should strengthen their Islamic spirit in order to transfer Islamic resistance to all meek and oppressed countries so that Israel could thereby be expelled wholly from the region. With regard to the bomb outrage in the Muslim quarter of Bi'r al-'Abd in the southern outskirts of Beirut, in which it was recently reported that U.S. and Lebanese counter-intelligence organizations had a hand, the religious scholar Fadlallah called for the trial of the Lebanese president who had cooperated with the U.S. CIA in the massacre of children and women and said: Our struggle is a long one. Once the nation starts to move the ground will shake under the feet of world arrogance.

According to a Central News Unit dispatch, the official spokesman of the Islamic community in the city of Sidon in southern Lebanon, too, in his prayers sermon yesterday at the Al-Bitah mosque in that city said: Islam is a world force of faith which could neutralize all colonialist plots, and the blessed month of Ramadan should be a month of liberation.

In the meantime Shaykh Sa'id Sha'ban, leader of the Islamic monotheistic movement in the city of Tripoli in northern Lebanon in his Friday prayers sermon at the Al-Mansurah mosque in that city declared: It is not permissible to give Israel a chance. We should turn southern Lebanon into an open thoroughfare for launching struggle against Israel. Continuing his prayers sermon, criticizing the Arab compromising regimes, he added: The Islamic resistance in Lebanon has waged battle alone and thereby exposed the compromising Arabs.

Senators should note the references to the sermons of Shaykh Muhammad Hossayn Fadlallah who introduced a slogan, "Forward to Jerusalem." Also to be noted is his reference to the bomb incident at Bi'r al-'Abd which he linked to the CIA. Some U.S. press reporters in recent days have parroted the same unfounded accusation. It is also of importance to note the sermon by Shaykh Sa'id Sha'ban, who declared that, "It is not permissible to give Israel a chance." Senators will recall my earlier comments about these Shayks' visits to Iran during the preceding months.

On May 19, the President of Iran, Khamene'i, delivered an address which ridiculed the "empty threats" of the United States. The text of the report on the speech as reported by Tehran Domestic Service is as follows:

Addressing a number of government departments' officials of Ramhormoz and Ramshir, families of martyrs, members of revolutionary foundations, and some local citizens of the two towns today, President Khamene'i referred to recent threats by the U.S. Administration, saying: The threats by American Politicians are empty ones.

The president said: The global arrogance has no choice but to accept the fact that the Islamic Republic of Iran is here to stay and that it will not be shaken by threats. We have already proved that we deserve to exist. The nation must feel this fact more deeply. Today is the day to capitalize on the efforts made over the past several years.

Just 3 days later, on May 22, the President of Iran, Khamene'i, sent a message to Muslim Iranian students in the United States and Canada. Senators should reflect on the statement which was reported in English by Tehran Radio as follows:

President Khamene'i sent a message to Muslim Iranian students in North America calling on them to work for the benefit of the Islamic revolution and their nation.

The students are holding the 17th seminar organized by the Union of Muslim Students Associations in the United States and Canada.

The associations are supporters of the Islamic revolution and are active in promoting the cause of the Islamic Republic abroad.

Khamene'i said at a time when the sworn enemies of Islam were trying to corrupt the youth, Islamic associations were a necessity.

"Do not allow your brothers and sisters who can be the constructors of their revolution, country and the Islamic world, to turn into faithless, unpious and ignorant elements," he said.

Referring to the ongoing political process in Iran, the president said "our nation is determined to prove that material powers are soulless, and out to frighten nations, rear hopeless intellectuals and conciliatory psuedo-revolutionaries.

He said the Islamic revolution hopes to impress upon them the need to re-evaluate their thinking and future.

"Through your action and speech, your dear ones should take the message of our nation to the students from other countries," he said.

On the same day, Khomeini's second in command, Grand Ayatollah Montazeri, cabled the radical clergy in Lebanon and called for Islamic unity and expressed his anxiety over fighting between Muslins there.

On May 28, Tehran Domestic Service broadcast in Persian a diatribe against the United States entitled "Recent Threats by the United States in the Region." The full text is as follows:

During recent days, imperialist media have been carrying out widespread and extensive propaganda concerning the problem of U.S. and French hostages in Lebanon and the possible retaliatory attacks by the United States against selected, sensitive targets in Iran.

What is worth noting about this propaganda adventure is that leading U.S. officials have given a clear opinion about this matter. The news started in this way: according to U.S. officials, President Reagan is prepared to issue an order to bomb selected targets in Iran if U.S. hostages are killed by the terrorist members of the Islamic Jihad Organization.

However, it was not clear who or at what level had made this statement. The U.S. State Department spokesman refrained from making a direct statement about this and other more detailed news on this matter, but did not deny such news. He added that the United States will take serious actions against any terrorist activities which are backed by a government.

However it is completely obvious that this informal threat, which this time the rulers of the U.S. Government do not have the courage to formally make, is not the first time the threat has been made nor will it be the last.

The Government of the Islamic Republic of Iran has been continuously faced with such threats ever since its creation. Such threats culminated in the U.S. military attack on Tabas which ended in a disasterous defeat. A recent statement by the spokesman for the Islamic Republic's Foreign Ministry says that the U.S. problems in Lebanon and the problem of the kidnaping of a number of U.S. citizens in Beirut are rooted in the aggressive policies of the United States in various parts of the world. The increased awareness of the people in these regions has been intensified against this aggression.

The Foreign Ministry spokesman denied the Islamic Republic's involvement in such incidents. He emphasized it has been proven that a U.S. spy organization was directly ordered by the White House to bomb the Bi'r al-'Abd Mosque in Beirut which caused death or injury to more than 400 innocent people in Lebanon. This act has been strongly condemned by world opinion and even by the people of United States. In fact it is one of hundreds of criminal activities carried out by the United States. Therefore it is understandable why Zionist propaganda affiliated with the United States and officials of this country every so often condemn Iran as the protector of terrorists.

The Foreign Ministry spokesman said that this is based on undeniable facts which imperialist propaganda intends to destroy.

In fact the root of the problem is the United States itself. The foreign policies of the United States and the failure of them abroad have forced the U.S. politicians to launch new adventures and useless boasting

in order to remove any seed of doubt in connection with (words indistinct). It is obvious that this method of dealing with problems might fool the people of the United States, but it will not deceive the aware people of this region.

In connection with this matter, the prime minister of the Islamic Republic, Engineer Musavi, said that the United States cannot do a damm thing about these threats or through other actions. We have many times punched the United States in the mouth and we are ready to do this once again over the world. The United States must know that we are able to turn the Persian Gulf into a quicksand for them to drown in.

The speaker of the Majlis, Hojjat ol-Eslam Hashemi-Refsanjani, during a general session announced that we once more warn the United States and we are telling the people and the allies of the United States that it will achieve the same results from these threats as it did from the previous ones.

God forbid, the day that our ports become targets for aggression by these international criminals, you can be sure that not even one ship will be able anchor in any of the Persian Gulf ports and there will be no port left to accept such ships. If such a day comes, any responsibility for any crisis following this will be with the great satan. The Islamic Republic will defend itself.

On the same day, May 28, the Security Council of Iran held a session to present the President of Iran, 'Ali Khamene'i, with its annual report. The report of this meeting as broadcast in English over Tehran Radio is as follows:

The Security Council of Iran held a session here Tuesday [28 May] in the presence of President 'Ali Khamene'i and presented him its annual report. The President gave guidelines with regards to the issues brought forth.

Present in the session were minister of the interior, 'Ali Akbar Nateq-Nuri; chief of staff of the Armed Forces, Colonel Esma'il Sohrabi; commander of the Islamic Revolution's Guards Corps, Mohsen Reza'e; commander of the Committees of the Islamic Revolution, Hojjat ol-Eslam Saleh, and other members of the council.

On the following day, Grand Ayatollah Montazeri met with Lebanese clergy and seminarians in the city of Qom. He delivered a stinging attack on the United States and Israel. The full text as reported by Tehran Domestic Service is as follows and is worthy of careful examination:

A group of Lebanese seminarians and struggling clergymen based in Qom Seminary met Grand Ayatollah Montazeri yesterday afternoon. While expressing their gratitude for his message to the Lebanese ulema in connection with the internal bloody clashes in that country, they presented a report about the latest situation in Lebanon. Then Grand Ayatollah Montazeri praised the sense of responsibility of the struggling seminarians and noted that the efforts made by the Prophet of Islam on establishing unity between the (Qwos and Khazerb) Muslim tribes.

He said: Following the clear order of the Koran and the efforts of the Holy Prophet to establish unity between Muslims, the Jewish tribe, which at the time was the real enemy of the Koran and Islam, started their plot by sending mysterious persons between the two tribes and by reminding them of the previous animosity among Muslims. It was not long before an internal war and bloodshed was about to take place but at this time the holy verse came forth "and hold fast, all together, by the rope which God stretches out for you and be not divided among ourselves."

It warned Muslims against friction and internal clashes in the face of the enemies of Islam. He then noted the recent situation in Lebanon and emphasized that today also the Zionists and other occupying forces have failed before the Lebanese Muslims and have fled because of the unity between the Lebanese Muslims and the struggling Muslim forces. He added: Israel and the United States have concentrated their plots against the unity of the Muslim Lebanese. They have realized that so long as this unity exists between the struggling Muslims, whether Shi'ite or Sunni, all their colonialist efforts will be foiled.

This is why they have urged the people who have certain political goals to organize an internal war between the Palestinian Muslims and groups of struggling Lebanese Shi'ite Muslims using small slights in order to cause incidents in Lebanon, which is still struggling against Israel and its allies, and in order to bring dishonor to Islam and Shi'ism.

Grand Ayatollah Montazeri went on to say: I am sure that the mysterious hands of Israel and the United States are in these plots. They are trying to disgrace Islam and Shi'ism in the Islamic world and to create an everlasting war between the Lebanese Shi'ites and Palestinian Muslims who are at present refugees from their occupied homeland and are guests of the Muslim Lebanese nation.

He then pointed out: Of course we must consider the records of the Muslim and oppressed people of Palestine separately from that of some of their leaders and politicians. If, for example, the Palestinian leaders do not assume the correct position and have different view and attitude toward them, then this must not be put on the accounts of the Muslim Palestinian nation or their women and children. He added: I am not saying there are no corrupt or deviate people among the few million Palestinians. It is natural that when a nation is a refugee from its homeland and the Muslim countries do not do their best for them, the youth of such countries take refuge in various countries and places. It is possible that they are overcome with corruption of belief and deviationism. However, the major guilty parties are the heads of the Islamic countries who are unable to defend the rights of the Palestinian people and to provide their ideological and apolitical needs in accordance with the orders of Islam and the Koran.

Grand Ayatollah Montazeri then said: Those people who take advantage of the simplicity and purity of our Shi'a brothers and sisters in Lebanon for their own political goals and who have instigated them and have created war and bloodshed between the Muslim Palestinian refugees and a group of Shi'a Lebanese struggling Muslims must realize their mistake. They must know that if they continue with their non-Muslim ways which has caused the (anger) of the messenger of God it is possible there will be such conditions that we will have to separate the records of that small group from that of the Shi'ites. These people must repent and change their ways, and end the bloodshed and killing of Muslims which is unfortunately done in the name of Shi'ism in Lebanon. They must not provide so much propaganda material for the media of the enemies of Islam.

In conclusion, Grand Ayatollah Montazeri noted: They are using the disarming of Palestinians as an excuse for a plot by Israel and the United States which want to make sure that there will be no other forces except the Zionists and the Phalangists in Lebanon. They want to be able to do anything and commit any crime or cruelty without anyone resisting them. I feel sure that today they are saying the Palestinians must not be armed in Lebanon, and tomorrow they will say the Lebanese Shi'ites and all other struggling forces or the Sunnis must not be armed either. The main goal of United States and Israel is the disarmament of all struggling Muslims whether Shi'a or Sunni, Lebanese or Palestinian. Unfortunately this plot is carried out by people who are unaware. In southern Lebanon all the people who wish to combat Israel must be armed, and according to the Koran people who fight with the Zionists are [word indistinct] from God. No one and no official can or should try to prevent the struggle against the Zionists.

It is within the context of this vitriol that Grand Ayatollah Montazeri appointed the head of the Martyrs Foundation, Mr. Karrubi, as a special envoy to Lebanon on May 30. The text of the report by the Tehran Domestic Service on this mission and the text of Grand Ayatollah Montazeri's instructions are as follows:

Following the recent conspiracies of the United States and Israel to create a Muslim civil war in Lebanon, Grand Ayatollah Montazeri has ordered the appointment of Mr. Karrubi, the imam's representative and head of the Martyr's Foundation, to lead a delegation of experts on the problems of the region to visit Lebanon. The text of Grand Ayatollah Montazeri's order is as follows:

In His exalted name. Your Excellency Hojjat ol-Eslam Mr. Karrubi, the honorable representative of the Iman—may God lengthen his lofty shadow on earth—in the Martyr's Foundation.

Following the big conspiracy of the United States and Israel in Lebanon and the creation of a civil war and bloodshed between a group of Lebanese Shi'ites and Palestinian Muslims, I deem it necessary for your excellency, who recently saw the internal situation of Lebanon and felt the need to get involved, to lead a delegation of well-informed and far-sighted individuals, experts on regional issues, and visit that country in coordination with the Foreign Ministry. Please convey my greetings and my sympathy and concern to the militant ulema and clergymen of Lebanon and all the Muslim and committee forces and combative strata.

Please kindly inform the illustrious gentleman on my behalf that the sedition currently enacted in steadfast and aware Lebanon with the provocation of the United States and the Zionists, is the beginning of a great danger to Islam and Shi'ism and the Islamic movement and the committed clergy in the world of Islam.

From the earliest times of Islam, whenever the Muslims' unity and awareness posed a danger to the enemies of Islam—particularly the Zionists and colonial powers during this century—and whenever the grounds were suitable for Islam to come

to power and reorganize the Muslims politically, the colonialists, using their uninformed or misled agents, have tried to employ various means and excuses to sharpen sectarian and religious sensitivities in order to turn the Islamic Muslim resistance and its unity of word vis-a-vis the enemies of Islam into divisions, discord, civil war, and bloodshed. God knows what blows have been inflicted on Islam, the prestige of the Koran, and the honor of the Muslims in this respect.

Tell the informed ulema and the honorable and combative clergymen of Lebanon that if they fail to cooperate and do their best in these sensitive circumstances to decisively stop this civil war and bloodshed through self-sacrifice, all the hard work and services of the honorable gentlemen and the selfless and combative youth of Lebanon, who have suffered in trying to awaken the Muslim nation of Lebanon and mobilize them in one rank against the front of blasphemy and Zionism, would be wasted. On the other hand, by the continuation of this bloodshed in the holy month of Ramadan and on the eve of the International Jerusalem Day, which was chosen by a decree of the great leader of the revolution, Imam Khomeyni—may his lofty shadow lengthen in all positive and international aspects of this great day of Islam will be eliminated. It is not far-fetched to think that this was one of the sinister aims of the Zionists in starting this civil war in Lebanon.

Therefore, I, as a seminary student, call upon you, honorable gentlemen, and all Muslim brothers and sisters of that Lebanon, be you Shi'ite or Sunni, Lebanese or Palestinian, to take immediate steps to stop this massacre and bloodshed. The gentlemen themselves and the various relevant Muslim factions should employ any means they deem appropriate and must try to solve the country's internal problems through understanding and negotiations in an atmosphere of fraternity and peace. They should not allow suspicious elements or duped and blind individuals to take charge of affairs in the presence of the well-informed ulema of Islam and all these learned and zealous young men. The honorable gentlemen should organize the movement's affairs so as to unite and mobilize all forces and resources in full coordination against Zionism and the usurping Israel, this base of global blasphemy in the region, I beseech Almighty God to grant victory and honor to Islam and the Muslims. My He bring abjectness and destruction to the front of blasphemy and zionism. May God's peace and salutations be upon his pious servants.—[Signed] Hoseyn 'Ali Montazeri, 30 May 1985.

The delegation headed by Karrubi met with the President of Iran, Khamane'i prior to their departure. The text of the Tehran Radio report of this meeting is as follows:

An Iranian delegation leaving for Lebanon on a mediation mission met Thursday with President Seyyed 'Ali Khamene'i who told them to use every element at their disposal to end the 11-day conflict between Palestinians and the Lebanese Amal militias.

The delegation headed by Hoj. Karrubi, director of the Martyrs Foundation, was ordered to Lebanon by Ayatollah Montazeri. A deputy foreign minister and two Majlis members accompanying Karrubi. President Khamene'i told the group to ask influential personalities in Lebanon to use all their efforts to end the fighting.

He expressed the hope that the delegation will be successful and asked Karrubi to use "any constructive element" to achieve his aim.

Khamene'i condemned the fighting which he said was in the interests of the Zionists, and called for an anti-Zionist unity among all revolutionary forces and the cooperation of Muslim groups.

The president turned to the non-revolutionary policies of some Palestinian leaders and said their case was different from the destiny of the Muslim Palestinians.

In an interview with Tehran Domestic Service on May 31, Karrubi stated the following about his mission to Lebanon:

I ask you with due thanks to explain the formation of this delegation to carry out this mission, its objectives, and what expectations you have?

In His exalted name. The delegation that has been assigned and to which I am giving my services includes our elder brother Hojjat ol-Eslam Ebrahimi from the office of His Eminence Ayatollah Montazeri; brothers of the Foreign Ministry, and the legal advisers of the Foreign Ministry; and [word indistinct] brothers of the Islamic Majlis; brother Ahmad 'Azizi of the Majlis Foreign Commission and another member of the Islamic Majlis, Brother Musavi.

The objectives are specific and clear. As you stated, with the victory of the Islamic forces over the Zionists, the plot began in Lebanon and the problems of the civil war and the problem of Shi'ites and Sunnis reared its heads. Of course it is a political game against the aware and revolutionary brothers. It is clear that it is not a religious but a political matter to engage forces so that they may be diverted from the issue of Israel.

On this issue, the Islamic Repubic authorities and the officials and policymakers are very sensitive and have formulated their stance right from the beginning. In this regard some steps have been taken and some activity has been initiated. His Eminence Ayatollah Montazeri is extremely sensitive to this issue and he has expressed his concern on the issue. He has stressed this and taken some measures.

The official notice of the departure of the delegation on May 31 was given by the Tehran Domestic Service as follows;

Following the guidance and stress on the need for efforts to end the present clashes among the Muslim factions in Lebanon by His Eminence Ayatollah Montazeri, Mr. Karrubi, the Imam's deputy and director of the Martyrs Foundation of the Islamic Revolution, and high-level delegation left for Lebanon.

The delegation's flight took them to Damascus. The following is the report by Tehran Radio noting the arrival of the delegation in Damascus:

An Iranian parliamentary delegation headed by Hojjat ol-Eslam Mehdi Karrubi arrived here today possibly for a week-long visit and was welcomed at the airport by the Syrian Foreign Ministry officials, as well as the secretary of that country's parliamentary 'Majlis al-Sha'b.'

In an interview at the airport here Karrubi said he is carrying a message from Iran's prominent theologian Ayatollah Montazeri to President Hafiz al-Asad and the Syrian people. He said the Islamic Republic lauds Syria's struggle under Al-Asad's leadership against imperialism and Zionism in the region.

Karrubi and his delegation met with a number of high ranking Syrian officials during this stage of the visit. The following report on Tehran Radio in English describes the delegation's meeting with the Syrian Vice President for Political Affairs, 'Abd al-Hakim Khaddam'

Hojjat ol-Eslam Mahdi Karrubi, Imam Khomeyni's representative and head of the Shahid (Martyrs) Foundation, who is here leading a high-ranking delegation appointed by Ayatollah Montazeri, met and conferred with Vice President for Political Affairs 'Abd al-Halim Khaddam Saturday.

In this meeting regional developments and ways to end the fighting between Palestinians and Shi'ite militias, as well as Muslim unity against the Zionist regime discussed. The Iranian delegation arrived in Damascus Friday May 31. It is here on a commission from Iran's prominent theologian Aystollah Montazeri to explore the ways and means for ending clashes in Palestinian camps in Beirut.

On the same day, June 1, Karrubi met with the speaker of the Syrian parliament, Mohammad al-Zubi. The following is the report on this meeting by Tehran Radio broadcast on June 2:

The speaker of the Syrian parliament, Mohammad al-Zubi, Saturday told an envoy of the Islamic Republic that the two countries should coordinate their foreign policy with regards to the ongoing crisis in Lebanon.

Al-Zubi made the statement in a meeting with Iran's head of the Shahid (Martyrs) Foundation Hoj. Karrubi who is heading a delegation which arrived here Friday to seek ways for ending the fighting between the Palestinians and the Amal militia in Beirut.

The two men discussed regional politics and the role of the two nations with regards to the problems.

In the meeting, Al-Zubi spoke on the recent political developments in the region and explained Syria's policy with regards to the present situation.

He praised Iran's support for the Arab and Palestinian causes and said efforts to solve the Lebanese crisis were worthy of appreciation.

He said it was important to coordinate Syrian and Iranian policy in the international scene and to strengthen bilateran ties. He said such efforts would benefit the common aims of the two countries.

Back in Tehran, on the same day, June 1, Tehran Radio in an English broadcast to Europe carried threats against the United States by several high officials of the Khomeyni regime. The Prime Minister of Iran, Musavi, stated that the United States "cannot do a damn thing" against Iran. The following is the full text of the broadcast:

Last week, America announced (?impossibly) and through some official sources that it would launch attacks against some of the Iranian ports in retaliation for the hostage taking of American nationals in Lebanon.

Our political commentator has analyzed the recent statements of the American officials and [word indistinct]. Such statements,

which were not denied by the official American sources, are another indication of the true character of American imperialists. The Foreign Ministry of the Islamic Republic of Iran in a strong-worded response denied the accusation of Iran's involvement in abducting Americans in Lebanon and transferring them to Iran and pointed out that any measure against the Islamic Republic of Iran will be responded severely.

The Foreign Ministry spokesman stressed that the problems of America in Lebanon and the issue of abduction of some nationals of that country in Beirut are at the root of the aggressive and obstructive policies of America in various regimes of the world. Recently, Mr. Hashemi-Rafsanjani, the speaker of the Islamic Consultative Assembly, and the imam's representative to the Supreme Defense Council, in his pre-agenda speech announced: In case of American aggression against the ports of our country there will not remain any port for ships to anchor in the Persian Gulf.

Mr. Hashemi-Rafsanjani, while calling the recent American threats as blackmail, said: If America has gotten any results from its former threats it will get this time too. The speaker of the Islamic Consultative Assembly of Iran, by referring to the crisis which will arrive in case of (?effecting) America's threats in the region, said: If such an event takes place, America will be liable for any crisis due to this (?venture).

At any rate, Mr. Musavi, prime minister of the Islamic Republic of Iran, too, told reporters: There is much possibility that the renewed attack of Iraq against the Iranian cities were launched through American instigations. But America cannot do a damn thing; neither by such instigations nor by other measures.

Two weeks ago, an American team, including David Neweton, America's ambassador in Baghdad, [word indistinct] into negotiations with the leaders of the Iraqi Ba'thist Party and a few days later the [word indistinct] was initiated again.

After visiting Damascus, the Karrubi delegation headed into Lebanon. A number of meetings were held with prominent radical clergy many of whom had met with Karrubi during his earlier visit in May to Lebanon. The delegation visited southern Lebanon as well and Karrubi also was able to visit in the Ba'labakk area according to some reports.

The following are reports from Tehran radio on June 2 and June 3 describing Karrubi's arrival in Beirut and his discussions with radical clergy:

A high ranking delegation from the Islamic Republic of Iran headed by Hojjat ol-Eslam Madhi Karrubi, arrived here today where it met and conferred with Lebanese Shi'ite religious leader Muhammad Husayn Fadlallah. The delegation will discuss ways of ending the fighting between Amal militiamen and Palestinians at refugee camps in Beirut. It will also confer with other Lebanon theologians and religious leaders.

Karrubi, who is head of Iran's Shahid (Martyrs) Foundation had earlier visited Syria where he discussed similar issues with that country's authorities. He termed the talks fruitful.

While in Syria, Karrubi said he held comprehensive talks with Syria's vice president, 'Abd al-Halim Khaddam and the speaker of that country's parliament, Mahmud al-Zubi.

The Palestinian-Amal clashes in Beirut and ways of ending them were discussed in depth with Syrian officials, Karubbi said.

Karrubi said that Syrian authorities reiterated that the clashes only serve to harm the image of the Islamic forces and that a cease-fire should be put into force at once.

The Iranian delegation headed by Hojjat ol-Eslam Karrubi met and conferred with Lebanon's Grand Mufti Shaykh Hassan Khalid and discussed with him solutions to put an end to the recent clashes in Palestinian camps, here Sunday.

Expressing the deep concern of Iranian officials over the incident, Karrubi stressed that the Islamic Republic sought a rapid halt to the clashes.

Later, the delegation had a meeting with vice president of the Supreme Council of Shi'ite Muslims, Shayka Mahdi Shams al-Din, who hailed Iran's efforts in issues relevant to Muslims.

Referring to Ayatollah Hoseyn 'Ali Montazeri's message, Karrubi called for a serious confrontation vis-a-vis recent clashes and stressed on the necessity to thwart plots of international arrogance against Muslims.

The delegation also met and conferred with the Lebanese religious figure Sayid Muhammad Husayn Fadlallah who called on the Islamic Republic of Iran to further continue its measures to strengthen the unity of Shi'ite and Sunni Muslims.

It was during this visit that Karrubi was able to further set in motion the plan to highjack an American aircraft. The following is a report by the Tehran domestic service concerning Karrubi's visit to Lebanon:

Karrubi, the imam's representative and supervisor of the Martyrs Foundation, who is visiting Lebanon at the head of a high-ranking delegation, met with many Islamic figures in Beirut and conveyed greetings from the people and officials of the Islamic Republic and from Grand Ayatollah Montazeri to the Muslim Lebanese people. He then stressed the need for the presence of the ulema on the political scene and the people's support for them. The meeting took place last night at the Lebanese ulema congregation's meeting house.

According to reports from Beirut, Sayyid Muhammad Husayn Fadlallah, one of the militant Lebanese clergymen, emphasized the sacred goals of the Islamic Republic of Iran and the significance attached to such goals by Muslims. He said: Only the solidarity and unity of the Islamic ulema can foil provocations. We must adopt a united stance against any plot aimed at creating divisions and fanning the flames of conflict between the various religions.

According to a Central News Unit report from Beirut, the Iranian delegation has now left for southern Lebanon to inspect the liberated villages. The delegation is to hold talks with Islamic ulema in the region on ways of ending local conflicts. Karrubi is to make a speech at Imam Reza Mosque in southern Beirut this afternoon on plots hatched by Israel and by global arrogance to deal a blow to Muslim unity.

Karrubi returned to Tehran on June 6. The following is the text of the Tehran radio report of his return from Syria and Lebanon:

Imam's representative and head of the Shahid (Martyrs) Foundation, Hoj. Mahdi Karrubi returned here Thursday. He had led a high ranking delegation appointed by Ayatollah Montazeri to Beirut to try to end the recent clashes in Palestinian refugee camps, there.

In an interview upon his arrival, Karrubi temed the results of his trip as "very good" adding that following our mission, the clashes subsided and now only intermittent fighting is going on.

Karrubi stated that following the Lebanese Muslims' victory over the Zionists and the latter's forced withdrawal from occupied lands in south Lebanon, plots were hatched by foreign powers against the region's Muslims. Armed clashes and religious discord between militant Muslims of south Lebanon was a manifestation of these forces at work.

He said that the delegation sought 'o delve into the roots of Lebanese issue as a facet of its strategy for neutralizing the conflict and preventing its expanasion.

On the role of the Shi'ite Muslims in expelling the Zionists from south Lebanon Karrubi said that effort are now being exerted by Zionists designed to tarnish the reputation of Shi'ite Muslims in the region, thus involving them in armed clashes and fanning the flames of religious discord.

The delegation's stance was welcomed by all parties, Karrubi said.

"Since the delegation was appointed by Ayatollah Montazeri, it was received very warmly by the Muslim forces," he added.

Karrubi praised the empathy of Palestinians and Lebanese Muslims for the Islamic Revolution and said that the situation requires a close scrutiny, adding that "we can see that U.S. plots in the deep of the Lebanon issue."

"These meetings and discussions will continue. We hope that following our talks with Syrian officials and along with their efforts to end the conflicts, the regional problems will soon be solved with the victory of Muslim forces," Karrubi concluded.

Deputy Foreign Minister Ali Mohammad Besharati, head of the Majils commission for foreign affairs Ahmad Azizi and Majlis Deputy Seyed Abass Musavi accompanied Karrubi in his 5-day trip to Syria and Lebanon.

On or about June 8 or June 9, an Iranian C-130 Hercules aircraft arrived in Damascus carrying an important group of top Iranian military personnel. According to reports, Mohammad Ali Avi'e, chief of staff of the Iranian revolutionary guards was on board. With him was Moselem Reza Aghili, the chief of the ideological section of the revolutionary guards which is the intelligence section. According to the same reports, Ali Atwa, the young man who had come to Iran for terrorist training was aboard the same flight. It is not yet known in what manner he traveled on to Athens to undertake the TWA 847 hijacking.

The purpose of the Avi'e and Aghili visit was to handle the actual logistics and operations of the hijacking of TWA 847. By June 10, the two were in the Baalbek region of Lebanon in order to assist in the overall operation.

At about the same time Kurrabi was dispatched to Syria and Damascas, the minister of the revolutionary guards, Moshen Rafiqdust, was sent to Libya and to Syria. Rafiqdust was the bodyguard and driver for Khomeini when he returned to Iran to seize power. It

is reported that Rafiqdust is married to the sister of the speaker of the Majlis, Rafsanjani. The overt reason given for the trip was discussions over the Lebanese situation.

The following is a report from Tehran radio on May 30 reporting on Rafiqdust's trip to Libya:

Mohsen Rafiqdust, the Iranian minister of the Islamic Revolution's Guards Corps [IRGC] who is visiting Libya Wednesday [29 May] met with 'Abd al-Salam Jallud, member of the Libyan Command Council and presented him with a message from Prime Minister Hoseyn Musavi.

At this meeting, while referring to the current developments in Lebanon, Mr. Rafiqdust stressed on the need to bring to an end clashes that have been taking place in Beirut as soon a possible. "In our view, these clashes are a plot to divert the anti-Zionist struggle in Lebanon and harm the results of the resistance of the Muslims in South Lebanon who succeeded in ejecting the Zionist regime from there," he said.

In reference to renewed Iraqi attacks against Iranian cities, the IRGC minister said this development only hardens Iran's resolve for destroying Saddam's regime.

In response, Major Jallud stressed on the need for further coordination between Iran and Libya in view of the current situation in Lebanon and also the imposed Iraqi war.

The following is the report by the Tehran domestic service of Rafiqdust's departure from Libya and arrival in Syria broadcast on June 1:

Mr. Rafiqdust, the minister of the Islamic Revolution Guards Corps, who went to Libya in an effort to study the situation in Lebanon and to work toward ending the bloodshed in Beirut, left Libya for Syria yesterday afternoon after a 2-day stay in Tripoli during which he met with officials of that country.

The Central News Unit reports that the minister of Islamic Revolution Guards Corps was welcomed by the head of the National Security Organization of Syria, a number of Syrian officials, the ambassador and officials of the Islamic Republic of Iran's Embassy in Damascus. It is noteworthy that Mr. Rafiqdust is taking a written message from our president, Seyyed 'Ali Khamene'i to Hafiz al-Asad, the Syrian president.

In Syria, Rafiqdust met with many high level officials and presented a message from President Khamene'i to President Hafiz al-Asad. The following report from June 1 from Tehran describes his arrival in Syria:

Minister of the Islamic Revolution's Guards Corps (IRGC), Mohsen Rafiqdust, arrived in Syria Friday night and was welcomed by high-ranking Syrian officials.

Rafiqdust is carrying a message from Iran's President 'Ali Khamene'i for his Syrian counterpart Hafiz al-Asad.

The IRGC minister who is travelling the region to help measures for a halt in the bloodshed between Lebanese and Palestinian Muslims, previously paid a visit to Libya.

On June 9, the minister of the revolutionary guards, Mohsen Rafiqdust, returned to Tehran from visits to Libya and Syria with high level intelligence counterparts. The following is the report on his return by Tehran radio on June 9:

In another development, Minister of Islamic Revolution's Guards Corps Mohsen Rafiqdust who has recently returned from Syria and Libya informed the Majlis speaker of the details of his trip.

At the same time that Rafiqdust returned to Tehran, his chief assistants were in Lebanon working on the hijacking.

Mr. President, such is the basic sketch of the hijacking crisis that my staff has been able to piece together from a variety of sources. While it is a preliminary assessment, the broad contours of the Khomeini regime's regional and global strategy strongly suggest a direct involvement in the hijacking. This view is supported by a number of informed analysts who have been able to assemble evidence which points a finger directly at the Khomeini regime.

During the past 48 hours some hopeful signs have emerged which may lead to the release of the hijacking victims. We can only pray that a positive outcome will soon occur.

In all the press coverage on Middle Eastern events in recent days here in the United States, however, an important event has been overlooked the consequences of which may bring us an intensified attack on the part of the States sponsoring terrorism against these United States. I refer to the treaty of strategic alliance signed in Tripoli, Libya on June 23 between Qadhafi's Libya and Khomeini's Iran. Point No. 6 of the Joint Communique released on June 23 states that—

The two sides declare their intention to establish the army of Jerusalem to liberate Palestine, and to form an international Islamic revolutionary league. Point No. 10 states that—

The two sides agree to form a joint political and military committee chaired by the Secretary of the People's Committee of the People's Bureau of Foreign Liaison and by the Iranian foreign minister.

Mr. President, this new development, which was set in motion at the foreign minister's conference in Tehran this past January bodes ill for the free world. It represents a major escalation of the campaign of the states sponsoring terrorism against the United States. We cannot overlook this significant development and we must place it into the context of the global terrorist activity of these states of which the hijacking of TWA 847 is an example.

Mr. President, I could not more fully agree with Secretary of Defense Weinberger's recent statement that "we are at war" with international terrorism. It is high time that our national strategy be reformulated to deal effectively and decisively with this threat against our Nation and our fellow citizens.

Mr. President, the American people are fed up with terrorism in whatever form it has taken and wherever it has occurred. As we go into our Fourth of July recess, the American people are outraged at the highjacking crisis and its perpetrators. It cannot be denied that the American people demand the most resolute policy to defend their freedom and well being. I know that our great Nation has vast capabilities to respond to the threat posed by international terrorism and the states that sponsor it. Should we not exercise these capabilities in a resolute and decisive manner from this day forward, we will only be inviting a never-ending spiral of terrorist activity against ourselves.

Mr. President, the time for rhetoric has passed. The patience of the American people has been exhausted. We have reached the limit—as President Reagan has so accurately stated. It is time to recur to the traditions of our ancesters who, when the pen failed, took up the sword in order to defend and secure their liberty.●

HOSTAGE CRISIS

● Mrs. HAWKINS. Mr. President, once again, we are a Nation held hostage. Once again, the eyes of the world are upon us, once again the entire country is unified in anticipation and prayer, as we struggle to resolve this horrible episode without any further loss of life.

In these trying times, I believe that it is critical for the American people to show these terrorists that we are one in support of the President. If we show ourselves to be divided and indecisive, then we will only advance the cause of the terrorists and give them the satisfaction of knowing that their despicable tactics are working. In order to defeat these fiends, we must show them that the entire country is completely opposed to their atrocities and that every last man, woman, and child is standing firmly behind the President in his efforts to free the hostages.

For this reason, I was pleased and proud to see an editorial that appeared on the front page of the Pensacola News Journal urging Pensacolans to fly the American flag "in support of our President and our nation as we seek freedom of our fellow citizens * * *" I believe that this is just the sort of patriotic action we need in these difficult and frustrating times.

Mr. President, I hope that other newspapers in Florida and around the country will follow the example set by the Pensacola News Journal and urge their communities to fly the flag in support of the President and the hostages. I ask consent that the text of the editorial be included in the RECORD at the conclusion of my remarks.

Let us hope that what began in Pensacola will soon spread across the Nation. Let us show the world that Americans, all Americans, are lining up in support of our countrymen. And

let us show those desperate cowards that call themselves terrorists that America will be victorious in its war on terrorism.

The editorial follows:

SHOW YOUR COLORS IN A CRISIS

We Americans, frustrated and fearful in these days of terrorism, can rally in support of our president and our nation as we seek freedom for fellow citizens held hostage in a dangerous corner of the Mideast.

We can fly the American flag.

Everywhere.

Everyday.

Fly it until the Americans return safely home.

The Pensacola News Journal will lead the daily vigil by flying American flags at our One News-Journal Plaza offices beginning this morning.

And we encourage you to do likewise in a show of unity, concern and support for the innocent American travelers caught in a web of horror not of their choosing. The patriotic gesture shows that we—living in a free nation—are unified, standing strong, ready to act rationally and humanely in behalf of fellow citizens victimized by a new breed of madmen.

Remember: It only takes a few minutes to hoist the flag at your home, office or business. The Americans held at gunpoint in the Mideast, in their seventh day of captivity far away from the liberty and freedom we know, likely would be overjoyed to have the same opportunity.

Beginning at noon today, the News Journal will give away flag lapel pins at the front counter of its downtown Pensacola offices to the first 2,000 people to come in and ask for one. Moreover, 200 American flags will be available at cost. Other Pensacola merchants who stock American flags include Gayfers, TG&Y, K mart and Sears. For those who do not have flags, today's editions of the News Journal contain a double-page, full-color American flag on pages 8-9D (Sports section) that you can display in the window or on the wall.

In succeeding days, the paper will fly the flag on Page One of its morning editions daily until the hostages return to America.●

U.S. POLICY IN NICARAGUA MUST BE CHANGED

● Mr. RIEGLE. Mr. President, I am deeply concerned over recent House and Senate action in approving additional funding for the Nicaraguan rebels fighting the Sandinista government in Nicaragua.

Approval of the aid—regardless of how well disguised—sends the message that the Congress supports not just the Contra effort, but also endorses the administration's overall Central American policy. I reject that policy, because I do not believe it is one which enhances U.S. national security interests in the region, and carries with it the increasing likelihood of direct U.S. military involvement there.

The question of whether the policy we are currently pursuing in Nicaragua is one which best serves U.S. national security interests—which should be the focus of debate on this issue—has avoided serious consideration.

Rather, questions concerning type and amount of aid have dominated this debate, and little mention has been made of the critical question of whether our current policy is an effective one.

The uncertainties connected with our Contra policy, combined with the very real risks it carries to U.S. credibility and future security, compelled me to reject efforts to continue the policy through additional funding.

I reject the notion that failure to support our current Contra policy reflects a lack of will to respond to the challenge of communism in Central America. As much as anyone, I appreciate that need to respond appropriately to the legitimate security conerns which face us in the region. Unlike supports of our current policy, however, I do not believe that the Contra effort is an appropriate response to the challenges we face in the region.

For the record, I would like to outline my reasons for voting first to eliminate any additional Contra aid, and, subsequently, to limit that funding to the lowest possible level.

First, it is illegal under international law to support the Contras, whose stated goal is to overthrow the duly elected Government of Nicaragua.

The United States is a signatory of two agreements which strictly prohibit such operations. Article 2(4) of the U.N. Charter prohibits the threat or use of force against the territorial integrity or political independence of any state. Similarly, article 18 of the OAS Charter provides that "No state • • • has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other state."

Second, our current policy is not working, and is unlikely to succeed in the future. Despite 4 years of war by the Contras, and some $80 million in U.S. military assistance, our effort to achieve peace in Central America is as illusive as ever.

The Contras' popular base of support remains very limited, and their goal of overthrowing the Sandinista government is at odds with our own goal of achieving peace in the region. U.S. efforts to bring about change in Nicaragua through support of the Contras is a no-win situation. Aside from the compelling legal arguments against this policy, I believe it is doomed to fail, simply because, absent full-scale aid to the rebels, and probably, direct U.S. military intervention, it is highly unlikely that the Contras will ever be a successful vehicle for change in that country.

Gen. Paul Gorman, Commander of U.S. forces in Central America, has stated that the Contras are incapable of overthowing the Sandinista government "in the foreseeable future", and it will take "years" before Contra pressure can be expected to produce any significant change in the Nicaraguan Government.

Third, the Contra operation threatens a wider war, by exacerbating tensions between Nicaragua and her neighbors. External attack compels Nicaragua to increase the size of its armed forces and to seek military aid, thus fueling the arms race and increasing Nicaragua's reliance on our adversaries.

Fourth, the policy is counterproductive, and has enabled the Sandinistas to consolidate popular support by identifying their revolution with Nicaraguan nationalism. In addition, the Contras' operations have served to strengthen the most radical elements within the Sandinista regime. The Contra activities provoke, and are used to justify, continued limitations on political and press freedoms within the country.

The external attacks have caused the loss of hundreds of human lives and have imposed severe economic costs on the Nicaraguan people. Thus, the Contra operations have ignited the nationalism of the people and have diminished internal dissent against the Sandinista regime.

Fifth, the terrorist activities of the Contras are reprehensible and do not warrant U.S. support. While the repressive and antidemocratic policies of the Sandinista government are deplorable, these abuses cannot be used to justify the activities of the Contras.

Sixth, the Contra policy has damaged U.S. credibility. Revelations of the CIA mining of Nicaraguan ports, authorship of an "assassination" manual, and sponsorship of an armed force accused of serious human rights violations, have damaged the reputation of the United States as a law-abiding power in the eyes of the world.

U.S. allies in Latin America and Europe, along with the Contadora nations, have all harshly condemned our military support of the Contras.

Seventh, the Contra effort is destructive to the peace process. This policy runs counter to the efforts of the Contadora nations to seek dialog, and to find a peaceful settlement to the region's problems.

Administration assertions of support for a negotiated peace settlement are contradicted by U.S. actions, which serve to escalate tensions in the region by continuing to support the Contra effort.

The administration claims that United States support for the Contras provides incentives for Nicaragua to democratize and to seek a negotiated settlement. In reality, support for the Contras undermines the Contadora framework and convinces the Nicaraguan Government that the United States wants war, and is not serious about negotiations.

In short, there are no clear, consistent or convincing reasons that favor a continuation of current policy.

If the Communist threat of which the President speaks so passionately, is as great as he claims, then that threat should be clearly documented in a way which will ensure broad popular support for a policy which, to succeed, will require a commitment far greater than that which has been made thus far.

If a compelling case cannot be made for a much greater U.S. effort to ensure success of the policy, then serious consideration must be given to adopting a policy which relies on diplomatic efforts, in concert with other nations of the region, to address the conflicts there.

Our policy in Central America, and Nicaragua in particular, continues to lack the same ingredients that were also missing in our failed Vietnam policy: A clear understanding of what our objective is, and where our policy will lead us, along with a balanced assessment of whether the goals we set are achievable.

Our task must be to design a policy which will truly address U.S. security concerns in the region, and which has a better chance of success.

With respect to Nicaragua, such an effort must begin with a clear definition of our policy objectives. I believe those objectives should include efforts to achieve the following results, in concert with other nations:

First, reduce the influence of the Soviet Union, Communist bloc countries, Cuba, Libya, and the PLO, inside Nicaragua.

Second, end Nicaraguan assistance to guerrilla groups outside of Nicaragua.

Third, reduce Nicaraguan military forces to a level compatible with the legitimate defense needs of the country.

Fourth, end human rights abuses by the Sandinista government against the civilian population.

Fifth, implement the 21 points of the Contadora Treaty.

Sixth, encourage free elections and other internationally recognized principles of democracy, such as freedom of the press, free speech, free association, and freedom of religion in Nicaragua.

Those objectives should be pursued with a policy which emphasizes nonmilitary, diplomatic solutions, and uses the full array of political, economic, and diplomatic instruments at our disposal, in conjunction with the Contadora countries and our allies.

In several important respects, a negotiated solution would serve U.S. security interests.

The existing framework of the Contadora proposal—provided it had adquate verification provision—would go far in addressing United States concerns about Nicaragua's military ties with the Soviet Union and its support for guerrilla activities elsewhere in the region.

As now envisioned, a Contadora agreement would provide for an internationally supervised end to Nicaragua's acquisition of weapons, a reduction of its current inventories, and a reduction in the number of Cuban and Soviet advisers in Nicaragua.

Under the terms now being negotiated in the Contadora framework, many analysts expect the flow of outside supplies to guerrilla forces would be sharply restricted.

Under the political agreements of Contadora, which basically call for the establishment of the institutions of Western-style democracies in Central America, international pressure would be put on the Sandinistas and other governments in the area to democratize.

The economic agreements would help promote regional integration, which would be an important stimulant to provide the Central American economies with a greater opportunity for growth.

The shortcomings of our current policy toward Nicaragua are all too apparent. I believe it is a mistake for the Congress not to have acted to alter that policy by rejecting the request for funding to continue the Contra war.●

ANTIAPARTHEID ACT OF 1985

● Mr. CHAFEE. Mr. President, I am pleased today to join Senators KENNEDY and WEICKER as a cosponsor of S. 635, the Antiapartheid Act of 1985. We are all too familiar with human rights violations in countries around the world. The list is endless: the Soviet Union, Afghanistan, Uganda, Ethiopia, North Korea, Iran, Syria, Chile, Paraguay, and, of course, South Africa.

As a violator of human rights, South Africa is unique among nations. Other countries may commit gross human rights violations, but South Africa is the only regime in the world that constitutionally and legally enshrines racism by denying over four-fifths of its population—on the simple basis of race—the right to participate in government.

Those fundamental rights that most Americans take for granted—freedom of speech, equal protection under the law, freedom of assembly, the right to bear arms, due process of the law—are systematically denied to blacks in South Africa. This unjust system has been upheld by constant arrests, forced removals, detentions without trial, bannings, and executions.

Now apartheid is certainly not new in South Africa. Whites have oppressed blacks there since 1652 when they first went to South Africa. This oppression was finally institutionalized in 1948 by the National Afrikaner Party.

What is more recent, however, is this administration's permissive attitude toward South Africa, as embodied in its policy of constructive engagement. The successes of this policy are very few indeed. The escalation of violence, death, and despair among the black population in South Africa in the last 4 years makes me wonder what we are doing to bring about peace and change to that country.

Constructive engagement has borne little fruit and needs to be reassessed. The daily violence, massacres, and dangers facing the black population in South Africa are intolerable. The policy of apartheid, responsible for this violence and inhumanity, must end, and the United States must do its part to help.

There are various proposals for how the United States can oppose apartheid. Economic leverage is what S. 635 is all about. The investment leverage used in this bill is a strong and effective statement of U.S. opposition to the apartheid system. The measures proposed send a clear message to both white and black South Africans that the United States stands on the side of freedom and justice.

It is time the Senate had the courage to go beyond mere verbal disapproval of apartheid. By imposing several significant economic sanctions against the South African Government, we take a step toward urging peaceful change in that country. If there are opportunities for pressing the Afrikaner regime into taking bolder steps, then let's use the best leverage we have with them—U.S. investment—to do so. In doing so we impose a cost on Pretoria for its continued maintenance of apartheid. S. 635 is a direct way to do just that.●

NATIONAL HOSIERY WEEK

● Mr. EAST. Mr. President, the domestic hosiery manufacturing industry is celebrating National Hosiery Week this year during the week of August 11 through 17. I am pleased to join our industry in noting this occasion as it focuses on the economic contribution the industry makes to our country. And, I ask colleagues to join in recognition of the pride and craftsmanship of the nearly 70,000 people who work in domestic hosiery manufacture.

Mr. President, I am proud, too, that North Carolina leads the Nation in the manufacture of hosiery. Over 50 percent of all "Made in USA" hosiery is produced in North Carolina. This activity provides a vital element to our State economy. Those employed in this endeavor continue to take enthusiastic pride in fashionable, top-line versatility to consumer wardrobes. Their fine workmanship reflects their effort in this regard.

So, Mr. President, this commemorative week takes a highly worthwhile step as an occasion for public awareness of those who work to bring value to the entire American family. I urge my colleagues to join with tens of thousands in celebrating August 11 to 17 as "National Hosiery Week."●

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WILSON). Without objection, it is so ordered.

(During the foregoing quorum call Mrs. KASSEBAUM occupied the chair.)

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader with regard to the Executive Calendar, I ask unanimous consent that the Senate go into executive session to consider the following nominations: Calendar No. 233, Anton Ronald Valukas, of Illinois, to be U.S. attorney for the northern district of Illinois; and Robert L. Thompson, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation and John R. Norton III, of Arizona, to be a member of the Board of Directors of the Commodity Credit Corporation. The latter two nominations were reported out of the Committee on Agriculture today.

I would submit those under a unanimous-consent request and ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

Mr. BYRD. Mr. President, there is no objection on this side to the consideration of these three nominees that have been named by the distinguished assistant Republican leader, even though two of those nominations, Mr. Norton and Mr. Thompson, as the majority whip stated, have been reported out of the Committee on Agriculture only today.

There is no objection, likewise, to considering these nominees and confirming them en bloc.

The PRESIDING OFFICER. Without cbjection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Anton Ronald Valukas, of Illinois, to be U.S. attorney for the northern district of Illinois.

COMMODITY CREDIT CORPORATION

Robert L. Thompson, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

John R. Norton III, of Arizona, to be a member of the Board of Directors of the Commodity Credit Corporation.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominees were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, let me thank the minority leader for his cooperation in processing those nominations that were earlier reported today. The leadership appreciates that.

Mr. BYRD. Mr. President, the minority is grateful for the kind words of the distinguished acting majority leader.

For the record, Mr. President, if the distinguished acting majority leader would allow me, let me say that we on our side of the aisle have been endeavoring diligently to get clearance on the nominees on the calendar, for the most part. I think it would be helpful if the record would show that with respect to the following calendar orders clearance has been given on this side of the aisle: Calendar Nos. 211, 237, all of the nominees on page 2 of the Executive Calendar running from Order Nos. 238 through 244, nominees in the Department of State; the same with reference to those nominees on page 3, running from Calendar Order Nos. 245 through 251, both inclusive; the nominees under the Judiciary on page 4, Nos. 254, 258; under Department of State, Nos. 267, 268, 269, 270, 271, 272; and, under U.S. Information Agency, No. 273.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, the majority leader wants to present further remarks. Therefore, I would suggest the absence of a quorum. He should be here shortly to conclude. If not, I will proceed under his instructions.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF STATE NOMINATIONS

Mr. DODD. Mr. President, I do not want to take a great deal of time at the end of the day we are preparing to leave for the 4th of July recess, but I would be remiss if I did not rise at this hour to note, despite the efforts of the leadership on both sides to try and move the outstanding nominations, apparently we are going to be unable to clear for approval a significant number of nominees who have been approved by the Foreign Relations Committee—unanimously, I might add. There was not a single dissenting vote that I am aware of in any of these cases before us. We will now be gone for the next 10 days or so, and I would like to particularly point out that the confirmation of Thomas Pickering, who will be our Ambassador designate for the State of Israel at one of the crucial times in recent past history, is crucially important with the fate of some 45, 46 Americans hanging in the balance, where it should become abundantly clear to anyone how important it is for the President of the United States to be able to have an Ambassador functioning in that part of the world to help manage the delicate negotiations over the next several days which could result in the release and the return home, without harm and in safety, these Americans who have been caught in this web. If anything happens over the next 10 or 12 days to these Americans, we will look back and wonder why, for some very petty reasons, some were holding up the approval of these nominations; why when it was so vitally important to this country to have people in place the President could rely upon to help move this process forward, he was denied that opportunity

Now, there are any number of nominees, but I think the case of Thomas Pickering is particularly noteworthy, and I might add John Whitehead, so that the Secretary of State might have a deputy in place during these times. These are not normal days at the State Department and the White House. It is a time of crisis in this country. To find that we do not have people on the job over these next 10 days, I think, is a mistake of significant proportions. I do not say this in any partisan way, because I think, as the majority leader and others know, I certainly have had many disagreements with any number of these people on policy questions. The issue is whether or not this Government

can function and function well during a time of need and a time of crisis.

Elliott Abrams has served well as the Assistant Secretary of State for Human Rights. Certainly the problems of Central America are not minor and we will miss having someone in place in that position, not to mention Mr. Tambs, who will be going to Costa Rica; Ambassador Middendorf, the Organization of American States, and numerous others.

So, Mr. President, for whatever it is worth, this week the Foreign Relations Committee worked very hard to try and move these nominations. Members went until 8 or 9 o'clock one night to keep witnesses or nominees before the committee answering questions. Members sat for a great length of time to see to it that anyone who had any outstanding questions would have the opportunity to ask them. We moved these nominations today in several cases through the Foreign Relations Committee so that the majority leader would have the opportunity to bring them before the full Senate so that they might be cleared and confirmed before we recessed. As I said at the outset, not a single person on this side of the aisle objects to that effort. We support the leader. We support his efforts and we support the President's efforts in trying to get these people in place over these next 10 days.

I am not engaging in hyperbole, nor exaggeration, when I say that if anything should happen over these next 10 days to our hostages and if it happened because we did not have an Ambassador—we do not have an Ambassador in Israel at this moment. Sam Lewis left Israel 10 days or 2 weeks ago. We have no person other than the DCM in that country. We do not have the President's man in place over there. If anything should happen over these next 10 days to the 40 Americans because we did not have that person in place to help move these negotiations forward, then I think we will look back on this Friday as a day of some disgrace because we failed to give the President all the measure of support he deserved during this time of crisis.

ORDERS FOR MONDAY, JULY 8, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, July 8, 1985, at 12 noon, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with, and following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each; and provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR COMMITTEES TO FILE REPORTS

Mr. DOLE. Mr. President, I also ask unanimous consent that during the adjournment of the Senate over until July 8, that committees may file reports between the hours of 10 a.m. and 3 p.m. on Tuesday, July 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, the Senate will convene at 12 noon on Monday, July 8.

The two leaders will have 10 minutes each, under the standing order.

There will be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

Following that, there will be routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following routine morning business, the Senate will proceed to the consideration of S. 995, the South African bill, which was reported by the Senate Foreign Relations Committee.

There will be no rollcall votes during Monday's session, but amendments will be offered. It is hoped that those amendments can be debated, and if there is a request for the yeas and nays, those votes will occur on Tuesday.

As I understand it, we have cleared all the nominations, except that of Mr. Yeutter. We are going to clear all the nominations we can clear.

I have been advised by the administration that if we cannot clear all the State Department nominations, they do not want to clear any. They do not see any reason to single out certain nominees for special treatment, so none will be cleared today.

I know there are differences of opinion. The leader finds himself between the administration and colleagues who have strong views regarding one or two nominees. It was my hope that we would confirm all those nominations and not hold up a large number when we might be concerned with one or two. We cannot do this because we agreed that there will be no rollcall votes.

As I understand it, there are one or two on which Members want rollcall votes, and I do not quarrel with that. The point is that we cannot do that today, so we will confirm any of the nominations just referred to by the Senator from Connecticut, plus a number of others.

I think there is a total of 29 which will not be acted upon. There will be a 10-day hiatus, and it will deprive all those people of an opportunity to get settled during this recess period. That is the way it goes.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Clayton Yeutter, which was reported by the Finance Committee earlier today.

Mr. BYRD. Mr. President, even though this nominee does not appear on the calendar, by virtue of his nomination having been reported by the committee today, as the distinguished majority leader has just stated, clearance has been obtained on this side, and there is no objection.

There being on objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

U.S. TRADE REPRESENTATIVE

The bill clerk read the nomination of Clayton Yeutter, of Nebraska, to be U.S. Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary.

Mr. PACKWOOD. Mr. President, I am pleased to report the recommendation of the Committee on Finance that the Senate give its advice and consent to the nomination of Dr. Clayton Yeutter, who has been nominated by President Reagan to serve as the U.S. Trade Representative.

Dr. Yeutter's nomination comes to us at a critical time in U.S. trade policy. The unprecedented deficits in our balance of trade have spawned both protectionist pressures as well as the legitimate demands for greater equity in our trading relationship with the world. We are at an important juncture in the development of our trade policy. Our response as a nation to the trade crisis that has unfolded will play a decisive role in determining the standard of living of all Americans, as well as the future of the international trading system. History demonstrates that the economic issues involved in trade among nations have a profound impact on the course of political and social events.

In this critical time we are pleased to have a man of Dr. Yeutter's experience and ability. Dr. Yeutter has been president and chief executive officer of the Chicago Mercantile Exchange since July 1, 1978. Prior to that appointment he served for several years in a series of high level positions in the Federal Government. As Assistant

Secretary of Agriculture for Marketing and Consumer Services, he was in charge of an array of regulatory programs including the Commodity Exchange Authority. As Assistant Secretary of Agriculture for International Affairs and Commodity Programs, Dr. Yeutter was heavily involved in the dramatic growth of U.S. agriculture exports during the mid-1970's. Finally, Dr. Yeutter served as the Deputy U.S. Trade Representative under President Ford, playing an important role in the Tokyo round of multilateral trade negotiations. Dr. Yeutter's background in business and Government should serve him well in his new and critical role.

Mr. President, the Committee on Finance has carefully reviewed Dr. Yeutter's nomination and has confirmed the President's judgment that he is well qualified for the job for which he has been nominated. I hope that my colleagues will join me in expeditiously approving his nomination.

Mr. BAUCUS. Mr. President, I am pleased the Senate is acting promptly on the confirmation of Clayton Yeutter to be Special Trade Representative. I am only sorry we have had 2 solid months without any STR.

As I have said before, this administration seems frighteningly unconcerned about what is happening in the arena of international trade. Every month the trade statistics tell a gruesome tale, but the administration is either blind to the figures or insensitive to their meaning.

The health and well-being of the international trading system are critical to our health and well being as a Nation. We cannot just sit back and assume things will go well. We need an activist stance.

When Clayton Yeutter left Government in 1977 the trade deficit was $17 billion. Last year it was $123 billion, and this year it is heading for $150 billion.

When President Kennedy nominated Christian Herter to be the first USTR in 1962, he said that the trade representative must "help to shape a world environment in which the United States maintains initiative, commands respect, and provides leadership."

Those words are from another era. The United States has continued to practice free trade by example while others practice a kind of new mercantilism. Its leadership to sit above the fray while our workers, farmers, and industries lose their economic vitality.

To regain leadership, the United States must confront its problems and challenges head on. To do that it must have commitment and organization. We must have a strong USTR. We must have a USTR who will wake up his colleagues in the administration and who will lead them. We must have a USTR who will stand up for the United States.

From what I can tell, Clayton Yeutter has the necessary ability and determination. We in Congress are eager to work with him in fashioning a tough, pragmatic trade policy.

Mr. DOLE. Mr. President, I would like to add my wholehearted endorsement of Dr. Yeutter's nomination as the U.S. Trade Representative. I commend the President on an excellent choice to follow the outstanding example of now-Labor Secretary Bill Brock.

I have been acquainted with Dr. Yeutter since his years in the Nixon and Ford administrations, where he served as a Deputy Special Trade Representative and as Assistant Secretary of Agriculture for International Affairs and Commodity Programs. In recent years, he has demonstrated innovative leadership in the commodity futures industry as president of the Chicago Mercantile Exchange. Combined with his background as a farmer/rancher in Nebraska, these credentials make him well-qualified to take up the responsibilities of Chief U.S. Trade Negotiator.

I would only add that, in my 24 years in Washington, I do not recall a more difficult climate for trade, either here in Washington or in the Nation. Our merchandise trade deficit ballooned to $123 billion in 1984, and could rise to $150 billion this year. The United States crossed the threshold in the past several months to join most of the developing world as a debtor nation. For the first time since 1914, our annual payments to foreigners exceed our receipts. Moreover, most analysts expect the red ink to become a flood before our economic fortunes change.

On a bilateral basis, tension in trade relations with the other OECD nations, particularly Japan and the European Community, is increasing. Continuing failure to resolve the pressing issues of access to the Japanese market for American products, or of the indiscriminate use of subsidies in expanding agricultural exports, is threatening to polarize attitudes regarding the usefulness of existing trade agreements. On a sectoral level, legislation is piling up to provide import-relief to a host of domestic U.S. industries, including textiles and apparel, footwear, and lumber.

At the same time, the administration is attempting to overcome the reservations of our trading partners on initiating a new round of multilateral negotiations under the General Agreement on Tariffs and Trade [GATT]. This effort to shore up the faltering framework of GATT is being undercut by French refusal to accept a general prohibition of agricultural export subsidies and by rejection of adding services as a new sector under GATT by some 23 developing nations.

So I would just say that Dr. Yeutter and his team have their work cut out for them. No one—neither the United States, nor its trading partners—wants a trade war. And yet, unless some way is found to correct the massive and growing economic imbalance in the international marketplace, a point may soon be reached where economic arguments are replaced by political imperatives.

I, for one, do not want to see this happen. And I will continue to work with the administration, with others in Congress, and with our trading partners to find solutions to these serious problems.

I again commend the President on his selection of Dr. Yeutter. And I am pleased we are able to confirm his nomination at this time.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Clayton Yeutter, of Nebraska, to be U.S. Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary?

The nomination was confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the distinguished minority leader and Members on his side for clearing this nomination. It is a highly important nomination. There are all kinds of trade problems, and that is why it is critical. With former Trade Representative Bill Brock now Secretary of Labor, there has been a vacancy for some time, and this will be very helpful in getting things rolling in that area.

I thank the distinguished minority leader.

Mr. BYRD. The distinguished majority leader is welcome.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ADJOURNMENT UNTIL MONDAY, JULY 8, 1985

Mr. DOLE. Mr. President, I move, in accordance with the provisions of Senate Concurrent Resolution 54, that the Senate stand in adjournment until 12 o'clock noon, on Monday, July 8, 1985.

The motion was agreed to; and, at 6:36 p.m., the Senate adjourned until Monday, July 8, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate June 27, 1985:

ENVIRONMENTAL PROTECTION AGENCY

J. Winston Porter, of Virginia, to be Assistant Administrator, Office of Solid Waste, of the Environmental Protection Agency, vice Lee M. Thomas.

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, section 624:

IN THE ARMY

To be colonel

Adams, John, xxx-xx-xxxx
Adams, Richard M., xxx-xx-xxxx
Ahrens, Robert E., xxx-xx-xxxx
Alexander, John B., xxx-xx-xxxx
Alexander, William C. Jr., xxx-xx-xxxx
Allen, Frank B., xxx-xx-xxxx
Allen, Robert A., xxx-xx-xxxx
Allison, William F. Jr., xxx-xx-xxxx
Allman, Douglas D., xxx-xx-xxxx
Ames, Robert A., xxx-xx-xxxx
Anderson, Dean R., xxx-xx-xxxx
Anderson, Martin S., xxx-xx-xxxx
Arrants, William M., xxx-xx-xxxx
Arrington, John W., xxx-xx-xxxx
Ashworth, Jimmy P., xxx-xx-xxxx
Askew, Arthur M., III, xxx-xx-xxxx
Bachman, Howard F., xxx-xx-xxxx
Bachman, James H., xxx-xx-xxxx
Baer, Barry S., xxx-xx-xxxx
Baetcke, Dorothy A., xxx-xx-xxxx
Bain, Seavy A., Jr., xxx-xx-xxxx
Baisden, Edward D. Jr., xxx-xx-xxxx
Baker, Richard C., xxx-xx-xxxx
Baldwin, Roger L., xxx-xx-xxxx
Ballagh, Robert S., Jr., xxx-xx-xxxx
Ballard, Stephen D., xxx-xx-xxxx
Barnaby, Richard J., xxx-xx-xxxx
Barrow, Joseph M., xxx-xx-xxxx
Barry, David A., Jr., xxx-xx-xxxx
Barthmus, Winfried, xxx-xx-xxxx
Bartholomew, Daniel E., xxx-xx-xxxx
Bartlett, James A., xxx-xx-xxxx
Bartz, Richard C., xxx-xx-xxxx
Basile, Domenic F., xxx-xx-xxxx
Baucum, Tommy A., xxx-xx-xxxx
Baumann, Charles H., xxx-xx-xxxx
Bawell, Walter A., xxx-xx-xxxx
Beardslee, Harold M., xxx-xx-xxxx
Beasley, Lonnie S., Jr., xxx-xx-xxxx
Beiler, George W., xxx-xx-xxxx
Bell, David G., xxx-xx-xxxx
Benton, John G., xxx-xx-xxxx
Bergeron, Alfred J., xxx-xx-xxxx
Berner, Robert L., xxx-xx-xxxx
Berrong, Larry B., Jr., xxx-xx-xxxx
Beyer, David J., xxx-xx-xxxx
Biank, Samuel A., Jr., xxx-xx-xxxx
Billy, Ronald J., xxx-xx-xxxx
Black, Clinton J., xxx-xx-xxxx
Blades, Jon W., III, xxx-xx-xxxx
Blair, Joseph M., III, xxx-xx-xxxx
Blake, Bruce A., xxx-xx-xxxx
Bock, James W., xxx-xx-xxxx
Bohm, John A., xxx-xx-xxxx
Boling, Joseph E., xxx-xx-xxxx
Bonine, Larry S., xxx-xx-xxxx
Booth, Clinton A., xxx-xx-xxxx
Bowen, Jerry W., xxx-xx-xxxx
Bowers, John E., xxx-xx-xxxx
Boyd, Hugh F., III, xxx-xx-xxxx
Boyles, Calvin E., xxx-xx-xxxx
Bradham, Ramon F., xxx-xx-xxxx
Bradley, John, xxx-xx-xxxx
Bramlette, Larry J., xxx-xx-xxxx
Bridgewater, Gary L., xxx-xx-xxxx
Briggs, James B., xxx-xx-xxxx
Bright, Willard R., xxx-xx-xxxx
Brominski, Emil J., xxx-xx-xxxx
Brown, Donald E., xxx-xx-xxxx
Brown, John E., xxx-xx-xxxx
Brown, John R., xxx-xx-xxxx
Broyles, William L., xxx-xx-xxxx
Bruce, Robert, xxx-xx-xxxx
Buckner, Roy C., xxx-xx-xxxx
Bullock, Donald L., xxx-xx-xxxx
Burney, Linwood E., xxx-xx-xxxx
Burton, Emmette Y., III, xxx-xx-xxxx
Byrd, Wayne, W., xxx-xx-xxxx
Campbell, James L., xxx-xx-xxxx
Carey, John P., xxx-xx-xxxx
Cart, Fredrick J., xxx-xx-xxxx
Carter, Willard T., xxx-xx-xxxx
Cary, John R., Jr., xxx-xx-xxxx
Castleberry, Johnny M., xxx-xx-xxxx
Cecchine, Gary A., xxx-xx-xxxx
Chapman, Thomas w., xxx-xx-xxxx
Chase, Emery J., Jr., xxx-xx-xxxx
Cherrie, Stanley F., xxx-xx-xxxx
Chescavage, William A., xxx-xx-xxxx
Chien, Kenneth, xxx-xx-xxxx
Christensen, Alan N., xxx-xx-xxxx
Chun, Kenneth W., xxx-xx-xxxx
Chung, Norman K., Jr., xxx-xx-xxxx
Churchill, Floyd V., Jr., xxx-xx-xxxx
Clark, Michael H., xxx-xx-xxxx
Clarke, Bruce B., xxx-xx-xxxx
Colclasure, Wyett H., xxx-xx-xxxx
Cole, Coye M., xxx-xx-xxxx
Collins, Francis J., xxx-xx-xxxx
Conner, Patrick D., xxx-xx-xxxx
Conroy, Thomas F., xxx-xx-xxxx
Cook, James H., xxx-xx-xxxx
Cook, Michael R., xxx-xx-xxxx
Cooke, Harold L., xxx-xx-xxxx
Corcoran, Edward J., xxx-xx-xxxx
Cosand, Charles L., Jr., xxx-xx-xxxx
Counts, Edward T., xxx-xx-xxxx
Cousins, Lawrence F., xxx-xx-xxxx
Covalucci, Robert J., xxx-xx-xxxx
Cox, Jimmy D., xxx-xx-xxxx
Craighill, Robert R., xxx-xx-xxxx
Cramer, Edward J., Jr., xxx-xx-xxxx
Cramer, Walter E., III, xxx-xx-xxxx
Crissman, Kearney W., xxx-xx-xxxx
Crossman, John S., xxx-xx-xxxx
Cryblskey, Harry E., xxx-xx-xxxx
Cummings, Francis J., xxx-xx-xxxx
Cusick, John J., xxx-xx-xxxx
Dabrowski, Peter F., Jr., xxx-xx-xxxx
Dandridge, Harold T., Jr., xxx-xx-xxxx
Danielson, Ralph M., xxx-xx-xxxx
Dash, Michael E., xxx-xx-xxxx
Daskal, James A., xxx-xx-xxxx
Davis, Larry J., xxx-xx-xxxx
Daxe, Arnold, Jr., xxx-xx-xxxx
Dean, Arthur T., xxx-xx-xxxx
Decoteau, Glynn T., xxx-xx-xxxx
Dermody, Henry M., Jr., xxx-xx-xxxx
Derrah, Donald W., xxx-xx-xxxx
Deter, Daniel E., xxx-xx-xxxx
Dethorn, John R., xxx-xx-xxxx
Devanney, Thomas M., xxx-xx-xxxx
Devarona, Jose R., Sr., xxx-xx-xxxx
Devine, William S., xxx-xx-xxxx
Dexter, Craig M., xxx-xx-xxxx
Dexter, Thomas H., xxx-xx-xxxx
Dick, Donald E., xxx-xx-xxxx
Dick, John H., xxx-xx-xxxx
Dickinson, Paul W., xxx-xx-xxxx
Dickson, John R., xxx-xx-xxxx
Doering, Archie M., xxx-xx-xxxx
Dorton, James M., xxx-xx-xxxx
Downhour, Orbra W., xxx-xx-xxxx
Dubia, John A., xxx-xx-xxxx
Duerr, Hans N., xxx-xx-xxxx
Duff, John S., xxx-xx-xxxx
Dunn, Gerald J., Jr., xxx-xx-xxxx
Dykes, Andrew A., xxx-xx-xxxx
Eanes, John T., xxx-xx-xxxx
East, Jared G., xxx-xx-xxxx
Ebitz, Curtis V., xxx-xx-xxxx
Eckel, Hasko K., xxx-xx-xxxx
Edwards, Dennis L., xxx-xx-xxxx
Edwards, Jerry W., xxx-xx-xxxx
Ellis, Donald A., xxx-xx-xxxx
Esposito, Anthony L., xxx-xx-xxxx
Etzel, Stephen L., xxx-xx-xxxx
Fear, Robert G., xxx-xx-xxxx
Feuerborn, Thomas L., xxx-xx-xxxx
Fiore, Leonard A., xxx-xx-xxxx
Fleming, Harry S., xxx-xx-xxxx
Flint, Charles K., III, xxx-xx-xxxx
Forrest, Gerald B., xxx-xx-xxxx
Foster, Frank C., Jr., xxx-xx-xxxx
Fournier, Joseph L., xxx-xx-xxxx
Foutter, Richard R., xxx-xx-xxxx
Foye, David M., xxx-xx-xxxx
Franks, Tommy R., xxx-xx-xxxx
Freestone, William H., Jr., xxx-xx-xxxx
French, John R., Jr., xxx-xx-xxxx
Fricchione, Francis P., xxx-xx-xxxx
Friedrich, Robert L., xxx-xx-xxxx
Fullerton, Robert J., xxx-xx-xxxx
Ganino, Joseph, xxx-xx-xxxx
Garber, William B., Jr., xxx-xx-xxxx
Garris, Jack R., xxx-xx-xxxx
Gaylor, Arnold H., xxx-xx-xxxx
George, James D., xxx-xx-xxxx
Gerard, Paul T., Jr., xxx-xx-xxxx
Gimbert, Robert A., xxx-xx-xxxx
Girdon, Terry A., xxx-xx-xxxx
Godfrey, Jeffrey H., xxx-xx-xxxx
Gordon, Terry A., xxx-xx-xxxx
Gore, Willie L., xxx-xx-xxxx
Govan, Gregory G., xxx-xx-xxxx
Gram, Wallace D., xxx-xx-xxxx
Gramer, Frank E., xxx-xx-xxxx
Granger, Richard B., xxx-xx-xxxx
Griffin, Sanford W., Jr., xxx-xx-xxxx
Grippe, Jerome P., xxx-xx-xxxx
Groesbeck, Wesley A., xxx-xx-xxxx
Gross, Ray A., Jr. xxx-xx-xxxx
Grubbs, John H., xxx-xx-xxxx
Gruwell, Joel A., Jr., xxx-xx-xxxx
Guajardo, Tigrio, xxx-xx-xxxx
Hamburger, Kenneth E., xxx-xx-xxxx
Hamilton, Jack L., xxx-xx-xxxx
Handley, William M., Jr., xxx-xx-xxxx
Harnisch, John M., xxx-xx-xxxx
Harrington, John B., xxx-xx-xxxx
Harris, Betty J., xxx-xx-xxxx
Harris, Philip R., xxx-xx-xxxx
Hartman, Robert S., xxx-xx-xxxx
Hawes, Thomas J., xxx-xx-xxxx
Head, Herbert W., III, xxx-xx-xxxx
Healy, Maurice W., xxx-xx-xxxx
Hegg, George H., xxx-xx-xxxx
Heggie, Walter B., Jr., xxx-xx-xxxx
Hemovich, Michael, xxx-xx-xxxx
Henderson, James R., xxx-xx-xxxx
Hendricks, Blaine R., xxx-xx-xxxx
Hendrix, Kenneth R., xxx-xx-xxxx
Henry, Edwin H., xxx-xx-xxxx
Herndon, Robert L., xxx-xx-xxxx
Herre, Thomas A., xxx-xx-xxxx
Hicks, Larry W., xxx-xx-xxxx
Higginbotham, Norman D., xxx-xx-xxxx
Hill, Ralph L., xxx-xx-xxxx
Hixson, Gary P., xxx-xx-xxxx
Hodge, Warren F., xxx-xx-xxxx

Hodor, Robert P., xxx-xx-xxxx
Hoffmann, Peter S., xxx-xx-xxxx
Holden, Robert A., xxx-xx-xxxx
Holdsworth, David R., xxx-xx-xxxx
Holleque, Oscar E., xxx-xx-xxxx
Holloway, Harold E., xxx-xx-xxxx
Hospodar, William G., xxx-xx-xxxx
Houston, Clifton, xxx-xx-xxxx
Hudgins, Seth F., Jr., xxx-xx-xxxx
Hueffed, Robert J., xxx-xx-xxxx
Hughes, Justin R., xxx-xx-xxxx
Hugus, David K., xxx-xx-xxxx
Hull, Richard E., Jr., xxx-xx-xxxx
Hunt, Leon T., xxx-xx-xxxx
Hurst, Bobby R., xxx-xx-...
Hussong, William A., Jr., xxx-xx-xxxx
Hutton, Albert B., Jr., xxx-xx-x...
Hutton, Irvin L., xxx-xx-xxxx
Jackman, William L., xxx-xx-xxxx
Jackson, Mary E., xxx-xx-xxxx
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IN THE ARMY

The following officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, section 624:

To be colonel

111X

To be lieutenant colonel

103X
108X
121X
122X
124X
125X
147X
181X
188X
209X
222X
224X
264X
280X

To be major

135X
176X
190X
191X
213X
273X
281X

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1985:

DEPARTMENT OF AGRICULTURE

John R. Norton III, of Arizona, to be a member of the board of directors of the Commodity Credit Corporation.

Robert L. Thompson, of Indiana, to be a member of the board of directors of the Commodity Credit Corporation.

EXECUTIVE OFFICE OF THE PRESIDENT

Clayton Yeutter, of Nebraska, to be U.S. Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF JUSTICE

Anton Ronald Valukas, of Illinois, to be U.S. attorney for the northern district of Illinois for the term of 4 years.

HOUSE OF RESPRESENTATIVES—*Thursday, June 27, 1985*

The House met at 10 a.m.

The Reverend Dr. Ronald F. Christian, assistant to the bishop, American Lutheran Church, Fairfax, VA, offered the following prayer:

O God, Eternal Father:

We begin this day with a word to the Giver of Life before we speak our own words.

We pause to listen in the quiet of a moment before we become so distracted with our activities that there is no time to hear.

We stop to give thanks so we can move on with gratitude.

Gracious God:

Deal kindly with our citizens in hostile situations;

Comfort the bereaved in their loss;

Confirm the faith of the doubting; and

Restore the zeal of the fainthearted.

O God, help us, in whatever our lot, to know that success is not final, and failure is not fatal, but courage counts!

Grant to us all, neither too much success, nor too great a failure, but rather courage in all seasons.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2475. An act to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2475) "An act to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PACKWOOD, Mr. ROTH, Mr. CHAFEE, Mr. HEINZ, Mr. DURENBERGER, Mr. LONG, Mr. BENTSEN, Mr. MATSUNAGA, and Mr. MOYNIHAN to be the conferees on the part of the Senate.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Spoarrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1699. An act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes.

PERMISSION FOR SUBCOMMITTEE ON GOVERNMENT ACTIVITIES AND TRANSPORTATION OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TODAY DURING THE 5-MINUTE RULE

Mrs. COLLINS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Activities and Transportation of the Committee on Government Operations be permitted to sit and receive testimony while the House is proceeding under the 5-minute rule today, June 27, 1985.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

Mr. ROTH. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mrs. COLLINS. Mr. Speaker, if the gentleman will yield, yes, it has been OK'd by the minority.

Mr. ROTH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce that we are suspending the 1-minutes today.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL 5 P.M., MONDAY, JULY 1, 1985, TO FILE REPORT ON HOUSE JOINT RESOLUTION 187, APPROVING COMPACT OF FREE ASSOCIATION BETWEEN THE UNITED STATES AND GOVERNMENTS OF THE MARSHALL ISLANDS AND THE FEDERATED STATES OF MICRONESIA

Mr. BONKER. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until 5 p.m., Monday, July 1, 1985, to file a report on the joint resolution (H.J. Res. 187) approving the Compact of Free Association between the United States and the Governments of the Marshall Islands and the Federated States of Micronesia.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONFERENCE REPORT ON S. 883, EXPORT ADMINISTRATION ACT OF 1979 EXTENSION

Mr. BONKER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the Senate bill (S. 883) to extend the Export Administration Act of 1979.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BONKER. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Tuesday, June 25, 1985, at page H4905.)

Mr. BONKER (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The gentleman from Washington [Mr. BONKER] will

be recognized for 30 minutes and the gentleman from Wisconsin [Mr. ROTH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. BONKER. Mr. Speaker, I am pleased to bring before the House today the conference report on S. 883, the Export Administration Amendments Act of 1985. This legislation is the result of more than 2½ years of deliberations by both the House and the Senate, including 7 months in conference during the 98th Congress. The House bill, H.R. 1786, is a modified version of the legislation which the House passed last October, but died in the final hours of the session. This conference report on S. 883 is basically the text of H.R. 786, with only a few modifications.

The Export Administration Act is a critical piece of legislation that authorizes the President to control exports for national security, foreign policy, and short supply purposes in order to ensure the proper and effective control of goods and technology that could ultimately flow into the hands of adversarial countries.

Mr. Speaker, I am going to forgo a lengthy statement summarizing the complex provisions and extensive consideration of this legislation. This House on several occasions has taken up and debated extensively the Export Administration Act.

Although differences continue to exist between the House and Senate on interpretations of specific provisions, we have finally produced as a result of intensive negotiations over the past few months, a compromise package, one that I believe is proudly supported by all the principals, and one that I believe we can send to the President with every confidence that he will sign it into law.

Mr. Speaker, with House passage of this conference report, the reauthorization of the Export Administration of 1979 is complete for 4 more years. While these amendments constitute significant change to more effectively protect the national security and reduce unnecessary restrictions on U.S. exporters, these efforts fall short of the larger goal of fundamental reform of U.S. export control policy. To this end, I will continue my efforts to develop a more rational and efficient export control system. The Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs intends to conduct very close oversight of the implementation of the Export Administration Amendments Act of 1985, and in particular, of activities of the agencies involved in implementing the act.

I note for the record a recent example of the questionable efforts by executive branch agencies in enforcing the act, which this reauthorization legislation seeks to eliminate. Within recent weeks the U.S. Customs Service has sent letters to several exporters stating the following:

As you may be aware, the U.S. Customs Service has the responsibility for the enforcement of the export control laws governed by the U.S. Department of Commerce and the U.S. Department of State and do so under the Operation Exodus Program. We are aware your firm has exported licenseable merchandise in the past and has had or still has an export distribution license issued by the U.S. Department of Commerce. In connection with this, we have instituted an Export Examination Program as part of Exodus which will initially concentrate on firms such as you which have or have had distribution licenses. The possibility for abuses of the distribution license is cause for great concern to the U.S. Customs Service and has led to the institution of this examination program.

Mr. Speaker, the conference report and accompanying statement of managers clearly delineates the responsibilities of both the Commerce Department and Customs Service in enforcing this Act, and reaffirms that the Department of Commerce has primary responsibility for licensing and domestic enforcement of the Act. It is certainly my intention, and I believe that of the other conferees on this bill, that such duplicative efforts as this example of the Customs' attempts to audit distribution licenses cease.

Mr. Speaker, just briefly, I wish to remind my colleagues that the Export Administration Amendments Act of 1985 contains a number of important reforms that will help to eliminate many of the unnecessary controls on the export of U.S. technology. In the conference report on S. 883, we maintain the Defense Department role in reviewing licenses for shipments of technology to controlled countries and maintain the existing system with respect to shipments of technology to Free World countries. Indeed, we have taken a number of steps to remove many of the unnecessary license requirements on technology shipments to Cocom countries. We have addressed the issue of foreign availability so that our exporters will not be denied market access when other countries are not adhering to similar requirements. We have strengthened the enforcement authority of the Commerce Department to enable the Commerce Department to effectively carry out its authority in this law.

Mr. Speaker, with respect to the foreign policy section of the conference report before us, our intent was to place into law a so-called contract sanctity provision which would in effect remove the President's authority to terminate contracts for foreign policy reasons in the future. We need not debate this extensively because Congress has spoken very clearly. We do maintain a so-called breach-of-peace provision to give the President some authority in extraordinary cases. Mr. Speaker, there are a number of other major reforms in this conference report that have been debated and agreed to by a majority on both sides of the aisle.

In conclusion, I would like to commend the members of the subcommittee, notably the ranking majority member, the gentleman from Wisconsin [Mr. ROTH], for his patient and painstaking work over the course of the last 3 years in the formulation of this legislation. He has been extremely cooperative and has mastered very complex sections of the legislation. In addition, I would like to commend my colleagues, the gentleman from California [Mr. ZSCHAU], the gentleman from Nebraska [Mr. BEREUTER], and the gentleman from California [Mr. BERMAN] for their invaluable contributions to this product that we now bring to the floor.

□ 1010

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to take this opportunity to commend the gentleman from Washington [Mr. BONKER] for the superb job that he has done. I have said on this floor often that his knowledge is without equal in the House when it comes to the Export Administration Act, and I mean that sincerely.

I also want to thank the staff for the fine job they have done.

Two days ago the House and the Senate conferees on the Export Administration Amendments Act of 1985 pleased everyone by completing action on this bill—an effort which started more than 2 years ago.

Today we bring before the House the conference report on the Export Administration Act. It truly represents a bipartisan effort, as our chairman has mentioned, to bring our export control laws in line with the realities of the 1980's.

While action has essentially been completed on this legislation, I think we want to abbreviate our remarks somewhat today because of the legislation that is following this particular act.

In my judgment, many of the new provisions have been sorely needed.

For example, we now provide for much stricter penalties for persons caught selling U.S. goods and technology to the Soviet bloc. The theft of American high technology by the Soviet bloc has cost the United States billions of dollars in additional defense spending. The Soviets have had a ready U.S. technology shopping center at their fingertips, open 24 hours a

day. And their shopping list is the size of the yellow pages.

We have all been outraged by the recent Walker case and the compromising of our national security. Unfortunately, there are persons in this country who put profit before country. For someone who is greedy, the temptation becomes all that much greater when the penalties consist of a mere slap on the wrist. The enforcement provisions in our new bill are a principal reason why we need not delay this legislation any longer.

This bill also requires a much more efficient and streamlined export licensing operation in our Government. It eliminates the need for some 40,000 to 50,000 export licenses. We have no business requiring our exporters to obtain licenses to sell low-technology items to our allies. The bill shifts our manpower resources at the export licensing stage to more carefully review U.S. overseas sales of high-technologies. With a limited staff, the Commerce Department now reviews about 125,000 licenses. The new law eliminates about 40 percent of the workload. This provision will enable Commerce's licensing officers to scrutinize more effectively high-technology trade flows and destinations and improve our ability to detect surreptitious transactions.

Also, the Commerce Department is now required to improve its turnaround time on license applications for high-technology sales to our allies. In today's era of computer and word processing technology, 15 days should be a sufficient amount of time to approve or deny a license.

The new law reflects a firm commitment by the Congress to close the U.S. high-technology supermarket to the Soviet Union. But commitment and implementation are not one and the same. We expect the administration to resolve internal disputes and to manage U.S. export controls in a responsible fashion. And, we expect our allies to be forthcoming in joining us in caulking our borders to prevent further high-technology leakages to the Soviet bloc.

Mr. Speaker, conference members and our staffs have put countless hours into fashioning this important piece of legislation. It represents a victory for the business community and a victory for safeguarding our Nation's critical technologies. I am proud to bring this bill before the House today and anticipate swift action by the Senate.

Mr. Speaker, I yield to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of this conference report and to commend the chairman, the gentleman from Washington [Mr. BONKER], and the ranking member, the gentleman from Wisconsin [Mr. ROTH], the other members of the committee, and particularly the staff, for doing a great job in a very difficult and controversial field.

The bill as now presented to the body does two things. It makes it easier and more efficient for exporters in this country and it does tighten up on critical technology possibly going to the Soviets.

So I commend the chairman and the ranking member and urge my colleagues to support the report.

Mr. ROTH. Mr. Chairman, I yield to my other colleague, the gentleman from California [Mr. ZSCHAU], who has done a great deal of work on this Act as well.

Mr. ZSCHAU. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just want to rise in strong support and commend the gentleman from Washington [Mr. BONKER] and the gentleman from Wisconsin [Mr. ROTH] for their outstanding leadership as they shephered this bill through 2 years plus of negotiations within the House and then in a difficult conference with the other body.

Mr. Speaker, one of the most controversial issues in the Export Administration Act of 1985 was defining the authority of the Secretary of Defense in reviewing proposed exports of goods and technology to countries other than controlled countries.

The bill that passed the other body in the 98th Congress contained an amendment to section 10(g) of the act, which is the section that describes the authority given to the Department of Defense in reviewing export license applications. This amendment would have given broad, new authority to the Department of Defense to review proposed exports to countries other than controlled countries.

The House bill in the 98th Congress contained no amendment to section 10(g). On this issue, the House position prevailed and, as a result, the bill that is before us today, S. 883, contains no amendment to section 10(g).

I would like to remind my colleagues that in the debate on the House floor on April 16, 1985, concerning the bill H.R. 1786, it was made clear that the House interprets section 10(g) of the Export Administration Act as amended by the legislation before us as providing no authority to the Secretary of Defense for reviewing proposed exports to countries other than controlled countries. In other words, the Department of Defense review of proposed exports of goods and technology to countries other than controlled countries would be illegal under the Export Administration Act of 1985.

Mr. Speaker, the reason why the House has opposed expanding the review authority of the Secretary of Defense is that there is no evidence that the Department of Defense is able to identify potential sources of diversion better than the Department of Commerce. However, there is evidence that involving the DOD in the licensing process adds considerably to the delays our exporting companies experience in getting approval to make perfectly legal shipments.

It now appears that time is proving the House position right. In February 15, at the direction of the President, the Department of Defense began reviewing applications for exports of certain goods and technologies to certain destinations other than controlled countries. At a hearing held on April 23, 1985, before the Subcommittee on International Economic Policy and Trade both Acting Assistant Secretary of Commerce, William Archey and Assistant Secretary of Defense, Richard Perle, agreed that the Defense Department, after reviewing over 2,000 applications of proposed exports to countries other than controlled countries had not identified any potential sources of diversion that the Commerce Department had not already identified. Since the April hearing, the Defense Department has reviewed many more licenses in these catagories, and has yet to make any difference in the licensing process except for making it more difficult for U.S. exporters to make timely shipments to their customers in the world.

I look forward to working with the chairman of the subcommittee, Mr. BONKER, and the ranking member, Mr. ROTH, to ensure administration compliance with the provisions of the Export Administration Act of 1985.

Mr. ROTH. Mr. Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. BONKER. Mr. Speaker, I want to take this opportunity to commend the gentleman from Michigan [Mr. DINGELL], the chairman of the Energy and Commerce Committee, and the gentleman from New Jersey [Mr. RODINO], the chairman of the Judiciary Committee, for their cooperative efforts in conference and their support of the conference report that is before us.

I would also like to express my deepest appreciation to the chairman of the Foreign Affairs Committee, Mr. FASCELL, for this wise guidance and support through this marathon effort. Rarely has there been a full committee chairman more supportive of his subcommittee chairmen. I greatly value his leadership and contributions in our efforts to renew this vital legislation.

● Mr. RODINO. Mr. Speaker, the Committee on the Judiciary has long

been concerned about the critical importance of coordination of law enforcement powers in various agencies of the executive branch. Federal police powers must be exercised consistently and responsibly in order to ensure the most effective operation of law enforcement functions and to safeguard individual liberties.

As a conferee on this bill, I am pleased that the conferees agreed on the need for uniformity and coordination of Federal police powers. The conference report (sec. 113(b)(4)) requires that any new law enforcement authority of the Commerce Department be exercised only pursuant to guidelines approved by the Attorney General. The Attorney General, as the chief law enforcement officer of the Federal Government, must set the policies for implementation and execution of Federal law enforcement powers. Such coordination is essential to the efficient, fair, and sensible implementation of the law enforcement powers of the entire Federal law enforcement system. The statutory requirement of guidelines issued by the Attorney General is not extended to the Customs Service, since the law enforcement authority of the Customs Service is not new. However, it is intended that there be consultation between the Attorney General and the Secretary of the Treasury on the exercise of law enforcement authority under this act by the Customs Service. To the extent feasible, this consultation should produce guidelines for Customs Service enforcement consistent with those applicable to the Commerce Department.●

● Mr. BEREUTER. Mr. Speaker, I am pleased to support the conference report on S. 883, the Export Administration Amendments Act of 1985. This bill amends the 1979 Export Administration Act, and renews the export controls the administration has been operating under—the President's emergency powers since March 1984.

The bill provides for export facilitation provisions that will give encouragement and incentive to the agricultural sector of our country as well. The legislation will free many exports from licensing requirements and speed the paperwork for those that still need Commerce Department approval. Among the protections granted agricultural exports are:

Exemption from national security controls;

Protection of agricultural export contracts from short supply and foreign policy controls;

"Contract sanctity," protecting all U.S. export contracts from disruption from future foreign policy export controls, except for "breaches of the peace" and in declared national emergencies; and

Future agricultural export embargoes are subject to automatic termination unless approved by Congress in 60 days.

In addition, the bill provides a number of export controls for national security reasons and grants new enforcement powers to Commerce and Customs as well as stiffer penalties. Retained in the bill is the current Presidential authority granted the Defense Department to review licenses for proposed exports to potential adversary countries. Further authority is granted to deter imports from foreign violators of export controls if approved by allies. The bill also requires congressional approval of nuclear cooperation agreements that don't meet nuclear nonproliferation act criteria. The bill strikes the proper balance between restricting technology shipments for national security reasons and avoiding harm to U.S. exporters. More than $30 billion in technology shipments a year will be affected by the provisions of S. 883.

I want to congratulate the conferees on their excellent work in reaching agreement on this necessary legislation and bringing it swiftly to the House floor. I urge Members to support this conference bill. It reflects the will of the House in all its major provisions. The bill is expected to achieve swift Senate passage as well when that body acts today on the conference report. This legislation will allow us to bring to a close the necessary operation of export controls under the President's emergency powers, and will restore congressional authority in this important area of export facilitation and control. I especially want to congratulate our chairman, DON BONKER, and the ranking minority member, TOBY ROTH, for their superb work in advancing this legislation and the work of the conferees. I urge the House to support passage of the conference report on S. 883.●

● Mr. MICA. Mr. Speaker, I rise in support of the conference report on the Export Administration Act and urge its adoption. Over 2 years of hard work have gone into this effort, and the time has come to move forward.

When signed into law, the long-delayed reauthorization of the Export Administration Act will ease many of the licensing and procedural restrictions on shipping products overseas, and limit Presidential authority to levy trade embargoes for foreign policy purposes. Moreover, it is a critical step toward making better sense of what sensitive technology and goods, such as computers, should be withheld from unfriendly countries, and what should be freed of bureaucratic obstacles and redtape.

The need for such legislation is crystal clear. In past years, the Government has dramatically increased the administrative and competitive burden on exporters. Considering that one out of every six jobs in this country is export related, and that trade constitutes about 14 percent of our gross national product, that is a policy we can scarcely afford to continue.

More than 2 years ago, my colleagues and I on the House Trade Subcommittee drafted legislation revamping our Nation's high-technology export control law. Our goal was simple: To unleash the entrepreneurial ability of our high-tech community with a minimum of government interference—consistent, of course, with national security requirements.

That simple goal quickly became subject to complex negotiation. Bills on nuclear exports and trade with South Africa, and infighting between the Defense and Commerce Departments, stymied the proposal for 2 years. In long negotiating sessions between House and Senate conferees, however, we managed to compromise on these and other unrelated issues while keeping intact major new provisions for exporters.

Among these are comprehensive and bulk operating licenses for high-tech shipments abroad, instead of the present cumbersome and time-consuming process. Today, U.S. exporters face licensing delays of 4 to 6 months before shipping to Western trading partners. Their Japanese counterparts can be licensed in a month or less. The new EAA will significantly reduce this competitive disadvantage.

In addition, a large number of low-technology products, such as personal computers, will be exempt from Commerce Department licensing requirements when sent to Western allies.

Although the American business community can be encouraged by congressional action on EAA, we are still confronted with major trade problems.

For the first time since World War I, the United States has become a debtor nation. We now owe foreigners more than they owe us.

Moreover, our annual trade deficit for several years running has been more than $100 billion annually. By the end of the year, that figure may soar to $150 billion.

These are frightening statistics with clear implications for all Americans. According to the President's Commission on Industrial Competitiveness, lost sales to foreigners have slowed our economic growth by about one-third. That translates into more than 2 million lost jobs.

Even our once-dominant electronics industry is staring at a $12 billion deficit this year, a staggering about-face from a $7.4 billion surplus in 1980.

These are trends which, if not reversed, will mean even more lost jobs, a lower standard of living for all our citizens, and ultimately, a threat to our national security.

It was with these concerns in mind that a handful of the Nation's high-technology manufacturers and myself met with Secretary of State George Shultz last Tuesday. That Secretary Shultz took time to meet with us despite his intense involvement with the Beirut hostage crisis speaks to the immediacy of this problem.

The topic was a petition recently filed by the Semiconductor Industry Association over lack of access to Japanese markets. Not only has Japan set market barriers to such American products as baseball bats, but it now appears that the Japanese may be undercutting market access to semiconductor products. Executives from Harris Corp. of Melbourne and Motorola Semiconductor told the Secretary that the $36 billion trade deficit with the Japanese could be substantially reduced if free trade were a reality.

In a larger sense, our message to the Secretary was this: If our Government does not quickly move against the unfair trade practices of some of our competitors, the voice of reason will be drowned out by the voice of emotion.

Already in Congress, there are advocates of strong protectionist legislation. Although I oppose such measures in principle, it is critical that the Secretary be prepared to counsel President Reagan on the need to be responsive to the American business.

Without active administration assistance—not interventionism, but assistance—my colleagues and I will surely seek legislation that responds to this crisis. The American people will not sit idle while our economic base is undermined.

The most responsive act, however, that the President and Congress could undertake is balancing the Federal budget. It is estimated that the superstrong dollar, which from 1980 to 1984 climbed 58 percent against an index of 10 major currencies, accounts for up to 60 percent of our trade deficit.

It is encouraging to note that the House and Senate are now negotiating spending reductions totaling more than $50 billion. We have no choice but to be optimistic, because nothing less than our future as a nation is at stake.

Finally, I would like to recognize my colleagues for their outstanding contribution to the reauthorization of the EAA, particularly Chairman DON BONKER for his leadership, Chairman DANTE FASCELL for his guidance, Mr. ROTH for his diligence, Mr. ZSCHAU for his detailed knowledge, and Messrs. BERMAN and BEREUTER for their fine work.

In the other body, I want to thank Mr. HEINZ, with whom I work on a number of issues, for his intelligence and perseverance, and Chairman GARN, a tenacious advocate.●

● Mr. AUCOIN. Mr. Speaker, I rise in support of the conference report to renew the Export Administration Act. I also want to commend my friend and colleague from Washington, Congress man BONKER, for all the work he has done to shepherd this bill through the House and to a final resolution with the Senate.

This lislationis long overdue. U.S. businesses have been operating without firm Federal guidelines as to how the Government will treat shipments abroad since the 1979 Export Administration Act expired last year.

Now, with the new bill, we have an opportunity to not only bring some certainty to export control policy, but also some sanity. For the high-tech companies in my district, who are trying to win the race against foreign competitors, nothing could be more essential.

International competition in the high-technology industryis tremendous. To stay on top, our companies must remain on the cutting edge of technology and they must beat their foreign competitors to the market with a new product.

Unfortunately, some of our own laws have worked against them. Excessive licensing requirements and licensing delays have caused U.S. exporters to lose sales and to lose solid reputations as reliable suppliers. Some companies in my district have waited more than 1 year for approval of export licenses involving sales to our own allies. Their Japanese counterparts can be licensed in a month of less.

Provisions in this legislation that I worked for and strongly support will help change that. For instance, we streamline the cumbersome licensing process and provide comprehensive and bulk operating licenses for hightech shipments abroad.

Another important feature of this bill allows a number of low-technology products, such as personal computers that contain microchips, to be exempt from certain export restrictions. While it is clear that we should withhold the export of critical military technologies to our adversaries, it is also clear that we need to make better sensse of what goods should be restricted, and what goods should be free from bureaucratic burdens and redtap.

With our trade deficit topping $120 billion, we cannot afford to throw away export opportunities. Isn't it about time that we establish an export control policy tht balances national security concerns with economic reality?

The legislation before use today takes a good first step in the direction. It will help unleash the ability of our high-tech community to compete in the international market without harming our national security.

This legislation is a victory for U.S. exporters and I am pleased to support the conference report.●

Mr. BONKER. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BONKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1014

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1972) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr. RUSSO (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Wednesday, June 26, 1985, title X was open to amendment for amendments printed in the CONGRESSIONAL RECORD and debate on title X and all amendments thereto had been limited to 2 p.m. on Thursday, June 27, 1985.

Mr. DANIEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to supplement what the Chair has said.

The first order of business this morning will be the Foley amendment, as agreed upon yesterday. At the conclusion of the Foley amendment then we will return to the regular order and take up amendments printed in the RECORD.

At 2 o'clock the gentleman from California [Mr. DELLUMS] will be recognized to present his substitute bill. Following the conclusion of that action, we will then return to the regular order and consider other amendments that have been printed in the

RECORD, to the conclusion of the defense authorization bill.

I thank the Chair.

AMENDMENT OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLEY: At the end of title X, (page 200, after line 4) add the following new section:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

SEC. 1050. (a) Funds appropriated to the Department of Defense may not be obligated or expended for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evaluate, United States Government personnel or United States citizens.

(d) EXISTING REQUIREMENTS PRESERVED.—Nothing in this section shall invalidate any requirement of Public Law 93-148.

(e) TREATY AUTHORITY PRESERVED.—Nothing in this section shall invalidate any authority of the United States to act in accordance with the Organization of American States under the provisions of the Inter-American Treaty of Reciprocal Assistance.

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Chairman, present law, as adopted in the Defense Authorization Act last year, provides that it is the sense of Congress that United States forces should not be introduced into or over Nicaragua or El Salvador for combat purposes, with the term combat purposes being identically to the language of this amendment.

In the amendment before us currently however, we have eliminated El Salvador, since there was no prospect or discussion of the introduction of American forces into that country and we have added specific reference to the Rio Treaty to ensure that there is no concern, that any of the provisions of the Rio Treaty could be affected by this amendment.

Its purpose is to put this House firmly on record in support of the statements that have been made consistently by the President of the United States and reiterated within recent days, that it is not the administration's policy or intention to introduce American forces into Nicaragua.

Indeed, in the debates that we have recently had on the so-called Michel amendment, its supporters on both sides of the aisle have repeatedly stated that its adoption would prevent the necessity of the introduction of American forces into Nicaragua.

The amendment before us now, however, fully preserves the authority of the President to act in any instance in which our national security, or that of our territories or possessions or to protect our citizens and our embassy in Nicaragua if they are threatened.

It is not designed to do more than underscore the policy of this Government as articulated with virtual unanimity in statements from the President, the Assistant to the President for Press, Mr. Speakes, who has made constant reference to this in recent days, the Secretary of State, and the Secretary of Defense. Yet it has been necessary for those reassurances to be given constantly and repeatedly because of newspaper and other media suggestions that preparations were being undertaken to provide for direct U.S. intervention.

□ 1020

Public opinion in every poll and in every survey of which I am aware overwhelmingly opposes the introduction of American troops into Nicaragua. The opposition they express is as high as any that I have seen on any foreign policy question.

Adoption of this amendment will preserve whatever essential, necessary protections are required under our Constitution and under our national security requirements, while at the same time underscoring and placing this Congress and this House firmly in support of the President's assurances that the policy of the United States is not to use the armed forces of the United States for direct military intervention in Nicaragua.

The amendment has been drafted to include those possible exceptions that could raise any question about our ability to meet contingencies that might arise and to provide for the authority of the President to act under existing treaties and authorities presently given by the United States or by the Congress.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I will be glad to yield to the gentleman from Oklahoma.

Mr. McCURDY. I thank the gentleman for yielding. As the gentleman knows, I have had some reservations with the amendment, and the gentleman has been very cooperative in trying to address some of the concerns that I have had.

One of the concerns I had with the original amendment was the absence of any provision regarding the Rio Treaty and our commitment to aid and assist our allies and neighbors in the region who might be attacked for some reason by Nicaragua or some other foreign power, and that the gentleman's amendment might, if it did not have that provision, might not be broad enough to cover that contingency.

The gentleman has inserted in his amendment, as I understand, a provision to cover that remote possibility that we might have to invoke the Rio Treaty and be involved. I appreciate the gentleman for clarifying that provision.

But I do have a concern as to when we were discussing and developing the policy on the amendment that was adopted recently, the Michel-McDade-McCurdy amendment on Nicaragua, that there were some provisions that were of concern in the debate as to the Hamilton-Barnes provision, and there had been numerous statements by Members on my side of the aisle that were opposing our amendment indicating that they were going to draw the line, the Congress had drawn the line at the introduction of offensive fighter aircraft.

The CHAIRMAN pro tempore (Mr. DURBIN). The time of the gentleman from Washington (Mr. FOLEY) has expired.

(On request of Mr. McCURDY and by unanimous consent Mr. FOLEY was allowed to proceed for 5 additional minutes.)

Mr. McCURDY. If the gentleman will continue to yield, the concern was, and I think statements were made that yes, the United States would believe that the introduction of Mig aircraft and fighter aircraft would be a threat to the United States, and that is something that the Congress of the United States would certainly be opposed to, and the President has freedom to act.

What I would like to find out from the author of this amendment is whether or not it is his opinion, for purposes of legislative history, that the interpretation that his amendment would allow the discretion for the President to act in the case of the introduction of offensive fighter aircraft into Nicaragua, specifically Mig aircraft, is something that his amendment would cover? In other words, does the President have to come to the Congress and ask us if we approve if they introduce Mig's into Nicaragua? Is that something that is covered in the gentleman's amendment?

Mr. FOLEY. I would say to the gentleman that it is the responsibility of the President of the United States to determine whether the introduction of a specific weapon into Nicaragua constitutes the threat of clear and present danger to the national security of the United States, its territories or possessions, under this amendment. He makes that judgment.

Mr. McCURDY. I thank the gentleman. So it is clear, then, that he believes that offensive fighter aircraft would be something?

Mr. FOLEY. The President would make that determination.

Mr. McCURDY. He could make that determination and would not have to "consult" with the Congress? The reason I raise this is that this is an item that has been raised continuously on this floor and in the press, and the United States has said consistently that the introduction of Mig's or fighter aircraft into Nicaragua is a very serious step and that we feel that is threatening, and we would not accept that. I wanted to enunciate or get that statement from the gentleman in the well.

I wanted to restate that even though I do have reservations about this action. Last year it ended up being a sense of the Congress, and I think this is generally a sense of the Congress. And if I had not received the President's letter only 2 or 3 weeks ago that indicated that the policy vis-a-vis Nicaragua is for a political settlement in the region, as it is in El Salvador, it is not a military solution, that we are not intending on introducing U.S. military forces into Nicaragua, and it is not our intention to overthrow the Government of Nicaragua, and that this has been a clear statement of policy by the administration, and I think supported by the Congress. I think we have had a broad, general bipartisan statement that that is indeed our policy.

Even though this may be redundant, and in my opinion maybe even unnecessary, I think if the gentleman's exceptions are stated as he has indicated, then perhaps there is no harm in the gentleman's amendment. I am not sure it is the best policy but I think as a sense of the Congress that if these statements are restated and they are a restatement of current American policy, then I would have less concern about the gentleman's amendment.

I yield back to the gentleman.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding. I am concerned about Mig aircraft because following a conversation I had with the gentleman from Washington I did some research on the range of the Mig aircraft. And the critical section of the Foley amendment refers to clear and present danger to the United States, its allies or possessions.

In fact, neither a Mig 25 nor a Mig 29 could make a round-trip mission to the closest nation that would fit into that category, which would probably be Puerto Rico. They have approximately a 2,600-kilometer range.

So while it could be argued that a Mig aircraft, because of its limited range, could not affect the United States, it could clearly raise Cain with the neighbors, and I think since the gentleman has made it clear that he intends that the introduction of Mig aircraft into Nicaragua should be considered to be an exception, and to invalidate this, then let me ask the gentleman if he would accept an amendment that would state very plainly that the introduction of Mig aircraft would in fact be one of the conditions under which the President could act under the Foley amendment?

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. FOLEY] has again expired.

(By unanimous consent Mr. FOLEY was allowed to proceed for 5 additional minutes.)

Mr. FOLEY. Mr. Chairman, what I have stated and will repeat is that under this amendment it will be left to the President's discretion to determine what constitutes a threat to the United States or its territories and prossessions.

I do not want to make a judgment, nor do I think the gentleman should want to make a judgment for the President on each type of weapons system or military supply that might be provided to any country in Central America and specifically deal with that item by item.

I can, however, assure him that this is not designed to restrict the President's authority when he feels that there is a danger, a risk of hostile attack to the United States or its territories or possessions, nor does it restrict in any way our ability to act in accordance with the Rio Treaty. I think it covers all of those instances.

Mr. HUNTER. Would the gentleman accept an amendment on Mig aircraft because Mig aircraft cannot reach the United States or its allies or prossessions?

Mr. FOLEY. I will state for the record that that is a determination for the President.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

First I want to say that I feel somewhat reassured to have my friend from California remind us that the Migs that might come there would not threaten the United States itself. I think some rhetoric had been to the contrary, and I thank the gentleman for that reassurance. It may be the only one that I get this week, and I am grateful.

But beyond that, I think the amendment would be unwise as a general principle for this reason: There is a legal principle that when you include one you have excluded others.

□ 1030

It sounds more impressive in Latin but not when I say it. What you would do, if you began to single out particular instances when it would be OK, you would cast doubt on other instances which were not enumerated. That is a very important legal principle. Once you begin to enumerate certain exceptions you then cast doubt on other exceptions, and to back up what the gentleman from Washington has said, I have read, again in preparation for this debate, the court decisions on the subject: It is very clear what the Supreme Court has said. If this Congress says to the President, "You may act in case of a clear and present danger" the President's autonomy to define that would be overwhelming. It would be virtually unheard of for a court to intervene and say there was no clear and present danger. That is, it would not be a case where there would be a heavy burden at all on the President to meet it. So if you put this in the way the gentleman has drafted it you are not inviting the courts in fact to be the arbiters in this situation, because if you read the opinions you will find that it is virtually impossible for a court in this kind of a situation to intervene. You are giving the President the standard. The standard is set forth here.

If you then, having given the President the standards, begin to enumerate exceptions, you are then in a position where people could say, "O.K., he could go in if we do this, but it does not say he could go in if we do that." You would be inviting that kind of game-playing.

Mr. FOLEY. Reclaiming my time, I appreciate the statement of the gentleman from Massachusetts, because that is exactly my concern. I do not want to get into specific references to each individual type of military equipment because of the possible inference if something is not mentioned.

I want to give the President, and this amendment intends to give the President the broadest authority to protect the United States, its territories, and possessions, from hostile attack. It is not intended to be a restriction on his ability to do that. For that reason I do not want to try to envision all possible sources of threat and list them one by one in the amendment. That would be neither wise nor useful.

Mr. HUNTER. Mr. Chairman, will the gentleman yield with respect to the War Powers Act.

Mr. FOLEY. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I have read the gentleman's language with regard to the War Powers Act. I think there is some concern on this side of the aisle and

perhaps on the other side of the aisle with regard to his language. Because as we know it, the War Powers Act is subject to different interpretations. It has a number of requirements which are essentially reporting requirements that the President of the United States is obligated to meet upon the introduction of combat troops into a given area. It requires, for example, that he report within, I believe, 48 hours after the introduction of troops.

At that point the Congress has within 60 days, if they do not go ahead by declaring war, perhaps taking action as we did in Lebanon and extending the time, then the President has to take troops out. One interpretation has been given to the War Powers Act that implicitly the President then does have the right to utilize troops up to 60 days.

Now my problem—and I appreciate the gentleman putting the War Powers Act into this particular thing; but one problem that I have got with the language of the gentleman is that the gentleman's language says that nothing here shall invalidate the requirements under the War Powers Act.

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. FOLEY] has again expired.

(On request of Mr. HUNTER and by unanimous consent, Mr. FOLEY was allowed to proceed for 2 additional minutes.)

Mr. HUNTER. Mr. Chairman, will the gentleman continue to yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

So my point, Mr. Chairman, is this. I think this is the point the whole House is concerned about; we want to make sure that the War Powers Act and any rights flowing from the War Powers Act to the President of the United States are not invalidated if in fact there are rights.

Mr. FOLEY. Would the gentleman feel better if the word were "provisions" rather than "requirements"?

Mr. HUNTER. Absolutely.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that the word "requirement" in section (d) of the amendment now pending be stricken and for that the word "provision" be substituted.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Washington?

There was no objection.

Mr. HUNTER. Mr. Chairman, will the gentleman yield for another problem that I have with another particular section?

Mr. FOLEY. I am trying to help the gentleman as much as I can.

Mr. HUNTER. I appreciate that. Mr. Chairman, I appreciate the gentleman's accommodation. I think that helps a number of Members.

Mr. Chairman, with regard to the Rio Treaty, the gentleman's language talks about the United States acting under the Rio Treaty in accord with the Organization of American States. I think if you look at the Rio Treaty, it is evident that all Members, upon one state being attacked, for example, Honduras, have a right to act unilaterally, to choose their own course of action until the organ of consultation meets.

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. FOLEY] has again expired.

(On request of Mr. HUNTER and by unanimous consent, Mr. FOLEY was allowed to proceed for 2 additional minutes.

Mr. HUNTER. Mr. Chairman, will the gentleman continue to yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman.

Mr. Chairman, one problem that I have with the language, and I think Mr. BROWN would perhaps like to speak to this point also, it is that the United States under some interpretations does have the right to act.

Mr. FOLEY. May I make another suggestion to the gentleman that might be helpful to him in the interest of cooperation and conciliation? This amendment has bipartisan sponsorship and I would like to have bipartisan support for it in its action.

Mr. Chairman, would it be helpful to the gentleman [Mr. HUNTER] if section (e) were revised to say, "Nothing in this section shall invalidate any authority of the United States to act in accordance with the provisions of the Inter-American Treaty of Reciprocal Assistance"?

Mr. HUNTER. That would make it better with regard to the particular provision, and I appreciate it.

Mr. FOLEY. If the gentleman has any language to suggest to make it clearer that anything we can do under the Rio Treaty now we can also do under this amendment, I would be glad to have his language.

Mr. Chairman, I ask unanimous consent that section (e) be revised to read as follows in the amendment: "Treaty authority preserved. Nothing in this section shall invalidate any authority of the United States to act in accordance with the provisions of the Inter-American Treaty of Reciprocal Assistance."

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Washington?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. FOLEY, as modified: At the end of title X (page 200, after line 4) add the following new section:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

SEC. 1050. (a) Funds appropriated to the Department of Defense may not be obligated or expended for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.

(d) EXISTING REQUIREMENTS PRESERVED.—Nothing in this section shall invalidate any provision of Public Law 93-148.

(e) TREATY AUTHORITY PRESERVED.—Nothing in this section shall invalidate any authority of the United States to act in accordance with the provisions of the Inter-American Treaty of Reciprocal Assistance.

Mr. HUNTER. Mr. Chairman, will the gentleman yield further?

Mr. FOLEY. I yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding.

Another concern that I think many Members of this side of the aisle have and perhaps Members of the other side of the aisle is the fact that it calls for action, if members of the U.S. Embassy are attacked or are in danger, it calls for the right of the American President to evacuate them. It does not allow for American action in the event of a taking of hostages who are not American citizens. For example, let me give an example: For example, an El Al airliner coming from Israel to Miami is hijacked in Managua. If there are no American citizens aboard the United States basically has to accede to the sanctuary that would then be created under the Foley amendment in Managua.

If we found, for example, that the base camp of the terrorists who killed the marines in El Salvador existed in Managua, if, for example, you had citizens, leading citizens or citizens who make up part of the governments of Nicaragua's neighbors, for example Honduras or Costa Rica, should be kidnaped by organizations based in Nicaragua, there is no provision in the Foley amendment to allow for us to take action and help our friends.

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. FOLEY] has again expired.

Mr. DANIEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to this amendment. First, however, I would like to commend the gentleman from Washington [Mr. FOLEY] for modifying his amendment especially as it pertains to El Salvador. For the life of me, I cannot understand why we continue to shoot ourselves in the foot.

The Communist guerrillas in El Salvador and the Communist regime in Nicaragua hold this House in contempt. We are a toothless lion, whose demise has already been decreed by the implacable march of Marxist-Leninist history.

Four marines are dead—killed the week that consideration of the Defense authorization was scheduled to be concluded, and the week the foreign affairs bill should have been called up. This is no mere coincidence.

No one in this Chamber can fail to recognize the callous attempt to manipulate the House of Representatives, and to manipulate us with the blood and lives of our sons.

The brutal murder of our young marines—at this time and in this way—must provide the backdrop against which we debate this amendment. The bullets which killed our marines were likely provided by the Communists in Nicaragua. Pass this amendment or something like it, the Salvadoran Communists are saying, or we will continue to murder your young. Publicly kowtow to us; turn your back on your allies; handcuff yourself; or we will assassinate you, we will shoot your people.

Last year, Mr. Chairman, I supported the Foley amendment. I supported it on the basis that the Communist guerrillas in El Salvador and the Communist Sandinistas, along with the Cubans and the Soviets, needed time to be persuaded to come to the bargaining table, or to send their surrogates.

The Contadora process, I felt deserved a period during which it could demonstrate its utility and success.

The non-Communist survivors of the Communist front in El Salvador and the non-Communist survivors of the Sandinista movement needed time, I believed, to persuade their Communist associates.

Well, Mr. Chairman, the time has passed. The Communist answer to democracy in El Salvador is to kidnap the elected mayors. The Communist answer to the Contadora process and to reestablishment of democracy in Nicaragua is Ortega going to Moscow. And the Communist answer to our hope for freedom and representative democracy in Central America is the slaughter of our young men.

We have run out of time, Mr. Chairman. Nor is the lesson lost to others. On the other side of the world, American citizens are held hostage to the same disdain and contempt. The murderers know in their heart that we won't do anything. Because of our past performance they have concluded that they can terrorize our families, and intimidate our Nation with impunity.

The amendment before you, in the situation in which we find ourselves today, Mr. Chairman, ratifies our helplessness. It forms the basis for their contempt. It puts into law what the murderers are writing in blood. Enough, Mr. Chairman.

There has been enough compromising with murderers and terrorists. Let them know that they will have to pay for their actions. Let them know they will be held responsible and accountable, not to a marxist theory of history, but to an enraged American public.

Temporizing will produce no positive effect. The opportunity has been washed away in American blood.

Why in the name of common sense should this House provide a sanctuary to those who would deny freedom to their own citizens. Par Ciceno: How long will they continue to abuse our patience.

□ 1040

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the last word.

I would like to address some inquiries to the distinguished gentleman from Washington, if he would be willing, with regard to his amendment.

I thank the gentleman. I might say that the changes that he agreed to earlier go a long way toward providing a good-faith effort to clarify the amendment and improve its impact.

I would address a concern to the gentleman: As the amendment stands now with the changes that the gentleman has agreed to, is it your feeling that if Nicaragua would invade one of its neighbors that the amendment would not prohibit immediate action on the part of the President in terms of using U.S. forces?

Mr. FOLEY. I cannot see that anything in this amendment would prohibit the President from protecting the countries with which we are joint signatories under the Rio Treaty. The neighbors of Nicaragua are signatories to the Rio Treaty, and the United States has authority to take action in those circumstances.

Mr. BROWN of Colorado. I thank the gentleman. That is my feeling.

Mr. ROEMER. Will the gentleman yield? Would the gentleman from Colorado yield on that point?

Mr. BROWN of Colorado. I yield to the gentleman.

Mr. ROEMER. I thank him for the time, and ask our colleague from Washington if he would consider in that litany of exemptions or exceptions the phrase "and allies" to make this point clear; that this is not removing us from Central America in terms of the protective umbrella we enjoy with our allies.

I think it is more than a symbolic gesture.

Mr. FOLEY. As I just said to the gentleman, I do not think the amendment has that reach. However, because the Rio Treaty has specifically been recognized in this amendment, any authority the President has under that treaty is obviously retained in this amendment. That is the basis on which we have always stated our intention to protect against intervention or aggression in the hemisphere.

Mr. ROEMER. I thank the gentleman. The gentleman answered the question to my satisfaction——

Mr. FOLEY. I tell the gentleman, I do not feel we ought to rewrite the Rio Treaty here; I do not think that is desirable.

What the Rio Treaty is is fully protected by this amendment; I have made that clear.

Mr. ROEMER. If the gentleman would yield further, I do not think that we should use the Rio Treaty either as cover or smoke in this operation this morning.

Mr. FOLEY. It is not designed to be either.

Mr. ROEMER. I ask the gentleman from Washington, could he allow in his amendment the words, "or our allies" in regard to our protective umbrella? I do not think that is too much to ask.

Mr. FOLEY. I assume that as the gentleman uses at our allies means those countries with whom we are associated in the Rio Treaty.

Mr. ROEMER. I am wondering if the gentleman would agree that the questions that come from the body in regard the effect of your amendment, either on the Rio Treaty or our relationship with our allies, need to be made crystal clear, and if there is a legitimate concern—and there is, I assure you—about the question of our allies, I am asking if the gentleman would accept language which would make clear in his amendment, not by some roundabout method, but directly about ally support.

Mr. FOLEY. I disagree with the gentleman; I think the amendment is clear.

Mr. BROWN of Colorado. I might say to the gentleman, the clarification that he had made earlier spoke directly to a point I had. I had drafted an amendment that strangely enough had the same language that you accepted, and I would like to commend the gentleman. I think that clarity is of great value to the body.

With regard to the point made by the gentleman from Massachusetts, I thought it was a very thoughtful point, and I think well made. Adding clarity to this amendment is certainly not a fruitless effort. I think there is

real value with regard to specific clarity, where that is possible.

Mr. SKELTON. Will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman.

Mr. SKELTON. I would like to address a question to the gentleman from Washington.

I mentioned this to the gentleman briefly before. One of the sections refers to the War Powers Act——

Mr. FOLEY. May I interrupt the gentleman to say that I intended to accept the gentleman's amendment which he first suggested to me, and I have already asked unanimous consent to substitue for the word "requirements" the word "provisions".

His suggestion has been adopted by the House.

Mr. SKELTON. It has been?

Mr. FOLEY. Yes.

Mr. SKELTON. Thank you.

Mr. BATEMAN. I move to strike the last word, Mr. Chairman.

Mr. Chairman, now having the time, I would like to address a question to the distinguished sponsor of the amendment, the gentleman from Washington.

It relates to the area inquired into by the gentleman from Louisiana [Mr. ROEMER]. That discussion related to whether or not the amendment as drafted allowed the appropriate latitude for us to come to the aid of an ally.

As I understand the response of the gentleman from Washington, it was to the effect that under the amendment as drafted, there are provisions that would allow us to take action, pursuant to the Rio Treaty, or the Inter-American Treaty of Reciprocal Assistance, and so forth.

My concern is that—I do not think it fully covers the concern of the gentleman from Louisiana, and my concern.

As I understand the gentleman from Washington's response, he is basically saying that if you go through the procedures involved in the Organization of American States to require certain actions and pass certain resolutions, your amendment is broad enough to allow us to take action on behalf of allies.

Suppose it is an ally, and the Organization of American States chooses not to take a position——

Mr. FOLEY. Let me respond to the gentleman. The reason I am concerned about accepting the statement of the gentleman from Louisiana, is that he used the word "allies." That is a changing definition, and it has to be based on some relationship to documentation, to treaties, to policies of the United States that have some reference other than just allies.

If I may, let me just remind the gentleman that article III of the Rio Treaty provides that an attack, an armed attack by any state against an American state shall be considered an attack against all the American states. Since this provision specifically allows the President of the United States to defend against any danger of hostile attack or attacks against the United States, obviously an armed attack against any American state would give authority for the President to act.

Mr. BATEMAN. Reclaiming my time, would the gentleman not agree that under the provisions of your amendment and if we write precisely the scenario that unfolded, I believe it was in October of 1983, with reference to Grenada, and the Caribbean Basin island nations called upon the United States to intervene because they felt that they were being threatened, would not, under this amendment, we be barred from taking any action?

□ 1050

Mr. FOLEY. Under this amendment, the so-called invasion of Grenada would be specifically protected and authorized for the protection of American citizens.

If the gentleman will remember, the first reason given by the President of the United States for intervention in Grenada was the protection and safe evacuation of American citizens in Grenada. That was clearly the principal reason that the operation was undertaken and would be fully protected in this amendment.

Mr. BATEMAN. I would agree with the gentleman that that was a principal reason for the American action in Grenada and a very appropriate action, I might add.

I might also, however, call to the gentleman's attention that it was not the only basis on which a President of the United States might have concluded in the interest of the United States that there should have been some military action.

Mr. FOLEY. If the President determines that there is a clear and present danger to the national security of the United States, or its territories or possessions, there is an exception in this amendment. If there is an invasion of any state in the Americas by any other state, under the Rio Treaty, there is an exception in this amendment. If it is a condition covered by the War Powers Act, there is an exception in this amendment. If there is an act of international terrorism, there is an exception in this amendment. However, because a random invasion of Nicaragua, for example, does not come under the protection of the United States or the Rio Treaty or the provisions of the War Powers Act, that would be prohibited.

Mr. BATEMAN. Reclaiming my time, the gentleman has just tried to reassure me, and substantially has, that he has sought to cover——

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(By unanimous consent, Mr. BATEMAN was allowed to proceed for 2 additional minutes.)

Mr. BATEMAN. The gentleman has substantially reassured me that his efforts have been to cover all contingencies which need to be covered, and which I applaud.

I think, however, that presents something of a horns of a dilemma for the gentleman in the well, in that if in fact he has covered every contingency necessary to the protection of American foreign policy objectives, national security objectives and all of that has been accomplished, we do not any longer need the amendment.

On the other hand, it may be that, as some may interpret his amendment, there might be a scenario that he and I do not envision, which would not be covered by it, which would then make it mischievous, and if not mischievous, it becomes unnecessary.

I will be glad now to yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

Let me just make it clear that there are a lot of exceptions the War Powers Act and the Rio Treaty do not cover. Duarte's cabinet, under the Foley amendment, could be kidnaped and taken to Managua. That is not an attack on a neighbor, that is not something that would invoke the Rio Treaty. You could have hijackings of planes carrying allies of the United States. Essentially, they would find sanctuary in Managua. They could place Mig aircraft in Managua under the Foley amendment. There are holes in the Foley amendment you could drive trucks through. And the problem is we are not talking about sending messages to lawyers in the White House. We are talking about sending messages to Managua.

Now, if the effect of this amendment is to encourage Mr. Ortega to take Mig aircraft because he reads it as the United States not retaliating, then even if the lawyers in the White House say Mr. Reagan should have been able to respond to that, we will have essentially very much damaged ourselves.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from Louisiana.

Mr. ROEMER. My colleague, the gentleman from California, misunderstands the purpose of the amendment. The amendment is not against the Sandinistas in Nicaragua. It is against the President of the United States. The amendment is designed to cut foreign policy latitude.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. BATEMAN] has again expired.

(On request of Mr. HUNTER and by unanimous consent, Mr. BATEMAN was

allowed to proceed for 3 additional minutes.)

Mr. ROEMER. If the gentleman will yield further, my point, if I could amplify just for a second—and I thank my colleague for yielding—and it is no reflection on the integrity or the passions of the gentleman from Washington. They are well stated, well understood and deeply respected. But the purpose of this amendment is not to send a message to Managua. It is to send a message to the White House. And the point today is for us to decide: should that message be sent? And I think what the gentleman from Washington is doing is saying that micromanagement in the Pentagon is a bad idea. You heard that the last 2 days, didn't you? That was the word used, we are trying to micromanage the Pentagon when we tell them they have to get competitive bids, all that terrible stuff. But micromanagement of foreign policy, a place where you need deep-seated principles, a place where you need clear messages, a place where you need a platform from which you can build is not a bad idea.

I disagree with this amendment. I think it does a great deal of mischief, and I thank the gentleman for yielding.

Mr. BATEMAN. Mr. Chairman, let me conclude simply by saying that in the amendment, as I read it, while it speaks in terms of clear and present danger of hostile attacks upon the United States, et cetera, it does not speak in general terms of the national security of the United States which can be involved, other than through circumstances involving clear and present danger of hostile attack.

I commend the gentleman from Louisiana on this statement. I would say that it is precisely what this is all about. Do we need to send this message to 1600 Pennsylvania Avenue? I do not think we do. We are only sending the wrong message to Managua.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from Washington.

Mr. FOLEY. I would simply say to the gentleman that it is exactly the message that the President of the United States has been sending to the country. It is not a message that I am sending that is any different than the President is sending. He is saying it is our policy not to do this.

Mr. BATEMAN. Reclaiming my time, the gentleman has hit the vital point. It is the function and the prerogative of the President of the United States to send that message, not this Congress, not this Committee of the Whole, not 535 Members of the Congress of the United States.

Mr. FOLEY. My intention is to agree with the President.

Mr. LEVINE of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Foley amendment to prohibit the introduction of U.S. troops into or over Nicaragua for combat unless authorized by the Congress. I am an original sponsor of this amendment, which is similar to one already approved by the House and included in the fiscal year 1985 Department of Defense authorization bill and the 1985 continuing resolution.

We are considering this amendment in the shadow of the House's recent vote to send $27 million in so-called humanitarian aid to the Nicaraguan Contras, a decision which is fundamentally flawed. This administration's Central America policy, especially with respect to Nicaragua, is dangerous, making passage of this amendment more important than ever. Relying too heavily on military solutions to the problems in Central America, the Reagan administration has sought at every opportunity funds to pursue its misguided policy. In doing so, it has neglected the root causes of the problems there and has done nothing to bring about peaceful change. Evidence of what makes the Reagan policy dangerous is abundant.

For example, in April 1983, we learned that U.S. personnel were being used to mine the harbors and territorial waters off Nicaragua and that the Secretary of State had placed this country above the law by withdrawing it from the jurisdiction of the International Court of Justice with respect to disputes with Central American nations. Last November, a storm of controversy was created by the administration over the alleged delivery of Migs to Nicaragua. There was no evidence that the Nicaraguans in fact received these planes or that they were planning to receive them. But because of scare tactics, the administration succeeded in creating unnecessary fear and tension in both Central America and the United States. U.S. warships have been stationed off the coast of Nicaragua. U.S. reconnaissance planes have overflown Nicaraguan territory. Three Americans have been killed along the Honduran-Nicaraguan border.

Mr. Chairman, let there be no question that the House's vote to give the Nicaraguan Contras $27 million in so-called humanitarian aid has opened the door to obtaining the direct military aid this administration desperately wants to fund the Contras. As reported in the New York Times on June 3, 1985, the President, in a classified report to Congress, said the use of American military force in Nicaragua "must realistically be recognized as an eventual option in the region, if other policy alternatives fail."

The amendment before us is designed to ensure Congress its rightful role in any decision to send U.S. troops to Nicaragua. It would prohibit the introduction of U.S. combat forces into or over that country unless Congress has declared war or specifically authorized such use of U.S. forces, or unless the introduction of such forces is necessary to meet a clear and present danger of hostile attack upon the United States, or to meet a clear and present danger to, and to provide essential and immediate evacuation of, citizens of the United States. The bill contains provisions for expedited congressional consideration of any resolution or bill introduced at the request of the President to send troops to Nicaragua.

Mr. Chairman, we all know the potentially tragic consequences if Congress is not vigilant in carrying out its responsibilities to this Nation. Congress has a constitutional role, and the responsibility to carry out that role, in deciding whether or not this country sends its troops into battle, and whether or not war is declared. This amendment would strengthen that role and our ability to carry out our responsibility.

I urge my colleagues to support it.

I think it is important to address some of these points that have been raised both by the gentleman from Virginia and the gentleman from Louisiana, because I do think that they go to the heart of the amendment that we are considering.

First of all, the gentleman from Louisiana indicated that in fact we are sending a message to the White House every bit as clearly as we are sending a message to Managua. And I think the gentleman is right. I think whatever side of the issue one may be on, one should emphasize the fact that in fact we are sending a message to the White House. That message is a clear and simple message that we take the President at his word. The President, time and again, has assured this country and has assured our friends and adversaries throughout the globe that our policy with regard to Nicaragua is not a policy involving the injection of American combat forces.

We are simply reaffirming that.

Second, the question or the concept or the phrase "micromanagement" has come up time and again within the last few minutes of this debate. Let us examine the meaning of the word "micromanagement" in the context of this amendment.

Is it, in fact, my colleagues, micromanagement to be talking about the issue of a declaration of war?

There was a time when it was well understood, and I believe it should be

reemphasized on the floor of this House in the course of this debate, that the issues of war and peace, the issue of the declaration of war, is a responsibility vested by the Constitution of the United States in the Congress of the United States.

Whether we are dealing with questions of procurement reform in the earlier sections of the defense bill or questions of other aspects of waste, fraud and abuse, or other questions in which the Congress has been accused, I think, unfairly—I agree with the gentleman from Louisiana that these accusations have been unfair in terms of the issue of micromanagement—on this issue, this is hardly micromanagement. This is reminding the President of the United States and reminding the American people that the Congress of the United States has the constitutional prerogative to make determinations of war and peace.

To call this issue, whether to inject combat forces in Nicaragua, micromanagement I think emphasizes appropriately the issue that we are talking about. This is not micromanagement. This is a fundamental constitutional prerogative of the Congress, and the amendment of the gentleman from Washington, which I am very pleased to support, is an amendment which is very simple. With all of the exceptions that the gentleman has agreed to that were requested from Members on both sides of the aisle, this is simply a statement which has been affirmed and reaffirmed on a bipartisan basis on the floor of this House on several occasions in the past, and that is, our policy in Managua is a policy of not injecting American combat forces in Nicaragua without first seeking a declaration of war from the U.S. Congress.

It is very simple, very clear. It is not micromanagement.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank my colleague for yielding, and I appreciate his position and his statement thereon. I agree with almost everything. I would say, though, that the evidence given this morning in the well of accepting amendments left and right, unseen, just spoken through these invisible airwaves, shows the problem of what the gentleman rejects in this amendment—micromanagement.

□ 1100

We do not need this. I would contend with my colleague this is a step backward, not forward.

Mr. LEVINE of California. If I may reclaim my time, these were not a variety of causal amendments accepted willy-nilly back and forth. These were three, I believe, carefully thought out, well drafted, specific amendments simply reaffirming traditionally understood and accepted treaties and foreign policy principles.

With all due respect to my very distinguished colleague from Louisiana, these were not a variety of casual amendments. This is an amendment that does one very clear thing; it reaffirms that the policy that this President consistently has stated is our policy. It is a policy not to engage in war, not to engage American troops in combat in Nicaragua. It is a statement that unfortunately is necessary because of that fact that, while on the one hand, the President has repeatedly made this statement, as recently as several days ago, on the other hand, we see reports in the New York Times and other responsible media of this country to the effect that there are conflicting appearances.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. LEVINE] has expired.

(By unanimous consent, Mr. LEVINE of California was allowed to proceed for an additional 3 minutes.)

Mr. LEVINE of California. We do see that despite the President's repeated reassurances to the country, there are reports now with increasing frequency that contingency military plans are being laid. While the President in his public statements has been consistent, and all we are doing is holding him to his consistent statements, there has been quite a bit of ambiguity coming out of the White House in terms of what in fact our policy is.

Every opportunity that I have had as a member of the Foreign Affairs Committee to question and cross-examine members of the administration in public hearings and public testimony with regard to their intent on this issue, in every instance the Assistant Secretary of State of Latin America, for example, other administration officials, have essentially said, "We agree with the content of the Foley amendment; we agree that this is our policy. This is not our policy in terms of injecting American combat forces. We do not intend to do it. The President has said that." Yet, unfortunately, we read in public expositions of what are apparently classified reports that managed to get leaked out to the media that in fact we have been laying those contingency plans.

So this amendment becomes extremely critical on a fundamental issue in which Congress has the constitutional prerogative to act, and it is for that reason that I am pleased to stand up in support of the gentleman's amendment.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I yield to the gentleman.

Mr. WEBER. I thank the gentleman from California for yielding.

Mr. Chairman, I want to take issue with the first thing the gentleman said. I understand the gentleman's position, and I understand his sincerity, but he says that we take the President at his word. I have to say explicitly that if you are taking the President at his word, you do not come here today and try to lock that into legislation.

If we were taking the President at his word, as the gentleman indicated, you would do precisely the opposite: You would indeed take him at his word and not try to lock a position into law that denies the President any kind of flexibility. This, in my judgment, is an effort explicitly to say we do not take the President at his word.

Mr. LEVINE of California. If I may reclaim my time, I appreciate the point the gentleman makes. Unfortunately, there have been too many other statements or leaks from this administration that specifically undermine the President's expressed representation. Those statements have consistently left open not just the option, but the potential, perhaps the short-term potential, of actually injecting combat forces into the region. They require, in fact, that Congress simply reaffirm and underscore the position that the President has taken.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Chairman, I am constrained from discussing the degree to which we can all rely on the President's word because our friend from Pennsylvania reminded us that the rules forbid us to comment on certain aspects of a President's veracity.

I would like to deal with this phrase micromanagement. That has become the new refuge of obscuritists. If a proposal comes forward that you do not like, you do not debate it on the merits, you do not point out what is the matter with it, you denounce it as micromanagement. It is a substitute for a reasoned argument.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. LEVINE] has again expired.

(On request of Mr. FRANK and by unanimous consent, Mr. LEVINE of California was allowed to proceed for 1 additional minute.)

Mr. LEVINE of California. I continue to yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman.

I have a question. Even if you want to use that phrase, I can understand people talking about micromanagement when we are in contracting specific at the Pentagon. We are talking war here. We are talking about whether or not we should invade a country and under what circumstances. That

would seem to me at least to be main frame management.

I guess I would have a question: If it is micromanagement when we are talking about the possibility of invading a country and people being killed because it has got 3 million people, at what population level does a country move out of the micromanagement category?

Here is the central question. The gentleman from Washington has said to protect our national security, to deal with invasion, to deal with the attacks on Americans and the American Embassy, to exercise our rights under the Rio Treaty, which can be unilaterally exercised under the Rio Treaty, we can go in. But some of us fear that for ideological reasons, for political reasons, there might be a temptation to have an invasion and we want to say that is not legitimate.

The gentleman from Virginia said for foreign policy reasons we have to be able to go to war. Well, some of us feel national security is a legitimate reason to start killing people, but a foreign policy advantage is not, and that is what that amendment is about.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. LEVINE] has again expired.

Mr. LEVINE of California. Mr. Chairman, I ask unanimous consent that I have 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. HUNTER. Mr. Chairman, reserving the right to object, let me say to my friends on the other side of the aisle you have had a lot of time now, and you have spent most of the time attempting to make your points. We have a number of Members who wish to speak on this side of the aisle.

Could the gentleman take maybe 1 or 2 additional minutes and wrap up and allow people like Mr. HYDE and Mr. CONTE to speak?

Mr. LEVINE of California. That is fine.

Mr. HUNTER. Mr. Chairman, I withdraw my reservation of objection.

Mr. LEVINE of California. Mr. Chairman, I ask unanimous consent that I be allowed 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. LEVINE OF California. I yield to the gentleman.

Mr. FOLEY. Mr. Chairman, very briefly, I would just like to read article III of the Rio Treaty so it is clear and on the record what it provides in terms of an immediate response in the event of an attack by any state against any other state in the Americas:

> The high contracting parties agree that an armed attack by any state against an American state shall be considered as an attack on the American states and consequently each one of said contracting parites undertakes to assist in the meeting of an attack as inherent right of individual or collective defense.
>
> On the request of a state or states directly attacked and until the decision of the organ of consultation of the Inter-American system, each one of the members of the contracting parties may take immediate measures which it may individually take in fulfillment of the obligation.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I yield to the gentleman.

I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman from California [Mr. LEVINE] stated the constitutional issue very clearly. It appears to me, and I regretfully make this observation, that our colleagues on the other side of the aisle are trying to preside over the giving away of constitutional powers that we are supposed to have here in the name of the people.

We are supposed to make those decisions as to whether or not we are going to go to war to send American troops to Nicaragua or wherever, here in the House of Representatives and in the Senate of the United States. For our colleagues to say that somehow or another this interferes with the foreign policy of the United States is nonsense. I think that the Foley amendment is right on target, and I hope that it wins once again by an immense majority.

It is essential that the Foley amendment be adopted as part of this bill. Signals have already been sent that an undeclared war by the United States against Nicaragua has been seriously considered by President Reagan and our military leaders.

The statements have been clear and unequivocal. Recently, a high ranking unidentified Pentagon official even predicted the amount of time it would take to conquer Managua and then the entire country of Nicaragua.

The President himself, in a classified communication somehow leaked to the New York Times, stated that if the Contras are not successful, American troops might well have to be used.

Mr. Chairman, this is a decision that the Constitution requires must be made by the people acting through their elected representative in Congress.

It is nonsense to say that the Foley amendment would violate the Constitution, by usurping the President's power as Commander in Chief.

Although, the President is designated this power by the Constitution, it must be exercised pursuant to other clauses in the Constitution, inserted there carefully by our founders to ensure that they were not creating a monarch.

Under the Constitution, it is Congress who is vested with war-related powers, including the power:

To declare war;

To raise and support armies;

To provide and maintain a Navy;

To provide for the common defense;

To define and punish offenses against the Law of Nations (and more specifically for this amendment); and

To provide for the calling forth of the militia to execute the laws of the Union, suppress Insurrections, and repeal Invasions.

Under this same Constitution, the President is vested, not with independent authority such as a sovereign or king, but with the "executive power" of the United States. He has the duty to "take care that the Laws be faithfully executed," and he is the Commander in Chief of our Armed Forces.

In providing for a strong Commander in Chief, the Framers of our Constitution were clearly seeking such strength once war had been declared, but not providing to one person the power to engage the United States in war. On questions dealing with the allocation of war-making powers, James Madison had this to say:

> ". . . The power to declare war, including the power to judge the causes of war is fully vested in the legislature . . . the executive has no right, in any case to decide the question whether there is or is not cause for declaring war . . . the right of convening and informing Congress, whenever such a questions seems to call for a decision, is all the right which the Constitution has deemed requisite and proper . . ."

The Constitution is explicit, and the history of the Constitutional Convention and the Federalist Papers make it clear; Congress alone is authorized to decide when and if we shall go to war, unless the United States is actually attacked.

The earliest Supreme Court recognized Congress' sole warmaking powers. Chief Justice John Marshall, in Talbot versus Seeman, ruled:

> The whole powers of war being by the Constitution of the United States vested in Congress, the acts of that body alone must be resorted to as our guide. . . .

This exclusive congressional responsibility was observed quite faithfully by all the Presidents of the 17th and 18th centuries. President Jefferson even requested and got congressional permission before attacking the Barbary pirates. However, in the 20th century Congress began to abrogate its warmaking powers to the President.

There is no assurance of wisdom if the Constitution is respected and Congress decides by a majority vote, after public debate and deliberation, when and if the United States should go to war. But that is the process established by those who formed the foun-

dations upon which our great democracy is built.

Our founders never intended that the warmaking powers should rest in one person's hands. They were firm in their belief, enshrined in the Constitution, that war is far too awesome a decision for any one person to make. We must remember the words of President James Monroe more than 100 years ago when addressing this problem: "The Executive has no right to compromise the nation in any questions of war."

The Foley amendment provides a constitutionally sound balance of warmaking powers. It ensures that the legislature retains its control over decisions dealing with questions of war and peace as mandated by the Constitution, while allowing President Reagan the power to act in certain emergency situations. In the words of Alexander Hamilton, the warmaking power "is the peculiar and exclusive province of Congress."

Mr. CONTE. Mr. Chairman I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, as a sponsor of this important amendment, I rise to urge its adoption by my colleagues.

In the troubled region of Central America, there is currently no greater source of public concern than Nicaragua. Despite administration assurances that there are no plans, nor does it intend, to use U.S. troops in Nicaragua, anxiety about the potential use of U.S. forces in that country continues. Sixty-seven percent of those responding to a January 1985 ABC News/Washington Post survey indicated that they fear more extensive U.S. military involvement in Central America over the next 4 years. With respect to Nicaragua, where the potential for U.S. military intervention seems greatest, 76 percent of those interviewed in a March 1985 Harris survey said they oppose a U.S. invasion of Nicaragua.

The Foley-Conte amendment addresses these concerns. It would prevent the introduction of U.S. troops for combat purposes into or over Nicaragua unless Congress has declared war or authorized the introduction, or there is a "clear and present danger" of hostile attack to the United States, its Embassy, U.S. Government personnel, or our citizens. Although the administration has been clear in suggesting that it has no plans to use troops in Nicaragua, it has been less clear in setting forth those reasons that it believes would justify a U.S. intervention.

The Foley-Conte amendment, in its simplest restatement, sets forth those conditions that, we believe, would justify a U.S. military response.

I believe there is considerable public concern that U.S. troops will be committed in Nicaragua for reasons other than those permitted under the amendment, and, for that reason, the Foley-Conte sends forth a very strong and important message. It articulates a policy of military restraint with respect to our dealings with Nicaragua and, by so doing, encourages diplomatic initiatives and political solutions as the means for resolving any differences between our countries that do not threaten our security or American lives.

What this amendment does is straightforward enough; but I would like to underscore two things this amendment does not do.

First, the Foley-Conte amendment does not undermine the President's constitutional authority as Commander in Chief. In today's high-tech society, the word "blitzkreig" has been given new meaning. The President needs flexibility as Commander in Chief to respond immediately in certain circumstances to protect American security and lives. The Foley-Conte amendment is consistent with that principle.

The unilateral introduction of U.S. troops into Nicaragua by the President would be permitted if he determines that there is a clear and present danger to the United States, its possessions, or territories, the U.S. Embassy in Nicaragua, or to U.S. Government personnel or citizens.

That determination would be made by the President in his capacity as Commander in Chief and no congressional action would be required.

As this body knows, the sea of responsibility between the President's authority as Commander in Chief and the Congress' constitutional authority to declare war is largely in uncharted waters. I believe that this amendment, however, charts a sound course concerning the exercise of those responsibilities with respect to Nicaragua.

Second, this amendment does not repeal the War Powers Act or negate our responsibilities under the Rio Treaty. In fact, the amendment specifically notes that none of the amendment's provisions shall invalidate any requirement or obligation of the statute or Treaty. What the amendment does is refine application of the War Powers Act to one country—Nicaragua—for the 1 year duration of the DOD authorization.

The public debate that has ensued since 1979 has made each of us keenly aware of the players and circumstances surrounding the Sandanista revolution in Nicaragua. Given that heightened awareness, I believe that the Members of this body can make an informed judgment as to those situations where U.S. force in Nicaragua would be appropriate, and I believe this amendment contains responsible choices in that regard.

Mr. Chairman, I believe this amendment represents good policy. The administration has repeatedly assured us that military options in Nicaragua are not under consideration. Most recently, in a letter to the gentleman from Oklahoma [Mr. MCCURDY] just prior to the vote last month on Contra aid, the President reasserted that he seeks "political, and not military, solutions" in Nicaragua. This amendment is consistent with those policy objectives.

Virtually all military experts agree that U.S. military intervention in Nicaragua would cost thousands of Nicaraguan and American lives.

□ 1110

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 1 additional minute.)

Mr. CONTE. Mr. Chairman, this amendment would send forth a strong message to those who fear U.S. military intervention in Nicaragua for inappropriate reasons—that, except under limited circumstances, U.S. troops will not be committed to a potentially bloody and costly quagmire in Nicaragua without prior congressional authorization. It is consistent with our constitutional obligations and in line with sound U.S. policy toward Nicaragua over the next year.

A very similar amendment was adopted by this body as part of last year's DOD authorization on a 341 to 64 vote, and I urge my colleagues to support the amendment to this year's authorization as well.

Mr. HOPKINS. Mr. Chairman, I move to strike the last word.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I would be delighted to yield to my colleague, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, stripped of all of the camouflage about this piece of legislation, there is no question that it is a raw political statement designed to cripple and embarrass the President at a particularly outrageous time when we are under siege around the world by state-sponsored terrorists.

The beneficiary? The commandantes. Nicaragua, which is a haven for some of the most active terrorists in the world, the PLO, the Red Brigades, the Libyans. The bodies are barely cold of the four marines who were assassinated, who were murdered by the FMLN, the Communist guerrillas in El Salvador who are controlled and supported and subsidized by the Nicaraguans. Nine civilians murdered, two of them Americans.

What is our response to Mr. Ortega? Sanctuary, immunity. This amendment, and make no mistake about it, gives legislative expression to one of the most intemperate, blindly partisan statements I have ever heard in my life, and that is the statement of a very prominent Democratic leader that Ronald Reagan will not be happy until he has our boys fighting in Nicaragua.

That statement is utterly outrageous. That is the kindest thing I can say about it. But I suggest to my colleagues there are radical forces in the world right now, as we speak, who hate us and who hate our values, but instead of unity, instead of bipartisanship, instead of cooperation, we get confrontation. Instead of statesmanship, we get one upsmanship from the other party.

What a moment in history to provide immunity to Daniel Ortega. The very threat of military action is a deterrent. Let us remove that. Let us tie the President's hands. Instead of adding to the headache of Mr. Ortega and his commandantes, you want to give him anxiety relief; you want to give him therapy; you want to give his headache some Excedrin.

There is so much wrong with this incoherent fuzzing up of our foreign policy just to make a political statement, and I would never accuse the gentleman of Washington of hurling a cheap shot. I would never do that. I would characterize this as an inexpensive volley, but not a cheap shot. This has so many constitutional infirmities it would take even the gentleman from Massachusetts, with his superior legal knowledge, a long time just to go through them, and he is a quick study.

Let me suggest to you this is an effort to amend by statute the Constitution, to divest the President of his title, of his office as Commander in Chief, and to make him Commander in Chief emeritus.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I really do not have the time.

Mr. FRANK. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. HOPKINS. No, I do not yield at this time. Let the gentleman finish his statement.

Mr. HYDE. This piece of legislation, to use a euphemism, ignores the distinction which our Founding Fathers made as long ago as 1787 between declaring war and making war, and if the President is Commander in Chief, he must have the inherent powers of that office to carry out his duties.

I know there is a school of thought right out of the ACLU, signed by one of the great jurists of all time, Morton Halperin. You remember him. He is Daniel Ellsberg's friend. He says the President does not have this power. Well, let me cite my lawyer, Dean Acheson. You remember Dean Acheson. Let me tell you what he said when Harry Truman sent the troops into Korea without congressional approval, and I quote:

> There has never been any serious doubt in the sense of nonpolitically inspired doubt, of the President's constitutional authority to do what he did.

And then Mr. Acheson testified before Congress shortly thereafter in 1951.

□ 1120

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky [Mr. HOPKINS] has expired.

(By unanimous consent, Mr. HOPKINS was allowed to proceed for 5 additional minutes.)

Mr. HYDE. Mr. Chairman, will the gentleman yield further?

Mr. HOPKINS. I yield further to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I quote:

> Not only has the President the authority to use the Armed Forces in carrying out the broad foreign policy of the United States implementing treaties, but it is equally clear that this authority may not be interfered with by the Congress in the exercise of powers which it has under the Constitution.

So the President as Commander in Chief has an inherent power to carry out his duties, and we cannot divest him of those without amending the Constitution.

This legislation does more than make a partisan political statement. It weakens the institution of the Presidency. It is inflexible. It put our Commander in Chief in a straitjacket, ties him up in chains, and puts him in a locked trunk and drops it in the water.

The gentleman has said that he has finessed the War Powers Act and he has finessed the Organization of American States Treaty. Well, the President's inherent powers ought not to require him to have his legal counsel make an interpretation of who and what is an ally under present circumstances. The world changes. Signatories to treaties, some can be friends, some can be allies. The President has to be able to respond as Commander in Chief, and one of the terminal flaws of this legislation is that it ignores our allies. Oh, as an afterthough, in Foley III—this is the third version this time around in the current series—as an afterthought, he cranks in the Organization of American States, recognizing that our allies ought to be able to look to us at a moment of truth. And so with a little convoluted reasoning out of the State Department, one might find that the President has the power to act if, for example, Honduras is invaded.

But we do not need institutional conflict at a time when unity and cooperation is so essential.

A good foreign policy is one that controls events, not simply reacts to events. But this legislation, if you read what it says—and you do not have to go evaluate the convoluted interpretations that it has received here today—does not even permit us to react to events.

Are we ready to tell the world today that our response to Nicaragua, to subversion, to revolution, to terror around the world is to take the President and say, "You may not use our troops when in your judgment as Commander in Chief you should"?

This is "Target Reagan." The Reagan-haters have dreamed this up, and this is a raw political target arrow aimed at Ronald Reagan. I say, do it some other time, folks, but not today when around the world there is hatred and vilification directed against us and what we stand for. You know, he is your President, too, as well as mine.

This legislation is a message of appeasement, of temporizing, of isolation, and of weakness, and it is the politics of confrontation. I think we deserve better, I think our allies deserve better, and I think Americans deserve better. You may be paranoid about the President, but I do not think the American people are.

I hope that this amendment, no matter how they try to sanitize it, goes down to resounding defeat.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman from Illinois [Mr. HYDE] for his statement, and I now yield to a member of the committee, the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from Illinois [Mr. HYDE] mentioned Dean Acheson. I think the amendment that we are debating today has a bit of similarity, and a rather dangerous similarity, with a position that Mr. Acheson took as U.S. Secretary of State. Secretary Acheson had publicly stated that South Korea was not within the area of U.S. interests in Asia. That, of course, led to the Soviet invasion of South Korea and brought on the Korean war.

What we are likely to be doing with the legislation that the gentleman from Washington [Mr. FOLEY] has proposed is announcing to the world that we are not going to do anything to prevent the kind of Soviet infiltration, Soviet establishments, Soviet arms, Soviet funds, and Soviet type of government that is going on today in Nicaragua. I think we would be making the same serious, grave, and dangerous mistake that Secretary Acheson made when he left Korea outside of the area of American concerns in the Far East.

AMENDMENT OFFERED BY MR. HUNTER TO THE AMENDMENT OFFERED BY MR. FOLEY, AS MODIFIED

Mr. HUNTER. Mr. Chairman, I offer an amendment to the amendment, as modified.

The Clerk read as follows:

Amendment offered by Mr. HUNTER to the amendment offered by Mr. FOLEY, as modified: At the end of that proposed Section 1050 add the following new subsection:

"(f) EXPIRATION UPON ESCALATION.—This section shall not apply when Mig aircraft, or aircraft of similar design and capability, is introduced into Nicaragua."

Mr. HUNTER. Mr. Chairman, what horrendous timing we have exercised and the gentleman from Washington [Mr. FOLEY] has exercised in bringing the Foley amendment before this House and before the world and before Nicaragua today. We talk about message-sending and we talk about the subtle changes that we can make in legislation that will clean it up to the point where our lawyers are satisfied. The gentleman from Washington [Mr. FOLEY] went through a long dialog with the gentleman from Oklahoma [Mr. MCCURDY] explaining that probably the President could consider that Mig aircraft would fit the language of the gentleman from Washington [Mr. FOLEY], but the gentleman's language says nothing about a clear and present danger to the nations of Central America; it only says something and provides an exception for a clear and present danger to the United States of America, and we know that Mig aircraft cannot reach the United States of America. They cannot carry enough fuel. The range of a Mig-23 is about 2,600 kilometers.

From the easternmost tip of Nicaragua to the westernmost tip of Puerto Rico, which fits under the possessions-and-territories exception, it is approximately 3,600 kilometers. So Mig aircraft cannot reach the United States or its possessions and territories, but they certainly can raise the devil with our allies.

The gentleman from Washington [Mr. FOLEY] implied that we could clean up the language in this thing by making a few changes here and there and that will satisfy the lawyers. The people it will not satisfy live in Nicaragua. They do not catch the subtleties of our message-sending. Let us give the best example. A great deal of rhetoric came from this side about how Mr. Ortega now really had the message in the first vote that we took on Contra funding. We said, "Boy, he has got the message now. He knows he has got to straighten his act up."

The day the vote was over, he left for Moscow. So he had not caught any of the rhetoric from our friends on the right side of the aisle, and some of them on the left side of the aisle. He had not caught any of the rhetoric about how this was his chance to shape up. All he knew was that Congress had handed him a gift, and he took off to make the most of it in Moscow.

Now, under Foley language, make no mistake, Mig aircraft can now be stationed in that 10,000-foot runway which is already being constructed with jet revetments north of Managua.

This is the worst of message-sending that we could possibly engage in at this time, because it is a clear message to Managua that they can go ahead, they can make that move, and they can take that Mig aircraft in, and under our bill as they see it, not as our lawyers see it everything is going to be OK.

Let me just talk about something else that was brought up last night in a special order discussion that I think is very important to every Member of this House. This is a time when America's back is against the wall. Around the world America is being threatened. There are hijackings, there was the blowing up of the Indian airliner almost immediately after the taking of our hostages, and there was the killing of our marines in El Salvador. Historically when that happens, Americans come together, and this Congress comes together with the President, whether he is a Democrat or a Republican, and they respond by giving him trust, because he is the one man who is elected by all of us, by all Americans. We give him more leniency and more authority than he had before; we trust him and come together with him. But what has been our historically inconsistent reaction today?

When America's back is against the wall and the President is being increasingly pressured by the situations around the world and they are trampling the American flag in Beirut and they are killing Americans in El Salvador as they are sitting in cafes, what do we say to our President? We are saying to him, "We don't trust you," and we are sending another message, another erroneous message, to Managua.

This Foley amendment is shot full of holes. Under this amendment an airliner coming from Israel to Miami could be hijacked, and if it had Israeli citizens on board, we could not act. The entire Duarte cabinet could be kidnapped and taken to Nicaragua and we could not act because the situation does not fit under the American citizens exception.

This thing has got holes in it that you could drive a truck through. But let me say to the Members that I think the threat that is most important at this time and the message that I see Managua taking out of this debate and out of the Foley language is that they could go ahead and fill those jet revetments with Mig aircraft.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Minnesota.

□ 1130

Mr. WEBER. Mr. Chairman, I thank the gentleman from California for yielding.

As I understand, the gentleman's amendment deals only with Migs, is that correct?

Mr. HUNTER. That is right, Migs or any other aircraft of a similar capability.

Mr. WEBER. I would like to discuss that, if the gentleman would, just a little bit further.

Is there any conceivable reason why the Nicaraguan Government, the Sandinistas——

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. HUNTER] has expired.

Mr. WEBER. Mr. Chairman, I ask unanimous consent that the gentleman may have 3 additional minutes

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. COLEMAN of Texas. Reserving the right to object, Mr. Chairman, I am going to use the same statement that the gentleman from California used about a half an hour ago or an hour ago. There are Members who have been seeking recognition who are not members of the committee, who have been standing for 1 hour; so I would ask the gentleman if there is any way that he could get unanimous consent for just a few minutes, so that we could preserve some time.

Mr. HUNTER. We will try to make it as short as possible.

I yield to my friend.

Mr. COLEMAN of Texas. Could I ask the Chair about the request. It was for how much time?

The CHAIRMAN pro tempore. The gentleman is asking for 3 additional minutes.

Mr. COLEMAN of Texas. For 3 additional minutes? Then I will not object at this time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. WEBER] that the gentleman from California [Mr. HUNTER] be allowed to proceed for an additional 3 minutes.

There was no objection.

Mr. HUNTER. I yield to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Chairman, I thank the gentleman for yielding and I thank our colleague on the other side of the aisle for not objecting.

I just want to make clear, is there any conceivable reason why the Nicaraguan Sandinista government would want to use Mig jets internally in their fight against the Contra resistance forces? In the gentleman's opinion, is there any reason why they would?

Mr. HUNTER. They could utilize the Mig aircraft against the Contra forces.

Mr. WEBER. But is it not true, if the gentleman will yield further, that the HIND helicopters that they already have are far more effective weapons against those Contra forces and if, indeed, Mig aircraft were introduced into Nicaragua, it is highly unlikely that the primary purpose for using those aircraft would be internally to the country, that the purpose would almost have to be to project power for some reason beyond the borders of Nicaragua?

Mr. HUNTER. That is true. The Mig aircraft are most ideally suited for missions that would involve air strikes in neighboring countries.

Mr. WEBER. So the purpose of the gentleman's amendment is to permit the President to respond in the event that a weapon is introduced which clearly would not be primarily used within the nation of Nicaragua, but which would have as its intent to project power beyond the borders of Nicaragua in a hostile action against the United States or its allies in the region?

Mr. HUNTER. The gentleman is absolutely correct. It could have a devastating effect on institutions and the infrastructure of the neighbors of Nicaragua.

Mr. WEBER. Mr. Chairman, I thank the gentleman for yielding.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have been going now since 10 o'clock. Might I inquire of the Chair, we see a number of Members who are rising to speak. Perhaps if we had an indication of how many Members are seeking time, we have some 60 amendments left on this bill and we have a time limit at 2 o'clock. Perhaps if we could get an indication of how many Members desire recognition we could have an agreement as to a limitation of time here.

Mr. CHENEY. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. Yes, I yield to my friend, the gentleman from Wyoming.

Mr. CHENEY. Mr. Chairman, last night when the subject came up, we worked out very carefully a unanimous consent agreement with the chairman of the Armed Services Committee that we would go in at 10 o'clock this morning. We would take the Foley amendment up first. We would operate under the 5-minute rule. At 2 o'clock we would stop all debate on title X of the bill and after that we would have 1 hour on the Dellums bill and then we would go back under the 5-minute rule, 5 and 5, on whatever amendments were left.

Mr. Chairman, I think on this side of the aisle we would feel that that commitment was not being kept if we were now to undo that agreement that we entered into last night.

Mr. McCURDY. Mr. Chairman, if the gentleman will yield, I understand the gentleman's statement. I was again just trying to get an indication of where we are. I am not trying to undo the agreement, but if at all possible I would urge some restraint and not have Members speaking three and four times on this one issue.

With that, I would not ask unanimous consent for a time limit, but I would urge Members to try to move as quickly as possible and not take the full time.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the possibility that U.S. troops may become directly involved in the conflict in Nicaragua is cause for profound concern. Unless Nicaragua poses a direct threat to this country or its citizens, any such involvement would be a practical and ethical mistake of catastrophic proportions.

Mr. Chairman, for several years I sat on the House Intelligence Committee, and I watched this country drift toward direct involvement in the Nicaraguan conflict. But that final, fatal, rash step need not be taken. The administration says that step will not be taken. Congress must say too that, except in the direst circumstances, that step will not be taken.

For this reason, I rise today to speak strongly in favor of the Foley amendment. The Foley amendment is itself a simple affirmation of fundamental constitutional prerogative. It is also a statement of our concern about the possible escalation of the Nicaraguan conflict to include U.S. involvement. It is a statement of our steadfast opposition to any step that would unnecessarily endanger the lives of American servicemen. The House of Representatives must make its position clear on this issue.

These statements are not repudiations of the Nicaragua policy of the current administration. In approving the Foley amendment, Congress is also reaffirming statements that have been made by this administration, such as the statement made by Larry Speakes on June 5 that "the President has no plans to use U.S. military forces in Central America," and that "to raise the specter of direct U.S. involvement is wrong, wrong, wrong." President Reagan's Nicaragua policy does not, and should not, depend on the possible introduction of U.S. troops into Nicaragua.

So to support the Foley amendment is to support the current policy of the administration. To oppose the Foley amendment is to support the possibility that the President could, in the absence of a national emergency, send troops into Nicaragua itself without the advice and consent of the U.S. Congress.

One conclusion that I think can be safely gleaned from our Vietnam experience is that it is difficult to wage an unpopular war. The citizens of this country will not support a sustained conflict in Central America using U.S. troops without the prior consent of the elected representatives of the American people. The House of Representatives must now take this simple step to avert the dangerous possibility that such a rash step could be taken, a possibility that should not even be contemplated.

I am not a supporter of the President's Nicaragua policy. I do not think that we should be playing any role in the conflict inside that country. But Congress has chosen to allow some U.S. role in Nicaragua. But it has not endorsed any direct U.S. involvement in that conflict. We must be clear on this issue. We must uphold our constitutional obligations. We must prevent rashness. We must approve the Foley amendment.

Mr. McKINNEY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. McKINNEY asked and was given permission to revise and extend his remarks.)

Mr. McKINNEY. Mr. Chairman, I support and agree with the philosophy of the gentleman from California [Mr. HUNTER]. There should be some understanding in this amendment that if weapons which can only be used for extra-territorial uses are brought into Nicaragua that we should, in fact, be able to react. Other than that, I have to say that I very strongly support the efforts of the gentleman from Massachusetts [Mr. CONTE] and the gentleman from Washington [Mr. FOLEY], because what we are really trying to do is neutralize the Sandinistas. We can neither neutralize the Sandinistas nor can we back the Contadora policy and the Contradora effort toward peace if in fact we do not have the support of the American people.

The American people, Mr. Chairman, I would suggest are concerned. They do not know whether we are going to make the mistake—and that is the best way to call it, the mistake—and, if they historically look back at the U.S. involvement with Nicaragua, they have good reason to believe we will. We are neither strangers to the shores of Nicaragua, nor are we strangers to the streets of Managua. We have been there many times before as the hand maiden of the United Fruit Co.

It seems to me that if we are going to get the American people to be willing to give the type of economic aid that is going to have to be given to the Contadora nations and to Nicaragua to neutralize the cry and howl of Mr.

Ortega, that we first have to assure the American people that we will not take a military adventure in Nicaragua.

□ 1140

It is a difficult decision for this group to make, and I do not like to limit any President because his duty is to be Commander in Chief and his responsibility is to protect this Nation. But I still think that we, as the House of Representatives, have to let the American people know that we are not going to send their kids into Nicaragua, that we are not going to have another Vietnam, because, quite frankly, you and I know that military intervention in Nicaragua would prove nothing and we would win nothing.

In fact, the chances are that we would probably grind on for years and years and years and never get anywhere.

Therefore, I think that we should support Conte-Foley, and I think we ought to say to the American people we will not take troops into Nicaragua. We should reaffirm, as we did for the first time on June 12 that we fully support the Contadora process. Those are the nations that are concerned, those are the nations that speak the language, those are not the big boys on the Hill, and they have the most to lose. They know what the Sandinista government is; they know what Mr. Ortega is, and they will, with our support, I think limit the problems that he causes.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I will be happy to yield to the gentleman from Missouri.

Mr. SKELTON. I thank the gentleman for yielding.

I understand the gentleman does support the amendment of the gentleman from California regarding the Mig's and like aircraft; is that correct?

Mr. McKINNEY. I do.

Mr. SKELTON. May I ask you, sir, would you support a parallel amendment protecting American lives subject to terrorist kidnapers and the like?

Mr. McKINNEY. I would do that anywhere in the world, and I think we all agree that our ability to act in such situations should not be compromised.

Mr. SKELTON. Should I offer one, and it is out of order now, the Parliamentarian tells me, but should I offer one, would the gentleman be in a position to support that?

Mr. McKINNEY. Let me say to the gentleman that I strongly support the Conte-Foley amendment. But there are problems with it. We live in very strange world. I think international terrorism, such as the situtation with flight 847, at the present moment has to be reacted to in Chicago or Managua or anywhere else. But if we cannot react to it, we had better make sure that we do not make that an excuse for military intervention. We are not going to militarily intervene and attack Lebanon. There are some of us that wish we could, I think, but we are not going to do it.

But, sure, this amendment probably should be refined. There are obvious American interests that this Congress, this President, any President, will never compromise. But we really have to convince the people in my district, and across the Nation, that we are not just sort of slowly floating down the old river into another Vietnam.

You know, as great as we are, if there ever was a fish out of water, it is an American soldier in a jungle. As a great statesman once said, we should keep our military forces out of the jungles and the deserts. For we do not do well there.

Mr. BONIOR of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this House has struggled time and time again with the question of U.S. policy toward Central America. The debate has been emotional and this body has been bitterly divided.

In the past few months, I have talked with many Members from both sides of the aisle. And I have sensed in each Member a genuine soul-searching, a sincere desire to become informed about the realities of Central America, and a profound effort to find a policy that will effectively embody the principles and interests of this country. This has been a difficult issue for all of us.

Many different views have emerged. The majority of the House has at times seemed to speak with conflicting voices. In recent months, we have seen this body completely reverse itself on the question of direct aid to the Contras. And no one would be so hasty as to predict that the debate on this issue is over.

But, in spite of the diversity and divisiveness of opinion in this body, there is one common theme that we hear over and over again from each Member who has struggled with this issue—the growing concern about the possible introduction of U.S. troops in Nicaragua, and the desire to avoid greater U.S. involvement in an escalating war in the region.

This is the issue on which there is genuine agreement in Congress. It is the basis of the consensus we all recognize must be the foundation of any foreign policy. It reflects the most deeply felt concerns of the American people. And it is the issue we address today in the Foley-Conte amendment.

There can be no doubt that congressional concern on this score is well-founded.

We have been given conflicting signals from the administration on this issue. We have been reassured by the President that the United States does not seek a military solution in Nicaragua.

Yet, a recent series of New York Times articles documented the detailed preparations that have been made over the last 2 years for an invasion of Nicaragua—including extensive war games, the vast expansion of intelligence facilities, and the construction of airfields in Honduras that can handle any plane the U.S. military owns.

We have been told that senior intelligence officials believe that an invasion of Nicaragua would be as easy as "falling off a log." And, according to recent press accounts, the President himself has certified that the use of U.S. military forces in Nicaragua "must realistically be recognized as an eventual option in the region, if all other policy alternatives fail."

The shadow of Vietnam has hung over every debate on U.S. policy in Central America. We can all remember the years when America found itself sliding, bit by bit, into a full scale war in Southeast Asia. That war cost 58,000 American lives and lasted over a decade, but no President—either Democrat or Republican—came to Congress for the constitutionally required declaration of war.

The Foley-Conte amendment builds on the lessons we have learned from our recent history of military involvement overseas. It is intended to clarify, in a situation that is increasingly clouded with confusion and fraught with tension, the responsibility of Congress in declaring war.

It will not prevent the President from protecting American lives or property; nor will it prevent the United States from coming to the aid of our allies should they request such emergency assistance.

The Foley-Conte amendment ensures that American troops will not be sent into combat in or over Nicaragua unless they can be guaranteed the full support of the American people, and the clear consent of this Congress.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Foley amendment but in favor of the Hunter amendment. If we adopt the Foley amendment we will effectively be nullifying our recent passage of the McCurdy-McDade-Michel amendment that we have recently passed.

The argument before us today is the same one we rejected week before last; namely, that the Americans are the bad guys in Central America, are the warmongers who want to send troops and planes to Nicaragua. We are not and we do not.

If anyone should be considering legislation that limits the introduction of combat forces into a specfic country, it is the Sandinista government in Nicaragua. They are the ones who continue to violate their neighbors' borders. They are the ones who have shelled Honduran villages and gunned down Costa Rican policemen.

With that in mind, Mr. Chairman, I would ask my colleagues to consider this question: If you are not inclined or reject the Foley amendment because it unilaterally ties one hand behind our back, will you not at least defer its consideration until the Sandinistas place identical limits on their own military actions?

□ 1150

It simply defies common sense for us to place limits on something that we are not even doing when they refuse to place limits on something that they are doing.

There are many other reasons to oppose this amendment, in addition to the conflicting signals that it will send since we passed humanitarian aid to the Contras.

In the first place, while its author may protest to the contrary, it really denies in many ways not foreseen to us, denies to our allies in Central America any possibility of U.S. military assistance which we would be obligated to provide under the Rio Treaty of 1947 in the event of an armed attack by Nicaragua against their neighbors.

The Foley amendment also infringes upon the constitutional prerogatives of the President to enter into treaties and of the Senate to ratify them. Paragraph (e) of this amendment is not the controlling paragraph. Paragraph (a) is controlling the amendment. And of course it follows the title, "Limitation of introduction of Armed Forces into Nicaragua for combat." That, in effect is the essence of the amendment.

Hence the amendment also directly conflicts with both the War Powers Act and the Cuban resolution (Public Law 87-733). In the latter, Congress recognized our Nation's obligations under the Rio Treaty and resolved "to prevent by whatever means may be necessary, including the use of arms," the extension of Communist subversion in this hemisphere. When this resolution was passed in 1962, Congress also reaffirmed the Monroe Doctrine to show our national resolve against a very real threat. The threat today is no less real, yet we seem to be flirting with a total about-face in the Foley amendment by saying Communists have a free hand in Central America, but we do not. Worse, in an action that betrays the argument that the amendment is merely a reassertion of lofty constitutional principles, namely the war powers of Congress, the amendment singles out one country, Nicaragua. Why? Because we wisely have contingency plans concerning Nicaragua, the same type of contingency plans we have or should have for every other part of the world. If this amendment has merit for one country it has merit for all, or else it has merit for none at all.

Mr. Chairman, I appreciated the letter I received from the ACLU in support of this amendment warning me of the administration's policy of confrontation with the Sandinista government. But whatever it is that the American Civil Liberties Union has to do with U.S. foreign policy, I must respectfully disagree with their position. No one wants to invade Nicaragua, but neither should we want to rule out any option in our foreign relations. We also do not want to encourage Mr. Ortega and company to think of our carrot and stick diplomacy as all carrot and no stick. He must not be encouraged to be even more violent toward his neighbors. But I am afraid that that is what the Foley amendment does.

Mr. Chairman, we have a role in foreign policy, but it is secondary to the President's role. Our Nation must speak to other nations with one voice, not 535 voices. Congress has its strengths, but foreign policy is frankly not among them. I hope my colleagues will carefully consider these words from the former chairman of the Senate Committee on Armed Services, John Tower of Texas, who retired at the end of the last Congress and serves now as a U.S. arms control negotiator in Geneva.

Senator Tower says:

After 23 years in the Senate, I am convinced that the Congress lacks the structure, the sophistication, and the vision to play a consistent and constructive role in the formulation and implementation of foreign policy. Within the last decade, there has been a diffusion of congressional power and authority with the demise of the seniority system. The executive branch has found its ability to maintain a sustained and credible foreign policy undermined by the requirement of negotiating with disparate power centers on Capitol Hill.

He said that on May 10, 1984, at the ABA conference.

The CHAIRMAN pro tempore. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

Mr. LIVINGSTON. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. LIVINGSTON]?

Mr. COLEMAN of Texas. Mr. Chairman, reserving the right to object, will the gentleman be able to finish in 2 minutes?

Mr. LIVINGSTON. I can assure the gentleman that I will finish within 2 minutes.

Mr. COLEMAN of Texas. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. LIVINGSTON]?

There was no objection.

The CHAIRMAN pro tempore. The gentleman is recognized for an additional 2 minutes.

Mr. LIVINGSTON. Mr. Chairman, the author of the Foley amendment has reentered the same amendment that he entered and was passed last year, but because the American people have begun to become aware of the true nature of the Communist government of Nicaragua, he has now accepted the provisions of the OAS Charter, the Rio Treaty, the War Powers Act, the various other provisions which may bring reason to an unreasonable amendment. But you cannot make a silk purse out of a sow's ear, and this one still has the sow yelling "oink."

Mr. Chairman, let's defeat this amendment and keep the positive, bipartisan momentum we began week before last. The President's foreign policy is working in Central America, and he deserves our support, not another barricade.

I urge the defeat of the Foley amendment.

Mr. DURBIN. Mr. Chairman, will the gentleman yield to me?

Mr. LIVINGSTON. I yield to the gentleman from Illinois [Mr. DURBIN], who was on his feet first.

Mr. DURBIN. I thank the gentleman for yielding.

Mr. Chairman, will the gentleman from Louisiana indicate to me what aspect of the Foley amendment contradicts the stated policy of the administration toward Nicaragua?

Mr. LIVINGSTON. I think the arguments that have been put forth here are quite clear that the Foley amendment seeks to cut back on the ability of the President of the United States to introduce troops into Nicaragua under any circumstances. That is the underlying concept of the Foley amendment. There is no possibility of this Congress to foresee the contingencies that may arise in the future when such a necessity might come about. The Foley amendment is just too overly broad. There is just no way to foresee all that could happen.

Mr. DURBIN. But is the gentleman aware of any particular direction or goal of this administration relative to military interdiction in Nicaragua that is contradicted by the Foley amendment?

Mr. LIVINGSTON. The introduction of Mig's into Nicaragua could be such a case.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, I have a point of clarification because the gentleman serves ably on the Intelligence Committee.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise as a co-sponsor of the Foley-Conte amendment, in support of the amendment. This amendment, my colleagues, is a real test of our constitutional responsibility and also a test of whether we mean what we say. It is a test of whether the Congress means what it said when it passed the Foley amendment last year; it is a test of whether the House means what it said when it passed the Michel amendment a few days ago; it is a test of whether the President means what he says when he speaks about U.S. policy in Central America.

Most of all, it is a test of whether this Nation is truly serious about pursuing a course of peace as our first option in Central America. Is this necessary? You bet it is necessary, because there is a great deal of confusion about what our policy is in Central America.

One day we talk war, the next day we talk peace; one day we talk about helping the Contras, the next day we talk about using the Contadora process; one day we talk about overthrowing the government, the next day we talk about negotiating with the government.

But in all of that there has been one clear, consistent theme that has been repeated over and over and over again, and it is that the United States would not send United States Armed Forces into Nicaragua for combat purposes. That has been stated by Mr. MICHEL, Mr. BROOMFIELD, Mr. MCDADE, Mr. MCCURDY, Senator DOLE, by the President of the United States, over and over again.

Are all those statements just so many words? Is it not just as important to our national security to stand by our word as it is to defend ourselves? Clearly, our word has not been given on this issue over and over and over again.

So what we have here, my colleagues, is an amendment that is basically a restatement of that commitment. It was a commitment that we passed overwhelmingly in the defense authorization bill last year. It has been referred to time and time and time again in debate as a prohibition against random use of United States forces in that part of the world. All we are asking in this amendment is to restate that commitment again.

□ 1200

We will not unilaterally, that we will not unilaterally without clear and just cause, send our troops into Nicaragua.

This amendment clearly provides for protection against all other circumstances involving clear and present danger to this country. It allows the President a full option to look at issues, whether they are Migs or any other, whether it is terrorism or whether it is any other issue, that he feels represents a clear and present danger to our security.

So it protects that option, but it also makes clear that the use of force will not be our first option in dealing with Central America.

So I think that this amendment represents indeed a test for this House, a test of whether we mean what we say and we say what we mean.

I urge the adoption of the Foley amendment.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words for the purpose of inquiring of the Chair if it might not be appropriate at this juncture to dispose of the Hunter amendment to the Foley amendment.

The CHAIRMAN pro tempore. The Chair will put the question on the Hunter amendment if there are no further Members who wish to speak on the Hunter amendment.

The question is on the amendment offered by the gentleman from California [Mr. HUNTER] to the amendment offered by the gentleman from Washington [Mr. FOLEY] as modified.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WEBER. Mr. Chairman, I demand a recorded vote.

The vote was taken by electronic device, and there were—ayes 377, noes 45, not voting 11, as follows:

[Roll No. 201]

AYES—377

Ackerman	Biaggi	Byron
Akaka	Bilirakis	Callahan
Alexander	Bliley	Campbell
Andrews	Boehlert	Carney
Annunzio	Boggs	Carper
Anthony	Boland	Carr
Applegate	Boner (TN)	Chandler
Archer	Bonior (MI)	Chappell
Armey	Bonker	Chappie
Aspin	Borski	Cheney
Atkins	Bosco	Clinger
AuCoin	Boucher	Coats
Badham	Boulter	Cobey
Barnard	Boxer	Coble
Barnes	Breaux	Coelho
Bartlett	Brooks	Coleman (MO)
Barton	Broomfield	Coleman (TX)
Bateman	Brown (CO)	Collins
Bates	Broyhill	Combest
Bennett	Bruce	Conte
Bentley	Bryant	Cooper
Bereuter	Burton (CA)	Coughlin
Berman	Burton (IN)	Courter
Bevill	Bustamante	Coyne
Craig	Johnson	Penny
Crane	Jones (NC)	Pepper
Daniel	Jones (OK)	Perkins
Dannemeyer	Jones (TN)	Petri
Darden	Kanjorski	Pickle
Daschle	Kaptur	Porter
Daub	Kasich	Price
Davis	Kemp	Pursell
de la Garza	Kennelly	Quillen
DeLay	Kildee	Rahall
Derrick	Kindness	Ray
DeWine	Kleczka	Regula
Dickinson	Kolbe	Reid
Dicks	Kolter	Richardson
Dingell	Kostmayer	Ridge
DioGuardi	LaFalce	Rinaldo
Dixon	Lagomarsino	Ritter
Donnelly	Lantos	Roberts
Dorgan (ND)	Latta	Robinson
Dornan (CA)	Leach (IA)	Roe
Dowdy	Leath (TX)	Roemer
Downey	Lehman (CA)	Rogers
Dreier	Lehman (FL)	Rose
Duncan	Lent	Rostenkowski
Durbin	Levin (MI)	Roth
Dwyer	Levine (CA)	Roukema
Dyson	Lewis (CA)	Rowland (CT)
Early	Lewis (FL)	Rowland (GA)
Eckart (OH)	Lightfoot	Rudd
Eckert (NY)	Lipinski	Russo
Edgar	Livingston	Saxton
Edwards (OK)	Lloyd	Schaefer
Emerson	Long	Schneider
English	Lott	Schroeder
Erdreich	Lowery (CA)	Schuette
Evans (IA)	Lujan	Schulze
Fascell	Lundine	Seiberling
Fawell	Lungren	Sensenbrenner
Fazio	Mack	Sharp
Feighan	MacKay	Shaw
Fiedler	Madigan	Shelby
Fields	Manton	Shumway
Flippo	Marlenee	Shuster
Florio	Martin (IL)	Sikorski
Foglietta	Martin (NY)	Siljander
Foley	Martinez	Sisisky
Ford (MI)	Matsui	Skeen
Fowler	Mavroules	Skelton
Franklin	Mazzoli	Slattery
Frenzel	McCain	Slaughter
Frost	McCandless	Smith (FL)
Fuqua	McCloskey	Smith (IA)
Gallo	McCollum	Smith (NE)
Gaydos	McCurdy	Smith (NH)
Gejdenson	McDade	Smith (NJ)
Gekas	McEwen	Smith, Denny
Gephardt	McGrath	Smith, Robert
Gibbons	McKernan	Snowe
Gilman	McKinney	Snyder
Gingrich	McMillan	Solarz
Glickman	Meyers	Solomon
Goodling	Mica	Spence
Gordon	Michel	Spratt
Gradison	Mikulski	St Germain
Gray (IL)	Miller (OH)	Staggers
Gray (PA)	Miller (WA)	Stallings
Green	Mineta	Stangeland
Gregg	Moakley	Stenholm
Grotberg	Molinari	Strang
Guarini	Mollohan	Stratton
Gunderson	Monson	Stump
Hall (OH)	Montgomery	Sundquist
Hall, Ralph	Moody	Sweeney
Hamilton	Moore	Swift
Hammerschmidt	Moorhead	Swindall
Hansen	Morrison (WA)	Synar
Hartnett	Mrazek	Tallon
Hatcher	Murphy	Tauke
Hendon	Murtha	Tauzin
Henry	Myers	Taylor
Hertel	Natcher	Thomas (CA)
Hiler	Neal	Thomas (GA)
Hillis	Nelson	Torricelli
Hopkins	Nichols	Traficant
Horton	Nielson	Traxler
Howard	Nowak	Udall
Hoyer	O'Brien	Valentine
Hubbard	Oakar	Vander Jagt
Hughes	Obey	Vento
Hunter	Olin	Visclosky
Hutto	Ortiz	Volkmer
Hyde	Oxley	Vucanovich
Ireland	Packard	Walgren
Jacobs	Parris	Walker
Jeffords	Pashayan	Watkins
Jenkins	Pease	Weber

Whitehurst	Wolf	Yatron
Whitley	Wolpe	Young (AK)
Whittaker	Wortley	Young (FL)
Whitten	Wright	Young (MO)
Wirth	Wyden	Zschau
Wise	Wylie	

NOES—45

Addabbo	Hawkins	Sabo
Anderson	Hayes	Savage
Bedell	Kastenmeier	Scheuer
Beilenson	Leland	Schumer
Clay	Lowry (WA)	Stark
Conyers	Markey	Stokes
Crockett	McHugh	Studds
Dellums	Miller (CA)	Torres
Dymally	Mitchell	Towns
Edwards (CA)	Morrison (CT)	Waxman
Evans (IL)	Oberstar	Weaver
Ford (TN)	Panetta	Weiss
Frank	Rangel	Wheat
Garcia	Rodino	Williams
Gonzalez	Roybal	Yates

NOT VOTING—11

Brown (CA)	Holt	Luken
Fish	Huckaby	Owens
Hefner	Kramer	Wilson
Heftel	Loeffler	

□ 1220

Messrs. WILLIAMS, RANGEL, LOWRY of Washington, TOWNS, and McHUGH changed their votes from "aye" to "no."

Mr. GEJDENSON changed his vote from "no" to "aye."

So the amendment to the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SKELTON TO THE AMENDMENT OFFERED BY MR. FOLEY AS MODIFIED, AS AMENDED

Mr. SKELTON. Mr. Chairman, I offer an amendment to the amendment, as modified, as amended.

The Clerk read as follows:

Amendment offered by Mr. SKELTON to the amendment offered by Mr. FOLEY, as modified, as amended: In the new section 1050 proposed to be added by the amendment, strike out the period at the end of subparagraph (C) and in lieu thereof insert "; or"; and add the following new subparagraph:

"(D) to respond to hijacking, kidnapping, or other acts of terrorism involving citizens of the United States or citizens of any ally of the United States."

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, I was just wondering, the chairman of the full committee is not here, but I was wondering if we could get some sort of a feel or inkling if not agreement. The Armed Services Committee has finished its part of the Defense authorization bill. Everything else we are debating now or will debate are tack-on amendments that the Members wish to add.

I know that we are approaching a weekend, the Members are anxious to get out of here. I know that the time has been set for 2 o'clock and we will cease debate and then have an hour of debate by the gentleman from California. Then we will consider each amendment for go into the 10 minutes. But there are 50 amendments already printed in the RECORD.

I really do not think we are accomplishing a great deal in terms of changing Members' minds on the Nicaraguan issue. Mr. Chairman, could I get some indication of how many people have amendments that they would like to offer to the Nicaraguan question?

Mr. SKELTON. Mr. Chairman, in response to the gentleman, I yield to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, just about 20 minutes ago we talked to the leadership on the other side of the aisle, and we understand there are several more amendments. For that reason, we decided not to request a time limit.

Mr. DICKINSON. If the gentleman would yield, I was not trying to forestall debate; I was trying to get a feel for it. I did not know that the gentleman had that understanding.

Mr. DANIEL. If the gentleman would yield, I would say that on this side we are perfectly willing to cease debate any time the gentleman wishes.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. SKELTON. Mr. Chairman, before I discuss the amendment before us, I would be remiss if I did not say to the gentleman from Washington that I appreciate him correcting the one item regarding the War Powers Act. To not have done so would have brought innumerable confusion at the least, and a number of lawsuits at the worst. So I think he did the right thing and I appreciate him accepting that suggestion that was made earlier today.

This particular amendment, Mr. Chairman, very simply authorizes the President to do what he has the power to do at the present time: To response to terrorism in the nature of hijacking, kidnaping or other similar acts. These are days of terrorism, Mr. Chairman, and it is something we cannot push under the rug or under the table.

We do not wish to have Nicaragua established in this hemisphere as a safe haven or as a sanctuary, and this amendment of mine does solve that problem. I might point out that history is replete, to mention ancient history, American ancient history, the situation of the Barbary Pirates, the Boxer Rebellion, all of those give certainly precedent to this body and to the President in taking care of not just our allies but our own citizens who might be in peril or in danger.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. VOLKMER. I thank the gentleman.

Mr. Chairman, I just want to clarify something in the amendment because I read the Foley, and it does make the provision, and I basically have no objections to the amendment. But the Foley amendment does provide in subparagraph c, it provides for protection for and to evacuate U.S. Government personnel or U.S. citizens. So the gentleman is just specifically providing for a specific instance to do that. I understand that.

But I also want to clarify for the RECORD that in the event that a Shiite group or any other group would hijack an American plane and take it to Managua, that your amendment does not mean, hopefully I assume it does not mean, that that would mean that we could introduce American military forces into Nicaragua for the purpose of overthrowing the Sandinista regime just because somebody else took a hijacked airplane into Managua.

Mr. SKELTON. That is not what my amendment states. Very clearly it says to respond to hijacking, kidnaping, or other acts of terrorism and the like.

Mr. VOLKMER. If the gentleman would yield, in other words, it would be just for the purpose of evacuating those people and getting our people our of there; is that correct?

Mr. SKELTON. It is clear English as to what it says; to respond to, and it is limited to the words of the amendment.

□ 1230

Mr. McCAIN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Missouri [Mr. SKELTON].

I think it is important the President have the ability to retaliate or to take such actions so as to ensure the safety of the lives of Americans wherever they are threatened throughout this world.

Last Wednesday four young marines died, two civilians, in a terrorist attack for which the FMLN took credit. A New York Times story yesterday stated, and I quote:

Guerrilla leaders have issued a warning that the killing of four U.S. marines in a sidewalk cafe last Wednesday was "only a beginning," and promised to carry the war "to Yankee aggressors wherever they are in El Salvador.

The June 19 attack, in which 9 other people died and 15 were wounded, "constitutes a just action in legitimate defense of our people and our sovereignty," the five top military leaders of the Farabundo Marti National Liberation Front said in a communique read over the clandestine guerrilla radio Monday night.

Who are these people, Mr. Chairman? I will tell you who they are. It is the group that Mr. Jose Napoleon Duarte describes on June 1, 1985, in his address to the National Assembly, and I quote:

On repeated occasions, we have denounced that Nicaragua is the haven for Salvadoran subversion. Extremist leftist groups are trained here. Logistic aid for the

Salvadoran guerrillas is coming from Nicaragua.

Nicaragua is the center of the operation where terrorist actions against El Salvador are planned, decided and ordered. Nicaragua is a cancer in Central America.

Those are the words of Jose Napoleon Duarte.

Recently some Salvadoran Marxist guerrilla, documents were captured, and I quote to my colleagues from one of the memos so there will be no doubt as to the close alignment, in fact embedded relationship, between the FSLN, the Sandinistas, and the FMLN, who claim credit for the attack that killed four young marines and two innocent American civilians.

From the captured documents:

We repeat the importance that we attach to showing our peoples and the world that the FSLN (Sandinistas) and FMLN (Salvadoran guerrillas) are indissolubly united in defending revolutionary conquests and resolved to expand them, even when that means direct confrontation with imperialism.

What is the Foley amendment without the amendment offered by the gentleman from Missouri [Mr. SKELTON]? It should be called a sanctuary amendment because, indeed, that is indeed what it is. It would provide sanctuary for the Nicaraguans to continue to train, arm, equip, and supply efforts to overthrow its neighbors and we will send a message to them, with passage of the Foley amendment without the perfecting amendment offered by Mr. SKELTON, that it is acceptable to the people of the United States.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. McCAIN. I yield to the gentleman from New York.

Mr. KEMP. I thank my friend, the gentleman from Arizona, for yielding.

Mr. Chairman, I just wanted to congratulate the gentleman on his statement and to remind our colleagues about what he has quoted from President Duarte: that it is very clear that the support for the Communist guerrillas in El Salvador is coming from Nicaragua. But that is the same thing that Monge has said about Costa Rica, the same thing that the President of Honduras, Suazo, has said about Honduras, that the source of the problem is Nicaragua.

Really, I support the Skelton amendment, but I think that this debate really points up the fallacy behind the Foley amendment. It is predicated upon the assumption that we are going to turn our backs on what is happening in Nicaragua and its neighboring states.

The Foley amendment is conceptually flawed, and this amendment will not cure that fatal flaw.

I urge that the Skelton amendment be passed, but for people to reconsider the whole predicate upon which the Foley amendment rests, because it really says, as the gentleman from Arizona pointed out so articulately, that we are going to leave Nicaragua as a haven for terrorists, subversies, and hostile forces.

For the record, I would like to enumerate some of my objections to the Foley amendment.

The Foley amendment is unconstitutional. In effect, it says that the President shall retain his authority as Commander in Chief in all places throughout the word except Nicaragua. As a strong advocate of the War Powers Resolution, Senator TOM EAGLETON, has written: "No one branch of Government may push the exercise of its constitutional authority to the limit where it effectively preempts another branch from exercising its own powers." This Congress has ample control over any U.S. military action anywhere in the world through the war powers—including powers of the purse—granted under the Constitution. Unconstitutional amendments such as this do not serve the interests of the country.

The Foley amendment is contrary to the obligations of the United States under international law. Under the Rio Treaty and the Charter of the Organization of American States, the United States is under a solemn obligation to the signatory states to come to their assistance in the event of an attack. Collective security pacts of this nature have been the foundation of the maintenance of peace in the latter half of this decade. For the Congress to enact laws abrogating our treaty obligations would unravel the basis of Western alliance networks.

The Foley amendment would send a tragically wrong political signal. Our allies in Central America look to the United States for their security against Nicaragua's military might. The potential for any negotiated settlement depends on Nicaragua's perception that the stakes of continuing aggression and subversion are too high. If the Congress undercuts the President's ability to act in Central America, then the Congress will be weakening the influence of the United States, frightening our allies, and encouraging the enemies of democracy and peace.

With the continuing hostage crisis in Beirut, the President must have congressional support in the full range of his ability to meet the national security needs of the United States and the American people. How can we curtail the President's authority to use military force at the very time that he is confronting terrorists holding Americans hostage? If the free world is to come to grips with international terrorism, we will have to treat this as a collective security concern. Terrorist training camps are not just in the Middle East. There are some operating in this hemisphere, dedicated to the destabilization of Central America and beyond. This is the wrong time to exempt any country, anywhere, from the threat of military action.

This amendment is an example of classic isolationism, and a very bad precedent for a nation that is seen as the leader of the free world. Freedom is not served by weakening the Presidency of the United States.

Mr. McCAIN. Mr. Chairman, if I might reclaim my time, the reality of this situation, and we will hear in response by opponents of this amendment that somehow this amendment will give the President a license to become militarily involved in Nicaragua. It does nothing of the sort. What it does is allow the President to respond anywhere in the world, as the majority of the American people are now requesting that he do, because of the dramatic and tragic rise of terrorist acts that have taken place throughout this world in an effort to bring acts of terrorism to a halt.

If, however, the Skelton amendment is voted down, the fact is that we will say, "We will not allow it in other parts of the world. We will not allow it in Beirut. We will not allow it in Teheran." But we will allow acts of terror orchestrated from Managua.

The time has come for the United States to take the responsibility to respond to the deaths of innocent young men such as those 19- and 20-year-old marines. They were not military advisers, colleagues; they were simply men who were on duty guarding our Embassy who were want only slaughtered in an act of terrorism.

It is time that the United States of America and our President, with the consent of Congress, be allowed to respond. With the adoption of the Skelton amendment, we will achieve this desirable goal.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just received a letter the other day from Edgar Chamorro, whom most of us know as a former member of the FDN, or the Contra Directorate, until he abandoned that effort last year. I would like to read a couple of excerpts from his letter, which bear upon the debate today.

I am afraid that now that Congress has approved "humanitarian aid" for the Contras that it will become a green light for more pain and more abuses, the inevitable tragedies of war. I am saddened by the consequences in Nicaraguan lives and tears.

I do expect that you and your other colleagues will keep an eye on any misuse of the present policy to enact legislation to prevent more atrocities and more human abuses. I am hopeful that U.S. foreign policy in my country should not jump from benign neglect to reckless action.

I believe that your country can export more than money to a Contra. Your democratic values, ideals, moral principles, which should be guidelines for fighting other ideologies or Sandinista threats of destabilization, rather than a policy of inflicting pain to set an example for other countries not. The U.S. does need to imitate the revolutionaries in Nicaragua.

I know that Members have honest and sincere differences of opinion on this issue, but this man, who is a Nicaraguan and who has been one of the Contras, is saying something important to us that is relevant in this debate today. He is asking us to look to the principles embodied in our Constitution and the War Powers Act, which retain for the Congress a major role in foreign policy and a say in the decisions of the President to make war on countries that threaten our national security.

I do not agree that the United States is threatened by Nicaragua, and I hope that the House would support the Foley amendment, and preserve our Constitutional prerogatives, and not abandon the responsibility that the Constitution grants to Congress. Abandoning that responsibility would give to the President a blank check and say to him that Congress does not need to be consulted on such matters as taking military action which he judges to be needed, in Nicaragua and in Central America.

It is especially important that we adopt the Foley-Conte amendment because the Senate has rejected a similar proposition. It now falls on our shoulders to preserve those values and those cherished principles that other people around the world admire and respect as a guide for their future. We must maintain the principles to which others aspire.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I can appreciate, as I think every American can, the idea that we can wage competition in this world with the Communists through our ideals and our values. Our problem has been that in Cambodia, in Vietnam, in Cuba, whenever our naked ideals come up against Soviet tanks, generally the Soviet tanks prevail, and I think that is the flaw.

Mr. ALEXANDER. Mr. Chairman, reclaiming my time, I wish I had the opportunity to debate this point with the gentleman because it is rare that we come to grips and join in an issue, but I think the issue is joined by the remarks the gentleman has made. The fact is that we as a nation have not learned how to deal with client states of the Soviet Union and that force has not rewarded our efforts.

All of the money and power and force that we have expended in Central America and in Nicaragua have not produced the results that were intended, and in fact, the effort has been counterproductive. We are imposing our will upon those people through the use of force when by allowing our ideals to be an example to them and encouraging support for democratic institutions, we would be nourishing true democracy in that country.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I am glad to yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Could the gentleman cite to me cases in which clients of the Soviet Union have been retrieved to the democratic side, to the West, if you will, in the past 20 or 30 years?

Mr. ALEXANDER. Well, I will cite the best example, if you will, the People's Republic of China, that turned abruptly to the West in 1978, abandoning strict Communist doctrine.

I am giving the gentleman the best example. China is turning away from the Soviet Union. As a former client state of the Soviet Union, China is embracing capitalistic ideas. China did not abandon communism as a philosophy, but it is reaching out for Western ideas, for capitalism, to adopt capitalistic methods in order to make its own nation a productive nation rather than a nation of distribution.

Mr. HUNTER. Is the gentleman arguing that China has become a democracy?

Mr. ALEXANDER. No; I am not, but democracy is possible in China because of the policies of this Nation encouraged them by our example rather than threatening them with our guns.

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Skelton amendment and in opposition to the Foley amendment.

Mr. Chairman, I have an amendment at the desk that certainly would be guilty of the charge I have made often in this House of micromanagement, and as much respect as I have for the gentleman from Massachusetts on issues of war and peace being mainframe management, when we get into discussing individual weapons systems being introduced onto the continent of North America, we are really on shaky ground.

For example, let me read my amendment to you. I hope I do not have to introduce this. I hope we are putting together an amendment that is all-inclusive, that either eliminates the Foley amendment altogether or brings us to the point where we realize that the distinguished gentleman from Washington has picked a disastrous period in American and world history to cripple the President of the United States. My amendment changes Mr. HUNTER's letter (f) to (g), and it says this:

Expiration upon Escalation—This section shall not apply when more than 12 Mi-24D HIND helicopters are introduced into Nicaragua.

I would change it before I submitted it to this body to six helicopters because I just called for a less speculative and more accurate intelligence update, and it appears that there may be only six.

A few months ago, together with the gentleman from Minnesota [Mr. WEBER], I physically saw three brand new shiny Soviet Airwolf flying tanks, the Mi-24D helicopter. I know someone sarcastically would want to call this the Rambo amendment, but that cartoon world of Rambo where one man alone starts blowing Soviet gunships of the capability of the HIND out of the air is just what that movie is—sheer unadulterated wild fiction.

If anybody knows anything about tactical air in this House—and there are distinguished Members on both sides of the aisle that do—they know that Mig-21's have no capability but annoyance—we learned that in Vietnam with some of our expensive jet fighters—as opposed to a gunship with the capability of a HIND. Not only is the HIND similar to our Apache or two Cobras strapped side by side, but it can carry a light-infantry squad so they can put men on the ground for a cleanup operation after they have torn up freedom fighters, Contras, or whatever you want to call them.

The introduction of one HIND into Nicaragua is five times more serious than the introduction of any Mig-21 or Mig-25, which is an air-superiority interceptor.

Are we going to start putting in perfecting amendments to Mr. HUNTER's amendment—thank God that did not happen—to say that what we are talking about is Mig-23's but not the interceptor type that Castro got away with putting in, because under President Kennedy everything involved only nuclear IRBM missiles? Are we going to say they have to be the sloped-nose type of fighter-bomber, the air-to-ground version? Or are we going to start refining it down to Mig-27's, Mig-29's, and Mig-31's?

This is micromanagement. This amendment is just as the gentleman from Arizona called it, the sanctuary amendment. The last time the word, sanctuary, was used so extensively, day on end in this body was over the poor nation of Cambodia. It is not called a sanctuary anymore; it is called the killing fields.

This amendment is no trust in the President amendment. Let us not be cute and say that we are trying to lock him into his own words or we are talk-

ing about Larry Speakes' June 5 speech. What we are saying is that we do not trust the President.

And I could understand that. I could accept an intellectual argument from the gentleman from Massachusetts because, after all, Franklin Delano Roosevelt said we were only going to stay as the arsenal of democracy. Lyndon Baines Johnson as our incumbent President beat the pants off my candidate, BARRY GOLDWATER, Sr., by saying he was not going to escalate the war in Vietnam and put any more troops in. I can understand a lack of trust, but step forward and say that. Do not be sarcastic and say that you are trying to help the President state his own position.

Look at what happened. Here is why I say that what the distinguished gentleman from Washington did is disastrous.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Let me get this one statement out, and then I will yield.

What did the guerrillas say in El Salvador? They said, "The first American marines have begun to fall." They gloated. They said, "The marines killed in the Zona Rosa were not innocent; no Yankee invader is free of guilt."

This is raw hatred down there. Many of you held up the Newsweek magazine that showed the alleged—and, by the way, I accept them, but they are alleged—photographs of the execution of a stool-pigeon in the field by the Contras. They held it up wildly in the other body. Has anybody yet held up this picture of this American marine with open gaping wounds in his chest, Imagine his mother looking at this, with his eyeglasses by his side. One of these marines was there with his girlfriend. They were not on duty; they were off duty. But they are part of our Embassy, and that is already exempted in El Salvador under the Foley amendment.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DORNAN] has expired.

(By unanimous consent, Mr. DORNAN of California was allowed to proceed for 1 additional minute.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I yield to my distinguished friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

I just want to go back to the Hunter amendment. The Hunter amendment talks about Mig aircraft.

Mr. DORNAN of California. Generically.

Mr. RITTER. Yes; generically. Or aircraft similar to that. But let's face it. The existing HIND D, the Mi-24, HIND helicopters, are far, far more capable of destroying any resistance movement as they exist inside Nicaragua. The HIND helicopters have been active in Afghanistan, and we have seen that they are very effective against guerrilla forces; they can destroy whole villages and the people in them; destroy cattle; in terms of guerrilla war, they destroy the sea in which the fish swim.

Mr. DORNAN of California. Mr. Chairman, may I reclaim my time to make one point?

Mr. RITTER. Yes.

Mr. DORNAN of California. They operate barely at the edge of the envelope of their altitude capability. They have to fly low through some of the valleys because of the extreme altitudes in Afghanistan, enabling the Mujahedeen freedom fighters to fire down on them.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DORNAN] has again expired.

Mr. DORNAN of California. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 1 additional minute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. BRYANT. Mr. Chairman, reserving the right to object, there have been a number of times when we have asked for additional time. I have put Members on notice that we could go on and on with each speaker and there may be an objection. There are other speakers who desire to talk, and the time is only until 2, as I understand it.

I will not object to 1 additional minute in this instance, but I would ask the Members to try to conserve the time so we could all have a chance to address the issue.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RITTER. Mr. Chairman, will the gentleman yield further?

Mr. DORNAN of California. I yield again to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, the Mi-24 HIND D is a flying tank. It can fire rockets, it can fire machine guns, and it can drop bombs. If the Soviets put in additional Mi-24 HIND D's, this is far more dangerous to our security and to the security of our Central American allies and neighbors than fixed wing Mig's. Yet no amendment says anything about this, and even if we had an amendment to limit Mi-24 HIND D's in Nicaragua, they could substitute 40 or 50 other helicopters of other makes or other fixed wing aircraft that are not covered by the Hunter amendment. That would deeply endanger any resistance movement and the immediate neighbors of Nicaragua far more than the longer range, higher speed Mig aircraft.

□ 1250

Mr. DORNAN of California. Mr. Chairman, let me reclaim my time to make the point and show why it is micromanagement. If you were a field commander on either side in Nicaragua, you would rather have 40 Mi-8's than four HIND's. We are into foolish micromanagement.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I find the amendment offered by the thoughtful gentleman from Missouri a good one and I intend to support it.

I voted against the last amendment, the one on Migs, and I want to thank my friend, the gentleman from California, for supplying the rationale for my vote against it. The gentleman probably should have checked with his other friend from California so he could have offered the right plane amendment instead of the wrong one.

I want to say to the gentleman that I am not in favor of micromanagement and that is why I voted against the amendment.

In fact, the amendment offered by the gentleman from Washington says that if the President finds a clear and present danger to the security of the United States or a violation of the Rio Treaty through an attack on someone else, and now with an amendment dealing with terrorism, he can respond.

What we are dealing with here are not small questions. It is not micromanagement.

We have two fundamental questions. One is central and constitutional. Does the fact that the President, as the Commander in Chief, mean that he can order American combat troops into action? Can he order young Americans to begin the process of killing and being killed anytime, anywhere, anyplace?

The arguments of those opposing the underlying Foley amendment have been essentially that.

That is not a constitutionally compelled result. To recognize the power of the President as the Commander in Chief is to recognize that when American forces are committed, he has ultimate command.

We have a constitutional question here. May the Congress of the United States, the elective Representatives of the President, say to the President that there are circumstances in which we do not want troops to be committed?

The gentleman from Illinois, I regret to say he is not here now and I regret that, because I usually respect him, I am sorry that he can think of no other reason that Members would oppose or-

dering young Americans to kill or be killed than partisanship.

The amendment offered by the gentleman from Washington says that if our national security is at stake, if there is a clear and present danger, the President will decide, and the courts have been clear, that would be a Presidential decision unchallengeable in court.

If our treaty allies are involved, we can go in.

What we have said is that we do not want the President of the United States making war for ideological reasons, for political reasons.

People say, "Do you trust the President or do you not trust the President?" Sometimes I do and sometimes I do not, but that is not the question.

The question is under the Constitution of the United States does this body have the right to say in advance that here are circumstances in which we do not want people to be shooting and be shot at.

There are times in a dangerous world when you have to resort to force of arms to protect yourself. The gentleman from Washington has quite sensibly enumerated them.

The argument that it is somehow micromanagement to say to the President, we know, the President has said that he does not like the fact there is a lack of democracy in Nicaragua; neither do I. I also do not like the lack of democracy in South Africa and some other places and the People's Republic of China. The President is a great friend of the People's Republic of China, that Communist regime. They are apparently not a threat, and I agree with him. There is no automotivity to the threat. What we have said is that if there is a threat to our national security, that the President decides he can go in there; but we have also said that we have reason to fear that this President, given some of the statements he has made, "Cry uncle," he is going to keep going until they cry uncle. Given the futility we think with the current policy with the Contras, he might be tempted to launch an invasion.

If Members think it is legitimate for the President to order an invasion, not because of a threat to our national security and not because of terrorism and not because of a threat to our allies, they have a right to vote against this.

Those of us who are afraid that the President will abusively for political or ideological reasons order people in, we want to vote for it.

The gentleman from California mentioned, and I appreciate it, President Roosevelt, President Johnson. Who is kidding whom? Presidents sometimes make mistakes. Presidents sometimes act from bad motives. Presidents are human beings.

I am surprised that it would be considered a constitutional question for Members of the Congress of the United States, solemnly assembled, after debate, to say that in these circumstances, do not go to war. That in no way impinges upon the responsibility of the Commander in Chief. Being Commander in Chief means that once the shots are fired, the President is in command.

This says that if there is a clear and present danger, the President goes in and the courts would clearly defer.

Then the question is, Are we afraid this President might decide to invade Nicaragua? Yes; I am afraid that he might, for reasons not necessarily related to our national security.

We had the Migs. The gentleman from California said these Migs are not a threat to the United States. They cannot reach the United States. They cannot reach Puerto Rico, except a very little bit, and that is why I voted against that amendment.

The question is, many of us fear that the President is opposing Nicaragua's Government for reasons other than national security and we think it is entirely constitutional to say that is not grounds for debate, and if some gentlemen think otherwise, they can vote otherwise.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Chairman, let me ask my distinguished colleague, the gentleman from New York, to join me in a very brief colloquy on the subject of the bomber force study directed in committee report 99-81 that accompanies H.R. 1872.

Mr. STRATTON. Mr. Chairman, I would be happy to join my distinguished colleague in connection with the bomber force study that was directed by committee report 99-81, accompanying H.R. 1872.

Mrs. BYRON. Mr. Chairman, let me ask my colleague from New York, What was the philosophy supporting this study?

Mr. STRATTON. As we say quite clearly in the opening paragraphs of the section that addresses our bomber force study, much has changed since the decision was made to build 100 B-1 bombers and a roughly similar number of advanced technology bombers, or ATB's. These changes in the strategic environment demand that we do take a new look at the air-breathing leg of the strategic triad to see if those requirements have changed.

Mrs. BYRON. Mr. Chairman, let me ask the gentleman, a decision was made 4 years ago in regard to the number of aircraft. With things changing as quickly and dramatically as they are, should this study be structured in the same manner?

Mr. STRATTON. Well, I certainly think we should look at it again. It is our intention that all aspects of the bomber modernization study of 1981 be reexamined and that the Department of Defense fully justify the findings and recommendations that arise out of this reexamination on the basis of logic and common sense.

Mrs. BYRON. Well, it bothers me that the Department of Defense possibly assumes that we have a prejudged position within this committee as to the outcome of the study. I think the study group must justify any portion of the bomber decisions made 4 years ago. Is that correct?

Mr. STRATTON. Well, we certainly do not want a study that is tainted from the start by directions from Congress or any other quarter to support a particular set of prejudices.

We do not want a rehash of positions taken years ago when circumstances were significantly different.

Mrs. BYRON. Well, are we basically questioning the concept of the "two-bomber program"?

Mr. STRATTON. I think what we are really doing is calling into question what impact recent events have had on the 1981 proposals for the bomber force and how the 1981 proposals fit into the realities of 1985. At that time we had a lot of B-1's under construction. The ATB was largely a gleam in somebody's eye. But now we find that both these bombers are nearing completion at almost the same time.

Mrs. BYRON. Well, is there a possibility that the study could now change the mix of the bomber force?

Mr. STRATTON. I think that is entirely possible. If the study group finds that a different mix is required, they should clearly state the differences and provide justification for those changes. This study could call for more or fewer of either bomber or for a higher aggregate number of both bombers, but again, whatever the recommendations, there has got to be a solid justification and whatever the recommendation is, there must be a full debate on the proposed bomber force, because obviously a good deal of money would have to be spent if we are going to continue both those lines into the future.

Mr. Chairman, I want to express my appreciation to the gentlewoman from Maryland for raising this point, because I think Congress ought to be aware of it in connection with this legislation.

Mrs. BYRON. Mr. Chairman, I thank my distinguished colleague from New York.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words. I rise in favor of the Foley amendment.

Mr. Chairman, I rise in support of the Foley-Conte amendment prohibiting

the introduction of troops into Nicaragua without the prior approval of Congress unless such introduction is necessary to meet a clear and present danger to the United States or the U.S. Embassy in Nicaragua. I believe that this is a sound amendment, and in concert with the stated policy of the administration.

There are two important aspects of this debate: what instruments should we use to implement a sound policy toward Central America, and what are the distinctions between the role of the President and the role of Congress in foreign policy. Regardless of one's position on the second question, I believe that all members should support this amendment in answer to the first.

At this time, the majority of Americans would not support U.S. troop involvement in a war in Central America. Nor does careful evaluation of our policy options and goals in the region substantiate a reliance upon the use or threat of use of military force by the United States. The President has clearly stated that he has no intention of sending our troops into action against Nicaragua unless a direct threat to the United States should develop. This action does nothing to hamper the President's authority in that eventuality. Rather, it ensures that Congress would be involved in any policy decision to attack Nicaragua in the absence of such a military threat.

In conclusion, let me urge my colleagues to support this amendment. I strongly believe that we must be willing and ready to use only those instruments of foreign policy in Central America which will bring about the desired results: stability, democracy and economic growth in the region. Therefore, we must put the President's assurances into law and state publicly that this body will have a part in any such radical change in U.S. policy toward Central America.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to address the Foley amendment itself and discuss some of the background as to how we got where we are.

Last year when the first Foley amendment was introduced, it was done in order to reconfirm in this body the position which had been expressed by the President and by the administration, that in fact he and it did not intend or want or would have American military forces introduced into Central America.

□ 1300

The Foley amendment also was intended to demonstrate to the American people that the Congress was listening carefully to the position expressed by the people in every survey and poll taken, that they did not want direct American military involvement in Central America. On the basis of those positions this body by an overwhelming vote supported and adopted the Foley amendment last year.

Now we are back here and because of the passage of time and other events that have taken place, we have witnessed in some of the debate today by those who oppose the Foley amendment as originally conceived, as a restatement of stated American policy, an engagement in every kind of character assassination, guilt by association, distortion, misstatements, misrepresentation to suggest that the Foley amendment does everything other than that which the Foley amendment intended to achieve. The adoption of the language of the Hunter amendment flies in the face of what the original intent of the Foley amendment was.

What in fact the Foley amendment has been amended into is a blueprint for becoming involved militarily in Central America by the United States of America. It seems to me that is a very wrong direction for this House to be going and I would like to think that upon review of where we have come from, where we started out, that perhaps the distinguished gentleman from Washington [Mr. FOLEY] who offered the amendment would review his thinking and perhaps withdraw the amendment.

It seems to me that we would be in a much stronger position simply by relying on the Constitution of the United States, which says very clearly that before the United States of America, except in specified circumstances, can go to war it needs the declaration of war by the Congress of the United States.

Now, one final word. There have been suggestions that the Members of this body are not macho enough and that they are trying to hamstring the President. I suspect that they are of the same types of people who have been berating the President and the Secretary of State for not being aggressive, more belligerent in their efforts to deal with the current hostage crisis. I simply want to say that I, who have been a frequent critic of the President, in foreign policy matters especially, want to commend him for the statesmanship and responsibility with which he has addressed the problem which engages the lives of American citizens.

The Foley amendment as originally conceived was in that same pattern, and I would have thought that the Members of the President's own party would have seen that the Foley amendment was supportive of administration policy.

As an initiator of the Foley amendment I regrettably must conclude that its original thrust has been undermined and undercut. Should the President decide sometime in the future to introduce American combat forces "into or over Nicaragua" he will point to the Foley amendment as his authorization. That was exactly the opposite of the original aim of the Foley amendment and I therefore intend to vote against it.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not want to foreclose any debate on the Foley amendment but I think probably we have exhausted as much time as we need on the Skelton amendment. At this time I would move a vote on the Skelton amendment.

The CHAIRMAN pro tempore. Are there Members seeking recognition on the Skelton amendment?

Mr. DICKINSON. Mr. Chairman, I call for a vote on the Skelton amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri [Mr. SKELTON] to the amendment offered by the gentleman from Washington [Mr. FOLEY], as modified, as amended.

The amendment to the amendment, as modified, as amended, was agreed to.

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words and rise in support of the Foley amendment.

Mr. Chairman, a great American lawyer, Clarence Darrow, once said that the only thing we learn from history is that we learn nothing from it. And with our involvement in Central America, that quote is especially appropriate.

Let us review the last two times that the United States of America has sent forces to Central America, because there might be some lesson in their involvement that could be applied to today's debate.

In 1909 the United States was deeply concerned with a Nicaraguan dictator by the name of José Santos Zelaya.

We were concerned about him because he was openly nationalistic and we thought a threat to American economic interests. And over a 2-year period between 1909 and 1911 we did enough to undermine the Zelayan government so that we were able to put in someone of our own choosing, a fellow by the name of Adolfo Diaz.

Unfortunately, Diaz by 1911 was so hated in his own country because of his association with us that we had to introduce American marines to protect him.

American marines stayed in Nicaragua from 1911 through 1925. In 1925 we left, but very briefly. We then allowed the process to continue in Nicaragua on its own, and between 1925 and 1926 the Government of Nicara-

gua tended to be Bolshevik—that was the term we used. It was actually a lot closer to the Mexican Government of the time. I guess we were worried about creeping Mexicanism in Nicaragua. We came back in 1926 with American marines and stayed there through 1933, for 7 more years.

We then left Nicaragua with the Somoza family, which the Kissinger Committee report has appropriately termed a kleptocracy. We are now debating not so much whether or not we are involved or should be involved, we are clearly involved and we will stay involved, but we are debating the question of whether or not it is appropriate for the American military to become directly involved once again.

The sad truth of Nicaragua and all of Central America is that when we decide to intervene militarily, we may for a short period of time cosmetically solve the problem that exists as we perceive it. But we provide no long-term, lasting stability to the region.

There are not, lamentably, enough military solutions to the problems of Nicaragua, the government of the Sandinistas, or the problem of the surrounding countries. There is, however, a political possibility, and what the Foley amendment seeks to do is to say to the rest of the world that we still have faith, maybe some of us more than others, in the political process; that we believe that inevitable revolutions are not the course of history or need not be in Central America, but that the way to go is to use other nations in the region to help us understand the problem and to help us solve the problem. It is in the finest of American traditions, most recently spelled out by Caspar Weinberger, to not use force as an extension of American policy unless the policy is clear, unless the people support the policy, and unless the use of force can be terminated quickly and favorably to our benefit.

I think that if we apply Mr. Weinberger's criteria of when to use force and when not to use force, then Nicaragua does not apply under any circumstances.

So if you are interested in allowing the forces of diplomacy to move ahead, if you are concerned that you see history repeating itself here again on this floor, you will support the Foley amendment, you will eschew the use of force, and you will recognize there is no lasting nor permanent peace before the barrel of a gun in Central America.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I am happy to yield to the gentleman from Oregon.

Mr. WEAVER. Mr. Chairman, the debate on our Nicaragua policy cannot be allowed to end. Even though the advocates of military force won the vote June 12 on so-called humanitarian aid, we simply must not permit further expansion of our military involvement in Central America.

The amendment which prevailed on June 12 was quite similar to the Gulf of Tonkin resolution. A President wanted to make war on a small country and did not want to come right out and say it because Members of Congress were reluctant to be on record as voting for war. But the result—in both the Gulf of Tonkin resolution and the Reagan administration Nicaragua resolution—is the same. The Congress permitted a President to make war.

Now we must vote today to prohibit U.S. troops from involvement in the war the President wants. We cannot let the vote on June 12 become a watershed vote. If we let the June 12 vote stand without troop prohibitions we will cross over the great divide that separates democracy from Government by Presidential fiat. This President, to get his way, was willing to say anything and agree to anything—the words did not matter—so long as the June 12 vote favored his resolution. His side won. He can now do as he pleases if we do not approve the amendment today which prohibits the President from sending our troops to make war on the Government of Nicaragus.

The reason for this administration's war policy is that a Communist government in Nicaragua is to them not only intolerable but represents a foothold in the Western Hemisphere by the Soviet Union. It is obvious that the Reagan administration would also adamantly oppose any other nation in the region installing a Communist government or coming under the influence of the Soviet Union. None of us—those who favor and those of us who oppose the Reagan administration policy—want that to happen. But a war policy against Nicaragua is exactly the policy that would lead to the spread of communism throughout Latin America.

It is abundantly clear that most Latin peoples in the Western Hemisphere do not like the idea of U.S. interference in the internal affairs of any of their nations. Particularly are great numbers of the people of the region susceptible to Yankee hating formented by cries of imperialism and domination. Certainly Latin American politicians who do not like the United States will take advantage of this strong sentiment to obtain office by becoming anti-U.S. demagogs. Such politicians include the very Communists the Reagan administration seeks to bar from power. A United States war policy in Nicaragua will help bring these elements to power, the very situation the Reagan administration—as well as the rest of us—hope to prevent.

As one who strongly opposes this administration's policy toward Nicaragua and who voted against the administration amendment on June 12, I believe the administration is acting against its own objectives. But if a war policy in Nicaragua does bring in Communist governments elsewhere in Latin America, the Reagan politicians will be quick to blame those of us who fought their policy. I want to discredit that device before it is used. It is the Reagan administration which will be to blame for ushering in governments we do not like or want.

Further, it is the Reagan administration claim that Nicaragua has built up its military. I do not like that military buildup either. But Nicaragua is at war with the Contras—a force we are backing—and what country faced with an invading army would not build up its military? The Reagan administration cites as cause for further military involvement by the United States—the Nicaraguan military buildup—the very thing their own policy has created. And if there is further involvement by the Soviet Union in Nicaragua—again, something none of us want in the slightest degree—the administration will cite that as well, as reasons for our increased involvement.

The administration war policy is a policy that feeds on itself. It must be restricted—as it will be by the amendment we vote on today to prohibit our troops in Nicaragua. And the administration must not and should not blame those of us who are opposed to their war policy for any further Communist or Soviet gains in Latin America. Indeed, the blame lies with the administration itself for its reckless military policy that is sowing the seeds of Yankee hating and communism in our neighboring countries to the south.

□ 1310

AMENDMENT OFFERED BY MR. BURTON OF INDIANA TO THE AMENDMENT OFFERED BY MR. FOLEY, AS MODIFIED, AS AMENDED

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment to the amendment, as modified, as amended.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana to the amendment offered by Mr. FOLEY, as modified, as amended: In subsection (c) of the section proposed to be added to the bill by the amendment, strike out the period at the end of paragraph (2)(C) and insert in lieu thereof "; or", and after paragraph (2)(C) insert the following:

(3) the President determines that Nicaragua is supporting, directly or indirectly, military or paramilitary or terrorist operations in El Salvador, Honduras, or Costa Rica.

Mr. BURTON of Indiana. Mr. Chairman, I believe the Foley amendment as written indirectly will give aid and comfort to some of the enemies of the United States. I know it is not intended to do that but I believe it does. I think my amendment will help clarify where the President should have some

latitude in order to accomplish some things down there that need to be accomplished.

Just recently, as has been stated on this floor, four American marines were killed by terrorists in El Salvador, and two American civilians were killed.

If the Foley amendment is passed as written and we determine that the terrorist activity is originating in Nicaragua the President will have no option open to him to go in there and stop that.

Do you know, when we think back about Grenada, if the Foley amendment had been applied to that situation, we would not have been able to go in there to stop the Communist bloc from using that island for further Communist expansion in our hemisphere. Also there is some question as to whether or not we could have gone in to rescue our American citizens being held hostage.

Mr. FOLEY. Mr. Chairman, will the gentleman yield on that point?

Mr. BURTON of Indiana. I will in a moment. I know what your interpretation is of that and you are going to say that if we are going to evacuate American citizens we can go in. But I think we would have had real trouble had the Foley amendment been in effect at that time, going into Grenada.

I think there are situations which arise where the President needs to have some latitude and we do not know what all those situations may be. We know that the terrorist headquarters, the Communist guerrilla headquarters for the El Salvadoran guerrillas is in Managua. It is my belief that the Communists in Nicaragua are supplying the guerrillas in El Salvador. When I was in El Salvador in Chalatenango Province recently I saw weapons, Bulgarian hand grenades, Soviet mortars, all kinds of ammunition that did not grow out of the ground. It had to come through Nicaragua or Cuba.

Those weapons have been used by the Communist guerrillas in El Salvador to murder our marines and some of our civilians. As has been stated by the gentleman from Arizona earlier today, those people—the Communist guerrillas—have bragged about that and said that they intend to continue that type of activity.

The President is going to have to deal with that. We have terrorist activities going on around the world. We have terrorist activities in the Middle East, we have terrorist activities in Central America. To tie the President's hands in any way in my view is a terrible, terrible mistake. That is why I believe my amendment will help deal with that problem. This amendment says very clearly that if Nicaragua is supporting directly or indirectly military or paramilitary or terrorist operations in El Salvador, Honduras, or Costa Rica, the President will then not have his hands tied by the Foley amendment and will be able to take whatever action is necessary to eliminate that threat.

I think that the President ought to have this latitude.

You know, this amendment, if it is not properly amended will hamstring the President of the United States; it will demean him in the eyes of the people of this country because it questions severely his judgment, and it will also hamper his ability to lead this Nation.

Mr. FOLEY. Mr. Chairman, will the gentleman yield to me on that point?

Mr. BURTON of Indiana. Yes; I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, I am really amazed that the gentleman would say that the words of the President of the United States which have been stated time and time again on the issue of Grenada as being required to protect the lives of American citizens did not justify our intervention there. The gentleman is apparently in disagreement with all of his colleagues in a bipartisan committee that was sent to Grenada and which I had the honor to cochair with Mr. MICHEL.

All of his colleagues on his side of the aisle and the overwhelming majority on ours felt that the President was acting correctly in protecting American lives, and justified.

Mr. BURTON of Indiana. Well, we all think he—the President—acted absolutely correctly.

Mr. FOLEY. Well, I do not see why the gentleman doubts that.

Mr. BURTON of Indiana. I don't; however, you were one of the opponents of that action initially. You made statements initially after the invasion took place opposing what the President did.

Mr. FOLEY. Excuse me?

Mr. BURTON of Indiana. As I recall, immediately after the action took place in Grenada, you were one of the people who were making statements opposing what the President had done.

Mr. FOLEY. The gentleman is not only incorrect, I would ask him, after he has corrected the record, to state it publicly. The only statements I have ever made with respect to Grenada were to support the President's action. The gentleman does me grave disservice based on inaccurate and incorrect information.

Mr. BURTON of Indiana. Mr. FOLEY, I will check the record. I was down there in Grenada when you were there. If I am in error, I will apologize.

Mr. FOLEY. The gentleman is in error.

Mr. BURTON of Indiana. I will check the record.

Mr. FOLEY. And I will expect that apology to be made in as public a way as the gentleman has made the accusation.

Mr. BURTON of Indiana. I will certainly do that if I am incorrect.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I will be happy to yield to my colleague from Illinois.

Mr. HYDE. Apropos the discussions, it is my understanding that one of his cosponsors, however, on the original Foley-1 of this current series, filed a bill of impeachment against the President following Grenada. So there is an admixture of feeling on that issue among the gentleman's cosponsors.

The CHAIRMAN pro tempore (Mr. RUSSO). The time of the gentleman from Indiana [Mr. BURTON] has expired.

(On request of Mr. FOLEY and by unanimous consent Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. FOLEY. Mr. Chairman, will the gentleman continue to yield?

Mr. BURTON of Indiana. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, I hesitate to use the worlds red herring but a certain red herring has been drawn across this debate with the suggestion that somehow this amendment would have prevented the action in Grenada or that some of us are somehow—that I am involved in opposing the Grenada action. In fact, as people who are in this Chamber, including the leadership members on the other side know very well, and as I may be asked to call on them to verify the report of the committee that was appointed by the Speaker resolved by an overwhelming majority of both parties, to support the President's action in Grenada. I do not think that ought to be cited in a confusing and inaccurate way.

Mr. BURTON of Indiana. As I said before, I will check the record. If I find I am incorrect I will correct it.

Mr. FOLEY. The gentleman was in Grenada but he was not there at the appointment of his leader. There are people here in the Chamber, however, who were.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to my colleague from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

I would like to certify that Mr. FOLEY was indeed an early and vocal supporter of the President's action in Grenada. In that position he stands in somewhat spendid isolation but nevertheless he was there and he was on the right side of that issue and I salute him.

The CHAIRMAN pro tempore. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. That being the case, Mr. FOLEY, you have my apology.

Mr. FOLEY. I thank the gentleman.

Mr. BURTON of Indiana. I believe my perfecting amendment will add a great deal to this legislation. I hope my colleagues would seek to support it.

I would like to also state that I think the Foley amendment is misguided. The War Powers Act is enough. I think the President has the ability and the wisdom to deal with the problems in our hemisphere, and throughout the world, and we should have more trust and confidence in him.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, I do not support the Foley amendment in this instance, but as one member of the committee Mr. FOLEY led to Grenada and apparently the only one on the floor at the present time, I can very definitely attest that the gentleman from Washington not only supported the President after our committee had been briefed fully and walked around and visited the area of Grenada, he reported back to the Speaker in no uncertain terms that the overwhelming majority of that committee believed that the President had acted properly and as a result of Mr. FOLEY's report the Speaker changed his opinion and made a similar statement.

Mr. BURTON of Indiana. I thank the gentleman for that clarification.

Mr. Chairman, I yield back the balance of my time.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

It is interesting to me, during the course of this debate, that many of my colleagues who suggest that they adhere to a conservative philosophy have come out in opposition to what I consider to be a very conservative point of view. In my view the Foley amendment is a conservative approach because it conserves the values and principles of the Constitution.

In the not too distant past I stood on this floor and listened while there were those on my side of the aisle who suggested there were ways, constitutional ways to allow the President to commit troops to Beirut, the Lebanon peacekeeping force, as it was then termed.

□ 1320

At the time, I expressed some regret that Congress was in many ways forfeiting its right to play a role in the debate as to whether or not those troops should be committed.

After the tragedy involving the marines in Beirut, we withdrew the troops. Those of us in Congress who had misgivings from the outset believe that perhaps Congress should have been more assertive when the decision was made in terms of committing troops. But that is history.

I would think today that the Foley amendment gives us again that constitutional opportunity, an opportunity under a Constitution which we have sworn to uphold, and one which we should follow.

To forfeit that responsibility, to say to the President that he has carte blanche, and there will be no fetters on his decisionmaking ability in this regard, I do not believe is consistent with the letter or spirit of the Constitution.

Let me add, too, that I have listened closely to the debate, and particularly the comments by the gentleman from California [Mr. DORNAN] and the comments by the gentleman from Indiana [Mr. BURTON]. I find an interesting thread that runs through their suggested amendments.

The thread is this: There should be a condition precedent, some sort of condition, which having been breached the President can then send American troops and invade Nicaragua.

In both instances, both speakers have suggested that that condition has already been met. Listening closely to what Mr. DORNAN said, he believes the presence of six Soviet HIND helicopters is sufficient grounds for the President of the United States—it has been amended to seven?—seven Soviet HIND helicopters, is sufficient grounds for the President of the United States to commit troops in Nicaragua.

In Mr. BURTON's amendment, he suggests that the involvement of Nicaragua in the problems of El Salvador gives the President all the justification he needs to invade. In other words, they have said the condition has been met.

For some of the President's most loyal supporters on that side of the aisle, there would be no objection at this point if the United States invaded Nicaragua.

Now I find that interesting as a conclusion, because the administration has stated just the opposite: They have told us during the course of the debate on the McCurdy amendment, for example, they have no intention of invading Nicaragua.

Now how do we reconcile the statements from the President's most loyal supporters that we are in a position to invade, with the stated policy of the administration?

When I asked the gentleman from Louisiana earlier whether or not there was any aspect of the Foley amendment which contradicted the administration's stated policy in Nicaragua, his answer was in the negative; he did not know of any, and I do not know of any.

So I have to wonder as I listen to the debate whether or not the gentlemen on that side of the aisle believe we have reached a point where we should invade, and perhaps the Foley amendment is an obstacle they do not want in their path.

Mr. HYDE. Will the gentleman yield?

Mr. DURBIN. I yield to the gentleman.

Mr. HYDE. I thank my friend for yielding. In listening carefully to his well reasoned statement I have difficulty following some of its logic.

The gentleman seems to be saying that people on this side of the aisle have found justification for an invasion. I do not think anybody wants to invade Nicaragua. In fact, if we will only aid the Contras, we do not have to go near Nicaragua; they will do the fighting.

The point is, the President ought to have the option based on a whole series of considerations that in his judgment, military effort is required, but to foreclose that option on a country-specific basis is to usurp the position of Commander in Chief and to do the very thing that Senator Fulbright, in a very wise statement once said:

> The entrusting of the conduct of war ought not to be left to a collection of parochial legislators, as this very debate so well illustrates, it should be left where the Constitution places it, with the Chief Executive.

Mr. DURBIN. If I might reclaim my time, under the Constitution, as I read it, we have a responsibility in this decision. For decades, Congress has forfeited that responsibility under both Republican and Democratic administrations.

Loyal to our Presidents, we have allowed the creation of a war in Korea, in Vietnam, interdictions in certain areas, and stood back mute, watching the consequences.

What Mr. FOLEY is suggesting in his amendment is that Congress will assert, as I understand it, its constitutional responsibility, which appears to me to be a very conservative approach to a document which we all respect.

(On request of Mr. FRANK and by unanimous consent, Mr. DURBIN was allowed to proceed for 1 additional minute.)

Mr. FRANK. Will the gentleman yield?

Mr. DURBIN. I yield to the gentleman.

Mr. FRANK. I think that the gentleman has done us a service on two grounds. First, we now have what I think, from our friend from Illinois—he is the one who wants to amend the

Constitution; he wants effectively to knock out of it the power of Congress to declare war.

Because Congress—that is not the representative body of the American people; that is a bunch of parochial legislators.

What the gentleman from Illinois' argument comes down to is a denigration, indeed a denial of the capacity of the elected Representatives in Congress to have any major role in when and whether American forces are committed.

The Commander in Chief's power, once they are committed by our constitutional processes, no one is impinging on.

Second, the gentleman from Illinois says, if we would only aid the Contras we would not have to invade. That is why we are so nervous: No one has argued, from the administration or elsewhere, that the Contras with the level of aid proposed, or twice it or three times it, are going to overthrow that government, and that is precisely the problem we have:

You commit yourselves to the overthrow of the Nicaraguan Government for both internal and external reasons, and then we are afraid what will follow.

The central point is that the gentleman from Illinois objects not to the Foley amendment but to the power that the Constitution gives Congress to declare war, because why would you give that to so many parochial legislators who are not to be trusted?

Mr. McHUGH. Mr. Chairman, I rise in opposition to the Burton amendment and in support of the Foley amendment.

The Burton amendment amounts to an invitation to the President to go to war in Nicaragua. Basically, what the Burton amendment says is that if the Nicaraguans are supporting directly or indirectly people who have killed or terrorized American citizens, the President has authority to commit American troops to combat in Nicaragua without consultation with or the approval of Congress.

The President has said many times that Nicaragua is supporting the guerrillas in El Salvador, and some of those guerrillas in El Salvador have just recently killed American citizens there.

The condition precedent established by the Burton amendment has therefor been met. By passing such an amendment, Congress would be saying to the President, "Anytime, you wish, you have our blessing to directly involve United States forces in combat in Nicaragua." We would have effectively transformed the Foley amendment into a declaration of war; and in that event many of us who support the Foley amendment would be compelled to vote against it.

So let us recognize the Burton amendment for what it is; it is a killer amendment. It is, in effect, a congressional authorization for war against Nicaragua, or at least an invitation by Congress to the President to involve United States combat troops directly in Nicaragua. The Burton amendment should be rejected.

I would now like to speak in favor of the Foley amendment. As others have said, this amendment simply confirms what the President himself has said is his policy, that is, that he has no intention of introducing United States combat troops in Nicaragua.

He has tried to reassure the American people a number of times on this issue, and this amendment would do the same thing in legislative form.

Now some people might well ask, why is the amendment necessary? The amendment is necessary because there are significant doubts about what the policy of the administration is, and one need only review some recent articles and statements by the administration to understand why there is some doubt and confusion notwithstanding the President's statements.

For example, on May 24, 1985, there was a page one story in the New York Times headlined: "Shultz in Warning on Combat Troops for Latin Region," referring in the story to comments by the Secretary of State to the effect that U.S. military intervention is an option.

In the New York Times edition of June 4, 1985, on page 1, there appeared a long story entitled, "Nicaragua and the U.S. Options: An Invasion Is Openly Discussed," referring to administration sources who have talked about the possibility of an invasion.

There have been a series of media reports referring, with apparent accuracy, to comments by administration officials which suggest the possibility of an invasion of Nicaragua.

Therefore, notwithstanding the President's statements, there is confusion and there is doubt. The Foley amendment would restate legislatively what the President himself has said to reassure the American people, and for that reason I have great difficulty understanding why the Foley amendment has generated such opposition from the Republican side of the aisle.

As has been pointed out, the President has considerable discretion under the Foley amendment to meet emergency circumstances. The amendment does not prevent the President from acting to meet a clear and present danger to the security of the United States, to its territories, to its possessions, to its citizens, or to its embassy in Nicaragua.

This amendment does not preclude reconaissance or overflights of Nicaragua: it does not preclude the placement of United States naval vessels offshore; it does not restrict United States military exercises in *Honduras*; it does not prevent United States forces from training the military forces of El Salvador, Honduras, or Costa Rica, or from coming to the defense of those countries if they are invaded.

So it is a very limited amendment; it is a very modest amendment. It is an amendment designed to reassure people in the same way the President has tried to do, unsuccessfully thus far, that our government will not precipitously use American combat forces in Nicaragua.

□ 1330

If the President chooses, for whatever reasons, to undertake a major commitment of forces or to initiate a war in Nicaragua, that is so fundamental a decision that we should participate as Representatives of the American people in such a decision. That would be our responsibility under the Constitution, a fundamental point that others have effectively made.

I urge the adoption of the Foley amendment.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was just wondering whether we could get an agreement just to vote on this particular amendment, the Burton amendment. Would anyone object to a vote on it now?

Mr. FRANK. Mr. Chairman, I object.

Mr. DICKINSON. The gentleman from Massachusetts objects.

Mr. HYDE. Mr. Chairman, would the gentleman yield?

Mr. DICKINSON. I yield to my friend, the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I just want to clarify a remark that was made by my good friend from Massachusetts that somehow I wanted to divest Congress of its constitutional power to declare war. I hope nothing I have said remotely indicates that. There is much literature on the subject of the difference between the power of Congress to declare war, which is a specific and limited grant by the framers of our Constitution and the power of the President as Commander in Chief, which is a general grant by our Founding Fathers to the President. The power to declare war is a formal act. Only the Congress can do that. But there are other forms of belligerency and combat than a declared war. In fact, the number of times war has been declared you can count on the fingers of one hand, whereas there have been over 200 combat occurrences where troops have been involved without a declaration of war. It is the inherent powers of the President as Commander in Chief that are at issue here, not

the specific constitutional power of Congress to declare war.

There is a difference. Consequences flow from that difference. This bill seeks to obliterate that difference.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I do not have the time.

Mr. FRANK. Mr. Chairman, will the gentleman who has the time yield?

Mr. DICKINSON. I have the time, and I do not yield.

I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. My colleague named DURBIN, just put on his turban, and rubbed his small crystal ball; I rise in offense, to my own defense, for invasion I've put out no call.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a fundamental issue that we are facing here today in Congress and, despite all of the arguments that we hear on the side of the opponents of this amendment, we are fundamentally talking about the rights of Congress here. We are talking about whether we are in on the takeoff as well as on the landing. Yes, we can be consulted after the fact in any of the military incursions that are potentially capable of being enacted by the President down in this particular area of the world; but I think that we have a real serious concern that Congress in fact has allowed its powers to be abdicated over the past 20 or 25 years without our full involvement in very fundamental issues that go to the very core of what role we are supposed to play constitutionally in serving as a check and balance upon the Executive power of committing American young men to combat situations.

In 1966 they brought John Waden home in a casket to Malden, MA. Now, John Waden was a young man who went to high school with me. But he was that kind, you know that kid in the neighborhood who is always Bat Man, who is always Zorro, who is always Errol Flynn, the one kid in 20 whom no one can ever lay a glove on, whom you can never touch, who is always a leader. Well, John Waden volunteered to go to Vietnam. And he came home in a closed casket in November 1966, the kid who lived three doors away from me, a corporal. And I went to that wake, a sophomore in college, and I went around to every single adult at that wake and I asked each one of them, "Why is John Waden dead? Why are we in Vietnam?" And there was not one single adult who knew why John Waden was dead. There was not a single person who could explain that policy. There had yet to be one single vote in Congress on why we had boys over there in Vietnam. We have an obligation to every mother and every father and to every young man in this country that Congress will discharge its responsibility before we send young boys down into this country. And we just cannot turn a blind eye and build in exceptions while pretending that all of the aid that we give to the Contras is fine and dandy and fully able to discharge all of our responsibilities while building in exceptions that allow the President to in fact engage in policies that run totally contrary to the policies of having the Contras in fact take care of their own problems in that region.

We sent people into Grenada, yes. We were able to notify 5,000 troops, we were able to tell plenty of colonels and generals. Did we have enough time to call TIP O'NEILL and HOWARD BAKER and bring them over 3 and 4 days in advance? Somehow that escaped the attention of the Executive, of the Pentagon. We not only do not have time to consult Congress, we do not even have time to consult the leadership of Congress when there are 5,000 people in this country who know that we are about to engage in a military activity.

What we are saying here to the President is, before you start charging up San Juan Hill, how about stopping off at Capitol Hill first, how about giving the people of this country and their elected Representatives a little bit of notice so that we might have a little discussion before we might in fact cross a tripwire that engages us in situations that does not have just one of my constituents who was killed in El Salvador last week, but has dozens of my constituents involved in that kind of maiming and killing, without any full notification given to the body which is supposed to serve as a check upon that use of military power in this country.

That is all the Foley amendment is all about. And what the gentleman from Indiana and the gentleman from California, and others, are trying to do is drill in the exceptions that make it possible for the President to have the blank check to commit the troops that in fact might cross that line and begin that conflict down in that region without the full participation of all of the Members of this body.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I will be glad to yield to the maker of the amendment.

Mr. BURTON of Indiana. As I recall, the Speaker of the House and the minority leader were called to the White House before the invasion of Grenada. There was a stopoff to the leadership of this building before the invasion took place. Am I not correct?

Mr. MARKEY. That is not my knowledge. My knowledge is that there was no consultation.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Illinois.

Mr. HYDE. There was a consultation, and I will concede to the gentleman there was not a lot of time in between the act of invasion and the consultation, but indeed there was, before the invasion, there was a consultation with Mr. O'NEILL and Mr. Baker.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts has expired.

(On request of Mr. BONIOR of Michigan and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. MARKEY. I yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. Mr. Chairman, the fact of the matter is they were consulted. As I recall, it was in the middle of the night and the planes were revved up and the troops were there. That is hardly consultation at all. It was such "an open debate" that is fact the American public was barred from it because you could not get decent press coverage, television coverage. So do not give us this malarkey about the American people and the Congress being informed.

The point that the gentleman makes is right on target. You people do not have the guts, you do not have the nerve to take responsibility for what the Constitution has given you. You have given it up. And you gave it up in 1960's and you got us involved in Vietnam, and you caused a situation with which this country regrets today, and that is what is involved here.

Mr. GINGRICH. Mr. Chairman, I move to take the gentleman's words down.

Mr. BONIOR of Michigan. I yield back.

Mr. MARKEY. Mr. Chairman, I reclaim my time.

Mr. GINGRICH. Mr. Chairman, I move to take the gentleman's words down.

The CHAIRMAN pro tempore. The Clerk will report the words.

□ 1340

Mr. GINGRICH. Mr. Chairman, I have been informed that since it was a generic rather than a personal allegation, it is not against the rules.

Mr. Chairman, I withdraw my request.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MARKEY] has 1 minute remaining.

Mr. MARKEY. Mr. Chairman, the point is, as the Speaker of the House said on the day of the Grenada invasion, that he was informed but he was not consulted. That he was brought over and given the information the night before the invasion as to what in fact would be occurring the next morning. But there was no consultation; there was plenty of time because 2 and 3 days before, the U.S. military

had been informed. But not, in fact, the civilian government, which is supposed to be the ultimate decisionmaking power in terms of the commitment of American forces.

We are ultimately in Central America, in Nicaragua, going to follow the same course as we did in the 1960's, if we do not exercise our own powers. We are going to antagonize, we are going to Vietnamize, and ultimately, we are going to communize that country because we are not ultimately going to exercise the kind of judgment and the kind of restraint which will allow us to reach a peaceful resolution of this question. This amendment is just one more attempt to drill that loophole in that will make it possible for that commitment of American forces that will have us cross that line and charge up that hill, and ultimately wind up in that conflict. It is inevitable.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that the basic points being made by our friends on this side of the aisle are legitimate and deserve being addressed. I think they reflect probably the fundamental difference in the viewpoint of the bipartisan majority that from Harry Truman to Lyndon Johnson attempted to stop communism on this planet. And the fragmentation of that majority. I want to walk through what I think are the six key, legitimate questions that are being raised in the Foley amendment.

First of all, my distinguished colleague from Massachusetts talked about John Waden coming home, and it is a fair thing to talk about. Young men died in Vietnam; young men have died since; young men died this last week in their country's uniform in El Salvador. They died this last week in their country's uniform in Lebanon.

Another gentleman said, and I think he frankly overstretched himself because of the emotionalism of the topic in suggesting that Congress for 40 years permitted violence. It is clearly not Congress that permits violence any more than it is the police that permit muggings. The question really is this: Are there times when Congress should be consulted? Yes. Was, in the case of the John Waden who was killed and came home in 1966, the Congress consulted? Endlessly.

This Congress in every way appropriated the money, raised the forces, passed the Gulf of Tonkin resolution; did everything it had to do to make Vietnam a legal, constitutional activity. There was endless consultation on Vietnam.

Was the John Waden killed without the American people supporting the war? Not historically. Historically, there was overwhelming support for the war when the war began in Vietnam. Historically, Gene McCarthy got more votes in New Hampshire from hawks who thought he was related to Joseph McCarthy and who wanted to end the war by bombing Hanoi, then he got, that is true, technically. You can laugh at it; that is technically the truth. I can understand why you reject reality; that happens every day on this floor.

I can show you the polling data from 1968. That happens to technically be historically true. I do not blame you for rejecting the truth any more than sometimes your majority leader does. But the fact is it is technically true.

Now, let me carry the Members a stage further. Did Congress permit violence in Korea? Absolutely. Instead of telling the South Koreans "Go ahead and be enslaved," we said "resist." Did Congress permit violence in other places? Are we permitting violence in El Salvador? Absolutely.

We have permitted violence in El Salvador because we say, "Why do you not resist communism?" Do we permit violence in the Middle East? Of course, we tell Israel, "Do not allow yourself to go out of existence." Again and again this Congress permits violence.

Last week, there were two acts of violence against uniformed American people. The people my friend from Massachusetts called John Waden. Did the Congress permit that violence? Of course; we established the Marine Corps; we established the Navy. We allowed them to go out of the country. They were doing terribly vicious military things. One was riding on an airplane as part of an underwater construction team. Four of them were sitting unarmed in a cafe having a drink. That is the kind of violence we create.

What happened? People who hate America killed them. Now what are we going to do today in response to the fact that our children get killed while serving in uniform. We are going to pass an amendment that says we will show you terrorists; we will further cripple the American executive branch. We will show you how tough we are; we will further weaken the case.

One of the gentlemen earlier referred specifically to Korea as an example, and he is right. If Harry Truman had had this kind of Congress and he had those kind of amendments, it is very likely he would not have instantaneously and aggressively reacted, and before my friend leaps to his feet, let me suggest to him that Harry Truman was frequently willing to do things that challenged the Congress directly, particularly when he thought it required overt action on the part of the Presidential leadership. The President was willing to take on this Congress and to go to the American people and I would suggest to you that it was at that time, of course, Republicans who were isolationist. It required courage for the Vandenbergs to form a bipartisan majority in favor of stopping communism. It required courage to create a bipartisan effort that recognized that violence in this world is created by the people who hate America; it is not created by the American Congress.

Let me say finally, my most deeply troubling problem with my friend, who I think sincerely worry about the American executive branch, let me assure you, as a conservative, I agree with you. I do not particularly want a strong or troublesome executive.

The question is, How do you define aggression? As someone was trying to say earlier, is aggression only Mig's? Or is it the HIND helicopter?

The CHAIRMAN pro tempore. The time of the gentleman from Georgia [Mr. GINGRICH] has expired.

(On request of Mr. FRANK and by unanimous consent, Mr. GINGRICH was allowed to proceed for 2 additional minutes.)

Mr. GINGRICH. Mr. Chairman, do we define aggression only if it is uniformed troops marching across the Nicaraguan border? Or is aggression occurring if there are guerrillas coming across the Nicaraguan border?

Why are we children about this? We keep making up definitions our enemies can use. Ultimately you are going to have to trust somebody. Now, either you are going to trust Ortega not to initiate action on his schedule, to his advantage, when he wants to, or you are going to have to trust the President of the United States.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman.

Mr. FRANK. In the first place, the Korean analogy is simply an apposite. If there were an armed invasion of Nicaragua or any of its allies or any of the countries nearby; not its allies; or any of its neighbors, under the Foley amendment as presented today, it would have obviously been met. There is no question about that.

Second, I have to say I take exception to this suggestion that somehow the Foley amendment is in some way responsible for the fact that Americans have been killed or wounded or hurt elsewhere.

Mr. GINGRICH. I have not said that.

Mr. FRANK. It is Ronald Reagan as President who presided when people were run out of Lebanon on the beaches. It was Ronald Reagan who was not responding here. Ronald Reagan was not responding there.

The Foley amendment has nothing to do with the impotence that has been Ronald Reagan's policy for 2 years.

Mr. GINGRICH. I take back my time to make two quick points and

then I will yield to my friend from Connecticut again.

One, the Korean analogy is exactly correct, because right now, Nicaragua is waging three wars in Central America. Right now there are guerrilla movements in Nicaragua which are waging war in El Salvador, Guatemala, and Honduras, but because we define war in our terms, they get away with it.

Second, I would say to the gentleman, it is outrageous for the gentleman to suggest that Ronald Reagan is responsible because an American sailor is killed by thugs in Lebanon.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman.

Mr. WEBER. I thank the gentleman for yielding.

It is the gentleman from Illinois [Mr. DURBIN] that made the Korean analogy just a few minutes ago on this floor.

Mr. GINGRICH. Mr. Chairman, I yield back the balance of my time.

□ 1350

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there have been a number of eloquent statements made on the floor about the constitutional basis for this Congress' action, and the right of the President to take action. But what we address here is more than simply a debate between the executive and the legislative branches of Government.

In examining how things have changed in the modern era, the rapid escalation of technology and the shortened response time, it becomes more important than ever that we consult the American people before the executive or the Congress leads this country into a battle.

What the Foley amendment simply does is guarantee that before this country decides on a military course of action that the American people be consulted. Anything less than that will lead us into the kind of engagement that will create a void between this country, its people, and its leaders.

If you examine the Foley language, you will note that it does provide the President the ability to respond to emergencies. In the event of emergencies in which quick action is needed, the Foley amendment clearly gives the President the prerogative to take action. If we accept the amendment offered by the gentleman from Indiana [Mr. BURTON] we will nullify everything that is accomplished by the Foley amendment. It simply provides the safeguards that I believe are necessary to provide the time for the American people to enter into the dialog about the policy we have in Central America.

The framers of the Constitution, in all their wisdom, chose not simply to set the executive branch against the legislative branch in an adversarial relationship, but in fact, tried to establish a relationship that provides for a process of consultation, that not only brings the elected political leaders into the decisionmaking process but also allows for the American people to participate in the decisions on foreign policy.

It was Lincoln who said something to the effect that if a leader gets too far out in front of the people that he would find himself without anybody following him. If this body does not understand the divisive nature of the crisis in Central America, if anyone here believes that either the Congress or the President ought to move forward without popular American support, then I believe we have not learned the lessons of the last several decades of crisis we have had in our foreign policy engagements.

A President had better be ready with the kinds of reasons that he can go to the American people with and that he can come before the Congress before he takes American soldiers into combat.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I would be happy to yield to my friend, the gentleman from Illinois.

Mr. DURBIN. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his statement, and I believe it is on point. The statement made earlier by the gentleman from Georgia suggests that when we appropriate funds for any type of military engagement around the world that Congress is giving tacit approval to a decision by the administration to send American troops. Examples were given by the gentleman from Georgia of all the history of the United States where Congress has indirectly, at least, supported such an effort.

But what I suggest is a point made by the gentleman from Connecticut as one that should be before the body today. Are we going to back into this situation in Central America? By the logic of the gentleman from Georgia, there is a suggestion that sending humanitarian assistance to the Contras, which the House voted to do several weeks ago, somehow opens the door for the President to commit troops to that country. I think that is not what Congress was about several weeks ago, nor is it consistent with the Constitution.

Mr. Chairman, I congratulate the gentleman on his remarks and I think they are very pertinent to the discussion.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I will not yield on that. I am almost out of time, and the gentleman from Georgia is a very articulate Member of this body and has had an amply amount of time already.

Mr. GINGRICH. The gentleman referred to my comments.

Mr. GEJDENSON. I would simply like to finish my statement by saying this: When we focus on the Constitution, when we focus on the particular amendments that talk about the relationship between the executive and the legislative branch, it is vital to understand what the intent was. It was not simply an adversarial relationship. What was envisioned was the kind of consultation that would bring a unified country into a military engagement and not a fractured country, a country where we entered conflict without censuring.

The Foley amendment, unamended, as it exists now, will provide for that kind of opportunity.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment offered by the gentleman from Indiana [Mr. BURTON].

Mr. Chairman, I have sought today, despite some suggestions to the contrary, to give every reasonable opportunity that the President would conceivably need to meet emergency conditions, to protect the United States, its territories and possessions, to protect American allies under the Rio Treaty, to protect against aggression, to protect against terrorist actions, to ensure the War Powers Act was preserved in every instance, including those which send a heavy warning that we are not going to tolerate the introduction of high-performance aircraft.

Time and time again I have sought to keep this debate from being characterized as one in which the security of the United States or its allies, or its commitments, would be somehow, by the adoption of this amendment, prevented in their effectiveness. The gentleman from Indiana [Mr. BURTON], of course, knows the administration has already found that there are groups in Nicaragua that are supporting insurgencies in El Salvador and Honduras. That is already a finding.

The gentleman's amendment is tantamount to authorizing immediate use of military force in Nicaragua, without the consent of Congress. That is what his amendment is tantamount to doing.

Everybody in this Chamber knows that the conditions which the gentleman from Indiana has put in his amendment have already been stated by this administration and by the President time and time again, and indeed, I do not even personally quar-

rel that they are true. "Indirectly or directly" is very broad language.

So the amendment offered by the gentleman from Indiana [Mr. BURTON], if adopted, radically changes this proposal. It changes it into a direct invitation to use American military force in Nicaragua. I do not think the American people believe that the President of the United States wants now to use direct military force in Nicaragua. He said he does not. I do not think the American people believe that it is a good and wise policy for us to directly involve ourselves, American forces, in Nicaragua without so much as a consultation or permission or approval of this Congress.

That is all we are talking about here. We are not saying that it can never be done. We are just saying that in conditions of emergency, to respond to terrorism, to respond to aggression, to respond to assaults on our Embassy, to respond to attacks on our citizens, to respond to those conditions which threaten our security, in those cases where there may not be time the President can act. If it is a deliberate effort to use American force in Nicaragua without the necessity of emergency action, he ought to refer to Congress.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Indiana at this point.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, the gentleman said in his comments just now that he acknowledges that there are groups in Nicaragua that are supporting the Communist guerrillas in El Salvador.

Mr. FOLEY. Yes. I think there are groups in Canada that are doing the same thing. They do not have the support of the Canadian Government, but they exist.

Mr. BURTON of Indiana. Would the gentleman care to elaborate on what groups without governmental support in Nicaragua would be supporting the Communist guerrillas in El Salvador?

Mr. FOLEY. I think it is pretty well documented.

Mr. BURTON of Indiana. What groups?

Mr. FOLEY. As far as I am aware, there have been reports, and I think the gentleman does not disagree with this, that there have been instances where the Nicaraguan Government has provided materiel that has gone to groups in El Salvador.

Mr. BURTON of Indiana. All right, and those are the groups who killed our Marines just last week.

Mr. FOLEY. If the President, has, without the burden of this amendment decided not to use military force in Nicaragua, and says he does not want to even after that terrible tragedy happened in El Salvador, then I see no reason for us to second guess the President on that issue.

Mr. BURTON of Indiana. And we should not tie his hands, either.

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. FOLEY] has expired.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. HOPKINS. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman for 1 minute.

Mr. HOPKINS. Mr. Chairman, I yield the remaining time to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Chairman, in 1 minute let me say to our distinguished colleague that there are two things Members of this House should consider. This is not a symbolic, Rotary Club resolution. This is an act of law. If what this House intends is that the Congress should be consulted, then we should pass an amendment that says the President shall consult in secret with the Speaker and the minority leader and the majority leader and the minority leader of the Senate.

□ 1400

But let me suggest to the gentleman from Washington that had Jimmy Carter said the week before Desert 1, "No, I will not rule out a raid" and "No, I will not rule out anything," and had the press then promptly had nine articles saying, "What are we going to do?" I think it is very foolish for this House that is about to go off for 10 days and about to go off for a month in August, in a world of terrorists, to adopt an amendment which would become law and which would bind the President and require him to call a special session of Congress in a crisis.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I will not yield to the gentleman, who in fact, I think did not understand my earlier statements. I will be glad to speak with the gentleman in private later.

This is an act of law. This is not a good-government amendment. If you want the President to consult, pass a law that says he has to consult with the Speaker, the majority leader, the minority leader, the majority leader of the Senate, and the minority leader of the Senate.

● Mr. SHUMWAY. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Washington [Mr. FOLEY]. I am not a warmonger; I certainly have no desire to see the introduction of U.S. troops into Nicaragua, but it seems to me that Mr. FOLEY's proposal to prohibit the introduction of U.S. combat troops in Nicaragua directly violates a fundamental principle upon which this Government is founded—the separation of powers.

We have, in our great democratic Nation, three distinct branches of government led by an individual whom we call the President and Commander in Chief. The system created by our Founding Fathers clearly placed responsibility for the defense of the Nation in the hands of the Commander in Chief, and yet we in Congress today want to arrogate for ourselves this critical constitutional authority. If we claim for ourselves the right to legislate national defense strategy, we might as well take on the responsibilities of the judiciary as well. Who, Mr. Chairman, would seriously suggest that we in Congress prescribe the decisions of the Supreme Court? Why, then, should we seriously consider commandeering the responsibilities of the Commander in Chief in the way the Foley amendment suggests?

I find this amendment objectionable not only because it would breach the constitutional separation of powers but also because it allows us as lawmakers, who possess little or, at best, incomplete information, to determine national security policy. Surely the intervention of congressional foreign policy czars into the management of our Armed Forces movements is not a reasonable or responsible way to ensure the safety of the United States and its citizens.

Mr. Chairman, I urge my colleagues to firmly oppose the Foley amendment.●

● Mr. GILMAN. Mr. Chairman, I rise is support of the Foley-Conte amendment, prohibiting the introduction of U.S. combat forces in Nicaragua except in the case of specific congressional authorization, declared war, or to meet a clear and present danger.

I want to take this opportunity to thank both the distinguished majority whip, the gentleman from Washington [Mr. FOLEY], and the gentleman from Massachusetts [Mr. CONTE], for their diligence in bringing this amendment before us today. I would suggest to my fellow colleagues that the gentlemen's partnership in this effort is illustrative of a consensus which exists in the U.S. Congress and throughout this great Nation, that U.S. military involvement in Central America is contrary to our Nation's interest in that region.

The Foley-Conte amendment is signficiant as much for what it does prescribe as for what it does not. This amendment does clarify what Con-

gress considers to be justifiable reasons for the United States to resort to military involvement in Nicaragua and in doing so, reaffirms the President's authority as Commander in Chief of the U.S. Armed Forces. In accordance with the U.S. Constitution, the Foley-Conte amendment does allow the President to make a determination that a clear and present danger exists and does not diminish the President's authority in this area. In the event of a hostile attack on the U.S. Embassy or to personnel or citizens of the U.S. Government the President would be able to respond in a manner which he deems appropriate. In the same fashion, Congress would also retain the power to authorize the movement of U.S. military personnel into Nicaragua. This amendment does not repeal either the War Powers Act of the Rio Treaty.

As a cosponsor of the original legislation H.R. 1835 from which the amendment was drawn, I urge my colleagues to offer their strong support. As you may recall this body adopted similar language during consideration of last year's defense authorization by an overwhelming margin of 341 to 67. In these violent and confusing times I believe it is vital that Congress safeguard against the capricious use of military force. Accordingly, I urge my colleagues to support the Foley-Conte amendment.●

● Mr. RICHARDSON. Mr. Chairman, until the McDade-Michel-McCurdy bipartisan amendment, I voted against any form of direct aid to the Nicaraguan resistance forces. It was time to show that, while we want to promote democratic reform and a negotiated solution to conflicts in the area, we will continue to apply pressure on the Nicaraguan Government on both the economic and military fronts.

This does not mean, however, that this House has written a blank check for making war. My vote for the bipartisan amendment is fully consistent with my strong support for the Foley amendment. This House ought to maintain a posture of utmost restraint when it comes to introducing U.S. combat troops into Nicaragua. The Foley amendment does this while continuing to honor all provisions of the Inter-American Treaty of Reciprocal Assistance. I urge this House to send a clear message to the American people—our intention is not to escalate U.S. intervention toward an invasion and a full-scale war, but to pressure for compromise and diplomatic solutions to problems in our hemisphere. The Foley amendment does not rule out military intervention if this is necessary to meet a clear and present danger of hostile attack upon the United States, to provide protection for U.S. Embassy personnel or to protect and evacuate U.S. Government personnel or citizens. The amendment also states, as I said before, that none of its provisions invalidate any authority of the United States to act in accordance with the OAS under any of our treaties.

I know that some of my colleagues will argue that this will tie the hands of the President. Well the administration has made it very clear to me that its strategy in the region is to achieve the very goals we sought in the bipartisan amendment. And the Foley amendment makes congressional intent crystal clear. I urge my colleagues to show a strong bipartisan majority in favor of the Foley amendment.●

● Mr. FISH. Mr. Chairmam, I support the Foley-Conte amendment. There has been much debate and concern over what the President's intentions are with regard to Nicaragua. There should be none. The President has made clear, many times, that it is not his intention to seek the military overthrow of the Sandinista government. Earlier this month, in a letter written to one of the cosponsors of the Michel-McDade humanitarian aid package, the President stated unequivocally that his "administration is determined to pursue political, not military solutions in Central America."

We are attempting today, with this amendment, to codify the clear purpose of the President, the Congress, and the American people—that the United States will not be an aggressor in this region. It reaffirms our commitment to a peaceful resolution of the conflict.

This amendment does not restrict the powers of the President to meet the defense needs of our country. It defines the parameters upon which the United States might take up arms. It establishes a procedure for the commitment of troops, while allowing the President the freedom to respond in an emergency. The amendment in no way limits the President's authority to respond to a clear and present danger to our national security or the security of American citizens and Embassy personnel.

I urge my colleagues to join the President in affirming our commitment to a peaceful resolution to the Nicaraguan conflict by supporting the Foley-Conte amendment.●

The CHAIRMAN pro tempore (Mr. RUSSO). The time of the gentleman from Kentucky [Mr. HOPKINS] has expired. All time has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON] to the amendment offered by the gentleman from Washington [Mr. FOLEY], as modified, as amended.

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 235, not voting 12, as follows:

[Roll No. 202]

AYES—186

Archer	Gordon	Nielson
Armey	Gradison	O'Brien
Badham	Gregg	Packard
Barnard	Grotberg	Parris
Bartlett	Hall, Ralph	Pashayan
Barton	Hammerschmidt	Porter
Bateman	Hansen	Quillen
Bentley	Hartnett	Ray
Bevill	Hatcher	Regula
Bilirakis	Heftel	Rinaldo
Bliley	Hendon	Ritter
Boulter	Hiler	Roberts
Breaux	Hillis	Robinson
Broomfield	Hopkins	Roemer
Brown (CO)	Hubbard	Rogers
Broyhill	Hunter	Roth
Burton (IN)	Hutto	Rowland (GA)
Bustamante	Hyde	Rudd
Callahan	Ireland	Saxton
Campbell	Jenkins	Schaefer
Carney	Kasich	Schuette
Chandler	Kemp	Schulze
Chappell	Kindness	Sensenbrenner
Chappie	Kolbe	Shaw
Cheney	Kramer	Shelby
Coats	Lagomarsino	Shumway
Cobey	Latta	Shuster
Coble	Leath (TX)	Siljander
Coleman (MO)	Lent	Skeen
Combest	Lewis (CA)	Skelton
Coughlin	Lewis (FL)	Slaughter
Courter	Lightfoot	Smith (NE)
Craig	Livingston	Smith (NH)
Crane	Lloyd	Smith, Denny
Dannemeyer	Lott	Smith, Robert
Darden	Lowery (CA)	Snyder
Daub	Lujan	Solomon
Davis	Lungren	Spence
DeLay	Mack	Stangeland
DeWine	Madigan	Stenholm
Dickinson	Marlenee	Strang
DioGuardi	Martin (IL)	Stratton
Dornan (CA)	Martin (NY)	Stump
Dreier	McCain	Sundquist
Duncan	McCandless	Sweeney
Eckert (NY)	McCollum	Swindall
Edwards (OK)	McEwen	Tauzin
Emerson	McGrath	Taylor
English	McMillan	Thomas (CA)
Erdreich	Meyers	Thomas (GA)
Fawell	Michel	Valentine
Fiedler	Miller (OH)	Vander Jagt
Fields	Molinari	Vucanovich
Flippo	Monson	Walker
Franklin	Montgomery	Weber
Frenzel	Moore	Whitehurst
Frost	Moorhead	Whittaker
Gallo	Morrison (WA)	Wolf
Gaydos	Murtha	Wortley
Gekas	Myers	Wylie
Gilman	Nelson	Young (AK)
Gingrich	Nichols	Zschau

NOES—235

Ackerman	Biaggi	Coelho
Addabbo	Boehlert	Coleman (TX)
Akaka	Boggs	Collins
Alexander	Boland	Conte
Anderson	Boner (TN)	Conyers
Andrews	Bonior (MI)	Cooper
Annunzio	Borski	Coyne
Anthony	Bosco	Crockett
Applegate	Boucher	Daniel
Aspin	Boxer	Daschle
Atkins	Brooks	de la Garza
AuCoin	Bruce	Dellums
Barnes	Bryant	Dicks
Bates	Burton (CA)	Dingell
Bedell	Byron	Dixon
Beilenson	Carper	Donnelly
Bennett	Carr	Dorgan (ND)
Bereuter	Clay	Dowdy
Berman	Clinger	Downey

Durbin	Lehman (FL)	Roukema
Dwyer	Leland	Rowland (CT)
Dymally	Levin (MI)	Roybal
Dyson	Levine (CA)	Russo
Early	Lipinski	Sabo
Edgar	Long	Savage
Edwards (CA)	Lowry (WA)	Scheuer
Evans (IA)	Lundine	Schneider
Evans (IL)	MacKay	Schroeder
Fascell	Manton	Schumer
Fazio	Markey	Seiberling
Feighan	Martinez	Sharp
Florio	Matsui	Sikorski
Foglietta	Mavroules	Sisisky
Foley	Mazzoli	Slattery
Ford (MI)	McCloskey	Smith (FL)
Ford (TN)	McCurdy	Smith (IA)
Fowler	McDade	Smith (NJ)
Frank	McHugh	Snowe
Fuqua	McKernan	Solarz
Garcia	McKinney	Spratt
Gejdenson	Mica	St Germain
Gephardt	Mikulski	Staggers
Gibbons	Miller (CA)	Stallings
Glickman	Miller (WA)	Stark
Gonzalez	Mineta	Stokes
Goodling	Mitchell	Studds
Gray (IL)	Moakley	Swift
Gray (PA)	Mollohan	Synar
Green	Moody	Tallon
Guarini	Morrison (CT)	Tauke
Gunderson	Mrazek	Torres
Hall (OH)	Murphy	Torricelli
Hamilton	Natcher	Towns
Hawkins	Neal	Traficant
Hayes	Nowak	Traxler
Henry	Oakar	Udall
Hertel	Oberstar	Vento
Horton	Obey	Visclosky
Howard	Olin	Volkmer
Hoyer	Ortiz	Walgren
Hughes	Oxley	Watkins
Jacobs	Panetta	Waxman
Jeffords	Pease	Weaver
Johnson	Penny	Weiss
Jones (NC)	Pepper	Wheat
Jones (OK)	Perkins	Whitley
Jones (TN)	Petri	Whitten
Kanjorski	Pickle	Williams
Kaptur	Price	Wirth
Kastenmeier	Pursell	Wise
Kennelly	Rahall	Wolpe
Kildee	Rangel	Wright
Kleczka	Reid	Wyden
Kolter	Richardson	Yates
Kostmayer	Ridge	Yatron
LaFalce	Rodino	Young (FL)
Lantos	Roe	Young (MO)
Leach (IA)	Rose	
Lehman (CA)	Rostenkowski	

NOT VOTING—12

Bonker	Fish	Loeffler
Brown (CA)	Hefner	Luken
Derrick	Holt	Owens
Eckart (OH)	Huckaby	Wilson

Messrs. ASPIN, SAVAGE, and MITCHELL changed their votes from "aye" to "no."

Mrs. LLOYD changed her vote from "no" to "aye."

So the amendment to the amendment, as modified, as amended, was rejected.

The result of the vote was announced as above recorded.

□ 1420

AMENDMENT OFFERED BY MR. HUNTER TO THE AMENDMENT OFFERED BY MR. FOLEY, AS MODIFIED, AS AMENDED

Mr. HUNTER. Mr. Chairman, I offer an amendment to the amendment, as modified, as amended.

The Clerk read as follows:

Amendment offered by Mr. HUNTER to the amendment offered by Mr. FOLEY, as modified, as amended: In the new section 1050 proposed to be inserted by the amendment, strike out subsection (c) and insert in lieu thereof the following:

"(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

"(1) the Congress has declared war or enacted specific authorization for such introduction; or

"(2) such introduction is necessary—

"(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions or its allies; or

"(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy;

"(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens; or

"(D) to respond to hijacking, kidnaping, or other acts of terrorism involving citizens of the United States or citizens of any ally of the United States.

"(d) EXISTING PROVISIONS PRESERVED.—Nothing in this section shall invalidate any provision of Public Law 93-148.

"(e) TREATY AUTHORITY PRESERVED.—Nothing in this section shall invalidate any authority of the United States to act under the provisions of the Inter-American Treaty of Reciprocal Assistance.

"(f) EXPIRATION UPON ESCALATION.—This section shall not apply when Mig aircraft, or other aircraft of similar design or capability, or nuclear missiles or any other nuclear weapons are introduced into Nicaragua.".

Mr. HUNTER [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. WALKER. Mr. Chairman, I have privileged motion.

The CHAIRMAN pro tempore. The Chair did not hear the gentleman's request.

Mr. WALKER. Mr. Chairman, I have privileged motion.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. HUNTER] be permitted 1 minute to explain his amendment, without debate.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California [Mr. HUNTER] to dispense with reading of the amendment?

Mr. VOLKMER. Mr. Chairman, reserving the right to object, I merely take this time in order to take this reservation go give the gentleman from Washington [Mr. FOLEY] an opportunity to ask questions of the gentleman from California.

Mr. FOLEY. Mr. Chairman, will the gentleman yield to me?

Mi. VOLKMER. I yield to the gentleman from Washington.

Mr. FOLEY. If I understand the gentleman from California's amendment, it is a restatement of the Foley amendment together with all of those amendments that have been adopted by the committee up to this point; is that correct?

Mr. HUNTER. Mr. Chairman, would the gentleman yield so that I may respond to the gentleman?

Mr. VOLKMER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

It includes the amendments that have been adopted with regard to terrorism, with regard to Mig aircraft being installed.

It adds an amendment with regard to nuclear weapons, and it also adds the word "allies" saying that we can meet a clear and present danger of hostile attack upon ourselves, our territories, our possessions, or our allies.

With those exceptions, it is a restatement of the amendments that have been passed during the past 4 hours debate.

Mr. VOLKMER. Mr. Chairman, I withdraw my reservation of objection.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that the amendment be reread.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will reread the amendment.

The Clerk reread the amendment offered by Mr. HUNTER to the amendment offered by Mr. FOLEY, as modified, as amended.

Mr. FOLEY [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington [Mr. FOLEY] that the gentleman from California [Mr. HUNTER] have 1 minute to explain his amendment?

There was no objection.

Mr. HUNTER. I thank the gentleman.

Mr. Chairman, very simply, this amendment lays out the amendments that passed earlier, during the 4-hour debate with regard to the President's right to react and to respond to terrorism, with regard to the United States' right to respond to the introduction of Mig aircraft into Nicaragua and with regard to the right to act under the full authority vested in the President by the Rio Treaty and by the War Powers Act. And, also, with regard to the right to respond to the introduction of nuclear weapons into Nicaragua.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, I see nothing in this amendment that I have any objection to, and I urge its adoption in an effort to try and reach some conclusion.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER] to the amendment offered by the gentleman from Washington [Mr. FOLEY], as modified, as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. HUNTER. Mr. Chairman, I ask for a recorded vote.

The CHAIRMAN. The Chair will count those standing.

An insufficient number has arisen.

The Chair will state to the gentleman from California [Mr. HUNTER] that the Chair counted immediately after the request was made. There were 19 Members standing immediately after the request was made.

A recorded vote was refused.

Mr. HUNTER. Mr. Chairman, I ask for a division.

The CHAIRMAN pro tempore. For what purpose does the gentleman from California [Mr. HUNTER] rise?

Mr. HUNTER. Mr. Chairman, I ask for a division.

Mr. Chairman, I withdraw my request.

So the amendment to the amendment as modified, as amended was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. FOLEY], as modified, as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. The Chair would ask the Members of the House to add dignity to the proceedings. There are people watching the proceedings. We do not need to act as children in the House of Representatives.

The vote was taken by electronic device, and there were—ayes 312, noes 111, not voting 10, as follows:

[Roll No. 203]

AYES—312

Ackerman	Barton	Borski
Addabbo	Bates	Bosco
Akaka	Bedell	Boucher
Alexander	Bereuter	Boxer
Anderson	Berman	Breaux
Andrews	Bevill	Brooks
Annunzio	Biaggi	Broomfield
Anthony	Boehlert	Brown (CO)
Applegate	Boggs	Bruce
Archer	Boland	Bryant
Aspin	Boner (TN)	Burton (CA)
Atkins	Bonior (MI)	Byron
Barnes	Bonker	Callahan
Carper	Jacobs	Ray
Chandler	Jeffords	Regula
Chappie	Jenkins	Reid
Clinger	Johnson	Richardson
Coats	Jones (NC)	Ridge
Coelho	Jones (OK)	Rinaldo
Coleman (MO)	Jones (TN)	Roberts
Coleman (TX)	Kanjorski	Robinson
Collins	Kaptur	Rodino
Conte	Kasich	Roe
Conyers	Kennelly	Rogers
Cooper	Kildee	Rose
Coughlin	Kleczka	Rostenkowski
Courter	Kolter	Roth
Coyne	Kostmayer	Roukema
Craig	Kramer	Rowland (CT)
Crockett	LaFalce	Rowland (GA)
Dannemeyer	Lagomarsino	Russo
Darden	Lantos	Sabo
Daschle	Leach (IA)	Saxton
Daub	Lehman (CA)	Scheuer
Davis	Lehman (FL)	Schneider
de la Garza	Lent	Schroeder
Derrick	Levin (MI)	Schuette
Dicks	Levine (CA)	Schulze
Dingell	Lewis (CA)	Schumer
DioGuardi	Lewis (FL)	Seiberling
Dixon	Lightfoot	Sensenbrenner
Donnelly	Lipinski	Sharp
Dorgan (ND)	Lloyd	Shaw
Dowdy	Long	Shelby
Downey	Lowery (CA)	Sikorski
Duncan	Lowry (WA)	Siljander
Durbin	Lundine	Sisisky
Dwyer	MacKay	Skelton
Dyson	Madigan	Slattery
Early	Manton	Smith (FL)
Eckart (OH)	Markey	Smith (IA)
Edgar	Martin (IL)	Smith (NE)
Edwards (OK)	Martin (NY)	Smith (NJ)
English	Martinez	Smith, Robert
Erdreich	Matsui	Snowe
Evans (IA)	Mavroules	Snyder
Evans (IL)	Mazzoli	Solarz
Fascell	McCloskey	Solomon
Fazio	McCurdy	Spratt
Feighan	McDade	St Germain
Fiedler	McGrath	Staggers
Flippo	McHugh	Stallings
Florio	McKernan	Stangeland
Foglietta	McKinney	Stark
Foley	Meyers	Stokes
Ford (MI)	Mica	Strang
Ford (TN)	Mikulski	Studds
Fowler	Miller (CA)	Swift
Frank	Miller (OH)	Swindall
Frenzel	Miller (WA)	Synar
Fuqua	Mineta	Tallon
Gallo	Mitchell	Tauke
Garcia	Moakley	Thomas (GA)
Gaydos	Molinari	Torres
Gejdenson	Mollohan	Torricelli
Gephardt	Moody	Traficant
Gibbons	Moore	Traxler
Gilman	Morrison (CT)	Udall
Glickman	Morrison (WA)	Vander Jagt
Gonzalez	Mrazek	Vento
Goodling	Murphy	Visclosky
Gordon	Murtha	Volkmer
Gradison	Natcher	Walgren
Gray (IL)	Neal	Watkins
Gray (PA)	Nichols	Waxman
Green	Nowak	Weaver
Gregg	Oakar	Wheat
Guarini	Oberstar	Whitehurst
Gunderson	Obey	Whitley
Hall (OH)	Olin	Whittaker
Hamilton	Ortiz	Whitten
Hatcher	Panetta	Williams
Hawkins	Parris	Wirth
Heftel	Pashayan	Wise
Hendon	Pease	Wolf
Henry	Penny	Wolpe
Hertel	Pepper	Wortley
Hiler	Perkins	Wright
Hillis	Petri	Wyden
Horton	Pickle	Wylie
Howard	Porter	Yatron
Hoyer	Price	Young (AK)
Hughes	Pursell	Young (MO)
Hutto	Rahall	Zschau

NOES—111

Armey	Badham	Bartlett
AuCoin	Barnard	Bateman
Beilenson	Grotberg	Nielson
Bennett	Hall, Ralph	O'Brien
Bentley	Hammerschmidt	Oxley
Bilirakis	Hansen	Packard
Bliley	Hartnett	Quillen
Boulter	Hayes	Rangel
Broyhill	Hopkins	Ritter
Burton (IN)	Hubbard	Roemer
Bustamante	Hunter	Roybal
Campbell	Hyde	Rudd
Carney	Ireland	Savage
Chappell	Kastenmeier	Schaefer
Cheney	Kemp	Shumway
Clay	Kindness	Shuster
Cobey	Kolbe	Skeen
Coble	Latta	Slaughter
Combest	Leath (TX)	Smith (NH)
Crane	Leland	Smith, Denny
Daniel	Livingston	Spence
DeLay	Lott	Stenholm
Dellums	Lujan	Stratton
DeWine	Lungren	Stump
Dickinson	Mack	Sundquist
Dornan (CA)	Marlenee	Sweeney
Dreier	McCain	Tauzin
Dymally	McCandless	Taylor
Eckert (NY)	McCollum	Thomas (CA)
Edwards (CA)	McEwen	Towns
Emerson	McMillan	Valentine
Fawell	Michel	Vucanovich
Fields	Monson	Walker
Franklin	Montgomery	Weber
Frost	Moorhead	Weiss
Gekas	Myers	Yates
Gingrich	Nelson	Young (FL)

NOT VOTING—10

Brown (CA)	Holt	Owens
Carr	Huckaby	Wilson
Fish	Loeffler	
Hefner	Luken	

□ 1440

Messrs. RANGEL, ROEMER, HANSEN, CHAPPELL, LELAND, THOMAS of California, and BENNETT changed their votes from "aye" to "no."

So the amendment, as modified, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. DELLUMS:

—Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Authorization Act, 1986".

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to authorize appropriations for the Department of Defense for fiscal year 1986 at levels consistent with a strong national defense and a sound national economy;

(2) to minimize the risk of nuclear confrontation;

(3) to eliminate areas of waste and abuse in the budget of the Department of Defense for fiscal year 1985;

(4) to provide for improved military personnel policies designed to enhance readiness and morale; and

(5) to make other improvements in the management of the Department of Defense.

TITLE I—PROCUREMENT

SEC. 101. AUTHORIZATION OF APPROPRIATIONS, ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft, missiles, weapons and tracked combat vehicles, ammunition, and for other procurement for the Army as follows:

For aircraft, $2,516,200,000.

For missiles, $1,141,200,000.

For weapons and tracked combat vehicles, $2,469,700,000.

For ammunition, $2,338,900,000.

For other procurement, $4,743,200,000.

SEC. 102. AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS.

Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft, weapons (including missiles and torpedoes), naval vessels, and for other procurement for the Navy and Marine Corps as follows:

For aircraft, $7,889,600,000.

For weapons (including missiles and torpedoes), $3,542,100,000.

For naval vessels, $4,817,300,000.

For other procurement, $5,266,300,000.

For procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons), $1,674,700,000.

SEC. 103. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft and missiles and for other procurment for the Air Force as follows:

For aircraft, $13,570,800,000.

For missiles, $5,763,600,000.

For other procurement, $8,165,000,000.

SEC. 104. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement by defense agencies in the amount of $500,000,000.

SEC. 105. LIMITATION ON ARMY PROCUREMENT.

None of the funds appropriated pursuant to authorizations of appropriations in this title may be obligated or expended for the Pershing II missile program.

SEC. 106. LIMITATIONS ON NAVY PROCUREMENT.

None of the funds appropriated pursuant to authorizations of appropriations in this title may be obligated or expended for the sea-launched cruise missile program.

SEC. 107. LIMITATIONS ON AIR FORCE PROCUREMENT.

None of the funds appropriated pursuant to authorizations of appropriations in this title may be obligated or expended for—

(1) the MX missile program;

(2) the ground-launched cruise missile program;

(3) the B-1B bomber program; or

(4) antisatellite weapons.

SEC. 108. PROHIBITION OF ACQUISITION OF BINARY CHEMICAL WEAPONS.

None of the funds appropriated pursuant to an authorization of appropriations in section 101 may be obligated or expended to purchase binary chemical weapons.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces for research, development, test, and evaluation in amounts as follows:

For the Army, $4,546,700,000.

For the Navy (including the Marine Corps), $7,252,400,000.

For the Air Force, $11,748,200,000.

For the Defense Agencies, $4,135,300,000.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1986 such additional sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 202. LIMITATION ON FUNDS FOR THE ARMY.

None of the funds appropriated pursuant to an authorization of appropriations in section 201 may be obligated or expended for—

(1) the Pershing II missile program; or

(2) the ballistic missile defense program.

SEC. 203. LIMITATIONS ON FUNDS FOR THE NAVY.

None of the amount appropriated pursuant to the authorization in section 201 for the Navy may be used for—

(1) the Trident II missile program; or

(2) the sea-launched cruise missile program.

SEC. 204. LIMITATIONS ON FUNDS FOR THE AIR FORCE.

None of the amount appropriated pursuant to the authorization in section 201 for the Air Force may be used for—

(1) the MX missile program;

(2) the ground-launched cruise missile program;

(3) the B-1B bomber program; or

(4) antisatellite weapons.

SEC. 205. LIMITATIONS ON FUNDS FOR THE DEFENSE AGENCIES.

None of the amount appropriated pursuant to the authorization in section 201 for the Defense Agencies may be used for antisatellite weapons.

SEC. 206. PROHIBITION OF DEVELOPMENT OF BINARY CHEMICAL WEAPONS.

None of the funds appropriated pursuant to an authorization of appropriations in section 201 may be obligated or expended for research, development, test, or evaluation of binary chemical weapons.

TITLE III—OPERATION AND MAINTENANCE

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) Funds are hereby authorized to be appropriated for fiscal year 1986 for the military functions of the Department of Defense for operation and maintenance in the amount of $78,272,000,000.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1986 such additional sums as may be necessary—

(1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in such subsection;

(2) for unbudgeted increases in fuel costs; and

(3) for increases as the result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. ELIMINATION OF NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE.

None of the funds appropriated pursuant to an authorization of appropriations in section 301 may be obligated or expended for the National Board for the Promotion of Rifle Practice.

TITLE IV—WORKING CAPITAL FUNDS

SEC. 401. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working capital funds, in the amount of $1,860,000,000.

TITLE V—ACTIVE FORCES

SEC. 501. ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1986, as follows:

(1) The Army, 751,300.

(2) The Navy, 541,050.

(3) The Marine Corps, 192,500.

(4) The Air Force, 565,800.

TITLE VI—RESERVE FORCES

SEC. 601. AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE.

(a) For fiscal year 1986 the Selected Reserved of the reserve components of the Armed Forces shall be programmed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 398,010.

(2) The Army Reserve, 291,900.

(3) The Naval Reserve, 94,000.

(4) The Marine Corps Reserve, 41,900.

(5) The Air National Guard of the United States, 108,700.

(6) The Air Force Reserve, 63,736.

(7) The Coast Guard Reserve, 10,700.

(b) The average strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active day (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 602. AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) Within the average strengths prescribed in section 601, the reserve components of the Armed Forces are authorized, as of September 30, 1986, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 19,750.

(2) The Army Reserve, 10,700.

(3) The Naval Reserve, 11,680.

(4) The Marine Corps Reserve, 1,475.

(5) The Air National Guard of the United States, 6,815.

(6) The Air Force Reserve, 545.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

SEC. 603. INCRERASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS.

(a) The table in section 517(b) of title 10, United States Code, is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	517	175	80	9
E–8	2,296	381	358	74".

(b) The table in section 524(a) of such title is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or lieutenant commander	2,476	875	476	100
Lieutenant colonel or commander	1,240	520	318	60
Colonel or Navy captain	360	177	189	25".

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1985.

TITLE VII—CIVILIAN PERSONNEL

SEC. 701. AUTHORIZATION OF END STRENGTH.

The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1986 or with respect to the appropriation of funds for that year.

TITLE VIII—MILITARY TRAINING STUDENT LOADS

SEC. 801. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) For fiscal year 1986, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 57,990.

(2) The Navy, 65,130.

(3) The Marine Corps, 18,300.

(4) The Air Force, 46,300.

(5) The Army National Guard of the United States, 7,500.

(6) The Army Reserve, 8,500.

(7) The Naval Reserve, 1,050.

(8) The Marine Corps Reserve, 2,840.

(9) The Air National Guard of the United States, 2,380.

(10) The Air Force Reserve, 1,405.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1986 shall be adjusted consistent with the manpower strengths authorized in titles V and VI of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

The CHAIRMAN pro tempore. Pursuant to House Resolution 169, the amendment in the nature of a substitute is considered as having been read.

The gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes and the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, we are now in the waning hours of a very important debate on the national defense of this country. I have offered an amendment in the nature of a substitute to the entire bill offered by my distinguished colleagues on both sides of the aisle on the Armed Services Committee.

I would like to begin by saying to my colleagues that I do not offer this alternative amendment with a view toward trying to obtain a vote an hour or so from now; I do not offer this alternative to polarize this body, but rather Mr. Chairman, Members of the Committee, I offer this alternative to challenge my colleagues to begin to think anew and to think in very different and creative ways about how we approach the matter of our national security and our national defense.

Mr. Chairman, I would like to begin the discussion by first pointing out what I believe to be wrong with the process by which we assess our national security needs. Let us look at the process, Mr. Chairman.

As I said, I would like to begin by exploring what I believe to be what is wrong with the debate that has occurred over the last several days.

Begin by taking a look at the process itself. The first assertion that I would make is that my colleagues, the majority of my colleagues, tend to opt out of this debate. Why do they opt out? Several reasons.

No. 1, Mr. Chairman, I think that most of my colleagues in this body opt out of this debate because there is literally no political benefit in participating in this discussion or this debate.

Why are there no political benefits? Because many of my colleagues are driven by the fear that their constituency fears the Soviets, fears that the Russians are coming, fears communism, and for them to risk political currency by participating in this debate, and making certain kinds of statements on the floor opened themselves up to the criticism that in some way they are soft on defense, which then equals soft on communism, which then equals un-American.

So many of my colleagues simply opt out because they do not want to have anything to do with putting themselves in that vulnerable position, and I think that there are many bright and intelligent people here whose points of view and thoughts and ideas we desperately need to hear, but who walk away from this discussion and this debate.

We tend to have 20 or 30 Members on this side of the aisle on the high side; 20 or 30 Members on the other side of the aisle on the high side; and so this group of Members tend to do all of the discussing and all of the debating; 370 to 400 of my colleagues tend to walk away from this debate.

The second reason why I think many Members do not debate on the military bill is because we tend to raise the level of the discussion to a rather pseudo-intellectual or pseudo-technological approach to these weapons systems: How much explosive power, how much accuracy, how much range, et cetera.

□ 1450

So many of my colleagues dazzle many of my other colleagues with the level of their technological expertise; so many Members, not wanting to be embarrassed on the microphone, embarrassed by the cameras, choose to walk away from the discussion, again losing very important knowledge and very important political consideration and political concern.

There is not one of us in this body who campaigned to come to this body who did not in the course of their campaigning discuss matters of national security, the military budget, and foreign policy. Yet when they come to this body, they walk away from this debate. They only come back in on the floor when we tend to vote.

So I think we have to look at the process that forces many of our colleagues to opt out and to walk away from this debate.

No. 2, we now have listed in the RECORD over the past couple of weeks in excess of 150 amendments. To have over 150 amendments on this bill ought to say something to us. I am not certain what it says, but it certainly must say something loudly. Perhaps it says that Members in this body do not feel that they are represented on the Armed Services Committee. And there are amendments that range the full scale of seriousness. But 150 amendments say something that is flawed about this process, that challenges my colleagues, again, to participate in this piecemeal fashion.

I would like at this point to make a significant call to all of my colleagues in this body, all 434 Members, to significantly participate in this debate, because no matter what committee on which you serve, no matter what your interest, if you want to have funds to engage in the programs that you see important, you must come to this debate. This is the largest single authorization and appropriation that we discuss in any year. So whether you are interested in education or whether you are interested in the arts of whether you are interested in energy, or whatever, dealing with illiteracy, dealing with unemployment, with poverty, with child development, with mental health, whatever concerns you have, that concern must force you to come into this debate, and I make a call that all of you must participate. And I am frustrated and alarmed at the fact that the majority of my colleagues tend to opt out.

Again, why do some people opt out? Fear, incredible fear. Many of my colleagues have allowed themselves to be totally paralyzed by the fear that in some way they will be subject to name calling, as Members get on the floor,

"You rightwing," "you leftist," "you liberals," "you progressive," "you peaceniks," and so many people do not want to come into the well to expose themselves of that kind of criticism and that kind of challenge. But I would suggest that fear should not paralyze us from participating in this process. To not participate diminishes oneself, diminishes one's constituency, and, as I said before, paralyzes and diminishes the very process by which we ought to arrive at problem solving.

If there is partisan debate and partisan discussion, let that take place in campaigns. When the campaigns are over, the political focus must then shift to one of how we govern this Nation, and we need everyone's participation.

There is also another reason why this process is flawed. We tend to start in this debate from the premise that America is a weak, defenseless Nation. We tend to talk about missiles, not whether we add 500 missiles to the 26,500 missiles we have; we tend to debate whether it is zero missiles versus 500 missiles, or whether it is zero tanks versus 1,000 tanks, zero planes versus 1,000 planes. But we all know that is an absurdity. Instead of our looking at the reality that we are indeed the most powerful Nation militarily that has ever emerged in the history of this planet, we tend to come into this debate in just the reverse fashion, and I think that distorts the process, because we bang the table, "We need 500 missiles," and we give the impression that we are starting with zero missiles or that we are starting with zero tanks or zero planes or zero other things.

So we paralyze the process with this kind of incredible distortion, and we all know the reality. This debate tends to occur on the margins. It is 500 missiles versus 26,500. It is 1,000 tanks versus 80,000 tanks. It is 500 planes versus many, many planes.

Let us look at another factor that flaws the process. In the past, our debate on the military budget has tended to focus on numbers. My distinguished colleagues have allowed themselves to be reduced to auctioneers, as I have said before, "Can I hear it for 10 percent real growth? Can I hear it for 7 percent real growth?" And if you are a moderate liberal, you go for 5 percent real growth. If you are a far-out liberal, you go for 3 percent real growth. If you are way off the planet, you go for zero growth. So we tend to be auctioneers here. We talk about dollars; we talk about money; but rarely do we engage each other in the basic policy questions that must be asked.

The committee, for example, upon which I serve, with all due respect to my colleagues, we rarely hear opposing points of view, we rarely hear constructive alternatives from the broader community, scientists and philosophers and community people who have a different positive and constructive view of what our national security problems are, our national security needs are, what our foreign policy ought to be, what an intelligent military budget ought to be. We rarely hear from them. We tend to hear one point of view because we are in the business of bureaucratically moving a bill to the floor of Congress, hurrying up to get through 150 amendments so we can all breathe a sigh of relief and say, "We have now passed the DOD authorization bill for fiscal year 1986; let us get on with the next item." But rarely do we engage each other.

My distinguished colleague, the gentleman from Wisconsin, the chairman of the committee, offered an amendment, the largest single cut in this budget, $10 billion. The Armed Services Committee worked its will. We brought a bill, but it was out of sync with the budget that this House developed, so we had to reduce by $10 billion. The gentleman from Wisconsin brought an amendment to reduce the budget by $10 billion, and it passed in a matter of moments. I doubt very seriously if a handful of my colleagues on the floor other than the Armed Services Committee members even understood what the $10 billion cut does.

I would suggest to you in no uncertain terms that all of the other machinations we have entered into since my colleague offered the $10 billion amendment have not in their totality equaled that amendment. So we nickeled and dimed our way to this moment, without asking an important basic philosophical or policy question whatsoever.

I think for all these reasons that this is flawed. Let us look, for example, at the House-Senate budget conference at this very moment. They are not only tied up on the issue of the cost-of-living adjustments in Social Security, but the House has taken a zero growth position on the military budget. The Senate has taken a 3 percent real growth position on the military budget. And the House and the Senate cannot quite come together, but neither side has asked: What are the policy differences in 3 percent no growth, zero growth, and 3 percent real growth?

We are auctioning numbers. Three percent appears to be responsible; zero growth appears to be irresponsible; and vice versa. And the accusations fly like arrows in the sky. But we rarely challenge each other as to the policy implications and the policy consideration that make these differences.

So I am saying to my colleagues that I believe that this process is very significantly flawed by virtue of the basic questions that are not asked.

Mr. LEWIS of California. Mr. Chairman, will my colleague yield?

Mr. DELLUMS. I yield to the gentleman from California.

□ 1500

Mr. LEWIS of California. I thank the gentleman for yielding.

I have been listening to the gentleman and I appreciate his points, and he has attracted the attention of a Member that does not serve on the committee, and I really do believe I should participate in this debate.

I rise to ask some questions regarding what the gentleman's substitute would do.

Mr. DELLUMS. If I might take back my time for a moment, I am going to make that statement.

Mr. LEWIS of California. I would like to raise some very specific questions if you would. I will not take much of your time. I know you do have an hour, but just a moment.

Mr. DELLUMS. If I might reclaim my time. I want to engage the gentleman, if the gentleman would permit me, I have sat here.

Mr. LEWIS of California. You have asked me to participate and I just would like to ask some questions.

Mr. DELLUMS. I want you to participate. Just allow me to make my statement on which the budget is based, and then let us have at it.

Mr. LEWIS of California. I do not mean to be contentious; I think I know where the gentleman comes from. I am looking at your amendment, and I think I know where the gentleman comes from, and you are asking for things like—cannot even believe it.

Under the Army, for aircraft, you are asking for $2,516,000,000 of aircraft. You are asking for missiles, $1,141,000,000 for missiles. For weapons, you are asking for $2,469,000,000. I can believe the gentleman is asking for that kind of money. After all, I know that you are opposed, it seems to me that you are for peace; why would you be asking for those missiles?

Mr. DELLUMS. I think the gentleman is asking me a great question. I appreciate that question because for 14½ years we tried to struggle here, and a number of our colleagues have taken a very distorted view. What this gentleman's position is this: We ought to spend whatever is necessary for the defense of this country. What this gentleman disagrees with is what the committee and the President perceives as the national security needs. We ought to spend whatever is necessary. Let me just add one comment.

Mr. LEWIS of California. In the aircraft, $13 billion.

The CHAIRMAN pro tempore. The Chair would state the time is under the control of the gentleman from California [Mr. DELLUMS].

Mr. LEWIS of California. I appreciate the gentleman's courtesy.

Mr. DELLUMS. I will just say, let us in the comity of the House, not step on each other's lines.

I yield to the gentleman.

Mr. LEWIS of California. I am astonished, I must say. The gentleman from California is a friend, I have known him for years.

I see in the Air Force he is asking for $13 billion-plus for aircraft. The gentleman is for peace. Why do we need all those aircraft.

Mr. DELLUMS. Let me just answer the gentleman. I hope the gentleman is asking the question in good faith. What this gentleman is trying to do, if the gentleman is asking do you have to come in with a zero military budget to be for peace, this gentleman is not irrational.

Interesting thing is that what we have tried to do is to offer a military budget within the framework of the reality of what has transpired in this body. For example, this particular alternative, interestingly enough, is $9 billion above the fiscal year 1985 figure for what reason? Because we have engaged in prior year authorizations that forced the figure up. This gentleman is not an irrational person.

What I am saying is, let us begin the process of looking at basic policy considerations. The reason why I wanted the gentleman to ask me that question in a few moments is because I wanted to lay the basic policy issues and questions that must be raised and against that backdrop, develop a military budget.

We have raised a number of questions and we have developed a military budget. That budget is a responsible budget that we have tried to develop. One does not have to be for peace and call for a zero military budget. We understand the real world.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman.

Mr. ROEMER. I thank my colleague. I appreciate his opening statement and I want to share with him two feelings: Time is finite: we do not have a lot of it. Second, the process is flawed.

I will remain and listen to the gentleman's presentation. I respect him that much. I would ask that he hold to his own outline, though. In your opening statement you said that there are basic, fundamental, and philosophical questions about defense that ought to be raised and are not raised. I would like to ask the gentleman to raise them and show us how his substitute fits those questions.

Mr. DELLUMS. All right. That is why I was asking my colleague to withdraw for a moment.

I yield to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Frankly, I had planned to go elsewhere; a place where you and I would have preferred to be. Nonetheless, having said that, I intend to stay. I would raise the same question that my colleague, Mr. ROEMER just raised. The reason for addressing the numbers is by way of laying the foundation to discuss those philosophical differences that are fundamental.

Mr. DELLUMS. This gentleman just wanted to do it in the reverse, because again I think we are trapped in the numbers and I am trying to break us out, and I appreciate my colleague.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman.

Mr. AUCOIN. I thank the gentleman for yielding. Although I do not agree with the gentleman on every amendment the gentleman offers, I appreciate very much the work the gentleman from California put in on this bill as a member of the House Armed Services Committee each and every year.

I do not know why the other gentleman from California would be surprised that the gentleman from California has moneys in his substitute for defense. For aircraft, for other kinds of weapons. Why would he be amazed that the gentleman would have moneys even millions of dollars, in his substitute for defense? For weapons that would provide for defense?

The only reason that I could think of that anyone would be amazed is if one thinks that those of us who have been critical of certain aspects——

The CHAIRMAN pro tempore. The gentleman will suspend.

The Chair would state that we are under controlled time. The Chair advises the gentleman from California that he has consumed 20 of the 30 minutes allotted to him under the rule.

The gentleman from Wisconsin has 30 minutes under the rule as well.

Mr. DELLUMS. Mr. Chairman, I continue to yield to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. The only reason that I can see is that somehow there is a notion that if anyone such as the gentleman from California takes the well and criticizes some aspect of a weapons spending idea proposed by those in the administration or downtown that therefore he is against all defense. I do not believe the gentleman is against defense. I believe he wants a sound defense. The point he is getting at is that there are certain principles that ought to govern this debate, and they have been absent in the debate that has been taking place over the last several days.

We debate numbers, levels, kick things around one way or the other, willy-nilly, and never do you hear the real philosophy of counterforce, countervalue, these kinds of concepts which really represent life and death, war and peace.

I compliment the gentleman from California, and no one should be amazed at all that the gentleman provides funds for this country's defense.

Mr. DELLUMS. I thank my colleague for his remarks and I yield to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. I thank my friend for yielding, and I want to commend the gentleman for taking the well on such a very important issue.

I have always given credit to you, Mr. DELLUMS, for raising the awareness factor among all of us here in the Congress of the United States relative to good and meaningful debate. I think your initiatives have been outstanding; I want all my colleagues to know that that is how I feel about you.

Mr. DELLUMS. Thank you.

Mr. MAVROULES. Mr. ROEMER suggested to you that you give to us your philosophy which I certainly agree with, but I wonder if you might touch upon one other thing, and I think you are keying in on it, and you and I have discussed this a number of times.

I think we are deliberating under a paranoia system. You know, you build, I build; I build, you build. Really, when we have all these books that come out and tell about all the military, Soviet military power, naturally people want to react to that. I just wonder, Mr. DELLUMS, if you can touch upon that as to why we do not get all the information, you and I and Members of Congress, relative to the qualitative aspects of our military, which is very difficult to receive, so that we can make an honest comparison.

Mr. DELLUMS. I thank my colleague, and in the course of my remarks I will try to touch upon that.

Let me go back now to the outline that this gentleman tried to lay out earlier. What kinds of questions should we be asking? For example, what is the role of nuclear weapons in our lives? A very basic and straightforward question.

□ 1510

If the strategy is one of deterrence, and that is that we should never unleash the terror and the incredible death and destruction that is the reality of nuclear warfare, then that leads us in another direction.

So we must ask ourselves, as Members of Congress and as American people, what is the role of nuclear weapons in our lives? I choose to believe that it is never to use them. I choose to believe that anyone who thinks we can fight and survive and win a nuclear war is living in an absurd world, and if one can come to that, we can begin to walk away from certain weapons that lead us flawlessly

and consistently toward a war-fighting capability.

Question: Can we think of nuclear weapons in the same way that we think of conventional weaponry? I have quoted Lord Mountbatten many times on this floor, who said before he died that the one incredible reality of nuclear weapons is that they cannot be counted as military weapons because they can never be used because of their awesome capacity to destroy life. He further pointed out that the danger that imperils life on this planet is in the illusion that they can be used.

If you agree with that answer that we cannot count nuclear weapons in the same way we count conventional forces, then my question is: Why are we developing nuclear weapons with greater capacity to destroy, that blur the distinction between conventional and nuclear weapons that make nuclear war more possible?

Another policy question: Because we tend to talk about modernizing, because we live in a world where things become obsolete, have we ever asked the question among ourselves does certain levels of modernization of our nuclear capability take us beyond the bounds of arms control? Stated a different way, are we developing such exotic levels of nuclear technology that they create such extraordinary problems of verification that you pull the very rug out from under the arms control process that many of us in this body embrace?

Does certain deployment of nuclear weapons increase the danger? We have not really focused on these questions. In the D-5 debate, for example, the issue of war-fighting capability came up, but only in the narrow confines of debating that particular weapon system, but we never stepped back to look at whether or not we want to pursue a policy of nuclear war-fighting or continue to pursue a policy of deterrence, or whether the decision we make on D-5 or MX or whatever begins to radically alter that posture.

Another question: Is the cold war, for example, an appropriate backdrop for our national security needs, our foreign policy, our military budget? Is it enough to say the Soviets are there, we are here, and the rest of the world is terrain against which we act out this elaborate superpower struggle? Is it enough to say, "The Russians are coming," to move in this direction? Is it enough to say if the Soviets want to dive off of an economic cliff that we have to dive off that cliff with them?

Is it enough to allow the cold war to masquerade as our foreign policy? Is it enough to focus on the East-West dimensions of our struggle to the virtual exclusion of the North-South dimension?

There is poverty and hunger and human misery in the world. I just heard last night on a television program that tens of millions of people will die in the Sudan in the next year and we are focusing on the East-West struggle, and there is pain and human misery in the world.

Is our policy of containment that we started with in the 1940's appropriate as we evolve through the decade of the 1980's, or do we have to expand our parameters, expand the parameters of the discussion, expand the parameters of the debate?

With respect to the policy objectives that underlie this budget alternative, we said that the debate on military spending should not focus simply on the numbers but upon what our national security needs are all about. We believe that focusing on the numbers is an incorrect focus. Defense spending must be analyzed in terms of our foreign and military objectives. If increased spending is necessary to ensure national security, then let us have the sufficient amount of moneys to make sure that our national security is preserved.

But we strongly disagree with what some Members believe is our national security needs, and what a sufficient military budget really is. The national security role of the United States must be to exert international leadership to bring the world closer to peace. Military tensions must be eased. Détente must be revived and the threat of nuclear war has to be reduced. Arms escalation is not the future for ourselves and our children and our children's children. Bringing the world within the confines of arms control is appropriate.

What are the major themes of this proposal, I would say to my colleagues? To lessen the threat of nuclear war through support of arms control initiatives leading to major weapons elimination. You can ask yourself what are the destabilizing nuclear weapons? What are the first-strike nuclear weapons in this budget? What are the weapons that take us closer to the brink of thermonuclear disaster? You can cut those weapons out. You can reduce the military budget.

What is an appropriate foreign policy role? Again, it is the cold war? Is an interventionist foreign policy appropriate as we, as we vow through the 1980's? Is intervening in Third World countries an appropriate role for such a magnificent, wealthy, and power nation as the United States? Should we be intervening militarily in Third World countries where the real problems are poverty and hunger and disease and starvation and death and pain and stench? Are we now trying to take the East-West struggle into areas of poverty and human misery? Is an interventionist foreign policy appropriate?

If it is not, then why should we have the rapid deployment force? As one of the Presidential candidates said, it is not rapid, it is not deployable, and it is not a force. We already have a rapid deployment force. It is called the Marine Corps. Why do we need an additional one? Why do we need to expand our carrier task force to 15, with all of the accompanying ships and planes and personnel and billions of dollars that escalate in that regard when one of our Navy officers indicated to me, commanders, that if the United States and the Soviet Union went to war in the Atlantic, the life span of an aircraft carrier will be 5 minutes?

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DELLUMS] has expired.

Mr. ASPIN. I yield 10 additional minutes to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding this additional time to me.

Mr. Chairman, we are talking about billions of dollars building more carriers and more planes and more escort ships. If it is a noninterventionist foreign policy that we seek, then we do not need the rapid deployment force. We do not need to expand in this area. You can reduce our military budget in that respect.

Let us look at our role in Europe and Asia. How many times have we on this floor raised the question of whether or not 35 to 45 percent of our total military budget is devoted to a NATO scenario; 35 to 45 percent of our national budget? But we have never, ever, debated on the floor of this Congress what our role in NATO is all about.

What should be our role in NATO? Is the concept of NATO obsolete? What are the real threats? Do we really need to continue to beef up our conventional forces when almost half of our military budget is already directed toward NATO, but we tend to do it, saying we reduce the nuclear threshold by expanding our conventional capability rather than looking at what the threat is and what our policy ought to be.

Fifteen to twenty percent of this budget is directed toward Asia. Why do we have so many troops in South Korea? We need to look at that. We need to look at that in very clear and unequivocal terms, not against a paralyzing, paranoid fear of us versus the Soviets, but what our real national security needs and implications are.

So those of us who raise these issues should not have to be challenged as in some way un-American or some kind of peacenik, which means that is a bad word. I think being for peace is a fantastic word. I think being for the preservation of life on this planet is an incredible concept. But when you stand up on the floor of this Congress and assert these points of view on the military budget, in some kind of way you

are soft on defense or you are soft on communism.

□ 1520

This is an absurdity. We have to take ourselves beyond this kind of pedestrian and mundane and earthbound discussion and begin to challenge each other intellectually on a much higher order of magnitude.

I would say to my colleagues, in addition, that we have discussed ideas to seriously redirect the procurement activities and to reduce waste, fraud, and abuse. Well, over the last 2 days we engaged in an incredible debate in that regard. But think about it. I am very pleased that we have engaged in a number of reforms, but we must understand that we all know it is much safer to talk about waste, fraud, and abuse than it is to take on a weapons system or to challenge a policy in a foreign country.

Our constituents can understand a $400 ashtray, a $600 toilet, a $1,000 wrench, a $2 bolt, and a $1 nut, so Members can get up and show that they challenge the Pentagon, they engaged in some reform, because this does not require them to step out there politically, and thus it is safe. But I am happy that we have at least engaged in that because the American people are being ripped off by waste, fraud, and abuse, and we need to do that. But I think we have to go beyond just challenging procurement policies. The real waste and abuse in the military budget is not just the procurement policies, it is the waste that flows from weapons systems that we do not need.

For example, we just started down the road toward the development of star wars. In the not too distant future we will spend somewhere in the neighborhood of $70 billion of American taxpayer funds. Here is the question: Just stop for a moment and allow your mind to flow easy. What could we do in this country over the next several years with $70 billion?

I would say to my colleagues, the gentleman from Louisiana, that for the school he wants to build for those children who are in jeopardy in his congressional district, he could build thousands of them. To my colleagues who want to build homes for the homeless, to my colleagues who want to deal with mental health, think about all the incredible poetry that flows from the use of $70 billion.

But what are we going to do with it? We are going to put it in space. We are going to give it to somebody to do research and development to give us some false sense of security so that in some way we can defend ourselves from the onslaught of thermonuclear war.

I am saying to my colleagues that these are the kinds of questions that must be raised. It is not just reform in the procedures; it is having the courage to approach these weapons systems within the framework of broad policy.

I would say to my colleagues on this side of the aisle, the Democrats, that it is not enough to be the flip side of the same coin of the opposition party. What makes our political process healthy, what keeps us honest, is when there are competing points of view, when there are competitive ideas, not when we are all walking lockstep in the same perspective. That is what happened in Germany in the 1930's. What we are talking about here is competing ideas, fresh, new thoughts, and we must have the courage as Democrats to say: If you believe in escalation, we want arms control; if you want big military budgets, we want to get a handle on it. It is not enough to say, let us challenge communism at $290 billion as opposed to $310 billion. What I am saying is, let us begin to rethink how we approach the world. The world is becoming a very dangerous place.

Finally, the best defense for the United States in the nuclear age is constructive arms negotiation free of ideological posturing that will enable both sides to move to significant arms reduction rather than escalating to new levels of overkill and nuclear insanity. The current arms talks at Geneva, in my humble opinion, are little more than bargaining chips and false rationales for a new round of U.S. weapons escalation to include MX, Midgetman, and various other components of SDI.

In concluding, I would make this final statement. What kind of world, I would ask my colleagues on both sides of the aisle, do we want? Here is the basic question, I say to my colleagues, that must be asked. What kind of a world do we want for ourselves and our children? What kind of world do we see for tomorrow? Many of us are preoccupied with the world we see today. I am more concerned about the world I will never see, the world of tomorrow, the world of the future, the world of my children and the world of my children's children. And if you ask yourselves, what kind of world do we really want to shape for our children? Then it seems to me it flows logically that we must begin to address this military budget in a very different way. We know what we have, and it seems to me that in many instances we should indeed be ashamed to what we have wrought in the name of national security.

I have already talked about what the human spirit and the human mind can accomplish if we have the audacity to think beyond the immediacy, think beyond allowing ourselves to be polarized and paralyzed.

If there is a collective national commitment to the peaceful pursuit of making a better world, many, many things are possible. It staggers the imagination to consider the alternatives.

Do not be reluctant, I say to my colleagues, to have the United States share some of the blame and some of the shame along with the Soviets. The Kremlin leaders are not exactly the good guys in the prolongation and the intensification of the cold war, make no mistake about that. But we must reaffirm again that we share the same planet, and the best way to defeat an idea with which we disagree is with a better idea, not with a bigger bomb. If we disagree with the Soviets, if we disagree with communism, let us not challenge it with a bigger bomb. Let us challenge it with a magnificent idea.

Democratic freedoms and democratic principles are extraordinary ideas. The people who sat down as the founding persons of this country laid down an incredible set of ideas. Let us export that. Let us compete with ideas. If we want to compete over who is the greatest superpower, let us compete over who can best address human misery in our respective countries and throughout the Third World.

Mr. Chairman, it is even more important today that we remember the words of Martin Luther King: "We are all citizens of humanity, not only citizens of the United States. Let us learn to live together so that at least we can all avoid the failure of perishing together."

That is my challenge. I am simply saying that once we develop the capacity to destroy life with nuclear weapons, everything changes but the way we think, and I continue to bang my head and walk out in front of this freight train, trying to say to my colleagues, "Let's change the way we think."

Mr. Chairman, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, will my colleague yield?

The CHAIRMAN pro tempore. The gentleman from Wisconsin is recognized.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield, then?

Mr. ASPIN. Mr. Chairman, there are a couple more minutes left. Let me yield to the gentleman and then let the gentleman yield.

Mr. DELLUMS. Mr. Chairman, I was going to yield to the gentleman from California.

Mr. ASPIN. All right.

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman.

I appreciate my colleague's yielding, and let me say that my friend and I do not have to discuss here our friendship. Your ability to articulate your position, your intellect, and your sincerity and capacity to communicate

your view, these are unequaled in the House, in my view.

Mr. DELLUMS. I thank the gentleman.

Mr. LEWIS of California. But I think it is important for those of us who lie on the other side of this question to lay the foundation as we go forward in this discussion to recognize that your substitute does reflect the view of many of those in the House, not necessarily yours, but the view of many others in the House who essentially tend to oppose almost everything America would do in terms of going forward in a strong way in our national defense.

Your substitute would eliminate the MX?

Mr. DELLUMS. Yes.

Mr. LEWIS of California. It would eliminate the B-1?

Mr. DELLUMS. Yes.

Mr. LEWIS of California. It would eliminate ASAT?

Mr. DELLUMS. Thank God.

Mr. LEWIS of California. It would eliminate Pershing II?

Mr. DELLUMS. Yes.

Mr. LEWIS of California. It would eliminate Trident II?

Mr. DELLUMS. Yes.

Mr. LEWIS of California. It would eliminate the small missile?

Mr. DELLUMS. Yes.

Mr. LEWIS of California. It would take $35 billion in procurement and would eliminate $6.5 billion in research and development.

Now, beyond that, your amendment would even eliminate the funding for the National Board for Rifle Practice.

I submit to my colleague that the Soviets are the bad guys on the block, and unfortunately we have got to recognize that as we go forward in this debate.

Mr. Chairman, I appreciate my colleague's yielding.

Mr. DELLUMS. Mr. Chairman, let me respond to my colleague.

This gentleman opposes the MX, the B-1, the Trident, the Pershing, and all these absurd brand-new weapons, including star wars. But what are we left with? We are left with over 10,000 strategic nuclear weapons, over 15,000 tactical nuclear weapons, 2.2 million men and women under arms, and an incredible number of tanks, bombs, planes, and other weapons of destruction, and here in a multilateral fashion we need to negotiate to back away from the brink of disaster.

This gentleman is not a unilateralist. What this gentleman is saying is, let us not go forward in such a fashion that we threaten our future and we threaten the process of negotiation. Let us create an environment in an atmosphere that allows us to come together to resolve our differences short of insanity and the cruelty of nuclear war.

Mr. LEWIS of California. Mr. Chairman, if my colleague will yield for just a moment, I would submit further that we are left with citizens of our own country held hostage in a foreign country because people perceive us as being unwilling to do little or nothing.

□ 1530

Mr. DELLUMS. Mr. Chairman, if I may respond to that, the fact that we have 40-some-odd out of our American people now presently being held hostage points to the reality that all this big nuclear muscle does nothing when you come down to people challenging on the ground.

Why are we now developing all these nuclear weapons that threaten the future and why do we not begin to create an environment within which we move beyond war and violence?

Let me just finally say to my colleague, I think that terrorism is the result of the mentality of violence and the mentality of war. I think we as major superpowers, the United States and the Soviet Union, we have a responsibility to try to begin to project the notion that a bigger bullet, a bigger rifle, a bigger bomb, a bigger gun and a hasty resolve to violence is not the way, that the answer to preservation of life and sanity on this planet is in achieving some process of peace. If we can begin to say that out around the country, then people would not begin to use terror and violence as a way of solving problems; but if there is no other mechanism, people resort to that madness.

I reject it. I reject it whether it is terrorism on one person, 400 people or whether it is dropping a nuclear bomb to destroy all life on the planet.

Mr. Chairman, I thank my colleague for his generosity.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I certainly want to congratulate the gentleman from California [Mr. DELLUMS] on a very eloquent speech. There is nothing I hate more than having to follow the gentleman to the well, because I always feel totally tongue-tied listening to him.

The gentleman from California was posing a question that we really need to reflect upon and actually it was actually the same question that ex-Secretary of Defense Melvin Laird asked in November 1980 in the Washington Post. He said that the worst thing that we could do as a nation would be to go on a defense spending binge that would create economic havoc at home, confusion abroad, and that could not be dealt with wisely by the Pentagon. This was his warning. His warning was, "Do a buildup but don't do a binge."

Here we are today saying, what have we done? Have we done a buildup or have we done a binge. If we have done a buildup, was it the right kind of buildup?

He also pointed out that during the fifties in the post-Sputnik hysteria, we only increased defense spending 10 percent a year in real growth, because at that time it was felt that was all that could be absorbed efficiently.

Now, we have had 4 years of Reagan defense budgets to use to measure results. We now see that we have had $330 billion in that 4 years in real growth in defense.

Now, the question is, what does "real growth" mean? Does that mean real growth in real defense strength? Absolutely not. It is real growth in money, money only. That is what the real growth is in.

The question is, what did we get for that huge increase?

Now, the gentleman from California points out that we bought heavily into strategic weapons systems. The Democratic Study Group points out that since 1980 there has been a 1,400 percent increase in spending in the defense budget area in strategic weapons, that is, nuclear.

So how do we get that money? Where does it come from? We squeezed it out of a lot of things that this President ran on and was upset about pre-1980, and that was our lack of conventional buildup of defense. We are not building up conventionally as rapidly as we were under the Carter years, and that may come as a shock to people; but I ask you just to look at the Defense Department's own charts. It is really quite amazing.

When you look at our tactical aircraft in the last 3 years of the Carter administration, we were buying 227 a year.

What are we buying now? About 172 a year. That is a 24-percent drop.

Now, what have we done conventionally? I think the same gap is there as when Reagan came in but it may be bigger. And what are we doing? Because of this gap we are relying more and more on a nuclear response, whether it is a nuclear backpack, ammunition shelves, big bombs and little bombs and many bombs.

What we are saying is that we are not prepared to meet the Russians conventionally head-on, and if anything goes wrong, and we are attacked we are the ones that are going to have to be prepared to do the irrational act; that is, push the nuclear button.

Somebody like the Russians may decide to play poker with us just to see if we will really be that irrational and go nuclear. I think that is one of the things the gentleman from California is posing to us.

How have we spent the money? What have we purchased? What does real growth mean? Is what we have, what we really want? Does it create a

more secure America? Are there other things that we should have been doing? Have we done enough to try to get our allies to pull their oar?

Well, I do not think we have done enough to get our allies to pull their oar, let us face it. They are all backing off agreements that we had before. They are doing less than they were several years ago.

But the nuclear weighting of what we have spent in buying the MX, in buying B-1 bombers that really cannot penetrate, for they are obsolete manned bombers, and buying anything on that order that is nuclear while continuing not to add new troops, not to add new tanks. We wait 42 years for a tank and we pay much more and it is much worse than what we have with the maintenance, everything else. That is the kind of thing we should talk about.

I think the question from the gentleman on the other side of the aisle to the gentleman from California reflects why it is so hard to get a focus on these questions; if you stand up and ask a question, someone says, "Aha, you're for unilateral disarmament. You're a wimp. I'm a Rambo. You're supposed to come down and be Rambo 24 hours a day."

That means you do not ask what the money is going to be spent for. You do not ask what you are going to get for the money. You do not ask if there is value received. You just vote for the money because that's what it takes to be macho.

Well, that is not our job. Our job is to do oversight, set policy and ask tough questions. I think the gentleman from California has pointed that out very well and I congratulate the gentleman on his amendment.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding and I apologize for breaking into the train of this debate.

Mr. Chairman, I would like to take this opportunity to commend the chairman, Mr. ASPIN, for his leadership in addressing the very serious problem of the cleanup of hazardous wastes from our military installations.

The Department of Defense estimates that roughly 800 out of several thousand military hazardous waste sites will eventually need some cleanup work to protect the public health and environment.

As you are aware, Mr. Chairman, I have introduced H.R. 1940, the Defense Environmental Restoration Act of 1985, to help accelerate the cleanup of toxics from our military bases and strengthen the procedures to ensure that the public health and environment are protected.

Mr. Chairman, I applaud your willingness to explore the proposed changes embodied in H.R. 1940. And on behalf of the more than 70 cosponsors of my bill, I thank you for your leadership on this issue.

I am particularly grateful for the chairman's willingness to establish a special task force to formally consider my bill and other proposals to improve the military cleanup program. I understand that the committee wishes to devote more time to consider the many issues involved in solving this complicated problem.

Is this an accurate assessment of the chairman's position?

Mr. ASPIN. Yes, it is an accurate assessment.

On the recommendation of the gentleman from Virginia [Mr. DANIEL], who chairs the Readiness Subcommittee, and the gentleman from California, [Mr. DELLUMS], who chairs the Installations and Facilities Subcommittee, both of whom have held hearings on this subject, we have all agreed to establish a special task force to fully and completely assess the proposed changes in the procedures, pace and scope of the DOD cleanup program outlined in H.R. 1940.

On the basis of the hearings held by Mr. DANIEL and Mr. DELLUMS, it has become apparent that the consideration of H.R. 1940 and other proposals to expedite the cleanup of hazardous waste dumps will require a careful and coordinated approach that will permit a detailed review of all of the policy and technical issues involved.

In addition, I am confident that the formation of a task force will ultimately expedite the committee's consideration of the gentleman's thoughtful and important legislative proposal.

Mr. FAZIO. I thank the chairman for his kind remarks and his personal assurances of the committee's intent. I fully endorse this approach. And, as a result, I have agreed not to offer my proposal as an amendment to the defense authorization bill. I will do whatever I can to support the committee in this effort and to encourage this very careful and deliberative process to go forward.

I would just like to also take this opportunity, Mr. Chairman, to extend a special thanks to Mr. DANIEL and Mr. DELLUMS and their staffs. Mr. DANIEL and Mr. DELLUMS have been particularly supportive and cooperative throughout this process. I look forward to working with them and the other members of the committee in the future on this issue to ensure that the defense hazardous waste sites are cleaned up in a timely fashion and the public health and the environment are protected from the improper disposal of military hazardous wastes.

Mr. Chairman, I apologize for interjecting into this debate, but I wanted to do so while the gentleman from California [Mr. DELLUMS] was here and to express my thanks to him.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend my colleague, the gentleman from California [Mr. FAZIO], who has worked diligently on this issue.

I have a tremendous problem with toxic wastes out at the Fort Lewis-McChord Air Force Base. I have had great help from Chairman DELLUMS, Chairman HEFNER, and other members of the committee. This is a problem we are going to have to address. I am glad the chairman is showing real leadership on this issue.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH], followed by whatever time I have remaining to the gentleman from California [Mr. DYMALLY].

Mr. GINGRICH. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I rise in part because I listened earlier to my colleague, the gentleman from California, as he began his debate. It seems to me he made a very important and very legitimate point, and that is that he consistently, I think, more than any other Member of the House, at least is one of the most active Members of the House in trying to raise a set of issues of principle that come much closer to what I think the Congress ought to be about. And I think it deserves a framing that is responsible and that is not just a process of seeing who can score debating points off whom.

□ 1540

There is a very venerable tradition of debate over how to deal with a dangerous world.

I hear my friend from California and many of his colleagues uttering a cry of warning, and I want to honor that cry of warning for a minute. The gentleman knows full well that I am far more conservative, and I am not at all likely to vote for his substitute, but I think the point, if I hear you and your friends, is that there is a kind of a virus of madness which afflicts the human race, that the terrorists who carefully plot how to kidnap a plane and brutally beat to death, or beat and then shoot an American sailor is in a way related to the nation which plots the potential for global holocaust, that there is a virus of evil combined with power which is in some ways at the heart of all of us.

I as a historian I guess am struck first of all by the parallel, and I do not mean this ideologically but it happens to be a parallel to Jean Jaures, who is the great French socialist leader before World War I who went across Europe and begged Europeans not to

fight World War I, and pleaded for some form of disarmament. And you can look back at that period and say he was wrong and he misunderstood the nature of imperial Germany, and he misunderstood the problems. But you have to look at the human cost of World War I and wonder was he totally wrong. Had he really missed the point all that much more than the militarists and the people who prepared for World War I?

Someone has said that our tragedy as a generation is that we are trapped between Auschwitz and Hiroshima, we are trapped between the atom bomb on the one hand and the gas camps and the concentration camps on the other, and that we could solve either one. If there was not the evil that led to tyranny we could give up the bomb. If there was not the bomb we could somehow focus on solving the problems of the evil that leads to tyranny.

I would say to all of my colleagues on behalf of the underlying philosophical and psychological positions of my colleague, that there is a great strain of truth to say to all of us that we may be, we may be leaving the generation that found safety through armed, organized effort in entering two generations of terror through armed, organized effort, that the capacity to steal an airplane is trivial compared to the capacity to steal a tactical bomb; that the capacity to steal a tactical nuclear bomb is trivial compared to the capacity of the long-term terrorist groups, two, three, four generations of terrorism who send their brightest children on a grant to Harvard and MIT to return, to be biochemists who invent the biological weapons of the 21st century.

There is a peculiar arrogance of great powers to believe that only they can find methods of violence.

I also want to say in closing that I happen to be reading, because I always get out of this period of time to understand this period of time, and happen to be reading to understand the Middle East, a book by Ray Irwin called "Diplomatic Relations With the Barbary Powers, 1776-1816," a 1931 book. It is useful to get all of the way in it. Do not read a pro-Vietnam historian and an anti-Vietnam historian. This guy, of course, was shaped by the Depression and World War I. It is fascinating because the U.S. Congress, from the time we were founded, argued about the question of how to get, how to deal with piracy and terrorism in North Africa. Should we bribe the pirates, or should we build a navy, and should we build a big navy or a little one? Should we bribe the Europeans to build a navy?

And there were people like my good friend who said military force will not work, let us find a diplomatic solution. And there are people closer to me who said that the diplomatic solution will not work so let's build a navy.

I simply want to assure my colleague that first I think your cry from the heart is fundamentally right, even if your solution is one that I would not vote for. We are in trouble as a species.

Second, I think you stand in a very long tradition of a dialog in this country and in this body about how to deal with a dangerous world. And I want to thank you for the passion and the eloquence and the commitment you make to this kind of an effort.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman from California.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia [Mr. GINGRICH] has expired.

The gentleman from Wisconsin [Mr. ASPIN] has yielded the remaining 3 minutes in general debate to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, let me first strongly protest with all of the protest that is possible in a human being the short time allotted to those of us who wish to support the Dellums amendment. I am one of those who exercise a great deal of discretion and do not indulge in irrelevant and unnecessary debate. But there are some issues that are very important to us and this is one and, Mr. Chairman, I just want to say if I cannot be given more than 3 minutes there is no need for me to continue.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield to me briefly?

Mr. DYMALLY. I yield to my colleague, the gentleman from California.

Mr. DELLUMS. I might say to my colleague, as I understand the parliamentary situation, the gentleman from California's alternative was provided in the rule with 1 hour general debate. At the end of that 1 hour general debate, my distinguished colleague, and any other Member of Congress, can seek recognition to strike the requisite number of words under the 5-minute rule, and theoretically my colleague could speak for whatever time that the body would allow.

Mr. DYMALLY. Therefore, Mr. Chairman, I move to strike the last word.

Mr. DELLUMS. If the gentleman would yield briefly, the gentleman has to finish his 3 minutes, and then the hour of general debate would be up and the gentleman could seek recognition to strike the requisite number of words, as I understand it.

Is that correct, Mr. Chairman?

The CHAIRMAN pro tempore. The Chair would note that the gentleman from California is correct in his statement. The gentleman from California [Mr. DYMALLY] has 1½ minutes remaining yielded to him in general debate.

Mr. DYMALLY. Mr. Chairman, I rise in support of the Dellums amendment. I have been bothered for some time by the sense of priorities that is reflected in our Federal budget. For five budgets now I have sat here and listened to my colleagues happily singing the virtues of increased military spending. And in those same 5 years I have listened to another statistical litany. That litany amounts to a blues song for the American people. It is a song of pain, a song of the decline of a great people.

Our farmers cannot afford to grow our food, and the President's response was to veto a modest effort to help. Our children and many of our adults can't read and write. But we pay our teachers $12,000 a year and justify this disgrace with the refrain that it's a local, not a Federal problem. Our women are raising their children alone, and they are raising them in poverty. And this Congress and this President have not begun to address this multigenerational tragedy of American life. Our so-called Equal Employment Opportunity Commission tells us they can find no basis in law to justify pursuing the concept of equal pay for comparable work. And so our women will continue to hold jobs for which they will be paid only enough to raise the children of America in an atmosphere of deprivation, want, and despair. The aged of America plead with us on a daily basis not to cut their Social Security and Medicare. But we tell them this is an era in which we lawmakers must be fiscally responsible. And everyone has to suffer a little to relieve the burden of the deficit. They write back their quietly accusatory letters saying, "What of General Dynamics?"

We have a reply, however. It is that we must provide certain privileges to the rich and to the corporations they control because feeding their wealth will produce more wealth. And that's good for America, we say. But the aged suspect corporate wealth is not going to pay their medical bill anytime soon, and the bellies of the children of our working single mothers are no more full as a result of this solace we bring them.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DYMALLY] under the rule relating to general debate has expired.

Mr. DYMALLY. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DYMALLY] is recognized for 5 minutes.

Mr. DYMALLY. Mr. Chairman, I can understand our tendency to want to sing a happy song after hearing so much of the blues. I can understand how we turn to the song with the

snappy, abbreviated beat, the one with the MX and the B-1, the SDI and the ASAT. The refrain of that song is, "We are invincible!" But even as I listen to that stirring march and see in my mind's eye the 25,000 nuclear warheads that the song says guarantee that invincibility, the shadow of doubt begins to darken the image.

In its place, I see an American passenger plane shimmering in the heat of a Lebanese afternoon. And I wonder, "Where are its passengers?"

Try as I might to keep it out, the thought that our 25,000 nuclear warheads are useless against our enemies keeps playing back again and again in my mind. Little by little, the happy song goes flat. And I have to ask, "Aren't our priorities misplaced?" Isn't it more important here, now, today to listen to the song in our souls, to listen to the blues, real as they are? After 25 years in politics, I have no illusions about the direction this Congress will take. I will vote for the Dellums amendment. Most of you won't. But wouldn't it be something if we could reroute those misplaced billions and bring decency to our farmers, raise our single mothers out of poverty, teach our children to read, relieve the anxiety of our aged, and nourish our babies?

Mr. Chairman, it is with a sense of great pride and satisfaction I join with and urge strong support for the amendment sponsored by my friend and chairman, Mr DELLUMS, the gentleman from California.

□ 1550

The CHAIRMAN pro tempore. For what purpose does the gentleman from Wisconsin rise?

Mr. ASPIN. Mr. Chairman, I would like to try to get a time limit on this amendment.

I believe Mr. HAYES would like to speak for 5 minutes, Mr. MORRISON of Connecticut for 5 minutes, and then we have a couple of 1-minutes over here.

Mr. Chairman, I ask unanimous consent that debate on this amendment and any amendments thereto finish in 15 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin that all debate on this amendment and all amendments thereto end in 15 minutes?

Without objection, the request of the gentleman from Wisconsin [Mr. ASPIN] is granted.

There was no objection.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, there may be other votes this evening including the vote of final passage of the defense authorization bill.

Due to a previously planned engagement, some members of the House Ways and Means Oversight Subcommittee will depart this evening for Fresno, CA, to tour and inspect the IRS facility there. It is necessary to depart this evening in order to meet tomorrow's schedule. Therefore, I may miss other votes this evening.

If I were here, Mr. Chairman, I would vote "aye" on final passage of H.R. 1872, the fiscal year 1986 defense authorization bill. Also I would support the Morrison amendment and I certainly would oppose the Dellums amendment.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I would like to engage my colleague from California [Mr. DELLUMS], for whom I have an enormous respect. I want to say that although I cannot support his amendment, I can support his concept that this Congress needs to deal with the overriding issues that the gentleman so eloquently presented today in the House of Representatives. That is why I hope the chairman, Mr. ASPIN, and his panel on policy questions, will engage these issues. In my own view we spend too much time looking at individual weapons systems and talking about 3-percent increases, and we do not spend enough time looking at overall NATO strategy, East-West relations, and many of the other things the gentleman has described here today.

Just a few years ago the gentleman talked about synergism and nobody paid any attention. Today synergism is a policy we rely on in this country with respect to strategic weapons.

So I urge my colleagues to listen to the gentleman from California, who is a voice of reason on defense issues in my view.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield to me?

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from California.

Mr. DELLUMS. I thank the chairman for yielding.

I thank my colleague from Washington. It is only this gentleman's purpose to stimulate that kind of debate. I am not interested in having a vote on the amendment in order to polarize the body. I am trying to focus attention on the very issues my colleague enunciated. I thank him for understanding exactly what the purpose of my presentation was.

Mr. DICKS. Mr. Chairman, the other morning when Carl Sagan was talking about the snowball theory and how we had to have a new mental approach, a new psychology, a new way of looking at these issues, I thought of my friend who is a social psychologist, as I recall, trying to present that new approach to the House of Representatives and the people of this country. I think people are starting to listen to the gentleman from California in a more profound way.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Oregon.

Mr. WEAVER. I thank the chairman for yielding.

Mr. Chairman, I rise in strong support of the substitute offered by the gentleman from California, congratulate him on offering to the House a sensible military budget. Without question he gives us a strong, vital military; it does take away those weapons of destabilization that actually endanger our security but maintains a strong defense of this Nation in a troubled world.

Mr. Chairman, I thank the gentleman [Mr. DELLUMS] for what he has done for us.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

Mr. HAYES. Mr. Chairman, I move to strike the requisite number of words.

You know, it takes courage for the gentleman from California to have stood up in this well and presented to us a different approach in terms of the sense of direction that we are going on the military budget.

I noticed an article that I picked up in one of the newspapers the other day that said our Nation cannot be the world's policeman.

Forty years ago a Presidential candidate by the name of Robert Taft who ran on the other party ticket warned the United States against taking on the role of world policeman.

He cautioned that the American people do not want to rule the world. We are not equipped to do it. We may think we are better than other people, more competent to rule, but will they think so? He answered his own question by saying no.

Now we find ourselves continually being confronted with the issue of trying to decide, and this is in effect what the gentleman is saying, whether we are going to have butter or guns.

I have to reflect at least what people who are, who say, who are part of my district, realizing this is a problem not just the concern of the First District of Illinois, this is not just a problem of the U.S.A., it is a world problem, to begin to approach this problem of trying to have and cement peace. I have to reflect on the fact that 16 percent of the people in my First Congressional District are out of work with no prospect for a job, many of them; 60 percent of the black youth in my district, which is 95-percent black, have no jobs in sight. They cannot have them so long as we continue to spend the kind of money we spend in our military.

Now, I understood the gentleman from California to say very clearly he was for security; he is willing to spend x number of dollars for security purposes; but if I had to sum up the total significant meaning of his entire statement, his approach lessens the threat of a nuclear war, yet builds what I consider to be a stronger national defense. He talks about the conversion from a military economy to an economy where we begin to spend money on people where it is needed, which is the greatest kind of security we can have. Whether we are going to have money to educate our kids, whether we are going to deprive kids in the Head Start Program of lunches, and we know some of them in my district do not get lunch until they go to school, and when you cut that out or reduce the amount of money for it, I think this is exactly what he is talking about.

Now the policy of nonintervention-ism, not being in a position where we are concerned of looking over our backs at the Soviet Union and its Communist states. One of the best ways to fight communism is to begin to do something about the human misery which people are suffering from in some of these Third World countries and in Central America. Until we take that kind of posture we are going to find ourselves in a position where we are viewed as the most hated country today in the world. And those of us who are part of this lawmaking body are becoming hostages to what I consider to be fear.

□ 1600

If we begin to take a position on that which we know to be right, and this I want to thank the brother from California for having done, to prick our consciousness to take a new approach, a new look.

I know it is not going to pass, but let us be in a position where we take a new insight, a look in a different direction.

Mr. MORRISON of Connecticut. Mr. Chairman, I take time to speak on an amendment which will be offered, which I will be offering, during the 5-minute rule limitation which will follow the vote on the Dellums amendment.

Since time will be limited then, I wish to take a little extra time now to describe to the body exactly what that amendment involves.

In the pending bill, as presented by the Committee on Armed Services, there is an entitlement provision which automatically and without further action beyond this legislation, in appropriation or otherwise or any executive action, will raise the pay of military personnel 3 percent as of January 1, 1986.

The Senate has included a similar provision, which differs only in that it is effective on October 1, 1985.

My amendment would replace this provision with current law. Current law provides that pay increases for the civilian employees of the Federal Government and the military personnel are linked together. An increase to one group goes to the other at the same percentage rate.

I believe that this provision of linkage is fair. I believe that when we are going to be raising the pay of people in the service of the Government, we should treat people equally across the Government.

This is not an attack on those who believe that pay ought to be increased. On the other hand, it is a statement that when we increase pay we should do it equitably, we should to it equally.

It is a simple amendment, and it poses the choice: Do we wish to single out one group of Federal employees and mandate an increase or do we wish to treat them equitably?

I yield now to the gentleman from New York.

Mr. SCHUMER. I thank the gentleman from Connecticut for yielding, and I rise in support of the amendment which he will be offering shortly.

As a member of the Budget Committee, I can assure this body that we worked long and hard on this issue, and wanted to be fair and equitable above all.

The conclusion we came to was that there ought not to be an increase for military or civilian pay, and that, most important of all, the two ought to be treated the same, and we explicitly wrote that into the budget provisions.

If we are to pass this budget as is, which goes against the budget that this House passed by a large margin, we will be beginning the process of unraveling the budget, because, while certainly this committee has stayed within the overall ceiling, they have violated the equity framework which we have built into the budget.

Should this budget pass, should this bill pass without the Morrison amendment, what very well may happen is that then the Post Office and Civil Service Committee will decide that they have to raise the pay for their members to keep Federal law in parity, and they will not be able to find the savings, their budget not being as large, and the budget will indeed be broken.

Therefore I would commend the gentleman for introducing this amendment; it is not fair, it is not right to say that military people get the pay raise; civilian people do not. Both work hard for this country, and to pass this amendment will be doing both the budget and the country a service.

Mr. MORRISON of Connecticut. I yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, is the bottom line here that if we vote for the Morrison amendment it is going to undercut the chance to give the military a 3-percent pay raise?

Mr. MORRISON of Connecticut. The bottom line is that the decision will still be left to the House to make a decision for——

Mr. DICKS. On the appropriations bills.

Mr. MORRISON of Connecticut. All Federal employees and military employees would have to be treated the same; it would be all or nothing on any increase. That is the bottom line.

Mr. DICKS. There used to be a coupling on these two issues.

Mr. MORRISON of Connecticut. There is a coupling.

Mr. DICKS. If you raised one, you had to raise the other.

Mr. MORRISON of Connecticut. That is correct, and they are coupled in current law, and this amendment would recouple them. The coupling is undone by the bill pending.

I yield to the gentleman from Minnesota.

Mr. PENNY. I thank the gentleman for yielding, and I rise to support his amendment.

Clearly, we have serious budget problems facing our country today. The budget conference committee will continue the process of trying to work out an agreement between the House and the Senate.

What we are trying to say with this amendment is that whatever treatment that budget conference reaches on Federal employee pay will apply to all Federal employees, civilian and military. That is the policy we have had in place with budgets in previous sessions, and that is the policy that ought to continue on into the future. Equal treatment for all Federal employees.

Mr. DELLUMS. Mr. Chairman, aside from providing a couple of my colleagues an opportunity to discuss their amendments that they would not otherwise have an opportunity to discuss, I would like to now return to the item that stimulated this debate, and that is the Dellums amendment in the nature of a substitute to the committee bill, the Department of Defense authorization for 1986.

As I stated earlier, it is not this gentleman's intention to seek a record vote. I did not offer the amendment because I wanted to try to gain total agreement among my colleagues. It is not important that the majority of this body agree with the gentleman's solution.

What the gentleman was attempting to do was to stimulate discussion and to stimulate debate, Mr. Chairman, to force us to begin to look with a different point of view, a different frame of

mind, to begin to frame the issues in a broader context.

It is my hope that we have done that. I would like to say to my colleague from Georgia, I thank you for your kind and generous remarks. It is not important that you and I agree. In fact, our respective constituents sent us here to disagree.

What this colleague was simply trying to suggest is that we establish an intelligent framework in which that disagreement can go forward in the name of better governing this Nation, and that is what this gentleman was trying to be about.

It is my hope that this debate stimulates further discussion when the appropriations bill comes to the floor, that new and intelligent questions would be raised.

With the fiscal year 1987 authorization bill, new and intelligent questions will be raised.

It is my hope that this debate stimulates the American people to among themselves begin to raise these important and fundamental and very basic questions. It is my hope that they will begin to aggressively raise these questions with you, my distinguished colleagues, challenging you to begin to think in a very new way.

This is one tiny little planet; it is interrelated and interdependent. It seems to me that the legacy that we must leave for our children and our children's children is a world free from the insanity of war, free from the cruelty and the absurdity of thermonuclear annihilation, and free from the notion that we must continue to distort our national priorities in such fashion that it renders us impotent in attempting to address the human misery of our people into various forms within which it is visited upon them.

Mr. Chairman, I thank you very much for your generosity, and my colleagues for their participation.

● Mr. FAUNTROY. Mr. Chairman, I rise in support of the substitute offered by my distinguished colleague, Congressman RONALD V. DELLUMS.

Unfortunately, debate on defense authorization in recent years has focused on the total amount of military spending and the rate of real growth in defense spending. The substitute offered by Congressman DELLUMS is based on a different and correct strategic standard. That standard is that our defense expenditures must be in accord with foreign and military objectives that provide a defense for our Nation, but not for world domination.

The Dellums substitute imposes a "freeze minus" concept in our defense authorizations. Under this substitute the authorization for fiscal year 1986 would be frozen at the fiscal year 1985 level. In fiscal years 1987 and 1988 the fiscal year 1986 level would be maintained in real terms.

The objectives of this substitute are worthy, reasonable, and compatible with the national security:

First, to lessen the threat of nuclear war through support of a nuclear freeze and other arms control initiatives leading to major weapons reductions.

The Dellums substitute would eliminate destabilizing weapons systems which threaten rather than enhance our national security. Dangerous weapons such as the MX; the Trident II, Pershing II, and cruise missiles; and the expensive B-1 bomber would be eliminated.

Second, a noninterventionist conventional nonnuclear national security policy.

The Dellums substitute incorporates the principle that the purpose of U.S. defense policy is to defend U.S. security interests, and not to intervene militarily in, and against, Third World countries. It therefore would freeze and then gradually reduce the number of aircraft carrier battle groups from the present 13 to 10. This substitute also rejects the buildup of the Rapid Deployment Force, eliminating all funding for this program.

Third, a reduced U.S. military role in Europe and Asia.

Given the unlikely possibility of a prolonged land war in Europe and Asia, the standing army is reduced from 16 divisions to 13 divisions by fiscal year 1988.

Fourth, a redirection of procurement policies to reduce waste, fraud, abuse, and massive cost overruns.

This substitute call for cuts in weapons systems which are redundant, ordered in larger than necessary quantities, have serious cost overruns, or are simply too expensive for their military purpose.

If you want a defense authorization that pulls us back from the edge of the abyss of nuclear war, vote for this substitute, it is protective of our planet.

If you want a defense authorization that pulls our Nation away from interventionist policies that fuel violence around the world and hamper our ability to meet the acute human needs which are the underlying causes of instability, then vote for this substitute.

If you are worried by our huge budget deficit and the neglect of human needs here at home, then vote for this substitute. It will effect $286 billion in budget authorization savings over the next 3 years.

If you want to address the fraud, waste, and the public welfare that major corporations have been involved with in our military budget, then vote for the Dellums substitute.

The substitute offered by Congressman DELLUMS provides the necessary funding for a strategically and economically sound defense policy.

I urge my colleagues to vote for the DELLUMS substitute.●

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. DELLUMS].

The amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 166, after line 4, add the following new section (and redesignate section 1001 as section 1002):

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

Mr. ASPIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, this really is just a technical amendment. We forgot to put it in the bill; it is an amendment that simply authorizes amounts previously appropriated for other purposes to be used to provide for military and civilian pay increases that have occurred during fiscal year 1985. It is something that the Appropriations Committee has done; we need to authorize it to make sure that it is all legal.

□ 1610

Mr. SPENCE. Mr. Chairman, we have examined the amendment and we find no fault with it. We accept it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment that was printed in the RECORD at page H5011 on June 26, 1985.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. RESTORATION OF MILITARY RETIREMENT FUNDING REDUCTION.

Section 661 shall not apply to payments of basic pay, or to payments into the Department of Defense Military Retirement Fund, for fiscal year 1986. The report required by section 662 need not be submitted.

Mr. BENNETT. Mr. Chairman, the poet Francis Quarles once wrote:

Our God and soldier we alike adore,
When at the brink of ruin, not before;
After deliverance, both alike requited,
Our God forgotten, and our soldiers slighted.

Cutting $4 billion from military retirement slights our soldiers. I have offered an amendment to strike from this bill the provisions that would cut $4 billion and require the Secretary of Defense to submit a proposal for changing the military retirement system to do this. I have received letters of support for my amendment from the various military branches as well as civilian groups such as the Reserve Officers Association, the Navy League, and the Non-Commissioned Officers Association.

In order to force the Secretary to submit the proposal, the provisions would impose a $4 billion cut on the total of two accounts: the payment into the military retirement fund and basic pay. Present law requires that the payment be made into the military retirement accrual fund to cover the future retirement costs of today's military personnel. Under the laws setting military pay and retirement, it would not be possible to make this payment into the retirement fund, so a new retirement system, requiring a smaller payment into the fund, would be needed.

If the first phase under this legislation is enacted, namely the provision of this bill that requires a $4 billion cut, and the second phase is not enacted, namely a revision of the retirement system to reduce the payment into the retirement fund, then $4 billion has to come out of the basic pay of people on active duty. This is a sad but not farfetched possibility to anyone who watches Congress and observes the slow pace of legislation in this body.

Retirement reform has been under study for at least a decade now in the House Armed Services Committee. In all this time, Congress has not acted on legislation to change the retirement system, because "if it ain't broke, you don't fix it." I find it difficult to see why the U.S. Congress would now put itself in a position of having to cut back on the basic pay of people on active duty simply because they are not able to come up with a new acceptable retirement program. No one wants to apply this cut to present retirees or people on active duty, but that could be the unhappy result of the current provisions in this bill.

Further, I feel this $4 billion cut is contrary to the responsibilities of the U.S. Congress. It is written in the U.S. Constitution, and I quote:

The Congress shall have power . . .
To make rules for the government and regulation of the land and naval forces.

Maintaining an army includes devising ways to pay our soldier and sailors, and providing for their retirement. Nowhere does it say in the Constitution that the Department of Defense is responsible for proposing how to compensate retired military persons. It is our responsibility and duty, and we should fulfill it.

Supposedly the rationale for this approach is to save money to balance the budget. Even if this were so, it is utterly wrong to turn the screws on our retired military, who have served this country well, and not address the real reason behind our present Federal deficit. I look at the 1981 tax cut, which was such a giveaway to the wealthy; I look at GE not paying any taxes, not a penny, on profits of $6.5 billion, and I am saddened that some of my colleagues can only think to take away retirement benefits from the military.

However, if the objective is to save money from military retirement, there are options which Congress could consider. There is the possibility of imposing a 7-percent contribution on wages toward retirement, similar to that imposed on civil service employees. This would raise $3.5 billion if applied to basic pay and allowances.

Actually, the real reason behind putting this $4 billion monkey on the back of the Department of Defense is to have the military retirement system revised in some ways in which Congress itself is not sure about. I asked Admiral Watkins, the Chief of Naval Operations, what he felt about this. He replied in a letter that, and I quote:

Those who don't understand that retirement is one part of a complex compensation system won't understand that changing one part of that system can have a major impact. Deferred compensation is a major part of many civilian plans. Certainly, those who deal in civilian salary and retirement programs would realize that a major change to either salary or retirement, or perhaps to other important parts of their benefit package, would make continued employment with the company either more- or less attractive. . . .

The question those who would change the system must ask themselves is equally basic. Are they willing to add compensation in some other area to offset the loss in retirement? If the answer is yes, we should embark on the work necessary to determine how best to do it. If the answer is no, we have another problem. How shall we deal with smaller numbers of individuals willing to volunteer for military service, and, of much more importance at this juncture, can we provide adequate manpower to achieve needed readiness levels with reduced numbers of career personnel?

You will note Admiral Watkins feels that if revisions are to be undertaken, we must have a thoughtful, careful approach to determine the impact on retention and recruiting. Randomly cutting retirement without considering any corresponding increase in other compensation will inevitably result in less people joining the military, and less people staying in for a career. A young man or woman with a family and 6 years of service, who has just been transferred to a remote base away from all civilian comforts, will obviously be more willing to make sacrifices if he can see a light at the end of 20 years service than if that light has been dimmed. I ask my colleagues to consider this for a moment before they cast a vote which could deprive our military of the people needed to defend our country.

If adequate pensions are such an evil thing, why do we have similar retirement systems for firefighters and police officers? These occupations require youth and physical vigor and demand a certain degree of personal sacrifice. The analogy is not complete, though, because a person in the military is not only put in greater danger of injury or death, but is expected to take function under very dangerous and difficult circumstances, including taking the lives of the enemy. It seems to me this is just another example of the sad way the military is too often treated and looked at in our country. We are safe, free, and secure because the Armed Forces are eternally vigilant. Watching the castigation of these fine individuals brings to mind the following lines penned by Rudyard Kipling, who expresses his thoughts far better than I:

For it's Tommy this, an' Tommy that, an' "Chuck him out, the brute!"
But it's "Savior of 'is country" when the guns begin to shoot;

We can do far better than shouting "Chuck him out, the brute!" I urge you to vote for my amendment and restore fairness to military retirement.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we did do something with the military retirement, but we are doing it in a fair way. We are grandfathering everybody who is retired and everybody who is in the service, and we are doing it in a way that brings the Pentagon into the process of determining how we are going to change the retirement.

Mr. Chairman, I will yield to the gentleman from Mississippi [Mr. MONTGOMERY] and then to the gentleman from Texas [Mr. SWEENEY].

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the Bennett amendment, and I want to point out that the Bennett amendment adds back $4 billion to the retirement program which this committee took out, and we thought we took a reasonable approach. So you would actually put this bill $4 billion over the budget recommendation if you adopt the Bennett amendment.

We instructed the Defense Department, in taking this $4 billion cut, that they not take it out of those already retired, that you do not change the military retiree program and that those on active duty, that they not be affected and their retirement programs would continue with no change.

But we did say in 1986 the Defense Department would have to make changes in the retirement system of those people coming into the service, we were told almost $4 billion could be saved by extending the time of service from 20 years on retirement to 30 years on retirement. I would like to point out to the committee that only 18 percent of those in the military actually hold down combat slots or would be put in combat. So it would not hurt if you had to extend in some cases, that these Americans serving in the military would have to serve for 30 years instead of 20 years. It is a reasonable approach. We are not hurting those already retired, we are not hurting those on active duty now. I certainly hope the amendment will be defeated.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Texas [Mr. SWEENEY].

Mr. SWEENEY. I thank the gentleman for yielding.

Mr. Chairman, it is with a great deal of reluctance that I rise in opposition to the amendment offered by the gentleman from Florida, reluctance because of his stature and achievement not only as a Member of this House and as the chairman of the very important Seapower Subcommittee, but also as the recipient of the Silver Star, the Bronze Star, the Combat Infantry Badge, the Philippine Legion of Honor; he has truly proven his merit and his contribution as a member of the committee and as a member of our armed services.

However, my admiration and respect for the gentleman, great as it is, is not enough to allow me to suppress my commitment to supporting the bill that my committee and subcommittee has reported. We owe it to ourselves, Mr. Chairman, we owe it to veterans, we owe it to the American taxpayer to do two things that this bill seeks to do: First of all, to restructure a flawed retirement system that has not been substantially changed since the early 1900's; second of all, to put to rest the uncertainty about our military retirement system, a military retirement system which hundreds of thousands of veterans depend upon.

If we do not force this change, it will in turn force current retirees and current enlistees to live with the kind of uncertainty, the kind of confusion that this House has given them in the past: half COLA's, rounding off to the lowest dollar for retired pay and even tinkering with the method of calculation for the retired pay.

This bill takes a bold step in the direction of forcing change at the Pentagon. It does not request change, because we have seen that that approach has not worked in the past. The Fifth Quadrennial Review just sent up a recent report but did not send with it any formal legislative proposal. In the bill, we are forcing the Pentagon to become involved so that we can benefit from the use of their computer models, their staff, their future force projections; to evaluate the effect a change will have upon the military when we bring in the new weapon systems and indeed all of the data and statistics that they bring to bear to allow us to consider this bill in our committee.

So I rise in opposition to the amendment offered by the gentleman from Florida [Mr. BENNETT].

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Indiana [Mr. HILLIS], the ranking minority member.

Mr. HILLIS. Mr. Chairman, I rise in support of the amendment of the gentleman from Florida [Mr. BENNETT] to restore the $4 billion cut from the military personnel account. In addition to the reduction in funds authorized for military personnel, the committee directed the Department of Defense to submit a plan to save that amount by revising the nondisability retirement system for future entrants.

Let me say that I am not opposed to changing the system—so long as the changes made are cost effective and do not cause irreparable damage to recruiting and retention. I do not, however, like the uncertainty created by the committee's action and believe that, notwithstanding the "grandfathering" provisions included, it will create a great deal of unnecessary malaise among our men and women in uniform. They are understandably worried about what may happen to their pay and other benefits if Congress and the Pentagon fail to achieve a timely resolution of the retirement issue.

With the outstanding recruiting and retention results achieved in the past few years, it is all too easy to forget the dark days of the late 1970's when recruit quality was at a record low. The Chief of Naval Operations decried the hemorrhage of talent as midcareer petty officers left the Navy in droves to seek higher paying jobs in the private sector. My colleagues will recall that several Navy ships were tied up at the dock because there were not enough skilled personnel to operate them safely at sea.

The Armed Services Committee has conducted several series of hearings on retirement. We have a good idea of what the major issues are, and I believe any changes to the retirement system should be worked out through the committee process before actual costs are made in military personnel funding.

I, therefore, urge my colleagues to support the Bennett amendment.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Virginia [Mr. BATEMAN].

● Mr. BATEMAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Florida [Mr. BENNETT]. I do so, however, with some reservations.

I commend the gentleman's efforts to restore the $4 billion cut from the military retirement accrual account budget request. I was very troubled by the decision of the subcommittee and the full committee to reduce the authorization level for military personnel by $4 billion in order to force the Department of Defense to submit a proposal to restructure the military retirement system. Although I am not opposed to consideration of alternatives to the current system, I do not like the uncertainty attached to this provision of the committee approved bill. I do not agree that such a significant reduction in the retirement accrual account is advisable before the committee has received a detailed proposal as to what effect such a reduction would have on the retention and recruitment of qualified personnel to serve in the Armed Forces, let alone those currently receiving their hard earned retirement for years of service to our country. Although the bill as reported out of committee provides that any new plan "grandfather" all current recipients of military retirement and all members of the Armed Forces serving up to the date of any legislative changes, it remains to be seen whether or not any Department of Defense proposal submitted would avoid counterproductive affects on retention and recruitment. I would prefer a middle ground between the terms of the bill and Mr. BENNETT's amendment. I believe the proposal I offered in the subcommittee was reasoned and such a middle ground position. My amendment would, like Mr. BENNETT's proposal, have also restored the $4 billion to the military retirement accrual account, but would have required the Department of Defense to prepare a study such as the one I have just described. It would have

deauthorized the $4 billion only if Congress in fact enacted a change in the retirement system.

The current retirement system is not perfect, and I don't expect we can develop one that is. It must not be assumed we can now devise a more cost effective, yet better program than the one we have now. I think the House should direct the Defense Department to propose a new system which would, if enacted, reduce the retirement accrual account, with the least or no negative impact on recruitment and retention. We should not in my view reduce the budget authority before we have even seen a proposed modification. I support the gentleman's amendment because it does not require precipitous action forcing changes in the military retirement system, without knowing what changes or what effect they might have. With adoption of the Bennett amendment, this House may still proceed to mandate proposals for changes in the retirement system which it could then pass if found to have merit.●

● Mrs. HOLT. Mr. Chairman, I support the Bennett amendment to restore the $4 billion cut the committee made from the retirement accrual account.

I would like to remind my colleagues of a vote they cast last week on another amendment to this authorization bill. I am referring to a previous amendment which would have authorized $2 billion for unspecified conventional forces to be determined by the individual services. We defeated that amendment because, as many members so ably pointed out, it surrendered our legitimate policymaking and oversight functions.

We should defeat the committee's proposal to cut $4 billion from the retirement account without specifying how for exact same reasons. If we support the $4 billion cut, we are saying Congress can't possibly make this sort of difficult decision, but we should leave it to the Defense Department. This strikes me as rather curious since the thrust of nearly every other amendment has been to create greater oversight authority for Congress and give the Defense Department less latitude in how they conduct their business.

I think the committee's approach is quite irresponsible. We are making this cut without any attention to its consequences. With the shrinking manpower pool we face reduction in benefits at this time would seem questionable if we hope to maintain the high quality we presently have in the All-Volunteer Force. The committee has for years searched for responsible ways to reduce the cost of retirement without real success. Now, we are going to pass the buck. Why? Because we in Congress could not find a better system.

So, instead we have picked a nice round number out of the air and given up our responsibility to determine who should suffer a reduction in the retirement. I would urge my colleagues to adopt the Bennett amendment and restore full funding for retirement until and unless Congress exercises its proper role and determines the shape of the next military retirement system.●

□ 1620

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was rejected.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as I understand it, we are going to rise now and have the vote on the adjournment resolution, and then we will reconvene and consider other amendments when we get back into the Committee of the Whole.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RUSSO, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one if its clerks, announced that the Senate agrees to the amendment of the House with an amendment to a bill of the Senate of the following title:

S. 822. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 883) "An act to extend the Export Administration Act of 1979."

The message also announced that the Senate has passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 54. Concurrent resolution providing for an additional adjournment of the Congress from June 27 or 28, 1985, to July 8, 1985.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE CONGRESS FROM JUNE 27 OR 28, 1985 TO JULY 8, 1985

The SPEAKER laid before the House the Senate concurrent resolution (S. Con. Res. 54) providing for a conditional adjournment of the Congress from June 27 or 28, 1985 to July 8, 1985.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 54

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader in accordance with this resolution, and that when the House adjourns on Thursday, June 27, 1985, or Friday, June 28, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12 o'clock noon on Monday, July 8, 1985, or until 12 o'clock noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER. Without objection, the Senate concurrent resolution is concurred in.

There was no objection.

A motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1624

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr. RUSSO, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, title X was open to amendment for amendments printed

in the CONGRESSIONAL RECORD, and all time for debate had expired.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 200, after line 4, add the following new section:

SEC. 1050. EXERCISE OF CERTAIN AUTHORITIES RELATING TO CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE.

For purposes of civilian employees of the Department of Defense, the Secretary of Defense shall exercise the following authorities:

(1) Authorities assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577 (5 U.S.C. 3301 note), relating to investigation of the suitability of applicants.

(2) Authorities assigned to the Office of Personnel Management under Executive Order Number 10450 (5 U.S.C. 7311 note), relating to security requirements for Federal employees.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, this is basically a very simple amendment. We passed this last year, it fell out in conference, but I think it is even more important after the security violations that have occurred that we pass this this year.

What my amendment does is transfer the policy-making decisions on what goes into a security clearance from the Office of Personnel Management to the Department of Defense for Department of Defense employees. Let me say, first of all, my amendment has absolutely no personnel impact because the Department of Defense already does the individual investigations. They are already doing the investigations; it is just the Office of Personnel Management has set the policy for them.

I feel that the Department of Defense is much better qualified to decide policy on national security, therefore, that is why I am offering this amendment.

The Office of Personnel Management last year showed that it did not really understand its authority and abused it. We had to relieve DOD from compliance in the bill last year so that they did not have to follow OPM's rules. What OPM tried to do is have people with secret clearances get a stronger and tougher investigation than those with top secret clearances which made absolutely no sense. This showed that OPM did not have a grip on what was supposed to be done.

The passage of the amendment also will help the Department of Defense to implement much more rapidly most of the Roth recommendations that have been proposed to deal with security. The real reason to pass this amendment is that it puts the responsibility for DOD employees where it belongs. All future security policy issues in the Defense Department should be made there since they understand security best.

Mr. Speaker, I think this is a very simple amendment; I certainly hope we adopt it. With that, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BLAZ

Mr. BLAZ. Mr. Chairman, I offer aT amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAZ: At the end of title X (page 200, after line 4 add the following new section:

SEC. . REPEAL OF LIMITATION ON TRANSPORTATION OF CERTAIN MOTOR VEHICLES THROUGH GUAM.

Section 652 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2550), is repealed.

(Mr. BLAZ asked and was given permission to revise and extend his remarks.)

Mr. BLAZ. Mr. Chairman, my amendment is designed to complete unfinished business from the last Defense Authorization Act. That particular Act has a provision that would terminate the entitlement of men and women of the Armed Forces now serving in Japan from shipping their vehicles from the American Territory of Guam.

In a Department of Defense study directed by the U.S. Congress, there is a conclusion reached that we should retain the American Territory of Guam as a port for shipping, and that we should preserve this entitlement. My amendment is designed to implement the Department of Defense study.

Support of my amendment would provide the following: It provides equity in the system, and they would make it possible for members of the Armed Forces, whether they are serving in Germany or Japan or in Britain, for that matter, to have the same entitlements.

My amendment serves a national constituency. I am not speaking here on behalf of the Territory of Guam as much as I am speaking on behalf of my former comrades, the men and women of the Armed Forces of the United States. My amendment would be a symbol of appreciation to the men and women of the Armed Forces for the services they render, and all you have to do is look at the papers and see the extent of their service to the United States.

I am certain that the opposition will bring out the fact that this could be viewed as a subsidy. If a person is entitled to ship a car to and from an area, and he is denied that privilege, but he is then extended to ship it one way, I can make a good case to prove that it is a savings instead of a subsidy.

□ 1630

There is also a question of the numbers involved being a threat to the U.S. auto industry. The numbers involved in this case are no more than 1,200 in the last 3 years. The numbers are controlled by the number of replacements that go to the Far East and only certain people are eligible. When you bounce a number 1,200 against expected 2 million or so more that will be imported into the country, the numbers become almost insignificant.

I should mention that thousands of the 2 million are being imported every year by the U.S. automakers themselves.

There is also an admonition that we should buy American-made cars. Let me say to my colleagues that we should give the servicemen overseas the choice.

Before I came here, I was down in the garage and I saw in the garage in this House a magnificient exhibition of the benefits of free trade. Just a few days ago, there was an item in the paper that showed that the U.S. Navy awarded a contract to a firm in Communist China to do construction work on Guam. I rushed to the Defense Authorization Act. There is no prohibition to use defense dollars to pay Communist Chinese.

If my amendment is not accepted, we will end up with the very, very unusual situation of no defense dollars for the American serviceman to ship his car, yet defense dollars for the Communist Chinese building things on Guam.

Finally, I want to say that as we secure for the July 4 weekend you will have the situation where for the last 2 weeks we have been talking about billions and billions of dollars for defense. Unless my amendment is approved, we will have the situation of not a penny for the privilege of sending a car home from my region.

Mr. Chairman, this is my first opportunity to offer an amendment on the floor. I take great pride in the fact that this is an important issue affecting your constituents and my territory.

I rise as a retired general in the U.S. Marine Corps, a veteran of 30 years of service in defense of the rights of our fighting men and women and as a Guamanian. This Defense bill as it stands will deny an American sailor

stationed in Japan or Okinawa the right to buy a car in an American territory from an American, financed by an American bank, insured by an American company and shipped on an American vessel manned by American merchant seamen at the end of his tour of duty.

Ordinarily, a serviceman assigned overseas ships his car over to his new duty station as part of his household goods. The Government ships the car over and back in recognition of the unavoidable hardship which would otherwise arise. The Government of Japan, however, will not permit the shipment of American cars to Japan and Okinawa. Similarly, the United States will not permit the shipment here of Japanese cars made for the Japanese domestic market. To remedy this problem the Department of Defense has for many years allowed servicemen to buy cars on Guam at the end of their tour of duty and ship them home. The serviceman must otherwise sell his car in the States and buy another car in Japan. At the end of his tour he must then sell that new car and buy yet another car upon his return to the States.

Sadly, the bill before us today fails to preserve this wise policy. My amendment to this bill will amend section 652 of the Defense Authorization Act of 1985 to spare the dedicated serviceman stationed in Japan or Okinawa the unavoidable and costly purchase and sale of three cars every time his country calls upon him to serve in Asia.

This bill is fundamentally flawed. It rewards servicemen serving in Europe and punishes servicemen stationed in the Far East. While a serviceman in Germany can buy a BMW and ship it home at the Government's expense the serviceman in Japan cannot do likewise. Under no set of criteria is this result rational or beneficial.

First, the alternate port status of Guam saves our constituents money. It costs the U.S. taxpayer far less to ship a soldier's car once from Guam than it costs to ship a soldier's car to and from Europe.

Second, the number of cars sold to servicemen on Guam can never, by any stretch of the imagination, constitute a threat to the welfare of the American automobile makers. Only 1,200 cars are bought and shipped from Guam each year. At best these members of the Armed Services save $2,000 to $3,000 which is barely enough to compensate them for the losses they suffer in selling their stateside car and their car in Japan. This is a drop in the bucket of imports. You can't even find a bucket small enough to show the drop.

Third, if we want to limit the flood of Japanese imports into this country start with the biggest importers of Japanese cars. Two of the three largest American automobile manufacturers now import hundreds of thousands of Japanese cars for sale through their dealerships. In fact, all of the engines made for the best-selling car which brought one of the American automakers back from economic oblivion is made by Mitsubishi and bears the label "Made in Japan."

Is Guam such a threat to the U.S. automakers that they must block the sale of twelve hundred vehicles a year while the American auto industry itself imports millions of cars and parts from Japanese automakers? The answer is clearly "No". A very real threat, however, is posed by this bill to those men and women who put their lives on the line every day in our defense.

Fourth, the move to end Guam's status as an alternate port began at a time when it appeared necessary to help the U.S. automakers. There was a quota on the import of Japanese cars. An argument could and was indeed made that cars shipped from Guam were avoiding the quota.

But there is no quota now. By all accounts the American auto industry has recovered and is again recording profits. The elimination of the twelve hundred car sales on Guam will not affect the health of American automakers.

Fifth, this bill ignores a Department of Defense study ordered by the Defense Appropriation Act of 1985. That law directed the Department of Defense to study the impact of the provision that would end the purchase of cars on Guam by servicemen stationed in Japan and Okinawa. The Defense study is now complete. That report observed that the adverse impact on the morale of our Japan-based military personnel and on the Territory of Guam would be significant. The report concludes:

REINSTATE GUAM AS AN ALTERNATE PORT WITH NO LIMITATIONS OTHER THAN THOSE IMPOSED BY DOD

The message can be no clearer. The agency charged with the welfare of our fighting forces agrees with me.

I am not speaking solely on behalf of my territory. I am speaking primarily on behalf of the Armed Forces of the United States of which I was a member of three decades. What am I to say to the officers and men with whom I fought when they ask me, "General Blaz, are you going to let this happen to me?" I will not let these men down who are keeping the watch in Asia. My amendment should be passed out of an abundance of gratitude and common sense.

Finally, on behalf of my constituents on Guam I urge you to adopt my amendment. According to the Department of Defense study, ending the car sales on Guam will mean a cut of at least eight percent in auto sales. That adds up to a loss of about $10 million in gross sales, and that means as significant loss of tax receipts and jobs.

That may not seem like a lot to us and it is really not very much when compared to the $180 million we pay each year to the Philippines for use of our bases there. Still, on Guam the loss will be felt deeply in the American automobile retail business which is the very industry which this ineffective bill is attempting ostensibly to save. This bill illogically tells the loyal Guamanians that they must help the U.S. auto industry by sacrificing their own American automobile industry.

I'm not asking for a handout. I'm simply saying give us a chance to develop our economy and build our territory through private enterprise. I'm saying give us a chance because, to be frank, Federal regulations are strangling our efforts at economic development.

In the last few years we on Guam have lost a watch factory due to Federal constraints. We have lost an oil refinery because we could not compete with cheaper products from foreign refineries. Because of Federal regulations never intended for us, we are unable to fish commercially in our waters. Now we are on the verge of losing a garment industry because of more Federal constraints.

Yet, just this week, on Tuesday, the Washington Times reported that the U.S. Navy has awarded a Guam construction project to a contractor from Peking. Our island contractors will lose jobs because of this. Incredibly, there is no law prohibiting the awarding of contracts to the Peoples Republic of China over American contractors on Guam.

This bill does not express concern with the fact that we are losing hundreds of thousands and even millions of dollars to Peking at the expense of American contractors on Guam. It does not concern itself with the jobs it will eliminate in the American dealerships on Guam. It does, however, express concern over the fact that an American Sailor, Soldier, Airman or Marine, not from my district but from your districts, is buying a car from an American dealer in an American territory. This bill without my amendment will do more harm than good.

I have one last point I want to make. As you know, although my identification card says I am a member of Congress, the fact remains that some Congressmen are different from other Congressmen. I am a delegate and, therefore, I cannot vote on the floor. So the record will never show how I stand on this issue. You as voting members do have the privilege of indicating how you stand.

I accept the burden to present the plight of the servicemen to you. I now ask you to accept the burden to cast your votes for my amendment. This amendment is for the Americans serving us in harm's way in the strategically important Far East. It is for members of our all-volunteer forces who were promised a fair deal in return for their sacrifice and dedication. It is for young Americans from all of our districts to whom we owe a great debt of gratitude.

The burden is on you.

As a postscript let me say that the newspapers have been replete recently with references to communist incursions into the Pacific region. Just yesterday an article appeared which details Soviet Pacific incursions. Guess what is sitting in the middle of this area which the Soviets have targeted for activity—the American Territory of Guam. We must send a clear signal of support today for American servicemen and for the Territory of Guam.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BLAZ. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, I just want to make sure I understand the amendment offered by the gentleman from Guam.

The gentleman represents Guam. Guam has a great many servicemen who could transit through there and are stationed there. Are you making any different arrangement for them or providing anything different for them than the servicemen in Europe?

Mr. BLAZ. Not at all, sir.

Mr. DICKINSON. Is the gentleman saying, then, that the servicemen who are stationed in the Orient, Japan, Korea, Guam, will be treated the same as those who are in Europe, under the gentleman's amendment?

Mr. BLAZ. If my amendment is accepted it will provide the same.

Mr. DICKINSON. And if your amendment is not accepted, then we are really differentiating between those servicemen stationed there and those stationed in Europe or elsewhere; is that right?

Mr. BLAZ. That is correct.

Mr. DICKINSON. The gentleman is saying that without his amendment, it is OK to buy a Mercedes, it is OK to buy a BMW, it is OK to buy a Porsche, but you cannot buy one from Japan without the gentleman's amendment; is that correct?

Mr. BLAZ. We need to have my amendment to extend the privilege equitably.

Mr. DICKINSON. I understand. They have the right now, and without the gentleman's amendment they will be denied the right?

Mr. BLAZ. Yes, sir. It will be terminated.

Mr. DICKINSON. And we are only talking about what, 1,200 cars a year, or how many?

Mr. BLAZ. That is all.

Mr. DICKINSON. I can understand "Buy American," but this is a tempest in a teapot. I would hope we would support the gentleman's amendment.

Mr. BLAZ. I thank the gentleman.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Guam.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

Mr. Chairman, I have great respect and affection for the distinguished gentleman from Guam. He is a fine Member. He is likeable in the extreme. He offers, regrettably, a bad amendment.

What would the gentleman's amendment do? It would permit unlimited importation of Japanese automobiles into the United States, subsidized by the Federal Government. On a current cost basis, the Federal Government would pay the cost of importing some 2 million dollars' worth of travel to be paid on Japanese automobiles.

This amendment is opposed by the AFL–CIO, the UAW, the steel caucus. It is opposed by every Member who comes from an auto-producing area. It is an amendment which is subject to abuse. General officers go to Guam, or a high ranking officer goes to Guam, and could have a day or an hour as temporary duty and could procure for themselves then a Japanese automobile which would be shipped to this country.

It is unfair to the automobile dealers. It sets up a dealer in Guam who will be competing with American automobile dealers for the sale of Japanese automobiles inside the United States. It even sets up an unfair competition for the PX system, which permits Americans to buy, when they are in the military, motor vehicles through the PX system from Japanese manufacturers.

This system has grown, in a period of just a few years, from something on the order of 400 to something on the order of 1,300 cars. It will go to the point where, instead of spending $2 million to import Japanese automobiles and subsidize Japanese manufacturers in competition with U.S. manufacturers, U.S. dealers and the PX's of the Army, to the point where it will be a much larger sum.

The amendment should be rejected. I will point out that U.S. servicemen are being circularized to buy their cars and have them shipped at Government expense to the United States. I do not believe that this country should do that. I think it is wrong. I am quite content to see Guam be treated like any other part of the United States, but Guam has been designated an "alternate port." That is not being treated like any other part of the United States and it is, of course, regrettable that Guam would seek this special preference over other parts of the country.

It is also regrettable that Guam would be asking that the United States would be paying and subsidizing the shipment of cars purchased in Guam by persons who might or might not be assigned to Guam, who might or might not have been assigned to Japan from Guam to the United States, and that the United States would be paying the entire shipment costs thereof.

Obviously, this amendment would overturn an action taken during the previous Congess. It is unwise, and I urge my colleagues to reject the amendment.

● Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Guam. If passed, this amendment would again put the U.S. Government in the business of subsidizing the sale of Japanese cars in the United States.

Prior to the adoption of last year's Defense Department Authorization Act, the Department of Defense had operated a program to provide to U.S. military and civilian personnel the benefit of taxpayer-subsidized transportation for one privately owned vehicle from an overseas station to a port in the continental United States. Unfortunately, in the Far East, particularly Japan and Okinawa, this program was contorted into a lucrative scheme that encouraged service personnel to purchase brandnew Japanese-made vehicles and have them shipped to the United States at taxpayers' expense. Under this scheme, the service personnel never drove or even saw the car they purchased until their arrival back in the United States. According to the Department of Defense, some service personnel saved as much as $7,200 on the purchase of a Japanese-made vehicle through Guam.

Last year, in Public Law 98–525, the fiscal year 1985 Department of Defense Authorization Act, Congress provided for a phased reduction in the shipment of new Japanese cars through Guam by military personnel at taxpayer expense. It is this provision which the Blaz amendment seeks to eliminate.

Millions of Americans have a difficult time understanding why the Department of Defense should be encouraging our service personnel to purchase Japanese cars. The price advantage already is considerable without adding free transportation. For too long, taxpayers have been footing this expense, which should be borne by the ultimate purchasers or the manufacturers themselves.

U.S. service personnel purchasing American-made cars for delivery to them upon their return to the United States receive no taxpayer provided subsidization for their purchase. We should not be encouraging the purchase of Japanese vehicles over comparable American-made vehicles by footing the bill for transportation.

Because the voluntary agreement was allowed to lapse, more and more Japanese cars are entering the United States. In fact, our trade deficit with Japan soared to $3.68 billion in May alone, primarily because of increased auto shipments. Surely we should not further encourage imports of these vehicles by agreeing to ship them for free.

The United States has a multibillion-dollar trade deficit with Japan. As Japanese auto imports flow into this country, American jobs are lost. The U.S. Government should in no way be in the business of encouraging the purchase of Japanese vehicles and promoting unemployment, particularly while expending U.S. tax dollars in the

process. I urge my colleagues to vote against this amendment, which would revive a program the Congress agreed last year to put to an end.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Guam [Mr. BLAZ].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BLAZ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139; noes 272, not voting 22, as follows:

[Roll No. 204]

AYES—139

Archer	Gunderson	Morrison (WA)
Armey	Hall, Ralph	Myers
Badham	Hammerschmidt	Nielson
Bartlett	Hansen	Packard
Barton	Hartnett	Panetta
Bateman	Hendon	Parris
Bates	Hiler	Pashayan
Bennett	Hillis	Porter
Bentley	Hutto	Regula
Bilirakis	Hyde	Roberts
Brown (CA)	Ireland	Rowland (CT)
Callahan	Jeffords	Saxton
Campbell	Kasich	Schaefer
Carney	Kemp	Schneider
Chandler	Kolbe	Schroeder
Chappie	LaFalce	Sensenbrenner
Cheney	Lagomarsino	Shumway
Clinger	Lent	Shuster
Coats	Lewis (CA)	Skeen
Cobey	Lewis (FL)	Slaughter
Combest	Lightfoot	Smith (NE)
Courter	Lipinski	Smith (NH)
Craig	Livingston	Smith (NJ)
Daniel	Lott	Smith, Robert
Dannemeyer	Lowery (CA)	Snowe
DeLay	Lujan	Solomon
DeWine	Lungren	Spence
Dickinson	Marlenee	Stangeland
DioGuardi	Martin (NY)	Strang
Dornan (CA)	Mavroules	Stump
Dreier	Mazzoli	Sundquist
Eckert (NY)	McCain	Sweeney
Edwards (OK)	McCandless	Swindall
Fawell	McCollum	Tauke
Fiedler	McDade	Taylor
Fields	McEwen	Vucanovich
Franklin	McGrath	Walker
Frenzel	McKernan	Weber
Gallo	McMillan	Whitehurst
Gekas	Meyers	Whittaker
Gibbons	Michel	Wolf
Gilman	Miller (WA)	Wylie
Gingrich	Molinari	Young (AK)
Gradison	Monson	Young (FL)
Green	Montgomery	Zschau
Gregg	Moore	
Grotberg	Moorhead	

NOES—272

Ackerman	Billey	Bustamante
Addabbo	Boehlert	Byron
Akaka	Boggs	Carper
Alexander	Boland	Chappell
Anderson	Boner (TN)	Clay
Andrews	Bonker	Coble
Annunzio	Borski	Coleman (MO)
Anthony	Bosco	Coleman (TX)
Applegate	Boucher	Collins
Aspin	Boulter	Conte
Atkins	Boxer	Conyers
AuCoin	Breaux	Cooper
Barnard	Brooks	Coughlin
Barnes	Broomfield	Coyne
Bedell	Brown (CO)	Crockett
Beilenson	Broyhill	Darden
Bereuter	Bruce	Daschle
Berman	Bryant	Daub
Bevill	Burton (CA)	Davis
Biaggi	Burton (IN)	de la Garza
Dellums	Kindness	Rodino
Derrick	Kleczka	Roe
Dicks	Kolter	Roemer
Dingell	Kostmayer	Rogers
Dixon	Kramer	Rose
Donnelly	Lantos	Rostenkowski
Dorgan (ND)	Latta	Roth
Dowdy	Leach (IA)	Roukema
Downey	Leath (TX)	Rowland (GA)
Duncan	Lehman (CA)	Russo
Durbin	Lehman (FL)	Sabo
Dwyer	Leland	Savage
Dymally	Levin (MI)	Scheuer
Dyson	Levine (CA)	Schuette
Early	Lloyd	Schulze
Eckart (OH)	Long	Schumer
Edgar	Lowry (WA)	Seiberling
Edwards (CA)	Lundine	Sharp
Emerson	Mack	Shaw
English	MacKay	Shelby
Erdreich	Madigan	Sikorski
Evans (IA)	Manton	Siljander
Evans (IL)	Markey	Sisisky
Fascell	Martin (IL)	Skelton
Fazio	Matsui	Slattery
Feighan	McCloskey	Smith (FL)
Flippo	McCurdy	Smith (IA)
Florio	McHugh	Snyder
Foglietta	McKinney	Solarz
Foley	Mica	Spratt
Ford (MI)	Mikulski	St Germain
Ford (TN)	Miller (CA)	Staggers
Fowler	Miller (OH)	Stallings
Frank	Mineta	Stark
Frost	Mitchell	Stenholm
Fuqua	Moakley	Stokes
Garcia	Mollohan	Stratton
Gaydos	Moody	Studds
Gejdenson	Morrison (CT)	Swift
Gephardt	Mrazek	Synar
Glickman	Murphy	Tallon
Gonzalez	Murtha	Tauzin
Gordon	Natcher	Thomas (GA)
Gray (IL)	Neal	Torres
Gray (PA)	Nelson	Torricelli
Guarini	Nichols	Towns
Hall (OH)	Nowak	Traficant
Hamilton	O'Brien	Traxler
Hatcher	Oakar	Udall
Hawkins	Oberstar	Vander Jagt
Hayes	Obey	Vento
Henry	Olin	Visclosky
Hertel	Ortiz	Volkmer
Hopkins	Oxley	Walgren
Horton	Pease	Watkins
Howard	Penny	Waxman
Hoyer	Pepper	Weaver
Hubbard	Perkins	Weiss
Hughes	Petri	Wheat
Hunter	Price	Whitley
Jacobs	Pursell	Whitten
Jenkins	Quillen	Williams
Johnson	Rahall	Wise
Jones (NC)	Rangel	Wolpe
Jones (OK)	Ray	Wortley
Jones (TN)	Reid	Wright
Kanjorski	Richardson	Wyden
Kaptur	Ridge	Yates
Kastenmeier	Rinaldo	Yatron
Kennelly	Ritter	Young (MO)
Kildee	Robinson	

NOT VOTING—22

Bonior (MI)	Holt	Rudd
Carr	Huckaby	Smith, Denny
Coelho	Loeffler	Thomas (CA)
Crane	Luken	Valentine
Fish	Martinez	Wilson
Goodling	Owens	Wirth
Hefner	Pickle	
Heftel	Roybal	

□ 1659

Messrs. LATTA, BOEHLERT, COUGHLIN, NELSON of Florida, SCHEUER, and O'BRIEN changed their votes from "aye" to "no."

Mr. RALPH M. HALL and Mr. LENT changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DANIEL

Mr. DANIEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANIEL: Page 200, after line 4, add the following new section:

SEC. 1050. READINESS OF SPECIAL OPERATIONS FORCES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the first duty of the Government is to provide for the peace, safety, and security of the citizens of the United States;

(2) the incidence of terrorist, guerilla, and other violent threats to citizens and property of the United States has rapidly increased;

(3) the special operations forces of the Armed Forces provide the United States with immediate and primary capability to respond to terrorism; and

(4) the special operation forces are the military mainstay of the United States for the purposes of nation-building and training friendly foreign forces in order to preclude deployment or combat involving the conventional or strategic forces of the United States.

(b) SENSE OF THE CONGRESS.—In view of the findings in subsection (a), it is the sense of the Congress that—

(1) the revitalization of the capability of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority;

(2) personnel and other resource allocations should reflect the priority referred to in paragraph (1);

(3) the political and military sensitivity and the importance to national security of the special operations forces require that the Office of the Secretary of Defense should increase its management supervision of such forces to a level sufficient for direct, continuous, and intensive control of all aspects of the special operations mission area;

(4) the joint command and control of the special operations forces should be restructured to permit direct and immediate access by the President and Secretary of Defense; and

(5) the commanders-in-chief of the unified commands should have available, within their operational areas of responsibility, sufficient special operations assets to execute the operations plans for which they are responsible or to support additional contingency operations directed from the national level.

Mr. DANIEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia.

There was no objection.

Mr. DANIEL. Mr. Chairman, this is a sense-of-Congress resolution that provides for the enhancement of our readiness of Special Operations Forces. I don't believe that any of us in this Chamber will ever forget the morning when we awoke to watch the pictures on international television of the wreckage of our aircraft on the Desert in Iran, and had to deal with the wreckage of our hopes of being

able to recover the American hostages in Tehran.

Exhaustive inquiries into the reasons for the events at Desert 1 were conducted, and the commission chaired by Admiral Holloway identified numerous deficiencies in our ability to direct and support our Special Operations Forces. This incident, and the report, led to an implacable determination on the part of both the committee and DOD that never again would we be caught by a situation for which we could plan and equip our Special Operations Forces in advance.

For the last 3 years, the Readiness Subcommittee, and more recently the special operations panel chaired by my very able colleague from Florida, Mr. HUTTO, has provided intensive oversight over the readiness of our Special Operations Forces and the execution of the service master plans for their revitalization. There has been enormous progress in this area, Mr. Chairman—but the recent events of the hijacking of the TWA flight to Beirut have served to demonstrate just how quickly an emergency can arise, and how complex a process it is to deal with at extreme distances. Most importantly, it has served to remind us that preparation for this kind of crisis response has to have been made before a terrorist or other incident erupts. We have seen that the revitalization of our Special Operations Forces, begun 5 years ago and scheduled to be completed in 1990, has to be accelerated. It has to be given a higher priority in our defense planning and resources. We have to be ready in all respects before this kind of situation arises.

We have a counterterrorist capability in our Armed Forces that is second to none. Man for man, our Special Operations Forces are as good or better than any in the world. But we have to speed up our efforts to support them, and equip them, and be able to effectively command and control them if they have to be used.

The indications from Beirut today are cautiously optimistic, and it appears that we are lucky in this instance and will not be forced to use a military operation. And all of us pray that the situation holds, and that the Americans can be restored to their families without the necessity of the use of force. But the next time—and in this chaotic world there is every chance that there may be a next time—we may not be so lucky.

Later in this Congress, the special operations panel will be presenting a voluminous report on our Special Operations Forces. But in the interim, improvements and the rapid correction of remaining deficiencies in command and control, equipment and planning cannot wait for reports or hearings or "business-as-usual." The amendment before you expresses this, calling for a more rapid revitalization of our Special Operations Forces, and making an expression of the sense of Congress that the process which began in the aftermath of Desert 1 be completed expeditiously. Specific steps which need to be taken are discussed, but not in detail because of the current emergency. We must never relax in our vigilance and our preparedness and must be completely prepared to protect our citizens. There are over 3 million of us abroad on any given day, Mr. Chairman—and every one of us is a potential target.

I urge the committee's support for this amendment. Just as in the case of our Strategic Forces, or our conventional forces, we pray that we will never have to use our Special Operations Forces. But, if we do—and that could occur any time, any place, anywhere in the world, we must be ready. Special operations is a risky business, Mr. Chairman, a very, very dangerous and complex business. And we owe the men who have volunteered to undertake that risk on behalf of all of us the priority and the support necessary to minimize that risk and maximize our chance for success. And we owe that to them today.

Hopefully the amendment will be approved.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I rise in support of the gentleman's amendment and urge its adoption.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, the United States is at war. The United States has been the prime target of terrorism in both the Eastern and Western Hemispheres: over 50 percent of all terrorist attacks since 1974 have been directed against Americans. In 1983 alone, 274 American citizens were killed by terrorist groups. With these striking facts in mind, we must realize that our present definition of warfare is out of date if it does not include terrorism as an option used by some groups and/or nations. It is time to act.

Terrorism requires a shock element in order to draw attention to the particular cause of the group. Bombs, armed assault, arson, kidnaping and hijacking shock the sensibilities of civilized people and are therefore used effectively by terrorists.

To illustrate the scope of the atrocities happening worldwide, the following 1983 figures show the parameters of the problem. Geographically: 37.2 percent of all incidents occurred in Western Europe, 25.6 percent in Latin America, 22.8 percent in the Middle East, and North Africa, 7.8 percent in the Asia-Pacific region, 3.4 percent in Africa, 2.4 percent in North America, and 0.8 percent in Eastern Europe and the Soviet Union. Of those attacked, diplomatic and government personnel of the United States and other countries accounted for 48 percent of all terrorist victims in 1983, military personnel accounted for 18.4 percent, and business executives for 14 percent. The remainder were private citizens. Showing the methodology worldwide: bombings accounted for 49.5 percent, armed attacks 15.2 percent, arson 14.3 percent, kidnapings 7.7 percent, barricades with hostages 2.4 percent, barricades without hostages 1.7 percent, and hijackings 1.7 percent, the remaining incidents did not fall into these categories.

The undertaking of activities such as these requires a great deal of financial and logistical support. During the late 1960's and early 1970's, most terrorist groups had to support their activities through bank robberies, kidnapings and raids on governmental caches. Recent trends show that state-sponsorship of terrorist activities is growing with more serious consequences. These countries put resources in the hands of the terrorists: money, sophisticated munitions, intelligence, and technical expertise. State-sponsorship tends to make the terrorist activities eight times more lethal and give a wider range to their operations. Countries that have consistently supported terrorists have been Russia, Cuba, Iran, Libya, Syria, and the People's Democratic Republic of Yemen. The Soviet Union provides heavy financial, educational, and material support for countries that sponsor international terrorism.

Training camps in the Soviet Union itself, Eastern Europe, Cuba, and various Middle Eastern states, have provided terrorists with techniques of guerrilla warfare and other skills that are useful. Some of these skills include the use of explosives, mining techniques, commando field tactics, urban guerrilla tactics, and the use of shoulder-fired rockets. Some groups that have benefited from Soviet training and supplies have been the Italian "Red Brigade," over a thousand Palestinians, Turkish leftists, and possibly the Basque ETA and the terrorist wing of the Irish Republican Army. Also, the Soviets provide arms to Libya knowing full well that some of these weapons will fall into the hands of such hardcore terrorist groups along the line of German Red Army

(successors to the Baader-Meinhof group) and the Japanese Red Army.

Effective defense against terrorism will require worldwide political, economic, and military coordination. Foreign aid offered to specific countries to develop and maintain state of art technology, intelligence gathering capabilities, and internal security forces is a fundamental first step to denying terrorism the center stage for its criminal acts. To bolster the intelligence gathering capabilities of the CIA, we have to loosen the shackles fastened during the seventies that prevent the covert and preemptive actions needed to combat terrorism. We should place armed sky marshals on international flights to circumvent escalation of hostage taking before the plane touches back down on the runway. Also, the selective implementation of preemptive/retaliatory strikes should be used to send the message home to potential hostage takers that we will not stand for transgressions against any U.S. citizens or property. Also media self-restraint is essential to minimizing the inadvertent complicity of the media in encouraging the success of terrorism while still protecting the media's role as provider of information to the public.

The United States has to take the lead and face the increase in international terror. We must come to terms with this problem with a coherent policy, though this will be achieved only through the coming of terms with many hard decisions. As Secretary Shultz said on October 26, 1984, "we must be willing to use military force" to combat international terrorism.

The public must understand *before the fact* (emphasis in the speech) that there is potential for loss of life of some of our fighting men and the loss of life of some innocent people.

Mr. SWEENEY. Mr. Chairman, the House Armed Services' Readiness Subcommittee formed the Special Operations Panel last year in the second session of the 98th Congress. The panel's establishment followed oversight hearings by the full subcommittee on the readiness of our Special Operations Forces in the 97th Congress, and reflected congressional commitment that the readiness of our Special Operations Forces was a matter of the highest national priority.

In the aftermath of Vietnam and Watergate, our Special Operations Forces and intelligence capabilities were not only allowed to deteriorate, but were actively dismantled: dismantled by the Carter administration with the acquiescence of our military leadership. The debacle in Iran, the hostage rescue attempt that failed miserably—leaving not only the blood and bodies of eight of our young men, but the honor and prestige of our Nation in the desert—showed just how far our counterterrorist capability had declined.

It was with great foresight that my colleague from Virginia, Mr. DANIEL, began to work very diligently 3 years ago to turn this situation around. While the Reagan administration has been supportive of his efforts, the credit for the revival of our special operations capability belongs to the Readiness Subcommittee he chairs.

Our Special Operations Forces are the finest in the world. We have made significant progress in the last couple of years during a time when not only the American public, secure in their freedom, have turned their attention to other matters, but when some of our highest military leadership has become complacent toward the terrorist threat. This complacency in our military leaders is inexcusable. Faced with a growing threat from terrorist acts, the American people will no longer accept a "business as usual" approach to the revitalizing of our Special Operations Forces.

For the first time, terrorist acts are being focused on American citizens. No longer can Americans expect to be exempt from terrorist attacks. In fact we are seeing what may be the beginning of a migration of terrorist activity, that could include attacks even on our shores, against innocent and unexpecting Americans.

Our only hope in averting such attacks is to immediately and finally, complete the revitalization of our Special Operations Forces. Only by effective intelligence and strong counterterrorist activities can we prevent, stop, or retaliate against terrorists. I commend the gentleman for his amendment and I look forward to working with him on the Special Operations Panel to close the remaining gaps in our counterterror capabilities.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Virginia [Mr. DANIEL].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. BYRON

Mrs. BYRON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRON: At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1025. REPORT ON COMPETITION PROCEDURES UNDER SECTION 8(a) SET-ASIDE PROGRAM.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense and the Administrator of the Small Business Administration shall submit to the Committees on Armed Services and on Small Business of the Senate and House of Representatives a joint report on the feasibility of providing for the use of competitive procedures for contracts awarded by the Department of Defense under the set-aside program of the Small Business Administration under section 8(a) of the Small Business Act.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

Mrs. BYRON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. BYRON. Mr. Chairman, this is an amendment dealing with the Small Business Administration, requesting a report required to be submitted not later than 180 days after the date of enactment.

I have discussed this with the chairman of the Small Business Committee and he has no objection to it from his aspect.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Maryland [Mrs. BYRON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROBINSON

Mr. ROBINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON: At the end of title X (page 200, after line 4), insert the following new section:

SEC. 1050. AUTHORIZATION FOR SPECIAL OPERATIONS WEAPONS FOR THE NAVY.

The Secretary of the Navy is authorized to obligate $2,300,000 for the acquisition of convertible special application sniper weapons from amounts appropriated for weapons procurement for the Navy for fiscal year 1986. Such authorization shall be considered to be included within the authorization for weapons procurement for the Navy under subsection (c)(1) of the section in this title relating to authorization for additional procurement for conventional forces.

Mr. ROBINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Arkansas [Mr. ROBINSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DYSON

Mr. DYSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYSON: At the end of title X, add the following new section:

SEC. 1050. ANNUAL REPORT ON COST SAVINGS UNDER CONTRACTING OUT PROCEDURES.

(a) REPORT.—Not later than April 15 of each year, the Secretary of Defense shall submit to Congress a report describing the experience of the Department of Defense since January 1, 1981, with conversion to contractor operation of commercial or in-

dustrial type functions of the Department of Defense which previously had been performed by Department of Defense civilian or military personnel.

(b) MATTERS TO BE INCLUDED.—(1) Each report under subsection (a) shall include with respect to each function of the Department of Defense converted to contractor operation since January 1, 1981—

(A) the estimated cost (as of the date of the award of the contract) of performance of the function by the Government,

(B) the contractor's estimated cost of performance of the function in the bid of the contractor,

(C) the actual cost (as of the end of the contract or the date of the report) of contractor operation of such function, and

(D) the savings (shown in dollars and as a percentage) for the operation of such function since conversion to contractor performance.

(2) Each such report shall also show—

(A) the average savings (shown in dollars and as a percentage) of all functions converted to contractor performance since January 1, 1981, as projected at the time of contracting and as realized at the end of the contract or the date of the report;

(B) the dollar amount and percentage of such contracts awarded to small businesses; and

(C) the number of Federal employees whose employment by the Government was terminated as a result of conversion of such functions to contractor performance.

(c) REVISION OF COST DIFFERENTIAL.—In performing any cost comparison under OMB Circular A-76, the Secretary of Defense shall use a cost differential factor of 15 percent rather than the percentage specified in such circular.

Mr. DYSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. DYSON. Mr. Chairman, the amendment I am offering this afternoon has two objectives: One, it would establish a requirement for annual reports to the Congress regarding the actual cost savings achieved through contracting-out of services within the Department of Defense; and two, it would establish a higher and more conservative standard for converting in-house services to the private sector.

The purposes of my amendment are straightforward. First, by requiring annual reports to the Congress concerning the relative effectiveness of contracting-out in the Department, we will be in a much better position to evaluate this program over the next several years.

Our experience with contracting-out in DOD over the last several years has been mixed at best. The most recent evidence we have that may be used to evaluate this program is an April 15, 1985, GAO report. The audit covered 20 functions converted to contractor operation between 1978 and 1981.

The major conclusions from this cost data are: First, overall estimated savings of nearly $14 million was reduced to about $2 million; and second, the estimated savings of 42 percent was reduced to 7 percent over the 3-year period, equaling 2.3 percent per year.

To address this concern, the second part of my amendment would increase the cost-differential used for converting in-house functions to the private sector from the current 10-percent level to 15 percent. This is the same threshold used by the Veterans' Administration.

With 115,000 civil service jobs under review for possible conversion by fiscal year 1988, I strongly recommend this more conservative approach to spending taxpayer's dollars. I urge the adoption of my amendment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DYSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have looked at the amendment. We believe the amendment is a good one and urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Maryland [Mr. DYSON].

The amendment was agreed to.

□ 1700

AMENDMENT OFFERED BY MR. MC COLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM: At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or crpyotographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) Except as set forth in this section, sentencing under this section shall be determined pursuant to procedures set forth in the Manual for Courts-Martial. The members shall consider all relevant matters presented in aggravation and extenuation and mitigation. The members shall return special findings identifying any mitigating factors and any aggravating factors set forth in subsection (d) or (e) that are found to exist. If one of the aggravating factors set forth in subsection (e) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by the members shall be made by unanimous vote. If no aggravating factor set forth in subsection (e) is found to exist, the members shall impose a sentence, other than death, authorized by law. If one or more of the aggravating factors set forth in subsection (e) is found to exist, the members shall then consider whether the aggravating factor or factors found to exist sufficiently outweighs any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the members by unanimous vote shall return a finding as to whether a sentence of death is justified. Upon a finding that a sentence of death is justified, the members shall sentence the accused to death. Otherwise the members shall impose a sentence, other than death, authorized by law.

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) the accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

Mr. McCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Chairman, I think this is a very important amendment.

Mr. Chairman, the amendment I am offering would create a peacetime espionage offense within the Uniform Code of Military Justice and sets forth constitutionally valid guidelines for the imposition of the death penalty under certain circumstances. This offense will apply only to military personnel.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield very briefly to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, we will accept the amendment unless the gentleman wants to make a speech.

Mr. McCOLLUM. I would like to explain it if I could.

At the present time, espionage is not specifically covered in the Uniform Code of Military Justice. Active duty and retired military personnel are court-martialed for peacetime espionage and the Federal civilian statute on espionage must be used, and the maximum sentence is 10 years confinement.

Although retired WO John Walker, Jr., could have been tried and recalled under military law, he is being tried under civilian law where he could receive a life imprisonment sentence, but not the death penalty because it is constitutionally invalid, as it now stands, in all but one Federal criminal statute.

My amendment engraves the civilian espionage statute into the Uniform Code of Military Justice, and establishes restrictions limiting the imposition of the death penalty in peacetime only to espionage cases involving serious breaches of national security.

The amendment also creates a broader war time espionage crime for military personnel to which the limiting restrictions do not apply.

The amendment provides for consideration by court-martial of mitigating or aggravating factors before the imposition of the death penalty as required by the Supreme Court for constitutional validity. It does not affect any existing death penalty provision under the Unform Code of Military Justice, or the existing death penalty sentencing procedure promulgated by the President in the manual for court-martials to set the death penalty for espionage crimes.

What this amendment does very simply is put a new crime of espionage for peacetime in the Uniform Code of Military Justice that a John Walker could have been tried under had it existed, and it reinstates the death penalty for this particular crime.

We have only voted in this Congress one time on the death penalty since the Supreme Court in 1972 ruled it unconstitutional. In that one instance in 1974 we created an air piracy-air hijacking offense and put the death penalty into it.

Thirty States have revised their constitution or revised their statutes on the death penalty to allow for constitutional death penalties. The Federal Government has not done so.

This is an opportunity not only to rectify an egregious problem, but it is an opportunity to reinstate the death penalty in this case. I can think of nothing that has more drastically demonstrated the need to rectify the laws regarding this matter than the Walker espionage case.

Mr. Chairman, under my amendment, any person subject to the UCMJ who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit to any foreign government, or to any faction or party or military or naval force within a foreign country or to any representative of such country, any specified document or information related to national defense would be guilty of an offense under the UCMJ and subject to punishment by death or such other punishment as a cout-martial may direct. In addition, any person subject to the UCMJ who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishers or communicates, or attempts to elicit any information specified concerning war plans and national defense would be guilty of an offense under the UCMJ punishable by death or such other punishment as a court-martial may direct. The amendment does not eliminate or change in any way any presently existing offense under the UCMJ. The language for this new espionage offense is patterned after the espionage offense in the Criminal Code (18 U.S.C. 794).

If convicted of peacetime espionage under this amendment, the death sentence may only be imposed if the members of the court-martial find that the offense directly concerned: (a) nuclear weaponary, military spacecraft or satellites, early warning systems, or other means of defense of retaliation against large-scale attacks; (b) war plans; (c) communications intelligence or cryptographic information; or (d) any other major weapons system or major element of defense strategy. These restrictions would not apply to wartime espionage, and are taken from the Department of Justice Criminal Code death penalty proposals (S. 239, H.R. 343). These limits are the product of discussions with Members of Congress and the administration over the last several years.

Furthermore, under my amendment, the death penalty could be imposed only after the members of the court-martial consider all of the mitigating and aggravating factors as required by the Supreme Court. As you know, the Supreme Court required the jury to concentrate on specific factors relating to the sentence of death in an effort to ensure more consistent and fair results. *Furman* v. *Georgia*, 408 U.S. 238 (1972).

On July 2, 1976, the Court upheld the Georgia, Texas, and Florida statutes and struck the North Carolina and Louisiana statutes. From these and subsequent cases, a pattern of general rules has developed. First, the sentencers' attention should be drawn to particular circumstances, and this can be done by reference to aggravating and mitigating factors. The discretion of the sentencer must be controlled by clear and convincing standards, and the sentencer must have all relevant evidence provided under the Rules of Evidence. The Court requires an established standard of review and prohibits a mandatory sentence of death. All mitigating factors must be presented.

In response to these decisions, the Department of Justice has carefully perfected over the last several years a death penalty proposal to the Criminal Code (S. 239, H.R. 343). My amendment relies on the heart of this proposal. Specifically, my amendment requires the members of the court-martial to find at least one aggravating factor. The members must then determine whether the aggravating factor(s) sufficiently outweigh(s) any mitigating factors found to exist or, if none exist, whether the factors themselves are sufficient to justify a sen-

tence of death. If the members unanimously determine that the aggravating factors are sufficient, death is to be imposed. If not, another sentence, as provided by the manual, must be determined, and this decision need not be unanimous.

The amendment does not limit what mitigating or aggravating factors might be brought to the attention of the members of the court-martial, but it does set forth some factors of both kinds that might be considered and incorporates any additional factors that the President might set forth in the Manual for Courts-Martial.

Mr. Chairman, I have read all of the relevant Supreme Court decisions, and I am confident that the requirements of the Court are satisfied by this amendment.

Since the Supreme Court declared the death penalty statutes of the Federal Government and most States unconstitutional a number of years ago, Congress has only voted once to provide a constitutionally valid death penalty for any Federal offense and that was in the case of air piracy back in 1974. 49 U.S.C. 1472(i). My amendment will give Members not only an opportunity to correct the UCMJ by adding a peacetime espionage statute, but also to vote on a constitutionally valid death penalty for espionage. Nowhere is this more needed than in the case of active duty personnel in our Armed Forces and those who leave by retiring after having committed the espionage on active duty.

A recent decision of the Court of Military Appeals [CMA] ruled that the death penalty under the UCMJ was unconstitutional without specific guidelines for members of the court-martial to consider mitigating and aggravating factors. *United States* v. *Mathews,* 16 M.J. 354 (CMA, 1983). CMA also ruled that constitutionally valid guidelines could be promulgated either by Congress or by the President under the Manual for Courts-Martial. Subsequently, the President issued orders setting forth guidelines for existing capital offenses under the UCMJ (Executive Order 12473) and two death penalty cases are now beginning the appellate process to test these guidelines. My amendment does not invade the guidelines system already established, but it does not set forth clear congressional guidelines for capital punishment in the case of the newly created espionage offenses and assures that regardless of the ultimate determination of the Supreme Court in the pending cases the death penalty for espionage under the UCMJ will be constitutionally valid. Because I believe in the consistency and the other benefits provided by the guidelines system already established in the UCMJ, this amendment incorporates any factors set forth under the Executive Order 12473 and relies to a large extent on the procedures now employed under the Manual for Courts-Martial.

Thus, my amendment is designed to supplement, not replace, the executive guidelines and is not a legislative statement as to the validity of the executive authority to issue these factors in response to the 13 existing death penalties under the UCMJ.

I urge your support for the McCollum amendment and your vote against any weakening substitute or amendments thereto that may be proposed.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I am delighted to yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I simply rise to second the proposition by the gentleman from Florida. This can be constituted as a first step toward bringing about the capital punishment mandate for all espionage, both civilian and military yet to come, but for this moment the first step is adequate, and I thank the gentleman.

Mr. McCOLLUM. I thank the gentleman very much for that comment.

It is very important that we have it in the espionage area. We have already debated the Walker case a number of times.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I will be glad to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have looked at the amendment and we think the amendment should be approved.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. McCOLLUM].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. McCOLLUM. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

Mr. BROOKS. Mr. Chairman, last Friday Mr. NICHOLS offered an amendment to the DOD authorization bill which made several changes to current procurement law. Unfortunately, I was out of town on urgent business which precluded me from being here during the adoption of this measure. Mr. NICHOLS has been gracious enough to allow me a few minutes to express my support for the amendment.

For the most part, the provisions that were adopted make technical and clarifying changes to the Competition in Contracting Act of 1984. There are two provisions, however, which I believe deserve some discussion. The first of these addresses a problem that the Government Operations Committee found in the General Services Administration's [GSA] regulations implementing the Competition Act. GSA had written its regulations to make it acceptable for agencies to conduct "sole-make and model" computer procurements without having to justify the acquisitions as noncompetitive. This is ridiculous since it flies in the face of what the Congress intended when it passed the Competition Act. Clearly, when an agency is so restrictive in defining its requirements that only the product of one manufacturer is acceptable, that procurement cannot be considered fully competitive. It should be noted that DOD's implementing regulations require these types of procurements be fully justified and approved as noncompetitive acquisitions.

The second provision deals with changes made to the NATO Mutual Support Act. The amendment allows U.S. forces in Europe to acquire logistics support, supplies, and services from governments of NATO countries without having to use full and open competition. I was originally skeptical of this provision on the basis that DOD would somehow interpret this as an authorization to award sole-source contracts overseas to foreign suppliers. However, Mr. NICHOLS has made clear that this is not the case, and as such I remove my reservations about this provision.

In closing, I would like to commend the gentleman from Alabama for his work on this amendment. As chairman of the Government Operations Committee, I have had the opportunity to work with Mr. NICHOLS on a number of procurement measures. While I have found him to be almost as hard to convince as I am, he has always been willing and able to tackle head on the tough procurement issues facing Congress. Certainly, reforming DOD procurement will not be an easy task and cannot be accomplished solely during the authorization process. To be successful, Congress must be keep the heat on DOD all year long with constant oversight and thorough investigation. I believe that Mr. NICHOLS has done a commendable job in this area and I look forward to working with him on these issues in the future.

AMENDMENT OFFERED BY MR. AU COIN

Mr. AuCOIN. Mr. Chairman, I offer an amendment.

The Clerk read as follws:

Amendment offered by Mr. AuCOIN: At the end of title X add the following new section:

SEC. 1050. REDUCTION IN SERURITY CLEARANCE BACKLOG.

(a) FINDING.—The Congress finds that there are many persons with a security clearance at a level of top secret or above who have not been investigated for more than five years as a result of delays in the program of the Department of Defense for periodic reinvestigations of persons with clearances at such a level.

(b) REQUIRED REDUCTION IN CLEARANCE BACKLOG.—The Secretary of Defense shall take such action as necessary to achieve a reduction of 25 percent in the backlog under such periodic reinvestigation program by the end of fiscal year 1986.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1986 for operation and maintenance of defense agencies $25,000,000 for the purposes of this section. Such authorization is in addition to any other authroization provided by this Act.

(d) REPORT.—If the Secretary determines that there are insufficient funds available to the Secretary to carry out subsection (b) the Secretary shall report to Congress by April 1, 1986, on the level of funding required to enable the Secretary to carry out that subsection. Such a report shall include a description of any resources and requirements necessary to accomplish the remaining reduction under subsection (b) and to eliminate an additional 25 percent of the backlog in the periodic reinvestigation program during fiscal year 1987.

Mr. AUCOIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. AUCOIN. Mr. Chairman, Tom O'Brien, the Director of the Defense Investigative Service, said in testimony in April dealing with the problem of spies within the Armed Services:

In almost all instances in which cleared people have been found guilty of espionage, it is subsequently determined that they were not involved with foreign intelligence at the time they were initially investigated and cleared. Rather, their involvement in espionage developed after the initial investigation and clearance and after they were established in position of trust.

As a result, Mr. Chairman, we have developed a program of reinvestigation. This does not involve polygraphs. The reinvestigation consists of national security checks by the FBI, local agency checks, credit checks and so forth.

We now have a backlog of over 3,000 cases. This amendment authorizes a reduction of 25 percent of that backlog and provides the funds to do it.

Today, the backlog in periodic reinvestigations required every 5 years for those holding top secret and higher security clearances is seriously backlogged.

Two hundred and seventy nine thousand individuals have not been reinvestigated in the required 5 years. You know, some experts have said we're 17 years behind. What's really incredible is that John Walker had a top secret clearance for 15 years, and was never reinvestigated.

These people have access to the most critically sensitive information involving the national security of this country.

It is absolutely critical that there be regular periodic reinvestigations for personnel with top secret and even more sensitive clearances.

Timely reinvestigation ought to be as important, and as high a priority as initial clearance.

Instead, it's been relegated to the back recesses of getting the job done.

Secretary Lehman's view of what damage John Walker and company have wrought is that it is indeed, very serious.

Serious compromises in naval communications and other sensitive areas have taken place.

This man, his son, his family, were able to completely confound our current system. And it's absolutely inexcusable.

The head of the Defense Investigative Service has told us: "We just don't have the resources."

Well, Mr. Chairman, this amendment is an effort to do just that. Make a start of giving our dedicated investigators the tools they need to carry out their mission. I don't know if it's enough. But it's a start. And I can't think of many more cost-effective measures we could take.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have looked at this amendment. We believe it is a good amendment and urge the adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. AUCOIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION OF PRODUCTION OF THE 155-MILLIMETER ARTILLERY-FIRED, ATOMIC PROJECTILE.

(a) LIMITATION OF FUNDS AUTHORIZED FOR FISCAL YEAR 1986.—None of the funds appropriated pursuant to the authorizations of appropriations in this or any other Act may be used for the production of the 155-millimeter artillery-fired, atomic projectile (W-82).

(b) REPEAL OF PRIOR AUTHORIZATION.—Section 1635 of the Department of Energy National Security and Military Applications of Nucelar Energy Authorization Act of 1985 (title XVI of Public Law 98-525) is repealed.

(c) LIMITS ON THE PRODUCTION OF 8-INCH ARTILLERY-FIRED ATOMIC PROJECTILES.—The total number of 8-inch artillery-fired atomic projectiles (W-79) produced may not exceed the number allocated for such projectiles in the plan submitted to the Committees on Armed Services of the Senate and House of Representatives on February 4, 1985, by the Secretary of Defense pursuant to the requirement of subsection (c) of section 1635 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985, as in effect on such date.

(d) CONDITIONS APPLIED TO THE MANUFACTURE OF 8-INCH ARTILLERY-FIRED ATOMIC PROJECTILES.—In the case of the 8-inch artillery-fired projectile (W-79), the following conditions shall be complied with:

(1) No such warhead produced after the date of enactment of this Act may be produced in the enhanced-radiation version.

(2) No activity may be undertaken with respect to research, development, testing, evaluation, or production of a component or module which could be inserted into the W-79 warhead to give it an enhanced radiation capability.

(3) In producing such warheads, special emphasis shall be placed upon improvements in the safety, security, range and survivability of such warheads.

(4) Replacement of obsolete artillery-fired atomic projectiles now in Europe shall be carried out within the nuclear stockpile limits agreed to by NATO Defense Ministers at Montebello, Canada, in October 1983, which required the withdrawal of 1,400 tactical nuclear warheads from the European stockpile in addition to the 1,000 warheads withdrawn in 1980.

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARKEY. Mr. Chairman, the amendment which I am offering does three things.

Just so you can understand and get the framework of what we are talking about as we discuss the intercontinental missiles as part of this debate, or the missiles that are based on submarines that are 3,000, 4,000, and 5,000 miles away from their target, or as we discuss the intermediate weapons over a base in the European theater, what many people fail to realize is that we also have weapons that are nuclear tipped weapons, nuclear weapons fired 9 and 18 miles away, fired out of howitzers over the European theater. All of the command and control built into the Strategic Air Command, and the red phones, and all of those kinds of controls do not really apply in the same way when you talk about nuclear weapons that are just put into howitzers.

Let me just tell you what this amendment does. First, it repeals last year's Nunn-Johnson amendment which authorized funds for the construction of facilities to produce a 155-millimeter nuclear artillery shell and provided up to $1.1 billion to produce up to 925 of both the 155-millimeter and 8-inch nuclear shells.

Second, it establishes a permanent prohibition on production of the W-82 shell.

And, third, it reenacts a strengthened version of the same basic limitations which last year's Nunn-Johnson amendment placed on production of the 8-inch W-79 warhead. These re-

strictions reduce the number of 8-inch shells that can be produced and bans production of a neutron bomb version of the shell.

□ 1710

These restrictions reduce the number of 8-inch shells that can be produced. My amendment would strengthen the Nunn-Johnson prohibition of enhanced radiation by prohibiting development of components which could transform the W-79 to a neutron bomb.

I am offering the amendment today because I see absolutely no reason why the United States should be producing a second new nuclear artillery shell, and I have a number of specific objections to proceeding with the W-82. Spending billions of dollars to replace the existing nuclear artillery shells with brandnew shells makes little sense. We should be using this money to make improvements in our conventional forces. Otherwise, we have these nuclear artillery facilities out in the middle of a battlefield that serve as the tripwire that can escalate a conventional war into a nuclear war without the kind of command and control and political participation by our political leaders that has to be the necessary precondition to any triggering of any nuclear shot by the U.S. Government

The short-range nuclear shell, such as the W-82, dangerously lowers the nuclear threshold and increases the prospects that some day the United States might in fact engage in first use or early use of nuclear weapons without the proper political decisionmaking process having transpired before a military decision is in fact made. A nuclear weapon with the short range of a W-82, about 19 miles, seems to me to be as much of a burden as it is an asset. We would be much better off without it because it puts too much pressure on the battlefield commander to have a use-it, or lose-it mentality at the time the battle is taking place.

I believe this is an important amendment. I hope this House can see its way toward approving it. I think it makes up in fact at least as dangerous as it is more dependent upon the strategic and intermediate weapons controls which we have rather than battlefield commands which can unfortunately slip out of control because of the tension and the pressure of the moment.

Mr. WEISS. Mr. Chairman, I commend the gentleman from Massachusetts for drawing attention to this important issue. With all the debate over strategic missiles like the MX or D-5, we often lose sight of the fact that short-range weapons constitute a large portion of our nuclear stockpile.

Before the House accedes to the Pentagon's request for a new nuclear artillery shell, we should examine carefully the role of this weapon system in our defense policy. The W82 highlights many of the problems that are shared by all short-range nuclear weapons. We have neither a workable political policy nor a credible military strategy governing their use.

The United States has always insisted that nuclear weapons be kept under civilian control. The authority to begin a nuclear war is so awesome a responsibility that it must never be delegated to even the finest military commanders in the field. When we try to apply this principle to nuclear artillery shells, however, we find that the constantly shifting nature of battlefield conditions makes it impossible to do so. Tanks, troops, and other targets may be moving so quickly that, by the time the release is granted, they are no longer in range.

In fact, the movement of opposing forces could be so rapid that our nuclear weapons were suddenly in danger of being overrun. To avoid a situation like this, we would probably have to allow our field commanders to use their nuclear weapons if they were in danger of losing them.

This fundamental incompatibility between our longstanding policy of civilian control and the realities of the nuclear battlefield is a source of concern to both our adversaries and our allies. Knowing that we cannot effectively control the use of nuclear artillery shells, the forces of the Warsaw Pact would probably preemptively attack as soon as these weapons were removed from their storage depots and dispersed in the field.

For our allies, this prospect is one of the many disquieting features of battlefield nuclear weapons. Contrary to some reports, the other NATO countries have not pledged to accept deployment of the W82. While they have agreed to consider modernization of NATO's short-range nuclear forces, they have made it quite clear that no decision has been made about any particular system. As Britain's Minister of Defense said in February, "We shall have to discuss which of the remaining capabilities have to be modernized. That is obviously a dual decision."

At present, the United States has no effective means of controlling the use of nuclear artillery shells. They divert resources from our conventional forces, make our allies uneasy, and pose a threat to our own troops. We should delete the funds for the W82 from the defense authorization for fiscal 1986.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. FAZIO AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. FAZIO. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. FAZIO as a substitute for the amendment offered by Mr. MARKEY: Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ONE YEAR PROHIBITION ON USE OF FUNDS WITH RESPECT TO THE 155-MILLIMETER ARTILLERY-FIRED, ATOMIC PROJECTILE.

(a) LIMITATION OF FUNDS AUTHORIZED FOR FISCAL YEAR 1986.—None of the funds appropriated pursuant to the authorizations of appropriations in this or any other Act may be obligated or expended for the production of the 155-millimeter artillery-fired, atomic projectile (W-82).

(b) LIMITATION OF PRIOR AUTHORIZATION.—None of the funds appropriated for fiscal year 1986 pursuant to the authorizations of appropriations in section 1635 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) may be obligated or expended during fiscal year 1986.

(c) COMMISSION ON BATTLEFIELD NUCLEAR WEAPONS.—(1) The Congress finds that—

(A) the deployment of battlefield nuclear weapons such as artillery shells constitutes a potentially fateful link between local crises and general nuclear war:

(B) the usefulness and merits of battlefield nuclear weapons are subjects of considerable debate among arms specialists;

(C) the North Atlantic Treaty Organization (hereinafter in this subsection referred to as the "NATO") has initiated measures to—

(i) reduce reliance on weapons systems which create pressures for the early first use of nuclear weapons; and

(ii) increase reliance on conventional forces;

(D) member nations of the NATO have not approved deployment of the 155-millimeter artillery-fired atomic projectile, and construction of facilities to produce the weapons has not begun;

(E) the Congress has not debated the proper function, if any, of battlefield nuclear weapons since they became part of our nuclear stockpile; and

(F) the enormous significance of the small nuclear artillery shell has remained obscure.

(2) There is hereby established a commission to be known as the Advisory Commission on Battlefield Nuclear Weapons (hereinafter in this subsection referred to as the "Commission").

(3) The commission shall—

(A) examine—

(i) whether nuclear artillery shells remain appropriate and necessary for the implementation of the NATO's flexible response strategy, and whether modernization of nuclear artillery is consistent with efforts to reduce dependence on early use of nuclear weapons and raises the nuclear threshold;

(ii) the adequacy of measures to ensure constant control of battlefield nuclear weapons by civilian political authorities, including the ability of such authorities to maintain this control while battlefield nuclear weapons are in use;

(iii) whether the defense needs of the member nations of the NATO required the construction and deployment of two kinds of similar nuclear battlefield weapons, the 155-millimeter artillery-fired atomic projectile (W-82) and the 8-inch artillery-fired atomic projectiles (W-79);

(iv) whether modern conventional weapons could substitute for one or both kinds of battlefield nuclear artillery presently deployed with the NATO forces;

(v) the extent to which member nations of the NATO who are to deploy any new 155-millimeter artillery-fired atomic projectiles have officially agreed to deploy the shells, including a description of any steps remaining to be taken before entry by those allies into Programs of Cooperation with the United States for the deployment of the weapon; and

(vi) the purposes and uses proposed for battlefield nuclear artillery in theaters in the world other than the European theater;

(B) consult with experts representing diverse views on issues related to nuclear arms control, including persons representing the public and private sectors; and

(C) submit the reports referred to in paragraph (11).

(3) Members shall be appointed to the Commission within 30 days after the date of the enactment of this Act. The Commission shall be composed of the following:

(A) Seven members appointed by the speaker of the House of Representatives.

(B) Seven members appointed by the majority leader of the Senate.

Of the members appointed under subparagraphs (A) and (B), not more than three shall be officers or employees of the United States and not more than five shall be of the same political party.

(4) Any vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(5) The Commission shall appoint a chairman from among its members.

(6)(A) Members of the Commission who are not officers or employees of the United States shall receive compensation at the daily equivalent of the rate of pay payable for grade GS-14 of the General Schedule for each day while performing duties of the Committee.

(B) Members of the Commission who are officers or employees of the United States may not receive compensation for their service on the Commission but shall be reimbursed for reasonable expenses for travel related to the duties of the Commission for which they would not otherwise receive reimbursement or any other payment.

(7) The Commission shall appoint and fix the pay of a director and staff of two persons to assist the Commission in carrying out its duties.

(8)(A) The Commission shall first meet within 15 days after the date on which members are first appointed to the Commission and shall meet thereafter at the call of the chairman or a majority of the members.

(B) Nine members of the Commission shall constitute a quorum for all purposes, except that a lesser number may hold meetings and hearings.

(9) The Commission may, for the purpose of carrying out this subsection, take such testimony and receive such evidence as the Commission considers appropriate.

(10) The Commission may secure directly from any department or agency of the United States any information necessary to enable it to carry out this subsection. Upon the request of the chairman, the head of any such department or agency shall furnish the information to the Commission.

(11) The Commission shall submit reports to the President and to the Congress not later than March 1, 1986, containing the findings, conclusions, and recommendations of the Commission with respect to the issues referred to in paragraph (3)(A). Any dissenting or supplemental views of members of the Commission shall also be included in the reports.

(12) There are hereby authorized to be appropriated for fiscal year 1986 such sums as may be required to carry out this subsection.

(13) The Commission shall cease to exist on September 30, 1986.

Mr. FAZIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FAZIO. Mr. Chairman, I would like to set the scene for a second because I know things are hectic here on the floor at this time. It is not unusual that this kind of issue be debated in last minute short-term time segments. It is a tragedy, because what we are attempting to discuss at this point is whether or not we are going to move forward this year to modernize our tactical nuclear shells, in this case the 155-millimeter shell, and make a decision, a fateful one that will continue to have very close point of contact for nuclear confrontation in Europe, on the battlefield where commanders are forced to make decisions; some have termed use it or lose it and perhaps kickoff—and know we do not like to contemplate this, but it cannot be ignored—the possibility of a nuclear conflagration that will at some point involve nuclear weapons with greater megatonnage, ultimately World War III. My amendment in the nature of a substitute acknowledges that it is difficult to say, "No," today as Mr. MARKEY's amendment were to have us do to the development of this shell. It is, after all, a departure from post-World War II allied history if we were to do that. What I am asking us to do is adopt a 1-year delay which will create the opportunity for committees of jurisdiction to have hearings and, more importantly, the creation of a commission made up of people appointed by the Senate and House leadership, who are experts in this area to give us the best advice they possibly can about what should be the future of nuclear weapons in a tactical battlefield environment.

My argument is that there are better alternatives available to us that allow our command and control structure, going all the way to the Office of the Presidency or Prime Minister, to make the decision as to whether or not we are going to use nuclear weapons in this kind of environment.

We can use Lance missiles, we can use tactical aircraft; there are better alternatives, I believe. I am not asking Members today to accept my premise. I am asking us to for once before we embark on a new building that will allow us to modernize this weapon and, in effect, commit ourselves to another 20 years of its deployment, to step aside and look at the issue of how we can step back from the nuclear threshold, how we can have better control over the decision to employ nuclear weapons in a battle.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I will be happy to yield to my friend from Washington.

Mr. DICKS. Mr. Chairman, I rise in support of the gentleman's amendment, but I want to make it clear that under any scenario the President of the United States has to make a decision before any of these systems can be used; is that correct?

Mr. FAZIO. The gentleman is correct in general. The problem is that once the decision has been made to deploy a nuclear shell, ultimately with all the turmoil of the battlefield, you must find the battlefield commander making judgment calls, making decisions that I think are best handled further up the line of command. I do not think the system is workable. It is one of the reasons I am concerned about moving forward with this. I believe in reality this is a paper tiger. This is not a real deterrent. In many ways we will shrink from the use of these weapons anyway. We simply are fooling ourselves into thinking that perhaps we have a system.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Florida, the chairman of the Committee on Foreign Affairs.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the gentleman's amendment for the very reasons that he suggests.

Mr. HOYER. Mr. Chairman, will the gentleman yield to me?

Mr. FAZIO. I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman on his amendment, which I think is a middle road which makes sense for the premises that he has stated during his presentation.

Mr. Chairman, I support the amendment of the gentleman and urge its adoption.

Mr. FAZIO. I appreciate the comments of the gentleman from Maryland.

I might point out that our NATO allies have not agreed to this acceptance of this process of modernization. We do have existing weapons available. I think it would not be an immediate reduction in our deterrent capability if we took a 1-year delay to study the issue for once, because it does, I think, contain within it the beginnings of a nuclear confrontation that none of us want.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and the amendment to the amendment.

Mr. Chairman, this particular nuclear round for the 155-millimeter howitzer is the basic tactical nuclear deterrent that is part of our NATO alliance. The commander of NATO forces, General Rogers, has pointed out that the 155 is the only weapon that has major acceptance within the NATO organization. Our allies have the 155, and Americans have the 155 and the basic nuclear deterrent that the NATO forces are relying on is the round that is currently under production, a new round to modernize our nuclear deterrent in NATO. In fact, the whole opposition on the part of our allies of the strategic defense initiative has been based on the fear that we are not going to be able to have any nuclear deterrent, if the SDI is approved.

What the gentleman from Massachusetts [Mr. MARKEY] is proposing in his amendment and in the amendment of the gentleman from California [Mr. FAZIO] are: The Markey amendment would eliminate any modernization for our nuclear deterrent in NATO. The Fazio amendment would make us wait a whole year in order to simply study the question. A study won't help us to deter a Soviet invasion force.

□ 1720

We do not need another study group; we do not need a commission; we need something that is going to deter the Soviet Union and make it perfectly clear to the Soviets but also our allies that we do have a nuclear deterrent.

I think these are dangerous amendments and I would yield to the gentleman from Oklahoma.

Mr. McCURDY. I thank the gentleman for yielding and I rise in strong opposition to the Markey amendment and the substitute by my friend from California [Mr. FAZIO].

I am very disappointed in this amendment because I believe at first blush it might be tempting to a lot of Members, because you have the concern for the "use it or lose it" analogy, but I believe that these concerns are wholly unfounded or ill-founded.

First of all, the President of the United States has the sole authority to authorize their use. Second, there are longstanding agreed procedures that the allies must have full participation in that decision; and third, this "use it or lose it" concern applies that somehow we have wild and uncontrolled officers in charge of the nuclear weapons.

This could not be farther from the truth. Fourth, these weapons have security devices called permissive action links, or PAL; these devices essentially lock the weapon up until a release code is received from higher commanders.

The old system that we are trying to replace did not have these security devices in it, and the reason for the modernization is to prevent terrorist actions as to these artillery weapons, and make them more secure, and less of a threat.

So I would urge my colleagues to think and look beyond the initial impression of this amendment. This is a very serious, permanent change in law which is going to affect our deterrent posture in Europe.

I would urge voting down both the Markey amendment and the substitute by the gentleman from California.

Mr. STRATTON. I yield to the gentleman from California [Mr. BADHAM], a senior member of the North Atlantic Assembly, to discuss what the impact would be with NATO.

Mr. BADHAM. I thank the gentleman, the distinguished chairman, for yielding.

PARLIAMENTARY INQUIRY

Mr. BADHAM. Mr. Chariman, at this time, I would ask a parliamentary inquiry of the Chair.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BADHAM. My inquiry is that since there were two offerings, an amendment and an amendment to the amendment in the form of a substitute, would the opposition now be exercising its prerogative in using 10 minutes in opposition to both?

The CHAIRMAN pro tempore. That is correct, except that the gentleman from New York rose in opposition to the Markey amendment. There would be 5 minutes of debate left in opposition to the Fazio substitute.

Mr. BADHAM. Then if I, at this time, ask to speak in opposition to the Markey amendment, would that be in order and could be time used consecutively?

The CHAIRMAN pro tempore. The gentleman from New York rose in opposition to the Markey amendment.

Mr. STRATTON. Mr. Chariman, I rose in opposition to both amendments, both the Markey amendment and the Fazio amendment.

The CHAIRMAN pro tempore. The Chair will state that the gentleman can only rise in opposition to one amendment as a time, and when he rose, the Chair understood him to rise first in opposition to the Markey amendment. That leaves only 5 minutes in opposition to the Fazio substitute amendment.

Any Member wishing to rise in opposition to the Fazio substitute amendment may, and a member of the committee is recognized before other Members.

Mr. BADHAM. I thank the Chair for responding, and I thank the gentleman from New York [Mr. STRATTON], the distinguished chairman for yielding me this time.

The CHAIRMAN pro tempore. The time of the gentleman from New York has expired.

Mr. BADHAM. Mr. Chairman, I rise in opposition to the Fazio amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. BADHAM] is recognized for 5 minutes.

Mr. BADHAM. I thank the gentleman.

I would just say in opposition to this and the other amendment that the Fazio amendment, however well-intended, is mislabeled. It is not a 1-year prohibition for a study. It would be permanent law; it would prohibit last year's money and all prior year funds from any act for the development, deployment, or procurement of these weapons systems—which are newer, which are more modern, and which are safer.

They have greater range. The one that is deployed in Europe now facing the nuclear tactical shells possessed and deployed by the Soviet Union in Europe, this one, the one that we have now, is obsolete, it is ineffective against tank formations; it has no modern safety features, and is equally as dangerous to our people as it is to any potential enemy.

The new one has a better security lock, and is safer for our own troops. NATO, in the high-level group report to NATO nuclear force requirements, agrees, programs, and puts the new shells under development, at present, that this would prohibit into the nuclear battle planning of NATO.

NATO therefore has accepted this round, is expecting this round, and with about half the production to replace all of the present stocks in Europe, this would be the way to go because we would be replacing obsolete, dangerous nuclear rounds with NATO agreement, with NATO support, with a new, modern round which would require fewer rounds of very effective, twice the range, safer, and more secure.

The unfortunate red herring about "use them or lose them" when referring to this round is absolutely incorrect, and I think the Members know this, and if they do not, they certainly should.

The fact simply remains that the President must give the order; it must go down the chain. We do not have uniformed officers in Europe that run amuck and do not do things without direct orders. If they did not have a direct order, they could not utilize.

If they were dispersed in a way that they could not go up the chain of command, they could not use the weapons; and they know that, and the training of the finest, best-trained officers in the world today are not going to run

amuck with this kind of a weapons system.

I yield to the gentleman from New York.

Mr. STRATTON. I appreciate the gentleman's remarks, and I think this is no time, considering our problems in NATO, for us to wipe out the NATO nuclear deterrent. I think this would be a very bad signal for us to send to our NATO allies, as we wind up the vote on this 1986 armed services authorization bill.

Mr. FAZIO. Would the gentleman yield for a point of clarification?

Mr. STRATTON. Be glad to.

The CHAIRMAN pro tempore. The gentleman from California will suspend.

The gentleman from New York does not have the time. The gentleman from California controls the time.

Mr. FAZIO. Will the gentleman from California yield?

Mr. BADHAM. I yield to the gentleman.

Mr. FAZIO. First of all, I would like to reiterate—I hope there is no confusion. My amendment as a substitute is a 1-year delay. At the end of that time, the authorization takes effect again. There is no permanent law that would put an end to the deployment of the 155, should we not make some other decision during the next fiscal year.

Second, Michael Hazeltine, on behalf of the British Government—NATO governments in general have not signed off on the deployment of this weapon. The record is clear on that.

I am sure our Government has some future hope that they would; they have not done so at the present time, leading even more, I think, to the conclusion that a 1-year delay to look at this very basic and fundamental decision in some other environment in 10 minutes at the end of an armed services authorization bill is not unwarranted.

Mr. STRATTON. Would the gentleman yield to me?

Mr. BADHAM. I will yield to the gentleman from New York.

Mr. STRATTON. This says, none of the funds appropriated pursuant to authorizations or appropriations in this or any other act may be obligated or expended——

Mr. FAZIO. This is the 1986 authorization. We are not talking about extending.

Mr. STRATTON. That is not just a 1 year—I ask that we vote down the Fazio amendment substitute to the Markey amendment.

Mr. BADHAM. Reclaiming my time, I would just say that what the gentleman from New York says is true; that this limits and prohibits funds from this act and any other previous act.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. FAZIO] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment was rejected.

□ 1730

AMENDMENT OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS: At the end of title X, (page 200, after line 4) add the following new section:

SEC. 1050 SHOULD-COST ANALYSIS.

(a) REPORT ON ANNUAL PLAN.—The Secretary of Defense shall submit to Congress an annual report setting forth the Secretary's plan for the performance during the next fiscal year of cost analyses of contractors for major defense acquisition programs for the purpose of determining how much the production of such systems should cost. Such report shall describe—

(1) which covered systems the Secretary plans to apply such an analysis to; and

(2) which covered systems the Secretary does not plan to apply such an analysis to and, in each such case, the reasons for not applying such an analysis.

(b) COVERED SYSTEMS.—For the purposes of subsection (a), a system under a major defense acquisition program shall be considered to be a covered system if—

(1) a production contract for the system is to be awarded during the year following the next fiscal year using procedures other than full and open competition;

(2) initial production of the system has already taken place;

(3) the current plans of the Department of Defense include production of substantial quantities of identical items in fiscal years beyond the next fiscal year;

(4) the work to be performed under the contract is sufficiently defined to permit an effective analysis of what production of the system by the contractor should cost; and

(5) major changes in the program are unlikely.

(c) SUBMITTAL OF REPORT.—The report required by subsection (a) shall be submitted to the Committees on Armed Services of the Senate and the House of Representatives not later than the date on which the Budget for the next fiscal year is submitted each year.

(d) DEFINITION.—The term "major defense acquisition program" means a program for which a Selected Acquisition Report is required to be submitted under section 139a of title 10, United States Code.

Mr. DICKS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN pro tempore. The Chair would ask the gentleman has this amendment been printed in the RECORD?

Mr. DICKS. Yes, Mr. Chairman. It was printed in the RECORD of June 26, 1985, at page H5012.

The CHAIRMAN pro tempore. The gentleman from Washington is recognized for 5 minutes in support of his amendment.

Mr. DICKS. Mr. Chairman, this amendment requires the Secretary of Defense to submit a plan annually to Congress for the performance of should-cost analyses.

Should-cost analyses are a technique used to evaluate ongoing production programs in which the contract is awarded under less than full and open competition. The Government sends in a team of industrial engineering and cost analysis specialists to evaluate the contractor and to identify inefficiencies in management and operation, and to assess the impact of such inefficiencies.

It gives the Government the information it needs to refute contractor assertions that costs cannot be reduced, and thus assists Government negotiators in arriving at the best price for Government and motivates the contractor to reduce labor hours, overhead, et cetera.

Should-costs provide a valid and significant return on investment; but, because of the expertise and resources needed to accomplish them, they should be used selectively.

This proposal allows DOD to utilize its resources where they will provide the most significant return, but ensure that Congress has adequate oversight in its use.

The Defense Department should use the information gathered under the Boxer amendment when doing should-cost analysis.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. ASPIN], the distinguished chairman of the Committee on Armed Services.

Mr. ASPIN. Mr. Chairman, let me ask the gentleman from Washington, this is the version of the amendment in the bill that requires the report; is that correct?

Mr. DICKS. Yes; that is correct.

Mr. ASPIN. Mr. Chairman, I would advise the Members of the House that we have no objection to this amendment.

Mr. DICKS. Mr. Chairman, I yield to my friend, the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, we accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. DICKS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CHAPPELL

Mr. CHAPPELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHAPPELL: At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. ACQUISITION OF ANTISUBMARINE WARFARE TRAINING SYSTEMS.

Of the amount appropriated for the Navy pursuant to the authorization for the Navy in section 201, $6,800,000 shall be available only for acquisition of three service test models of the LAMPS MK-1 antisubmarine warfare shipboard training systems for the Naval Reserve.

The CHAIRMAN pro tempore. The Chair would inquire, has the gentleman's amendment been printed in the RECORD?

Mr CHAPPELL. Yes, it was, Mr. Chairman.

Mr. Chairman, I have checked this amendment with both sides, and I believe it is acceptable; but what it simply does is give us an opportunity to perfect a system for upgrading the training of our Reserve fleet forces. It is a small amount, $6.8 million. But we simply want to take advantage of the cruise time going out to the operation area and back for simulator training purposes. It doubles the opportunity for training on board before arrival at the operating areas.

It provides realistic training for shipboard operators on the LAMPS MK-1 (SQR-17A) shipboard processor, the SQR-18 Tactas [tactical towed array sonar] and the SQS-26 CX hull-mounted sonar. Helicopter sonarmen can also realize training benefit by working with their shipboard colleagues.

I urge adoption of the amendment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have examined the amendment, and we believe it is a good one. We hope the amendment will be accepted.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I yield to the gentleman from Alabama.

Mr. DICKINSON. Does this have anything to do with the Enforcer?

Mr. CHAPPELL. No, it does not.

Mr. DICKINSON. There is no money in here for the Enforcer?

Mr. CHAPPELL. No, but I would be glad to put it in.

Mr. DICKINSON. Mr. Chairman, we have no problem with the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. CHAPPELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 167, after line 10, insert the following new section:

SEC. 1005. AUTHORIZATION OF TRANSFERS FOR FISCAL YEAR 1985 PAY SUPPLEMENTAL.

There is authorized to be transferred to, and merged with, amounts appropriated to the Department of Defense for operation and maintenance and for military personnel for fiscal year 1985 such sums as may be necessary to provide for civilian and military pay raises provided by law. Such amounts shall be derived from amounts previously appropriated to the Department of Defense remaining available for obligation and no longer required for the purposes for which they were originally provided. Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

Mr. ASPIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, it is getting late. This is the technical amendment that I thought we got approval for when we began this some time ago. We have passed one technical amendment twice rather than two different technical amendments.

Mr. Chairman, this is an amendment that authorizes appropriations for the use of transferring supplemental money to the pay raise for 1985. We thought we passed that a couple hours ago. The wrong amendment was at the desk. I would like to ask that the amendment be approved at this time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment.

Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. DORGAN of North Dakota: In the section proposed to be inserted by the amendment, strike out all after "SEC. 1024." and insert in lieu thereof the following:

REPORT ON EFFORTS TO INCREASE DEFENSE CONTRACT AWARDS TO INDIAN-OWNED BUSINESSES

(a) SECRETARY OF DEFENSE REPORT.—The Secretary of Defense shall transmit to the Congress a report on the efforts by the Department of Defense during fiscal years 1984 and 1985 to increase contract awards to Indian-owned businesses in accordance with the memorandum of understanding between the Department of Defense and the Small Business Administration of September 29, 1983. Such report shall include, to the maximum extent practicable, any data regarding the number and value of prime contracts awarded by the department during such fiscal years to such businesses.

(b) DEADLINE FOR REPORT.—Such report shall be transmitted by March 31, 1986.

(c) DEFINITION.—For the purposes of this section, the term "Indian-owned business" means a firm owned and controlled by American Indians, including a tribally owned for-profit entity.

The CHAIRMAN pro tempore. The Chair would inquire, has the gentleman's amendment been printed in the RECORD?

Mr. DORGAN of North Dakota. Yes, Mr. Chairman, it has.

The CHAIRMAN pro tempore. The gentleman from North Dakota is recognized for 5 minutes in support of his amendment.

Mr. DORGAN of North Dakota. Mr. Chairman, increasing the amount of defense contracting by Indian and tribal businesses is a policy goal toward which Congress and the Pentagon should strive.

A growing number of Indian reservations have made investments in modern plants and equipment which enable tribal businesses to draw upon the same advanced technology that one might find in Silicon Valley or other defense contract centers. Furthermore, the rising number of Indian graduates from vocational and technical programs offers the skilled labor needed for sophisticated manufacturing.

In North Dakota, for example, the Devils Lake Sioux Manufacturing Co. uses custom-built cutting equipment, a two-story, multistation machine, and state-of-the-art weaving machines in producing high quality camouflage netting and military helmets. The Turtle Mountain Manufacturing Co. draws upon a skilled labor pool, computerized assembly, and rigorous quality control in manufacturing top-notch, heavy-duty military trailers for the Army. Both Indian firms have won contract renewals because of their first-rate products, timely completion, and manufacturing prowess.

In these cases, the armed services have benefited from competitive costs, high-quality products, and extensive cooperation on the part of tribal and business officials.

But the benefits have also flowed to Indian tribes, Indian business managers, and Indian employees. One tribal chairman told me that no other single Federal action has done more to instill pride and self-sufficiency on the reservation than the successful completion of defense contracts by the tribal manufacturing plant.

Defense contracting also bolsters local economies with the highest unemployment rates in the Nation. Annual unemployment rates on Indian reservations average about 40 percent nationwide, with seasonal unemployment ranging from 50 to 80 percent.

Clearly, any regular, well-paid jobs will inject needed capital into struggling tribal economies. Naturally, the spillover impact on other Indian businesses from recycled defense contract payrolls helps engender reservation-wide growth.

It's my view that increasing defense contracts with qualified Indian businesses can help improve defense contracting and move Indian reservations toward greater self-sufficiency and economic growth. these are both goals which deserve the careful attention in Congress.

In order to advance these objectives, Congress needs a base of information to better design programs to increase Indian defense contracts. Requests that I have made in recent weeks to the Defense Department, the Small Business Administration, the Bureau of Indian Affairs, and the Federal Procurement Data Center all show that no Federal agency has hard data on the volume and number of defense contracts with tribal and Indian businesses. Nor have any provided Congress with a focused report on steps being taken to increase the level of Indian defense contracts.

Consequently, I am offering an amendment to the Defense authorization bill—H.R. 1872—which requires the Secretary of Defense to report to Congress on recent progress in increasing Indian defense contracts under terms of a 1983 memorandum of understanding between the Pentagon and SBA. The report would also provide data on the volume of Indian defense contracts in 1984 and 1985.

This report will help us shape policies to boost Indian defense contracting and the quality of defense procurement. I welcome the support of my colleagues for this amendment and for a longer term policy which enjoys the support of both the National Tribal Chairmen's Association and the National Congress of American Indians.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have looked at the amendment. The amendment is a good amendment. We think it ought to be approved.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. KAPTUR: At the end of part C of title X (page 176, after line 8 insert the following new section:

SEC. 1024. REPORT ON UNITED STATES DEFENSE EXPENDITURES IN THE FAR EAST.

(a) IN GENERAL.—The Secretary of Defense shall submit to Congress a report concerning ways the United States may further its national security interests in the Far East.

(b) MATTERS TO BE INCLUDED.—Such report shall include—

(1) the plans of the Department of Defense in the current five-year defense plan for defense expenditures for each fiscal year covered by the plan to be made in support of United States security interests in the Far East and, of such planned expenditures in each such fiscal year, how much is attributable to projected increases in defense outlays for that fiscal year;

(2) the projections for national defense expenditures by Japan for each such fiscal year; and

(3) the effect increases in national defense expenditures by Japan would have on United States defense expenditures in support of United States security interests in the Far East.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

The CHAIRMAN pro tempore. The Chair would inquire, has the gentlewoman's amendment been printed in the RECORD?

Ms. KAPTUR. Yes; Mr. Chairman, it has.

Mr. Chairman, this amendment regards U.S. security interests in the Far East.

The defense of Japan and the Pacific region has been a vital part of U.S. defense strategy since the end of World War II. Yet political and economic situation facing our bilateral relations has clearly changed, however, since this policy was adopted when Japan was "completely disarmed and demilitarized" 40 years ago!

In fact, Japan's military expenditures have not risen in accordance with their international obligations and agreements. Military spending accounts for more than 6 percent of GNP in the United States and less than 1 percent of GNP in Japan. According to the Congressional Research Service, this is the result of a Japanese Government decision in 1976 to hold military spending to less that 1 percent of the GNP. The Japanese spent less than 1 percent of their GNP on defense in 1980; 1 percent in 1981; 1 percent in 1982; 0.978 percent in 1983; 0.99 percent in 1984 and expect to spend 0.997 percent in 1985. I think it is fair to ask what is going to cause this situation to change?

It has been the policy of the United States to encourage Japan to make steady and significant progress in its self-defense capabilities. However, while our merchandise trade deficit with Japan continues to grow, Japanese defense expenditures do not. Quite frankly, in view of the alarming trade deficit with the United States—$37 billion, last year—and lack of progress on the part of Japan in meeting its own defense goals, the United States should encourage Japan to increase its defense spending in real terms and as a percentage of GNP. The Japanese Government can then spend less on subsidizing products which are then dumped on American shores, thereby putting Americans out of work and driving up the trade deficit.

Japan has consistently pledged to strengthen its military capabilities in order to develop a self-defense capability. But, like the problem of reducing their trade barriers to U.S.-made products, Japan talks a lot about it but there is no real action. The Japanese Defense Agency has stated that Japan must increase defense spending by 7 to 9 percent in real terms over the coming years in order to meet the goals of their 5-year defense plan. However, real growth has never hit even 7 percent in the past 5 years. Real growth in 1980 was 2 percent; it was 3.9 percent in 1981; 4.6 percent in 1982; 4.3 percent in 1983; 4.8 percent in 1984 and is projected at 5.4 percent for 1985.

It is time for Japan to start paying their fair share of their own defense. And it is my hope that the Secretary in his report will provide the Congress and the administration with a number of ways in which the Japanese can be encouraged to increase their defense spending.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, we have looked at the amendment. The amendment is a good amendment, and we urge adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Ohio [Ms. KAPTUR].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MORRISON OF CONNECTICUT

Mr. MORRISON of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Connecticut: Page 200, after line 4, add the following new section:

SEC. 1050. LINKAGE OF MILITARY TO CIVIL SERVICE PAY ADJUSTMENT.

(a) APPLICATION OF SECTION 601(b).—Section 601(b) of this Act shall apply in accordance with this section.

(b) EFFECTIVE DATE.—If an adjustment is made in the rates of basic pay under the General Schedule of compensation for Federal employees and such adjustment is to become effective during fiscal year 1986 on a day other than the day specified in subsection (b) of section 601 of this Act, the adjustment under such subsection (b) in compensation for members of the uniformed services shall become effective on the first day of the first pay period that begins on or after the effective date of the adjustment in the rates of basic pay under the General Schedule.

(c) PERCENTAGE ADJUSTMENT.—If an adjustment in the rates of basic pay under the General Schedule of compensation for Federal employees takes effect during fiscal year 1986 and such adjustment provides for

a different overall percentage change in rates of basic pay than the percentage specified in subsection (b) of section 601 of this Act, the adjustment under such subsection (b) in compensation for members of the uniformed services shall be equal to the overall percentage change in rates of basic pay under the General Schedule.

(d) CIRCUMSTANCES FOR MAINTAINING CURRENT RATES OF PAY.—If an adjustment in the rates of basic pay under the General Schedule of compensation for Federal employees does not take effect during fiscal year 1986, an adjustment under section 601(b) of this Act in compensation for members of the uniformed services shall not take effect.

Mr. MORRISON of Connecticut (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The CHAIRMAN pro tempore. The Chair would inquire, has the gentleman's amendment been printed in the RECORD?

Mr. MORRISON of Connectiuct. Yes; Mr. Chairman, it has.

The CHAIRMAN pro tempore. The gentleman from Connecticut [Mr. MORRISON] is recognized for 5 minutes in support of his amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, I know it is late. I will try to make the explanation to this amendment brief. It is very simple. In the bill before us, there is a 3-percent pay raise mandated in entitlement as of January 1, 1986, for military personnel. In the underlying existing law, pay increases for the military and for civilian employees of the Government are linked together. They come together or not at all. This removes that linkage. My amendment restores the linkage, and the basis of this amendment and the idea behind it is that these ideas should be linked, that the pay increase should be linked, that we should not this year be giving a pay increase to one group of Federal employees and denying it to another. If there is to be a pay increase, it ought to be equally shared. If there is not to be a pay increase, the lack of pay increase should be equitable across the board.

The other body has already included in their bill an automatic 3-percent pay increase for the military on October 1, 1985. If this amendment is not adopted, we can be sure there will be a military pay increase somewhere between October 1 and January 1 of 3 percent, and there will be no linkage. This will be an opportunity to say that military and civilian employees should be treated the same during this year.

□ 1740

This does not bar an increase, nor does it mandate an increase. The amendment leaves that question open, but it says that civilian and military employees will be treated the same.

I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I congratulate the gentleman on his amendment. I would call to the attention of the House what this amendment says is that our employees will be treated equally whether they wear a uniform or whether they wear a suit and tie or whether they wear a blue collar. All our employees will be treated equally.

In 1974 we adopted an amendment to which this amendment speaks, which said that the military would be treated equally with the civilians. Why? Because the perception of those who support the military was that the military were not being treated fairly and they should be piggy-backed on the civilian employee raises.

Now the situation has changed. Now the situation is we have an administration that says we ought to give all the money to the military, and we are not protecting the civilian employees. That ought to be the policy of this Congress.

I suggest strongly that this amendment be adopted so that we will treat all people who work for the United States of America, for this Government, equally and fairly. I urge the adoption of the amendment.

Mr. MORRISON of Connecticut. I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from Maryland. There was a period in the mid-1970's where it was very clear that we were not adequately paying our military personnel. I give credit to this administration, to this Congress because together we have had several years of major pay increases for our military personnel. We recovered; we came back to a point where we were able to retain people who we had paid a great deal to train for military personnel roles.

Today, they are in some close proximity in terms of the kind of increases they have had in the last 15 years. We would be doing a terrible thing if we broke that linkage. We should continue to pay people equitable; we should pay them the same thing.

Mr. MORRISON of Connecticut. Mr. Chairman, let me just address two of the opponents' arguments that are going to be made in responding. That we need this increase for the special recruitment needs of the military. It is equally true of the civilian force. The needs are not addressed by a 3-percent across-the-board. If there are special recruitment needs, they should be addressed specifically where they are in the force; where people are underpaid.

In the last 5 years, the military forces have gotten larger increases in all the years but one; except for 1 year, they have gotten a larger increase than the civilian force. You can vote for this amendment if you think there ought to be a freeze, and you can vote for this amendment if you think there ought to be a pay increase. Either way, if you think people should be treated equitable and the same, you should vote for this amendment.

Mr. Chairman, I yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in strong support of this amendment. People who work in our national defense facilities all over this country have seen their pay eroded by 21 percent while we give very substantial raises to the military. We are going to lose those people; we are not going to have those people working on the nuclear reactors and nuclear ships. Let us be fair to our civilian Defense Department employees.

Mr. MORRISON of Connecticut. I thank the gentleman from Washington. The purpose of this amendment is not to favor one group of employees, not to cause a detriment to one group. It is to treat all Federal employees equally.

Mr. ASPIN. Mr. Chairman, I rise in strong opposition to the amendment.

Mr. Chairman, this is really one of the all-time dumb ideas. We have gotten a position now where we have built up the Armed Forces of this country in the early 1980's by separating this issue of how much we pay civilians versus how much we pay military. During the period of comparability, we ended up by the end of the 1970's in which we could not recruit a quality or quantity of people for the volunteer Army.

There is no sense to link the military pay with the civilian pay. In the military you are recruiting mainly 18-year-olds. In the civilian, you are recruiting people of all ages. In the military, you are recruiting people for many moves; you are not doing that in the civilian. In the military you are recruiting people who have more danger. You are not doing that in the civilian.

These are different jobs, different issues, different things. We should not have comparability. We should not have equal raises for the two for the civilians and for the military. We had a disaster when we had them connected in the 1970's. We have had a much better military when we deconnected them, decoupled them in the early 1980's.

Mr. Chairman, I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I also rise in strong opposition to the amendment. The work is not the same. The two should not be coupled

at all. When we are talking about the civil service workers, we have lines now, people want civil service jobs. I will be glad to send some of my people up here if you have civil service jobs available.

But we are getting a shortage in the military; we cannot get young, 18-year-old men into the military because we are cutting down on the retirement, and also the manpower pool is shrinking up. It is a real problem and I hope this amendment is defeated.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, there is no comparability between the two. How many people in civil service go to sea? How many people in the civil service go on a Trident submarine under the sea for 60 days at a time? How many of them are getting remote tours where they are not with their families? How many people get hazardous duty service except the military?

There is no comparability. Let the civilians through the processes here get whatever pay raise they are entitled to, but do not be piggy-backing on the backs of the military who have been underpaid, have been underpaid until just recently, and now you want to couple up again. It is a bad idea; we ought to turn it down out of hand.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from Connecticut [Mr. MORRISON] to strike the provision of the committee bill delinking military and civilian pay during fiscal year 1986.

I sincerely hope that we have learned the lesson of the late 1970's that adequate pay is very important to recruiting and retaining a high quality force. I urge my colleagues to think back to the press report 5 years ago of Navy ships unable to go to sea because of manning deficiencies. Only slightly more than half of Army recruits were high school graduates. On the retention side, competition from more lucrative jobs in the civilian sector was luring away the most highly trained mid-grade personnel, both officer and enlisted. One alarmed service official characterized the loss of skilled people to private industry as a "hemorrhage of talent."

Congress responded swiftly and forcefully by enacting a series of compensation initiatives in 1980 and 1981. The results were dramatic since that time. In fiscal year 1984, 91 percent of Army non-prior-service accessions were high school graduates; 90 percent were in the top three mental categories. The quality of enlisted recruits was higher than ever achieved in the days of the draft.

While we can perhaps pat ourselves ever so gently on the back for Congress' role in this turnaround, we would become ill-advised to be complacent. The record of success is still extraordinarily fragile and could all too easily be shattered. The issue before the House is not civilian pay. It is the need to ensure that military personnel receive a pay raise at least adequate to remain competitive with the private sector. Otherwise, we will surely have to pay the piper later.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, I too agree; I think it is a terrible amendment. Sometimes we have to stop and think this was the body that wanted a volunteer force, and the volunteer force is now in effect and it is working, and it is working very effectively. These are the kind of initiatives that we have got to be taking as an armed services group to guarantee that and to improve the quality of life. I strongly urge the House Members here to vote against this amendment.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. I thank the gentleman.

Mr. Chairman, this is the first time I have ever been against a Morrison amendment on the floor. I want to have the best possible defense we can have, to me that means we cut the nukes and have better personnel. I think armed services ought to be able to give us the best possible defense. So I am in opposition, for the first time I think, to a Morrison amendment on the floor.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. I thank the gentleman for yielding.

Mr. Chairman, this amendment would not treat everybody alike. That is bunk and I hope the gentleman from Maryland who made the allusion to the fact that this is treating everybody alike has forgotten just last week that we approved a rather cushy labor contract for the GPO, Government Printing Office employees, that goes way above any other raise that is even being considered by any other outfit in this Government this year.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I might say that this amendment does cause me a great deal of concern and it bothers me because we are comparing apples and oranges. On the one hand, you have a recruitment for people to serve a lifetime working for the Federal Government as a civilian employee. On the other hand, you have someone to serve 3 to 4 years. Sometimes, only a small percentage in the military. It is comparing two different aspects of employment. I have to oppose this.

Mr. ASPIN. Mr. Chairman, just to wrap up. We are bringing this budget in under the budget resolution. It ought to be our decision as to whether bringing it within that budget resolution we spend a little more on pay and a little bit less on military equipment. Or whether we spend more on military equipment and less on pay.

We are abiding by the budget resolution on the dollars.

● Mr. FORD of Michigan. Mr. Chairman, I want the record to show that I wholeheartedly support the amendment offered by my colleague from Connecticut [Mr. MORRISON] that would prohibit unequal treatment between the military and the civilian work force in terms of a pay increase in fiscal year 1986.

Under existing law, the military is entitled to the same pay raise granted to civilian employees. This year's House Budget Resolution assumes there will be no civilian or military pay increase.

Section 601 of the Department of Defense bill before us, however, breaks the linkage between the military and the civilian work force by granting a 3-percent increase to the military, across the board, effective January 1, 1986.

Certainly a strong argument can be made in favor of a pay hike for the military. That, however, is not the issue here. The issue, instead, is one of fairness.

And, from any angle you view the proposal to untie these two pay systems, it is patently unfair.

The justification for freezing civilian pay—rather than cutting it by 5 percent as the President proposed—is the horrendous economic dilemma we face as a result of 5 years of gargantuan budget deficits. This year alone the deficit will reach $200 billion.

Civilian workers, in effect, are being asked to make sacrifices to help pay for the fiscal crisis thrust upon us by tax cuts for the rich. Just as in the case of their military counterparts, a very strong argument can be made for a pay increase for civilian workers, who have been asked to shoulder more than their share of budget cuts for the past 5 years.

Frankly, I think it is wrong that either group should have to take what amounts to a pay cut because their earnings will not be allowed to keep pace with inflation.

But I do not believe one group should be treated differently than the other. Where is the justice in that?●

● Ms. OAKAR. Mr. Chairman, I rise in support of the amendment to H.R. 1872 offered by my colleague, Mr. MORRISON of Connecticut.

This past February, Mr. Speaker, my subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee held an oversight briefing on the President's fiscal year 1986 budget proposals affecting Federal employees. As we all know, the President recommended a 3-percent pay raise for military personnel while seeking a 5-percent pay cut for civilian employees.

I was particularly disturbed by the proposal to reduce civilian employees' pay for many reasons.

Studies conducted by the President's Advisory Committee on Federal Pay, and by the Hay Associates for the Post Office and Civil Service Committee, demonstrated that Federal wages lag behind the private sector between 10 and 20 percent. This has caused serious problems in recruiting and retaining employees in scores of Federal agencies. Based on these circumstances, my subcommittee and the full Post Office and Civil Service Committee recommended a pay increase in 1986 for Federal employees. Unfortunately, this recommendation was not adopted by the House Budget Committee, which approved a pay freeze for civilian employees and military personnel.

Mr. Chairman, it is grossly unfair to single out Federal workers for a pay freeze, while military personnel and other workers receive a pay raise. I believe that both Federal employees and military personnel should receive a pay raise.

In reviewing the history of wage increases in the Federal Government for the past 15 years, I was particularly struck by the fact that wages for white-collar workers have risen by 221 percent, while military pay has grown by 306 percent, and wages in the private sector have increased by 290 percent. In comparison to the military and the private sector, Federal white-collar wages have fallen substantially behind, despite the clear intention of the Federal Wage Comparability Act of 1970 that General Schedule pay remain comparable to wages in the private sector.

Mr. Chairman, it is also important to note that, during this same period, the Consumer Price Index has increased by 306 percent. Since 1970, Federal white-collar workers have seen their standard of living steadily decline. despite the reduction in the rate of inflation for the past few years.

Both military and General Schedule personnel are Federal employees, Mr. Speaker. It is incumbent upon the U.S. Congress to ensure fairness and equity in compensation for both military and General Schedule employees.

This amendment would guarantee that military personnel would receive the same pay raise as employees. I think this is a very fair amendment and I ask for the support of all my colleagues today.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Connecticut [Mr. MORRISON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MORRISON of Connecticut. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 281, answered "present" 1, not voting 29, as follows:

[Roll No. 205]

AYES—122

Ackerman	Gephardt	Parris
Alexander	Gilman	Pashayan
Anderson	Gonzalez	Penny
Applegate	Gordon	Pepper
Barnes	Gray (PA)	Perkins
Bateman	Green	Porter
Bentley	Gunderson	Pursell
Bliley	Hall, Ralph	Rahall
Bonior (MI)	Henry	Reid
Borski	Howard	Rinaldo
Bosco	Hoyer	Rodino
Boucher	Hughes	Roe
Boxer	Hutto	Russo
Brown (CA)	Johnson	Saxton
Brown (CO)	Jones (NC)	Scheuer
Bruce	Kaptur	Schumer
Burton (CA)	Kastenmeier	Sisisky
Carper	Kennelly	Solarz
Chandler	Kildee	St Germain
Clay	Kramer	Staggers
Coleman (TX)	Leach (IA)	Stokes
Collins	Leland	Synar
Conyers	Levine (CA)	Tallon
Cooper	Lewis (CA)	Tauke
Coyne	MacKay	Towns
Crockett	Madigan	Traficant
Daub	Manton	Udall
Dicks	Matsui	Vento
Dingell	McCloskey	Walgren
Dorgan (ND)	McHugh	Waxman
Durbin	McKinney	Weaver
Dymally	Mikulski	Wheat
Dyson	Miller (CA)	Whitley
Edwards (CA)	Mollohan	Williams
Fascell	Moody	Wirth
Fazio	Morrison (CT)	Wise
Florio	Natcher	Wolf
Ford (MI)	Nowak	Wolpe
Ford (TN)	Oakar	Wyden
Garcia	Oberstar	Yates
Gejdenson	Obey	

NOES—281

Addabbo	Biaggi	Cheney
Akaka	Bilirakis	Clinger
Andrews	Boehlert	Coats
Annunzio	Boggs	Cobey
Anthony	Boland	Coble
Archer	Boner (TN)	Coleman (MO)
Armey	Bonker	Combest
Aspin	Boulter	Conte
Atkins	Breaux	Coughlin
AuCoin	Brooks	Courter
Badham	Broomfield	Craig
Barnard	Broyhill	Crane
Bartlett	Bryant	Daniel
Barton	Burton (IN)	Dannemeyer
Bates	Bustamante	Darden
Bedell	Byron	Daschle
Beilenson	Callahan	Davis
Bennett	Campbell	de la Garza
Bereuter	Carney	DeLay
Berman	Chappell	Derrick
Bevill	Chappie	DeWine
Dickinson	Leath (TX)	Roemer
DioGuardi	Lehman (CA)	Rogers
Dixon	Lehman (FL)	Rose
Donnelly	Lent	Rostenkowski
Dornan (CA)	Levin (MI)	Roth
Dowdy	Lewis (FL)	Roukema
Downey	Lightfoot	Rowland (CT)
Dreier	Lipinski	Rowland (GA)
Duncan	Livingston	Sabo
Dwyer	Lloyd	Schaefer
Early	Long	Schneider
Eckart (OH)	Lott	Schroeder
Edgar	Lowery (CA)	Schuette
Edwards (OK)	Lowry (WA)	Schulze
Emerson	Lujan	Seiberling
English	Lundine	Sensenbrenner
Erdreich	Lungren	Sharp
Evans (IA)	Mack	Shaw
Evans (IL)	Markey	Shelby
Fawell	Marlenee	Shumway
Feighan	Martin (IL)	Shuster
Fiedler	Martin (NY)	Sikorski
Fields	Mavroules	Siljander
Flippo	Mazzoli	Skeen
Foley	McCain	Skelton
Fowler	McCandless	Slattery
Franklin	McCollum	Slaughter
Frenzel	McCurdy	Smith (FL)
Frost	McDade	Smith (IA)
Fuqua	McEwen	Smith (NE)
Gallo	McGrath	Smith (NH)
Gaydos	McKernan	Smith (NJ)
Gekas	McMillan	Smith, Robert
Gibbons	Meyers	Snowe
Gingrich	Mica	Snyder
Glickman	Michel	Solomon
Gradison	Miller (OH)	Spence
Gray (IL)	Miller (WA)	Spratt
Gregg	Mineta	Stallings
Grotberg	Mitchell	Stangeland
Guarini	Moakley	Stark
Hamilton	Molinari	Stenholm
Hammerschmidt	Monson	Strang
Hansen	Montgomery	Stratton
Hartnett	Moore	Studds
Hatcher	Moorhead	Stump
Hendon	Morrison (WA)	Sundquist
Hertel	Mrazek	Sweeney
Hiler	Murphy	Swift
Hillis	Murtha	Swindall
Hopkins	Myers	Tauzin
Hubbard	Neal	Taylor
Huckaby	Nelson	Thomas (GA)
Hunter	Nichols	Torres
Hyde	Nielson	Torricelli
Ireland	O'Brien	Visclosky
Jacobs	Olin	Volkmer
Jeffords	Ortiz	Vucanovich
Jenkins	Oxley	Walker
Jones (OK)	Packard	Watkins
Jones (TN)	Panetta	Weiss
Kanjorski	Pease	Whitehurst
Kasich	Petri	Whittaker
Kemp	Price	Whitten
Kindness	Quillen	Wortley
Kleczka	Rangel	Wright
Kolbe	Ray	Wylie
Kolter	Regula	Yatron
Kostmayer	Richardson	Young (AK)
LaFalce	Ridge	Young (FL)
Lagomarsino	Ritter	Young (MO)
Lantos	Roberts	Zschau
Latta	Robinson	

ANSWERED "PRESENT"—1

Dellums

NOT VOTING—29

Carr	Hefner	Rudd
Coelho	Heftel	Savage
Eckert (NY)	Holt	Smith, Denny
Fish	Horton	Thomas (CA)
Foglietta	Loeffler	Traxler
Frank	Luken	Valentine
Goodling	Martinez	Vander Jagt
Hall (OH)	Owens	Weber
Hawkins	Pickle	Wilson
Hayes	Roybal	

□ 1800

Messrs. VOLKMER, BEILENSON, and SLATTERY changed their votes from "aye" to "no."

Messrs. SAXTON, HUGHES, BATEMAN, RALPH M. HALL, STOKES, ANDERSON, RAHALL, APPLEGATE, WIRTH, WYDEN, DAUB, WILLIAMS, WOLPE, PASHAYAN, MADIGAN, RUSSO, WHITLEY, and ST GERMAIN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1810

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: At the end of title X (page 200, after line 4), add the following new section:

SEC. 1050. PROHIBITING THE DEPARTMENT OF DEFENSE AND THE CENTRAL INTELLIGENCE AGENCY FROM PROVIDING ASSISTANCE TO THE NICARAGUAN RESISTANCE FORCES.

None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended by the Department of Defense or the Central Intelligence Agency to provide any humanitarian assistance to the Nicaraguan resistance forces.

Mr. RICHARDSON. Mr. Chairman, I offer this amendment simply to clarify the intent of the House on the issue of humanitarian aid to the Nicaraguan resistance forces. I supported the bipartisan McDade-McCurdy-Michel amendment to the supplemental appropriation as a way of promoting a negotiated settlement to conflicts in the region. Support for humanitarian aid to the Contras and economic sanctions keeps pressure on the Sandinistas to negotiate, implement democratic reforms, and restrain their forces from incursions into neighboring countries.

With this amendment, we send a clear message to the conference committee that the DOD and the CIA should not be involved in providing humanitarian aid to the Contras. I have contacted AID and they have informed me that AID has other sources of transportation besides the Department of Defense. This amendment does not take any teeth out of the bipartisan amendment, it clarifies our intent.

I know that some of my colleagues may argue that the conference report on the defense authorization for fiscal year 1984 already prohibits the DOD from providing humanitarian aid in such instances. But I must point out that was not a multiyear provision; it applies only to fiscal year 1985. Some might wonder why I did not wait till the intelligence authorization comes to the floor. Well, the main point is not to wait until after the conference committee works on the bipartisan amendment. Another point of clarification is that this amendment does not refer to any other than humanitarian aid. It does not refer at all to sharing intelligence, a debate which came up during the debate on the McDade-McCurdy-Michel amendment. And this amendment does not refer to funds other than those appropriated under this act.

I urge my colleagues to send a strong signal to the conference committee and the American people, that our intention, whether we supported the bipartisan amendment or not, is not to involve the CIA and DOD in humanitarian assistance to the Contras.

First, the bipartisan amendment, McCurdy-McDade-Michel, contains a provision for humanitarian aid to the Nicaraguan resistance forces which excludes the provision of funds for this purpose to the DOD or CIA.

Second, this House can send a clear signal to the American people and to the conference committee that we are opposed to any DOD or CIA involvement in the humanitarian assistance transport or distribution.

Third, humanitarian assistance to military forces is prohibited during fiscal year 1985 by last year's conference report on DOD authorization. Section 1540(d), of Public Law 98-525. This prohibition applies only to fiscal year 1985. My amendment does not exclude humanitarian aid to military forces. It does say that such aid cannot be handled by the DOD or CIA. Thus, it extends only part of the fiscal year 1985 prohibition.

Fourth, thus both the House and the other body accepted a much stronger prohibition of humanitarian aid. The internationally recognized definition of "humanitarian" excludes such aid to military forces and for political purposes. We have redefined "humanitarian" in order to provide such aid to the Nicaraguan resistance forces. Let us not further redefine "humanitarian" to include the distribution of such aid by U.S. Department of Defense or CIA personnel.

Fifth, this amendment does not tie anyone's hands. After some consultation with my colleagues on the Armed Services Committee, the term "other" was stricken from the amendment. This means that my amendment would not prohibit the DOD or CIA from other activities besides the provision of humanitarian aid. Thus, sharing intelligence is not banned by my amendment, although I do support the Boland amendment and will support it when we have the opportunity to vote on it again.

Sixth, one of the leaders of the FDN has stated that he will use this "humanitarian aid" in order to buy weapons. Imagine such statements being made after the DOD trucks deliver supplies. We want to keep a distance between the DOD and the Contra forces.

Seventh, if we fail to make our message clear, it will be difficult for us to ever use the term "humanitarian assistance" again, when aiding resistance forces.

Eighth, AID has sufficient resources to transport and distribute the humanitarian assistance. I have been informed by an AID official that AID does have the ability to transport these goods. I understand that some Members were preoccupied about this. I want to point out that the bipartisan amendment would contain the same problem. The language there also excludes the DOD and CIA from receiving funds for humanitarian assistance.

Ninth, I voted for the humanitarian assistance to the Contras. And I urge my colleagues, whether you supported the bipartisan amendment or not, to send a clear message on the sort of contact with the Contras that is appropriate when it comes to DOD and CIA.

Tenth, this amendment asks for less than what the DOD conference report mandated in 1984 and only clarifies our intent in 1985.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Virginia.

Mr. DANIEL. Mr. Chairman, we have examined the amendment and have no objection on this side.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Oklahoma.

Mr. McCURDY. Mr. Chairman, I just want to commend the gentleman for working to improve the amendment. I appreciate the gentleman's efforts to try to develop a bipartisan policy as to Nicaragua.

I recommend and agree with the chairman in accepting the amendment.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, will the gentleman explain, is this an amendment that was, in fact, printed in the RECORD, or has this been modified?

Mr. RICHARDSON. This amendment was printed in yesterday's RECORD in its corrective form. It underwent one revision to accommodate some of the interests of the minority and it is so reflected in the RECORD of yesterday.

Mr. COURTER. The gentleman is saying the minority has looked it over and agreed to it?

Mr. RICHARDSON. Yes.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COURTER

Mr. COURTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER: At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1024. ANNUAL REPORT ON SOVIET COMPLIANCE WITH ARMS CONTROL COMMITMENTS.

Not later than December 1, 1985, and not later than December 1 of each year thereafter, the President shall submit to the Congress a report containing an update (since the most recent report to the Congress on the subject) of the President's findings regarding the Soviet Union's compliance with its arms control commitments, together with such additional information regarding the Soviet Union's compliance with its arms control commitments as may be necessary to keep the Congress currently informed on such matter. The President shall submit classified and unclassified versions of such report to the Congress each year.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. DICKS. Mr. Chairman, reserving the right to object, first of all, I would like to reserve a point of order against this amendment.

Mr. Chairman, I yield to the gentleman from New Jersey to explain what this amendment is.

Mr. COURTER. Mr. Chairman, I would be happy to very briefly explain what the amendment calls for.

The amendment calls for the President of the United States to file an annual updated report on Soviet compliance practices with arms control agreements.

As the gentleman from Washington knows, we have had I believe two reports on Soviet violations, or alleged violations. This basically requires an update of that each December of each year.

The point of the amendment is the fact that we should know, the public should know about the Soviet compliance practices and arms control agreements.

The idea is that if the Soviets are not complying, then the American people are being deceived. My amendment says that the American people, frankly, should know about it. That is the thrust of the amendment.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from Washington [Mr. DICKS] insist on his point of order?

Mr. DICKS. Yes, Mr. Chairman, I insist on my point of order.

Mr. Chairman, I think this amendment is not germane to this particular piece of legislation and falls within the purview of the Foreign Affairs Committee.

Therefore, I would make my point of order and ask that it be sustained.

Mr. COURTER. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN pro tempore. The gentleman from New Jersey [Mr. COURTER] may be heard on the point of order.

Mr. COURTER. There was, Mr. Chairman, an amendment by the gentleman from Pennsylvania [Mr. FOGLIETTA] that was passed by this body. That amendment was concerning strategic defense initiatives. The last couple lines of that amendment, which is now part of the bill that we are considering says: "in a manner inconsistent with the Limited Test Ban Treaty, the Threshold Test Ban Treaty, the Outer Space Treaty, or the ABM Treaty."

Therefore, since the bill has been opened up with regard to treaties, I think that my amendment is valid and no point of order lies.

Mr. DICKS. Mr. Chairman, could I be heard further?

The CHAIRMAN pro tempore. The gentleman may be heard.

Mr. DICKS. Mr. Chairman, I would think that under the Foglietta amendment—Mr. Chairman, I think I would just let the Chair rule on this.

The CHAIRMAN pro tempore. The Chair is prepared to rule.

The Chair will state that the gentleman's amendment directs that the President make findings on the Soviet Union's compliance with its arms control commitments. That is not within the jurisdiction of the Armed Services Committee. It is solely within the jurisdiction of the Foreign Affairs Committee, and the Chair sustains the point of order of the gentleman from Washington.

PARLIAMENTARY INQUIRIES

Mr. COURTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN (pro tempore)pro tempore. The gentleman will state his parliamentary inquiry.

□ 1820

Mr. COURTER. Mr. Chairman, the parliamentary inquiry is concerning my argument. My argument was, I recognize the fact that there has been no language in the bill with respect to arms control agreement.

Mr. DICKS. Regular order. I think the Chair has made a ruling.

The CHAIRMAN pro tempore. The Chair will entertain a parliamentary inquiry from the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the Chair.

The parliamentary inquiry is whether this has been now broadened to include arms control agreements because an amendment has been adopted that in fact refers to arms control agreements, thus making my amendment permissible.

The CHAIRMAN pro tempore. The Chair will advise the gentleman from New Jersey [Mr. COURTER] that the Foglietta amendment to title II did not legislate on another country's commitment to its treaties; it merely made a linkage between funding for certain weapons systems in space in a manner consistent with U.S. treaty obligations and, therefore, the Chair felt that the Courter amendment did not deal with the issues within the jurisdiction of the Armed Services Committee and sustained the point of order.

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Chairman, as the Chair knows, the bill was broadened to include areas within the jurisdiction of the Foreign Affairs Committee several amendments ago when we had an amendment passed relating to Afghanistan. Given the fact that the bill has already been broadened, would that not also play a role in making the gentleman's particular amendment germane?

The CHAIRMAN pro tempore. The Chair will state to the gentleman from Pennsylvania [Mr. WALKER] the Chair is not aware of the fact that title X of the bill has been broadened to such an extent. That amendment referred to Defense Department equipment and its availability to Afghan refugees.

Mr. WALKER. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. I think the fact is that that is indeed the case.

Mr. AuCOIN. Point of order, Mr. Chairman. Regular order.

The CHAIRMAN pro tempore. The Chair has already stated that in his opinion the Chair feels the bill has not been broadened to that extent.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. RESTRICTION OF FUNDING FOR MX MISSILE WARHEAD.

None of the funds appropriated pursuant to an authorization provided in this or any other Act for national security programs may be obligated or expended for the production of more than 425 W87 warheads for the MX missile program.

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. BADHAM. Mr. Chairman, reserving the right to object, might I ask

the gentleman from Massachusetts, who I understand has a series of amendments, if the gentleman is intending to offer those at this time.

Mr. MARKEY. If the gentleman will yield, the answer is yes.

Mr. BADHAM. In series?

Mr. MARKEY. I intend to offer them in series. There are five amendments where we have worked out an agreement with the minority and the other Members.

Mr. BADHAM. Further reserving the right to object, if the gentleman would make a unanimous-consent request to that view, I believe this side would not object.

Mr. MARKEY. A unanimous-consent request to the effect they be considered in sequence or en bloc?

Mr. BADHAM. Not en bloc, but in series.

Mr. MARKEY. In series. I would not object to that.

Mr. BADHAM. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts to dispense with the reading of the amendment?

There was no objection.

Mr. MARKEY. Mr. Chairman, my amendment at the desk is on the MX warhead. It is an amendment to limit the production of MX warheads to a level consistent with the deployment of 40 MX missiles and it is one that I think is consistent with the intention of the original limitations which were placed upon the MX earlier in this debate.

I am willing to accept the substitute to be offered by the gentleman from New York [Mr. STRATTON], a member of the committee.

With that, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. STRATTON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON as a substitute for the amendment offered by Mr. MARKEY: Title X, page 200, after line 4:

"SEC. 1050. RESTRICTION ON FUNDING FOR MX MISSILE WARHEAD.

"None of the funds appropriated pursuant to an authorization provided in this Act or any other Act may be obligated or expended for the production of W-87 warheads for the MX missile program in excess of the numbers of warheads required to arm the number of such missiles authorized by the Congress to be deployed and determined by the President to be necessary for quality assurance and reliability testing."

The CHAIRMAN pro tempore. The Chair would ask the gentleman from New York [Mr. STRATTON] has this amendment been printed in the RECORD?

Mr. STRATTON. Mr. Chairman, the substitute was not printed in the RECORD.

The CHAIRMAN pro tempore. The substitute amendment offered by the gentleman from New York is not printed in the RECORD?

Mr. STRATTON. That is my understanding, Mr. Chairman.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. RESTRICTION ON FUNDING FOR STANDARD MISSILE-2.

(a) IN GENERAL.—None of the funds authorized to be appropriated in this Act shall be obligated or expended for research, development, testing, evaluation, or procurement associated with a nuclear variant of the Standard Missile-2(N) (SM-2(N)), the W81 warhead for the Standard Missile-2(N), or any other nuclear warhead for the Standard Missile-2(N).

(b) REPORT.—Not later than February 15, 1986, the Secretary of the Navy shall submit a report to Congress, in both classified and unclassified form, which includes the following information:

(1) A description of the circumstances under which the SM-2(N) would be utilized and an assessment of likely enemy response (including countermeasures).

(2) A description of the release procedures and circumstances under which release would be authorized for employment of the SM-2(N).

(3) An analysis of conventional alternatives to the SM-2(N), including any necessary modification to the SM-2(N), including any necessary modification to the SM-2 or alternative to the Standard missile or warhead and the associated costs of those alternatives.

(4) A summary of all studies previously conducted analyzing the impact of the use of a nuclear naval surface-to-air missile on United States Navy vessels and their equipment.

(5) A list of all ships of the United States which would receive the SM-2(N) if it were procured.

(6) The number of additional conventional armed missiles which could be carried by ships of the United States Navy if the SM-2(N) were not deployed and the impact of fleet air defense from that reduced conventional load.

(7) Any plans or programs for the development of a nuclear armed surface-to-air or air-to-air missile for fleet defense other than the SM-2(N).

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARKEY. Mr. Chairman, this is an amendment to prohibit research, development, testing and production of the nuclear version of the Standard Missile-2 warhead. It is a more expensive amendment than the gentleman from New York [Mr. STRATTON] is going to offer, but the gentleman from New York's amendment is something which I can accept to my amendment, so I yield back the balance of my time, expecting a substitute by the gentleman from New York.

AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. STRATTON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON as a substitute for the amendment offered by Mr. MARKEY:

EMPLOYMENT OF THE STANDARD MISSILE (SM-2(N))

SEC. 1050. Except for the studies and report required by this section, none of the funds authorized to be appropriated by this Act shall be expended for research, development, test or procurement associated with a nuclear variant of the Standard Missile (SM-2(N)) or any associated nuclear warhead until 30 calendar days after the Secretary of the Navy submits to the Senate and House Armed Services Committees a report which includes the following information:

(1) a description of the circumstances under which the SM-2(N) would be utilized, and an assessment of likely enemy response (including countermeasures);

(2) a description of the release procedures and circumstances under which release would be authorized for employment of the SM-2(N);

(3) an analysis of conventional alternatives to the SM-2(N), including any necessary modification to the SM-2 or alternative to the Standard Missile or warhead, and the associated costs of those alternatives;

(4) a summary of all studies previously conducted analyzing the impact of the use of nuclear naval surface-to-air missiles on our own vessels and electronics;

(5) a list of all United States ships which may receive the SM-2(N);

(6) the number of additional conventional armed missiles which could be carried by United States ships if the SM-2(N) were not deployed and the impact on fleet air defense from that reduced conventional load;

(7) any plans or programs for the development of a nuclear naval surface-to-air or air-to-air missile for fleet defense other than the SM-2(N).

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Chairman, the Markey amendment would have constituted an absolute ban on one of the major missiles of the U.S. Navy, the Standard Missile-2.

The substitute amendment would simply provide the information that the Markey amendment is seeking, and it does it without completely disrupting the program for a full year. Therefore I would urge the adoption of the substitute.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment offered as a substiute for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Add the following new section at the end of title IX (page 200 after line 4):

SEC. 935. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the fund appropriated pursuant to an authorization provided in this title may be obligated or expended for any development engineering, or full scale development, or production engineering, or production carried out with respect to the small atomic demolition munition (SADM).

□ 1830

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. The Chair will inquire, is the gentleman offering an amendment to title IX?

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from New York will suspend.

The Clerk will report the Markey amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Add the following new section at the end of title IX (page 166 after line 2):

SEC. 935. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the funds appropriated pursuant to an authorization provided in this title may be obligated or expended for any activity carried out——

The CHAIRMAN pro tempore. The Clerk will suspend.

The Chair has been informed that there is a title X amendment, not a title IX amendment placed in the RECORD.

For what purpose does the gentleman from Alabama rise?

Mr. DICKINSON. Mr. Chairman, while they are searching for the amendment, I would ask unanimous consent to proceed out of order for 1 minute.

(By unanimous consent Mr. DICKINSON was allowed to speak out of order.)

SEQUENTIAL NUMBERING OF SERIES OF AMENDMENTS

Mr. DICKINSON. Mr. Chairman, I have alluded to this earlier, and today I have written to the chairman of the Committee on House Administration asking the chairman if it is within the purview of the Committee on House Administration to require that all amendments in the future that are filed for floor action be numbered sequentially and that such number be assigned to the Member himself, as well as to the amendment so that it could be referred to.

I think this is a commonsense matter. I do not know why we did not do it years ago.

I would hope that the chairman, Mr. ANNUNZIO, and the Committee on House Administration would act favorably on it.

I thought I would bring it up at this time, because this is an example of why we should do it.

The CHAIRMAN pro tempore. The Clerk will report the Markey amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the funds appropriated pursuant to an authorization provided in this title may be obligated or expended for any activity carried out with respect to the small atomic demolition munition [SADM].

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARKEY. Mr. Chairman, this is an amendment that prohibits the research, development and testing and production of new small atomic demolition munitions, that is the nuclear backpacks carried into the battlefield over in western Europe.

There is an amendment, offered as a substitute, by the gentleman from New York which I think makes it possible for both of us to live with the piece of legislation.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. STRATTON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON as a substitute for the amendment offered by Mr. MARKEY: Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the fund appropriated pursuant to an authorization provided in this title may be obligated or expended for any development engineering, or full scale development, or production engineering, or production carried out with respect to the small atomic demolition munition (SADM).

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Chairman, the substitute amendment makes it clear that there is no provision for funds for development, engineering, for full scale development or production engineering, and therefore, there is no particular problem with the atomic demolition munition since it is not going to be put into action or engineering.

Mr. Chairman, I ask that the substitute be approved.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment, offered as a substitute for the amendment, was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. REPORT ON FUTURE REQUIREMENTS FOR WEAPONS-USEABLE NUCLEAR MATERIALS.

(a) IN GENERAL.—Not later than February 1, 1985, the President shall submit a report to the Congress (in both classified and unclassified form) describing in detail the nature of the military requirements which would justify—

(1) resuming production of highly enriched uranium for weapons purposes; and

(2) transferring plutonium from nonmilitary uses to military uses by enriching it for use in the weapons program.

(b) ADDITIONAL SPECIFIC CONTENTS.—The report should also—

(1) address the feasibility of establishing a reasonable schedule for weapons production by utilizing retirements of the W-31, W-33, B-53, and W-53 nuclear weapons as a source of oralloy and plutonium for new weapons;

(2) examine the option of meeting additional military needs for plutonium through blending of fuel-grade with super-grade stocks; and

(3) explore the impact of special isotope separation technology and other weapons-useable material production initiatives on the potential for further nuclear proliferation.

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARKEY. Mr. Chairman, this is an amendment requiring the administration to submit a report of the military requirement which would justify resuming production of highly enriched uranium for weapon purposes and conversion from nonmilitary to military uses.

The gentleman from New York [Mr. STRATTON] has a substitute which is in fact acceptable to me.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. STRATTON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON as a substitute for the amendment offered by Mr. MARKEY:

"SEC. 1050. REPORT ON REQUIREMENTS FOR SPECIAL NUCLEAR MATERIALS.

"(a) Not later than March 1, 1986, the Secretary of Defense and the Secretary of Energy, after consultation with the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency, shall submit a report to the Committees on Armed Services of the Senate and House of Representatives detailing the military requirements for special nuclear materials through fiscal year 1991. The report shall include findings and recommendations concerning—(1) requirements for production of plutonium, highly enriched uranium, and other special nuclear materials; and (2) the recovery of special nuclear materials for military uses that have been transferred from military uses to civilian research and development uses.

"(b) The report should also—(1) address the availability of special nuclear materials to be derived from the retirement of existing nuclear weapons; (2) address the feasibility of meeting military needs for special nuclear materials through the blending of high grade and low grade materials stocks; (3) assess the impact of new materials separation, purification, and production technologies on nuclear proliferation; and (4) contain the views of the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency."

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Chairman, the substitute amendment would make a number of changes in the amendment offered by the gentleman from Massachusetts. Primarily instead of requiring the President to make a full interagency report it requires a nonclassified report and it would be, the Markey amendment would require an unclassified report of a very sensitive subject. Under the substitute the Secretary of Defense and the Secretary of Energy would make the report and a classified report would be required.

Mr. Chairman, I urge approval of the substitute since obviously these matters are highly classified. In this espionage environment we do not want to let out any more of our secrets than we can help.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY] as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY: At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. LIMITATION ON MEMBERS OF THE ARMED FORCES IN HONDURAS.

(a) LIMITATION ON PROXIMITY TO NICARAGUA BORDER.—None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended in connection with any activity, or to support any activity, by members of the United States Armed Forces in any land area of Honduras that is within 20 nautical miles of the land border of Nicaragua and Honduras.

(b) EXCEPTIONS.—Subsection (a) does not apply if—

(1) Congress has declared war or enacted specific authorization for the presence of members of United States Armed Forces in such area; or

(2) such forces are needed—

(A) to respond to a clear and present danger of military attack on the United States;

(B) to meet a clear and present danger to, and to immediately evacuate, United States citizens; or

(C) to respond, pursuant to the provisions of the Inter-American Treaty of Reciprocal Assistance, to an invasion of Honduras.

Mr. MARKEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. HARTNETT. Mr. Chairman, I object. I want the amendment read.

The CHAIRMAN pro tempore. Objection is heard.

The Clerk will resume the reading of the amendment.

The Clerk concluded the reading of the amendment.

The CHAIRMAN pro tempore. The Chair will inquire, is the gentleman's amendment printed in the RECORD?

Mr. MARKEY. My amendment is printed in the RECORD, Mr. Chairman.

Mr. Chairman, I would like to state that the purpose of this amendment is to create a buffer zone, in which American combat troops will not be permitted without notification to the Congress.

The intention here is clearly not to cross a trip wire which would engage us in a broader conflict in that region inadvertently. My amendment is something which I support and believe should be put in place.

The gentleman from Virginia [Mr. DANIEL] has a substitute which I think is something that has already been agreed to by the minority and satisfies all parties.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. DANIEL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MARKEY

Mr. DANIEL. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. DANIEL as a substitute for the amendment offered by Mr. MARKEY: Insert the following new section at the end of title III (page 38, after line 10):

SEC. 308. SAFEGUARDS AGAINST HOSTILE CONFRONTATION IN HONDURAS.

(a) LIMITATION.—To preclude inadvertent involvement by United States military personnel in hostile military, paramilitary, or terrorist incidents in Honduras, no funds appropriated pursuant to the authorizations made by this title may be obligated or expended for activities by United States military personnel within any land area of Honduras unless the Secretary of Defense certifies to the Committees on Armed Services of the Senate and the House of Representatives that reasonable and prudent safeguards necessary to prevent such involvement are being implemented.

(b) NATURE OF SAFEGUARDS.—The certification made by the Secretary under subsection (a) shall include at least a statement that the Commander-in-Chief of the United States Southern Command has instituted an operating procedure for all military personnel under such Commander's operational control that includes—

(1) establishment of a sufficient land-and-air operations buffer zone between the land borders of Nicaragua and United States military personnel deployed in Honduras;

(2) procedures which would require approval by such Commander-in-Chief before entry of United States military personnel would be authorized within the buffer zone; and

(3) provisions for explaining such safeguards to all United States military personnel prior to their deployment within Honduras.

(c) NOTIFICATION TO CONGRESS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives the text of the directive or other document establishing the safeguards referred to in subsection (b). The Secretary shall also transmit to such Committees any subsequent substantive change in such safeguards.

(d) REPORTING REQUIREMENT.—(1) The Secretary of Defense shall notify the Committees on Armed Services of the Senate and the House of Representatives prior to any involvement by United States military personnel in any significant activity that requires approval under subsection (b)(2), or tactical maneuver within 15 nautical miles of the land border of Honduras and Nicaragua.

(2) (A) The Secretary of Defense shall submit a report to the Committees referred to in paragraph (1) in the case of the occurrence of any incident described in subsection (a) within 7 days of being informed of such incident.

(B) The report referred to in subparagraph (A) shall include descriptions of the cause, extent, and results of such activity.

Mr. DANIEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DANIEL. Mr. Chairman, this amendment, this substitute maintains the intent of the gentleman from Massachusetts [Mr. MARKEY], but it strikes the arbitrary distance.

□ 1840

If the gentleman is willing to accept that, then this gentleman has no objection to the amendment.

Mr. BADHAM. Would the gentleman from Virginia yield?

Mr. DANIEL. Of course.

Mr. BADHAM. I do not have a copy of the substitute over here.

In the gentleman's opinion——

Mr. DANIEL. Is the gentleman from Wyoming on the floor?

Mr. BADHAM. I beg your pardon?

Mr. DANIEL. He is familiar with this substitute, and to my understanding has agreed.

Mr. BADHAM. I would just ask the gentleman, in the gentleman's view, the gentleman who I respect to the utmost.

Is the gentleman of the opinion that your substitute would not really amend the War Powers Act or amend what the President is doing now with the commitment of troops, and what the agreements are between us and our allies in the Central American area?

Mr. DANIEL. It is my understanding that this amendment has been approved by the State Department.

Mr. BADHAM. I thank the gentleman for his excellent answer.

Mr. HARTNETT. Mr. Chairman, I rise in opposition to the substitute.

The CHAIRMAN pro tempore. The gentleman from South Carolina is recognized for 5 minutes in opposition to the Markey amendment.

Mr. HARTNETT. Mr. Chairman, I will not take the full 5 minutes. I know the hour is late and many airplanes are scheduled to leave on fact-finding trips and just to take us home for what I hope will be a very enjoyable and festivious Fourth of July for this country or ours; but I do to some degree have some concern as to whether or not it might be.

I do not know whether it is just untimely that we should be debating this Department of Defense Authorization Act now, when America is literally under fire from many, many sections; it is certainly under siege by terrorists all across the world.

All we are doing, Mr. Chairman, is sending signals of weakness, lack of resolve, as to how we as a Nation might respond. The unity which has been expressed before here in the Halls of this House of Representatives in years past is certainly wantonly lacking now, and I think the actions of this Congress are very untimely.

I do not know whether the leadership that I have seen somewhat of a lack of on the Committee on Armed Services here during this week of debate is caving in because of the lateness of the hour or because of the fact that they are afraid to lose the vote, but I see a definite caving in of leadership on behalf of the Armed Services Committee to noncontroversial amendments that are being here on the 59th minute of the 11th hour.

This Member is concerned, Mr. Chairman, that the Committee on Armed Services and those of us who are concerned with our national security and with the image that we are projecting around the world is seriously being jeopardized here on the floor, and this Member rises in opposition to the substitute amendment and to the amendment, and I understand you cannot rise to oppose both at one time, but I will try to let them ride in tandem, to the substitute amendment offered by the gentleman from Virginia to the amendment offered by the gentleman from Massachusetts, and I urge my colleagues to vote against it.

We have already done, I think irreparable damage to any hope that we might have of letting Nicaragua know that they might have something to fear from the United States about passage of the Foley amendment.

I urge the Members, please do not adopt even another amendment that in my opinion does exactly the same thing as the Foley amendment. You can say you watered it down and you can weaken it to where it is acceptable, but this type of amendment will never be acceptable to this Member, and I hope that my colleagues in the House will vote it down.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Virginia [Mr. DANIEL] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The question was taken; and on a division (demanded by Mr. HARTNETT) there were—ayes, 26, noes, 25.

RECORDED VOTE

Mr. HARTNETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 320, noes 69, not voting 44, as follows:

[Roll No. 206]

AYES—320

Ackerman	Coleman (TX)	Gephardt
Addabbo	Collins	Gibbons
Akaka	Conte	Gilman
Alexander	Conyers	Glickman
Anderson	Cooper	Gonzalez
Andrews	Coughlin	Gordon
Annunzio	Courter	Gradison
Anthony	Coyne	Gray (IL)
Applegate	Crockett	Green
Aspin	Daniel	Gregg
Atkins	Darden	Guarini
AuCoin	Daschle	Gunderson
Barnard	Daub	Hall, Ralph
Barnes	Davis	Hamilton
Bartlett	de la Garza	Hammerschmidt
Bateman	Dellums	Hatcher
Bates	Derrick	Hendon
Bedell	Dicks	Henry
Beilenson	Dingell	Hertel
Bennett	DioGuardi	Hopkins
Bentley	Dixon	Howard
Bereuter	Donnelly	Hoyer
Berman	Dorgan (ND)	Hubbard
Biaggi	Dornan (CA)	Huckaby
Bliley	Downey	Hughes
Boehlert	Duncan	Hutto
Boggs	Durbin	Hyde
Boland	Dwyer	Ireland
Boner (TN)	Dymally	Jacobs
Bonior (MI)	Dyson	Jeffords
Bonker	Eckart (OH)	Johnson
Borski	Edgar	Jones (NC)
Bosco	Edwards (CA)	Jones (OK)
Boucher	Edwards (OK)	Kanjorski
Boxer	Emerson	Kaptur
Breaux	English	Kasich
Brooks	Evans (IA)	Kastenmeier
Broomfield	Evans (IL)	Kemp
Brown (CA)	Fascell	Kennelly
Brown (CO)	Fawell	Kildee
Broyhill	Fazio	Kindness
Bruce	Feighan	Kleczka
Bryant	Fiedler	Kolbe
Burton (CA)	Florio	Kolter
Bustamante	Foley	Kostmayer
Campbell	Ford (MI)	Kramer
Carper	Ford (TN)	LaFalce
Chandler	Fowler	Lagomarsino
Chappell	Frank	Lantos
Chappie	Frenzel	Latta
Cheney	Frost	Leach (IA)
Clay	Fuqua	Leath (TX)
Clinger	Garcia	Lehman (CA)
Cobey	Gaydos	Lehman (FL)
Coleman (MO)	Gejdenson	Leland

Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowry (WA)
Lundine
Lungren
MacKay
Manton
Markey
Martin (IL)
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moore
Morrison (CT)
Murphy
Murtha
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Porter
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sharp
Shumway
Sikorski
Siljander
Sisisky
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Studds
Stump
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Udall
Vander Jagt
Visclosky
Volkmer
Watkins
Weaver
Weiss
Wheat
Whitley
Whittaker
Whitten
Williams
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

NOES—69

Archer
Armey
Badham
Barton
Bevill
Bilirakis
Boulter
Burton (IN)
Byron
Callahan
Carney
Coats
Coble
Combest
Crane
Dannemeyer
DeLay
DeWine
Dickinson
Dreier
Erdreich
Fields
Flippo
Franklin
Gallo
Gekas
Grotberg
Hansen
Hartnett
Hiler
Hillis
Hunter
Jenkins
Lott
Lujan
Mack
Madigan
Marlenee
McCandless
McCollum
Mica
Michel
Monson
Moody
Moorhead
Morrison (WA)
Myers
Nichols
Nielson
Quillen
Ritter
Robinson
Schulze
Sensenbrenner
Shaw
Shelby
Shuster
Skeen
Smith (NE)
Smith (NH)
Smith, Robert
Stratton
Sundquist
Swindall
Vento
Vucanovich
Walgren
Walker
Whitehurst

NOT VOTING—44

Carr
Coelho
Craig
Dowdy
Early
Eckert (NY)
Fish
Foglietta
Gingrich
Goodling
Gray (PA)
Hall (OH)
Hawkins
Hayes
Hefner
Heftel
Holt
Horton
Jones (TN)
Loeffler
Luken
Martin (NY)
Martinez
McDade
Mitchell
Mrazek
Ortiz
Owens
Pickle
Roybal
Rudd
Savage
Schaefer
Smith (NJ)
Smith, Denny
Solomon
Thomas (CA)
Traxler
Valentine
Waxman
Weber
Wilson
Wolf
Young (FL)

□ 1900

Mr. SHUSTER, Mrs. SMITH of Nebraska, Mr. SKEEN, and Mr. WALGREN changed their votes from "aye" to "no."

Messrs. HUTTO, BARNARD, SILJANDER, ZSCHAU, and McEWEN changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 217, not voting 44, as follows:

[Roll No. 207]

AYES—172

Ackerman
Addabbo
Akaka
Alexander
Anderson
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carper
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Daniel
de la Garza
Dellums
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fazio
Feighan
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gradison
Gray (PA)
Green
Guarini
Hamilton
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (OK)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Long
Lowry (WA)
MacKay
Manton
Markey
Matsui
Mavroules
McCloskey
McHugh
McKinney
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Murphy
Murtha
Neal
Nowak
Oakar
Oberstar
Obey
Ortiz
Panetta
Pease
Penny
Pepper
Perkins
Price
Rahall
Rangel
Richardson
Rodino
Roe
Rostenkowski
Roukema
Russo
Sabo
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Skelton
Smith (FL)
Solarz
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Udall
Visclosky
Walgren
Weaver
Weiss
Wheat
Williams
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOES—217

Andrews
Annunzio
Anthony
Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boner (TN)
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell
Carney
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Dannemeyer
Darden
Daschle
Daub
Davis
DeLay
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fawell
Fiedler
Fields
Fowler
Franklin
Frenzel
Frost
Fuqua
Gallo
Gekas
Gilman
Glickman
Gordon
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Hendon
Henry
Hiler
Hillis
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Kasich
Kemp
Kindness
Kolbe
Kramer
LaFalce
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lundine
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McMillan
Meyers
Mica
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Natcher
Nelson
Nichols
Nielson
O'Brien
Olin
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ray
Regula
Reid
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Rowland (CT)
Rowland (GA)
Saxton
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NH)
Smith, Robert
Snowe
Snyder
Spence
Spratt
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Whitehurst
Whitley
Whittaker
Whitten
Wortley
Wylie
Young (AK)
Zschau

NOT VOTING—44

Boland
Carr
Clay
Coelho
Dowdy
Early
Eckert (NY)
Fish
Flippo
Foglietta
Gingrich
Goodling
Gray (IL)
Hall (OH)
Hawkins
Hayes
Hefner
Heftel
Holt
Horton
Jones (TN)
Loeffler
Luken
Martin (NY)
Martinez
Mrazek
Owens
Pickle
Roybal
Rudd
Savage
Schaefer
Smith (NJ)
Smith, Denny
Solomon
Thomas (CA)
Traxler
Valentine
Vento
Waxman
Weber
Wilson
Wolf
Young (FL)

□ 1920

The Clerk announced the following pair:

On this vote:

Mr. Mrazek for, with Mr. Solomon against.

Mr. BENNETT and Mr. WRIGHT changed their votes from "no" to "aye."

So the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore [Mr. RUSSO]. For what purpose does the gentleman from South Carolina rise?

Mr. HARTNETT. Mr. Chairman, I ask unanimous consent to speak out of order for 30 seconds.

The CHAIRMAN pro tempore. Without objection, the gentleman from South Carolina [Mr. HARTNETT] is recognized for 30 seconds.

There was no objection.

Mr. HARTNETT. I thank the Chair, and I thank my colleagues for giving me the 30 seconds.

The purpose for my requesting to speak out of order for 30 seconds is to apologize to my colleague, the gentleman from Virginia, Mr. DAN DANIEL. In the heat of my remarks, I am afraid Mr. DANIEL took my remarks personally.

I have said on more than one occasion that in my opinion, as corny as this might sound, DAN DANIEL is every bit as great a statesman as any of the Founding Fathers that set this Nation in motion some 208 years ago.

To Mr. DANIEL, I would tell you, sir, that I apologize. You have demonstrated, along with my colleague, the gentleman from Alabama [Mr. DICKINSON], great leadership here during this week of debate, and if you have taken anything personally, Mr. DANIEL, to you, sir, I would like to apologize and tell you that I certainly did not intend to do anything to hurt your feelings.

But you and I both wanted to accomplish the same end and kill a bad amendment. Perhaps my methods were not to your pleasure, and I apologize for that, sir.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. Yes; I yield to the gentleman from Virginia.

Mr. DANIEL. This gentleman from Virginia accepts the apology.

Mr. HARTNETT. Mr. Chairman, I thank the gentleman.

REQUEST FOR POINT OF PERSONAL PRIVILEGE

Mr. MARKEY. Mr. Chairman, I rise to a point of personal privilege.

The CHAIRMAN pro tempore. The Chair will state that the gentleman cannot raise a point of personal privilege in the Committee of the Whole.

AMENDMENT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 200, after line 4, add the following new section:

SEC. 1050. PROHIBITION ON DEFENSE CONTRACTORS ALLOWING PARTICIPATION OF CERTAIN PERSONS WITH RESPECT TO DEFENSE CONTRACTS.

(a) CRIMINAL PENALTY.—It shall be unlawful for any defense contractor to knowingly and willingly permit any convicted employee to perform any service for such contractor (including service on the board of directors of such contractor) in connection with a defense contract. Any defense contractor who violates this subsection shall be fined not more than $500,000.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "defense contractor" means any prime contractor or subcontractor who performs any service or provides any item in connection with any contract with the Department of Defense.

(2) The term "convicted employee" means an officer or employee of a defense contractor who is convicted of fraud or any other felony arising out of a contract with the Department of Defense.

Mr. CONYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. The Chair will inquire, has the gentleman's amendment been printed in the RECORD?

Mr. CONYERS. Yes, it has, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Mr. Chairman, the hour is late, and I want to tell the Members that this amends the amendment offered by the gentleman from North Dakota [Mr. DORGAN] with reference to debarment of officers or employees of defense contractors by merely adding a criminal penalty to the defense contractor who knowingly and willingly permits a convicted employee to perform any such service. It would allow fines up to $500,000 for each infraction.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to my colleague, the gentleman from Alabama.

Mr. NICHOLS. Mr. Chairman, I say to the gentleman and the Members of the Committee that we have examined the amendment. The gentleman from Michigan has deleted a portion that we thought was objectionable, and we accept the amendment on this side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment which has been printed in the RECORD.

The Clerk read as follows:

Amendment offered by Mr. OBEY: At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. LIMITATION ON SELECTIVE SERVICE REGISTRATION.

Section 3 of the Military Selective Service Act (50 U.S.C. App. 453) is amended by adding at the end thereof the following new subsection:

"(c) No person under the age of 21 may be required to register under the provisions of this Act.".

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] is recognized for 5 minutes in support of his amendment.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Minnesota.

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

● Mr. OBERSTAR. Mr. Chairman, these are dangerous times. This evening we will vote on the largest defense budget in the history of this Nation. As a Member of Congress who has consistently opposed President Reagan's vast and, in many proven respects, wasteful military buildup, I am deeply saddened by this appalling prospect of a $300 billion defense budget. If we pass this bill in its present form, I fear that we will be taking another step toward dooming our Nation and its children to a troubled future of continuing, virtually uncontrollable weapons spending.

In 1981, this House voted to spend $159 billion on defense. Today we are being asked to approve a defense budget of almost $303 billion, an increase of nearly 50 percent in just 5 years. To those of us who have so vigorously opposed President Reagan's vast, and in many respects, wasteful military buildup, the need to question whether those funds are being used wisely, or for some systems, whether those funds are needed at all.

The administration's proposal contains funding requests for binary chemical weapons, increased funding for the MX missile and Trident II submarine, the B–1 bomber, and research and development money for the President's star wars program, to name but a few of its most troubling provisions.

The MX is the most wasteful major arms program in our military program. Despite documented evidence of its ineffectiveness against the Soviet systems it is designed to destroy, the Reagan administration continues to promote the MX as a so-called bargaining chip in negotiations with the

Soviets. Some $20 billion have been spent on the MX since its inception, $16.7 billion of that amount since 1981. This expenditure has not succeeded in buying increased security for our Nation, but it has resulted in a heightening of tensions between the United States and our allies. We have little to show for our investment in the MX missile, apart from the many badly drained domestic programs and an addition to our growing, multibillion dollar budget deficit.

During debate on this defense authorization bill, Congress considered freezing MX funding at the fiscal year 1985 level, which would have saved $2.6 billion in fiscal year 1986. It would have made more sense to cancel the program outright, leaving us with 1,000 Minuteman missiles until they are replaced with the mobile Midgetman in the 1990's. I shared in the disappointment of my colleagues who joined me in voting to deny funds for the MX missile.

This body must recognize that the Nation cannot afford the MX missile. We will be no stronger with this weapon and the Soviet Union will not gain an upper hand if we scrap the MX. Rather, the United States will be the winner if this funding is denied—we will have more funds to commit to the strengthening of our domestic economy, to the resolution of social problems and needs, and to deficit reduction.

This bill also provides for the first phases of a $3 billion program for some of the most pernicious and uncontrollable weapons known—nerve gas weapons. Even though the United States has maintained a moratorium on production of chemical weapons since 1969 and there are no compelling reasons for resuming production, this administration once again wants these weapons as a symbol of "national resolve."

These weapons have never been field-tested because they have failed 8 out of 10 of their laboratory tests; they have been rejected by our closest allies in Europe, where they would most likely be used; they would kill huge numbers of civilians while leaving protected enemy soldiers unharmed; and they would serve as a catalyst to a potential chemical arms race.

Perhaps more importantly, by funding these weapons we have surrendered the moral high ground that should characterize our national defense policy. I hope and pray this body has enough common sense to reconsider its decision to fund the Bigeye bomb and reject this hideous program for what it is: immoral, unnecessary, destabilizing and dangerous.

The strategic defense initiative funding request is further indication of the administration's blatant disregard for the peace process, and for our Nation's biggest enemy: the $200 billion deficit. The administration would nearly double star wars spending next year, from $1.4 to $2.5 billion. Many of the activities included in the star wars package would potentially violate the 1972 ABM Treaty, one of the most important arms agreements we have with the Soviets.

Rather than create an impenetrable nuclear umbrella as proponents contend, this program will actually prompt the Soviets to develop more accurate and sophisticated weaponry to restore the nuclear balance. Because the SDI is plagued by extraordinary technical problems, notably its predicted inability to shoot down a significant percentage of incoming missiles and to account for Soviet submarine and air-launched weapons, this program must be stopped before it becomes another destabilizing factor in the equation of nuclear terror.

Today's vote will be an historic one. By acceding to this administration's demands for the MX, chemical weapons, and the star wars program, we have begun the slide down a very dangerous and slippery slope from which we may never recover. We must recognize that funding these weapons mortgages our future, diverts resources from vital nonmilitary uses, and further erodes our true national security, which should be measured, not in terms of hi-tech weaponry and huge deficits, but in the genius of our citizens, the sweat of our laborers and the hopes of our children.●

Mr. OBEY. Mr. Chairman, I beg the indulgence of the House for a very short time. I will not push this amendment to a rollcall vote tonight. I will try to withdraw it at the end of my remarks.

I am simply offering the amendment to gain an opportunity to make a point and hope that a few Members will listen and understand the logic behind my concern.

This amendment, very simply, says that no person under the age of 21 may be required to register under the provisions of the Selective Service registration law now on the books.

I know that a lot of Members might say, "What on Earth is an amendment like that doing on this bill?" Well, it is very simple. Two events converged to lead me to offer the amendment.

No. 1, last year Congress said, in its wisdom, that it intended to cut highway aid to various States throughout the Union that did not have a drinking age of 21. That was the first event.

The second event was that last week a young marine from my hometown was one of the four marines who were assassinated by the terrorists in El Salvador. He would have been 21 2 days after that assassination attempt. What the practical effect of Congress' act meant is that he was considered by the Congress to be too young to drink in Wisconsin but not too young to fight and die in El Salvador, and I frankly think that that position is wrong on two counts.

No. 1, I think it is wrong in simple sociological terms. I think it is rather ridiculous to suggest to someone who is mature enough to hold a position as a marine guard at a U.S. embassy, "You are not old enough to go home and have a drink in the privacy of your own home or to have a drink somewhere in your own community, but you are old enough to engage in a job which is that responsible."

Second, I think it is wrong on traffic safety grounds. I would point out that there are eight States in the Union which did have a 21 drinking age and which have a kid-gloves law in terms of the treatment of drunk drivers. There are eight States in the Union which have a 21 drinking age, but their treatment of drunk drivers is much more lenient than in States like my own which have drinking ages which are lower than 21. I think that is wrong. I do not think that is going to save lives.

In fact, if you want to take a look at the facts, females between the ages of 18 and 21 have a safer driving record and they engage in less drunk driving than males between the ages of 21 and 45. So if we were going to discriminate on the basis of age to save lives, we would theoretically prohibit any male between the ages of 21 and 45 from driving or from drinking, one of the two. I think that is about as ridiculous as the position the Congress has put the country in and put my own State in now. I make the point simply because I recognize that the House is in no mood to consider this issue tonight. But I do intend to offer this proposal and similar proposals on the appropriation bill as it comes before the House, and I simply use this device to alert the House to my intention.

Having done that, Mr. Chairman, I ask unanimous consent to withdraw the amendment in the interest of saving the House some time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Mr. LEWIS of California. Mr. Chairman, I rise in support of the committee bill and to call this body's attention to committee report language that raises objections to Defense Department actions regarding CHAMPUS.

Last year DOD, for reasons that still remain questionable and unclear, decided on its own to disregard medical practices approved by the Department of Health and Human Services, the Public Health Service, Blue Cross, Aetna, and most commercial insurance

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carriers, and to establish regulations that prohibit CHAMPUS patients from selecting "aversion therapy" as a method of treating their alcoholism.

The aversion therapy treatment is widely accepted in my State of California and has been used in many hospital-based treatment centers in the United States for the past 50 years. The Defense Department, in justifying its change in policy, states that "aversion therapy is investigational and not supported by scientific data."

In fact, there is no paucity of scientific date as claimed by the Defense Department. A 1980 Public Health Service report cites 120 reports of emetine aversion. It also found that "* * * emetic therapy has been applied in at least 75 settings in the United States and numerous foreign countries." The report further states that "* * * available evidence thus far suggests that emetine aversion appears to be useful * * * in alcoholism treatment."

Another report, issued by Congress' Office of Technical Assessment, in referring to all methods of treating alcoholism, stated that "treatment is better than no treatment, but that methodological problems render it difficult to conclude that any specific treatment—including aversion therapy—is more effective than any other." The report continued, "What is also clear is that further research must be conducted to test competing claims * * * a Federal role seems needed to develop such research * * *"

It appears that the Department of Defense has decided to reject certain treatments on their own, without consulting with the Federal Government's primary health management department, the Congress of the United States which wrote the law providing the health benefits under CHAMPUS, or any of the scientific reports.

During the past year, two physicians whose combined experience in treating alcoholism using the aversion therapy method covers more than 50 years, met with CHAMPUS and DOD officials in an effort to solve this problem. They were unsuccessful because neither DOD or CHAMPUS were familiar with the specialized treatment required to cure alcoholism.

Dr. Eck G. Prud'homme, one of the Nation's formost practicing physicians in the field of alcoholism stated the problem in this manner:

> No real progress can be made in improving the treatment of this devastating and extremely costly illness until scientifically acceptable studies have been made which determine the comparative safety and efficacy of all the modalities now being used in its treatment. No such study has yet been made, none are now being done and so far as can be ascertained none are contemplated. It is imperative that this intolerable situation be changed. Our three hospitals stand and have stood ready to participate fully. Already we have spent hundreds of thousands of dollars in the independent scientific documentation of the outcome of treatment of our patients. We can do no more without the active participation of other hospitals and facilities.
>
> The magnitude and difficulty of the studies required as well as the magnitude of the need make it clear that as OTA found . . . "a Federal role seems needed." Therefore we strongly urge that a controlled double blind study of all treatment modalities be mandated and that pending its conclusion all established treatment modalities which have been found to be safe and efficacious by standards less rigorous than "controlled double blind experiments" continue to be covered by Federal agencies such as CHAMPUS.

I would urge the Defense Department to strongly support the recommendations by Schick Shadel, rather than make unilateral decisions on their own. If the committee's report language is not sufficient to convince the Defense Department to change its policy, I, like many of my other colleagues, will support amendment legislation to clarify the existing intent of congressional policy.

Mr. WEISS. Mr. Chairman, I intend to vote against H.R. 1872, the Department of Defense authorization bill for fiscal 1986. Despite a number of changes made by the House, this bill continues to reflect the administration's myopic and misguided approach to our national security needs.

After spending over a trillion dollars on the military during the last 5 years, the President requested $313.7 billion for the Pentagon in the coming fiscal year. This represented an increase of 10 percent over the amount that was appropriated last year. Behind this continued surge in military spending lies a fundamental misunderstanding of the requirements of national defense.

The President seems to believe that national security can be very simply obtained. In his view, increasing the defense budget will automatically make us more secure. By concentrating his attention on the size of our nuclear arsenal, he overlooks the fact that America's greatest strength is our people. If we fail to invest in this, our most precious resource, there is no army, no missile, no space weapon that will protect us. Our country's strength is not determined solely by the adequacy of our Armed Forces; it also depends on the quality of our educational system, the effectiveness of our health care, and the vitality of our economy.

By equating security with weaponry, the President would also commit us to an unbridled arms race in the heavens and on Earth. The Star Wars Program will not make nuclear weapons "impotent and obsolete," as President Reagan has promised. Instead it will erode the 1972 Antiballistic Missile Treaty and may well destroy the chances for success at the bargaining table in Geneva. Faced with the possibility of a space-based defense of the United States, the Soviets will build more nuclear weapons, not less. They will also develop defenses of their own, to which we will have to respond by increasing our nuclear arsenal.

In fact, the administration is already expanding our nuclear forces with dangerously destablishing missiles like the MX and D-5 or Trident II. By threatening the Soviets with a disarming first strike, these weapons will encourage them to launch on warning, or even to launch a preemptive strike of their own. Although we already have more than enough nuclear weapons to deter a Soviet attack, the warped logic of the arms race says that "it's never enough to have enough."

By identifying excessive military spending with increased national security, the administration has also created a climate in which waste, fraud, and abuse can flourish. The $400 hammers and $7,000 coffee pots about which we have heard so much are not isolated excesses. They are the natural consequence of the administration's conviction that, when it comes to the Pentagon budget, more is always better.

A small but significant example of wasteful defense spending was recently brought to my attention by a constituent, who received an unsolicited recruiting brochure from the Army. Although well past the usual age for military service, she was invited to fill out a card requesting further information. In return, she was promised a free U.S. Army digital wristwatch. Can a nation which is reducing student aid, slashing food and nutrition programs, and threatening to cut benefits for the elderly afford frivolous giveaways like this?

During its extensive consideration of H.R. 1872, the House has made several important and useful changes. It has reduced the authorization level to the amount appropriated last year. The President's $3.7 billion request for the star wars program was cut back to $2.5 billion, and deployment of the MX has been permanently capped at 40. Defense contractors will no longer be free to seek reimbursement for unnecessary and irrelevant expenses, and stiff penalties have been approved for firms that submit fraudulent claims. The moratorium on the testing of antisatellite weapons has been extended. I hope that these provisions will be retained when the bill goes to conference.

Despite these improvements, however, H.R. 1872 fails to reject the distorted sense of our national security needs that lay behind the President's original request. The reduced authorization still greatly exceeds our country's means and needs. The star wars program contains projects that will unleash a costly arms race in space and bring the United States into violation

of the Antiballistic Missile Treaty. Procurement of unnecessary first strike weapons like the D-5 missile continues, and battlefield nuclear weapons will still be produced. Reversing its previous stand against nerve gas, the House approved the production of chemical weapons. Unfortunately, these defects in the Defense authorization bill still overshadow the improvements that were made.

Mr. Chairman, the Constitution calls upon us to "provide for the common defense and promote the general welfare." I believe that these two tasks of government are inextricably intertwined. We cannot have a strong defense if our people are hungry, sick, homeless, or ill-educated. We cannot continue this senseless squandering of America's human and material resources. When the President submits a defense budget that reflects a balanced view of our Nation's needs, I will be ready to support it.

● Mr. BONKER. Mr. Chairman, I do not plan to support final passage of the defense authorization bill today because to support it would condone a misguided defense policy dedicated to achieving nuclear superiority at the expense of real progress in arms control and the social welfare of this Nation.

Many of my colleagues and I, over the past 5 years of debate on defense authorizations, have urged the administration to adopt a more balanced military policy and to exercise greater sensitivity and responsiveness to social needs. Yet, in debate, these arguments were blunted repeatedly by administration slogans calling for "closing windows of vulnerability," "bringing America back," and "bargaining chips."

As a result, Congress has gone along with 97 percent of the President's defense plan, increasing the military budget from $144 billion in 1980 to what will most certainly be near, if not greater than $300 billion this year. Much of this buildup has been dedicated to buying and developing new weapons. Spending on weapons procurement, research and development, and military construction has tripled from $52.7 billion in 1980 to the current administration request for $156.4 billion. At the same time that this buildup has gone on, our Nation's deficit has also tripled, rising from $73.8 billion in 1980 to $222 billion in 1985.

Recently, we've also seen clear evidence that this 5-year force feeding of Federal dollars has proven too much for even the Pentagon to digest and the result has been an outbreak in reports of defense contract abuse and overbilling. We now also have been able to measure the social costs of 5 years of cutting domestic programs to further the defense buildup—and they are devastating.

Unlike other Federal agencies which have had to survive enormous budget cuts, the Pentagon has had no incentive for efficiency and shown little concern about how their procurement dollars were being spent. Budgets have been so fat, that Secretary Weinberger recently revealed that he'd found $4 billion in unspent appropriations. The highly touted star wars program has only been able to use 3 percent of its fiscal year 1985 appropriations of $1.4 billion, yet its budget request this year is for $3.7 billion.

This massive growth of the Defense Department has not come without pain at home. While General Dynamics executives were cheerfully billing the Government for boarding their pets and paying for vacations, 20 million Americans were going hungry. The Pentagon was able to pay $7,600 for a coffeepot, $640 for a toilet seat, and $900 for an ashtray while the number of children living in poverty grew to 22 percent. The military has to spend over $821 million every day to use up its massive budget, yet the elderly, disabled, retirees, and welfare families with dependent children, who make up 75 percent of the lowest income households in this country, barely have enough money to figure a budget. We have spent $10 billion on the ill-conceived MX missile, yet over one-third of the people in the United States are living their lives unable to read.

More troubling has been our refusal to learn the lessons of history when we consider how best to provide for our Nation's defense. We continue to fall prey to the illusory goal of arms superiority at the expense of reducing aid to those in our country who most need Government assistance. Over and over, new weapons are proposed, developed, and deployed that are advertised as providing an insurmountable strategic advantage over our enemies. Once, long ago, it was gunpowder and the generation of weapons spawned by its discovery. Then we learned to split the atom, giving birth to a whole new family of ultimate weapons. Now we are crossing the threshold into a new level of escalation with the strategic defense initiative, designed to provide a shield from all incoming nuclear weapons, theoretically rendering the concept of mutally assured destruction as a nuclear defense policy obsolete.

That would be a great advancement if it were possible. But unfortunately, the proposed system has flaws, and as these flaws are uncovered, they will be exploited, for the problem we are faced with is not a lack of weapon strength, but a lack of trust and an unwillingness to achieve a lasting solution to the threat posed by nuclear weapons. What is happening as a result is a shameful auctioning of star wars development projects that promise big dollars to contractors and researchers at home and abroad, in exchange for development of a wide ranging constituency that will push for deployment of the project, regardless of its questionable contribution to our long-term security and its negative impact on the arms control negotiations in Geneva.

The time has come for Congress to lead the way toward a sounder use of Federal money. We must require the Pentagon to face the same tough standards of fiscal accountability that have been required of other Federal agencies. This means tighter procurement controls and may mean that the Pentagon will have to reconsider its weapons policy and discontinue funding for redundant or defective systems and divert their resources to formulating a more responsive and integrated policy for our Nation's defense. We must also decide that educating our children and ensuring proper health and nutrition is as vitial to the future of our country as extravagant weapon systems, for these systems, as they grow more complex, will be useless without trained manpower smart enough to operate them. Already the Pentagon has had to rewrite manuals for the B1-B bomber program to accommodate the 40 percent of recent military recruits who can only read between the fifth and eight grade levels.

We are a strong, powerful nation not just because we are able to build weapons of mass destruction. We are stong because of our commitment to freedom and because of the character of our poeple. We cannot hope to remain great by taking away hope and education from future generations, leaving them to suffer the indignations of poverty and the ignorance born of a lack of a good education.

Mr. Chairman, none of us here in this Chamber seek to weaken our Nation's defense. We argue passionately for what we believe will be best for this country. Yet I know that many equate dollars spent on the military with degree of protection. Certainly, however, billing abuses like babysitting a pet or paying country club dues and poorly conceived, overfunded weapon systems do little to enhance our Nation's security. For that reason, I believe we can consider ways to cut the defense budget without precluding the possibility that such cuts may actually improve our readiness and defense capabilities. We can make our Nation's defense stronger by making it leaner and more efficient. I look forward to continued efforts within the military to improve management and to break through the bureaucratic logjams that put interservice rivalries ahead of national purpose and also to further congressional initiatives to tighten accounting and contracting procedures.

I urge my colleagues, as we consider this authorization bill, to keep these concerns in mind. To look critically at the money we are about to grant the Department of Defense and ask how well it will be spent. Does it need to be spent? Is our security being enhanced, or could the money be better used for solving some of our domestic problems that have been swept under the rug by the President? To consider what policies will best lead us in a direction that will enable us to pass on a peaceful world to our children while allowing them to grow up healthy, educated, and safe.

In my opinion, this bill does not hold up to the test of these questions and for that reason, it is my intention to vote against final passage of this defense bill.●

● Mr. RICHARDSON. Mr. Chairman, I wish to commend the Armed Services Committee for supporting the concept of buyout. Section 932 of the defense authorization bill provides for a one-time payment of $41.1 million to Roane and Anderson Counties and the city of Oak Ridge, TN. This is much preferable to the yearly payments and increases the spirit of cooperation between the counties and the Department of Energy.

Section 932 also provides for a report to Congress by the Secretary of Energy on whether there is need for any further financial assistance payments to local government entities. I hope that the conference committee works out differences with the other body in favor of the buyout concept. I am aware that Los Alamos County is seeking the same sort of arrangement with the Department of Energy in fiscal year 1987 and that county officials are now completing a proposal to this effect. I think that this would be good for Los Alamos County and for the DOE and I trust that the subcommittee will act favorably on the buyout concept again next year.●

● Mr. RICHARDSON. Mr. Chairman, I rise in strong support of this amendment which would greatly improve the living conditions of military families. The establishment of an Office of Family Policy in the Office of the Secretary of Defense will help to improve all aspects of military family life including employment, food, housing, and recreation.

This amendment would require the Defense Department to make sure that spouses of military personnel be notified of any vacant position at military bases in the same area in which the service person is located. This will help families save on transportation costs and remain closer to their loved ones. It would set up at each military installation a youth sponsorship program to facilitate the integration of dependent children into new surrounding. This will help children adjust to what could be several moves during just a few years time. Enlisted personnel would no longer be charged for food at a cost higher than the price of the food and the DOD would pay for food prepared at overseas military child care facilities. Charges for parking facilities for house trailers and mobile homes at DOD parking lots would be decreased. The amendment would also address the housing problems of our service personnel and their families. These provisions are among the many improvements which military families deserve. This package will help us retain the most valuable resource for the national defense: Those who serve in the different Armed Forces.●

● Mr. WIRTH. Mr. Chairman, I rise in support of H.R. 1872 as amended.

I do so because I feel that, on the whole, H.R. 1872 represents a significant step toward a strong and sensible defense.

H.R. 1872 begins the essential task of reordering our defense priorities. The amended bill limits our expenditures on strategic nuclear weapons programs, and directs some of the savings from cuts in those programs to our conventional programs.

In particular, I am heartened by the House's cap on MX missile procurement at 40. Although I would have preferred the defunding of this program, I welcome the House's decision to cap production of this unnecessary and destabilizing missile system. We have signaled our opposition to further spending on expensive and dangerous weapons systems that drain resources away from the buildup of our conventional forces, which make up the primary barricade of deterrence.

The House fortified our conventional force structure by diverting savings from cuts in MX into the purchase of basic armaments and equipment. The amendment which I worked on with my colleagues Mr. FAZIO and Mr. DOWNEY assigns $1 billion to supplement our conventional staying power, especially in Europe. The Army will receive the largest share of this amount, reflecting their disproportionate requirement for increasing training and war reserve munitions stocks. The Navy is slated to receive substantial funding for the improvement of its sealift and support capabilities. The Air Force is also authorized to expand its war reserve stocks of air-to-air missiles and needed telecommunications equipment.

Altogether, this package meets the request of Gen. Bernard Rogers, Supreme Commander of Allied Forces in Europe, for readiness and sustainability improvements. This provision will add 7 additional days to our conventional war reserves, reserves which can be employed before NATO would have to resort to the use of nuclear weapons in combat with Warsaw Pact forces.

Conventional force improvements are not glamorous, but they have the vital advantage of providing real defense, real deterrence, and a raised nuclear threshold. I am gratified that the House approved this sensible measure.

Another important step which the House took in making our defense system more effective was real defense procurement reform. I say real, Mr. Chairman, because efforts in the past to change this system which provides us with $700 ashtrays and malfunctioning weapons have ignored the root of the problem. And that is the lack of competition for most Pentagon contracts.

As a member of the bipartisan Military Reform Caucus, I was pleased to support the dual sourcing amendment, which requires that at least 50 percent of all new defense contracts are subject to dual source requirements. By requiring contractors to compete for the largest share of future defense contracts, we will drive down the prices and improve the quality of our weapons and military equipment.

I see this amendment as the perfect complement to our efforts to improve conventional capabilities—how better to provide our troops with effective and plentiful basic weapons and munitions than by ensuring that our contracts are pressured by competition into offering these very items?

Two other procurement reform measures that were approved by the House are worth noting. One is locking the revolving door between the Pentagon and defense industries. For years, we have seen Pentagon supervisors of major defense projects—such as the DIVAD antiaircraft gun—eventually leave the service and immediately take jobs with the contractor they were supposed to be supervising. In some cases, they end up working for the contractor on the very programs they were supervising.

There is an obvious incentive for our procurement officers to turn a blind eye to contractors' inefficiencies, since those same contractors may be their employers. The Boxer-Bennett amendment, which prohibits procurement officers—for 2 years following their retirement from the service—from taking a job with the contractor they supervised, minimizes the potential conflict-of-interest that threatens the waste of the taxpayer's dollar and the effectiveness of our troops' equipment.

Second, the House passed a series of amendments increasing the criminal penalties against contractors who knowingly charge the Government for costs unrelated to their production agreements. Although we must take care to maintain our defense industrial base, we cannot let the contractors abuse a procurement system whose primary function is to give American

taxpayers effective defense equipment for their money.

What is remarkable about the improvements that the House has been able to bring about in procurement and strategic emphasis is that we have done it at reduced cost. This year, we have frozen the defense authorization level at the fiscal year 1985 level, with no adjustment for inflation.

We have been able to do this for several reasons. Two that I have named are cuts in strategic nuclear programs and improvements in our procurement system. Another reason is the Defense Department's huge backlog of unobligated funds, primarily due to overestimates in inflation. A recent Senate Budget Committee report determined that even a complete freeze on defense spending would allow the Pentagon to increase its spending by 4.1 percent. At a time of $200 billion deficits, there is no reason for the Pentagon to need more than 4.1 percent growth in its spending accounts.

Despite the fiscal and defense sensibility of H.R. 1872, I do have several concerns about the bill. First, I am extremely disappointed by the House's decision to allow the production of binary chemical weapons. The 2-year delay and the many conditions imposed on production do not allay my fears. We already have a substantial chemical weapon deterrent, and I will continue to oppose further efforts to permit the production of binary chemical weapons.

I am also dismayed by the refusal of my colleagues to impose strict limitations on research and development for the President's Strategic Defense Initiative. There is nothing wrong with funding for the basic research which will determine the viability of space-based ABM systems. But that research must stay at the project level to avoid the violation of the 1972 ABM Treaty which has served us well to date. I voted for the Mavroules amendment to freeze SDI funding at its fiscal year 1985 $1.4 billion level and include policy language to ensure that none of the research done on SDI breaches the spirit or the letter of the ABM Treaty. Although it was not adopted, I am pleased that my colleagues did include language in the bill which expresses the sense of the Congress that SDI research should not exceed the ABM Treaty's limits.

Irrespective of the decision to accelerate SDI research, I believe that the weaponization of space has been set back by the House's vote to continue the mutually verifiable moratorium on the testing on antisatellite weapons. I hope that the administration will heed the House's continued support for the moratorium, and use it as the basis for negotiating an agreement with the Soviets banning the use of ASAT's. A negotiated solution would be central to the protection of our space-based commercial and military assets, and ensure that our vital systems of arms control verification are not threatened.

I want to briefly mention two other concerns about H.R. 1872. First, the House did accelerate the research and development of one strategic missile—Midgetman. An amendment successfully offered by Mr. McCURDY gives Midgetman "brickbat"—or top priority—designation. I support continued research on Midgetman as a hedge against any technological breakthrough by the Soviet Union on small ICBM's. But I am opposed to giving Midgetman a high development priority, when we should concentrate on the basic armaments and equipment which, as I mentioned earlier, are the real source of defense and help us to raise the nuclear threshold in Europe and other regional "hot spots."

Second, I am very dismayed by the inclusion of the Walker amendment in the Defense Department authorization. This amendment, which grants the President explicit authority to militarily retaliate against terrorists who murder American military personnel, sets a dangerous precedent. We must combat terrorism, but not in an arbitrary fashion which excludes consultation with the legislative branch. The chairman of the Armed Services Committee is rightly incensed by Representative WALKER'S casual inclusion of this far-reaching amendment in the Defense bill. I share Chairman ASPIN'S view that it should be deleted in conference.

Clearly, I am deeply concerned about some of the provisions in H.R. 1872. But, on balance, I believe that the fiscal year 1986 Defense authorization bill is a good one.

It begins the important process of strengthening our conventional forces. It begins to reduce the emphasis on strategic nuclear weaponry. It substantially reforms our defense procurement system, ensuring the production of cheaper and better military equipment and weaponry for our soldiers.

The bill also contains my amendment to require the Defense Department to continue its study of the science and policy implications of the nuclear winter theory. In each of the next 5 years, the Pentagon must submit a report detailing its findings on these policy implications and how they might be incorporated into our strategic policy. I believe that my amendment will have the effect of accelerating our re-evaluation of our strategic nuclear posture and arms control policies, and urge that it be adopted in conference.

I am convinced that these developments and provisions will contribute to a stronger and more rational defense, and accordingly urge my colleagues to support H.R. 1872 as amended.●

● Mr. AuCOIN. Mr. Chairman, together with the gentleman from Washington [Mr. DICKS] I had planned to offer an amendment to deny funding for deployment of strategic weapons in excess of the principal SALT II limits. We would also have provided a mechanism whereby a request by the President for release of these funds would have been guaranteed speedy consideration by the Congress.

We had planned this amendment against the contingency that President Reagan would, in one way or another, decide to break out of SALT II. All indications were that the amendment would have passed. But I'm happy to say that contingency has not arisen. Since Mr. Reagan has decided to stay within SALT II, at least for the present, our amendment is unnecessary and we will not offer it.

I take this time now to review the situation and to explain our plans for the future.

It has always been my view that arms control is best conducted by the executive branch. The President has the flexibility and the negotiating authority Congress can never have. It is only when the Executive fails in its responsibility to effectively pursue arms control that Congress should step in and try to salvage the situation as best we can.

In most cases, the current administration has failed to pursue arms control with dedication and competence. So Congress has been compelled to step in and, with no cooperation from the Executive branch, to establish de facto control of antisatellite weapons—those very destabilizing devices that would bring the Soviets closer to nuclear first-strike capability. Most probably, we will find it necessary to broaden this precedent in the future.

I hope we will not find it necessary in the matter of SALT II. We should commend President Reagan for rising above his lifelong distrust of arms control and sticking with the treaty.

According to press reports, he made this decision against the advice of his staff, who all recommended violation in one form or another. For that, President Reagan deserves America's thanks.

As for the negative response of the Soviet Union, I must say it was exceptionally ill-mannered, inappropriate, and wrong. Here we have Ronald Reagan for once doing the right thing with arms control, and the knee-jerk response from the other side was as if he had done the wrong thing.

No doubt the Kremlin has its reflex ideologues. No doubt there is a Richard Perle-ski and a Pat Buchanan-ski within its walls. But if Mr. Gorbachev is as smart as he's supposed to be, he would have done better to rise above them.

Why did Mr. Reagan decide to abide by SALT II? We don't know.

Most probably the recent action of the Senate had something to do with it. So did the strongly expressed pro-SALT views of our NATO allies. But the real reason, the overriding reason, for remaining within SALT II is not political. It is military.

It is a fact that SALT II is a good treaty for the national security of America. If it were to go down the drain, two things would happen:

First, stability would decrease as first-strike capabilities would accelerate on both sides.

Second, the balance of strategic forces would tilt toward the Soviet Union. SALT II confines the Soviets far more than it confines us. From this it follows that abandonment of SALT II would help the Soviets more than it would help us.

It seems clear that, while a number of the Nation's top uniformed military people understand this, the administration's top civilian politically appointed officials do not. While some of them have come to support a facade of arms control for political image purposes, they neither understand nor support the use of arms control as a national security tool. There is among them not a single supporter of the nuclear freeze, the Comprehensive Test Ban Treaty, or SALT II.

Does President Reagan understand the military wisdom of SALT II? None of us here knows. It seems difficult to explain his action any other way. But he has not had a single good word to say about the treaty. He has made only the most temporary commitment to stay within it. As future Trident ships and B-52 cruise missile carriers are deployed, there is always the possibility that a future decision will go the wrong way.

If that happens, we will offer our amendment on the first available vehicle. There is no doubt in my mind that, if the Congress is forced to take a close look at the consequences of SALT II collapse, it will decide this is a road best not taken.●

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The CHAIRMAN pro tempore. Are there other amendments to title X? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WRIGHT] having assumed the chair, Mr. RUSSO, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, pursuant to House Resolution 169, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. WALKER. Mr. Speaker, I demand a separate vote on the so-called McCollum amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or cryptographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) Except as set forth in this section, sentencing under this section shall be determined pursuant to procedures set forth in the Manual for Courts-Martial. The members shall consider all relevant matters presented in aggravation and extenuation and mitigation. The members shall return special findings identifying any mitigating factors and any aggravating factors set forth in subsection (d) or (e) that are found to exist. If one of the aggravating factors set forth in subsection (e) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by the members shall be made by unanimous vote. If no aggravating factor set forth in subsection (e) is found to exist, the members shall impose a sentence, other than death, authorized by law. If one or more of the aggravating factors set forth in subsection (e) is found to exist, the members shall then consider whether the aggravating factor or factors found to exist sufficiently outweighs any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the members by unanimous vote shall return a finding as to whether a sentence of death is justified. Upon a finding that a sentence of death is justified, the members shall sentence the accused to death. Otherwise the members shall impose a sentence, other than death, authorized by law.

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

Mr. WALKER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and on a division [demanded by Mr. WALKER] there were—yeas 104, nays 34.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. Two hundred and forty-eight Members are present, a quorum.

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. COURTER

Mr. COURTER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. COURTER. I am in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. COURTER moves to recommit the bill, H.R. 1872, to the Committee on Armed Services.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 278, noes 106, not voting 49, as follows:

[Roll No. 208]

AYES—278

Addabbo	Evans (IL)	McCloskey
Akaka	Fascell	McCollum
Anderson	Fawell	McCurdy
Andrews	Fazio	McDade
Annunzio	Feighan	McGrath
Anthony	Florio	McHugh
Applegate	Foley	McKernan
Archer	Ford (MI)	McMillan
Armey	Ford (TN)	Meyers
Aspin	Fowler	Mica
Atkins	Frank	Mikulski
AuCoin	Franklin	Miller (OH)
Badham	Frenzel	Miller (WA)
Barnes	Frost	Moakley
Bates	Fuqua	Molinari
Beilenson	Gaydos	Mollohan
Bennett	Gejdenson	Monson
Bentley	Gephardt	Montgomery
Bereuter	Gibbons	Moore
Berman	Gilman	Morrison (WA)
Bevill	Glickman	Murphy
Biaggi	Gonzalez	Murtha
Bilirakis	Gordon	Myers
Bliley	Gradison	Natcher
Boehlert	Gray (IL)	Neal
Boggs	Gray (PA)	Nelson
Boland	Green	Nichols
Boner (TN)	Gregg	Nielson
Borski	Grotberg	Nowak
Bosco	Guarini	O'Brien
Boucher	Gunderson	Obey
Breaux	Hall, Ralph	Olin
Brooks	Hamilton	Ortiz
Broomfield	Hansen	Oxley
Brown (CA)	Hatcher	Panetta
Brown (CO)	Henry	Parris
Broyhill	Hillis	Pease
Bruce	Hopkins	Penny
Bryant	Howard	Pepper
Bustamante	Hoyer	Perkins
Byron	Hubbard	Petri
Callahan	Huckaby	Porter
Carper	Hughes	Price
Chandler	Hutto	Pursell
Chappell	Jeffords	Ray
Clinger	Jenkins	Regula
Coble	Johnson	Reid
Coleman (MO)	Jones (NC)	Richardson
Coleman (TX)	Jones (OK)	Ridge
Conte	Jones (TN)	Rinaldo
Conyers	Kanjorski	Ritter
Cooper	Kaptur	Robinson
Coughlin	Kasich	Roe
Coyne	Kennelly	Roemer
Daniel	Kleczka	Rogers
Dannemeyer	Kolbe	Rose
Darden	Kolter	Rostenkowski
Daschle	Lantos	Roukema
Daub	Leath (TX)	Rowland (CT)
Davis	Lehman (CA)	Rowland (GA)
de la Garza	Lehman (FL)	Sabo
Derrick	Lent	Scheuer
Dickinson	Levin (MI)	Schuette
Dicks	Levine (CA)	Schulze
Dingell	Lewis (FL)	Schumer
DioGuardi	Lipinski	Sharp
Dixon	Lloyd	Shaw
Donnelly	Long	Shelby
Dorgan (ND)	Lowry (WA)	Shuster
Downey	Lujan	Sikorski
Duncan	Lundine	Siljander
Durbin	Mack	Sisisky
Dwyer	MacKay	Skeen
Dyson	Manton	Skelton
Eckart (OH)	Marlenee	Slattery
Edwards (OK)	Martin (IL)	Slaughter
Emerson	Matsui	Smith (FL)
English	Mavroules	Smith (NE)
Erdreich	Mazzoli	Smith, Robert
Snowe	Synar	Whitten
Snyder	Tallon	Williams
Solarz	Tauzin	Wirth
Spence	Thomas (GA)	Wise
Spratt	Torres	Wolpe
St Germain	Torricelli	Wortley
Staggers	Traficant	Wyden
Stallings	Udall	Wylie
Stangeland	Vander Jagt	Yates
Stenholm	Visclosky	Yatron
Stratton	Volkmer	Young (AK)
Sweeney	Watkins	Young (MO)
Swift	Whitehurst	Zschau
Swindall	Whitley	

NOES—106

Ackerman	Hammerschmidt	Packard
Bartlett	Hartnett	Pashayan
Barton	Hendon	Quillen
Bateman	Hertel	Rahall
Bedell	Hiler	Rangel
Bonior (MI)	Hunter	Roberts
Bonker	Hyde	Rodino
Boulter	Ireland	Roth
Boxer	Kastenmeier	Russo
Burton (CA)	Kemp	Savage
Campbell	Kildee	Saxton
Carney	Kindness	Schneider
Chappie	Kostmayer	Schroeder
Cheney	LaFalce	Seiberling
Coats	Lagomarsino	Sensenbrenner
Cobey	Latta	Shumway
Collins	Leach (IA)	Smith (NH)
Combest	Leland	Stark
Courter	Lewis (CA)	Stokes
Craig	Lightfoot	Strang
Crane	Livingston	Studds
Crockett	Lott	Stump
DeLay	Lowery (CA)	Sundquist
Dellums	Lungren	Tauke
DeWine	Markey	Taylor
Dornan (CA)	McCain	Towns
Dreier	McCandless	Vento
Dymally	McEwen	Vucanovich
Edgar	Michel	Walgren
Edwards (CA)	Miller (CA)	Walker
Evans (IA)	Mineta	Weaver
Fiedler	Mitchell	Weiss
Fields	Moody	Wheat
Gallo	Moorhead	Whittaker
Garcia	Morrison (CT)	
Gekas	Oberstar	

NOT VOTING—49

Alexander	Hefner	Rudd
Barnard	Heftel	Schaefer
Burton (IN)	Holt	Smith (IA)
Carr	Horton	Smith (NJ)
Clay	Jacobs	Smith, Denny
Coelho	Kramer	Solomon
Dowdy	Loeffler	Thomas (CA)
Early	Luken	Traxler
Eckert (NY)	Madigan	Valentine
Fish	Martin (NY)	Waxman
Flippo	Martinez	Weber
Foglietta	McKinney	Wilson
Gingrich	Mrazek	Wolf
Goodling	Oakar	Wright
Hall (OH)	Owens	Young (FL)
Hawkins	Pickle	
Hayes	Roybal	

□ 1950

The Clerk announced the following pairs:

On this vote:

Mr. Carr for, with Mr. Roybal against.
Mr. Barnard for, with Mr. Owens against.
Mr. Pickle for, with Mr. Hayes against.
Mr. Alexander for, with Mr. Clay against.

Mr. TAUKE changed his vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read. "A bill to authorize appropriations for military functions of the Department of Defense and to prescribe military personnel levels for the

Department of Defense for fiscal year 1986, to revise and improve military compensation programs, to authorize appropriations for fiscal year 1986 for national security programs of the Department of Energy, and for other purposes."

A motion to reconsider was laid on the table.

Mr. ASPIN. Mr. Speaker, pursuant to the provisons of the House Resolution 200, I call up from the Speaker's table the Senate bill (S. 1160) to authorize appropriations for the military functions for the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ASPIN moves to strike out all after the enacting clause of the Senate bill, S. 1160, and to insert in lieu thereof the provisions of the bill, H.R. 1872, as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Authorization Act, 1986".

TITLE I—PROCUREMENT

SEC. 101. ARMY.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Army as follows:

(1) For aircraft, $3,676,100,000.

(2) For missiles, $3,368,700,000.

(3) For weapons and tracked combat vehicles, $5,369,900,000.

(4) For ammunition, $2,348,600,000.

(5) For other procurement, $5,573,500,000, of which—

(A) $939,500,000 is for tactical and support vehicles;

(B) $3,087,500,000 is for communications and electronics equipment;

(C) $1,377,200,000 is for other support equipment; and

(D) $169,300,000 is for non-centrally managed items.

(b) AUTHORIZATION OF TRANSFEERS OF PRIOR-YEAR FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Army for fiscal year 1986 pursuant to the authorization of appropriations Acts, the following amounts:

(1) $101,800,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Army remaining available for obligation.

(2) $146,000,000 for procurement of weapons and tracked combat vehicles, of which—

(A) $52,600,000 shall be derived from amounts appropriated for fiscal year 1984 for procurement of weapons and tracked combat vehicles for the Army remaining available for obligation;

(B) $40,000,000 shall be derived from the amount appropriated for fiscal year 1985 for procurement of weapons and tracked combat vehicles for the Army remaining available for obligation;

(C) $25,300,000 shall be derived from amounts available for fiscal year 1984 for procurement of weapons and tracked combat vehicles for the Army remaining available for obligation resulting from the sale of M48A5 tanks under a letter of offer issued pursuant to section 21(a)(1) of the Arms Export Control Act that would otherwise be deposited in the Special Defense Acquisition Fund; and

(D) $28,100,000 shall be derived from amounts appropriated for fiscal year 1985 for procurement of ammunition of the Army remaining available for obligation.

(3) $12,400,000 for other procurement, to be derived from amounts appropriated for fiscal year 1985 for other procurement for the Army remaining available for obligation.

(c) AUTHORIZED MULTIYEAR CONTRACTS.—(1) Subject to paragraph (2), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

T-700 series engines.

Chassis for the M1A1 tank.

AGT 1500 turbine engine for the M1 tank.

Laser range finder and thermal integrated sight fire control components for the M1 tank.

Electronic unit and control panel components for the ballistic computer for the M1 tank.

Transmission system for the Bradley Fighting Vehicle.

(2) A multiyear contract authorized by paragraph (1) may not be entered into unless the anticipated cost over the period of the contract is no more than 90 percent of the anticipated cost of carrying out the same program through annual contracts.

(d) REMOVAL OF LIMITATION ON CONTRACTORS FOR 120-MILLIMETER MORTAR.—The Secretary of the Army may select a contractor for the supply of 120-millimeter mortars for the Army as if section 101(e) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2499), had not been enacted.

(e) MULTIYEAR CONTRACT FOR 1985 MLRS PROGRAM PROCUREMENT.—Notwithstanding section 1502(a) of title 31, United States Code, or any other Act, funds appropraited for the multiple-luanch rocket system (MLRS) program of the Army for fiscal year 1985 may be used to enter into contracts for purchases in economic-order quantities of materials and components for use with end items under the program proposed for procurement during fiscal year 1989.

(f) COPPERHEAD PROJECTILE PROGRAM.—Of the amount authorized in subsection (a) for procurement of ammunition, $235,000,000 is authorized for the Copperhead projectile. Not more than $200,000,000 may be obligated or expended for that projectile from funds appropriated or otherwise made available for the Army, after the date of the enactment of this Act, for fiscal year 1986 until the Secretary of Defense submits to Congress a written plan to establish a second production source for the Copperhead projectile.

(g) SAFETY MODIFICATIONS FOR PERSHING II MISSILE PROGRAM.—(1) In carrying out the Pershing II missile program for fiscal year 1986, the Secretary of the Army may purchase safety modifications (including 36 inert missile motors for the Pershing II missle) using funds made available for such program for such fiscal year.

(2) The Secretary may not obligate any funds for the safety modifications authorized by paragraph (1) until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report providing a detailed plan for the purchase of such safety modifications.

(h) AH-64 APACHE HELICOPTERS.—The Secretary of the Army may not obligate funds appropriated or otherwise made available for a fiscal year after fiscal year 1985 for procurement of AH-64 Apache attack helicopters until the Director of the Defense Contract Audit Agency reports to the Secretary that the contractor for such helicopters has demonstrated to the satisfaction of the Director—

(1) that the contractor has implemented an effective and reliable system of internal accounting controls; and

(2) that the contractors has accumulated documentation (including journals, vouchers, invoices, and expense data) to support the contractor's final submission for settlement of indirect expenses for calendar years 1979 through 1983 and that such documentation is available to the Director.

SEC. 102. NAVY AND MARINE CORPS.

(a) AIRCRAFT. —(1) Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft for the Navy in the amount of $10,774,300,000.

(2) Of the amount appropriated pursuant to the authorization of appropriations in paragraph (1), $11,000,000 is available only for the procurement of gun pods for Marine Corps Reserve aircraft with a demonstrated anti-armor lethal equivalent to the GAU-8 30 millimeter gun pod.

(3) The Secretary of the Navy shall, within 120 days after the date of enactment of this Act, transmit to the Armed Services Committees of the Senate and House of Representatives the final plan for carrying out the procurement required by paragraph (2).

(4) There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of aircraft for the Navy pursuant to the authorization of appropriations in paragraph (1), to the extent provided in appropriation Acts, $26,900,000. Such amount shall be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Navy remaining available for obligation.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 in the total amount of $5,577,400,000 for procurement of weapons (including missiles and torpedoes) for the Navy as follows:

(1) For missile programs, $4,365,300,000.

(2) For torpedo programs:

For the MK-48 torpedo program, $417,400,000.

For the MK-46 torpedo program, $129,100,000.

For the MK-30 mobile target program, $20,600,000.

For the MK-38 minimobile target program, $3,500,000.

For the antisubmarine rocket (ASROC) program, $15,600,000.

For the modification of torpedoes and related equipment, $141,200,000.

For the torpedo support equipment program, $47,400,000.

For the antisubmarine warfare range support program, $23,200,000.

(3) For other weapons:

For the MK-15 close-in weapon system program, $150,100,000.

For the MK-75 76-millimeter gun mount program, $20,000,000.

For other weapons programs, $77,300,000.

(4) For spares and repair parts, $166,600,000.

(c) SHIPBUILDING AND CONVERSION—(1)(A) Funds are hereby authorized to be appropriated for fiscal year 1986 for shipbuilding and conversion for the Navy in the total amount of $10,739,200,000.

(B) Funds appropriated for fiscal years before fiscal year 1986 and remaining available for obligation are hereby authorized to be transferred to, and merged with, amounts appropriated pursuant to the authorization of appropriations in subparagraph (A), to the extent provided in appropriation Acts, in the total amount of $437,600,000. Such amount shall be derived in accordance with paragraph (3).

(2) Funds appropriated or otherwise made available for shipbuilding and conversion for fiscal year 1986 pursuant to the authorizations in paragraph (1) are available as follows:

For the Trident submarine program, $1,531,800,000.

For the SSN-688 nuclear attack submarine program, $2,708,400,000.

For the aircraft carrier service life extension program (SLEP), $133,400,000.

For the CG-47 Aegis cruiser program, $2,766,200,000.

For the DDG-51 guided missile destroyer program, $164,300,000.

For the LSD-41 landing ship dock program, $414,400,000.

For the LHD-1 amphibious assault ship program, $1,314,200,000.

For the MCM-1 mine countermeasures ship program, $334,100,000.

For the MSH-1 coastal mine hunter ship program, $184,500,000.

For the TAO-187 fleet oiler program, $328,500,000.

For the TAGOS ocean surveillance ship program, $115,100,000.

For the acoustic research vessel program, $68,900,000.

For the strategic sealift ready reserve program, $203,400,000.

For the TACS auxiliary crane ship program, $82,500,000.

For the TAVB aviation logistics support ship program, $26,900,000.

For the LCAC landing craft air cushion program, $307,000,000.

For the battleship reactivation program, $53,500,000.

For the craft and landing craft, $72,100,000.

For the moored training ship program, $26,500,000.

For outfitting and post delivery, $341,100,000.

(3) Amounts transferred pursuant to paragraph (1)(B) to amounts appropriated for shipbuilding and conversion pursuant to the authorization of appropriations in paragraph (1)(A) shall be derived from amounts appropriated for shipbuilding and conversion for the Navy for fiscal years before fiscal year 1986 as follows:

(A) $357,500,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1983.

(B) $24,000,000 shall be derived from amounts appropriated for fiscal year 1983.

(C) $56,100,000 shall be derived from amounts appropriated for fiscal year 1984.

(4)(A) The Secretary of the Navy is hereby authorized, subject to provisons of appropriation Acts, to transfer to and merge with amounts appropriated pursuant to the authorizations of appropriations in paragrah (1) amounts described in subparagraph (B).

(B) Amounts that may be transferred under subpargraph (A) are amounts appropriated for fiscal year 1985 for shipbuilding and conversion for the Navy and remaining available for obligation as a result of cost savings in carrying out the fiscal year 1985 shipbuilding program. Any such transfer is in addition to the transfer described in paragraph (3).

(5)(A) The Secretary of the Navy may transfer to amounts available for the battleship reactivation program for fiscal year 1986 such amounts as may be available as a result of cost savings in carrying out the fiscal year 1985 and fiscal year 1986 shipbuilding programs. Any such transfer is in addition to the transfers described in paragraphs (3) and (4).

(B) Any transfer under this paragraph of fiscal year 1985 funds may be made only to the extent provided in appropriation Acts.

(C) Any transfer under this paragraph of fiscal year 1986 funds is not subject to section 1001 of this Act.

(d) OTHER PROCUREMENT, NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1986 for other procurement for the Navy in the amount of $6,591,800,000, of which—

(1) $893,000,000 is available only for the ship support equipment program;

(2) $2,085,800,000 is available only for the communications and electronics equipment program;

(3) $1,139,700,000, is available only for aviation support equipment;

(4) $1,326,500,000 is available only for the ordnance support equipment program;

(5) a total of $660,700,000, is available only for programs for civil engineering support equipment, supply support equipment, and personnel/command support equipment;

(6) $269,800,000 is available only for spares and repair parts; and

(7) $216,300,000 is available only for noncentrally managed items.

(e) PROCUREMENT, MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,742,300,000.

(f) LIMITATIONS ON NAVY AIRCRAFT PROCUREMENT.—Funds appropriated for fiscal year 1986 for aircraft for the Navy—

(1) may not be obligated for procurement of A6E aircraft until the Secretary of the Navy certifies to the Committees on Armed Services of the Senate and House of Representatives that the wing for the A6E aircraft to be procured is warranted for at least a 4,000-hour test-equivalent fatigue life; and

(2) may be obligated for procurement of F14 aircraft only for aircraft that are configured so as to incorporate the F110 engine.

(g) AUTHORIZED MULTIYEAR CONTRACTS.—The Secretary of the Navy may enter multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

LHD-1 class amphibious assault ships.

MK-46 torpedoes and modification kits.

SEC. 103. AIR FORCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Air Force as follows:

(1) For aircraft, $24,043,700,000.

(2) For missiles, $7,842,700,000.

(3) For other procurement, $9,043,900,000, of which—

(A) 1,389,200,000 is for munitions and associated support equipment;

(B) $328,400,000 is for vehicular equipment;

(C) $2,587,700,000 is for electronics and telecommunications equipment;

(D) $4,650,700,000 is for other base maintenance and support equipment; and

(E) $87,900,000 is available only for noncentrally managed items.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS FOR MISSILE PROCUREMENT.—(1) There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of missiles for the Air Force pursuant to the authorization of appropriations in subsection (a), to the extent provided in appropriation Acts, $11,800,000.

(2) Amounts for the transfer authorized by paragraph (1) shall be derived from amounts appropriated for fiscal years before fiscal year 1986 for procurement of missiles for the Air Force and remaining available for obligation as follows:

(A) $4,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(B) $7,800,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985.

(c) COMPETITION FOR FIGHTER AIRCRAFT PROCUREMENT.—(1) In the procurement of tactical fighter aircraft for fiscal year 1986, the Secretary of the Air Force shall establish an ongoing, annual competition for procurement of aircraft to meet the requirements of the Air Force above the minimum number of F16 and F20 aircraft that the Secretary determines necessary to procure for meeting the requirements of the active and reserve components. Such competition shall be among all suitable aircraft, including the F16 and F20 aircraft.

(2) Procurement of tactical fighter aircraft for the Air Force for fiscal year 1986 shall be carried out in accordance with all applicable provisions of law, including section 136a (relating to the Director of Operational Test and Evaluation), section 139c (relating to independent cost estimates), and chapter 137 (relating to competition in contracting), of title 10, United States Code.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1986 for the Defense Agencies in the amount of $1,382,000,000.

SEC. 105. NATO COOPERATIVE PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR COOPERATIVE DEFENSE PROGRAMS.—There is hereby authorized to be appropriated to the Secretary of Defense for fiscal year 1986 the amount of $125,000,000 for North Atlantic Treaty Organization cooperative defense programs as follows:

For acquisition of point air defense of United States airbases in the Federal Republic of Germany, $50,000,000.

For acquisition of point air defense of United States airbases and other critical United States military facilities in Italy, $25,000,000.

For acquisition of point air defense and port defense for facilities in Belgium, $25,000,000.

For acquisition of point air defense of United States airbases in Turkey, $25,000,000.

(2) None of the amounts appropriated pursuant to the authorizations in paragraph (1) may be obligated—

(A) for implementation of a cooperative program until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a copy of each government-to-government agreement relating to that program; or

(B) for acquisitions in connection with a NATO cooperative defense program in which the financial obligations of the United States exceed the collective financial obligations of European countries in connection with such program.

(b) EXTENSION OF AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AWACS PROGRAM.—Effective on October 1, 1985, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100), is amended by striking out "fiscal year 1985" both places it appears and inserting in lieu thereof "fiscal year 1986".

SEC. 106. LIMITATION ON PROCUREMENT OF SERGEANT YORK AIR DEFENSE GUN.

(a) LIMITATION ON FURTHER PROCUREMENT.—The Secretary of the Army may not obligate funds to enter into a new contract for production and assembly of the Sergeant York Air Defense Gun system until—

(1) the initial production testing and the follow-on evaluation I are completed and the results of the testing and evaluation demonstrate that the Sergeant York System meets or exceeds the pass/fail criteria of the tests established jointly by the Secretary of the Army and the Secretary of Defense;

(2) the Director of Operational Test and Evaluation of the Department of Defense submits to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives a report giving the Director's evaluation of the results of such testing and evaluation;

(3) the Secretary of Defense reports to those committees on the results of such testing and evaluation and certifies that such testing reliably demonstrates that the operational capabilities of the Sergeant York system fulfill the performance specifications of the contract;

(4) the Secretary of the Army submits to those committees a report describing a contractor guarantee of the performance of the system described in subsection (b)(1); and

(5) 30 days have elapsed after the report under paragraph (4) is received by those committees.

(b) PERFORMANCE GUARANTEE.—(1) The guarantee of the contractor under subsection (a)(4) shall provide that each fire unit of the system shall operate in accordance with the performance specifications of the contract for the system for the maximum feasible duration and in any event for not less than one year.

(2) The terms of a guarantee under this subsection shall be in addition to terms of any previous guarantee or warranty of the system by the contractor required under section 2403 of title 10, United States Code, or any predecessor provision.

(3) A guarantee under this subsection shall apply to contracts for fiscal years after fiscal year 1985.

SEC. 107. RESTRICTIONS ON PURCHASE BY THE ARMY OF 5-TON TRUCKS.

(a) TESTING OF COMPETING ENGINES BEFORE CONTRACT AWARD.—(1) Except as provided in subsection (b), the Secretary of the Army may not enter into a new contract for the procurement of 5-ton trucks for the Army until the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that each truck engine described in paragraph (2) has been tested as provided in paragraph (3).

(2) The truck engines referred to in paragraph (1) are engines that—

(A) meet the specifications of the Army for engines for 5-ton trucks; and

(B) are commercially available from sources competing for the award of a contract for the supply of engines to the Army for the 5-ton trucks that are to be procured under a multiyear contract that is to succeed the multiyear contract referred to in subsection (b).

(3) The testing referred to in paragraph (1) shall be carried out in 5-ton trucks configured in the M939 validated technical data package of the Army and shall include tests to determine—

(A) whether the engine is durable after testing in a mission profile for at least 20,000 miles; and

(B) whether the performance reliability of the engine for high ambient temperature cooling, cold starting, deep water fording, grade climbing, and noise is acceptable.

(b) AUTHORITY FOR EXTENSION OF EXISTING MULTIYEAR CONTRACT.—(1) The Secretary of the Army may extend for a period not to exceed 18 months the multiyear contract for the procurement of 5-ton trucks that is in effect on the date of the enactment of this Act.

(2) Funds available to the Army for the procurement of 5-ton trucks during fiscal year 1985 and funds appropriated for the procurement of 5-ton trucks for the Army for fiscal year 1986 may be used for the procurement of 5-ton trucks under an extension of the contract referred to in paragraph (1).

(c) NEW MULTIYEAR CONTRACT.—(1) Subject to paragraph (2), the Secretary of the Army shall take such action as is appropriate, consistent with the limitation set out in subsection (a), to award a multiyear contract for the procurement of 5-ton trucks not later than May 1, 1986. Such a contract shall be for a period of five fiscal years. A contract under this paragraph may only be entered into in accordance with section 2306(h) of title 10, United States Code.

(2) A contract under paragraph (1) may not be entered into unless the anticipated cost over the period of the contract is no more than 90 percent of the anticipated cost of carrying out the same program through annual contracts.

(3) Not later than February 1, 1986, the Secretary shall determine whether it is impracticable to award a contract under paragraph (1) on or before May 1, 1986. If the Secretary determines that such action is impracticable, he shall notify the Committees on Armed Services of the Senate and the House of Representatives of the determination on or before February 1, 1986.

SEC. 108. SALE OF L119 HOWITZERS OVERSEAS.

Howitzers designated as L119 howitzers that are produced by a United States arsenal may be sold to a friendly foreign government without regard to any law, regulation, or international agreement specifying a minimum percentage of the content of such howitzers that must be of foreign origin.

SEC. 109. WAIVER OF LIMITATION ON FOREIGN MILITARY SALES PROGRAM.

The Arms Export Control Act shall be administered as if section 8036 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473; 98 Stat. 1930), had not been enacted into law.

SEC. 110. ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF DIESEL SUBMARINES FOR UNITED STATES ALLIES.

(a) IN GENERAL.—The Secretary of the Navy shall take such steps as necessary—

(1) to ensure that no effort is made by any element of the Department of the Navy to inhibit, delay, or halt the provision by United States shipyards of approved diesel submarine combat systems to nations allied with the United States; and

(2) to encourage United States shipyards that are not engaged in construction of nuclear submarines to construct diesel-electric submarines for nations allied with the United States.

(b) LIMITATIONS ON FUNDING.—(1) None of the funds appropriated pursuant to authorizations of appropriations in this title for submarine programs may be obligated or expended until the Secretary of the Navy reports to Congress that no element of the Department of the Navy is taking any action to inhibit, delay, or halt the provision of approved combat systems for, or the construction of, diesel submarines in the United States for nations allied with the United States, particularly for the Republic of South Korea and Israel (the two nations that have previously requested approval to build submarines in the United States).

(2) None of the funds appropriated pursuant to authorizations of appropriations in this title may be used to upgrade or modernize a foreign shipyard in order to provide such shipyard a capability to construct diesel submarines until the Secretary of the Navy reports to Congress that such construction could not be done in the United States without causing a negative impact on United States nuclear submarine programs.

SEC. 111. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS.

(a) ARMY.—The amounts authorized in section 101(a) to be appropriated for the Army are reduced by the following amounts:

(1) For aircraft, $185,400,000.

(2) For missiles, $222,000,000.

(3) For weapons and tracked combat vehicles, $338,600,000.

(4) For ammunition, $323,300,000.

(5) For other procurement, $577,900,000.

(b) NAVY AND MARINE CORPS.—The amounts authorized in section 102 to be appropriated for the Navy and Marine Corps are reduced by the following amounts:

(1) For aircraft, Navy, $636,500,000.

(2) For weapons procurement, Navy, $316,600,000.

(3) For shipbuilding and conversion, Navy, $1,271,800,000.

(4) For other procurement, Navy, $662,800,000.

(5) For procurement, Marine Corps, $144,200,000.

(c) AIR FORCE.—The amounts authorized in section 103(a) to be appropriated for the Air Force are reduced by the following amounts:

(1) For aircraft, $1,955,300,000.

(2) For missiles, $473,100,000.

(3) For other procurement, $620,500,000.

(d) DEFENSE AGENCIES.—The amount authorized in section 104 to be appropriated for the Defense Agencies is reduced by $91,900,000.

(e) NATO COOPERATIVE PROGRAMS.—The amount authorized in section 105 to be appropriated for NATO cooperative defense programs is reduced by $7,100,000.

(f) FY86 PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—(1) Authorization reductions described in paragraph (2)—

(A) may not be derived through cancellation of any authorized program, stretchout of procurement under any authorized program, or any other change in an authorized program; but

(B) may be derived only through cost reductions under programs of the Department of Defense under this title that are achieved without a change in the quantity or quality of goods or services acquired by the Department, including—

(i) reductions due to the rate of inflation for fiscal year 1986 being lower than the rate assumed in the President's budget for fiscal year 1986; and

(ii) reductions due to the elimination of allowances for amounts for inflation for fiscal years after fiscal year 1986.

(2) Paragraph (1) applies to the following amounts under the reductions provided by this section in authorizations of appropriations:

(A) Aircraft, Army, $185,400,000.

(B) Missiles, Army, $197,000,000.

(C) Weapons and tracked combat vehicles, Army, $338,600,000.

(D) Ammunition, Army, $105,700,000.

(E) Other procurement, Army, $327,700,000.

(F) Aircraft, Navy, $554,400,000.

(G) Weapons, Navy, $301,600,000.

(H) Shipbuilding and conversion, Navy, $849,800,000.

(I) Other procurement, Navy, $396,300,000.

(J) Procurement, Marine Corps, $113,300,000.

(K) Aircraft, Air Force, $1,549,300,000.

(L) Missiles, Air Force, $442,100,000.

(M) Other Procurement, Air Force, $321,900,000.

(N) Defense Agencies, $52,900,000.

(O) NATO cooperative programs, $7,100,000.

(g) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by this section in the authorizations of appropriations in this title—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

SEC. 112. AUTHORIZATION OF ADDITIONAL TRANSFERS OF PRIOR-YEAR FUNDS.

(a) ARMY.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Army pursuant to the authorizations of appropriations in section 101(a) the following amounts:

(1) MISSILES.—$25,000,000 for procurement of missiles, to be derived from amounts appropriated for fiscal year 1985 for procurement of missiles for the Army.

(2) AMMUNITION.—$111,900,000, for procurement of ammunition, to be derived from amounts appropriated for fiscal years 1984 and 1985 for procurement of ammunition for the Army, of which—

(A) $30,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $81,900,000 shall be derived from amounts appropriated for fiscal year 1985.

(3) OTHER PROCUREMENT.—$218,200,000 for other procurement, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Army, of which—

(A) $79,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $139,200,000 shall be derived from amounts appropriated for fiscal year 1985.

(b) NAVY AND MARINE CORPS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Navy and Marine Corps pursuant to the authorizations of appropriations in section 102 the following amounts:

(1) AIRCRAFT.—$82,100,000 for procurement of aircraft for the Navy, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Navy.

(2) WEAPONS.—$15,000,000 for procurement of weapons for the Navy, to be derived from amounts appropriated for fiscal year 1985 for procurement of weapons for the Navy.

(3) SHIPBUILDING AND CONVERSION.—$422,000,000 for shipbuilding and conversion for the Navy, to be derived from amounts appropriated for fiscal years 1983, 1984, and 1985 for shipbuilding and conversion for the Navy, of which—

(A) $129,000,000 shall be derived from amounts appropriated for fiscal year 1983;

(B) $100,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(C) $193,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(4) OTHER PROCUREMENT.—$221,000,000 for other procurement for the Navy, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Navy, of which—

(A) $70,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $151,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(5) PROCUREMENT, MARINE CORPS.—$28,000,000 for procurement for the Marine Corps, to be derived from amounts appropriated for fiscal year 1985 for procurement for the Marine Corps.

(c) AIR FORCE.— There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Air Force pursuant to the authorizations of appropriations in section 103(a) the following amounts:

(1) AIRCRAFT.—$406,000,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Air Force.

(2) MISSILES.—$31,000,000 for procurement of missiles to be derived from amounts appropriated for fiscal year 1985 for procurement of missiles for the Air Force.

(3) OTHER PROCUREMENT.—$282,000,000 for other procurement, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Air Force, of which—

(A) $86,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $196,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(d) DEFENSE AGENCIES.—There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Defense Agencies pursuant to the authorization of appropriations in section 104 the amount of $36,000,000, to be derived from amounts appropriated for fiscal years 1984 and 1985 for procurement for the Defense Agencies, of which—

(1) $15,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(2) $21,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(e) AUTHORIZATION OF TRANSFERS SUBJECT TO PROVISIONS OF APPROPRIATIONS ACTS.—Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

(f) SOURCE OF TRANSFERRED FUNDS.—(1) All amounts transferred under this section shall be derived from funds described in this section that remain available for obligation.

(2) Except as provided in paragraph (3), such funds—

(A) may not be derived through cancellation of any program, stretchout of procurement under any program, or any other program change; but

(B) may be derived only through cost reductions (including reductions due to rates of inflation being lower than rates assumed when such funds were budgeted) under programs for which such funds were authorized and appropriated that are achieved without a change in the quantity or quality of goods or services acquired by the Department of Defense.

(3) Funds for the transfer authorized by subsection (a)(2)(B) may be derived from the light-weight multipurpose weapon system, and funds for the transfer authorized by subsection (a)(3)(B) may be derived from the Single Channel Objective Tactical Terminal program.

SEC. 113. REPORT.

Before the Secretary of Defense may implement a program change under a reduction subject to section 111(f) or under a transfer under section 112, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the programs in which such reductions will be made in accordance with section 111(f) and the programs that are the source of the funds transferred under section 112.

SEC. 114. MX MISSILE PROGRAM.

(a) LIMITATION ON FISCAL YEAR 1986 PROCUREMENT FUNDS FOR THE MX MISSILE PROGRAM.—Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force, not more than $921,000,000 may be used for the MX missile program. Such funds may be used only for—

(1) the acquisition of not more than eight basing sets for the basing of MX missiles;

(2) the acquisition of systems support consistent with the deployment of not more than 40 MX missiles; and

(3) maintenance of the production base for the MX missile program.

(b) LIMITATION ON DEPLOYMENT OF MX MISSILES.—The number of MX missiles deployed at any time may not exceed 40.

(c) POLICY ON FUTURE MX MISSILE PROCUREMENT.—Funds appropriated or otherwise made available for fiscal years after fiscal year 1985 for procurement of missiles for the Air Force may not be used for procurement of MX missiles except for the acquisition of those additional missiles required for the operational test and evaluation program and the aging and surveillance program.

SEC. 115. A6 AIRCRAFT REWING PROGRAM.

(a) AUTHORIZED PROGRAM.—The Secretary of the Navy is authorized to carry out a program to replace the wings of the A6 aircraft. The amount obligated to carry out such program during fiscal year 1985 may not exceed $240,000,000.

(b) REQUIRED WARRANTY.—Funds may be obligated for the program authorized by subsection (a) only under a firm fixed-price contract which includes a warranty guaranteeing a wing fatigue life of at least 8,800 hours.

(c) AUTHORIZATION FOR TRANSFER OF FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for aircraft for the Navy for fiscal year 1985, to the extent provided in appropriation Acts, $240,000,000 for the program authorized by subsection (a). Such amount shall be derived from amounts appropriated for procurement of aircraft for the Navy for fiscal years before fiscal year 1986 as follows:

(1) $103,000,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985 remaining available for obligation.

(2) $137,000,000 shall be derived from amounts appropriated for fiscal year 1985 remaining available for obligation.

SEC. 116. REQUIREMENTS WITH RESPECT TO THE BRADLEY FIGHTING VEHICLE.

(a) IN GENERAL.—(1) The Secretary of Defense shall submit a report to the Armed Services Committees of the House of Representatives and the Senate, in both a classified and an unclassified version, with respect to the Bradley Fighting Vehicle. Such report shall describe the results of the two phase live fire survivability testing program being carried out with respect to such vehicle.

(2) In Phase 1 of the testing program referred to in paragraph (1), at least 10 live fire tests using anti-armor weapons of the Soviet Union shall be conducted against such vehicle in its present configuration. In Phase 2 of such program, similar tests shall be conducted against such vehicle with enhanced survivability features.

(b) CONTENT OF REPORT.—The report required by this section shall contain the following:

(1) A complete analysis of the results of the testing program referred to in subsection (a), including an accounting of all of the test shots which were fired at such vehicle, the distances from which they were fired, and the effects of such shots.

(2) A description and justification for the measures of merit and the pass/fail criterion used in the testing program.

(3) A justification for exempting from the testing program any overmatch or undermatch weapon which would likely be encountered in combat conditions.

(4) Potential problems that were revealed by the tests and a proposed design modification for remedying such problems.

(5) The estimated unit cost of each proposed survivability modification and the overall program cost for the modifications.

(6) A comparison of the estimated unit cost of the Bradley Fighting Vehicle in both the baseline configuration and the modified configurations.

(c) DATE OF SUBMISSION FOR THE REPORT.—The reports required by this section shall be transmitted as follows:

(1) The report regarding the results of Phase 1 shall be transmitted no later than December 1, 1985.

(2) The report regarding the results of Phase 2 shall be transmitted no later than June 1, 1986.

SEC. 117. CONDITION ON PROCUREMENT OF CERTAIN COMBAT VEHICLES.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2406. Condition on procurement of certain wheeled or tracked armored vehicles

"(a) The Secretary of Defense shall provide that no contract is entered into by the Department of Defense for the procurement of—

"(1) any newly developed combat wheeled or tracked armored vehicle; or

"(2) any combat wheeled or tracked armored vehicle with significant newly developed survivability modifications,

unless the testing carried out in the development of such vehicle meets the requirements of subsection (b).

"(b)(1) The testing of any combat wheeled or tracked armored vehicle referred to in subsection (a) shall include a series of test shots to be made by each type of weapon (or appropriate substitute, if required) that is likely to be a combat threat to the vehicle. Such tests shall be carried out in a manner modeled after the Bradley Fighting Vehicle Joint Live-Fire Test Program and shall at least include test shots fired under the same conditions at both the test vehicle and the vehicle it is to replace, if any, with each vehicle being equipped with all of the elements that the vehicle would be equipped with in combat.

"(2) In making a determination under paragraph (1) concerning the weapons that are likely to be a combat threat to the vehicle, the Secretary may exclude such weapons that are obviously overmatched or undermatched threats to the vehicle.

"(c) The Secretary of Defense shall make a classified report and an unclassified report to the Committees on Appropriations and the Committees on Armed Services of the Senate and House of Representatives with respect to the testing of each vehicle for which testing is required under this section. The reports shall be transmitted along with the first request for authorizations for procurement of the vehicle or for modifications to an existing vehicle and shall include at least—

"(1) a complete description of the firing parameters used and an analysis of the effect on the vehicle of each test shot made;

"(2) a description and justification of the merit and pass/fail criterion used in carrying out the test;

"(3) the criterion used for excluding certain weapons as obvious overmatch or undermatch weapons under subsection (b)(2);

"(4) potential shortcomings of the vehicle that were revealed by the testing and the proposed plan incorporating changes considered cost effective that are necessary to overcome such shortcomings;

"(5) a comparison of the estimated unit cost of each newly developed vehicle or of the unit cost of the newly developed survivability modifications being made and the unit cost of the vehicle that is to be replaced, if any, by the test vehicle.

"(d) The Secretary of Defense shall include in the Test and Evaluation Master Plan established for any combat wheeled or tracked armored vehicle to which this section applies an estimated cost and schedule of the testing to be carried out with respect to such vehicle."

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding the following at the end thereof:

"2406. Condition on procurement of certain wheeled or tracked armored vehicles.".

SEC. 118. ADVANCED TECHNOLOGY BOMBER.

(a) REPORT ON TOTAL PROGRAM COST.—Not later than February 1, 1986, the Secretary of Defense shall transmit to Congress a report setting forth the total program cost for the advanced technology program. The Secretary shall include in the report the Secretary's evaluation of the reliability of the cost estimates for the program.

(b) LIMITATION ON EXPENDITURE OF PROCUREMENT FUNDS.—No funds appropriated pursuant to the authorizations of appropriations in this title may be obligated or expended for the advanced technology bomber program until the report required by subsection (a) is transmitted to Congress.

SEC. 119. CONDITION ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS.

(a) IN GENERAL.—Except in accordance with subsection (b), none of the funds appropriated pursuant to authorizations of appropriations in this title may be used—

(1) for procurement or assembly of binary chemical munitions (or subcomponents of such munitions); or

(2) for establishment of production facilities necessary for procurement or assembly of binary chemical munitions (or subcomponents of such munitions).

(b) CONDITIONS.—The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 30, 1987, if—

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by such date;

(2) the President transmits, after such date, a certification to the Congress that—

(A) the procurement and assembly of such complete weapons is necessitated by national security interests, including the interests of the members of North Atlantic Treaty Organization;

(B) performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions;

(C) applicable Federal safety requirements will be met or exceeded in the handling, storage, and other use of such munitions;

(D) the Secretary of Defense's plans (which shall accompany such certification) for destruction of existing chemical stocks is ready to be implemented; and

(E) the North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed—

(i) that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent;

(ii) that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and

(iii) that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories;

(3) such procurement and assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the Secretary of Defense's basing mode for such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are based in separate States; and

(5) the Secretary of Defense's plan for the transportation of such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are transported separately and by different means.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces for research, development, test, and evaluation in amounts as follows:

(1) For the Army, $4,882,675,000.

(2) For the Navy (including the Marine Corps), $9,833,206,000.

(3) For the Air Force, $13,301,210,000.

(4) For the Defense Agencies, $6,332,770,000 of which $93,500,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) GENERAL AUTHORIZATION FOR CIVILIAN PAY CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 202. LIMITATIONS ON FUNDS FOR THE ARMY.

Of the amount authorized in section 201 for the Army—

(1) $52,836,000 is available only for the Missile/Rocket Components program, of which $10,000,000 is available only for the development of the Fiber Optics Guided Missile and $10,000,000 is available only for development of the Hypervelocity Missile;

(2) $23,583,000 is available only for the Stinger missile program;

(3) $18,898,000 is available only for the M1 E1 Development program, of which $15,000,000 is available only for a fuel efficient modification for the AGT-1500 tank engine;

(4) $20,000,000 is available only for the development, test integration, and evaluation of the Hellfire Missile for the Blackhawk helicopter; and

(5) $40,000,000 is available only for the Remotely Piloted Vehicle programs, of which $20,000,000 is available only for the Pave Tiger system and $20,000,000 is available only for a classified system.

SEC. 203. LIMITATION ON FUNDS FOR THE NAVY (INCLUDING THE MARINE CORPS).

Of the amount authorized in section 201 for the Navy (including the Marine Corps)—

(1) $25,000,000 is available only for the Low-Cost Anti-Radiation Seeker program;

(2) $6,964,000 is available only for the Advanced Mine Development program;

(3) $60,000,000 is available only for Standard Missile Improvements, of which $12,815,000 is available only for the development of Standard Missile III for the Navy's outer air battle mission;

(4) $190,000,000 is available only for the SSN-21 Combat System Advanced and Engineering programs;

(5) $12,000,000 is available only for Battlegroup Quick Reaction Surveillance System program;

(6) $10,000,000 is available only for unique Wallops Island Test Range activity;

(7) $10,000,000 is available only for Skipper/Practice Bomb program;

(8) $1,500,000 is available only for classified sensor development program; and

(9) $2,500,000 is available only to establish a second source for the competitive procurement of the Navy Five-Inch and Army 155-Millimeter Guided Projectile systems.

SEC. 204. LIMITATION ON FUNDS FOR THE AIR FORCE.

Of the amount authorized in section 201 for the Air Force—

(1) $60,000,000 is available only for research, development, test, and evaluation for the Integrated Electronic Warfare/Communications (INEWS) and Navigation Identifications Avionics (ICNIA) systems;

(2) $30,000,000 is available only for the research, development, test, and evaluation to modify the F-4 aircraft to satisfy the Air Force defense mission;

(3) $19,570,000 is available only for a classified reconnaissance system;

(4) $223,776,000 is available only for the Very High Speed Integrated Circuits (VHSIC) program; and

(5) $774,500,000 is available only for research, development, test, and evaluation carried out with respect to the small mobile intercontinental ballistic missile system.

SEC. 205. LIMITATION ON FUNDS FOR THE DEFENSE AGENCIES.

Of the amount authorized in section 201 for the Defense Agencies—

(1) $2,500,000,000 is available for the Strategic Defense Initiatives, of which $12,500,000 is available only for the medical application of Free-Electron Lasers and associated material and physical science research;

(2) $150,000,000 is available only for the Common Joint Tactical Information Distribution System program;

(3) $200,000,000 is available only for the Joint Advanced Systems program;

(4) $181,250,000 is available only for the University Research Initiative program;

(5) $1,000,000 is available for use by the Defense Logistics Agency to conduct a demonstration of advance clothing manufacturing technology and to procure and field test military clothing produced using advanced manufacturing techniques; and

(6) $500,000 is available for use by the Defense Logistics Agency only for the Military Sewn Products Automation Program (MILSPA).

SEC. 206. HARM MISSILE PROGRAM.

(a) LIMITATION ON NAVY FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Navy (including the Marine Corps), $300,000,000 may not be obligated or expended until the Secretary of the Navy submits to Congress a certification described in subsection (c) or a report described in subsection (d).

(b) LIMITATION ON AIR FORCE FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Air Force, $150,000,000 may not be obligated or expended until the Secretary of the Air Force submits to Congress a certification described in subsection (c) or a report described in subsection (d).

(c) CERTIFICATION.—A certification under subsection (a) or (b) shall be in writing and shall include the Secretarys concerned certification of the following:

(1) That the test and evaluation of the High-Speed Anti-Radiation Missile (HARM) shows conclusively that the missile system meets all performance specifications and objectives delineated in the HARM weapon system specification—AS 3400 Revision A, dated August 6, 1982.

(2) That a current production missile has been disassembled and that there is complete correlation with such missile and the current technical-data package (including the engineering drawings and software) and that HARM production missiles are being constructed to these drawings.

(3) That the HARM missile system is capable of engaging the intended threat as approved by the Director of Central Intelligence.

(4) That the program to develop the HARM low-cost seeker is structured to meet an intended Initial Operational Capability (IOC) date of December 31, 1989.

(d) REPORT ON DEFICIENCIES.—(1) If the Secretary of the Navy cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (a) after submitting to Congress a written report described in paragraph (3).

(2) If the Secretary of the Air Force cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (b) after submitting to Congress a written report described in paragraph (3).

(3) A report under paragraph (1) or (2) shall provide—

(A) a detailed list of the deficiencies in the HARM system; and

(B) a plan to correct such deficiencies, including milestones and required levels of funding and a request to Congress to reprogram funds for this purpose.

(e) PROHIBITION ON EXPENDITURES TO CORRECT SPECIFIED DEFICIENCES.—The Secretary of the Navy and the Secretary of the Air Force may not obligate or expend any funds to correct deficiencies in the HARM system in order to meet the weapons system performance specifications described in subsection (c)(1).

SEC. 207. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS.

(a) REDUCTIONS IN AUTHORIZATIONS.—The amounts authorized in section 201 to be appropriated are reduced by the following amounts:

(1) For the Army, $89,000,000.

(2) For the Navy (including the Marine Corps), $194,000,000.

(3) For the Air Force, $270,000,000.

(4) For the Defense Agencies, $47,000,000.

(b) FY 86 PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—(1) Authorization reductions described in paragraph (2)—

(A) may not be derived through cancellation of any authorized program or any other change in an authorized program; but

(B) may be derived only through cost reductions (including reductions due to the rate of inflation being lower than the rate assumed in the President's budget for fiscal year 1986) under programs of the Department of Defense under this title that are achieved without a change in the quantity or quality of goods or services acquired by the Department.

(2) Paragraph (1) applies to the following amounts under the reductions provided by subsection (a) in authorizations of appropriations:

(A) For the Army, $4,000,000.

(B) For the Navy (including the Marine Corps), $11,000,000.

(C) For the Air Force, $14,000,000.

(c) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by subsection (a) in the authorizations of appropriations in section 201—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

SEC. 208. AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.

(a) AUTHORIZED TRANSFERS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for research, development, test, and evaluation for the Armed Forces pursuant to the authorizations of appropriations in section 201 the following amounts:

(1) ARMY.—$85,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Army.

(2) NAVY.—$183,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Navy (including the Marine Corps).

(3) AIR FORCE.—$256,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Air Force.

(4) DEFENSE AGENCIES.—$47,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Defense Agencies.

(b) AUTHORIZATION OF TRANSFERS SUBJECT TO PROVISIONS OF APPROPRIATIONS ACTS.—Transfers authorized by subsection (a) may be made only to the extent provided in appropriation Acts.

SEC. 209. NATO COOPERATIVE RESEARCH AND DEVELOPMENT.

(a) The Congress hereby finds—

(1) that for more than a decade the member nations of the North Atlantic Treaty Organization (NATO) have provided in the aggregate significantly larger resources for defense purposes than have the member nations of the Warsaw Treaty Organization:

(2) that, despite this fact, the Warsaw Treaty Organization member nations have produced and deployed many more major combat items such as tanks, armored personnel carriers, artillery pieces and rocket launchers, armed helicopters, and tactical combat aircraft than have the member nations of NATO; and

(3) that a major reason for this discouraging performance by NATO is inadequate cooperation among NATO nations in research, development, and production of military end-items of equipment and munitions.

(b) The Congress, therefore, urges and requests the President, the Secretary of Defense, and the United States Representative to the North Atlantic Treaty Organization to pursue diligently opportunities for member nations of NATO to cooperate in research and development on defense equipment and munitions and in the production of defense equipment, including coproduction of conventional defense equipment by the United States and other member nations of NATO and production by United States contractors of conventional defense equipment designed and developed by other member nations of NATO.

(c)(1) Of the funds appropriated pursuant to the authorization in section 201(a) for research, development, test, and evaluation, the sum of $200,000,000 shall be available, in equal amounts, to the Army, Navy, Air Force, and Defense Agencies only for NATO cooperative research and development projects as provided in this section.

(2) As used in this section, the term "cooperative research and development project" means a project involving joint participation by the United States and one or more other member nations of NATO under a memorandum of understanding or other formal agreement to carry out a joint research and development program on conventional defense equipment and munitions, or to modify existing military equipment to meet United States military requirements.

(d) A memorandum of understanding or other formal agreement to conduct a cooperative research and development project may not be entered into unless the Secretary of Defense determines that the proposed project enhances the ongoing multinational effort to improve NATO's conventional defense capabilities through the application of emerging technology. The Secretary of Defense may not delegate the authority to make such determination except to the Deputy Secretary of Defense or the Director of Defense Research and Engineering.

(e) In order to assure substantial participation on the part of other member nations of NATO in approved cooperative research and development projects, funds made available under subsection (c) for such projects may not be used to procure equipment or services from any foreign government, foreign research organization, or any other foreign entity.

(f) The Secretary of Defense shall encourage other member nations of NATO to establish programs to the one provided for in this section.

(g)(1) In order to ensure that opportunities to conduct cooperative research and development projects are considered during the early decision points in the Department of Defense's formal development review process in connection with any planned project of the Department of Defense, the Director of Defense Research and Engineering shall prepare a formal arms cooperation opportunities document for review by the Defense Systems Acquisition Review Council at its formal meetings. The Director shall also prepare an arms cooperation opportunities document for reviews of new projects for which a Justification of Major Systems New Start document is prepared.

(2) The formal arms cooperation opportunities document referred to in paragraph (1) shall include the following:

(A) A statement indicating whether or not a project similar to the one under consideration by the Department of Defense is in development or production by one or more of the other NATO member nations.

(B) If a project similar to the one under consideration by the Department of Defense is in development by one or more other member nations of NATO, an assessment by the Director of Defense Research and Engineering as to whether that project could satisfy, or could be modified in scope so as to satisfy, the military requirements of the United States project under consideration by the Department of Defense.

(C) An assessment of the advantages and disadvantages with regard to program timing, developmental and life cycle costs, technology sharing, and Rationalization, Standardization, and Interoperability (RSI) of seeking to structure a cooperative development program with one or more other NATO member nations.

(D) The recommendation of the Director of Defense Research and Engineering as to whether the Department of Defense should explore the feasibility and desirability of a cooperative development program with one or more other member nations of NATO.

(h)(1) It is the sense of the Congress that the Department of Defense should perform more side-by-side testing of conventional defense equipment manufactured by the United States and other member nations of NATO and that such testing should be conducted at the late stage in the development process when there is usually only a single United States prime contractor.

(2) In addition to any funds appropriated for activities of the Director of Defense Test and Evaluation pursuant to section 201(a), $50,000,000 shall be available to the Director, from any other funds appropriated pursuant to an authorization in this division, to acquire items of the type specified in paragraph (2) manufactured by other member nations of NATO for side-by-side comparison testing with comparable items of United States manufacture.

(3) Items that may be acquired under paragraph (I) by the Director of Defense Test and Evaluation include, but are not limited to the following:

(A) Submunitions and dispensers.

(B) Anti-tank and anti-armor guided missiles.

(C) Mines, for both land and naval warfare.

(D) Runway-cratering devices.

(E) Torpedoes.

(F) Mortar systems.

(G) Light armored vehicles and major subsystems thereof.

(H) Utility vehicles.

(I) High-velocity anti-tank guns.

(J) Short-Range Air Defense Systems (SHORADS).

(K) Mobile air defense systems and components.

(4) The Director of Defense Test and Evaluation shall notify the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives of his intent to obligate funds under this subsection not less than 30 days before such funds are obligated.

(5) Not later than February 1, 1986, and annually thereafter, the Director of Defense Test and Evaluation shall provide to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives and report on the systems, subsystems, and munitions produced by other member nations of NATO that were evaluated during the previous fiscal year by the Director and on the obligation of any funds under this subsection during the preceding fiscal year.

SEC. 210. REPORT ON STRATEGIC DEFENSE INITIATIVE.

(a) At the time of submission to the Congress of the requests by the Department of Defense for fiscal year 1987 expenditures for the Strategic Defense Initiative, said Department shall inform Congress as to—

(1) what probable responses can be expected from potential enemies should the Strategic Defense Initiatives be carried out to procurement and deployment, such as what increase may be anticipated in offensive enemy weapons in an enemy's attempt to penetrate the defensive shield by increasing the numbers or qualities of its offensive weapons;

(2) what can be expected from potential enemies in the deployment of weapons not endangered by the Strategic Defense Initiative, such as cruise missiles and low trajectory submarine missiles;

(3) the degree of the dependency of success for the Strategic Defense Initiative upon a potential enemy's not deploying anti-satellite weapons;

(4) whether it would be in the best security interests of the United States to share our discoveries in the Strategic Defense Initiative studies with potential enemies as a way of discouraging their offensive weapons buildup, as has been suggested by the Administration; and

(5) the cost estimates for the research, development, test and evaluation for the proposed Strategic Defense Initiative; and the cost estimates for procurement and deployment, as early as possible but not later than the submission of the fiscal year 1988 Department of Defense budget request.

(b) Funds required for the conduct of subject studies shall be made available by the Strategic Defense Initiative Office.

SEC. 211. MAINTENANCE OF PRIORITY FOR SMALL MOBILE INTERCONTINENTAL BALLISTIC MISSILE PROGRAM.

The Secretary of Defense shall continue to carry out the program to develop a small mobile intercontinental ballistic missile, and to provide for the allocation of defense industrial resources for that program, in accordance with the priority for that program (known as "Brick-Bat") in effect on June 1, 1985, under the system provided by existing laws and regulations for determining relative program precedence for assignment of production resources.

SEC. 212. ALLIED COOPERATION UNDER SDI RESEARCH CONTRACTS.

(a) ENCOURAGEMENT OF JOINT VENTURES.—The President should, to the maximum extent feasible, seek the cooperation and participation of United States allies in the research and development of technologies that would assist in the Strategic Defense Initiative, taking into account the mutual security need to preserve the integrity and control of critical technologies. To this end, the Secretary of Defense should encourage joint ventures between United States firms and qualified private sector firms within the North Atlantic Treaty Organization, Japan, and Israel.

(b) SAFEGUARDS FOR CRITICAL TECHNOLOGIES.—The Secretary of Defense shall require that appropriate safeguards (as determined by the Secretary) to protect critical technologies from unauthorized transfer to nonalliance nations be agreed to by any firm participating in such a joint venture. In awarding contracts for research and development connected with the Strategic Defense Initiative, the Secretary shall give preference to ventures in which both parties agree to such safeguards.

(c) IMPLEMENTATION.—(1) The Secretary of Defense shall prescribe regulations to carry out the purpose of this section.

(2) The Secretary shall establish a monitoring committee to ensure that the purposes of this section and the safeguards required by this section are implemented.

(3) Paragraphs (1) and (2) may be carried out only after full consultations with the Secretary of State, the Assistant to the President for National Security Affairs, the President's Science Advisor, and such other officials as the President may designate.

SEC. 213. LIMITATION ON TESTING OF ANTI-SATELLITE WEAPONS.

(a) LIMITATION ON TESTING AGAINST OBJECTS IN SPACE.—The Secretary of Defense may not carry out a test of the Space Defense System (anti-satellite weapon) against an object in space until the President certifies to Congress that the Soviet Union has conducted, after the date of the enactment of this Act, a test against an object in space of a dedicated anti-satellite weapon. The prohibition in this section expires on October 1, 1986.

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amount authorized to be appropriated for the Air Force in section 201(a)(3), there is authorized to be appropriated for the Air Force for fiscal year 1986 for research, development, test, and evaluation $20,000,000 to carry out the satellite survivability project of the Air Force Space Survivability Program.

(c) REPORT.—The Secretary of the Air Force shall transmit, not later than February 1, 1986, to the Committees on Armed Services of the Senate and the House of Representatives a report describing the development of long-term survivability criteria and research investment strategies to improve the survivability of satellites of the United States in view of the current and anticipated capability of the Soviet Union with respect to anti-satellite weapons.

SEC. 214. LIMITATION ON STRATEGIC DEFENSE INITIATIVE PROGRAMS.

None of the funds appropriated pursuant to authorizations of appropriations in this title or title IX for Strategic Defense Initiative programs may be used for advanced development, demonstration, test, or evaluation of the use of weapons powered by nuclear explosions in space in a manner inconsistent with any of the treaties known as the Limited Test Ban Treaty, the Threshold Test Ban Treaty, the Outer Space Treaty, or the Antiballistic Missile Treaty.

TITLE III—OPERATION AND MAINTENANCE

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $19,455,530,000.
For the Navy, $25,056,000,000.
For the Marine Corps, $1,641,400,000.
For the Air Force, $20,300,900,000.
For the Defense Agencies, $7,825,500,000.
For the Army Reserve, $799,200,000.
For the Naval Reserve, $942,100,000.
For the Marine Corps Reserve, $61,500,000.
For the Air Force Reserve, $918,900,000.
For the Army National Guard, $1,654,100,000.
For the Air National Guard, $1,822,700,000.
For the National Board for the Promotion of Rifle Practice, $920,000.
For Defense Claims, $148,300,000.
For the Court of Military Appeals, $3,200,000.

(b) GENERAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs;

(2) for unbudgeted increases as a result of inflation in the cost of activities authorized by subsection (a); and

(3) for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working capital funds in amounts as follows:

For the Army Stock Fund, $412,000,000.
For the Navy Stock Fund, $681,500,000.
For the Marine Corps Stock Fund, $42,700,000.
For the Air Force Stock Fund, $439,900,000.
For the Defense Stock Fund, $183,500,000.

SEC. 303. LIMITATION ON THE USE OF O&M FUNDS TO PURCHASE EXPENSE ITEMS.

Funds appropriated for fiscal year 1986 for operation and maintenance of the Department of Defense pursuant to the authorizations of appropriations in section 301 may not be used to purchase any item that is considered by the Department to be an expense item of equipment if the price of the item is $3,000 or more.

SEC. 304. ASSISTANCE FOR THE TENTH INTERNATIONAL PAN AMERICAN GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT SERVICES.—The Secretary of Defense may—

(1) provide logistical support and personnel services to the Tenth Pan Am Games;

(2) lend and provide equipment in support of the Tenth Pan Am Games; and

(3) provide such other services in support of the Tenth Pan Am Games as the Secretary considers advisable.

(b) AUTHORIZATION OF APPROPRIATIONS; LIMITATION.—(1) There is authorized to be appropriated to the Secretary of Defense for fiscal 1986 an amount not to exceed $10,000,000 for the purpose of carrying out subsection (a).

(2) Except as provided in paragraph (3), funds may not be obligated for the purpose of carrying out subsection (a) unless specifically appropriated for such purpose.

(3) Paragraph (2) does not apply to funds used for pay and non-travel-related allowances for members of the Armed Forces (other than pay and allowances of members of the reserve components called or ordered to active duty to provide support for the Tenth Pan Am Games).

(4) The costs for pay and non-travel-related allowances of members of the Armed Forces (other than members of the reserve components called or ordered to active duty to provide support for the Tenth Pan Am Games) may not be charged to appropriations made pursuant to the authorization in paragraph (1).

(c) JUSTIFICATION FOR ASSISTANCE.—(1) Funds appropriated pursuant to the authorization in subsection (b) may not be obligated until—

(A) an entity is established to coordinate law enforcement activities at the Tenth Pan Am Games;

(B) that entity submits to the President a justification for the assistance described in subsection (a); and

(C) the President approves the justification.

(2) The justification under paragraph (1)(B) shall include—

(A) an explanation of the necessity for the requested support for security and medical services and for related equipment or other support; and

(B) a description of the operational responsibilities and financial limitations of each governmental agency represented on the coordinating entity.

(3) The justification shall be presented in such detail as the Secretary of Defense considers necessary.

(d) SUBMITTAL OF JUSTIFICATION TO CONGRESSIONAL COMMITTEES.—Upon approval by the President of the justification referred to in subsection (c), the Secretary of Defense shall submit a copy of such justification to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives.

(e) DEFINITION.—For the purposes of this section, the term "Tenth Pan Am Games" means the Tenth International Pan American Games, to be held at Indianapolis, Indiana, during the period beginning on August 7, 1987, and ending on August 23, 1987.

SEC. 305. CLARIFICATION OF DOD SUPPORT FOR CIVILIAN DRUG INTERDICTION.

(a) AVAILABILITY OF FUNDS FOR ELEMENTS ASSISTING CIVILIAN DRUG INTERDICTION.—From amounts appropriated for fiscal year 1986 pursuant to authorizations in section 301—

(1) such sums as necessary from amounts appropriated for the Air Force Reserve may be used for the establishment, operation, and maintenance of a Special Operations Wing of the Air Force Reserve from existing elements of the Air Force Reserve; and

(2) such sums as necessary are available for the operation of the Directorate of the Department of Defense Task Force on Drug Law Enforcement.

(b) REPORT ON PLANS TO ENHANCE COOPERATION WITH CIVILIAN DRUG ENFORCEMENT AGENCIES.—(1) The Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report on the manner in which the Department of Defense plans to obligate funds for the purposes described in subsection (a). The report shall include a description of—

(A) actions or proposed actions to consolidate, in a Special Operations Wing of the Air Force Reserve, command and control of Air Force Special Operations aircraft (including such aircraft which were assigned to the Special Operations Wing of the regular Air Force on or before March 1, 1985) and in the case of any such aircraft which are not to be assigned to a Special Operation Wing of the Air Force Reserve, the disposition (or planned disposition) of those aircraft;

(B) actions and proposed actions to use rotary-wing and fixed-wing aircraft of the Department of Defense to furnish (commensurate with military readiness and the provisions of chapter 18 of title 10, United States Code) optimal support to civilian law enforcement agencies for the purpose of carrying out drug interdiction missions and other operational activities of such agencies relating to the enforcement of drug laws; and

(C) actions and proposed actions to promote dual use of Department of Defense aircraft and other Department of Defense resources available or to be made available to civilian law enforcement agencies (under the provisions of chapter 18 of title 10, United States Code) by providing for the use of such aircraft and resources by both a Special Operations Wing of the Air Force Reserve and such civilian agencies.

(2) The report under paragraph (1) shall be submitted not later than September 30, 1985, or the end of the 30-day period beginning on the date of the enactment of this Act, whichever is later.

SEC. 306. DONATIONS BY COMMISSARY STORES OF CERTAIN UNMARKETABLE FOOD.

(a) IN GENERAL.—Chapter 147 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2485. Commissary stores: donation of unmarketable food

"(a) The Secretary of a military department may donate commissary store food described in subsection (b) to authorized charitable nonprofit food banks.

"(b) Food that may be donated under this section is food of a commissary store—

"(1) that is—

"(A) unmarketable;

"(B) unsaleable; and

"(C) certified as edible by appropriate food inspection technicians; and

"(2) that would otherwise be destroyed as unusable.

"(c) A donation under this section shall take place at the site of the commissary that is donating the food.

"(d) A donation under this section may only be made to an entity that is authorized by the Secretary of Defense or the Secretary of Health and Human Services to receive donations under this section.

"(e) This section does not authorize any service (including transportation) to be provided in connection with a donation under this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2485. Commissary stores: donation of unmarketable food.".

SEC. 307. COMMISSARY AND EXCHANGE PRIVILEGES FOR SURVIVORS OF CERTAIN RESERVISTS.

(a) BENEFITS FOR CERTAIN DEPENDENTS.—The Secretary of Defense shall prescribe regulations to allow dependents of members of the uniformed services described in subsection (b) to use commissary and exchange stores on the same basis as dependents of members of the uniformed services who die while on active duty for a period of more than 30 days.

(b) COVERED DEPENDENTS.—A dependent referred to in subsection (a) is a dependent of a member of a uniformed service who died—

(1) while on active duty, active duty for training, or inactive duty training (regardless of the period of such duty); or

(B) while traveling to or from the place at which the member is to perform, or has performed, active duty, active duty for training, or inactive duty training (regardless of the period of such duty).

(c) DEFINITION.—For the purposes of this section, the term "uniformed services" has the meanings given such terms in section 101 of title 37, United States Code.

SEC. 308. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVING FROM COST SAVINGS.

(a) REDUCTIONS IN AUTHORIZATIONS.—The amounts authorized in section 301 to be appropriated are reduced by the following amounts:

(1) For the Army, $282,700,000.

(2) For the Navy, $632,600,000.

(3) For the Marine Corps, $18,000,000.

(4) For the Air Force, $266,900,000.

(5) For the Defense Agencies, $244,000,000.

(6) For the Army Reserve, $19,100,000.

(7) For the Navy Reserve, $45,900,000.

(8) For the Marine Corps Reserve, $4,200,000.

(9) For the Air Force Reserve, $11,000,000.

(10) For the Army National Guard, $28,000,000.

(11) For the Air National Guard, $24,600,000.

(b) PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—Authorization reductions described in subsection (a) may be derived only through cost reductions (including reductions due to the rate of inflation being lower than the rate assumed in the President's budget for fiscal year 1986) under programs of the Department of Defense under this title that are achieved without a change in the quantity or quality of goods or services acquired by the Department.

(c) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by subsection (a) in the authorizations of appropriations in section 301—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

SEC. 309. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION.

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) DESCRIPTION OF FUNCTIONS.—The functions to which subsection (a) applies are the following:

(1) Depot level distribution and maintenance of mission-essential materiel at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.

Corpus Christi Army Depot, Corpus Christi, Texas.

Crane Army Ammunition Plant, Crane, Indiana.

Fort Wingate Army Depot, Gallup, New Mexico.

Letterkenny Army Depot, Letterkenny, Pennsylvania.

Lexington-Blue Grass Army Depot, Lexington, Kentucky.

McAlester Army Ammunition Plan, McAlester, Oklahoma.

New Cumberland Army Depot, Harrisburg, Pennsylvania.

Pueblo Army Depot, Pueblo, Colorado.

Red River Army Depot, Texarkana, Texas.

Rock Island Arsenal, Rock Island, Illinois.

Sacramento Army Depot, Sacramento, California.

Savanna Army Depot, Savanna, Illinois.

Seneca Army Depot, Romulus, New York.

Sharpe Army Depot, Stockton, California.

Sierra Army Depot, Herlong, California.

Tobyhanna Army Depot, Tobyhanna, Pennsylvania.

Tooele Army Depot, Tooele, Utah.

Umatilla Army Depot, Umatilla, Oregon.

Watervliet Arsenal, Watervliet, New York.

(2) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.

Naval Air Rework Facility, Cherry Point, North Carolina.

Naval Air Rework Facility, Jacksonville, Florida.

Naval Air Rework Facility, Norfolk, Virginia.

Naval Air Rework Facility, Pensacola, Florida.
Naval Air Rework Facility, North Island, San Diego, California.
Naval Aviation Supply Office, Philadelphia, Pennsylvania.
Naval Construction Battalion Center, Davisville, Rhode Island.
Naval Construction Battalion Center, Gulfport, Mississippi.
Naval Construction Battalion Center, Port Hueneme, California.
Naval Electronics Systems Engineering Center, San Diego, California.
Naval Ordnance Station, Indian Head, Maryland.
Naval Ordnance Station, Louisville, Kentucky.
Naval Shipyard, Charleston, South Carolina.
Naval Shipyard, Norfolk, Virginia.
Naval Shipyard, Long Beach, California.
Naval Shipyard, Mare Island, California.
Naval Shipyard, Philadelphia, Pennsylvania.
Naval Shipyard, Portsmouth, Kittery, Maine.
Naval Shipyard, Pearl Harbor, Hawaii.
Naval Shipyard, Puget Sound, Bremerton, Washington.
Naval Repair Facility, Guam.
Naval Supply Center, Charleston, South Carolina.
Naval Supply Center, Jacksonville, Florida.
Naval Supply Center, Norfolk, Virginia.
Naval Supply Center, Oakland, California.
Naval Supply Center, Pearl Harbor, Hawaii.
Naval Supply Center, Puget Sound, Bremerton, Washington.
Naval Supply Center, San Diego, California.
Naval Undersea Warfare Engineering Station, Keyport, Washington.
Naval Weapons Station, Charleston, South Carolina.
Naval Weapons Station, Colts Neck, Earle, New Jersey.
Naval Weapons Station, Concord, California.
Naval Weapons Station, Seal Beach, California.
Naval Weapons Station, Yorktown, Virginia.
Naval Weapons Station, Crane, Indiana.
Naval Ships Parts Control Center, Mechanicsburg, Pennsylvania.
TRIDENT Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Marine Corps:
Marine Corps Logistics Base, Albany, Georgia.
Marine Corps Logistics Base, Barstow, California.

(4) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Air Force:
Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.
Ogden Air Logistics Center, Hill Air Force Base, Utah.
Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.
Sacramento Air Logistics Center, McClellan Air Force Base, California.
San Antonio Air Logistics Center, Kelly Air Force Base, Texas.
Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level distribution and maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:
Defense Construction Supply Center, Columbus, Ohio.
Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.
Defense Depot Memphis, Memphis, Tennessee.
Defense Depot Odgen, Odgen, Utah.
Defense Depot Tracy, Tracy, California.
Defense Electronics Supply Center, Dayton, Ohio.
Defense General Supply Center, Richmond, Virginia.
Defense Industrial Plant Equipment Center, Memphis, Tennessee.
Defense Industrial Supply Center, Philadelphia, Pennsylvania.
Defense Logistics Service Center, Battle Creek, Michigan.
Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level distribution and maintenance of mission-essential materiel at the following activities the Defense Mapping Agency:
Aerospace Center, Kansas City Field Office, Kansas City, Missouri.
Aerospace Center, St. Louis AFS, Missouri.
Office of Distribution Services, Brookmont, Maryland.
Office of Distribution Services, Clearfield, Utah.
Office of Distribution Services, Philadelphia, Pennsylvania.

(c) MATTERS INCLUDED WITHIN SPECIFIED FUNCTIONS.—The functions described in subsection (b) include—
(1) the facilities and equipment at the activities listed in that subsection; and
(2) the Government personnel who manage and perform the work at those activities.

(d) EXCLUSION OF CERTAIN FUNCTIONS.—Subsection (b) does not include any function that on the date of the enactment of this Act—
(1) is being performed under contract by non-Government personnel; or
(2) has been announced to Congress for review for conversion to performance by non-Government personnel under Office of Management and Budget Circular A-76.

(e) DEFINITION.—For the purposes of this section, the term "mission-essential material" means all material which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

(f) TECHNICAL AMENDMENT.—Section 308(b)(4) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2515), is amended by striking out "30-day period" and inserting in lieu thereof "20-day period".

SEC. 310. LIMITATION CONCERNING AIR NATIONAL GUARD AND AIR FORCE RESERVE FLYING UNITS.

Funds appropriated to or for the use of the Secretary of the Air Force may not be used to deactivate or divest of its flying mission any flying unit of the Air National Guard or the Air Force Reserve.

SEC. 311. NONLETHAL ASSISTANCE TO CERTAIN REFUGEES AND DISPLACED PERSONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide nonlethal assistance in accordance with this section to persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical commercial or military means available including use of reserve aircraft and personnel.

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. AUTHORIZATION OF END STRENGTHS.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1986, as follows:
(1) The Army, 780,800.
(2) The Navy, 581,300.
(3) The Marine Corps, 199,500.
(4) The Air Force, 608,500.

SEC. 402. EXTENSION OF QUALITY CONTROL ON ENLISTMENTS INTO THE ARMY.

Effective on October 1, 1985, section 302(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 520 note), is amended by striking out "October 1, 1984" and "September 30, 1985" and inserting in lieu thereof "October 1, 1985" and "September 30, 1986", respectively.

PART B—RESERVE FORCES

SEC. 411. AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—For fiscal year 1986 the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain average strengths of not less than the following:
(1) The Army National Guard of the United States, 441,882.
(2) The Army Reserve, 291,346.
(3) The Naval Reserve, 134,400.
(4) The Marine Corps Reserve, 41,900.
(5) The Air National Guard of the United States, 108,700.
(6) The Air Force Reserve, 75,600.
(7) The Coast Guard Reserve, 12,500.

(b) ADJUSTMENTS.—The average strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty

during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 412. AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS.

(a) IN GENERAL.—Within the average strengths prescribed in section 601, the reserve components of the Armed Forces are authorized, as of September 30, 1986, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, on full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components or the National Guard:

(1) The Army National Guard of the United States, 26,879.

(2) The Army Reserve, 13,614.

(3) The Naval Reserve, 19,510.

(4) The Marine Corps Reserve, 1,475.

(5) The Air National Guard of the United States, 7,269.

(6) The Air Force Reserve, 635.

(b) AUTHORITY TO INCREASE END-STRENGTH LIMIT.—Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

SEC. 413. INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS.

(a) SENIOR ENLISTED MEMBERS.—The table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	517	175	80	9
E–8	2,296	381	358	74".

(b) OFFICERS.—The table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	2,422	875	476	100
Lieutenant Colonel or Commander	1,210	520	318	60
Colonel or Navy Captain	356	177	189	25".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

PART C—MILITARY TRAINING

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1986, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 79,686.

(2) The Navy, 71,018.

(3) The Marine Corps, 20,766.

(4) The Air Force, 43,389.

(5) The Army National Guard of the United States, 18,886.

(6) The Army Reserve, 16,985.

(7) The Naval Reserve, 3,355.

(8) The Marine Corps Reserve, 3,790.

(9) The Air National Guard of the United States, 2,517.

(10) The Air Force Reserve, 2,352.

(b) ADJUSTMENTS.—The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1986 shall be adjusted consistent with the personnel strengths authorized in parts A and B. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE V—DEFENSE PERSONNEL POLICY

PART A—CIVILIAN PERSONNEL

SEC. 501. WAIVER OF CIVILIAN PERSONNEL CEILINGS FOR FISCAL YEAR 1986.

The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1986 or with respect to the appropriation of funds for that year.

SEC. 502. PROHIBITION OF MANAGING CIVILIAN PERSONNEL BY END STRENGTHS.

Effective on October 1, 1985, section 140b of title 10, United States Code, is amended—

(1) by inserting "and" before "(2)",

(2) by striking out ", and (3)" and all that follows through "such fiscal year"; and

(3) by striking out the period at the end of the second sentence and inserting in lieu thereof "or any constraint or limitation (known as an 'end-strength') on the number of such personnel who may be employed on the last day of such fiscal year.".

PART B—ACTIVE MILITARY PERSONNEL

SEC. 511. ADJUSTMENT IN MARINE CORPS OFFICER GRADE TABLE.

(a) INCREASE IN AUTHORIZED NUMBER OF MARINE CORPS MAJORS.—The table in section 523(a)(1) of title 10, United States Code, is amended by striking out "2,717", "2,936", "3,154", "3,373", and "3,591" in the items relating to the Marine Corps under the column headed "Major" and inserting in lieu thereof "2,818", "3,137", "3,456", "3,775", and "4,094", respectively.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 512. SERVICE AGREEMENTS OF CADETS AND MIDSHIPMEN.

(a) MILITARY ACADEMY.—Section 4348 of title 10, United States Code, relating to agreements of cadets at the United States Military Academy, is amended to read as follows:

"§ 4348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Army or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve for service in the Army Reserve or the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Army may transfer to the Army Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Army Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agreement to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Army shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(b) NAVAL ACADEMY.—Section 6959 of such title, relating to agreements of midshipmen at the United States Naval Academy, is amended to read as follows:

"§ 6959. Midshipmen: agreement for length of service

"(a) Each midshipman shall sign an agreement with respect to the midshipman's length of service in the armed forces. The agreement shall provide that the midshipman agrees to the following:

"(1) That the midshipman will complete the course of instruction at the Naval Academy.

"(2) That upon graduation from the Naval Academy the midshipman—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Navy, the Regular Marine Corps, or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the midshipman is permitted to resign as a regular officer before completion of the commissioned service obligation of the midshipman, the midshipman—

"(A) will accept an appointment as a commissioned officer in the Naval Reserve or the Marine Corps Reserve or as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the midshipman.

"(b)(1) The Secretary of the Navy may transfer to the Naval Reserve or the Marine Corps Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a midshipman who breaches an agreement under subsection (a). The period of time for which a midshipman is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A midshipman who is transferred to the Naval Reserve or Marine Corps Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a midshipman shall be considered to have breached an agreement under subsection (a) if the midshipman is separated from the Naval Academy under circumstances which the Secretary determines constitute a breach by the midshipman of the midshipman's agreement to complete the course of instruction at the Naval Academy and accept an appointment as a commissioned officer upon graduation from the Naval Academy.

"(c) The Secretary of the Navy shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a midshipman who is not a citizen or national of the United States.

"(2) In the case of a midshipman who is a minor and who has parents or a guardian, the midshipman may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(c) AIR FORCE ACADEMY.—Section 9348 of such title, relating to agreements of cadets at the United States Air Force Academy, is amended to read as follows:

"§ 9348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Air Force may transfer to the Air Force Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Air Force Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agreement to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Air Force shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(d) DEADLINE FOR REGULATIONS.—The Secretary of each military department shall prescribe the regulations required by section 4348(c), 6959(c), or 9348(c), as appropriate, of title 10, United States Code (as added by the amendments made by subsections (a), (b), and (c)) not later than the end of the 90-day period beginning on the date of the enactment of this Act.

(e) APPLICABILITY OF AMENDMENTS.—The amendments made by subsections (a), (b), and (c) (other than with respect to the authority of the Secretary of a military department to prescribe regulations)—

(1) shall take effect with respect to each military department on the date on which regulations prescribed by the Secretary of that military department in accordance with subsection (d) take effect; and

(2) shall apply with respect to each agreement entered into under sections 4348, 6959, and 9348, respectively, of title 10, United States Code, that is entered into on or after the effective date of such regulations and shall apply with respect to each such agreement that was entered into before the effective date of such regulations by an individual who is a cadet or midshipman on such date.

SEC. 513. TRANSFERS TO AND FROM TEMPORARY DISABILITY RETIRED LIST.

(a) IMPROVEMENTS IN ADMINISTRATION OF TEMPORARY DISABILITY RETIRED LIST.—Chapter 61 of title 10, United States Code, relating to retirement or separation for physical disability, is amended as follows:

(1)(A) Sections 1201(1) and 1204(1) are amended by inserting "and stable" after "permanent nature".

(B) Sections 1202 and 1205 are amended by inserting "and stable" after "permanent nature" the first place it appears in each section.

(2) Section 1210 is amended—

(A) by inserting "and stable" in subsections (b), (c), and (d) after "permanent nature"; and

(B) in subsection (f)—

(i) by inserting "(1)" after "(f)"; and

(ii) by striking out "and rating" and all that follows and inserting in lieu thereof "or rating, the Secretary shall—

"(A) treat the member as provided in section 1211 of this title; or

"(B) discharge the member, retire the member, or transfer the member to the Fleet Reserve, Fleet Marine Corps Reserve, or inactive Reserve under any other law if, under that law, the member—

"(i) applies for and qualifies for that retirement or transfer; or

"(ii) is required to be discharged, retired, or eliminated from an active status.

"(2)(A) For the purpose of paragraph (1)(B), a member shall be considered qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve or is required to be discharged, retired, or eliminated from an active status if, were the member reappointed or reenlisted under section 1211 of this title, the member would in all other respects be qualified for or would be required to be retired, transferred to the Fleet Reserve or Fleet Marine Corps Reserve, discharged, or eliminated from an active status under any other provision of law.

"(B) The grade of a member retired, transferred, discharged, or eliminated from an active status pursuant to paragraph (1)(B) shall be determined under the provisions of law under which the member is retired, transferred, discharged, or eliminated. The member's retired, retainer, severance, readjustment, or separation pay shall be computed as if the member had been reappointed or reenlisted upon removal from the temporary disability retired list and before the retirement, transfer, discharge, or elimination. Notwithstanding section 8301 of title 5, a member who is retired shall be entitled to retired pay effective on the day after the last day on which the member is entitled to disability retired pay.".

(3) The second sentence of section 1211(c) is amended—

(A) by inserting "and if the member is not discharged, retired, or transferred to the Fleet Reserve or Fleet Marine Corps Reserve or inactive Reserve under section 1210 of this title," after "subsection (a) or (b),"; and

(B) by inserting "and the member shall be discharged" before the period.

(b) CONFORMING AMENDMENT.—Section 1448(c) of such title is amended by inserting "disability" before "retired pay".

SEC. 514. CHANGE IN TITLE OF GRADE OF COMMODORE TO REAR ADMIRAL (LOWER HALF).

(a) CHANGE IN TITLE.—(1) Section 5501 of title 10, United States Code, is amended by striking out "Commodore" in clause (4) and inserting in lieu thereof "Rear admiral (lower half)".

(2) Section 41 of title 14, United States Code, is amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(3) Section 24 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853u) is amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)".

(b) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 101(41), 525(a), 601(c)(2), 611(a), 612(a)(3), 619(a)(2)(B), 619(c)(2)(A)(ii), 625(a), 625(c), 634, 635, 637(b)(2), 638(a)(3), 638(b), 638(c), 645(1)(A)(ii), 5138(a), 5149(b), 5442, 5444, 5457(a), and 6389(f).

(2) Section 5444 of such title is amended by striking out "commodores" in subsections (a) and (f) and inserting in lieu thereof "rear admirals (lower half)".

(3) The tables in sections 5442(a) and 5444(a) of such title are amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(4)(A) The heading of section 625 of such title is amended to read as follows:

"§ 625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 36 of such title is amended to read as follows:

"625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half).".

(5)(A) The heading of section 635 of such title is amended to read as follows:

"§ 635. Retirement for years of service: regular brigadier generals and rear admirals (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter III of chapter 36 of such title is amended to read as follows:

"635. Retirement for years of service: regular brigadier generals and rear admirals (lower half).".

(6)(A) The heading of section 5442 of such title is amended to read as follows:

"§ 5442. Navy: line officers on active duty: rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5442. Navy: line officers on active duty; rear admirals (lower half) and rear admirals.".

(7)(A) The heading of section 5444 of such title is amended to read as follows:

"§ 5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals.".

(8) The table in section 741(a) of such title is amended by striking out "Commodore" and inserting in lieu thereof "Rear admiral (lower half)".

(c) CONFORMING AMENDMENTS TO TITLE 14.—(1) The following sections of title 14, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 42(b), 256(a), 259(b), 271(d), 289(a), 290(a), 421(b), 724(b), 729(e), 736(b), 740(a), 742(b), and 743.

(2)(A) The heading of section 290 of such title is amended to read as follows:

"§ 290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement".

(B) The item relating to such section in the table of sections at the beginning of chapter 11 of such title is amended to read as follows:

"290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement.".

(3)(A) The heading of section 743 of such title is amended to read as follows:

"§ 743. Rear admiral and rear admiral (lower half); maximum service in grade".

(B) The item relating to such section in the table of sections at the beginning of chapter 21 of such title is amended to read as follows:

"743. Rear admiral and rear admiral (lower half); maximum service in grade.".

(d) CONFORMING AMENDMENTS TO TITLE 37.—(1) The table in section 201(a) of title 37, United States Code, is amended by striking out "Commodore" in the third column and inserting in lieu thereof "Rear admiral (lower half)".

(2)(A) Section 202 of such title is amended by striking out "commodore" and inserting in lieu thereof "rear admiral (lower half)".

(B) The heading of such section is amended to read as follows:

"§ 202. Pay grades: retired Coast Guard rear admirals (lower half)".

(C) The item relating to such section in the table of sections at the beginning of chapter 3 of such title is amended to read as follows:

"202. Pay grades: retired Coast Guard rear admirals (lower half).".

(e) TRANSITION PROVISION.—(1) An officer who on the day before the date of the enactment of this Act is serving in or has the grade of commodore shall as of the date of the enactment of this Act be serving in or have the grade of rear admiral (lower half).

(2) An officer who on the day before the date of the enactment of this Act is on a list of officers selected for promotion to the grade of commodore shall as of the date of the enactment of this Act be considered to be on a list of officers selected for promotion to the grade of rear admiral (lower half).

PART C—RESERVE MILITARY PERSONNEL

SEC. 521. EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS.

(a) GRADE DETERMINATION FOR RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(b) PROMOTION OF CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 668), is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

SEC. 522. RETENTION UNTIL AGE 60 OF RESERVE CIVILIAN TECHNICIANS.

(a) ARMY.—(1) Section 3848(c) of title 10, United States Code, relating to reserve component officers of the Army who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".

(2) Section 3851(c) of such title, relating to reserve component officers of the Army who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".

(b) AIR FORCE.—(1) Section 8848(c) of title 10, United States Code, relating to reserve component officers of the Air Force who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

(2) Section 8851(c) of such title, relating to reserve component officers of the Air Force Reserve who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

SEC. 523. AUTHORITY TO RETAIN IN ACTIVE STATUS UNTIL AGE 62 UP TO 10 ARMY RESERVE MAJOR GENERALS.

Section 3852 of title 10, United States Code, relating to mandatory retirement or discharge of reserve major generals, is amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end thereof the following new subsection:

"(b) Notwithstanding subsection (a), an officer in the reserve grade of major general who would otherwise be removed from an active status under this section may, in the discretion of the Secretary of the Army, be retained in an active status, but not later than the date on which he becomes 62 years of age. Not more than 10 officers may be retained under this subsection at any one time.".

SEC. 524. REQUIREMENT OF MUSTER TEST OF ARMY INDIVIDUAL READY RESERVE.

(a) REQUIREMENT OF MUSTER TEST.—The Secretary of Defense shall conduct a test of the ability of the Army to muster members of the Individual Ready Reserve of the Army in time of war or national emergency. The test—

(1) shall be national in scope; and

(2) shall be conducted through voluntary calls to active duty.

(b) REPORT.—Not later than February 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the muster test. The report shall include the findings of the Secretary concerning—

(1) the availability and fitness for duty of members of the Army Individual Ready Reserve; and

(2) the adequacy of current call-up procedures.

PART D—MISCELLANEOUS

SEC. 531. APPOINTMENTS OF WARRANT OFFICERS.

(a) REGULAR WARRANT OFFICERS.—Section 555(b) of title 10, United States Code, is amended to read as follows:

"(b) Permanent appointments of regular warrant officers, W-1, shall be made by warrant by the Secretary concerned. Permanent appointments of regular chief warrant officers shall be made by commission by the President.".

(b) RESERVE WARRANT OFFICERS.—Section 597(b) of such title is amended to read as follows:

"(b) Appointments made in the permanent reserve grade of warrant officer, W-1, shall be made by warrant by the Secretary concerned. Appointments made in a permanent reserve grade of chief warrant officer shall be made by commission by the Secretary concerned.".

(c) TRANSITION.—(1) The amendments made by subsections (a) and (b) apply to any appointment of a warrant officer or chief warrant officer on or after the effective date of this section.

(2) An officer who on the effective date of this section is serving in a chief warrant officer grade under an appointment by warrant may be appointed in that grade by commission under section 555(b) or 597(b) of title 10, United States Code, as appropriate. The date of rank of an officer who receives an appointment under this paragraph is the date of rank for the officer's appointment by warrant to that grade.

(d) EFFECTIVE DATE.—This section takes effect six months after the date of the enactment of this Act.

SEC. 532. AUTHORITY FOR INDEPENDENT CRIMINAL INVESTIGATIONS BY NAVY AND AIR FORCE INVESTIGATIVE UNITS.

(a) IN GENERAL.—The Secretary of the Navy shall prescribe regulations providing to the Naval Investigative Service authority to initiate and conduct criminal investigations on the authority of the Director of the Naval Investigative Service. The Secretary of the Air Force shall prescribe regulations providing to the Air Force Office of Special Investigations authority to initiate and conduct criminal investigations on the authority of the Commander of the Air Force Office of Special Investigations.

(b) AUTHORITY TO BE SIMILAR TO THAT OF ARMY CID.—The authority granted under subsection (a) shall be as similar as practicable to the authority of the Army Criminal Investigation Command to determine appropriate investigative action for all criminal matters reported to it or developed through its own sources.

SEC. 533. PRISONER OF WAR MEDAL.

(a) AUTHORITY TO AWARD PRISONER OF WAR MEDAL.—Chapter 57 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1128. Prisoner of war medal: award

"(a) The Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as service in the Navy, may award, and present in the name of the Congress, a service medal of appropriate design, with ribbons and appurtenances, to any person who, while serving in any capacity with the armed forces has been taken prisoner and held captive, on or after April 6, 1917—

"(1) while engaged in an action against an enemy of the United States;

"(2) while engaged in military operations involving conflict with an opposing foreign force; or

"(3) while serving with friendly forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

"(b) In prescribing regulations establishing the order of precedence of awards and decorations authorized to be displayed on the uniforms of members of the armed forces, the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall accord the prisoner of war medal authorized by subsection (a) a position of precedence, in relation to other awards and decorations authorized to be displayed, immediately following decorations awarded for individual heroism, meritorious achievement, or meritorious service, but before any other service medal, campaign medal, or service ribbon awarded the member.

"(c) Not more than one prisoner of war medal may be awarded to a person. However, for each succeeding service that would otherwise justify the award of such a medal, the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may award a suitable device to be worn as the Secretary determines.

"(d) If a person dies before the award of a prisoner of war medal to which he is entitled, the award may be made and the medal presented to his representative, as designated by the Secretary of Defense or Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.

"(e) For a person to be eligible for award of a prisoner of war medal, the person's conduct must have been honorable for the period of captivity which serves as the basis for the award.

"(f) Under regulations to be prescribed by the Secretary of Defense and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a prisoner of war medal that has been lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was awarded may be replaced upon application without charge.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1128. Prisoner of war medal: award.".

SEC. 534. GRADE OF DIRECTOR, DEPARTMENT OF DEFENSE TASK FORCE ON DRUG ENFORCEMENT.

Section 525(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) During the period beginning on October 1, 1985, and ending on September 30, 1988, an officer while serving as Director of the Department of Defense Task Force on Drug Enforcement, if serving in the grade of lieutenant general or vice admiral, is in addition to the number authorized his armed force for that grade under paragraph (1) and (2).".

SEC. 535. ELIGIBILITY OF CERTAIN ALIENS FOR JUNIOR ROTC.

Section 2031(b)(1) of title 10, United States Code, is amended by striking out "are citizens or nationals of the United States" and inserting in lieu thereof "who are citizens or nationals of the United States, aliens lawfully admitted to the United States for permanent residence, or aliens admitted as minor children of nonimmigrants described in section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)).".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—BASIC PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1986.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of the compensation of members of the uniformed services to become effective during fiscal year 1986 shall not be made.

(b) THREE PERCENT PAY RAISE.—The rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by three percent effective on January 1, 1986.

SEC. 602. ADJUSTMENTS IN VARIABLE HOUSING ALLOWANCE PROGRAM.

(a) VHA FOR CERTAIN MEMBERS PAYING CHILD SUPPORT.—Subsection (a) of section 403a of title 37, United States Code, relating to the variable housing allowance, is amended by adding at the end thereof the following new paragraph:

"(4) In the case of a member with dependents—

"(A) who is assigned to duty inside the United States;

"(B) who is authorized to receive the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member; and

"(C) who is not assigned to a housing facility under the jurisdiction of a uniformed service,

the member may be paid a variable housing allowance at the rate applicable to a member without dependents serving in the same grade and at the same location.".

(b) LIMITATIONS ON VHA.—Subsection (b) of such section is amended—

(1) by striking out "is not entitled to" in the matter preceding paragraph (1) and inserting in lieu thereof "may not be paid"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) in the case of a member with dependents who is authorized the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member, if—

"(A) the member is assigned to a housing facility under the jurisdiction of a uniformed service; or

"(B) the member (i) is assigned to duty outside the United States or in Alaska or Hawaii, and (ii) is authorized a station housing allowance under section 405 of this title; or".

(c) CLARIFICATION OF AUTHORITY TO PAY VHA AT WITH-DEPENDENTS RATE.—Subsection (c) of such section is amended by inserting "and with the same dependency status" in paragraph (1) after "in the same pay grade" both places it appears and in paragraph (4) after "in the same pay grade" both places it appears.

(d) SAVINGS PROVISION.—A member described in paragraph (4) of section 403a(a) of title 37, United States Code, as added by subsection (a), who on September 30, 1985, is receiving variable housing allowance at the rate applicable to a member with dependents shall continue to be entitled to variable housing allowance at the appropriate rate applicable to a member with dependents until the member departs his duty station as a result of a permanent change of station.

(e) EFFECTIVE DATE.—(1) The amendments made by subsections (a), (b), and (d) shall take effect on October 1, 1985.

(2) The amendments made by subsection (c) shall apply as if included in the enactment of section 403a of title 37, United States Code, by section 602(d) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

SEC. 603. PAYMENT OF VARIABLE HOUSING ALLOWANCE IN ALASKA AND HAWAII.

(a) REPEAL OF AUTHORITY FOR PAYMENT OF STATION HOUSING ALLOWANCE IN ALASKA AND HAWAII DURING FISCAL YEAR 1985.—Section 8108 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1943)), is repealed.

(b) CONFORMING AND TECHNICAL AMENDMENTS TO VHA TRANSITION PROVISION.—(1) Section 602(f)(2) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2537), is amended—

(A) by striking out "December 31, 1984," and inserting in lieu thereof "the date of the enactment of the Department of Defense Authorization Act, 1986,";

(B) by striking out "amendment made by subsection (d)" and inserting in lieu thereof "amendments made by subsection (e)"; and

(C) by striking out "this title (as added by subsection (c))" and inserting in lieu thereof "such title (as added by subsection (d))".

(2) The amendments made by subparagraphs (B) and (C) of paragraph (1) shall take effect as if included in the enactment of section 602(f)(2) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

SEC. 604. AUTHORITY TO PAY BAQ AND VHA IN ADVANCE.

(a) BASIC ALLOWANCE FOR QUARTERS.—Section 403(a) of title 37, United States Code, is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(b) VARIABLE HOUSING ALLOWANCE.—Section 403a(a)(1) of such title is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 605. ELIGIBILITY FOR BASIC ALLOWANCE FOR QUARTERS.

(a) MEMBERS WITHOUT DEPENDENTS ASSIGNED TO FIELD DUTY OR SEA DUTY.—Section 403(c) of title 37, United States Code, is amended—

(1) by striking out "is not entitled to a basic allowance for quarters while he is on field duty" in paragraph (1) and inserting in lieu thereof "who makes a permanent change of station for assignment to a unit conducting field operations is not entitled to a basic allowance for quarters while on that initial field duty";

(2) by striking out "and who is on sea duty" in the second sentence of paragraph (2) and all that follows and inserting in lieu thereof "who is assigned to sea duty under a permanent change of station is not entitled to a basic allowance for quarters if the unit to which the member is ordered is deployed and the permanent station of the unit is different than the permanent station from which the member is reporting."; and

(3) by striking out paragraph (3).

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 606. REIMBURSEMENT FOR ACCOMMODATIONS IN PLACE OF QUARTERS.

(a) LIMITATION ON AMOUNT AVAILABLE FOR REIMBURSEMENT FOR FISCAL YEAR 1986.—Section 7572(b)(3) of title 10, United States Code, is amended—

(1) by striking out "and" after "fiscal year 1984,"; and

(2) by inserting ", and $1,395,000 for fiscal year 1986" after "fiscal year 1985".

(b) EXTENSION OF AUTHORITY.—Section 3 of Public Law 96-357 (10 U.S.C. 7572 note) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1986".

PART B—TRAVEL AND TRANSPORTATION

SEC. 611. INCREASE IN DISLOCATION ALLOWANCE.

(a) IN GENERAL.—Section 407 of title 37, United States Code, is amended by striking out "one month" and inserting in lieu thereof "two months".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to moves begun after September 30, 1985.

SEC. 612. REVISION OF TRAVEL AND TRANSPORTATION ALLOWANCES.

(a) IN GENERAL.—Subsection (d) of section 404 of title 37, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "(1) The travel and transportation allowances authorized for each kind of travel may not be more than one of the following:

"(A) Transportation in kind, reimbursement therefor, or, under regulations prescribed by the Secretaries concerned, when travel by privately-owned conveyance is authorized or approved as more advantageous to the Government, a monetary allowance in place of the cost of transportation, at the rates provided in section 5704 of title 5, based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of the Army.

"(B) Transportation in kind, reimbursement therefor, or a monetary allowance as provided in subparagraph (A) of this paragraph, plus a per diem in place of subsistence in an amount not more than $50 determined by the Secretaries concerned to be sufficient to meet normal and necessary expenses in the area to which travel is to be performed.

"(C) A mileage allowance at a rate per mile prescribed by the Secretaries concerned and based on distances established under clause (1) of this subsection."; and

(2) by designating the second sentence as paragraph (2) and by striking out "clause (2)" in such sentence and inserting in lieu thereof "paragraph (1)(B)".

(b) TRANSPORTATION ALLOWANCE FOR DEPENDENTS.—Section 406(a)(1) of such title is amended by striking out "for his dependents" and all that follows through "to be prescribed" and inserting in lieu thereof ", reimbursement therefor, or a monetary allowance in place of the cost of transportation, plus a per diem, for the member's dependents at rates prescribed by the Secretaries concerned".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to travel performed after September 30, 1985.

SEC. 613. DEFINITION OF RESIDENCE OF A STUDENT DEPENDENT.

(a) IN GENERAL.—Section 406 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(1) For the purposes of this section, the residence of a dependent of a member who is a student not living with the member while at school shall be considered to be the permanent duty station of the member or the designated residence of dependents of the member if the member's dependents are not authorized to reside with the member.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

SEC. 614. TRANSPORTATION OF MOTOR VEHICLES FOR MEMBERS MAKING PERMANENT CHANGES OF STATION.

Section 2634(a)(4) of title 10, United States Code, is amended by striking out "in the case of" and all that follows through "or (2),".

SEC. 615. DEPENDENT STUDENT TRAVEL FOR MEMBERS STATIONED IN ALASKA OR HAWAII.

(a) IN GENERAL.—Subsection (a) of section 430 of title 37, United States Code, is amended—

(1) by inserting "or in Alaska or Hawaii" after "outside the United States" in clause (1);

(2) by striking out "oversea" in clause (2); and

(3) by inserting "(except as provided in subsection (c) of this section)" after "may".

(b) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended—

(1) by striking out "in the oversea area" in the first sentence; and

(2) by striking out the third sentence.

(c) LIMITATION.—Such section is further amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection (c):

"(c) The allowance authorized by this section may not be paid—

"(1) to a member assigned to duty outside the United States for a child attending a school in the United States for the purpose of obtaining a secondary education if the child is eligible to attend a secondary school for dependents that is located at or near the vicinity of the duty station of the member and that is operated under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.); or

"(2) to a member assigned to a permanent duty station in Alaska for a child attending a school in Alaska or a member assigned to a permanent duty station in Hawaii for a child attending a school in Hawaii.".

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 430. Travel and transportation: dependent children of members stationed overseas or in Alaska and Hawaii".

(2) The item relating to such section in the table of sections at the beginning of chapter 7 of such title is amended to read as follows:

"430. Travel and transportation: dependent children of members stationed overseas or in Alaska and Hawaii.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to travel begun on or after the date of the enactment of this Act, but such amendments shall not constitute authority for the enactment of new budget authority for a fiscal year beginning before October 1, 1985.

SEC. 616. EXTENSION OF TEST PROGRAM FOR FLAT RATE PER DIEM SYSTEM.

(a) AUTHORITY FOR TEST PROGRAM.—The Secretary concerned may carry out a program to test a flat rate per diem system for travel allowances for travel performed by members of the Armed Forces while on temporary duty.

(b) AMOUNT OF FLAT RATE.—Per diem allowances paid under such a test program shall be in an amount determined by the Secretary concerned to be sufficient to meet normal and necessary expenses in the area in which travel is performed, but may not exceed $75 for each day a member is in travel status within the continental United States.

(c) REGULATIONS.—The test program under this section shall be carried out under regulations prescribed by the Secretary concerned.

(d) DEFINITION OF SECRETARY CONCERNED.—For the purposes of this section, the term "Secretary concerned" means—

(1) the Secretary of each military department with respect to matters concerning the respective military departments; and

(2) the Secretary of Defense with respect to matters concerning the defense agencies.

(e) DURATION OF PROGRAM.—The test program under this section shall be carried out during the period beginning on October 1, 1985, and ending on September 30, 1986.

SEC. 617. TRAVEL AND TRANSPORTATION ALLOWANCES FOR TRAVEL WITHIN THE ADMINISTRATIVE LIMITS OF A MEMBER'S DUTY STATION.

(a) AUTHORITY TO PAY ALLOWANCES TO CERTAIN MEMBERS DIRECTED TO PERFORM OVERNIGHT DUTY.—Section 408 of title 37, United States Code, relating to travel and transportation allowances for travel within the limits of a member's duty station, is amended—

(1) by inserting "(a)" before "A member"; and

(2) by adding at the end thereof the following new subsection:

"(b) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service who is directed by competent authority to perform duty at a location within the limits of his duty station other than his residence or normal duty location for a period of time that requires the member to obtain overnight accommodations is entitled to the travel and transportation allowances authorized by section 404 of this title.".

(b) PARKING FEES.—Such section is further amended by inserting "plus parking fees" after "fixed rate a mile".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to expenses incurred after September 30, 1985.

SEC. 618. TRAVEL DURING SHIP OVERHAUL.

(a) IN GENERAL.—Section 406b of title 37, United States Code, is amended—

(1) by striking out "Under" and inserting in lieu thereof "(a) Under";

(2) by inserting "(including the member's spouse)" after "dependents" in the first sentence;

(3) by striking out ", ninety-first, and one hundred and fifty-first calendar day" and inserting in lieu thereof "calendar day, and every sixtieth calendar day after the thirty-first calendar day"; and

(4) by adding at the end thereof the following new subsections:

"(b) Transportation in kind, reimbursement for personally procured transportation, or a monetary allowance in place of the cost of transportation as provided in section 404(d)(1) of this title may be provided, in lieu of the member's entitlement to transportation, for the member's dependents (including the member's spouse) from the location that was the home port of the ship before commencement of overhaul or inactivation to the port of overhaul or inactivation. The total reimbursement for transportation for the member's dependents may not exceed the cost of Government-procured commercial round-trip travel.

"(c) A member of the uniformed services on permanent duty aboard a ship which undergoes a change of home port to the overhaul or inactivation port and the member's dependents may be provided the transportation allowances prescribed in subsections (a) and (b) of this section in lieu of the transportation entitlements of section 406 of this title and section 2634 of title 10.".

(b) EFFECTIVE DATE.—The travel allowances authorized by the amendments made by this section are payable only for travel that commences after September 30, 1985, but may be paid for members assigned to ships being overhauled or inactivated away from home port on the date of enactment of this Act.

(c) CLERICAL AMENDMENTS.—(1) The section heading for such section is amended by striking out the last four words.

(2) The item relating to such section in the table of sections at the beginning of chapter 7 of such title is amended by striking out the last four words.

SEC. 619. TRAVEL ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH CERTAIN LEAVE.

(a) IN GENERAL.—Section 411b(a)(1) of title 37, United States Code, is amended—

(1) by striking out "if he is a member without dependents,";

(2) by striking out ", if either" and all that follows and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new sentence: "Such allowances may be paid for the member and for the dependents of the member who are authorized to, and do, accompany him at his duty stations.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

PART C—BONUSES AND SPECIAL AND INCENTIVE PAYS

Subpart 1—Active Forces

SEC. 631. LUMP-SUM PAYMENTS OF SELECTIVE REENLISTMENT BONUSES.

(a) SPECIFICATION OF MINIMUM TO BE PAID IN ADVANCE.—Paragraph (1) of section 308(b) of title 37, United States Code, is amended to read as follows:

"(b)(1) Not less than 75 percent of the amount of a bonus under this section shall be paid in a lump sum at the beginning of the period for which the bonus is paid, with any remaining amount paid in equal annual installments.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to bonuses paid for reenlistments or extensions of enlistment effective after September 30, 1985.

SEC. 632. SPECIAL PAY FOR NUCLEAR OFFICERS.

(a) CONTINUATION PAY.—(1) Subsection (a) of section 312 of title 37, United States Code, is amended—

(A) by inserting "and" at the end of clause (2);

(B) by striking out clause (3);

(C) by redesignating clause (4) as clause (3) and striking out "for one period of four years" in such clause and inserting in lieu

thereof "for a period of three, four, or five years, so long as the new period of obligated active service does not extend beyond the end of 26 years of commissioned service,"; and

(D) in the matter following such clause—

(i) by striking out "$7,000" and inserting in lieu thereof "$12,000";

(ii) by striking out "semiannually" and "six-month period" in the second sentence and inserting in lieu thereof "annually" and "12-month period", respectively; and

(iii) by striking out "shall become fixed" and all that follows through the end of subsection (a) and inserting in lieu thereof "shall be paid in equal annual installments over the length of the contract, commencing at the expiration of any existing period of obligated active service. The Secretary (or his designee) may accept an active service agreement under this section not more than one year in advance of the end of an officer's existing period of obligated active service under such an agreement. In such a case, the amount of the special pay may be paid commencing with the date of acceptance of the agreement, with the number of installments being equal to the number of years covered by the contract plus one.".

(2) Subsection (b) of such section is repealed.

(3) Subsection (c) of such section is redesignated as subsection (b) and is amended by striking out "of four years".

(4) Subsection (d) of such section is redesignated as subsection (c) and is amended—

(A) by striking out "four years' " in the second sentence; and

(B) by striking out "at the end of the four year period" in that sentence.

(5) Such section is further amended by inserting after subsection (c) (as so redesignated) the following new subsection (d):

"(d)(1) An officer who is performing obligated service under an agreement under subsection (a) of this section may, if the amount that may be paid under such subsection is higher than at the time the officer executed such agreement, execute a new agreement under that subsection. The period of such an agreement shall be a period equal to or exceeding the original period of the officer's existing agreement, so long as the period of obligated active service under the new agreement does not extend beyond the end of 26 years of commissioned service. If a new agreement is executed under this subsection, the existing active-service agreement shall be cancelled, effective on the day before an anniversary date of that agreement after the date on which the amount that may be paid under this section is increased.

"(2) This subsection shall be carried out under regulations prescribed by the Secretary of the Navy.".

(6) Subsection (e) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(b) NUCLEAR-CAREER ACCESSION BONUS.—(1) Subsection (a)(1) of section 312b of such title is amended—

(A) by striking out "of $3,000" and inserting in lieu thereof "not to exceed $8,000"; and

(B) by adding at the end thereof the following new sentence: "Upon acceptance of the agreement by the Secretary, the amounts payable upon selection for training and upon completion of training, respectively, as determined under subsection (b) of this section, shall become fixed.".

(2) Subsection (b) of such section is amended to read as follows:

"(b) The Secretary of the Navy shall determine annually the total amount of the bonus to be paid under this section and of that amount the portions that are to be paid—

"(1) upon selection for officer naval nuclear power training; and

"(2) upon successful completion, as a commissioned officer, of training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.".

(3) Subsection (d) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(c) ANNUAL INCENTIVE BONUS.—(1) Subsection (a) of section 312c of such title is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (5) as clauses (A) through (E), respectively;

(ii) by striking out ", but has completed less than twenty-six years of commissioned service" in clause (C) (as so designated); and

(iii) by striking out "$6,000" and "October 1, 1987" and inserting in lieu thereof "$10,000" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" the second place it appears and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not on active duty;

"(B) was not technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants;

"(C) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(D) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet that required the officer—

"(i) be technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants; and

"(ii) be qualified for the performance of operational flying duties.".

(D) The fourth sentence is repealed.

(2) Subsection (b) of such section is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(ii) by striking out "$3,500" and "October 1, 1987" and inserting in lieu thereof "$4,500" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not in an assignment involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants;

"(B) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(C) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet—

"(i) involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants; and

"(ii) that required the officer be qualified for the performance of operational flying duties.".

(3) Subsection (e) of such section is amended by striking out "October 1, 1987" and inserting in lieu thereof "October 1, 1990".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 633. INCENTIVE PAY FOR SUBMARINE DUTY.

(a) INCREASE IN RATES OF INCENTIVE PAY FOR OFFICERS.—The table pertaining to commissioned officers in section 301c(b) of title 37, United States Code, is amended to read as follows:

"COMMISSIONED OFFICERS

Pay grade	Years of service computed under section 205						
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
0–10	$265	$265	$265	$265	$265	$265	$265
0–9	265	265	265	265	265	265	265
0–8	265	265	265	265	265	265	265
0–7	265	265	265	265	265	265	265
0–6	440	440	440	440	440	440	440
0–5	440	440	440	440	440	440	440
0–4	270	270	270	300	440	440	440
0–3	265	265	265	290	440	440	440
0–2	175	175	175	175	175	175	265
0–1	130	130	130	130	130	130	265

"COMMISSIONED OFFICERS

Pay grade	Years of service computed under section 205						
	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26
0–10	$265	$265	$265	$265	$265	$265	$265
0–9	265	265	265	265	265	265	265
0–8	265	265	265	265	265	265	265
0–7	265	265	400	395	395	305	265
0–6	440	440	440	440	440	440	440
0–5	440	440	440	440	440	440	440
0–4	440	440	440	440	440	440	440
0–3	440	440	440	440	440	440	440
0–2	265	265	265	265	265	265	265
0–1	265	265	265	265	265	265	265".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 634. REVISION OF SPECIAL PAY FOR DENTAL OFFICERS.

(a) IN GENERAL.—Section 302b of title 37, United States Code, is amended to read as follows:

"§ 302b. Special pay: dental officers of the armed forces

"(a)(1) An officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of not less than one year,

is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) of this subsection who is serving in a pay grade below pay grade O-7 is entitled to variable special pay at the following rates:

"(A) $1,200 per year, if the officer is undergoing dental internship training.

"(B) $2,000 per year, if the officer has less than six years of creditable service and is not undergoing dental internship training.

"(C) $5,000 per year, if the officer has at least six but less than 10 years of creditable service.

"(D) $7,000 per year, if the officer has at least 10 but less than 14 years of creditable service.

"(E) $6,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(F) $4,000 per year, if the officer has 18 or more years of creditable service.

"(3) An officer described in paragraph (1) of this subsection who is serving in a pay grade above pay grade O-6 is entitled to variable special pay at the rate of $1,000 per year.

"(4) Subject to subsection (b) of this section, an officer entitled to variable special pay under paragraph (2) or (3) of this subsection is entitled to additional special pay for any 12-month period during which the officer is not undergoing dental internship or residency training. Such additional special pay shall be paid at the following rates:

"(A) $6,000 per year, if the officer has at least three but less than 12 years of creditable service.

"(B) $8,000 per year, if the officer has at least 12 but less than 18 years of creditable service.

"(C) $10,000 per year, if the officer has 18 or more years of creditable service.

"(5) An officer who is entitled to variable special pay under paragraph (2) or (3) of this subsection and who is board certified is entitled to additional special pay at the following rates:

"(A) $2,000 per year, if the officer has less than 12 years of creditable service.

"(B) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(C) $4,000 per year, if the officer has 14 or more years of creditable service.

"(b)(1) An officer may not be paid additional special pay under subsection (a)(4) of this section for any 12-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(2) Under regulations prescribed by the Secretary of Defense under section 303a(a) of this title, the Secretary of the military department concerned may terminate at any time an officer's entitlement to the special pay authorized by subsection (a)(4) of this section. If such entitlement is terminated, the officer concerned is entitled to be paid such special pay only for the part of the period on active duty that the officer served, and the officer may be required to refund any amount in excess of that entitlement.

"(c) Regulations prescribed by the Secretary of Defense under section 303a(a) of this title shall include standards for determining—

"(1) whether an officer is undergoing internship or residency training for purposes of subsections (a)(2)(A), (a)(2)(B), and (a)(4) of this section; and

"(2) whether an officer is board certified for purposes of subsection (a)(5) of this section.

"(d) Special pay payable to an officer under paragraphs (2), (3), and (5) of subsection (a) of this section shall be paid monthly. Special pay payable to an officer under subsection (a)(4) of this section shall be paid annually at the beginning of the 12-month period for which the officer is entitled to such payment.

"(e) An officer who voluntarily terminates service on active duty before the end of the period for which a payment was made to such officer under subsection (a)(4) of this section shall refund to the United States an amount which bears the same ratio to the amount paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(f) A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement described in subsection (b) of this section if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve on active duty. This subsection applies to a discharge in bankruptcy in any proceeding which begins after September 30, 1985.

"(g) For purposes of this section, creditable service of an officer is computed by adding—

"(1) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.".

(b) REPEAL OF CONTINUATION PAY FOR DENTISTS.—Section 311 of such title is repealed.

(c) AUTHORITY FOR CERTAIN DENTAL OFFICERS TO EXECUTE NEW AGREEMENTS.—(1) Subject to paragraphs (2) and (3), a dental officer who on October 1, 1985, is performing obligated service under an agreement under section 311 of title 37, United States Code, that—

(1) was executed after June 29, 1985; and

(2) is affected by the limitation in section 8091 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473), may execute a new agreement under section 302b of such title (as amended by subsection (a)).

(2) A dental officer may not execute a new agreement under paragraph (1) unless the amount that may be paid such officer under an agreement under section 302b of title 37, United States Code (as amended by subsection (a)), is greater than the amount to be paid the officer under the existing agreement of the officer under section 311 of such title.

(3) The period of such a new agreement shall be a period equal to or exceeding the original period of the officer's existing agreement.

(4) If a new agreement is executed under this subsection, the existing agreement of the officer shall be canceled.

(5) For the purposes of this section, the term "dental officer" has the meaning given that term in section 101 of title 10, United States Code.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking out the item relating to section 302b and inserting in lieu thereof the following:

"302b. Special pay: dental officers of the armed forces."; and

(2) by striking out the item relating to section 311.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1985.

SEC. 635. SPECIAL PAY FOR MEDICAL OFFICERS.

Section 302 of title 37, United States Code, is amended—

(1) by striking out "is not" in subsection (h)(1)(B) and inserting in lieu thereof "who is"; and

(2) by adding at the end thereof the following new subsection:

"(i) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under paragraph (1) of this subsection. This paragraph applies to any case commenced under title 11 after September 30, 1985.".

SEC. 636. SPECIAL PAY FOR QUALIFIED ENLISTED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS.

(a) INCREASE IN RATE OF MONTHLY SPECIAL PAY.—Section 314(a) of title 37, United States Code, is amended by striking out "$50" and inserting in lieu thereof "$80".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 637. EXTENSION OF AVIATION OFFICER CONTINUATION PAY.

Effective on October 1, 1985, section 301b of title 37, United States Code, is amended by striking out "September 30, 1985" in subsections (e)(2), (e)(3), and (f) and inserting in lieu thereof "September 30, 1988".

Subpart 2—Reserve Forces

SEC. 641. SELECTED RESERVE ENLISTMENT AND REENLISTMENT BONUSES.

(a) ENLISTMENT BONUS.—Section 308c of title 37, United States Code, is amended—

(1) by striking out "$2,000" in subsection (b) and inserting in lieu thereof "$5,000"; and

(2) by striking out "September 30, 1985" in subsection (f) and inserting in lieu thereof "September 30, 1990".

(b) REENLISTMENT BONUS.—Section 308b of such title is amended—

(1) in subsection (b)—

(A) by striking "$450" and "$900" in paragraph (1) and inserting in lieu thereof "$1,250" and "$2,500", respectively; and

(B) by striking "$150" in paragraph (2) and inserting in lieu thereof "$416.66";

(2) by striking out "$25" in subsection (d)(2) and inserting in lieu thereof "$69.44"; and

(3) by striking out "September 30, 1985" in subsection (g) and inserting in lieu thereof "September 30, 1990".

(c) ENLISTMENT BONUS FOR PRIOR SERVICE PERSONNEL.—Chapter 5 of such title is amended by inserting after section 308h the following new section:

"§ 308i. Special pay: prior service enlistment bonus

"(a)(1) A person who is a former enlisted member of an armed force who enlists in the Selected Reserve of the Ready Reserve of an armed force for a period of three or six years in a military skill or unit designated for such a bonus by the Secretary concerned and who meets the requirements of paragraph (2) may be paid a bonus as prescribed in subsection (b).

"(2) A bonus may only be paid under this section to a person who—

"(A) has completed his military service obligation but has less than 10 years of total military service;

"(B) has received an honorable discharge at the conclusion of military service;

"(C) is not being released from active service for the purpose of enlistment in a reserve component; and

"(D) has not previously been paid a bonus for enlistment, reenlistment, or extension of enlistment in a reserve component.

"(b) The bonus to be paid under subsection (a) shall be—

"(1) an initial payment of—

"(A) an amount not to exceed $1,250, in the case of a member who enlists for a period of three years; or

"(B) an amount not to exceed $2,500 in the case of a member who enlists for a period of six years; and

"(2) a subsequent payment of an amount not to exceed $416.66 upon the completion of each year of the period of such reenlistment or extension of enlistment during which such member has satisfactorily participated in unit training.

"(c) A member may not be paid more than one bonus under this section.

"(d) A person who receives a bonus payment under this section and who fails during the period for which the bonus was paid to serve satisfactorily in the element of the Selected Reserve of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount that bears the same relation to the amount of the bonus paid to such person as the period that such person failed to serve satisfactorily bears to the total period for which the bonus was paid.

"(e) An obligation to reimburse the United States imposed under subsection (d) of this section is, for all purposes, a debt owed to the United States.

"(f) Under regulations prescribed pursuant to subsection (h) of this section, the Secretary concerned may remit or cancel the whole or any part of an obligation to reimburse the United States imposed under subsection (d) of this section.

"(g) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment for which a bonus was paid under this section shall not discharge the person receiving such bonus payment from the debt arising under subsection (d) of this section. This subsection applies to any case commenced under title 11 after September 30, 1985.

"(h) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

"(i) No bonus may be paid under this section to any person for an enlistment after September 30, 1990.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 308h the following new item:

"308i. Special pay: prior service enlistment bonus.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 642. SELECTED RESERVE AFFILIATION BONUS.

(a) INCREASE AND EXTENSION.—Section 308e of title 37, United States Code, is amended—

(1) by striking out "$25" in subsection (c)(1) and inserting in lieu thereof "up to $75 as determined by the Secretary concerned"; and

(2) by striking out "September 30, 1985" in subsection (e) and inserting in lieu thereof "September 30, 1990".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 643. SELECTED RESERVE UNIT AFFILIATION INCENTIVE PAY.

(a)(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 305a the following new section:

"§ 305b. Special pay: incentive pay for members of the Selected Reserve assigned to certain high-priority units

"(a) Under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction, and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an enlisted member of a reserve component who participates in scheduled training periods of a unit designated by the Secretary concerned may receive incentive pay.

"(b) Eligibility for and the amount and method of payment of an incentive pay under this section shall be determined pursuant to regulations prescribed under subsection (a) of this section, except that the amount of such incentive pay may not exceed $10 per drill and shall be paid only after the member has participated satisfactorily in a scheduled training period of the designated unit.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 305a the following new item:

"305b. Special pay: incentive pay for members of the Selected Reserve assigned to certain high-priority units.".

(b) EFFECTIVE DATE.—Section 305b of title 37, United States Code, as added by subsection (a), shall take effect on October 1, 1985.

SEC. 644. REENLISTMENT BONUS FOR ENLISTED MEMBERS ON ACTIVE DUTY FOR TRAINING AND ADMINISTRATION OF RESERVES.

(a) ELIGIBILITY FOR ACTIVE-DUTY REENLISTMENT BONUS.—Section 308(a)(1)(D) of title 37, United States Code, is amended by striking out "in a regular component" and all that follows and inserting in lieu thereof "for a period of at least three years—

"(i) in a regular component of the service concerned; or

"(ii) in a reserve component of the service concerned to serve on active duty in connection with organizing, administering, recruiting, instructing, or training Reserves;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to reenlistments and extensions of enlistments effective after September 30, 1985.

SEC. 645. INDIVIDUAL READY RESERVE BONUSES.

(a) FIVE-YEAR EXTENSION OF REENLISTMENT AND ENLISTMENT BONUSES.—(1) Sections 308g(h) and 308h(g) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1990".

(b) ENHANCED IRR BONUS FOR PERSONS WITH CRITICAL SKILLS.—(1) Subsection (a)(1) of section 308h of title 37, United States Code, is amended by striking out "for a period of not less than three years" and inserting in lieu thereof "for a period of three years, or for a period of six years,".

(2) Subsection (b) of such section is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking out ", except that" and all that follows and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The amount of a bonus under this section—

"(A) may not exceed $1,500, in the case of a person who enlists for a period of six years; and

"(B) may not exceed $750 in the case of a person who enlists for a period of three years.

"(3) A bonus paid under this section shall be paid as follows:

"(A) In the case of a bonus under paragraph (2)(A) of this subsection—

"(i) $500 shall be paid at the time of the reenlistment, enlistment, or extension of enlistment for which the bonus is paid; and

"(ii) the remainder shall be paid in equal annual increments.

"(B) In the case of a bonus under paragraph (2)(B) of this subsection, the amount of the bonus shall be paid in equal annual increments.".

(c) AUTHORITY TO REQUIRE MUSTER OR DRILL FOR ENHANCED BONUS.—Subsection (f) of such section is amended—

(1) by inserting "(1)" after "(f)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Regulations under this section may require that as a condition of receiving a bonus under this section the person receiving the bonus agree to participate in an annual muster of the Reserves, or in active duty for training, as may be required by the Secretary concerned.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 646. SELECTED RESERVE HAZARDOUS DUTY INCENTIVE PAY.

(a) MODIFICATION OF COMPUTATION OF HAZARDOUS DUTY PAY FOR RESERVES.—Section 301(f) of title 37, United States Code, relating to incentive pay for hazardous duty, is amended—

(1) by inserting "(1)" after "(f)";

(2) by inserting "for the entire month" before the period at the end; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) If in any calendar month a member performs duty as described in paragraph (1) of this subsection and while entitled to basic pay also performs hazardous duty as described in the same clause of subsection (a) as constitutes the predicate for his entitlement under paragraph (1) of this subsection, the earned units of measuring entitlement for incentive pay under this section shall be combined. If the sum of units determined under the preceding sentence equals or exceeds the minimum standard prescribed by the President for entitlement to pay specified under subsections (b) and (c) of this section for a member of corresponding grade who is entitled to basic pay for the entire relevant month, the member shall be entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) or (c) of this section for the performance of that hazardous duty by a member of corresponding grade who is entitled to basic pay for the entire month.

"(B) A member who qualifies for entitlement under this paragraph is entitled to the increase for each day in the relevant month in which he is entitled to basic pay pursuant to section 204 of this title or to compensation under section 206 of this title.

"(C) In this paragraph, 'units' means the significant increments of performance prescribed as qualifying standards in regula-

tions promulgated by the President pursuant to this section.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments of incentive pay for hazardous duty performed after September 30, 1985.

SEC. 647. AUTHORIZATION TO REPAY EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.

(a) IN GENERAL.—Under regulations prescribed by the Secretary of Defense and subject to the other provisions of this section, the Secretary concerned may repay a portion of a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965, a loan made under part E of such title after October 1, 1975, and a health education assistance loan made or insured under the provisions of part C of title VII of the Public Health Service Act.

(b) ELIGIBLE INDIVIDUALS.—The Secretary concerned may repay loans described in subsection (a) only in the case of a person who—

(1) performs satisfactory service as an officer in the selected reserve of an armed force after September 30, 1985; and

(2) possesses professional qualifications in a health profession that the Secretary of Defense has determined to be needed critically in order to meet identified wartime combat medical skill shortages.

(c) AMOUNT OF REPAYMENTS.—(1) The amount of any repayment of a loan made under this section on behalf of any person shall be determined on the basis of each complete year of service that is described in subsection (b)(1) and performed by the person after the date on which the loan was made.

(2) Subject to paragraph (3), the portion of a loan that may be repaid under this section on behalf of any person may not exceed $3,000 for each year of service described in paragraph (1).

(3) The total amount that may be repaid on behalf of any person under this section may not exceed $20,000.

(d) EFFECTIVE DATE.—The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer of an armed force after September 30, 1985, and before October 1, 1990.

SEC. 648. SELECTED RESERVE HEALTH PROFESSIONS SCHOLARSHIPS.

(a) INCLUSION OF SELECTED RESERVE IN SCHOLARSHIP PROGRAM.—Section 2121(a) of title 10, United States Code, is amended by inserting "and in the Selected Reserve of the Ready Reserve" after "on active duty".

(b) MILITARY SERVICE OBLIGATION.—(1) Subsection (a) of section 2123 of such title is amended to read as follows:

"(a)(1) A member of the program incurs an obligation for military service. Such service may be service on active duty or as a member of the Selected Reserve of the Ready Reserve.

"(2) The amount of service for which the member is obligated shall be determined under regulations prescribed by the Secretary of Defense. Such regulations may not provide for a period of obligation of less than one year of service on active duty, or two years of service in the Selected Reserve of the Ready Reserve, for each year of participation in the program.".

(2) Subsection (c) of such section is amended by striking out "in an appropriate" and all that follows and inserting in lieu thereof ", or service in the Selected Reserve of the Ready Reserve, in accordance with the military service obligation imposed by this section.".

(3) Subsection (e) of such section is amended—

(A) by striking out "his active duty obligation" and inserting in lieu thereof "a military service obligation"; and

(B) by striking out "the period of obligation from which he was relieved" and inserting in lieu thereof "the period of active duty obligation, or to one-half of the period of Selected Reserve obligation, from which the member was relieved".

(c) NUMBER OF MEMBERS WHO MAY BE APPOINTED.—Section 2124 of such title is amended by striking out "5,000" and inserting in lieu thereof "7,500".

(d) CLERICAL AMENDMENTS.—(1) The heading of section 2123 of such title is amended to read as follows:

"§ 2123. Members of the program: military service obligation; failure to complete training; release from program".

(2) The item relating to such section in the table of sections at the beginning of chapter 105 of such title is amended to read as follows:

"2123. Members of the program: military service obligation; failure to complete training; release from program.".

PART D—HEALTH CARE MATTERS

SEC. 651. CHAMPUS DENTAL CARE FOR ACTIVE-DUTY DEPENDENTS.

(a) DENTAL BENEFITS FOR DEPENDENTS OF ACTIVE-DUTY MEMBERS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076 the following new section:

"§ 1076a. Dependents' dental program

"(a)(1) The Secretary of Defense may establish dental benefit plans for spouses and children (as described in section 1072(2)(D) of this title) of members of the uniformed services who are on active duty for a period of more than 30 days. Any plan under this section shall provide for voluntary enrollment of participants and shall include provisions for premium-sharing between the Department of Defense and members enrolling in the program.

"(2) A plan under this section shall be administered under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries.

"(b)(1) Members enrolling in a dental benefit plan established under subsection (a) shall be required to pay a share of the member's premium.

"(2) The Secretary of Defense shall establish the amount of the premium to be paid by a member enrolled in a plan under this section.

"(c) A member's share of the premium for a plan established under subsection (a) shall be paid by deductions from the basic pay of the member.

"(d) The dental benefits provided under such a plan may not include a benefit other than—

"(1) diagnostic, oral examination, and preventive services and palliative emergency care; and

"(2) basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(e) Any such plan shall provide that a member whose spouse or child receives care under a plan established under this section—

"(1) may not be required to pay for any charge for care described in subsection (d)(1); and

"(2) shall be required to pay 20 percent of the charges for care described in subsection (d)(2).

"(f) If a member who is enrolled in a plan established under this section is transferred to a duty station where dental care is provided to the member's spouse or children under a program other than a plan established under this section, the member may discontinue participation under the plan established under this section. If the member is later transferred to a station where dental care is not provided to such member's spouse or children except under a plan established under this section, the member may re-enroll in such a plan.

"(g) The authority of the Secretary of Defense to enter into a contract under this section for any fiscal year is subject to the availability of appropriations for that purpose.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076 the following new item:

"1076a. Dependents' dental program.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended by adding at the end thereof the following new subsection:

"(c) A dependent participating under a dental plan established under section 1076a of this title may not be provided dental care under section 1076(a) of this title except for emergency dental care and care that is not covered by such plan.".

SEC. 652. ELIMINATION OF CHAMPUS DEDUCTIBLE AND CO- PAYMENT FOR ACTIVE-DUTY DEPENDENTS IN REMOTE LOCATIONS.

(a) IN GENERAL.—Subsection (b) of section 1079 of title 10, United States Code, is amended—

(1) by striking out "of the following amounts" in the matter preceding clause (1) and inserting in lieu thereof "as follows";

(2) by inserting "The patient shall pay" in clause (1) before "$25";

(3) by striking out "Except as provided in clause (3)," in clause (2) and inserting in lieu thereof "In the case of a patient who resides in the catchment area of a medical facility of the uniformed services, the patient (subject to clause (3)) shall pay";

(4) by inserting "The patient shall pay" in clause (4) before "$25"; and

(5) by adding at the end thereof the following new clause:

"(5) In the case of a patient who does not reside in the catchment area of a medical facility of the uniformed services, the patient shall not be required to pay any deductible or copayment for care authorized by subsection (a) and received while in an outpatient status.".

(b) REGULATIONS TO DEFINE CATCHMENT AREA.—Subsection (c) of such section is amended by adding at the end thereof the following new sentence: "Such regulations shall define what constitutes a catchment area for purposes of subsections (b)(2) and (b)(5). The administering Secretary shall designate the catchment area for each medical facility under the jurisdiction of the Secretary.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to medical and dental care provided after September 30, 1985.

SEC. 653. CATASTROPHIC LOSS PROTECTION UNDER CHAMPUS.

(a) ACTIVE-DUTY DEPENDENTS.—Section 1079(b) of title 10, United States Code, as amended by section 652, is amended by

adding at the end thereof the following new clause:

"(6) An individual or family group may not be required by reason of this subsection to pay a total of more than $1,000 for health care in any fiscal year under a plan under subsection (a).".

(b) MILITARY RETIREES AND DEPENDENTS.—Section 1086(b) of such title is amended—

(1) by inserting "the patient shall pay" in clause (1) after "clause (2),";

(2) by inserting "The patient shall pay" in clause (3) after "(3)"; and

(3) by adding at the end thereof the following new clause:

"(4) An individual or family group covered by this section may not be required by reason of this subsection to pay a total of more than $3,000 for health care in any fiscal year under a plan under section 1079(a) of this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 654. ENHANCED HEALTH-CARE BENEFITS FOR SURVIVORS OF CERTAIN RESERVISTS.

(a) MEDICAL AND DENTAL CARE IN FACILITIES OF THE UNIFORMED SERVICES.—Section 1076(a) of title 10, United States Code, is amended to read as follows:

"(a)(1) A dependent described in paragraph (2) is entitled, upon request, to the medical and dental care prescribed by section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilities of the medical and dental staff.

"(2) A dependent referred to in paragraph (1) is a dependent of a member of a uniformed service—

"(A) who is on active duty for a period of more than 30 days or who died while on that duty; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(b) CHAMPUS CARE.—Section 1086(c)(2) of such title is amended to read as follows:

"(2) A dependent (other than a dependent covered by section 1072(2)(E) of this title) of a member of a uniformed service—

"(A) who died while on active duty for a period of more than 30 days; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to dependents of members of the uniformed services whose deaths occur after September 30, 1985.

SEC. 655. CHAMPUS COVERAGE OF ORGAN TRANSPLANTS.

Chapter 55 of title 10, United States Code, is amended—

(1) by adding at the end of section 1079 the following new subsection:

"(l) A plan covered by this section may include provision of other organ transplants (including the cost of acquisition and transportation of the donated organ) in accordance with this subsection. Such an organ transplant may be provided if—

"(1) the transplant is for a dependent considered appropriate for that procedure by the Secretary of Defense in consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate;

"(2) the transplant is to be carried out at a health-care facility that has been approved for that purpose by the Secretary of Defense after consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate; and

"(3) the transplant procedure is not considered experimental under regulations prescribed by the Secretary of Defense after consultation with other administering Secretaries and such other entities as the Secretary considers appropriate."; and

(2) by adding at the end of section 1086(a) the following new sentence:

"Organ transplants authorized by section 1079(l) may not be provided under such plans for persons covered by subsection (c) unless such transplants were covered under regulations prescribed by the Secretary of Defense prior to October 1, 1985.".

SEC. 656. ADVISORY PANEL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish and appoint, within 180 days after the date of enactment of this Act (but not before October 1, 1985), an Advisory Panel on Medical Aspects of Casualty Resolution (hereafter in this section referred to as the "advisory panel"). The advisory panel shall study the procedures used by the military departments for medical casualty investigations relating to members of an armed force who die or are seriously injured while on active duty.

(b) MEMBERS.—The advisory panel shall be composed of eight members, as follows:

(1) three practitioners of medicine who are recognized experts in the investigation of causes of deaths and are not otherwise employed by the Federal Government;

(2) the Director of the Armed Forces Institute of Pathology;

(3) two individuals, not otherwise employed by the Federal Government, qualified to represent the interests and concerns of families of members of the armed forces; and

(4) two individuals who are civilian or military employees of the Department of Defense, or of an armed force, whose principal duties as employees are related to the investigation of military casualties or liaison with families of such casualties.

(c) CHAIRMAN.—The Secretary shall designate one of the members of the advisory panel as Chairman.

(d) DUTIES.—The advisory panel shall study and investigate, and make recommendations to the Secretary of Defense with respect to, the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the armed forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the armed forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy), and, to the extent not inconsistent with national security, making such materials available to survivors of members of the armed forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense which consists of 5 or more practitioners of medicine who are recognized experts in the investigation of causes of death and the primary function of which would be to advise the Secretary of Defense on the operation of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(e) EXPENSES.—Expenses incurred by the advisory panel may be paid out of funds appropriated to the Department of Defense for operation and maintenance for any fiscal year after fiscal year 1985, including per diem and reimbursement for travel expenses of members of the advisory panel who are not otherwise employed by the Federal government to attend meetings.

(f) REPORT.—(1) The advisory panel shall submit a report to the Secretary of Defense within one year after the appointment of its members.

(2) Within 180 days thereafter, the Secretary shall forward the report to the Congress accompanied by—

(A) the Secretary's evaluation of the advisory panel's report;

(B) an analysis and description of all actions taken by the Department of Defense and the military departments to implement any recommendation of such panel; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

SEC. 657. LICENSURE REQUIREMENT FOR DEFENSE HEALTH-CARE PROFESSIONALS.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Licensure requirement for health-care professionals

"(a)(1) No person under the jurisdiction of the Secretary of a military department may provide health care independently as a health-care professional under this chapter unless the person has a current license to provide such care.

"(2) The Secretary of Defense may waive paragraph (1) with respect to any person in unusual circumstances. The Secretary shall prescribe by regulation the circumstances under which such a waiver may be granted.

"(b) The commanding officer of each health care facility of the Department of Defense shall ensure that each person who provides health care independently as a health-care professional at the facility meets the requirement of subsection (a).

"(c)(1) A person who provides health care in violation of subsection (a) is subject to a civil money penalty of not more than $5,000.

"(2) The provisions of subsections (b) and (d) through (g) of section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) shall apply to the imposition of a civil money penalty under paragraph (1) in the same manner as they apply to the imposition of a civil money penalty under that section, except that for purposes of this subsection—

"(A) a reference to the Secretary in that section is deemed a reference to the Secretary of Defense; and

"(B) a reference to a claimant in subsection (e) of that section is deemed a reference to the person described in paragraph (1).

"(d) In this section:

"(1) 'License'—

"(A) means a grant of permission by an official agency of a State, the District of Columbia, or a Commonwealth, territory, or possession of the United States to provide health care independently as a health-care professional; and

"(B) includes, in the case of such care furnished in a foreign country by any person who is not a national of the United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

"(2) 'Health-care professional' means a physician, dentist, clinical psychologist, nurse, and such other person providing direct patient care as may be designated by the Secretary of Defense in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Licensure requirement for health-care professionals.".

(b) TRANSITION.—Section 1094 of title 10, United States Code, as added by subsection (a), does not apply during the three-year period beginning on the date of the enactment of this Act with respect to the provision of health care by any person who on the date of the enactment of this Act is a member of the Armed Forces.

PART E—MILITARY RETIREMENT

SEC. 661. LIMITATION ON AMOUNTS AVAILABLE FOR OBLIGATION FOR BASIC PAY AND FOR RETIRED PAY ACCRUAL CHARGE.

From amounts appropriated or otherwise available to the Department of Defense for military personnel accounts for fiscal year 1986, the total amount obligated from each such account for military basic pay and payments into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, may not exceed the following:

(1) For the Department of the Army—

(A) for payments from the appropriation account "Military Personnel, Army", $15,436,000,000;

(B) for payments from the appropriation account "Reserve Personnel, Army", $1,647,000,000; and

(C) for payments from the appropriation account "National Guard Personnel, Army", $2,455,000,000.

(2) For the Department of the Navy—

(A) for payments from the appropriation account "Military Personnel, Navy", $11,360,000,000;

(B) for payments from the appropriation account "Military Personnel, Marine Corps", $3,545,000,000;

(C) for payments from the appropriation account "Reserve Personnel, Navy", $918,000,000; and

(D) for payments from the appropriation account "Reserve Personnel, Marine Corps", $195,000,000.

(3) For the Department of the Air Force—

(A) for payments from the appropriation account "Military Personnel, Air Force", $13,158,000,000;

(B) for payments from the appropriation account "Reserve Personnel, Air Force", $425,000,000; and

(C) for payments from the appropriation account "National Guard Personnel, Air Force", $730,000,000.

SEC. 662. LEGISLATIVE PROPOSAL TO AMEND MILITARY RETIREMENT SYSTEM FOR NEW ENTRANTS.

(a) REQUIREMENT FOR SUBMISSION OF LEGISLATIVE PROPOSAL MAKING CHANGES IN MILITARY RETIREMENT SYSTEM.—(1) The Secretary of Defense shall submit to Congress a report (including draft legislation) proposing changes in the military nondisability retirement system.

(2) The changes to be proposed in the report shall include changes which, if enacted, would result in reductions in the amount required to be paid by the Secretary of Defense into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, during fiscal year 1986 in a total amount that would enable the Department of Defense to remain within the limits on obligations for basic pay and payments into such Fund prescribed by section 661 solely through such reductions.

(3) Structural changes in the military retirement system to be proposed by the Secretary of Defense in the report under this section—

(A) should apply only to individuals who initially become members of the Armed Forces after the effective date of such changes; and

(B) should, to the maximum extent possible and consistent with military requirements, encourage members who are eligible for retirement to remain on active duty beyond 20 years of service.

(4) At the same time the Secretary of Defense submits the report required by paragraph (1), the Secretary shall submit a separate report containing a plan that could be used to implement over a period of four or more years the changes proposed in the report submitted under paragraph (1).

(b) SPECIFICATION OF ACTUARIAL METHODS AND ASSUMPTIONS FOR FISCAL YEAR 1986 RETIREMENT LEGISLATION.—In determining the cost, or the amount to be saved, as the result of the enactment of any legislative proposal that would make changes in the military retirement system effective during fiscal year 1985 or 1986, the actuarial methods and assumptions used shall be the same as those approved by the Board of Actuaries (in accordance with section 1465(d) of title 10, United States Code) for use in calculating the military retirement accrual percentage for the President's budget for fiscal year 1986.

(c) RECALCULATION OF ACCRUAL PERCENTAGE UPON ENACTMENT OF CHANGE IN BENEFITS.—(1) If a significant change in the military retirement system is enacted into law that takes effect during fiscal year 1985 or 1986, the accrual percentage shall be recalculated taking into account that change in law. Any such recalculation shall be made using the actuarial methods and assumptions described in subsection (b).

(2) In making determinations under section 1466(a) of title 10, United States Code, for months during fiscal years 1985 and 1986 beginning on or after the effective date of any such change in law, the accrual percentage as recalculated under paragraph (1) shall be used in lieu of the accrual percentage that would otherwise be applicable.

(d) DEFINITION OF ACCRUAL PERCENTAGE.—For purposes of this section, the term "accrual percentage" means the single level percentage of basic pay determined under section 1465(c)(1) of title 10, United States Code, for the purposes of computations under sections 1465(b) and 1466(a) of that title.

PART F—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 670. SHORT TITLE.

This part may be cited as the "Survivor Benefit Plan Amendments of 1985".

Subpart 1—General Program Changes

SEC. 671. ESTABLISHMENT OF TWO-TIER BENEFIT SYSTEM AND ELIMINATION OF SOCIAL SECURITY OFFSET.

(a) REVISION IN SBP ANNUITY COMPUTATION.—Section 1451 of title 10, United States Code, is amended to read as follows:

"§ 1451. Amount of annuity

"(a)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under subsection 1401a of this title).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title). However, if the beneficiary is eligible to have the annuity computed under that subsection (e) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 35 percent; and

"(ii) is determined under subsection (f).

However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if an annuity computed under that subsection would be more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(b)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide

the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f)).

"(3) For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay.

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c)(1) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to the surviving spouse or child of a member or former member, the amount of the annuity shall be determined as follows:

"(A) If the person receiving the annuity is under 62 years of age when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) If the person receiving the annuity is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died. However, if the beneficiary is eligible to have the annuity computed under subsection (c) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to a former spouse of the person providing the annuity, the amount of the month by annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon the years of active service of the member when the member died.

"(3) An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 411(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(4) In the case of an annuity provided by a member described in section 1448(d)(1)(C) of this title, the retired pay to which the member would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(5) In the case of an annuity paid under section 1448(f) of this title, the retired pay of the person providing the annuity shall for the purposes of paragraphs (1) and (2) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) The annuity of a person whose annuity is computed under clause (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age. The revised amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity of the person had initially been computed under clause (b) of that subsection.

"(e)(1) The following persons are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the widow or widower of the person providing the annuity.

"(B) A spouse beneficiary of a person who on October 1, 1985, is a participant in the Plan.

"(2) Subject to paragraph (3), an annuity computed under this subsection shall be determined as follows:

"(A) In the case of a beneficiary of a standard annuity under section 1450(a) of this title, the annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title).

"(B) In the case of a beneficiary of a reserve-component annuity under section 1450(a) of this title, the annuity shall be the percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) In the case of a beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) An annuity computed under this subsection shall be reduced by the lesser of—

"(A) the amount of the survivor benefit, if any, to which the widow or widower would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and calculated assuming that the person concerned lives to age 65; or

"(B) 40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4)(A) For the purpose of paragraph (3), a widow or widower shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(l)(1) of the Social Security Act (42 U.S.C. 410(l)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1954 of the social security tax which the person had paid.

"(f) The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration—

"(1) the age of the person electing to provide the annuity at the time of such election;

"(2) the difference in age between such person and the beneficiary of the annuity;

"(3) whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth;

"(4) appropriate group annuity tables; and

"(5) such other factors as the Secretary considers relevant.

"(g)(1) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded, to the next lower multiple of $1.".

(b) CONFORMING AMENDMENT.—Section 641 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2545), is repealed, effective as of September 1, 1985.

SEC. 672. SBP COVERAGE FOR MEMBERS WHO DIE AFTER 20 YEARS OF SERVICE.

(a) IN GENERAL.—Section 1448(d) of title 10. United States Code, is amended to read as follows:

"(d)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if the member and the member's spouse die as a result of a common accident.

"(3) If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be pro-

vided under any other provision of this subchapter on account of service of the same member.

"(5) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) PERSONS COVERED.—(1) Section 1448(d) of title 10, United States Code, as amended by subsection (a), applies to the surviving spouse and dependent children of a person who dies on active duty after September 20, 1972, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and children of a person who dies during the period beginning on September 21, 1972, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(d) of title 10, United States Code, as amended by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 673. ANNUITY FOR SURVIVORS OF CERTAIN RETIREMENT ELIGIBLE RESERVISTS.

(a) ELIGIBILITY.—Section 1448 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title; or

"(B) during the 90-day period beginning on the date he receives notification under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if the person and the person's spouse die as a result of a common accident.

"(3) If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) The amount of an annuity under the subsection is computed under section 1451(c) of this title.".

(b) EFFECTIVE DATE OF AUTHORITY.—Section 1450(j) of such title is amended by adding at the end thereof the following new sentence: "An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.".

(c) PERSONS COVERED.—(1) Section 1448(f) of title 10, United States Code, as added by subsection (a), shall apply to the surviving spouse and dependent children of any person who dies after September 30, 1978, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 30, 1978, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(f) of title 10, United States Code, as added by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1938, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 674. INDEXING OF THRESHOLD AMOUNT FOR CALCULATION OF REDUCTION OF RETIRED PAY.

Section 1452(a) of title 10, United States Code, is amended—

(1) by inserting "(1) after "(a)";

(2) in the first sentence—

(A) by redesignating clauses (1) and (2) as clauses (A) or (B), respectively;

(B) in clause (A) (as so redesignated)—

(i) by inserting "(as adjusted from time to time under paragraph (4))" after "$300"; and

(ii) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity"; and

(C) in clause (B) (as so redesignated), by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A)" and inserting in lieu thereof "a reserve-component annuity";

(3) by designating the second sentence as paragraph (2) and striking out "As long as" and all that follows through "that amount" and inserting in lieu thereof "If there is a dependent child as well as a spouse, the amount prescribed under paragraph (1)";

(4) by designating the third sentence as paragraph (3) and in such sentence by striking out "the first sentence of this subsection" and inserting in lieu thereof "paragraph (1)"; and

(5) by adding at the end thereof the following new paragraph:

"(4) Whenever there is an increase in the rates of basic pay of members of the armed forces, the amount under paragraph (1)(A) with respect to which the percentage factor of 2½ is applied shall be increase by the overall percentage of such increased in rates of basic pay. Any such increase shall apply with respect to persons who initially become participants in the Plan on or after the effective date of such increase.".

SEC. 675. SBP COVERAGE UPON REMARRIAGE.

(a) OPTION NOT TO RESUME COVERAGE UPON REMARRIAGE.—Section 1448(a) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child;

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect, with the concurrence of the person's spouse, not to provide coverage under the Plan for the person's spouse.

"(B) If such an election is made, no reduction in the retired pay of such person under section 1452 of this title may be made. An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's marriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(C) This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).".

(b) OPTION TO PROVIDE HIGHER COVERAGE UPON PAYMENT OF AMOUNTS NOT PREVIOUSLY WITHHELD.—Section 1448 of such title is amended by adding after subsection (f), as added by the amendment made by section 673(a), the following new subsection:

"(g)(1) A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) Any payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 676. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER.

(a) OPTION TO PROVIDE COVERAGE.—Section 1448(b) of title 10, United States Code, is amended—

(1) by inserting "(other than a child who is a beneficiary under an election under paragraph (4))" in the second sentence of paragraph (2) after "that spouse or child";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4) A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.".

(b) CONFORMING AMENDMENT.—Section 1452(c) of such title is amended—

(1) by inserting "(1)" after "(c)";

(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(3) by striking out "clause (1)" in the second sentence and inserting in lieu thereof "clause (A)"; and

(4) by designating the third sentence as paragraph (3) and inserting immediately before such paragraph the following:

"(2) If the annuity is being provided to a former spouse and if the person providing the annuity elected to provide the annuity to both the former spouse and a dependent child, the reduction in retired pay prescribed by paragraph (1) shall be increased by an amount prescribed under regulations of the Secretary of Defense as long as there is both an eligible former spouse and a dependent child.".

(c) REVISION FOR FORMER SPOUSE COVERAGE ALREADY IN EFFECT.—A person who before the date of the enactment of this Act made an election under section 1448(b) of title 10, United States Code, to provide an annuity for a former spouse may elect, within the one-year period beginning on that date of enactment, to change that election so as to provide an annuity for the former spouse and the dependent children of the person, as authorized by paragraph (4) of that section added by subsection (a). Such an election may be made even though the former spouse for who the annuity was provided has died.

SEC. 677. AUTHORITY TO REPAY REDUNDED SBP DEFUCTIONS IN INSTALLMENTS.

(i) by striking out section 678 and inserting in lieu thereof the following:

Section 1450(k) of title 10, United States Code, is amended—

(1) by inserting "(l)" after "(k)";

(2) by striking out "had never been made," and all that follows and inserting in lieu thereof "had never been made."; and

(3) by adding at the end thereof the following new paragraph:

"(2) A widow or widower whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c). If the repayment is not made in a lump sum, the widow or widower shall pay interest on the amount to be repaid commencing on the date on which the first such payment is due and applied over the period during which any part of the repayment remains to be paid. The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title. Any amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Deparment of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.".

SEC. 678. EFFECTIVE DATE OF DIC OFFSET.

Section 1450(c) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "Any reduction in an annuity under this section required by the preceding sentence shall be effective on the date of the commencement of the period of payment of such compensation under title 38.".

SEC. 679. TECHNICAL AMENDMENTS TO SBP STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended as follows:

(1) Section 1447 is amended by adding at the end thereof the following new paragraphs:

"(11) 'Retired pay' includes retainer pay.

"(12) 'Standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(13) 'Reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.".

(2) Section 1447(2)(C) is amended—

(A) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" in subclause (i) and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" in subclause (ii) and inserting in lieu thereof "a reserve-component annuity".

(3) Paragraphs (1) and (2) of section 1448(b) are each amended by striking out "an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B)" and inserting in lieu thereof "a reserve-component annuity".

(4) Section 1450(b) is amended by striking out "under this section" and inserting in lieu thereof "under the Plan".

(5) Section 1450(j) is amended by striking out "any person providing an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a person providing a reserve-component annuity".

(6) Section 1450(1) is amended—

(A) by striking out "the plan" both places it appears in the first sentence of paragraph (1) and inserting in lieu thereof "the Plan"; and

(B) by striking out "the provision of" in paragraph (2).

(7) Section 1452(c) is amended—

(A) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a reserve-component annuity";

(8)(A) The following sections are each amended by striking out "or retainer" each place it appears: 1448(a)(1)(A), 1448(a)(2)(A), 1448(b)(3)(B), 1450(d), 1450(e), 1450(l)(1), 1450(l)(3)(A)(i), 1452.

(B) The heading for section 1452, and the item relating to that section in the table of sections at the beginning of such subchapter, are each amended by striking out the penultimate and antepenultimate words.

Subpart 2—Provisions Relating to Rights for Spouses and Former Spouses

SEC. 681. SPOUSAL CONCURRENCE FOR ELECTIONS.

(a) CONCURRENCE FOR SBP COVERAGE.—Section 1448(a) of title 10, United States Code, is amended—

(1) by inserting "(with his spouse's concurrence, if required under paragraph (3))" in paragraph (2)(A) after "unless he elects"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.".

(b) CONCURRENCE FOR ELECTION OF COVERAGE AT LESS THAN MAXIMUM AMOUNT.—Section 1447(2)(C) of such title is amended by inserting "(with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title)" after "designated by the person".

SEC. 682. CLARIFICATION OF STATUS OF SPOUSAL AGREEMENTS.

Section 1450(f)(3) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "or has been filed with the court of appropriate jurisdiction in accordance with applicable State law" after "by a court order"; and

(B) by inserting "or receives a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law" before the period; and

(2) in subparagraphs (B) and (C), by inserting "or filing" after "court order".

SEC. 683. NOTICE OF ELECTIONS AVAILABLE.

Section 1455 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) provide that before the date the member becomes entitled to retired pay—

"(A) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(B) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections; and

"(2) establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.".

Subpart 3—Effective Date

SEC. 690. EFFECTIVE DATE.

(a) EFFECTIVE DATE.—Except as otherwise provided in this part, the amendments made by this part shall take effect on the later of—

(1) October 1, 1985; and

(2) the first day of the first month beginning more than 90 days after the date of the enactment of this Act.

(b) PROSPECTIVE BENEFITS ONLY.—No benefits shall accrue to any person by virtue of the enactment of this part for any period before the effective date under subsection (a).

PART G—MISCELLANEOUS

SEC. 695. LEGAL REPRESENTATION OF CIVILIANS OVERSEAS.

(a) IN GENERAL.—Section 1037(a) of title 10, United States Code, relating to counsel before foreign judicial tribunals and administrative agencies, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof "and of persons not subject to the Uniform Code of Military Justice who are employed by or accompanying the armed forces in an area outside the United States and the territories and possessions of the United States, the Northern Mariana Islands, and the Commonwealth of Puerto Rico.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to costs incurred after September 30, 1985.

SEC. 696. SURCHARGE FOR SALES AT ANIMAL DISEASE PREVENTION AND CONTROL CENTERS.

(a) REQUIRED SURCHARGE.—The Secretary of Defense shall require that each time a sale is recorded at a military animal disease prevention and control center the person to whom the sale is made shall be charged a surcharge of $2.

(b) DEPOSIT OF RECEIPTS IN TREASURY.—Amounts received from surcharges under this section shall be deposited in the Treasury in accordance with section 3302 of title 31.

(c) CONFORMING AMENDMENT.—Section 1033 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 672), is repealed.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

SEC. 697. ACCRUED LEAVE.

Section 501(b)(3) of title 37, United States Code, relating to payments for unused accrued leave, is amended by striking out "September 1, 1976" and inserting in lieu thereof "February 9, 1976".

SEC. 698. PAY ALLOTMENTS FOR NAVY AND MARINE CORPS.

(a) STANDARDIZATION OF NAVAL SERVICE PAY ALLOTMENTS WITH ARMY AND AIR FORCE.—(1) Section 701 of title 37, United States Code, is amended—

(A) by striking out "of the Army or the Air Force" in subsections (a), (c), and (d)(1) and inserting in lieu thereof "of the Army, Navy, Air Force, or Marine Corps";

(B) by striking out "of the Army or the Air Force" in subsections (b) and (d)(2) and inserting in lieu thereof "of the Army, Navy, or Air Force"; and

(C) by striking out "Secretary of the Army or the Secretary of the Air Force, as the case may be" in subsections (a) and (d) and inserting in lieu thereof "Secretary of the military department concerned".

(2) The heading of such section is amended to read as follows:

"§ 701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons".

(3) The item relating to such section in the table of sections in the beginning of chapter 13 of such title is amended to read as follows:

"701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons.".

(b) CONFORMING AMENDMENTS.—(1) Sections 702, 705, and 805 of such title are repealed.

(2) The table of sections at the beginning of chapter 13 of such title is amended by striking out the items relating to sections 702 and 705.

(3) The table of sections at the beginning of chapter 15 of such title is amended by striking out the item relating to section 805.

SEC. 699. AUTHORITIES TO COLLECT DEBTS FROM MEMBERS OF THE UNIFORMED SERVICES.

(a) EXTENSION OF AUTHORITY TO PHS AND NOAA.—Subsection (c) of section 1007 of title 37, United States Code, is amended by striking out "armed forces" and inserting in lieu thereof "uniformed services".

(b) DISHONORED CHECKS.—(1) Such section is further amended by adding at the end thereof the following new subsection:

"(h)(1) If a member of a uniformed service draws or makes a check payable to the United States that upon presentment is dishonored, the amount due the United States as the result of the check's being dishonored may be deducted from the pay of the member.

"(2) If there is a service charge prescribed by the Secretary concerned that is applicable to a check that is dishonored, the deduction under this subsection may include the amount of the service charge.

"(3) Deductions from a member's pay under this subsection because a check drawn or made by the member is dishonored may be made only after—

"(A) the member is notified in writing that the check has been dishonored; and

"(B) the member fails to pay the amount of the check to the United States within 30 days after receiving the notice.

"(4) Amounts deducted from a member's pay under this subsection—

"(A) shall be transferred to the agency or instrumentality that was the payee of the dishonored check; and

"(B) shall be credited to the appropriate fund or account of that agency or instrumentality.

"(5) In this subsection:

"(A) 'Check' includes a draft or order.

"(B) 'Member' includes a former member entitled to retired pay.

"(C) 'United States' includes any instrumentality of the United States (including any nonappropriated fund instrumentality).".

(2) Subsection (h) of section 1007 of title 37, United States Code, as added by paragraph (1), shall apply only to checks, drafts, and orders drawn or made after the date of the enactment of this Act.

TITLE VII—CIVIL DEFENSE

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated for fiscal year 1986 to carry out provisions of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.) the sum of $141,425,000.

TITLE VIII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 801. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that a covered contract provide that if the contractor submits to the Department of Defense a proposal for settlement of indirect costs incurred by the contractor for any period after such costs have been accrued and if that proposal includes the submission of an indirect cost that has been expressly specified by statute or regulation as being unallowable—

"(A) that cost shall be disallowed; and

"(B) the contractor shall pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the disallowed cost, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of the disallowed cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered to be a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is questioned; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(4)(A) Whoever, having entered into a contract with the Department of Defense that includes terms for settlement of indirect costs, submits to the Department a proposal for settlement of such costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, knowing that such cost is unallowable, shall be imprisoned not more than 5 years, or fined not more than $250,000 in the case of an individual or $500,000 in case of a corporation.

"(b) The following costs are not allowable under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly) congressional action on any legislation or appropriation matters pending before Congress or a State.

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by common carrier between the points involved.

"(c)(1) Subsection (b)(10) does not apply if travel by common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(10) does not apply to travel by aircraft other than a common carrier if—

"(A) travel by such aircraft is specifically required for contract performance or is otherwise specifically authorized under the contract;

"(B) travel by common carrier is impractical; and

"(C) the travel performed is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(10) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with the requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to contractor costs of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Actions to influence (directly or indirectly) executive branch action on regulatory and contract matters (other than costs incurred in regard to contract proposals pursuant to solicited or unsolicited bids).

"(F) Community relations.

"(G) Dining facilities.

"(H) Professional and consulting services, including legal services.

"(I) Compensation.

"(J) Selling and marketing.

"(K) Travel.

"(L) Public relations.

"(M) Hotel and meal expenses.

"(N) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) may be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal for settlement of indirect costs is submitted to the Secretary. If such documentation is not sufficient to support the allowability of the cost, the cost shall be challenged by the Secretary, and it shall become expressly unallowable and is not subject to negotiation.

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution as being allowable or unallowable separately from the resolution of other challenged costs. If such challenged cost cannot be resolved as being allowable or unallowable separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs or a settlement of each such cost at less than the amount submitted if—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under existing cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.

"(2) The Secretary of Defense shall provide that, to the maximum extent practicable, the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor.

"(f)(1) A contractor that submits a proposal for settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in a form prescribed by the Secretary of Defense.

"(2) The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the requirement for certification under paragraph (1) in the case of any contract if the Secretary—

"(A) determines in such case that it would be in the interest of the United States to waive such certification; and

"(B) states in writing the reasons for that determination and makes such determination available to the public.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a defense contractor for which final settlement will be made at a later time, such rates shall be based upon accounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of defense contracts.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which cost or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 150 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe the regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be published in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b).

(2) The Secretary shall review such regulations at least once every five years. The results of each such review shall be made public.

(c) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require, to the maximum extent possible, that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

(d) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply only to contracts entered into on or after the date on which regulations are prescribed in accordance with subsection (b).

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 803. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3)(A) Except as provided in subparagraph (B), the authority of the Secretary of Defense under this subsection may only be delegated to an officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The authority of the Secretary of Defense under this subsection shall be delegated to the director of the Defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts. Such authority may not be redelegated.".

SEC. 804. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the interest of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination and makes that determination available to the public.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—

(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

SEC. 805. CONTRACTS FOR CERTAIN EDUCATIONAL SERVICES.

(a) IN GENERAL.—In contracting for the provision of off-duty postsecondary education services to be provided by an educational institution to members of the Armed Forces or civilian employees of the Department of Defense (or the dependents of such members or employees), the Secretary of Defense and the Secretaries of the military departments may not—

(1) discriminate, on the basis of an institution's lack of authority to award a baccalaureate degree, against an associate-degree school in a manner that adversely affects such school's opportunity to offer courses (within the scope of its accreditation) under such contract; or

(2) except as provided in subsection (b), limit the offering of courses (or any group, category, or level of courses) to a single educational institution.

(b) EXCEPTIONS.—The Secretary concerned may take such action as may be necessary to avoid unnecessary duplication in the offerings of courses at a military installation consistent to the maximum extent feasible with ensuring alternative providers of education.

(c) COURSES OFFERED ABOARD NAVAL VESSELS.—Nothing in this section requires that more than one educational institution be authorized to offer courses aboard a naval vessel.

(d) DEFINITION.—For the purposes of this section, the term "associate-degree school" means an accredited educational institution that is authorized to award one or more associate degrees.

(e) EFFECTIVE DATE.—This section shall apply to contracts entered into, amended, or renewed on or after the date of the enactment of this Act.

SEC. 806. GAO STUDY OF FEASIBILITY OF CIVILIAN DEFENSE ACQUISITION AGENCY.

(a) STUDY.—The Comptroller General shall carry out a study to review all available evidence, studies, reports, and analyses concerning the organizational structure for defense procurement.

(b) REPORT.—(1) After conducting such study, the Comptroller General shall submit to Congress a report containing the recommendations of the Comptroller General concerning the feasibility of the creation of an agency outside the Department of Defense with the mission to coordinate, supervise, direct, and perform all procurement functions for the Department of Defense. The recommendations of the Comptroller General shall include recommendations for the most efficient method to accomplish the transition of the performance of defense procurement functions from existing military procurement agencies to such an agency.

(2) The report required by paragraph (1) shall be submitted not later than one year after the date of the enactment of this Act.

SEC. 807. REQUIREMENT OF MINIMUM PERCENTAGE OF COMPETITIVE PROCUREMENTS.

(a) IN GENERAL.—Section 2304 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(i)(1) The amount of competitive defense procurements made during a fiscal year (expressed in total dollar value of contracts entered into) may not be less than the amount equal to the product of—

"(A) the applicable percentage for that year (as defined in paragraph (3)); and

"(B) the amount of all applicable procurements made by the Department of Defense during that year (expressed in total dollar value of contracts entered into).

"(2)(A) If in any fiscal year the amount of competitive defense procurements is less than the amount required by paragraph (1) for that critical fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives, not later than 90 days after the end of that fiscal year, a report explaining why the Department was unable to meet the amount of competitive defense procurements required by paragraph (1) for that fiscal year.

"(B) Subparagraph (A) does not apply on or after the first day on which the total of the amounts of competitive defense procurements during and after such fiscal year is equal to or greater than the amount which is equal to the product of—

"(i) the applicable percentage for that fiscal year; and

"(ii) the total of the amounts of all applicable procurements made by the Department of Defense during and after that fiscal year.

"(3) In this subsection:

"(A) 'Applicable percentage', with respect to a fiscal year, means the lesser of—

"(i) 70 percent; or

"(ii) the sum of—

"(I) the total of the current amounts of all competitive procurements; and

"(II) the product of 5 percent and the number of fiscal years which will have elapsed at the end of that fiscal year since fiscal year 1985.

"(B) 'Competitive defense procurements' means procurements made by the Department of Defense to which this chapter applies that are made through the use of competitive procedures.

"(C) 'Applicable procurements' means procurements to which this chapter applies other than—

"(i) a procurement made through an agreement with another country;

"(ii) a procurement made through an agreement with another Federal agency;

"(iii) a transaction with an educational or nonprofit institution;

"(iv) a contract for the acquisition of utility services;

"(v) a procurement made under section 8(a) of the Small Business Act; and

"(vi) a purchase of brand-name items for resale.".

(b) EFFECTIVE DATE.—Subsection (i) of section 2304 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1985.

SEC. 808. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS.

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report required by subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 809. COMPLIANCE OFFICERS FOR DEBARRED OR SUSPENDED FIRMS.

The Secretary of Defense shall ensure that an independent compliance officer is assigned—

(1) to monitor the activities of a defense contractor that is debarred or suspended from being awarded contracts with the Department of Defense; and

(2) to report on any fraudulent or criminal activity by that contractor with respect to any defense contract.

SEC. 810. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense, retired Member of Congress, or a former or retired member of the Armed Forces, retired Member of Congress, who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense or the Congress of the United States.

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTRACTS.—If an officer or employee of the Department of Defense, or a member of the Armed Forces, having significant responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(1) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(2) promptly report (as part of the report under paragraph (1) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(3) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in paragraph (2) is made with respect to such contacts.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (d)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (d)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED PROCUREMENT FUNCTIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense—

(1) shall identify the procurement functions covered by this section and the organizational positions currently performing such functions; and

(2) shall provide a list of such functions and positions to Congress and to the Director of the Office of Government Ethics and publish such list in the Federal Register.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a significant procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (d)(3).

(k) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

SEC. 811. MULTIPLE SOURCES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Major programs: development of multiple sources

"(a)(1) The Secretary of Defense may not begin full-scale engineering development under a major program until—

"(A) the Secretary prepares a plan for competition under the program; and

"(B) the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing that plan.

"(2) Each contract for the development and acquisition of the system under the program, and each contract for the development and acquisition of a major subsystem under the program, shall be awarded in ac-

cordance with the plan prepared under paragraph (1).

"(3) The report required by paragraph (1)(B) shall be submitted not later than the submission of the budget materials the Secretary submits to Congress for the fiscal year for which the initial request is made for appropriations for full-scale engineering development of the program.

"(4) If the Secretary proposes to revise a competition plan prepared under paragraph (1) after the report on the plan is submitted under that paragraph, the Secretary shall submit to the committees a report describing the proposed revision. Such a revision may not be implemented until 60 days after the report on the revision is received by those committees.

"(b)(1) The Secretary shall include in the competition plan for a major program an estimate of whether market conditions for such system (and each such subsystem) exist such that the Secretary has a reasonable expectation that there will be competitive alternative sources of supply for the system (and each such subsystem) throughout the period from the beginning of full-scale engineering development through the end of production under the program.

"(2) If the Secretary's estimate under paragraph (1) that competitive alternative sources of supply will exist later proves incorrect in that fewer than two responsive proposals are received in reply to a request for proposals, the Secretary shall revise the competition plan in accordance with subsection (c)(1).

"(3) A contract for full-scale engineering development or product (including follow-on contracts) under a major program may not be entered into using procedures other than competitive procedures under the authority of clause (1) or clause (7) of section 2304(c) of this title.

"(c)(1) In preparing the portions of a plan that are required by subsection (b)—

"(A) if the Secretary determines that competitive alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the full-scale engineering development of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for full-scale engineering development; and

"(B) if the Secretary determines that competitive alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the production of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for production.

"(2) If a competition plan includes a provision required by paragraph (1)(B), the plan shall also provide that of the total dollar amount of contracts awarded for a fiscal year for production of the system (or major subsystem)—

"(A) the amount awarded to the contractor whose proposal was most advantageous to the United States shall be greater than the amount awarded any other contractor; and

"(B) the amount awarded any other contractor shall be sufficient to enable that contractor to compete effectively for the plurality of the next production contract for the system (or major subsystem).

"(3) The Secretary shall determine which proposals is most advantageous to the United States by considering price and other factors included in the solicitation for proposals for the contract.

"(4) The Secretary may waive provisions of a plan required by paragraph (1) if the Secretary determines that the proposal of the contractor submitting the proposal that is the second most advantageous to the United States is not within a competitive range (as determined by the Secretary) of the proposal that is the most advantageous to the United States.

"(5) In carrying out this subsection, the Secretary may provide that the requirements of a competition plan are satisfied even though the contractors do not develop or produce identical systems if the systems developed or produced serve similar functions and compete effectively with each other.

"(d)(1) In preparing a competition plan for a major program, the Secretary (subject to paragraph (4)) may waive the requirements of subsections (b) and (c) with respect to that program if the Secretary determines that the application of those subsections to that program—

"(A) would materially increase the total cost of the program; or

"(B) would unreasonably delay the completion of the total program.

"(2) If the Secretary grants a waiver under paragraph (1), the report submitted under subsection (a)(1) with respect to that program—

"(A) shall include notice that such waiver has been made; and

"(B) shall set forth the reasons for the waiver, together with supporting documentation of comparative cost and schedule estimates.

"(3) The exercise of the authority provided under paragraph (1) shall be made separately with respect to the application of subsections (b) and (c)—

"(A) to full-scale engineering development of the program; and

"(B) to production of the program.

"(4) The Secretary may not grant a waiver under paragraph (1) if the waiver would cause the total cost of either the major development programs or the major production programs for which all such waivers have been granted to exceed 50 percent of the total cost of all the major development programs or the major production programs, respectively, that enter full-scale engineering development after fiscal year 1986.

"(f) In this section:

"(1) 'Major program' means a major defense acquisition program, as such term is defined in section 139a(a) of this title.

"(2) 'Major subsystem', with respect to a major program, means a subsystem of the system developed under the program for which—

"(A) the amount for research, development, test, and evaluation is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the research, development, test, and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the production funding criterion for identification of a major defense acquisition program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following new item:

"2305a. Major programs: development of multiple sources.".

(b) EFFECTIVE DATE.—Section 2305a of title 10, United States Code, as added by subsection (a), shall apply with respect to major defense acquisition programs for which funds for full-scale engineering development are first provided for a fiscal year after fiscal year 1986.

SEC. 812. COST AND PRICE MANAGEMENT IN DEFENSE PROCUREMENT.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2406. Cost and price management

"(a) In this section:

"(1) 'Covered contract' means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306 (f) of this title, including contracts for full-scale engineering, development, or production.

"(2) 'Defense agency' means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

"(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, material costs, subcontract costs, overhead costs, general and administrative costs, fee or profit, recurring costs, and nonrecurring costs.

"(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor use by the prime contractor and each associate contractor in manufacturing the item and for labor used by each such contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

"(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as 'should-take times') for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the 'fair day's work' concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard systems widely used in the United States, as determined by the defense agency, subject to verification by audit.

"(C) The head of a defense agency acquiring a bill of labor referred to in subparagraph (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured

work content as work progresses under the contract to which the bill of labor relates.

"(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of material used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in performing routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

"(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

"(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

"(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of the enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost and price management.".

TITLE IX—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SEC. 901. SHORT TITLE.

This title may be cited as the "Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1986".

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 911. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For naval reactors development, $489,000,000.

(2) For weapons activities, $3,526,419,000, to be allocated as follows:

(A) For research and development, $850,300,000.

(B) For weapons testing, $539,000,000.

(C) For the defense inertial confinement fusion program, $145,000,000, of which—

(i) $88,000,000 shall be used for glass laser experiments;

(ii) $38,000,000 shall be used for gas laser experiments;

(iii) $19,000,000 shall be used for pulsed power experiments.

(D) For production and surveillance, $1,893,419,000.

(E) For program direction, $98,700,000.

(3) For verification and control technology, $83,475,000, of which $3,800,000 shall be used for program direction.

(4) For defense nuclear materials production, $1,575,700,000, to be allocated as follows:

(A) For uranium enrichment, $214,000,000.

(B) For production reactor operations, $581,380,000.

(C) For processing of defense nuclear materials, $502,445,000, of which—

(i) $74,800,000 shall be used for special isotope separation;

(ii) $26,000,000 shall be used for the plasma separation process program.

(D) For supporting services, $256,575,000.

(E) For program direction, $21,300,000.

(5) For defense nuclear waste and byproduct management, $395,037,000, to be allowed as follows:

(A) For interim waste management, $271,000,000.

(B) For long-term waste management technology, $96,567,000.

(C) For terminal waste storage, $25,070,000.

(D) For program direction, $2,400,000.

(6) For nuclear safeguards and security technology development program, $54,325,000, of which $6,925,000 shall be used for program direction.

(7) For security investigations, $33,400,000.

SEC. 912. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 86-D-101, general plant projects, various locations, $29,900,000.

Project 86-D-121, general plant projects, various locations, $33,700,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $3,700,000.

Project 86-D-105, instrumentation systems laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,200,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $3,000,000.

Project 86-D-123, environmental hazards elimination, various locations, $8,700,000.

Project 86-D-124, safeguards and site security upgrading, phase II, Mound Plant, Miamisburg, Ohio, $3,000,000.

Project 86-D-125, safeguards and site security upgrade, phase II, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, phase I, various locations, $65,400,000, for a total project authorization of $100,800,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $16,400,000, for a total project authorization of $21,100,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $1,900,000, for a total project authorization of $2,700,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $15,300,000, for a total project authorization of $19,800,000.

Project 85-D-113, powerplant and steam distribution system, Pantex Plant, Amarillo, Texas, $18,500,000, for a total project authorization of $23,000,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $17,700,000, for a total project authorization of $20,600,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $14,000,000, for a total project authorization of $19,000,000.

Project 85-D-123, safeguards and site security upgrade, phase I, Pantex Plant, Amarillo, Texas, $4,000,000, for a total project authorization of $5,000,000.

Project 85-D-124, safeguards and site security upgrade, Rocky Flats Plant, Golden, Colorado, $2,400,000, for a total project authorization of $3,400,000.

Project 85-D-125, tactical bomb production facilities, various locations, $11,000,000, for a total project authorization of $21,000,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $15,500,000, for a total project authorization of $37,500,000.

Project 84-D-104, nuclear materials storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,100,000, for a total project authorization of $19,300,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $14,900,000, for a total project authorization of $65,940,000.

Project 84-D-112, Trident II warhead production facilities, various locations, $60,700,000, for a total project authorization of $140,700,000.

Project 84-D-113, antisubmarine warfare/standoff weapon warhead production facilities, various locations, $10,000,000.

Project 84-D-115, electrical system expansion, Pantex Plant, Amarillo, Texas, $3,300,000, for a total project authorization of $14,800,000.

Project 84-D-117, inert assembly and test facility, Pantex Plant, Amarillo, Texas, $400,000, for a total project authorization of $13,600,000.

Project 84-D-118, high-explosive subassembly facility, Pantex Plant, Amarillo, Texas, $33,000,000, for a total project authorization of $40,000,000.

Project 84-D-120, explosive component test facility, Mound Plant, Miamisburg, Ohio, $2,300,000, for a total project authorization of $22,300,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $7,500,000, for a total project authorization of $23,000,000.

Project 84-D-212, safeguards and site security upgrade, Pinellas Plant, Florida, $3,800,000, for a total project authorization of $7,500,000.

Project 83-D-199, buffer land acquisition, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $10,000,000, for a total project authorization of $34,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, phase III, various locations, $175,500,000, for a total project authorization of $745,900,000.

Project 82-D-111, interactive graphics systems, various locations, $6,000,000, for a total project authorization of $26,000,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $10,300,000, for a total project authorization of $34,000,000.

Project 79-7-0, universal pilot plant, Pantex Plant, Amarillo, Texas, $4,500,000, for a total project authorization of $20,400,000.

(2) For materials production:

Project 86-D-146, general plant projects, various locations, $32,500,000.

Project 86-D-149, productivity retention program, phase I, various locations, $27,200,000.

Project 86-D-148, special isotope separation plant (design only) site undesignated, $8,000,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $5,460,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $3,500,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $4,000,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $2,000,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $2,500,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $3,000,000.

Project 86-D-157, hydrofluorination system—FB-line, Savannah River, South Carolina, $2,200,000.

Project 85-D-137, vault safety special nuclear material inventory system, Richland, Washington, $1,900,000, for a total project authorization of $4,400,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $15,000,000, for a total project authorization of $25,000,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $12,000,000, for a total project authorization of $18,000,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $16,000,000, for a total project authorization of $25,800,000.

Project 84-D-135, process facility modifications, Richland, Washington, $15,000,000, for a total project authorization of $32,500,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $7,200,000, for a total project authorization of $19,600,000.

Project 83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina, $3,100,000, for a total project authorization of $22,100,000.

Project 82-D-124, restoration of production capabilities, phases II, III, IV, and V, various locations, $44,900,000, for a total project authorization of $349,534,000.

Project 82-D-201, special plutonium recovery facilities, JB-Line, Savannah River, South Carolina, $4,400,000, for a total project authorization of $83,800,000.

(3) For defense waste and byproducts management:

Project 86-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $25,451,000.

Project 86-D-172, B plant F filter, Richland, Washington, $1,000,000.

Project 86-D-173, central waste disposal facility, Oak Ridge, Tennessee, $1,000,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $2,500,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,000,000.

Project 85-D-157, seventh calcined solids storage facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,500,000, for a total project authorization of $21,500,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $5,000,000, for a total project authorization of $5,700,000.

Project 85-D-159, new waste transfer facilities, H-Area, Savannah River, South Carolina, $9,000,000, for a total project authorization of $20,000,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National engineering Laboratory (INEL), Idaho, $2,250,000, for a total project authorization of $4,250,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $165,000,000, for a total project authorization of $597,500,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $4,500,000, for a total project authorization of $5,500,000.

(5) Nuclear safeguards and security:

Project 86-D-186, nuclear safeguards technology laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

(6) For naval reactors development:

Project 86-N-101, general plant projects, various locations, $4,000,000.

Project 86-N-104, reactor modifications, advance test reactor, Idaho National Engineering Laboratory, $4,500,000.

Project 82-N-111, materials facility, Savannah River, South Carolina, $11,000,000, for a total project authorization of $176,000,000.

Project 81-T-112, modifications and additions to prototype facilities, various locations, $27,000,000, for a total project authorization of $137,000,000.

(7) For capital equipment not related to construction:

(A) for weapons activities, $266,750,000;

(B) for inertial confinement fusion, $10,000,000;

(C) for materials production, $123,440,000;

(D) for defense waste and byproducts management, $38,997,000;

(E) for verification and control technology, $5,600,000;

(F) for nuclear safeguards and security, $4,600,000; and

(G) for naval reactors development, $28,000,000.

PART B—RECURRING GENERAL PROVISIONS

SEC. 921. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—Except as otherwise provided in this title—

(1) no amount appropriated pursuant to this title may be used for any program in excess of 105 percent of the amount authorized for that program by this title or $10,000,000 more than the amount authorized for that program by this title, whichever is the lesser, and

(2) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress,

unless a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of Congress of notice from the Secretary of Energy (hereinafter in this part referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or unless each such committee before the expiration of such period has transmitted to the Secretary written notice to the effect that such committee has no objection to the proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 922. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated costs of the construction project does not exceed $1,000,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,000,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

(c) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated to carry out all general plant projects authorized by this title exceed the total amount authorized to be appropriated for such projects by this title.

SEC. 923. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—Whenever the current estimated cost of a construction project which is authorized by section 912 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(1) the amount authorized for the project; or

(2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress,

construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action, or unless each committee before the expiration of such period has notified the Secretary it has no objection to the proposed action.

'(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 924. FUND TRANSFER AUTHORITY.

To the extent specified in appropriation Acts, funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

SEC. 925. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the appropriate committees of Congress in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 926. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN.

In addition to the advance planning and construction design authorized by section 912, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 927. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 928. ADJUSTMENTS FOR PAY INCREASES.

Appropriations authorized by this title for salary, pay, retirement, or other benefits for Federal employees may be increased by such amounts as may be necessary for increases in such benefits authorized by law.

SEC. 929. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for Department of Energy defense programs may remain available until expended.

PART C—SPECIAL PROGRAM PROVISIONS

SEC. 931. GENERAL REDUCTION.

The total amount that may be appropriated pursuant to the authorizations in this title is the amount equal to the sum of the amounts authorized in this title reduced by $32,280,000. Of such reduction—

(1) $10,000,000 shall be derived from funds for acquisition of automated data processing and computer equipment;

(2) $14,000,000 shall be derived from savings from management initiatives; and

(3) $8,280,000 shall be derived from proposed rescission R85-80.

SEC. 932. COMMUNITY ASSISTANCE PAYMENTS.

(a) FINAL SETTLEMENT.—Subject to the provisions of appropriation Acts, the Secretary of Energy is authorized to obligate during fiscal year 1986 not more than $41,133,000 from funds available to the Department of Energy for the purpose of carrying out a contract with Anderson County and Roane County, Tennessee, and the City of Oak Ridge, Tennessee, that would provide a final financial settlement with those entities and terminate all annual assistance payments made to those entities pursuant to section 91 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391), and for advance payment of payments in lieu of property taxes for the fiscal years 1986 through 1996 authorized by section 168 of the Atomic Energy Act of 1954 (42 U.S.C. 2208).

(b) REPORT TO CONGRESS.—Not later than February 1, 1986, the Secretary of Energy shall submit to the appropriate committees of Congress a report and the Secretary's recommendations concerning any need for any further financial assistance payments to local governmental entities pursuant to the Atomic Energy Community Act of 1955. In making such recommendations, the Secretary shall consider—

(1) the criteria established by section 91 of the Atomic Energy Act of 1954;

(2) changes in the financial circumstances of State and local governmental entities since 1955;

(3) other forms of Federal assistance to State and local governmental entities provided since 1955; and

(4) the deficit of the Federal budget.

(c) LIMITATION.—No funds may be obligated for the purposes set forth in subsection (a) until—

(1) the Secretary has submitted a copy of an executed contract that complies with the requirements of that subsection to the appropriate committees of Congress; and

(2) a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt of such contract.

SEC. 933. IMPROVEMENTS TO DEPARTMENT OF ENERGY BUILDING AT OAK RIDGE, TENNESSEE.

Subject to the provisions of appropriations Acts, the Secretary of Energy is authorized to obligate not more than $5,000,000 during fiscal year 1986 from funds available to the Department of Energy to renovate a building owned by the Department of Energy at Oak Ridge, Tennessee if the Secretary determines that the Department's research and development requirements of the Strategic Defense Initiatives program require such renovations.

SEC. 934. PROHIBITION OF USE OF FUNDS FOR CERTAIN PURPOSES.

No amount appropriated pursuant to this title may be used in any way, directly or indirectly, for any of the following:

(1) Publicity or propaganda purposes not authorized by the Congress.

(2) Advertising, other than for recruiting employees, acquiring necessary items or services, or disposing of scrap or surplus material.

(3) The purpose of influencing congressional action on any legislation or appropriation matters pending before the Congress.

(4) Contributions or donations, regardless of the recipient, including political contributions.

(5) Initiation fees or dues paid to any social, country, or similar type club or organization.

(6) Gifts.

(7) Entertainment costs.

(8) The use of corporate aircraft in connection with any of the foregoing purposes or any use of such aircraft that has any personal benefit to the user.

SEC. 935. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Sections 1623(a) and 1626 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) are amended by striking out "section 302" and inserting in lieu thereof "section 1602".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be considered to have been made on the date of the enactment of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985.

TITLE X—MILITARY FAMILY POLICY AND PROGRAMS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Military Family Act".

SEC. 1002. OFFICE OF FAMILY POLICY.

(a) ESTABLISHMENT.—There is hereby established in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the "Office"). The Office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

(b) DUTIES.—The Office shall coordinate programs and activities of the military departments relating to military families and shall make recommendations to the Secretaries of the military departments with respect to programs, activities, and policies relating to military families.

(c) REPORT.—The Secretary of Defense shall report to Congress, no later than September 30, 1986. The report shall include—

(1) a description of the activities of the Office and the composition of its staff; and

(2) the recommendations of the Office for legislative and administrative action to enhance the well-being of military families.

SEC. 1003. TRANSFER OF MILITARY FAMILY RESOURCE CENTER.

The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

SEC. 1004. SURVEYS OF MILITARY FAMILIES.

The Secretary of Defense may conduct surveys, without clearance from any other Federal agency, to determine the effectiveness of existing Federal programs relating to military families and the need for new programs.

SEC. 1005. FAMILY MEMBERS SERVING ON ADVISORY COMMITTEES.

A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

SEC. 1006. EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.

(a) AUTHORITY.—The President may, pursuant to the authority of section 3302 of title 5, United States Code, except from the

competitive service positions in the Department of Defense located outside the United States to provide employment opportunities for qualified spouses of members of the Armed Forces stationed outside the United States.

(b) REGULATIONS.—The Secretary of Defense shall issue regulations to ensure that—

(1) notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the Armed Forces whose permanent duty stations are in the same geographical area as the area in which the position is located;

(2) the spouse of a member of the Armed Forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographical area as the permanent duty section of the member;

(3) the qualified spouse of a member of the Armed Forces stationed outside the United States may be appointed to a position excepted from the competitive service under subsection (a) in the Department of Defense in the same geographical area as the permanent duty station of the member; and

(4) all Department of Defense nonappropriated fund activities give preference in hiring to qualified dependents of members of the Armed Forces stationed in the same geographic area as the nonappropriated fund activity for positions in wage grade UA-8 and below and equivalent positions, and positions paid at hourly rates.

SEC. 1107. YOUTH SPONSORSHIP PROGRAM.

The Secretary of Defense shall provide for the establishment at each military installation of a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when relocation to that military installation is a result of a permanent change of station. Such a program shall provide for involvement of dependent children of members stationed at the military installation.

SEC. 1008. STUDENT TRAVEL WITHIN THE UNITED STATES.

Funds available to the Department of Defense for the travel and transportation of dependent students of military personnel stationed overseas may be obligated for transportation allowances for travel within or between the contiguous United States.

SEC. 1009. RELOCATION AND HOUSING.

(a) RELOCATION ASSISTANCE.—The Secretary of Defense may, subject to available appropriations, enter into contracts with firms which provide assistance to individuals relocating from one geographic area to another to provide such assistance to members of the uniformed services and members of their families.

(b) AMORTIZATION PERIOD FOR PARKING FACILITIES FOR HOUSE TRAILERS AND MOBILE HOMES.—Subsection (k) of section 403 of title 37, United States Code, is amended by striking out "15-year period" and inserting in lieu thereof "25-year period".

(c) COST OF UNACCOMPANIED PERSONNEL HOUSING FOR MEMBERS OF UNIFORMED SERVICE.—Section 5911 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) A member of the uniformed service on a permanent change of duty station or temporary duty orders and occupying unaccompanied personnel housing—

"(1) is exempt from the requirement of subsection (c) to pay a rental rate or charge based on the reasonable value of the quarters and facilities provided; and

"(2) shall pay such lesser rate or charge as the Secretary of Defense establishes by regulation.".

SEC. 1010. FOOD PROGRAMS.

(a) FOOD COSTS FOR CERTAIN ENLISTED MEMBERS.—Section 1011 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Enlisted members in pay grades E-1, E-2, E-3, and E-4, and members of their immediate families, may not be charged for meals sold at messes in excess of a level sufficient to cover food costs.".

(b) REIMBURSEMENT FOR FOOD AT CHILD CARE FACILITIES OVERSEAS.—The Secretary of Defense shall provide payments, from appropriated funds, to military child care facilities overseas for reimbursement of the costs of food and food preparation. The amounts of such payments shall be determined in the same manner as payments provided by the Secretary of Agriculture for reimbursement to child care facilities in the United States under section 17 of the National School Lunch Act (42 U.S.C. 1766).

(c) REPORT ON ISSUING FOOD STAMPS COUPONS TO OVERSEAS HOUSEHOLDS OF MEMBERS STATIONED OUTSIDE THE UNITED STATES.—The Secretary of Defense shall submit a report to Congress not later than December 31, 1985, on the feasibility of having the Department issue food stamp coupons to overseas households of members stationed outside the United States. The report shall include—

(1) an estimate of the cost of providing the coupons; and

(2) legislative and administrative recommendations for providing for the issuance of the coupons.

SEC. 1011. REPORTING OF CHILD ABUSE.

(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the Armed Forces (or the spouse of the member).

(b) DEFINITION.—For purposes of this section the term "child abuse and neglect" shall have the same meaning as provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

SEC. 1012. MISCELLANEOUS REPORTING REQUIREMENTS.

(a) HOUSING AVAILABILITY.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces and their families.

(2) The report shall—

(A) examine the availability of affordable housing for each pay grade and for all geographic areas within the United States and for appropriate overseas locations; and

(B) examine the relocation assistance provided by the Department of Defense incident to a permanent change of station by a member of the Armed Forces in locating housing at the member's new duty station and in disposing of housing at the member's old duty station.

(b) NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report recommending administrative and legislative action to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements is not subject to unnecessary disruptions in education or inequitable, unduly burdensome, or duplicative education requirements.

SEC. 1013. EFFECTIVE DATE.

This title shall take effect on October 1, 1985.

TITLE XI—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

SEC. 1101. TRANSFER AUTHORITY.

(a) AUTHORITY OF TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act between any such authorizations (or any subdivisions thereof. Amounts of authorizations so transferred shall be merged with and be available for the same purpose as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1102. TRANSFER AUTHORITY.

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(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1103. CONTRACTED ADVISORY AND ASSISTANCE SERVICES.

(a) ACCOUNTING PROCEDURE.—(1) The Secretary of Defense shall require that there be established within each military department an accounting procedure to aid in the identification and control of expenditures

for services identified as contracted advisory and assistance services.

(2) Not later than six months after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the accounting procedure implemented in each military department pursuant to paragraph (1).

(b) REGULATIONS TO DISTINGUISH WEAPONS-RELATED ADVISORY SERVICES.—(1) The Secretary shall prescribe regulations which specifically describe—

(A) what services the Department of Defense considers to be contracted advisory and assistance services; and

(B) of those services, which services are carried out in direct support of a weapons system and are essential to the development, production, or maintenance of the system.

(2) Regulations required by paragraph (1) shall be prescribed not later than six months after the date of enactment of this Act.

(c) CONGRESSIONAL BUDGET DOCUMENTS.—Budget documents presented to Congress in support of the annual budget for the Department of Defense shall identify contracted advisory and assistance services as defined under regulations prescribed pursuant to subsection (b) and shall separately set forth amounts for such services described in subsection (b)(1)(B).

SEC. 1104. REVISIONS TO FIVE-YEAR DEFENSE PLAN.

(a) REVISED PLANS.—The Secretary of Defense shall submit to Congress a report containing—

(1) an adjusted five-year defense plan for fiscal year 1986 through fiscal year 1990 in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than three percent over the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year; and

(2) a second five-year defense plan for those years in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year.

(b) MATTERS TO BE INCLUDED.—The plans included in the report under subsection (a) shall include the following:

(1) A single amount for the amount of new budget authority proposed for each appropriation account of the Department of Defense, except that for the procurement appropriation accounts, the amount of such new budget authority shall be shown at the budget-activity level.

(2) The annual procurement plan for each of the five years for each major defense acquisition program, as defined in section 139a(a) of title 10, United States Code.

(c) DEADLINE FOR SUBMISSION.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 1105. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing an explanation of what the Department of Defense does in any fiscal year with funds that are not expended as a result of a decrease in the anticipated rate of inflation during that year.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal, or alternative proposals, for a budget system under which—

(1) funds that are appropriated to the Department of Defense for any fiscal year for procurement or for research, development, test, and evaluation would be appropriated to the Department without the addition of an amount for anticipated inflation during such fiscal year; and

(2) requests would be made to Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures that would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations that the Secretary considers appropriate.

SEC. 1106. AUTHORIZATION OF APPROPRIATIONS FOR TRANSPORTATION OF NONLETHAL ASSISTANCE TO AFGHAN REFUGEES.

There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $10,000,000 for transportation of nonlethal assistance to persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union, as authorized in title III.

SEC. 1107. REPORT OF UNOBLIGATED BALANCES.

(a) REQUIRED REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives reports containing an estimate of the amount of funds in each appropriation account of the Department of Defense that at the time of the report—

(1) is available for obligation; and

(2) is in excess of the amount needed to carry out the programs for which the funds were appropriated.

(b) MATTERS TO BE INCLUDED.—Each estimate under subsection (a) shall include amounts attributable to—

(1) inflation savings;

(2) foreign currency savings;

(3) excess working capital fund cash; and

(4) all other savings.

(c) UNAFFECTED INCREASES.—The report shall also identify unanticipated cost increases resulting from adverse economic trends.

(d) SUBMISSION OF REPORT.—The reports shall be submitted to Congress each year with the President's budget for the next fiscal year, with the April Budget Update, and with the Mid-session Budget Review. However, the first such report shall be submitted not later than 30 days after the date of the enactment of this Act.

SEC. 1108. AUTHORIZATION OF TRANSFERS FOR FY85 PAY SUPPLEMENTAL.

There is authorized to be transferred to, and merged with, amounts appropriated to the Department of Defense for operation and maintenance and for military personnel for fiscal year 1985 such sums as may be necessary to provide for civilian and military pay raises provided by law. Such amounts shall be derived from amounts previously appropriated to the Department of Defense remaining available for obligation and no longer required for the purposes for which they were originally provided. Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

PART B—DEFENSE MANAGEMENT

SEC. 1111. ANNUAL SELECTED ACQUISITION REPORTS.

Subsection (c) of section 139a of title 10, United States Code, is amended to read as follows:

"(c)(1) Each Selected Acquisition Report for the first quarter for a fiscal year shall include—

"(A) the same information, in detailed and summarized form, as is provided in reports submitted under section 139 of this title;

"(B) the current program acquisition unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and

"(C) such other information as the Secretary of Defense considers appropriate.

"(2) Each Selected Acquisition Report for the first quarter of a fiscal year shall be prepared and submitted with the same content as was used for the Selected Acquisition Report for the first quarter of fiscal year 1984.

"(3) In addition to the material required by paragraphs (1) and (2), each Selected Acquisition Report for the first quarter of a fiscal year shall include—

"(A) a full life-cycle cost analysis for each major defense acquisition program included in the report that—

"(i) is in the full-scale engineering development stage or has completed that stage; and

"(ii) was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985;

"(B) if the system that is included in that major defense acquisition program has an antecedent system, a full life-cycle cost analysis for that system; and

"(C) production information for each major defense acquisition program included in the report, including (with respect to each such program)—

"(i) specification of the baseline production rate for each year of production of the program, defined as the production rate for each fiscal year through completion of procurement assumed in the decision to proceed with production (commonly referred to as the "Milestone III" decision);

"(ii) specification of the production rate for each fiscal year through completion of procurement assumed in the cost-effectiveness analysis prepared in conjunction with the decision to proceed with full-scale engineering development (commonly referred to as the "Milestone II" decision);

"(iii) specification of the maximum production rate for each year of production under the program, defined as the production rate for each fiscal year through completion of procurement attainable with the facilities and tooling currently programmed to be available for procurement under the program or otherwise provided by Government funds;

"(iv) specification of the current production rate for each year of production, defined as the production rate for the fiscal year during which the report is submitted and the annual production rate currently programmed for each subsequent fiscal year through completion of procurement, based on the President's Budget for the following fiscal year;

"(v) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the baseline production rate specified under clause (i); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the baseline production rate specified under clause (i);

"(vi) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the maximum production rate specified under clause (iii); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the maximum production rate specified under clause (iii); and

"(vii) estimation of any schedule or delivery variance—

"(I) between total quantities assumed in the baseline production rate specified under clause (i) and the current production rate specified under clause (iv); and

"(II) total quantities assumed in the maximum production rate specified under clause (iii) and the current production rate specified under clause (iv).

"(4) Selected Acquisition Reports for the first quarter of a fiscal year shall be known as comprehensive annual Selected Acquisition Reports.".

SEC. 1112. ANNUAL REPORT ON GUARD AND RESERVE EQUIPMENT.

Section 138(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary shall include in each report under paragraph (2) the following:

"(A) A listing of each major item of equipment required by the Selected Reserve of the Ready Reserve of each reserve component indicating—

"(i) the full war-time requirement of that component for that item, shown in accordance with deployment schedules and requirements over successive 30-day periods following mobilization;

"(ii) the number of each such item in the inventory of the component;

"(iii) a separate listing of each such item in the inventory that is a deployable item and is not the most desired item;

"(iv) the number of each such item projected to be in the inventory at the end of the third succeeding fiscal year; and

"(v) the number of nondeployable items in the inventory as a substitute for a required major item of equipment.

"(B) A narrative explanation of the plan of the Secretary concerned to provide equipment needed to fill the war-time requirement for each major item of equipment to all units of the Selected Reserve, including an explanation of the plan to equip units of the Selected Reserve that are short major items of equipment at the outset of war.

"(C) For each item of major equipment reported under paragraph (2)(C) in a report for one of the three previous years under this subsection as an item expected to be procured for the Selected Reserve or to be transferred to the Selected Reserve, the quantity of such equipment actually procured for or transferred to the Selected Reserve.".

SEC. 1113. PROHIBITION ON CERTAIN TRANSFERS TO FOREIGN GOVERNMENTS.

Funds appropriated to the Department of Defense may not be used—

(1) to transfer to a foreign government a technical data package from a Government-owned, Government-operated defense plant manufacturing large caliber cannons; or

(2) to assist a foreign government in producing a defense item currently being manufactured or developed in such a defense plant.

SEC. 1114. DEPOT-LEVEL MAINTENANCE OF SHIPS HOMEPORTED ON WEST COAST.

The Secretary of the Navy—

(1) shall review the depot-level maintenance workload for naval vessels scheduled, as of May 8, 1985, to be carried out in Japan during fiscal years 1986, 1987, and 1988; and

(2) shall require that not less than one-half of such work (measured in cost) be carried out in the United States.

SEC. 1115. STUDY AND PLAN FOR THE DESTRUCTION OF CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL.—Before any destruction of the United States' stockpile of lethal chemical agents and munitions may take place, the Secretary of Defense shall conduct a study for the purpose of formulating and making recommendations for a master-plan and a schedule for destroying such stockpile.

(b) SPECIFIC REQUIREMENT.—Such study shall consider, but not be limited to—

(1) technological advances in techniques used to destroy chemcial agents and munitions; and

(2) the feasibility of establishing a national destruction site within or outside the continental United States.

(c) SUBMISSION OF REPORT.—The Secretary of Defense shall transmit a copy of the findings and conclusions of such study, including the masterplan and schedule described in subsection (a), to the Committees on Armed Services and the Committees on Appropriations of the House of Representatives and of the Senate.

(d) EXCEPTION.—The prohibition contained in subsection (a) shall not apply to the destruction or continued storage of the 476,885 chemical munitions declared by the Secretary of the Army to be obsolete and to have no military value.

SEC. 1116. DEMONSTRATION PROJECT TO TEST THE USE OF A CERTAIN COMPUTER SYSTEM IN MILITARY HOSPITALS.

(a) TEST OF VETERANS' ADMINISTRATION DECENTRALIZED HOSPITAL COMPUTER PROGRAM.—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a demonstration project for the purpose of testing the use in military hospitals of the hospital management computer system of the Veterans' Administration known as the Veterans' Administration's decentralized hospital computer program. The purpose of the test shall be to determine the feasibility and cost-effectiveness of the use in military hospitals of such system rather than the use of a centralized hospital management computer system, including the system referred to as the Composite Health-Care System.

(b) DURATION AND LOCATION OF DEMONSTRATION PROJECT.—The demonstration project under subsection (a) shall be carried out over a six-month period beginning on December 1, 1985, in six military hospitals designated by the Secretary. Two of such hospitals shall be under the jurisdiction of the Secretary of the Army, two shall be under the jurisdiction of the Secretary of the Navy, and to shall be under the jurisdiction of the Secretary of the Air Force.

(c) USE OF ALL COMPONENTS OF DHCP.—The Secretary, in consultation with the Administrator of Veterans' Affairs, shall ensure that all components of the system referred to in subsection (a) (including equipment and software) are used in each hospital in which the system is tested under this section.

(d) ASSISTANCE FROM VETERANS' ADMINISTRATION.—The Administrator of Veterans' Affairs shall provide, on a reimbursable basis, such personnel and equipment as are requested by the Secretary and determined by the Administrator to be available in order to assist the Secretary in carrying out the demonstration project under subsection (a).

(e) REPORT.—The Secretary shall transmit to Congress a report describing the demonstration project carried out under this section. Such report shall include specific findings and conclusions by the Secretary, and by the Secretary of each military department, with respect to the feasibility and cost-effectiveness of using the system referred to in subsection (a) in military hospitals, including the cost advantage that would accrue from acquiring a hospital management computer system in the near term rather than the date that would apply if the Secretary were to acquire a centralized computer system, including the system referred to as the Composite Health-Care System.

(f) RESTRICTION.—The Secretary may not enter into a contract for the procurement of a centralized computer system for military hospitals, including the system referred to as the Composite Health-Care System, until the Secretary has evaluated the results of the project carried out under this section, specifically with regard to the feasibility and cost-effectiveness of using the computer system referred to in subsection (a) for military hospitals instead of using a centralized computer system, including the system referred to as the Composite Health-Care System.

(g) COMPTROLLER GENERAL REPORT.—The Comptroller General shall evaluate the conduct of the demonstration project and shall report to Congress whether the Secretary has carried out the demonstration program in accordance with this section.

(h) DEFINITION.—In this section, the term "military hospital" means a hospital or medical center under the jurisdiction of the Secretary of the military department.

SEC. 1117. DATES FOR INITIAL OPERATIONAL CAPABILITY FOR AIR FORCE SHUTTLE OPERATIONS AND PLANNING COMPLEX.

(a) PRIORITY FOR ACHIEVING SPECIFIED IOC's.—The Secretary of the Air Force shall place the highest priority on meeting the following initial operational capability (IOC) dates for a fully capable Shuttle Operations and Planning Complex (SOPC) of the Consolidated Space Operations Center (CSOC):

(1) July 1987 for mission planning.

(2) January 1992 for mission readiness (including astronaut training).

(3) November 1992 for mission control.

(b) REPORT.—No later than December 31, 1985, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on how the IOC dates set forth in subsection (a) will be met.

SEC. 1118. REVISION AND EXTENSION OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(A) IN GENERAL.—Chapter 142 of title 10, United States Code, is amended to read as follows:

"CHAPTER 142—PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

"Sec.
"2411. Definitions.
"2412. Purposes.
"2413. Cooperative agreements.
"2414. Limitation.
"2415. Geographic distribution of assistance.
"2416. Amount of assistance.
"2417. Regulations.

"§ 2411. Definitions

"In this chapter:

"(1) 'Eligible entity' means—

"(A) a State (as defined in section 6302(5) of title 31);

"(B) a local government (as defined in section 6302(2) of title 31); and

"(C) a private, nonprofit organization.

"(2) 'Distressed entity' means an eligible entity (within the meaning of paragraph (1)(B)) that—

"(A) has a per capita income of 80 percent or less of the State average; or

"(B) has an unemployment rate one percent greater than the national average for the most recent 24-month period for which statistics are available.

"(3) 'Secretary' means the Secretary of Defense acting through the Director of the Defense Logistics Agency.

"§ 2412. Purposes

"The purposes of the program authorized by this chapter are—

"(1) to increase assistance by the Department of Defense to eligible entities furnishing procurement technical assistance to business entities; and

"(2) to assist eligible entities in the payment of the costs of establishing and carrying out new procurement technical assistance programs and maintaining existing procurement technical assistance programs.

"§ 2413. Cooperative agreements

"(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

"(b) Under any such cooperative agreement, the eligible entity shall agree to furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance, except that in the case of an eligible entity that is a distressed entity, the Secretary may agree to furnish more than one-half, but not more than three-fourths, of such cost.

"(c) In entering into cooperative agreements under subsection (a), the Secretary shall assure that at least one procurement technical assistance program is carried out in each Department of Defense contract administration services region during each fiscal year.

"§ 2414. Limitation

"The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed $150,000.

"§ 2415. Geographic distribution of assistance

"During each fiscal year, the Secretary shall initially allocate funds available for assistance under this chapter equally to each defense contract administration services region. If in any fiscal year there is an insufficient number of satisfactory proposals in a region for cooperative agreements to allow effective use of the funds allocated to that region, the funds remaining with respect to that region shall be reallocated among the remaining regions.

"§ 2416. Amount of assistance

"During each of fiscal years 1986 and 1987, assistance under this chapter may not exceed $7,500,000.

"§ 2417. Regulations

"The Secretary of Defense shall prescribe regulations to carry out this chapter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 1119. LIMITATIONS ON PROGRESS PAYMENTS.

(a) PROGRESS PAYMENTS TO BE BASED ON ACTUAL PROGRESS.—The Secretary of Defense shall require that progress payments under a defense contract that provides for such payments shall be made only—

(1) after the work (including work in progress) for which payment is made is accomplished, as determined by the Secretary; and

(2) in accordance with a schedule of payments commensurate with the estimated cost of accomplished work of acceptable quality.

(b) REQUIREMENT THAT TERMS BE MADE DEFINITE.—Progress payments referred to in subsection (a) may not be made for more than 80 percent of the work accomplished under a defense contract so long as the Secretary of Defense has not made the contractual terms, specifications, and price definite.

(c) WAIVER OF SMALL PURCHASES.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(d) EFFECTIVE DATE.—This section shall apply only to contracts entered into, extended, or substantially altered after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 1120. SDI OVERSIGHT COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the "Congressional Commission on Strategic Defense". The Commission shall monitor the progress of programs of the Department of Defense known as the Strategic Defense Initiative (hereinafter in this section referred to as "SDI") and particularly shall—

(1) study the feasibility and technology of SDI programs;

(2) review the spending and contractual patterns of SDI programs;

(3) review strategic defense programs of the Soviet Union; and the Soviet response to SDI; and

(4) study the effect of the SDI programs on military doctrine and stability and on arms control and other international agreements.

(b) MEMBERSHIP.—(1) The Commission shall be composed of eight members appointed for the life of the Commission. The members of the Commission shall be appointed as follows:

(A) Two members shall be appointed by the Speaker of the House of Representatives.

(B) Two members shall be appointed by the Minority Leader of the House of Representatives.

(C) Two members shall be appointed by the Majority Leader of the Senate.

(D) Two members shall be appointed by the Minority Leader of the Senate.

(2) Members of the Commission shall be appointed based upon recognized expertise in matters relating to the Strategic Defense Initiative, including expertise in the fields of defense policy, defense technology, and arms control, and shall be selected from among persons who are particularly qualified by reason of training, experience, and knowledge for services on the Commission. No officer or employee of the United States, including a Member of Congress, may be a member of the Commission.

(3) In the event of a vacancy in the Commission, the vacancy shall be filled in the same manner as the original appointment.

(c) CHAIRMAN.—The members of the Commission shall select one of the members of the Commission to be the chairman of the Commission.

(d) SUPPORT SERVICES.—The Commission shall receive necessary support services, including staff, from the Comptroller General of the United States and the Director of the Congressional Office of Technology Assessment.

(e) REPORTS.—(1) The Commission shall submit to Congress an annual report and such other reports as it considers appropriate. Each report by the Commission shall be submitted in both a classified and unclassified form.

(2) The Commission shall submit to Congress such reports as it considers appropriate on any report to Congress by the Secretary of Defense concerning the Strategic Defense Initiative.

(3) Reports to Congress by the Commission shall be submitted without intervening review or approval within the Executive branch.

(f) TERMINATION OF COMMISSION.—The Commission shall cease to exist on October 1, 1990.

SEC. 1121. TWO-YEAR EXTENSION OF PROHIBITION ON CONTRACTS FOR THE PERFORMANCE OF FIREFIGHTING AND SECURITY FUNCTIONS.

(a) EXTENSION OF PROHIBITION.—Section 1221(a) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 691), is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1987".

(b) REPORT.—(1) The Secretary of Defense shall submit to Congress a written report containing—

(A) an assessment of the special needs of the Department of Defense with respect to firefighting and base security; and

(B) an assessment of how those needs are met by both Federal employees and contract personnel.

(2) The report shall be prepared in consultation with the Administrator of the United States Fire Administration of the Federal Emergency Management Agency and shall include the comments of the Administrator on the report.

(3) The report shall be submitted not later than March 1, 1986.

PART C—MISCELLANEOUS REPORTING REQUIREMENTS

SEC. 1121. EXTENSION OF TIME FOR SUBMISSION OF REPORTS BY COMMISSION ON MERCHANT MARINE AND DEFENSE.

Section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2633), is amended—

(1) by striking out "on September 30, 1985, and September 30, 1986" in subsection (b) and inserting in lieu thereof "12 months after the date of the enactment of the law first providing funds for the Commission and 24 months after such date"; and

(2) in subsection (g)—

(A) by striking out "June 30, 1985, and June 30, 1986" and inserting in lieu thereof "nine months after the date of the enactment of the law first providing funds for the Commission and not later than 21 months after such date"; and

(B) by striking out "September 30, 1985, and September 30, 1986" and inserting in lieu thereof "12 months after such date of enactment and not later than 24 months after such date of enactment".

SEC. 1122. REPORT ON NAVAL SHIPBUILDING AND REPAIR BASE.

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for construction, overhaul, and repair of naval vessels (hereinafter in this section referred to as the "shipyard base").

(b) COMPETITION AND MOBILIZATION CAPABILITY.—The report shall consider the current competitive environment in the shipyard base and the current mobilization capability of the shipyard base.

(c) STUDY OF INCREASE IN NUMBER OF SHIPYARDS.—(1) The report shall include an assessment of how competition in the shipyard base and the mobilization capability of the shipyard base would each be affected by an increase in the number of shipyards in the shipyard base and shall assess alternative ways of achieving such an increase.

(2) In assessing ways to increase the number of shipyards in the shipyard base, the Secretary shall consider the feasibility and desirability of expanding by one the number of shipyards currently engaged in construction of each of the following types of vessels:

(A) Trident nuclear-powered fleet ballistic missile submarines.

(B) Nuclear-powered attack submarines.

(C) Nuclear-powered aircraft carriers.

(D) Complex surface combatants.

(E) Auxiliaries.

(3) In considering ways to increase the number of shipyards constructing each type of vessel listed in paragraph (2), the Secretary shall consider expansion of the shipbuilding base on the West Coast of the United States and increased use of public shipyards.

(d) FACTORS IN ASSESSMENT.—The assessment of the current capabilities of the shipyard base and of each alternative identified under subsection (c)—

(1) shall be made considering the requirements of both peacetime competition and wartime mobilization capability; and

(2) shall include a description of the possible costs and benefits of the current capabilities and each alternative.

(e) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than January 31, 1986.

SEC. 1123. NUCLEAR REACTOR COMPONENTS FOR SSN-21 CLASS SUBMARINES.

Funds appropriated pursuant to authorizations of appropriations in this Act may not be obligated for the design or construction of nuclear reactor components for the SSN-21 class submarine until the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for the design and construction of nuclear components for the SSN-21 class submarine. The report shall evaluate the cost effectiveness of increasing the number of firms actively employed in the design of nuclear reactor components and the construction of nuclear reactor components.

SEC. 1124. REPORT AND DEMONSTRATION PROJECT CONCERNING THE SALE OF CERTAIN UNITED STATES MEAT IN MILITARY COMMISSARIES OVERSEAS.

(a) FEASIBILITY STUDY AND DEMONSTRATION PROJECT.—The Secretary of Defense shall study the feasibility of providing beef, pork and lamb produced in the United States for sale in American Military Forces' commissaries located overseas in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers.

Such study—

(1) shall be carried out in consultation with the Secretary of Agriculture; and

(2) shall include a demonstration project in which beef, pork and lamb produced in the United States shall be stocked in three commissaries on Air Force bases in Europe and in three commissaries located on Army bases in Europe for a six month period in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers; such United States-produced products shall, to the best of the Secretary's ability, be made available at consumer prices which are competitive when compared with non-United States produced red meat products offered for sale in the commissary system.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of such study and the findings and conclusions of the Secretary under such study. Such report shall include any views provided by the Secretary of Agriculture.

SEC. 1125. REPORT CONCERNING THE TESTING OF CHEMICAL WARFARE AGENTS.

The Secretary of Defense shall, within 90 days after the date of enactment of this Act, transmit a report to the Armed Services Committees of the Senate and House of Representatives describing the following matters concerning the testing of diluted or undiluted chemical warfare agents:

(1) the criteria and process used for selecting sites for such testing;

(2) the nature and extent of any consultation carried out with State and local officials before the site for such testing is selected;

(3) the consideration that is given to the proximity of residential dwelling units, schools, child care centers, nursing homes, hospitals, or other health care facilities to the testing site;

(4) whether an environmental impact statement should be required prior to the approval of a contract for such testing;

(5) any costs that may have to be incurred by the Federal Government to assist companies that carry out such testing to relocate to more isolated areas;

(6) the degree to which the Secretary estimates that such testing will increase or decrease;

(7) any recurring problems associated with such testing or the site selection process for such testing; and

(8) any changes in site selection process that are to be implemented by the Secretary or for which legislative action is necessary.

SEC. 1126. STUDY OF POINT DEFENSE FOR LAND-BASED STRATEGIC FORCES.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall conduct a study of the feasibility of providing a system of point defense for land-based strategic forces in order to reduce the vulnerability of such forces and to enhance strategic stability. The study shall particularly examine the application of research conducted under the Strategic Defense Initiative program to reducing this vulnerability.

(b) REPORT ON STUDY.—Not later than April 30, 1986, the Secretary shall submit to Congress a report describing the results of the study conducted under subsection (a) and containing such advice and recommendations with respect to the use of point defense for land-based strategic forces.

SEC. 1127. REPORT ON ORGANIZATIONAL STRUCTURE OF THE MILITARY HEALTH-CARE DELIVERY SYSTEM.

(a) REQUIREMENT FOR REPORT.—(1) The Secretary of Defense shall submit to Congress a report containing a plan for revising the organizational structure of the military health-care delivery system to accomplish the goals described in subsection (b). In addition to recommendations of the Secretary, the report shall contain an analysis and evaluation of the various alternatives for that organizational structure that have been proposed as well as such other measures as the Secretary considers appropriate.

(2) The report of the Secretary shall be prepared through the Office of the Assistant Secretary of Defense for Health Affairs.

(b) GOALS.—The goals referred to in subsection (a) are the following:

(1) Streamlining the process for allocation of resources of the military health-care delivery system, including—

(A) integrating and coordinating the planning, programming, and budgeting of military medical facilities, equipment, and staffing; and

(B) adopting uniform budgeting procedures, uniform measures of workload, and other actions to improve operational efficiency (including the elimination of incentives to over-use of inpatient care).

(2) Improving the quality of medical care, including adoption of uniform, rigorous quality assurance standards and procedures to monitor the implementation of those standards.

(3) Reducing the cost of health care provided by the Department of Defense (in military medical facilities and under the Civilian Health and Medical Program of the Uniformed Services) through adoption or adaptation, where possible, of competitive strategies, cost containment innovations, or other techniques from the private sector.

(4) Enhancing medical readiness, including—

(A) improving joint medical readiness planning within the continental United States and overseas;

(B) standardizing combat medical equipment;

(C) standardizing the methodology used to determine the number of personnel, force structure, and specialty mix necessary to meet wartime medical manpower requirements; and

(D) redirecting graduate medical education programs to provide training in critical combat specialties.

(c) VIEWS OF OTHER DOD COMPONENTS.—The Secretary of each military department and the Joint Chiefs of Staff shall each carry out an independent study of the matters described in subsection (a). The report submitted under subsection (a) shall include the results of each such study. The study carried out by the Joint Chiefs of Staff shall include comments and contributions from the commanders of each of the unified and specified commands.

(d) DEADLINE FOR REPORT.—The report required by this section shall be submitted not later than 6 months after the date of the enactment of this Act.

SEC. 1128. REPORT CONCERNING POSEIDON-CLASS SUBMARINE TO BE DISMANTLED.

The President shall submit to the Congress a report with respect to—

(1) the feasibility and legality of transferring to the United Kingdom the ownership of any Poseidon-class submarine proposed to be dismantled;

(2) if the transfer referred to in paragraph (1) is not feasible, the feasibility of converting any such submarine into an SSN-type submarine or SSGN-type submarine; and

(3) the feasibility of using the Poseidon-class submarine as a training platform.

The report shall be submitted not later than thirty days after the date of the enactment of this Act.

SEC. 1129. REPORT ON RETENTION OF BASIC POINT DEFENSE MISSILE SYSTEM.

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the removal of the Basic Point Defense Missile System for naval amphibious vessels.

(b) REPLACEMENT OF THE BASIC POINT DEFENSE MISSILE SYSTEM.—(1) The report shall consider the current plans to replace the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(2) The report shall include an assessment of the effectiveness of the anti-air warfare capabilities of amphibious vessels. This assessment shall be used by the Secretary of the Navy in considering augmenting rather than replacing the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(c) LIMITATIONS ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM.—The Secretary of the Navy may not remove the Basic Point Defense Missile System from amphibious vessels until the report is submitted.

SEC. 1130. ANNUAL REPORT ON NUCLEAR WINTER FINDINGS AND POLICY IMPLICATIONS.

(a) CONTINUED PARTICIPATION IN INTERAGENCY STUDIES.—Notwithstanding any limitation in any other provision of this Act, the Secretary of Defense, in accordance with section 1107(a) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), shall participate in any comprehensive interagency study conducted on the atmospheric, climatic, environmental, and biological consequences of nuclear war and the implications that such consequences have for the nuclear weapons strategy and policy, the arms control policy, and the civil defense policy of the United States.

(b) ANNUAL REPORT ON NUCLEAR WINTER FINDINGS.—(1) Not later than March 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), concerning the subject described in subsection (a). The Secretary shall include in such report the following:

(A) A detailed review and assessment of the findings in the current body of domestic and international scientific literature on the atmospheric, climatic, environmental, and biological consequences of nuclear explosions and nuclear exchanges.

(B) A thorough evaluation of the implications that such findings have on—

(i) the nuclear weapons policy of the United States, especially with regard to strategy, targeting, planning, command, control, procurement, and deployment;

(ii) the nuclear arms control policy of the United States; and

(iii) the civil defense policy of the United States.

(C) A discussion of the manner in which the results of such evaluation of policy implications will be incorporated into the nuclear weapons, arms control, and civil defense policies of the United States.

(D) An analysis of the extent to which current scientific findings on the consequences of nuclear explosions are being studied, disseminated, and used in the Soviet Union.

(2) Not later than March 1st of 1987, 1988, 1989, and 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), containing—

(A) a detailed update of the items contained in the report described in paragraph (1), taking into account any scientific studies and findings made by other agencies within the Federal Government or entities outside the Federal Government; and

(B) the results of any study in which the Secretary has been participating under subsection (a).

SEC. 1131. REPORT ON RETIREMENT BENEFITS OF PHILIPPINE SCOUTS.

(a) IN GENERAL.—The Secretary of the Army (hereinafter in this section referred to as the "Secretary") shall conduct a study of—

(1) the disparity between the pay received by members of the Philippine Scouts who served during World War II and the pay received by other members of the United States Army during such war who had grades and lengths of service that correspond to the grades and lengths of service of such members of the Philippine Scouts; and

(2) the effect of this disparity on the retirement benefits of such members of the Philippine Scouts and their survivors.

(b) PARTICULAR SUBJECTS OF THE STUDY.—In carrying out such study, the Secretary shall—

(1) compile a list of all persons who served as members of the Philippine Scouts during the period beginning December 7, 1941, and ending December 31, 1946;

(2) compile a list of persons described in paragraph (1) who are alive on the date of enactment of this Act;

(3) determine the amount of basic pay each person described in paragraph (2) received for services rendered as a member of the Philippine Scouts during the period described in such paragraph and compare it to the amount of basic pay each such person would have received as a member of the Philippine Scouts during that period if the rates of basic pay during such period for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army with corresponding grades and length of service during such period;

(4) determine the amount of retired pay that each person described in paragraph (2) is entitled to receive as retired pay from the Army as a result of service rendered as a Philippine Scout and compare it to the amount such person would receive with respect to periods beginning after the date of enactment of this Act if the rate of basic pay payable to such person during the period described in paragraph (1) had been the rate of basic pay payable to any other member of the United States Army with the corresponding grade and length of service during such period; and

(5) determine possible options, and the costs of each, for recalculating the retirement pay of persons described in paragraph (2), including survivor benefits, in order to remedy the disparity in pay received by such persons during their service as Philippine Scouts.

(c) REPORT.—(1) The Secretary shall transmit, within one year after the date of enactment of this Act, to the Armed Services Committees of the Senate and House of Representatives a report containing the findings and conclusions of the Secretary with respect to each of the matters described in paragraphs (1) through (5) of subsection (b).

(2) If the Secretary determines that—

(A) the documents necessary to compile the lists and make the determinations under subsection (b) are not attainable through reasonable efforts; or

(B) the cost of compiling such lists and making such determinations is excessive,

the Secretary shall make a report as soon as practicable to such Committees with a justification of such determination.

(3) If a report is made to the Committees under paragraph (2), the report to such Committees under paragraph (1) shall be based on the best information that can be reasonably obtained without excessive costs.

SEC. 1132. REPORT CONCERNING ABILITY OF UNITED STATES INDUSTRIES TO SERVE UNITED STATES DEFENSE NEEDS.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congress a report with respect to—

(1) the effect on industries of the United States—

(A) of the record trade deficits experienced by the United States in recent years, and the record trade deficit projected for the United States in 1985; and

(B) of the present status of the United States as a net debtor nation;

(2) the ability of such industries to meet the production needs of the Department of Defense; and

(3) the ability of the United States to provide for the defense of itself and its allies.

(b) SPECIFIC REQUIREMENT.—The report required by subsection (a) shall include recommendations for actions to ensure that the industries of the United States are capable of meeting the production needs of the Department of Defense in any time of national emergency.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted on or before November 1, 1985.

SEC. 1133. REPORT ON COMPETITION PROCEDURES UNDER SECTION 8(a) SET-ASIDE PROGRAM.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense and the Administrator of the Small Business Administration shall submit to the Committees on Armed Services and on Small Business of the Senate and House of Representatives a joint report on the feasibility of providing for the use of competitive procedures for contracts awarded by the Department of Defense under the set-aside program of the Small Business Administration under section 8(a) of the Small Business Act.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 1134. REPORT ON EFFORTS TO INCREASE DEFENSE CONTRACT AWARDS TO INDIAN-OWNED BUSINESSES.

(a) SECRETARY OF DEFENSE REPORT.—The Secretary of Defense shall transmit to the Congress a report on the efforts by the Department of Defense during fiscal years 1984 and 1985 to increase contract awards to Indian-owned businesses in accordance with the memorandum of understanding between the Department of Defense and the Small Business Administration of September 29, 1983. Such report shall include, to the maximum extent practicable, any data regarding the number and value of prime contracts awarded by the department during such fiscal years to such businesses.

(b) DEADLINE FOR REPORT.—Such report shall be transmitted by March 31, 1986.

(c) DEFINITION.—For the purposes of this section, the term "Indian-owned business" means a firm owned and controlled by American Indians, including a tribally owned for-profit entity.

SEC. 1135. REPORT ON UNITED STATES DEFENSE EXPENDITURES IN THE FAR EAST.

(a) IN GENERAL.—The Secretary of Defense shall submit to Congress a report concerning ways the United States may further its national security interests in the Far East.

(b) MATTERS TO BE INCLUDED.—Such report shall include—

(1) the plans of the Department of Defense in the current five-year defense plan for defense expenditures for each fiscal year covered by the plan to be made in support of United States security interests in the Far East and, of such planned expenditures in each such fiscal year, how much is attributable to projected increases in defense outlays for that fiscal year;

(2) the projections for national defense expenditures by Japan for each such fiscal year; and

(3) the effect increases in national defense expenditures by Japan would have on United States defense expenditures in support of United States security interests in the Far East.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

PART D—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 1141. ELIMINATION OF CERTAIN STATUTORY GENDER-BASED DISTINCTIONS.

(a) GENERAL MILITARY LAW.—(1) Section 772(c) of such title is amended by striking out the second sentence.

(2) Section 1431(b)(3) of title 10, United States Code, is amended by striking out "widow" and inserting in lieu thereof "surviving spouse".

(b) ARMY.—(1)(A) Section 3683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 353 of such title is amended by striking out the item relating to section 3683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 3683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 3963 of such title is repealed.

(B) The table of sections at the beginning of chapter 369 of such title is amended by striking out the item relating to section 3963.

(C) The repeal made by subparagraph (C) shall not apply in the case of a member of the Regular Army described in section 3963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3)(A) Section 4309(b) of such title is amended by striking out "males" and inserting in lieu thereof "persons".

(B) Section 4313(a) of such title is amended by striking out "man" and inserting in lieu thereof "competitor".

(C) Section 4651 of such title is amended by striking out "male".

(4)(A) Section 4712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.

"(2) A child of the deceased.

"(3) A parent of the deceased.

"(4) A brother or sister of the deceased.

"(5) The next-of-kin of the deceased.

"(6) A beneficiary named in the will of the deceased.".

(B) Section 4713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.

"(B) A child of the deceased.

"(C) A parent of the deceased.

"(D) A brother or sister of the deceased.

"(E) The next-of-kin of the deceased.

"(F) A beneficiary named in the will of the deceased.".

(c) NAVY.—(1) Section 6160(a) of title 10, United States Code, is amended by striking out "enlisted man" and inserting in lieu thereof "enlisted member".

(2) Section 6964(e) of such title is amended by striking out "men" and inserting in lieu thereof "persons".

(3)(A) Section 7601(a) of such title is amended by striking out "widows" and inserting in lieu thereof "widows and widowers".

(B) The heading of such section is amended to read as follows:

"§ 7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons".

(C) The item relating to section 7601 in the table of sections at the beginning of chapter 651 of such title is amended to read as follows:

"7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons.".

(d) AIR FORCE.—(1)(A) Section 8683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 853 of such title is amended by striking out the item relating to section 8683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 8683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 8963 of such title is repealed.

(B) The table of sections at the beginning of chapter 869 of such title is amended by striking out the item relating to section 8963.

(C) The repeal made by subparagraph (A) shall not apply in the case of an Air Force nurse or medical specialist described in section 8963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3) Section 9651 of such title is amended by striking out "male".

(4)(A) Section 9712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.

"(2) A child of the deceased.

"(3) A parent of the deceased.

"(4) A brother or sister of the deceased.

"(5) The next-of-kin of the deceased.

"(6) A beneficiary named in the will of the deceased.".

(B) Section 9713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.

"(B) A child of the deceased.

"(C) A parent of the deceased.

"(D) A brother or sister of the deceased.

"(E) The next-of-kin of the deceased.

"(F) A beneficiary named in the will of the deceased.".

(e) WORLD WAR II ERA ARMY NURSES.—(1) The Act entitled "An Act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes", approved June 22, 1944 (58 Stat. 324; 50 U.S.C. App. 1591 et seq.), is repealed.

(2) The repeal made by paragraph (1) shall not apply in the case of any person appointed and assigned under the first section of the Act repealed by such paragraph, as such Act was in effect on the day before the date of the enactment of this Act.

(f) SOLDIERS' AND AIRMEN'S HOME.—The first sentence of section 4 of the Act entitled "An Act prescribing regulations for the Soldiers' Home located at Washington, in the District of Columbia, and for other purposes", approved March 3, 1883 (24 U.S.C. 52), is amended—

(1) by striking out "wife" both places it appears and inserting in lieu thereof "spouse"; and

(2) by striking out "his" and inserting in lieu thereof "such".

(g) DEPENDENTS OF PERSONS MISSING IN ACTION.—Section 551(1)(A) of title 37, United States Code, is amended by striking out "wife" and inserting in lieu thereof "spouse".

SEC. 1142. TECHNICAL AMENDMENTS RELATING TO BENEFITS FOR CERTAIN DIA PERSONNEL.

(a) CIVILIAN EMPLOYEES.—(1) Section 192 of title 10, United States Code, is transferred to the end of chapter 83 of such title, redesignated as section 1605, and amended—

(A) in subsections (a) and (b), by striking out "Director of the Defense Intelligence Agency, on behalf of the Secretary of Defense," and inserting in lieu thereof "Secretary of Defense";

(B) in subsection (a)—

(i) by striking out "military and";

(ii) by striking out "under sections 903, 705, and 2308" and inserting in lieu thereof "sections 705 and 903";

(iii) by striking out "22 U.S.C. 4025;"; and

(iv) by striking out "; 22 U.S.C. 4083" and all that follows in such subsection and inserting in lieu thereof ", 4025, 4083) and under section 5924(4) of title 5."; and

(C) by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(2) The item relating to such section in the table of sections at the beginning of chapter 8 of such title is transferred to the end of the table of sections at the beginning of chapter 83 of such title and is amended by striking out "192" and inserting in lieu thereof "1605".

(3) Section 1603 of such title is amended by striking out "chapter" both places it appears and inserting in lieu thereof "sections 1601 and 1602 of this title".

(b) MEMBERS OF THE ARMED FORCES.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end thereof the following new section:

"§ 431. Benefits for certain members assigned to the Defense Intelligence Agency

"(a) The Secretary of Defense may provide to members of the armed forces who are assigned to Defense Attache Offices and Defense Intelligence Agency Liaison Offices outside the United States and who are designated by the Secretary of Defense for the purposes of this subsection allowances and benefits comparable to those provided by the Secretary of State to officers and employees of the Foreign Service under paragraphs (2), (3), (4), (6), (7), (8), and (13) of section 901 and sections 705 and 903 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (2), (3), (4), (6), (7), (8), and (13), 4025, 4083) and under section 5924(4) of title 5.

"(b) The authority of the Secretary of Defense to make payments under subsection (a) of this section is effective for any fiscal year only to the extent that appropriated funds are available for such purpose.

"(c) Members of the armed forces may not receive benefits under both subsection (a) of this section and any other provision of this title for the same purpose. The Secretary of Defense shall prescribe such regulations as may be necessary to carry out this subsection.

"(d) Regulations prescribed pursuant to subsection (a) of this section shall be submitted to the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services and the Select Committee on Intelligence of the Senate before such regulations take effect.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"431. Benefits for certain members assigned to the Defense Intelligence Agency.".

(3) The authority of the Secretary of Defense under section 431 of title 37, United States Code, as added by paragraph (1), may be delegated in accordance with section 133(d) of title 10, United States Code.

SEC. 1143. CLERICAL AMENDMENTS.

(a) AMENDMENTS TO TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Section 124(c)(2) is amended by inserting "of the Joint Chiefs of Staff" after "Chairman".

(2) Section 139b(d)(3)(B)(i) is amended by inserting "percent" before the semicolon.

(3) Section 140c(b)(1) is amended by striking out "enactment of this section" and inserting in lieu thereof "September 24, 1983".

(4)(A) Section 520b is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(B) The item relating to such section in the table of sections at the beginning of chapter 31 is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(5) Section 555 is amended by striking out "section 201(c)" and inserting in lieu thereof "section 201(b)".

(6) The item relating to section 1043 in the table of sections at the beginning of chapter 53 is amended by striking out "Atomospheric" and inserting in lieu thereof "Atmospheric".

(7) Section 1074a(a) is amended by striking out "prescribed by" and all that follows through "the following persons" and inserting in lieu thereof "prescribed by the administering Secretaries, the following persons".

(8) Section 1085 is amended by indenting the first line of the text of the section.

(9) Section 1437(c)(3)(A) is amended by striking out "(notwithstanding section 144 of this title)".

(10) Section 1440 is amended by striking out "section 1437(c)(3)" and inserting in lieu thereof "section 1437(c)(3)(B)".

(11) Section 1450 is amended—

(A) by striking out "subsection (l)" in subsection (i) and inserting in lieu thereof "subsection (l)(3)(B)"; and

(B) by striking out "(notwithstanding subsection (h))" in subsection (l)(3)(A).

(12) Section 1489(a) is amended by striking out "Armed Forces" and inserting in lieu thereof "armed forces".

(13) Section 2304(a)(1)(B) is amended by striking out "krocedures" and inserting in lieu thereof "procedures".

(14) Paragraph (5) of section 2305(b) is reset full measure.

(15) Section 2306 is amended—

(A) by adding a period at the end of subsection (a); and

(B) by striking out "of this title" in subsection (b).

(16) Section 2310 is amended by inserting "this" after "2305 of".

(17)(A) Sections 2320, 2321, 2322, and 2323 (as added by section 1216 of the Defense Procurement Reform Act of 1984 (title XII of Public Law 98-525)) are redesignated as sections 2319a, 2319b, 2319c, and 2319d, respectively.

(B) The items relating to those sections in the table of sections at the beginning of chapter 137 are redesignated to reflect the redesignations made by subparagraph (A).

(18) The heading of section 2691 is amended to read as follows:

"§ 2691. Restoration of land used by permit or lease from other agencies".

(19) Section 2821(b) is amended by striking out "paragraph" before the period at the end and inserting in lieu thereof "subsection".

(20) Section 2852 is amended by striking out "section 3324(a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(21)(A) Section 3843(b) is amended by striking out "after July 1, 1960,".

(B) Sections 3848(a), 3851(a), and 3852 are amended by striking out "After July 1, 1960, each" and inserting in lieu thereof "Each".

(22) Section 5985 is amended by striking out "the Act of March 4, 1911, ch. 265, 36 Stat. 1353, as amended," and inserting in lieu thereof "section 1304 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1295c),".

(23) Section 6148 is amended by redesignating subsection (e) as subsection (d).

(24) Section 7204(a) is amended—

(A) by running "contribute, out of" in after "Secretary of the Navy may";

(B) by aligning clauses (1) through (4) so as to be cut in two ems; and

(C) by aligning the matter after clause (4) flush with the margin.

(25)(A) The heading of section 7309 is amended by striking out the fifth word.

(B) The item relating to that section in the table of sections at the beginning of chapter 633 is amended by striking out the fifth word.

(26) Section 7431(c) is amended—

(A) by striking out "the" at the beginning of paragraphs (1), (2), and (3) and inserting in lieu thereof "The";

(B) by striking out the semicolons at the end of paragraphs (1), (2), and (3) and inserting in lieu thereof periods;

(C) by striking out "a summary" at the beginning of paragraph (4) and inserting in lieu thereof "A summary";

(D) by striking out "; and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(E) by striking out "such" at the beginning of paragraph (5) and inserting in lieu thereof "Such".

(27) The item relating to section 8202 in the table of sections at the beginning of chapter 831 is amended to read as follows:

"8202. Air Force: strength in grade; general officers.".

(28)(A) Section 8848(a) is amended by striking out "After June 30, 1960, each" and inserting in lieu thereof "Each".

(B) Sections 8851(a) and 8852(a) are amended by striking out "After June 30, 1960, except" and inserting in lieu thereof "Except".

(29) Section 9441(b) is amended by striking out "and" at the end of clause (8).

(b) AMENDMENTS TO TITLE 37.—Title 37, United States Code, is amended as follows:

(1) Section 203(a) is amended by inserting "or as otherwise prescribed by law" before the period.

(2) Section 301(c)(1) is amended by striking out the first comma after "(10)".

(3) Sections 308g(f) and 308h(e) are amended by striking out "the date of the enactment of the Department of Defense Authorization Act, 1984" and inserting in lieu thereof "September 24, 1983".

(4) Section 312b(c) is amended by striking out "make an annual report to the House and Senate Armed Services Committees" and inserting in lieu thereof "submit to the Committees on Armed Services of the Senate and House of Representatives an annual report".

(5) Section 402(b) is amended by inserting "or as otherwise prescribed by law" before the period at the end of the fourth sentence.

(6) Section 403(a) is amended by inserting "or as otherwise prescribed by law" after "of this title".

(7) The table of sections at the beginning of chapter 7 is amended—

(A) by striking out the semicolon in the item relating to section 404 and inserting in lieu thereof a colon;

(B) by striking out the item relating to section 405a and inserting in lieu thereof the following:

"405a. Travel and transportation allowances: departure allowances."; and

(C) by striking out the item relating to section 425 and inserting in lieu thereof the following:

"425. United States Navy Band; United States Marine Band: allowances while on concert tour.".

(8) The heading of section 405 is amended to read as follows:

"§ 405. Travel and transportation allowances: per diem while on duty outside the United States or in Hawaii or Alaska".

(9) Section 406(k) is amended by striking out "to carry out subsection (b)" and inserting in lieu thereof "for providing transportation of household effects of members of the armed forces under subsection (b)".

(10) Section 429 is amended by inserting "(20 U.S.C. 921 et seq.)" after "Defense Dependents' Education Act of 1978".

(11) Section 557(c) is amended by inserting "of this title" after "section 558" both places it appears.

(12) Section 1006(h) is amended by striking out "section 3324(a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(13)(A) Section 1012 is amended—

(i) by striking out "under sections 206 (a), (b), and (d), 301(f), 309, 402(b) (last sentence), and 1002 of this title for pay" and inserting in lieu thereof "for the pay, under subsections (a), (b), and (d) of section 206, section 301(f), the last sentence of section 402(b), and section 1002 of this title,";

(ii) by striking out "Disbursements" and inserting in lieu thereof "All such disbursements"; and

(iii) by striking out "under the" and inserting in lieu thereof "as prescribed in those".

(B) The heading of that section is amended to read as follows:

"§ 1012. Disbursement and accounting: pay of enlisted members of the National Guard".

(C) The item relating to that section in the table of sections at the beginning of chapter 19 is amended to read as follows:

"1012. Disbursement and accounting: pay of enlisted members of the National Guard.".

(D) The amendments made by this paragraph shall take effect as if included in the enactment of section 2(i) of Public Law 97-258.

PART E—STRATEGIC DEFENSE INITIATIVE COMMISSION

SEC. 1151. PURPOSE.

The purpose of this part is to establish a commission on the strategic defense initiative which will assist the United States—

(1) to more definitively delineate the President's objectives for the Strategic Defensive Initiative program, as expressed in his March 23, 1983, speech on that program; and

(2) to revalidate the content of the Strategic Defense Initiative program by determining if its research programs are meeting the objectives set forth by the President.

SEC. 1152. ESTABLISHMENT.

Not later than 30 days after the enactment of this Act, the President shall establish a Strategic Defense Initiative Commission (hereafter in this part referred to as the "Commission").

SEC. 1153. DUTIES.

The duties of the Commission shall be—

(1) to identify those elements of the Strategic Defense Initiative program which can demonstrate the Strategic Defense Initiative's technical feasibility, to determine the timetable for the demonstrations occurring, and to project the costs of those demonstrations;

(2) to determine if the creation of an organizational and administrative project office within the Strategic Defense Initiative Organization (SDIO) of the Department of Defense would provide for better program management to enhance the program's efficiency;

(3) to set milestones for the program; and

(4) to develop a transition plan which provides for a stable incorporation of strategic defense systems into our national security posture in the future.

SEC. 1154. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—(1) The Commission shall be composed of five members appointed by the President. The members shall be selected from among individuals from Federal, State, and local governments, industry, business, academia, the military, and the general population who, by reason of their background, education, training, or experience, possess expertise in national security, scientific and technological pursuits, or the use and implication of the use of such pursuits.

(2) An individual serving in one of the following positions may not be a member of the Commission;

(A) A position in Schedule C of subpart C of part 213 of title 5, Code of Federal Regulations.

(B) A position filled by noncareer executive assignment under subpart F of part 305 of title 5, Code of Federal Regulations.

(C) A position in the Executive Schedule under subchapter II of chapter 53 of title 5, United States Code, other than a career Executive Schedule position.

(b) VACANCY.—A vacancy in the commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this section without regard to section 5311(b) of title 5, United States Code.

(c) CONTINUATION OF MEMBERSHIP.—If any member of the Commission begins service in a position described in subsection (a)(2), that member may continue as a member of the Commission for not longer than the seven-day period beginning on the date that member begins such service.

(d) TERMS.—Members shall be appointed for the life of the Commission.

(e) BASIC PAY.—(1) Members of the Commission shall each be paid at a rate not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission who are full-time employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(f) CHAIRMAN.—The Chairman and Vice Chairman of the Commission shall be designated by the President.

(g) MEETINGS.—The Commission shall meet at the call of the Chairman.

SEC. 1155. STAFF OF COMMISSION.

The Commission shall appoint and fix the compensation of such personnel as it deems advisable, except that rates for individuals may not exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-15 of the General Schedule. The Chairman of the Commission shall be responsible for—

(1) the assignment of duties and responsibilities and the supervision of such personnel; and

(2) the use and expenditure of funds available to the Commission.

SEC. 1156. POWERS OF COMMISSION.

(a) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(b) ADMINISTRATOR SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 1157. REPORT.

Not later than six months after the date of the enactment of this Act, the Commission shall submit, in both a classified and an unclassified manner, to the President and to each House of the Congress a report of its findings. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 1158. TERMINATION.

The Commission shall cease to exist upon the submission of its final report pursuant to section 1157.

PART F—MISCELLANEOUS

SEC. 1161. MILITARY FAMILY POLICY.

(a) OFFICE OF FAMILY POLICY.—(1) There is hereby established in the Office of the Secretary of Defense an Office of Family Policy. The office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations and Logistics.

(2) The office shall coordinate programs and activities of the military departments to the extent that they relate to military families and shall make recommendations to the Secretaries of the military departments with respect to programs and policies regarding military families.

(b) TRANSFER OF MILITARY FAMILY RESOURCE CENTER.—The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations and Logistics.

(c) YOUTH SPONSORSHIP PROGRAM.—The Secretary of Defense shall direct that there be established at each military installation a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when moving to that military installation as a result of a parent's permanent change of station. Such a program shall provide, to the extent feasible, for involvement of dependent children of members presently stationed at the military installation.

(d) STUDY OF HOUSING AVAILABILITY.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces. The study shall examine the availability of affordable housing for each pay grade and for all geographic areas inside the United States and for appropriate overseas locations.

(e) STUDY ON NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the

date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report which makes recommendations for any administrative and legislative changes necessary to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements does not undergo unnecessary disruptions in education or have inequitable or unduly burdensome or duplicative education requirements imposed.

(f) EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.—The Secretary of Defense shall issue regulations to ensure that—

(1) vacancy announcements for each vacant position in the Department of Defense are distributed in such manner as to enable spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the vacant position to learn of the vacant position; and

(2) spouses of members of the Armed Forces who apply for vacant positions are considered for such positions in the Department of Defense in the same geographic area as the area within which the permanent duty station of the member is located.

(g) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

SEC. 1162. AUTHORITY TO PROVIDE COAST GUARD COMMANDANT RESIDENCE-TO-WORK TRANSPORTATION PROVIDED OTHER SERVICE CHIEFS.

Effective on October 1, 1985, section 660 of title 14, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Passenger motor vehicles of the United States may be used to provide transportation between the residence and place of work of the Commandant.".

SEC. 1163. ACCEPTANCE OF CERTAIN VOLUNTEER SERVICES.

(a) EXTENSION OF AUTHORITY TO COAST GUARD.—Section 1588(a) of title 10, United States Code, is amended—

(1) by striking out "Secretary of a military department" and inserting in lieu thereof "Secretary concerned"; and

(2) by striking out "operated by that military department" and inserting in lieu thereof "operated by the military department concerned or the Coast Guard, as appropriate".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 1164. CIVIL AIR PATROL.

(a) REIMBURSEMENT FOR MAJOR ITEMS OF EQUIPMENT.—Section 9441(b)(10) of title 10, United States Code, is amended by striking out "authorize the purchase with funds appropriated to the Air Force" and inserting in lieu thereof "reimburse the Civil Air Patrol for costs incurred for the purchase".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 1165. NATIONAL DEFENSE STOCKPILE.

(a) FUNDING FOR NATIONAL DEFENSE STOCKPILE TRANSACTION FUND FROM NAVAL PETROLEUM RESERVE RECEIPTS.—Section 905 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2574), is amended by striking out "during fiscal year 1985".

(b) CONFORMING AMENDMENT.—Section 903(b) of such Act (98 Stat. 2573) is repealed.

(c) No reductions may be made before October 1, 1986, by the President in stockpile goals below those goals in effect on October 1, 1984, as established under authority provided by the Strategic and Critical Materials Stock Piling Act.

SEC. 1166. SENSE OF THE CONGRESS EXPRESSING SUPPORT FOR THE SELECTIVE SERVICE REGISTRATION PROGRAM.

(a) The Congress makes the following findings:

(1) The program of peacetime registration of young men under the Military Selective Service Act contributes to the national security by reducing by an additional two months the time required for full defense mobilization.

(2) The Selective Service registration program is an important signal to our allies and to our potential adversaries of the United States defense commitment.

(3) Since the resumption of selective service registration more than 13,500,000 young men, representing over 98 percent of the draft eligible population, have registered with Selective Service.

(b) In view of these findings, it is the sense of Congress that the President should recognize, by Presidential proclamation, the contribution of our young men to the success of the peacetime registration program.

SEC. 1167. LIMITATION ON GRATUITIES AT NAVAL SHIPBUILDING CEREMONIES.

(a) GENERAL RULE.—A Federal officer, employee, or Member of Congress may not accept, directly or indirectly, any tangible thing of value as a gift or memento in connection with a ceremony to mark the completion of a naval shipbuilding milestone.

(b) EXCLUSION.—Subsection (a) does not apply to a gift or memento that has a value of less than $100.

(c) DEFINITIONS.—For purposes of this section, the terms "officer", "employee", and "Member of Congress" have the meanings given those terms in sections 2104, 2105, and 2106, respectively, of title 5, United States Code.

SEC. 1168. AUTHORITY TO TRANSFER CERTAIN AIRCRAFT.

(a) IN GENERAL.—The Secretary of the Navy may transfer title to an aircraft described in subsection (b) to the institution leasing the aircraft if the Secretary certifies—

(1) that at the time of the transfer the aircraft is being used by the organization holding the aircraft for a purpose consistent with the use intended when the aircraft was first leased to the institution; and

(2) that the Department of the Navy no longer needs the aircraft.

(b) COVERED AIRCRAFT.—The authority of the Secretary of the Navy under subsection (a) applies with respect to an aircraft—

(1) that on the date of the enactment of this Act is being leased by the Secretary to a State-supported educational institution; and

(2) for which a lease for such aircraft began with such institution on or before January 1, 1976.

(c) COMPENSATION.—A transfer under this section shall be made without compensation or reimbursement to the United States.

SEC. 1169. REPORT ON TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE.

Not later than January 15, 1986, the Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report containing the Secretary's views on the following:

(1) The advantages and disadvantages of operating the Department of Defense on a two-year budget cycle.

(2) How the Department of Defense could convert to a two-year budget cycle if a two-year budget cycle were to be adopted for the Department of Defense.

(3) A description of any impediment (statutory or otherwise) to converting the operations of the Department of Defense to a two-year budget cycle beginning with fiscal year 1988.

SEC. 1170. STUDY ON THE USE OF THE E-2 AIRCRAFT FOR DRUG INTERDICTION PURPOSES.

(a) STUDY BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall conduct a test of the use of E-2 aircraft of the Naval Reserve to determine the effectiveness of that aircraft in drug interdiction. The study shall be conducted along the border between the United States and Mexico and shall be carried out over a period of six months.

(b) COLLECTION OF DATA.—As part of the test, the Secretary shall collect data on the contribution on the use of the E-2 aircraft to the apprehension of drug smugglers. This data shall include the number of intercepts which resulted in apprehensions.

(c) REPORT.—Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of the study.

SEC. 1171. TECHNICAL CORRECTIONS TO FEDERAL PROCUREMENT LAW.

(a) SIMPLIFICATION OF PROCEDURES FOR CERTAIN NONCOMPETITIVE PURCHASES.—(1) The second sentence of section 2304(f)(2) of title 10, United States Code, is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(2) The second sentence of section 303(f)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(2)) is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agencies need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(b) NATO MUTUAL SUPPORT PROCUREMENT.—Section 2323(b) of chapter 138 of title 10, United States Code, is amended by striking out "section 2304(g)" and inserting in lieu thereof "section 2304(a)".

(c) ADP PROCUREMENT.—Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following new subsection:

"(i) The justification and approvals required by section 303(f)(1) of this Act shall apply in the case of any procurement under this section for which the minimum needs

are so restrictive that only one manufacturer is capable of satisfying such needs. Such procurement includes either a sole source procurement or a procurement by specific make and model. Such justification and approval shall be required notwithstanding that more than one bid or offer is made or that the procurement obtains price competition and such procurement shall be treated as a procurement using procedures other than competitive procedures for purposes of section 19(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(b)).".

(d) CLARIFICATION OF REGULATIONS CONCERNING TECHNICAL DATA.—(1) Section 2320(a)(1) of title 10, United States Code is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(2) Section 21(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a(c)(1)) is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(3) The second sentence of section 301(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a note) is amended by striking out "July 1, 1985" and inserting in lieu thereof "October 19, 1985".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect as if included in the enactment of the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98-369).

SEC. 1172. CLERICAL AMENDMENTS TO FEDERAL PROCUREMENT LAW.

(a) DEFENSE PROCUREMENT LAW.—Chapter 138 of title 10, United States Code, is amended as follows:

(1) Sections 2321, 2322, 2323 (as amended by section 802), 2324, 2325, 2426, 2327, and 2328 are redesignated as sections 2341 through 2348, respectively.

(2) Section 2329 is repealed.

(3) Sections 2330 and 2331 are redesignated as sections 2349 and 2350, respectively.

(4) Sections 2341 and 2342 (as so redesignated) are amended by striking out "section 2323" and inserting in lieu thereof "section 2343".

(5) Section 2323 (as so redesignated) is amended—

(A) by striking out "section 2321" both places it appears and inserting in lieu thereof "section 2341"; and

(B) by striking out "section 2322" both places it appears and inserting in lieu thereof "section 2342".

(6) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 2329; and

(B) by redesignating the remaining items in the table to reflect the redesignations made by paragraphs (1) and (3).

(b) CONFORMING AMENDMENT.—Section 2213(e)(2) of such title is amended by striking out "section 2331" and inserting in lieu thereof "section 2350".

(c) CIVILIAN AGENCY PROCUREMENT.—The Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) Section 111(h)(3)(A) (40 U.S.C. 759(h)(3)(A)) is amended by striking out "Board" and inserting in lieu thereof "board".

(2) Section 303(f)(1)(C) (41 U.S.C. 253(f)(1)(C)) is amended by striking out "Any" and inserting in lieu thereof "any".

(3) Section 303(g)(1) (41 U.S.C. 253(g)(1) is amended by inserting a comma after "1984".

(4)(A) Sections 303D, 303E, 303F, 303G, and 303H (as added by title II of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (Public Law 98-577)) are redesignated as sections 303C, 303D, 303E, 303F, and 303G, respectively.

(B) The items relating to those sections in the table of contents for such Act are redesignated to reflect the redesignations by subparagraph (A).

(d) MILITARY AND CIVILIAN PROCUREMENT.—Section 3551(1) of title 31, United States Code, is amended by striking out "executive agency" and inserting in lieu therof "Federal agency".

SEC. 1173. CHARGES FOR SOLICITATION PACKAGES.

(a) TEST PROGRAM.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish a test program in each military department and in the Defense Logistics Agency under which persons requesting a solicitation package shall be required to pay a fee for a copy of such package. Any such fee may not exceed the actual cost to the Government of duplicating the package.

(b) REPORT.—Before the test program required by subsection (a) is implemented, the Secretary shall report to Congress on how the program will be carried out.

SEC. 1174. The Commander in Chief is authorized to undertake actions to protect United States Armed Forces personnel against terrorist activity through:

(a) the use of such anti-terrorism measures as may be necessary to prevent the loss of lives of United States Armed Forces personnel; and

(b) the use of such counter-terrorism measures as may be appropriate against those persons identified as being responsible for the loss of lives of United States Armed Forces personnel.

SEC. 1175. DEFENSE INDUSTRIAL BASE FOR TEXTILE AND APPAREL PRODUCTS.

(a) CAPABILITY OF DOMESTIC TEXTILE AND APPAREL INDUSTRIAL BASE.—The Secretary of Defense shall monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements.

(b) ANNUAL REPORT.—The Secretary shall submit to Congress not later than April 1 of each of the five years beginning with 1986 a report on the status of such industrial base. Each such report shall include—

(1) an identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by the domestic industries;

(2) an assessment of the effect any inadequacy in the textile and apparel industrial base would have on a defense mobilization; and

(3) recommendations for ways to alleviate any inadequacy in such industrial base that the Secretary considers critical to defense mobilization requirements.

SEC. 1176. No merchant vessel which is committed to the foreign trade of the United States and the plans and specifications of which have been approved by the Secretary of the Navy as suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for use by the United States Government in time of war or national emergency, shall be released from any commitments entered into with the United States Government unless the Secretary of the Navy determines that such release shall not reduce the number of militarily useful liquid bulk carriers readily available to the United States in time of war or national emergency.

SEC. 1177. CONDITIONS ON THE PROCUREMENT OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended—

(1) by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)"; and

(2) by adding the following new subsection at the end thereof:

"(c)(1) The Secretary of Defense shall provide that alcoholic beverages procured by the Department of Defense (including its nonappropriated fund instrumentalities) with appropriated or nonappropriated funds for resale on a military installation located in any State shall be procured in the States in which the installation is located.

"(2) Not later than one year after the date of enactment of this subsection, the Secretary shall transmit a report to the Congress concerning the implementation of this subsection.

"(3) As used in this subsection, 'State' means each of the several States and the District of Columbia."

(b) CONFORMING AMENDMENT.—Section 6 of the 1951 Amendments to the Universal Military Training Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the".

(c) TECHNICAL AMENDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages".

(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2683. Relinquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages.".

SEC. 1178. ESTABLISHMENT OF MINIMUM AGE WITH RESPECT TO THE PURCHASE AND CONSUMPTION OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

"(c)(1) Except as provided in paragraphs (2) and (3), the minimum age, as defined in paragraph (4)(B), established by a State law shall be established and enforced as the minimum age on military installations located in that State.

"(2) In the case of any military installation located—

"(A) in more than one State; or

"(B) in one State but within 40 miles of another State, Mexico, or Canada,

the Secretary concerned may establish and enforce the minimum age established by the State law, Mexican law, or Canadian law, as the case may be, that has the lower minimum age.

"(3)(A) The commanding officer of a military installation may grant temporary exemptions to the requirement of paragraph (1) if such officer determines that such exemption is justified by special circumstances, as defined in regulations by the Secretary of Defense.

"(B) Each commanding officer of each military installation shall submit a report every six months to the Secretary concerned containing a description of the nature, duration, and justification of each

exemption made by such officer under subparagraph (A) during the six-month period immediately preceding the month in which the report is filed. The first such report shall be submitted no later than three hundred days after the date of the enactment of this subsection.

"(C) Each report made pursuant to subparagraph (B) shall be transmitted by the Secretary concerned to the Secretary of Defense within 30 days after the receipt of such report.

"(D) As soon as practicable after receiving the first transmittal of reports from all of the Secretaries concerned under subparagraph (C), the Secretary of Defense shall transmit to the Congress a report containing—

"(i) the first report submitted by each Secretary concerned under subparagraph (C);

"(ii) the military installations affected by paragraph (2); and

"(iii) any information with respect to any administrative or other problem resulting from the application of the provisions of this subsection.

"(E) After the transmittal of the report under subparagraph (D), the Secretary of Defense shall transmit reports under this subsection to Congress only when requested by thel Chairman and ranking minority member of either the Committee on Armed Services of the Senate or of House of Representatives.

"(4) As used in this subsection:

"(A) 'State' means each of the several States and the District of Columbia; and

"(B) 'minimum age' means the minimum age or ages established for persons who may purchase, possess, or consume alcoholic beverages.".

(b) CONFORMING AMENDMENTS.—(1) Section 2683(b) of such title is amended by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)".

(2) Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the".

(c) TECHNICAL AMEMDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages".

(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

SEC. 1179. SALE OF CERTAIN RECORDINGS OF UNITED STATES AIR FORCE BAND.

(a) AUTHORIZED SALE.—Notwithstanding any other provision of law, the Secretary of the Air Force may produce recordings of the concert of the United States Air Force Band in Salt Lake City, Utah, on Apirl 18 and 19, 1985, for commercial sale.

(b) AUTHORIZED CONTRACT.—The Secretary may enter into an appropriate contract, under such terms as the Secretary determines to be in the best interest of the Government, for the production and sale authorized by subsection (a).

SEC. 1180. PROVISIONS OF GREEN SALT TO CONTRACTORS FOR PRODUCTION OF CONVENTIONAL AMMUNITION.

(a) IN GENERAL.—Chapter 433 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 4542. Conventional ammunition: loan of uranium tetrafluoride for production

"(a) Subject to subsection (b), the Secretary of the Army may provide uranium tetrafluoride (green salt) to a contractor for the production of conventional ammunition for the Army. Such uranium tetrafluoride shall be provided from stockpile materials available to the Secretary.

"(b) Any uranium tetrafluoride provided to a contractor under this section shall be provided as a loan subject to the contractor's agreement to repay to the United States an equivalent amount of uranium tetrafluoride at no cost to the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"4542. Conventional ammunition: loan of uranium tetrafluoride for production.".

SEC. 1181. ARMED FORCES NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS.

(a) FINDINGS.—The Congress makes the following findings:

(1) Scientific and technological developments in communications and electronics are of particular importance to the United States in meeting its national security, industrial, and other needs.

(2) Enhanced training in the technical communications, electronics, and computer disciplines is necessary for a more efficient and effective military force.

(3) The Secretary of the Army, through the Training and Doctrine Command, is responsible for providing training to members of the Army.

(4) The Ninety-seventh Congress, in Senate Concurrent Resolution 130 of that Congress, encouraged the establishment within the United States of a national center dedicated to communications and electronics.

(5) The Secretary of the Army entered into a Memorandum of Understanding with the National Science Center for Communications and Electronics Foundation Incorporated, a nonprofit corporation of the State of Georgia, in which the Army and such foundation agreed to develop a science center for—

(A) the promotion of engineering principles and practices;

(B) the advancement of scientific education for careers in communications and electronics; and

(C) the portrayal of the communications, electronics, and computer arts.

(b) PURPOSE.—It is the purpose of this section—

(1) to recognize the relationship between the Army and the National Science Center for Communications and Electronics Foundation Incorporated (hereinafter in this section referred to as the "Foundation") for the development, construction, and operation of a national science center; and

(2) to authorize the Secretary of the Army (hereinafter in this section referred to as the "Secretary") to make available a suitable site for the construction of such a center, to accept title to the center facilities when constructed, and to provide for the management, operation, and maintenance of such a center after the transfer of title of the center to the Secretary.

(c) ARMED FORCES NATIONAL SCIENCE CENTER.—(1) Subject to paragraph (2), the Secretary may provide a suitable parcel of land at or near Fort Gordon, Georgia, for the construction by the Foundation of an Armed Forces National Science Center to meet the objectives expressed in subsection (a). Upon completion of the construction of the center, the Secretary may accept title to the center and may provide for the management, operation, and maintenance of the center.

(2) As a condition to making a parcel of land available to the Foundation for the construction of an Armed Forces National Science Center, the Secretary shall have the right to approve the design of the center, including all plans, specifications, contracts, sites, and materials to be used in the construction of such center and all rights-of-way, easements, and rights of ingress and egress for the center. The Secretary's approval of the design and plans shall be based on good business practices and accepted engineering principles, taking into consideration safety and other appropriate factors.

(d) GIFTS.—The Secretary may accept conditional or unconditional gifts made for the benefit of, or in connection with, the center.

(e) ADVISORY BOARD.—The Secretary may appoint an advisory board to advise the Secretary regarding the operation of the center in pursuit of the goals of the center described in subsection (a)(5). The Secretary may appoint to the advisory board such members of the Board of Directors of the Foundation as the Secretary considers appropriate. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board appointed under this subsection.

(f) AVAILABILITY OF CENTER TO FOUNDATION.—Consistent with the mission of the armed forces and the efficient operation of the center, the Secretary may make facilities at the center available to the Foundation—

(1) for its corporate activities; and

(2) for such endeavors in the area of communications and electronics as the Secretary may consider appropriate.

(g) OTHER AUTHORIZED USES.—(1) The Secretary may make the center available to the public and to other departments and agencies of the Government for research and study and for public exhibitions. The Secretary may charge for such uses as he considers necessary and appropriate.

(2) Any money collected for the use of the facilities of the center shall be deposited to a special fund maintained by the Secretary for the maintenance and operation of the center. The Secretary shall require the Auditor General of the Army to audit the records of such fund at least once every two years and to report the results of the audits to the Secretary.

SEC. 1182. PROHIBITION ON OFFICERS OR EMPLOYEES OF DEFENSE CONTRACTORS INDICTED FOR, OR CONVICTED OF, CONTRACT-RELATED FELONIES.

An officer or employee of a defense contractor who is under indictment for fraud or any other felony arising out of a contract with the Department of Defense shall be personally suspended from working on or supervising a defense contract. Such individual, if convicted, shall be prohibited from contracting for, or employment with, the Department of Defense for a period of not

less than one year or more than five years from the date of the conviction.

SEC. 1183. CEILING ON FUNDS FOR CONTRACTING-OUT.

None of the funds authorized for appropriation or otherwise made available by this act shall be used to increase the dollar expenditures to contract out for services, as governed by Office of Management and Budget Circular A-76, beyond the level of expenditures for such payments in fiscal year 1985, except those expenditures necessary to meet wage rate increases required by the Service Contract Act and those expenditures necessary to initiate new contracts for services legally binding on September 30, 1985.

SEC. 1184. AUTHORIZATION FOR ADDITIONAL PROCUREMENT FOR CONVENTIONAL FORCES.

(a) FINDING AND PURPOSE.—The Congress finds that the United States should place greater emphasis on the improvement of the capabilities of United States conventional forces and that such an improvement would reduce the threat of nuclear war. Accordingly, this section provides additional authorization of appropriations for programs to improve conventional readiness capabilities of the Armed Forces.

(b) ARMY.—The amounts authorized to be appropriated in section 101 for the Army are increased by the following amounts:

(1) For weapons and tracked combat vehicles, $20,000,000.

(2) For ammunition, $474,100,000.

(3) For other procurement, $126,600,000, of which—

(A) $50,000,000 is for tactical and support vehicles;

(B) $41,100,000 is for communications and electronics; and

(C) $35,500,000 is for other support equipment.

(c) NAVY AND MARINE CORPS.—The amounts authorized to be appropriated in section 102 for the Navy and Marine Corps are increased by the following amounts:

(1) For weapons procurement, Navy, $142,500,000.

(2) For shipbuilding and conversion, $25,000,000.

(3) For other procurement, Navy, $62,500,000, of which—

(A) $15,000,000 is available only for the ship support equipment program; and

(B) $47,500,000 is available for aviation support equipment.

(4) For Marine Corps procurement, $99,300,000.

(d) AIR FORCE.—The amounts authorized to be appropriated in section 103 for the Air Force are increased by the following amounts:

(1) For missiles, $38,000,000.

(2) For other procurement, $12,000,000.

(e) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The increases provided by this section in the authorizations of appropriations in title I—

(1) are in addition to any increase in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any reduction in such authorizations provided in any other provision of this Act.

(f) ARMY PROGRAMS.—The additional authorizations provided by subsection (b) for the Army are available for Army programs as follows:

(1) The additional authorization for weapons and tracked combat vehicles is for initial spares for tracked combat vehicles.

(2) From the additional authorization for ammunition, Army, additional ammunition is authorized in quantities and amounts as follows:

(A) For training ammunition shortfalls:

Cartridge 5.56 blank for squad automatic weapon, 3,278,000 units and $800,000.

Cartridge 7.62 training linked, 1,730,000 units and $600,000.

Cartridge 7.62 ball linked, 2,839,000 units and $800,000.

Cartridge caliber .50 4 ball 1 tracer, 1,197,000 units and $1,700,000.

Cartridge caliber .50 ball linked, 1,174,000 units and $1,400,000.

Cartridge caliber .50 4 ball 1 tracer, 6,281,000 units and $8,100,000.

Cartridge 30-millimeter target practice-tracer, 488,000 units and $5,500,000.

Cartridge 105-millimeter target practice-tracer, 125,000 units and $19,800,000.

Cartridge 105-millimeter discarding sabot-target practice M724, 84,000 units and $16,800,000.

Cartridge 120-millimeter training M865, 28,000 units and $17,000,000.

(B) For war reserve shortfalls:

Projectile 8-inch high explosive improved conventional munition, 117,000 units and $100,000,000.

Charge propelling white bag 188, 129,000 units and $28,200,000.

Projectile 155-millimeter high explosive improved conventional munition, 121,000 units and $51,700,000.

Projectile 155-millimeter remote, anti-armor mines M741, 29,000 units and $50,000,000.

Projectile 155-millimeter area denial artillery munition M731, 4,000 units and $17,600,000.

Fuze mechanical time M577, 517,000 units and $35,600,000.

Charge propelling 155-millimeter, green bag M3A1, 111,000 units and $6,200,000.

Charge propelling 155-millimeter, white bag M4A2, 115,000 units and $8,900,000.

Ground improved mine scatter system, anti-tank mine M75, 84,000 units and $16,800,000.

Cartridge 40-millimeter high velocity, high explosive, dual purpose M430, 1,440,000 units and $17,000,000.

Projectile 8-inch rocket assisted projectile, 14,000 units and $17,900,000.

120-millimeter cartridge armor piercing fin stabilized discarding sabot with tracer ME829, 25,000 units and $43,900,000.

120-millimeter cartridge high explosive, anti-tank, multipurpose with tracer M830, 3,000 units and $7,800,000.

(3) From the authorization for other procurement, Army, additional items are authorized in quantities and amounts as follows:

For five-ton trucks, 477 units and $50,000,000.

For utility landing craft, 7 units and $33,000,000.

For other support equipment spares, $2,500,000.

For Vinson, 6,558 units and $27,800,000.

For security voice improvement equipment, 286 units and $10,000,000.

For communications and electronics spares, $3,300,000.

(g) NAVY PROGRAMS.—The additional authorizations provided by subsection (c) for the Navy are available for Navy programs as follows:

(1) From the authorization for weapons procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Sidearm, 717 units and $59,500,000.

For AIM-9 L/M Sidewinder, 630 units and $40,000,000.

For drones and decoys, $15,000,000.

For aerial targets, $28,000,000.

(2) From the authorization for shipbuilding and conversion, two ships are authorized for strategic sealift in the amount of $25,000,000.

(3) From the authorization for other procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Skipper, 500 units and $12,500,000.

For low cost sonobouy, 150,000 units and $35,000,000.

For sealift support, 15,000,000, of which—

$3,000,000 is for modular causeway; and

$12,000,000 is for seasheds.

(h) MARINE CORPS PROGRAMS.—The additional authorization provided in subsection (c) for the Marine Corps is available for Marine Corps programs in quantities and amounts as follows:

For projectile 155-millimeter high explosive improved conventional munition (dual purpose) M483, 124,261 units and $50,000,000.

For M198 Howitzer, medium, towed 155-millimeter, 94 units and $45,000,000.

For Armored Vehicle Launched Bridge (AVLB), 8 units and $4,300,000.

(i) AIR FORCE PROGRAMS.—The additional authorizations provided in subsection (d) for the Air Force are available for Air Force programs as follows:

(1) From the authorization for missiles for the Air Force, 702,000 units and $38,000,000 are authorized for the AIM-9 L/M Sidewinder program.

(2) From the authorization for other procurement, Air Force, $12,000,000 is authorized for electronics and telecommunications.

SEC. 1185. CONTRACTING REQUIREMENTS.

(a) Except where compelling national security considerations require otherwise, not less than 10 percent of the amounts appropriated pursuant to authorizations made by titles I, II, and IX shall be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8 of the Small Business Act and regulations issued under such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act): *Provided, however,* That whenever the Secretary of Defense or the Secretary of Energy proposes to waive the preceding requirements, the Congress must first be notified in writing including the justification therefor.

(b) The Secretary of Defense and the Secretary of Energy shall submit semiannual reports to the Congress on their compliance with the requirements in subsection (a) with a full explanation for any failure to comply with the requirements and a plan to remedy such failure. The first such reports shall be submitted to the Congress not later than May 1, 1986.

SEC. 1186. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall, in accordance with the provisions of this section, carry out the destruction of the United States' stockpile of lethal chemical agents and munitions that exists on the date of the enactment of this Act.

(2) Such destruction shall be carried out in conjunction with the acquisition of binary chemical weapons for use by the Armed Forces.

(b) DATE FOR COMPLETION.—(1) Except as provided by paragraphs (2) and (3), the destruction of such stockpile shall be completed by September 30, 1994.

(2) If a treaty banning the possession of chemical agents and munitions is ratified by the United States, the date for completing the destruction of the United States' stockpile of such agents and munitions shall be the date established by such treaty.

(3)(A) In the event of a declaration of war by the Congress or of a national emergency by the President or the Congress or if the Secretary of Defense determines that there has been a significant delay in the acquisition of an adequate number of binary chemical weapons to meet the requirements of the Armed Forces (as defined by the Joint Chiefs of Staff as of September 30, 1985), the Secretary may defer, beyond September 30, 1994, the destruction of not more than 10 percent of the stockpile described in subsection (a)(1).

(B) The Secretary shall transmit written notice to the Congress of any deferral made under subparagraph (A) within 30 days after the date on which the determination to defer is made or by August 31, 1994, whichever is earlier.

(c) ENVIRONMENTAL PROTECTION AND USE OF FACILITIES.—(1) In carrying out the requirement of subsection (a)(1), the Secretary shall provide for—

(A) maximum protection for the environment, the general public, and the personnel who are involved in such destruction; and

(B) adequate and safe facilities designed solely for the destruction of lethal chemical agents and munitions.

(2) Facilities constructed to carry out this section may not be used for any purpose other than the destruction of lethal chemical weapons and munitions, and when no longer needed to carry out this section, such facilities shall be cleaned, dismantled, and disposed of in accordance with applicable laws and regulations.

(d) PLAN.—(1) The Secretary shall develop a comprehensive plan to carry out this section.

(2) In developing such plan, the Secretary shall consult with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency.

(3) The Secretary shall transmit a copy of such plan to the Congress by March 15, 1986.

(4) Such plan shall provide—

(A) an evaluation of the comparison of onsite destruction, regional destruction centers, and a national destruction site both inside and outside of the United States;

(B) for technological advances in techniques used to destroy chemical munitions;

(C) for the maintenance of a permanent, written record of the destruction of lethal chemical agents and munitions carried out under this section; and

(D) a description of—

(i) the methods and facilities to be used in the destruction of agents and munitions under this section;

(ii) the schedule for carrying out this section; and

(iii) the management organization established under subsection (e).

(e) MANAGEMENT ORGANIZATION.—(1) In carrying out this section, the Secretary shall provide for the establishment, by May 1, 1986, of a management organization within the Department of the Army.

(2) Such organization shall be responsible for management of the destruction of agents and munitions under this section.

(3) The Secretary shall designate a general officer as the director of the management organization established under paragraph (1). Such officer shall have—

(A) experience in the acquisition, storage, and destruction of chemical agents and munitions;

(B) training in chemical warfare defense operations; and

(C) outstanding qualifications regarding safety in handling chemical agents and munitions.

(f) IDENTIFICATION OF FUNDS.—Funds for carrying out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account. Such funds shall not be included in the budget accounts for any military department. Funds for military construction projects necessary to carry out this section may be set out in the annual military construction budget separately from other funds for such project.

(g) ANNUAL REPORT.—(1) Except as provided by paragraph (4), the Secretary shall transmit, by December 15 of each year, a report to the Congress on the activities carried out under this section during the fiscal year ending on September 30 of the calendar year in which the report is to be made.

(2) The first such report shall be transmitted by December 15, 1985, and shall contain—

(A) an accounting of the United States' stockpile of lethal chemical agents and munitions on the date of the enactment of this Act; and

(B) a schedule of the activities planned to be carried out under this section during fiscal year 1986.

(3) Each report other than the first one shall contain—

(A) a site-by-site description of the construction, equipment, operation, and dismantling of facilities (during the fiscal year for which the report is made) used to carry out the destruction of agents and munitions under this section, including any accidents or other unplanned occurrences associated with such construction and operation; and

(B) an accounting of all funds expended (during such fiscal year) for activities carried out under this section, with a separate accounting for amounts expended for—

(i) the construction of and equipment for facilities used for the destruction of agents and munitions;

(ii) the operation of such facilities;

(iii) the dismantling or other closure of such facilities;

(iv) research and development; and

(v) program management.

(4) The Secretary shall transmit the final report under this subsection not later than 120 days following the completion of activities under this section.

(h) PROHIBITION ON ACQUIRING CERTAIN LETHAL CHEMICAL AGENTS AND MUNITIONS.—(1) Except as provided in paragraph (2), no agency of the Federal Government may, after the date of the enactment of this Act, develop or acquire lethal chemical agents or munitions other than those designed so that—

(A) the lethal agent is generated only after launch or firing; and

(B) there is no need to destroy the lethal agent in order to render the munition permanently inoperative.

(2) An agency of the Federal Government may acquire lethal chemical agents and munitions other than those described in paragraph (1) if they are acquired for the sole purpose of protecting the national security through intelligence analysis or through research, evaluation, or testing of such agents or munitions. Any agent or munition acquired under this paragraph may be used only for the purpose described in the preceding sentence.

(i) RENOUNCING FIRST USE OF CHEMICAL AGENTS AND MUNITIONS.—It is the sense of Congress that the President should publicly reaffirm the position of the United States renouncing the first use of chemical agents and munitions under any circumstances.

(j) DEFINITIONS.—For purposes of this section:

(1) The term "chemical agent and munition" means an agent or munition that, through its chemical properties, produces lethal or other damaging effects on human beings, except that such term does not include riot control agents, chemical herbicides, smoke and other obscuration materials.

(2) The term "lethal chemical agent and munition" means a chemical agent or munition that is designed to cause death, through its chemical properties, to human beings in field concentrations.

(3) The term "destruction" means, with respect to chemical munitions or agents—

(A) the demolishment of such munitions or agents by incineration or by any other means; or

(B) the dismantling or other disposal of such munitions or agents so as to make them useless for military purposes and harmless to human beings under normal circumstances.

(k) EFFECTIVE DATE.—The provisions of this section shall take effect on October 1, 1985.

SEC. 1187. DRUG-INTERDICTION ASSISTANCE TO CIVILIAN LAW ENFORCEMENT OFFICIALS.

(a) IN GENERAL.—Section 374 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of Defense, upon request from the head of a Federal agency with jurisdiction to enforce the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), may assign members of the armed forces under the Secretary's jurisdiction to assist drug enforcement officials of such agency in drug searches, seizures, or arrests outside the land area of the United States (or of any territory or possession of the United States) if—

"(1) that assistance will not adversely affect the military preparedness of the United States;

"(2) the Attorney General verifies that the drug enforcement operation may not succeed without assistance by members of the armed forces; and

"(3) Federal drug enforcement officials maintain ultimate control over the activities and direction of any drug enforcement operation.".

(b) CONFORMING AMENDMENT.—Section 375 of such title is amended by inserting "(other than under section 374(d))" after "under this chapter".

SEC. 1188. COMPENSATION FOR MILITARY PERSONNEL AND MEMBERS OF THEIR FAMILIES WHO ARE VICTIMS OF TERRORISM.

(a) AUTHORITY TO MAKE PAYMENT.—If an individual who is a member of the Armed

Forces or a family member of a member of the Armed Forces is a victim of a hostile action directed against the United States, the President may make a cash payment under this section to that individual and to any family member of that individual (including the member of the Armed Forces).

(b) MATTERS FOR WHICH PAYMENTS MAY BE MADE.—A payment authorized by subsection (a) may include—

(1) expenses for medical and health care and other expenses related to such care to the extent that such care—

(A) is incident to the hostile action; and

(B) is not covered by any Government medical or health program or by insurance; and

(2) an amount based on the nature of the hostile action and the effect of the hostile action on the individual, taking into consideration the treatment received by the individual, the duration of the individual's captivity (if any), and any other factor that the President considers appropriate.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "hostile action" includes terrorist actions, wherever they occur, and includes captivity and physical violence. Such term does not include actions by enemy forces during the time of war in a theatre of war.

(2) The term "family member" has the meaning given that term in section 101(3) of the Hostage Relief Act of 1980 (5 U.S.C. 5561 note).

SEC. 1189. PROVISION OF HOME HEALTH CARE.

Home health care may be provided to a chronically ill dependent of an active duty member of the uniformed services, provided that such care is medically necessary or appropriate; cost effective; and the beneficiary is not covered for such care under any other public or private health insurance plan.

SEC. 1190. EDUCATION OF HIGH SCHOOL STUDENTS RESIDENT ON THE WEST POINT MILITARY RESERVATION.

(a) The Department of Defense may enter contractual arrangements pursuant to Section 6 of the Act of September 30, 1950, 63 Stat. 1107, 20 U.S.C. § 241, for the public education of high school students residing on the West Point military reservation.

(b) Contracts pursuant to section (a) above shall be funded from Department of Defense appropriations. The total cost of such contracts shall not exceed the cost per student for education in comparable communities in the state, less any state and federal contributions attributable to the education of the students concerned.

SEC. 1191. STUDY OF MEASURES TO ENHANCE CRISIS STABILITY AND CONTROL.

(a) The Secretary of Defense shall conduct a detailed and complete study and evaluation of additional measures which both enhance the security of the United States and reduce the likelihood of nuclear weapons use by contributing to crisis stability and/or crisis control capabilities, including specific consideration of the following measures:

(1) Increased redundancy of direct communications link circuits, including the creation of new survivable circuts and terminals, located outside the national capitals which have access to the command and control system of the country in which they are located.

(2) Establishment of redundant, survivable direct communications links between and among all nuclear-armed states.

(3) Conclusion of an agreement creating "non-target" sanctuaries only for certain direct communications link circuits to enhance survivability of communications.

(4) Creation in advance of standard operating procedures for communicating, and possibly cooperating, with the Soviet Union and other states in the event of nuclear attacks by third parties on either the United States or Soviet Union.

(5) Addition to the Incidents At Sea agreement of a prohibition on the "locking on" of fire control radars on ships and planes of the other side, an agreement on the separation of naval forces during specified periods of crisis, and other such measures relevant to the Incidents At Sea agreement.

(6) Placement by the United States and the Soviet Union of unmanned launch sensors in the land-based missile fields of both countries.

(7) Establishment of anti-submarine operations free zones designed to enhance the security of ballistic missile submarines.

(8) Installation of permissive action links aboard the ballistic missile submarines of the United States, which might possibly be activated or deactivated at various levels of alert, and encouragement of the Soviet Union to do the same.

(9) Establishment of training programs for National Command Authority officials to familiarize them with alert procedures, communications capabilities, nuclear weapons release authority procedures, and the crisis control and stability implications thereof.

(10) Include in standard operating procedure the relocation in a crisis of a National Command Authority official outside Washington, D.C. to a secure location with access to the strategic command and control system, and announce the institution of this procedure to relevant foreign governments.

(b) The Secretary of Defense shall submit a report of the study and evaluation under subsection (a) to the Committees on Armed Services and Foreign Relations of the Senate and the Committee on Armed Services and Foreign Affairs of the House of Representatives by January 1, 1986. Such report should be available in both a classified, if necessary, and unclassified format.

SEC. 1192. SENSE OF THE CONGRESS CONCERNING ESTABLISHMENT OF TRAVEL OFFICES OR ACQUISITION OF TRAVEL SERVICES.

It is the sense of the Congress that the Secretary of each military department should provide, in the establishment of travel offices or the acquisition of travel services for official travel, for free and open competition among commercial travel agencies, scheduled airline traffic offices (SATOs), and other entities which provide such services.

SEC. 1193. ENCOURAGEMENT OF TECHNOLOGY TRANSFER.

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2362. Encouragement of technology transfer

"(a) The Secretary of Defense shall encourage, to the extent consistent with national security objectives, the transfer of technology between laboratories and research centers of the Department of Defense and other Federal agencies, State and local governments, colleges and universities, and private persons in cases that are likely to result in the maximum domestic use of such technology.

"(b) The Secretary shall examine and implement methods, in addition to the encouragement referred to in subsection (a), that are consistent with national security objectives and will enable Department of Defense personnel to promote technology transfer in cases referred to in subsection (a)."

(b) REPORT.—(1) The Secretary of Defense shall, not later than April 1, 1986, transmit a report to the Congress concerning the implementation of the amendment made by subsection (a).

(2) Such report shall contain—

(A) an analysis of the funding in the Department of Defense budget request for fiscal year 1987 that is allocated to domestic technology transfers by laboratories and research centers within the Department of Defense;

(B) an assessment of the safeguards necessary to protect national security objectives in any domestic technology transfer by the Department of Defense;

(C) guidelines to ensure that such transfer of technology results in benefits primarily to persons in the United States rather than competitors in other countries or competitors controlled by entities in other countries; and

(D) any legal or other problems concerning such technology transfer that would require legislation to resolve.

(c) TECHNICAL AMENDMENTS.—The table of sections for such chapter is amended by adding the following new item at the end thereof:

"2362. Encouragement of technology transfer.".

SEC. 1194. STUDY BY SECRETARY OF DEFENSE.

The Secretary of Defense shall make a study of the desirability of reinstating the death penalty as an alternative penalty for persons convicted of espionage relating to the national defense, and report to the Congress the results of such study, together with any related recommendations for legislation, not later than the thirtieth day beginning after the date of the enactment of this Act.

SEC. 1195. REPORT ON ESTABLISHING NEEDS-BASED SURVIVOR BENEFIT ANNUITY PROGRAM FOR SURVIVING SPOUSES OF CERTAIN RETIRED RESERVISTS.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress a plan for establishing a needs-based survivor annuity program for surviving spouses of members of the uniformed services who—

(1) died prior to September 30, 1978; and

(2) at the time of death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact they were under 60 years of age.

(b) SCOPE OF PLAN.—The plan shall take into consideration the surviving spouse's income for purposes of determining eligibility under the plan. In developing the plan, the Secretary of Defense should analyze a variety of options, including a plan similar to the Minimum Income Widows Program established pursuant to Public Law 92-425 and provide an accounting of the number of potential beneficiaries and the projected cost.

(c) DEADLINE FOR REPORT.—The report required by this section shall be submitted no later than December 31, 1985.

SEC. 1196. AWARDS FOR COST SAVINGS DISCLOSURES.

(a) AWARDS TO CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—(1) The Inspector General of the Department of Defense may pay a cash award to any civilian employee of the Department whose disclosure of fraud, waste, or mismanagement to such Inspector General has resulted in cost savings

for the Department. The amount of any award under this paragraph may not exceed whichever of the following amounts is less:

(A) $25,000.

(B) An amount that the Inspector General determines to be equal to one percent of the cost savings of the Department attributable to the disclosure, including cost savings projected for fiscal years following the fiscal year in which the disclosure was made.

(2) No award may be paid under paragraph (1)—

(A) before October 1, 1985; or

(B) after September 30, 1988.

(3)(A) The Inspector General shall submit to the Congress a report with respect to the effectiveness of the awards provision in this subsection, including the recommendations of the Inspector General—

(i) as to whether the awards provision should be continued after September 30, 1988; and

(ii) if the provision is continued, whether any modification in the provision is appropriate.

(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.

(b) AWARDS TO MEMBERS OF THE ARMED FORCES.—(1) Section 1124 of title 10, United States Code, is amended in subsections (a), (b), (c), and (f) by inserting "disclosure," before "suggestion".

(2) Such section is amended by adding at the end thereof the following new subsection:

"(i)(1) No award with respect to a disclosure may be paid under this section—

"(A) before October 1, 1985; or

"(B) after September 30, 1988.

"(2)(A) The Secretary of Defense, after consultation with the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall submit to the Congress a report with respect to the effectiveness of the provision in this section for awards for disclosures, including the recommendations of the Secretary—

"(i) as to whether the provision should be continued after September 30, 1988; and

"(ii) if the provision is continued, whether any modification in the provision is appropriate.

"(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.".

(c) CONFORMING AMENDMENTS.—(1) The heading of section 1124 of title 10, United States Code, is amended to read as follows:

"§ 1124. Cash awards for disclosures, suggestions, inventions or scientific achievements".

(2) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements.".

At end to title X (page 200, after line 4) add the following new section:

SEC. 1197. AMERICAN STAGE EQUIPMENT FOR U.S. PATRIOTIC EVENTS.

That it is the sense of the Congress that performing groups in the armed forces of the United States should use domestically manufactured entertainment support items, such as pianos and organs, sound and lighting equipment, and other items essential for quality entertainment, at patriotic and ceremonial events in the Capitol Building, on the Capitol Grounds, and at all Federal buildings, unless there is no domestically manufactured item of comparable quality and price.

SEC. 1198. AIRCRAFT FUEL CONSERVATION PROGRAM AND REPORT.

(a) ESTABLISHMENT OF PROBLEM.—(1) The Secretary of Defense shall establish a fuel conservation program for the purpose of reducing the use of fuel by military aircraft during takeoffs and other situations in which the Secretary determines that use of fuel may be reduced without lowering the safety standards officially in use by military aircraft personnel on the date of the enactment of this Act.

(2) The program referred to in paragraph (1) shall be established and implemented before the expiration of the 90-day period following the date of the enactment of this Act.

(b) SUBMISSION OF REPORT.—The Secretary of Defense shall submit to the Congress a report with respect to the program referred to in subsection (a) before the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 1199. LIMITED COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) The Secretary of Defense is authorized and directed to institute a program of counterintelligence polygraph examinations for military, civilian, and contractor personnel of the Department of Defense, military departments, and the armed forces whose duties involve access to classified information.

(b) The program instituted pursuant to subsection (a) shall provide that, in the case of such individuals whose duties involve access to classified information within special access programs established pursuant to section 4.2(a) of Executive Order 12356, a counterintelligence polygraph examination shall be required prior to granting access to such information and aperiodically thereafter at random while such individuals have access to such information.

(c) In the case of individuals whose duties involve access to classified information other than that information covered in subsection (b) of this section, a counterintelligence polygraph examination may be required prior to granting access to such information and aperiodically thereafter at random while such individuals have access to such information.

(d) A counterintelligence polygraph examination conducted pursuant to this section shall be limited to technical questions necessary to the polygraph technique and questions directly related to espionage, sabotage, terrorism and unauthorized disclosures of classified information.

(e) The authority of the Secretary of Defense under this section to provide for the use of polygraph examinations shall be in addition to any other authority the Secretary possesses on the date of enactment of this Act to provide for such examinations under applicable laws and regulations.

SEC. 1200. LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT.

(a) Funds appropriated to the Department of Defense may not be obligated or expended for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions or its allies; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States Embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens; or

(D) to respond to hijacking, kidnapping, or other acts of terrorism involving citizens of the United States or citizens of any ally of the United States.

(d) EXISTING PROVISIONS PRESERVED.—Nothing in this section shall invalidate any provision of Public Law 93-148.

(e) TREATY AUTHORITY PRESERVED.—Nothing in this section shall invalidate any authority of the United States to act under the provisions of the Inter-American Treaty of Reciprocal Assistance.

(f) EXPIRATION UPON ESCALATION.—This section shall not apply when MIG aircraft, or other aircraft of similar design or capability, or nuclear missiles or any other nuclear weapons are introduced into Nicaragua.

SEC. 1201. EXERCISE OF CERTAIN AUTHORITIES RELATING TO CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE.

For purposes of civilian employees of the Department of Defense, the Secretary of Defense shall exercise the following authorities:

(1) Authorities assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577 (5 U.S.C. 3301 note), relating to investigation of the suitability of applicants.

(2) Authorities assigned to the Office of Personnel Management under Executive Order Number 10450 (5 U.S.C. 7311 note), relating to security requirements for Federal employees.

SEC. 1202. READINESS OF SPECIAL OPERATIONS FORCES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the first duty of the Government is to provide for the peace, safety, and security of the citizens of the United States;

(2) the incidence of terrorist, guerrilla, and other violent threats to citizens and property of the United States has rapidly increased;

(3) the special operations forces of the Armed Forces provide the United States with immediate and primary capability to respond to terrorism; and

(4) the special operations forces are the military mainstay of the United States for the purposes of nation-building and training friendly foreign forces in order to preclude deployment or combat involving the conventional or strategic forces of the United States.

(b) SENSE OF THE CONGRESS.—In view of the findings in subsection (a), it is the sense of the Congress that—

(1) the revitalization of the capability of the special operations forces of the Armed Forces should be pursued as a matter of the highest priority;

(2) personnel and other resource allocations should reflect the priority referred to in paragraph (1);

(3) the political and military sensitivity and the importance to national security of the special operations forces require that the Office of the Secretary of Defense should increase its management supervision of such forces to a level sufficient for direct, continuous, and intensive control of all aspects of the special operations mission area;

(4) the joint command and control of the special operations forces should be restructured to permit direct and immediate access by the President and Secretary of Defense; and

(5) the commanders-in-chief of the unified commands should have available, within their operational areas of responsibility, sufficient special operations assets to execute the operations plans for which they are responsible or to support additional contingency operations directed from the national level.

SEC. 1203. AUTHORIZATION FOR SPECIAL OPERATIONS WEAPONS FOR THE NAVY.

The Secretary of the Navy is authorized to obligate $2,300,000 for the acquisition of convertible special application sniper weapons from amounts appropriated for weapons procurement for the Navy for fiscal year 1986. Such authorization shall be considered to be included within the authorization for weapons procurement for the Navy under subsection (c)(1) of the section in this title relating to authorization for additional procurement for conventional forces.

SEC. 1204. ANNUAL REPORT ON COST SAVINGS UNDER CONTRACTING OUT PROCEDURES.

(a) REPORT.—Not later than April 15 of each year, the Secretary of Defense shall submit to Congress a report describing the experience of the Department of Defense since January 1, 1981, with conversion to contractor operation of commercial or industrial type functions of the Department of Defense which previously had been performed by Department of Defense civilian or military personnel.

(b) MATTERS TO BE INCLUDED.—(1) Each report under subsection (a) shall include with respect to each function of the Department of Defense converted to contractor operation since January 1, 1981—

(A) the estimated cost (as of the date of the award of the contract) of performance of the function by the Government,

(B) the contractor's estimated cost of performance of the function in the bid of the contractor,

(C) the actual cost (as of the end of the contract or the date of the report) of contractor operation of such function, and

(D) the savings (shown in dollars and as a percentage) for the operation of such function since conversion to contractor performance.

(2) Each such report shall also show—

(A) the average savings (shown in dollars and as a percentage) of all functions converted to contractor performance since January 1, 1981, as projected at the time of contracting and as realized at the end of the contract or the date of the report;

(B) the dollar amount and percentage of such contracts awarded to small businesses; and

(C) the number of Federal employees whose employment by the Government was terminated as a result of conversion of such functions to contractor performance.

(c) REVISION OF COST DIFFERENTIAL.—In performing any cost comparison under OMB Circular A-76, the Secretary of Defense shall use a cost differential factor of 15 percent rather than the percentage specified in such circular.

SEC. 1205. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, applicance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or cryptographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) Except as set forth in this section, sentencing under this section shall be determined pursuant to procedures set forth in the Manual for Courts-Martial. The members shall consider all relevant matters presented in aggravation and extenuation and mitigation. The members shall return special findings indentifying any mitigating factors and any aggravating factors set forth in subsection (d) or (e) that are found to exist. If one of the aggravating factors set forth in subsection (e) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by the members shall be made by unanimous vote. If no aggravating factor set forth in subsection (e) is found to exist, the members shall impose a sentence, other than death, authorized by law. If one or more of the aggravating factors set forth in subsection (e) is found to exist, the members shall then consider whether the aggravating factor or factors found to exist sufficiently outweighs any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the members by unanimous vote shall return a finding as to whether a sentence of death is justified. Upon a finding that a sentence of death is justified, the members shall sentence the accused to death. Otherwise the members shall impose a sentence, other than death, authorized be law.

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter x of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

SEC. 1206. REDUCTION IN SECURITY CLEARANCE BACKLOG.

(a) FINDING.—The Congress finds that there are many persons with a security clearance at a level of top secret or above who have not been investigated for more than five years as a result of delays in the program of the Department of Defense for periodic reinvestigations of persons with clearances at such a level.

(b) REQUIRED REDUCTION IN CLEARANCE BACKLOG.—The Secretary of Defense shall take such action as necessary to achieve a reduction of 25 percent in the backlog under such periodic reinvestigation program by the end of fiscal year 1986.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1986 for operation and maintenance of defense agencies $25,000,000 for the purposes of this section. Such authorization is in addition to any other authorization provided by this Act.

(d) REPORT.—If the Secretary determines that there are insufficient funds available to the Secretary to carry out subsection (b), the Secretary shall report to Congress by April 1, 1986, on the level of funding required to enable the Secretary to carry out that subsection. Such a report shall include a description of any resources and requirements necessary to accomplish the remaining reduction under subsection (b) and to eliminate an additional 25 percent of the backlog in the periodic reinvestigation program during fiscal year 1987.

SEC. 1207. SHOULD-COST ANALYSIS.

(a) REPORT ON ANNUAL PLAN.—The Secretary of Defense shall submit to Congress an annual report setting forth the Secretary's plan for the performance during the next fiscal year of cost analyses of contractors for major defense acquisition programs for the purpose of determining how much the production of such systems should cost. Such report shall describe—

(1) which covered systems the Secretary plans to apply such an analysis to; and

(2) which covered systems the Secretary does not plan to apply such an analysis to and, in each such case, the reasons for not applying such an analysis.

(b) COVERED SYSTEMS.—For the purposes of subsection (a), a system under a major defense acquisition program shall be considered to be a covered system if—

(1) a production contract for the system is to be awarded during the year following the next fiscal year using procedures other than full and open competition;

(2) initial production of the system has already taken place;

(3) the current plans for the Department of Defense include production of substantial quantities of identical or similar items in fiscal years beyond the next fiscal year;

(4) the work to be performed under the contract is sufficiently defined to permit an effective analysis of what production of the system by the contractor should cost; and

(5) major changes in the program are unlikely.

(c) SUBMITTAL OF REPORT.—The report required by subsection (a) shall be submitted to the Committees on Armed Services of the Senate and the House of Representatives not later than the date on which the budget for the next fiscal year is submitted each year.

(d) DEFINITION.—The term "major defense acquisition program" means a program for which a Selected Acquisition Report is required to be submitted under section 139a of title 10, United States Code.

SEC. 1208. ACQUISITION OF ANTI-SUBMARINE WARFARE TRAINING SYSTEMS.

Of the amount appropriated for the Navy pursuant to the authorzation for the Navy in section 201, $6,800,000 shall be available only for acquisition of three service test models of the LAMPS MK-1 anti-submarine warfare shipboard training systems for the Naval Reserve.

SEC. 1209. PROHIBITING THE DEPARTMENT OF DEFENSE AND THE CENTRAL INTELLIGENCE AGENCY FROM PROVIDING ASSISTANCE TO THE NICARAGUAN RESISTANCE FORCES.

None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended by the Department of Defense or the Central Intelligence Agency to provide any humanitarian assistance to the Nicaraguan resistance forces.

SEC. 1210. RESTRICTION ON FUNDING FOR MX MISSILE WARHEAD.

None of the funds appropriated pursuant to an authorization provided in this Act or any other Act may be obligated or expended for the production of W-87 warheads for the MX missile program in excess of the numbers of warheads required to arm the number of such missiles authorized by the Congress to be deployed and determined by the President to be necessary for quality assurance and reliability testing.

SEC. 1211. EMPLOYMENT OF THE STANDARD MISSILE (SM-2(N)).

Except for the studies and report required by this section, none of the funds authorized to be appropriated by this Act shall be expended for research, development, test or procurement associated with a nuclear variant of the Standard Missile (SM-2(N)) or any associated nuclear warhead until 30 calendar days after the Secretary of the Navy submits to the Senate and House Armed Services Committees a report which includes the following information—

(1) a description of the circumstances under which the SM-2(N) would be utilized, and an assessment of likely enemy response (including countermeasures);

(2) a description of the release procedures and circumstances under which release would be authorized for employment of the SM-2(N);

(3) an analysis of conventional alternatives to the SM-2(N), including any necessary modifications to the SM-2 or alternative to the Standard Missile or warhead, and the associated costs of those alternatives;

(4) a summary of all studies previously conducted analyzing the impact of the use of nuclear naval surface-to-air missiles on our own vessels and electronics;

(5) a list of all United States ships which may receive the SM-2(N);

(6) the number of additional conventional armed missiles which could be carried by United States ships if the SM-2(N) were not deployed and the impact on fleet air defense from that reduced conventional load; and

(7) any plans or programs for the development of a nuclear naval surface-to-air or air-to-air missile for fleet defense other than the SM-2(N).

SEC. 1212. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the fund appropriated pursuant to an authorization provided in this title may be obligated or expended for any development engineering, or full scale development, or production engineering, or production carried out with respect to the small atomic demolition munition (SADM).

SEC. 1218. REPORT ON REQUIREMENTS FOR SPECIAL NUCLEAR MATERIALS.

(a) Not later than March 1, 1986, the Secretary of Defense and the Secretary of Energy, after consultation with the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency, shall submit a report to the Committees on Armed Services of the Senate and House of Representatives detailing the military requirements for special nuclear materials through fiscal year 1991. The report shall include findings and recommendations concerning—

(1) requirements for production of plutonium, highly enriched uranium, and other special nuclear materials; and

(2) the recovery of special nuclear materials for military uses that have been transferred from military uses to civilian research and development uses.

(b) The report should also—

(1) address the availability of special nuclear materials to be derived from the retirement of existing nuclear weapons;

(2) address the feasibility of meeting military needs for special nuclear materials through the blending of high grade and low grade materials stocks;

(3) assess the impact of new materials separation, purification, and production technologies on nuclear proliferation; and

(4) contain the views of the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency.

SEC. 1214. PROHIBITION ON DEFENSE CONTRACTORS ALLOWING PARTICIPATION OF CERTAIN PERSONS WITH RESPECT TO DEFENSE CONTRACTS.

(a) CRIMINAL PENALTY.—It shall be unlawful for any defense contractor to knowingly and willingly permit any convicted employee to perform any service for such contractor (including service on the board of directors of such contractor) in connection with a defense contract. Any defense contractor who violates this subsection shall be fined not more than $500,000.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "defense contractor" means any prime contractor or subcontractor who performs any service or provides any item in connection with any contract with the Department of Defense.

(2) The term "convicted employee" means an officer or employee of a defense contractor who is convicted of fraud or any other felony arising out of a contract with the Department of Defense.

Amend the title so as to read: "An Act to authorize appropriations for military functions of the Department of Defense and to prescribe military personnel levels for the Department of Defense for fiscal year 1986, to revise and improve military compensation programs, to authorize appropriations for fiscal year 1986 for national security programs of the Department of Energy, and for other purposes.".

Attest:

Clerk.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to authorize appropriations for military functions of the Department of Defense and to prescribe military personnel levels for the Department of Defense for fiscal year 1986, to revise and improve military compensation programs, to authorize appropriations for fiscal year 1986 for national security programs of the Department of Energy, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1872) was laid on the table.

AUTHORIZING THE CLERK TO MAKE CERTAIN CORRECTIONS IN ENGROSSMENT OF H.R. 1872

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to the Senate bill, S. 1160, the Clerk be authorized to make such technical cor-

rections, including title and section numbers, punctuation, and cross-references, as may be necessary to reflect the action of the House in amending the bill H.R. 1872.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of such amendments, the Clerk be authorized and directed to make certain corrections which are at the desk.

The Clerk read the corrections as follows:

Corrections to the amendment of the House to the text of the bill:

Insert the following heading at the beginning of section 209:

SEC. 209. NATO COOPERATIVE RESEARCH AND DEVELOPMENT.

Insert the following heading at the beginning of section 210:

SEC. 210. REPORT ON STRATEGIC DEFENSE INITIATIVE.

In section 213, insert the following at the beginning of the text of the section: "(a) LIMITATION ON TESTING AGAINST OBJECTS IN SPACE.—".

In the section of title III relating to specification of core-logistics functions subject to contracting-out limitation, strike out "section 308(b)(4)" in subsection (f) and insert in lieu thereof "section 307(b)(4)".

In the section of title X relating to authorization for additional procurement for conventional forces, strike out "702,000 units" in subsction (i)(1) and insert in lieu thereof "702 units".

Mr. ASPIN (during the reading). Mr. Speaker, I ask unanimous consent that the corrections be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Wisconsin?

There was no objection.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill, H.R. 1872.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE INEQUITY OF PROCUREMENT PROCEDURES AS PRACTICED BY DOD

Mr. FORD of Tennessee. Mr. Speaker, as part of the defense authorization, this body approved language which would strengthen the existing defense related industrial capacity while developing new defense related industrial capacity in the minority private sector. The language provides that not less than 10 percent of the amounts appropriated pursuant to titles I, II, and IX of the bill be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals, historic black colleges and universities, and other minority institutions.

There are a number of reasons that such a set-aside was long overdue. While we spend billions of dollars on defense to secure our Nation abroad, we have done little by anything to improve the living conditions for many of our less fortunate here at home. While unemployment hovers around 7 percent nationally, black unemployment holds at 20 percent. This type of statistic is morally offending. The set-aside is extremely worthwhile, because as we spend to improve the Nation's defenses, we also work to lower that 20-percent figure.

Mr. Speaker, 1984 found socially and economically disadvantaged businesses receiving only a 2.2-percent share of the total defense procurement contracts awarded. Black colleges and other minority institutions received less than 1 percent of moneys awarded for research, development, training, and equipment. By providing a set-aside for black colleges and minority intitutions, we insure that these institutions receive their fair share of research money. Detractors have pointed out that the DOD is currently unable to find 10-percent qualified minority business to contract out to. While I do not believe such contentions, this set-aside will alleviate that argument. Such a set-aside will provide many men and women with the high-tech training that will become invaluable in their future, and America's future. The set-aside is not a hand out, but an investment in America's present and future security.

Finally, I believe that such a set-aside will improve competition in the defense industry. The set-aside will bring more companies into the defense market, and, in time, will improve the quality and price of defense hardware. With reports of toilet seats, hammers, and coffee makers costing the taxpayers hundreds and thousands of dollars, all Members can appreciate an increase in quality of products at a fair cost. Presently, I am working on introducing a perfecting bill, so that in time, this kind of language would no longer be needed.

With almost 27 percent of the Armed Forces made up of minorities, the DOD has not even contracted out 1 percent of research money, and just over 2 percent of defense procurement money. I stress upon these figures once again because they point out the obvious need of set-aside. I have always stood for fairness in my 10 years of serving the people of the Ninth District of Tennessee, and I commend my colleagues for realizing the inequity of procurement procedures as practiced by the DOD.

CONFERENCE REPORT ON H.R. 1617, NATIONAL BUREAU OF STANDARDS AUTHORIZATIONS, FISCAL YEAR 1986

Mr. FUQUA submitted the following conference report and statement on the bill (H.R. 1617), to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986 and for other purposes:

CONFERENCE REPORT (H. REPT. No. 99-187)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "National Bureau of Standards Authorization Act for Fiscal Year 1986".

AUTHORIZATION FOR PROGRAM ACTIVITIES

SEC. 2. (a) There are authorized to be appropriated to the Secretary of Commerce (hereinafter referred to as the "Secretary") for fiscal year 1986, to carry out activities performced by the National Bureau of Standards, the sums set forth in the following line items:

(1) Measurement Research and Standards, $36,843,000.

(2) Materials Science and Engineering, $21,943,000.

(3) Engineering Measurements and Standards, $33,555,000.

(4) Computer Science and Technology, $9,657,000.

(5) Center for Fire Research, $5,827,000.

(6) Technical Competence Fund, $8,481,000.

(7) Central Technical Support, $8,179,000.

(b) Notwithstanding any other provision of this or any other Act for fiscal year 1986—

(1) of the total of the amounts authorized under paragraphs (1), (2), (3), and (6) of subsection (a), $2,000,000 is authorized only for steel technology;

(2) of the total amount authorized under paragraph (3) of subsection (a), $3,895,000 is authorized only for the Center for Building Technology, and $50,000 is authorized only for the purpose of assisting the creation and maintenance of data bases on structural failures; and

(3) of the total of the amounts authorized under paragraphs (1), (2), (7), and (8) of subsection (a), $2,575,000 is authorized for transfer to the Working Capital Fund.

(c)(1) Funds may be transferred among the line items listed in subsection (a) so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection.

(2) In addition, the Secretary may propose transfers to or from any line item exceeding 10 percent of the amount authorized for that line item in subsection (a); but a full and complete explanation of any such proposed transfer and the reason therefor must be transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate, and the proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

(3) No transfer described in paragraph (1) or (2) may have the effect of reducing the amount available for any of the particular purposes set forth in subsection (b) below the applicable dollar amount specified in that subsection; and none of the funds transferred under either such paragraph may be used for the construction of the Cold Neutron Source Facility.

(d) The National Bureau of Standards shall seek reimbursements of not less than $500,000 from other Federal agencies to expand its efforts in support of basic scientific research on the atmospheric, climatic, and environmental consequences of nuclear explosions and nuclear exchanges.

AUTHORIZATION FOR EXPENSES OUTSIDE THE UNITED STATES

SEC. 3. In addition to the sums authorized in section 2, there are authorized to be appropriated to the Secretary for fiscal year 1986 such sums as may be necessary for expenses of the National Bureau of Standards incurred outside the United States, to be paid for in foreign currencies that the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

AUTHORIZATION FOR SALARY ADJUSTMENTS

SEC. 4. In addition to the sums authorized in the preceding provisions of this Act, there are authorized to be appropriated to the Secretary for fiscal year 1986 such additional sums as may be necessary to restore the salary, pay, retirement, and other employee benefits of the National Bureau of Standards to the levels in effect at the end of fiscal year 1985 and to make any adjustments in the Bureau's salary, pay, retirement, and other employee benefits which may be provided for by law.

COST RECOVERY AUTHORITY

SEC. 5. (a) Section 12(f) of the Act of March 3, 1901 (15 U.S.C. 278b(f)), is amended—

(1) by striking out "first"; and

(2) by inserting immediately before the period at the end thereof the following: ", and to ensure the availability of working capital necessary to replace equipment and inventories".

(b) Fees for calibration services, standard reference materials, and other comparable services provided by the National Bureau of Standards shall be at least sufficient to meet the requirements set forth in the amendments made by subsection (a), and any funds recovered in excess of such requirements shall be returned to the Treasury of the United States.

(c) The amendments made by subsection (a) (and the provisions of subsection (b)) shall be effective October 1, 1984.

COMPENSATION OF DIRECTOR

SEC. 6. (a) Section 5 of the Act of March 3, 1901 (15 U.S.C. 274), is amended—

(1) by striking out "He" at the beginning of the second, third, and fourth sentences and inserting in lieu thereof "The Director"; and

(2) by adding at the end thereof the following new sentence: "The Director shall be compensated at the rate now or hereafter in effect for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

(b)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new item: "Director, National Bureau of Standards, Department of Commerce.".

(2) Section 5316 of title 5, United States Code, is amended by striking out "Director, National Bureau of Standards, Department of Commerce.".

(c) The amendments made by this section shall be effective October 1, 1985.

STRUCTURAL FAILURES

SEC. 7. The National Bureau of Standards, on its own initiative but only after consultation with local authorities, may initiate and conduct investigations to determine the causes of structural failures in structures which are used or occupied by the general public. No part of any report resulting from such investigation shall be admitted as evidence or used in any suit or action for damages arising out of any matter mentioned in such report.

SCIENTIFIC POSITIONS

SEC. 8. In order to maintain a highly qualified scientific staff at the National Bureau of Standards, a goal of 20 positions is established for the Senior Scientists Program at the National Bureau of Standards.

OFFICE OF PRODUCTIVITY, TECHNOLOGY, AND INNOVATION

SEC. 9. In addition to the sums authorized in the preceding provisions of this Act, there is authorized to be appropriated to the Secretary for fiscal year 1986 the sum of $2,715,000 for the activities of the Office of Productivity, Technology, and Innovation.

NATIONAL TECHNICAL INFORMATION SERVICE

SEC. 10. In addition to the sums authorized in the preceding provisions of this Act, there is authorized to be appropriated to the Secretary for fiscal year 1986 the sum of $537,000 for the patent licensing activities of the National Technical Information Service.

AVAILABILITY OF APPROPRIATIONS

SEC. 11. Appropriations made under authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for such periods as may be specified in the Acts making such appropriations.

COST REDUCTION REPORT

SEC. 12. Within 90 days after the enactment of this Act, the Director of the National Bureau of Standards shall review the recommendations of the President's Private Sector Survey on Cost Control and such other recommendations as may be included in the Office of Management and Budget report entitled "Management of the United States Government—1986", and shall submit a report to the Speaker of the House of Representatives, the President of the Senate, and the appropriate committees of the House and Senate on the implementation status of each such recommendation which affects the National Bureau of Standards and which is within the authority and control of the Director.

And the Senate agree to the same.

DON FUQUA,
DOUG WALGREN,
STAN LUNDINE,
MANUEL LUJAN, JR.,
SHERWOOD BOEHLERT,
Managers on the Part of the House.

JOHN DANFORTH,
SLADE GORTON,
BARRY GOLDWATER,
FRITZ HOLLINGS,
DON RIEGLE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The following section-by-section analysis explains actions of the managers in the conference report to accompany H.R. 1617.

Section 1. The title of the bill is the same in both the House and Senate versions and therefore is not in conference.

Section 2(a). The House authorized a total of $124,485,000 for all programs of the National Bureau of Standards which receive direct appropriations. This is the exact dollar amount of the FY 1985 appropriations. The Senate set the NBS FY 1986 authorization level at the FY 1985 authorization level of $130,256,000. The Senate recedes to the House with regard to total authorization and accepts an FY 1986 budget freeze at the FY 1985 appropriation levels.

The conferees agreed to the following allocations within the budget totals.

(1) The conferees recommend that $1.44 million be spent on biotechnology instead of the $1 million recommended by the House and the $3.0 million recommended by the Senate. The conferees agree with the views on biotechnology contained in House Report 99-43. While recognizing the importance of establishing a biotechnology capacity in NBS, it is felt that the program can benefit from further planning before being fully funded. Biotechnology is funded within the measurement research and standards line item.

(2) The House authorization amount was accepted for the materials science and engineering line item including the $3 million the House recommended for the ceramics initiative.

(3) The House authorization amount was accepted for the engineering measurement and standards line item including $3,895,000 for the Center for Building Technology.

(4) The conferees allotted $9,657,000 to the computer science and technology line item rather than the House's $9,393,000 figure or the Senate's $10,000,000 freeze.

(5) The Center for Fire Research was at $5,827,000 in the versions passed by both House and Senate; therefore, is not in conference.

(6) The conferees accepted the House-passed levels of $8,481,000 for the Technical Competence Fund and $8,179,000 for Central Technical Support.

(7) The numbers contained in this section are based on acceptance of the President's deficit reduction programs, as qualified by Section 3, with the exception of the GS 11-15 Reduction of $480,000. This money was not removed from the budget because GS 11-15 grade levels at NBS are occupied by the entry level and midlevel scientists who are the heart of the NBS workforce. Given growing concerns over NBS's ability to attract the high caliber scientists and engineers necessary to carry out both its existing mission and the new initiatives being proposed, the conferees feel that even a 2 percent cut in GS 11-15 positions is unwarranted and could have a negative effect on the agency's ability to perform its mission. The Conferees also are concerned about the concentration of these cuts in the information dissemination and technology transfer aspects of the Bureau's mission and urge the NBS management to use all means at their disposal to keep up the two-way flow of information between NBS and the private sector.

(8) The Conferees feel that the NBS budget structure is unnecessarily complex and therefore ask that NBS consolidate or simplify its proposed budget presentation into four or five line items reflecting its organizational management. This presentation's format and dollar figures should be consistent with the proposed legislation accompanying it. In order for the Congress to fulfull its responsibilities, the Conferees ask that future NBS budget presentations include the history of the request to the Congress and the distribution of the staff among scientific, administrative, and technical support disciplines.

Section 2(b)(1). The conferees accept the steel research set-aside language of the House but reduce the dollar amount from $2,500,000 to $2,000,000, change the language from a floor to a directed authorization, and permit the funds to be allocated from within any of the centers except for ICST and the Technical Competence Fund. The Conferees desire that the steel initiative go forward on an expeditious timetable as called for in House Report 99-43, but do not wish to delay other high priority work in areas such as polymers and aluminum sensors by too narrowly constricting the base within which these funds may be found.

Section 2(b)(2). The conferees agreed to the House-passed earmarking of $3,895,000 for the Center for Building Technology and the Senate-passed earmarking of $50,000 for creation and maintenance of data bases on structural failures. This central data bank should help reduce the number of catastrophic structural failures in the future by making sure that architects and engineers have ready access to information on past building collapses and how to avoid the mistakes that caused them.

The House also agreed to drop its floor for robotics upon receipt from the Director of NBS of the following written assurance that the floor would not be necessary:

DEAR MR. WALGRENS AND MR. BOELERT: I am aware of your interest and that of other Members of the Subcommittee on Science, Research and Technology that the National Bureau of Standards conduct a strong program in robotics.

I want to assure you that based on our current understanding of a budget of approximately $124 million for NBS for FY 1986, the wishes of the Members of the Subcommittee, and the importance of the technical area, we forsee no difficulty in supporting robotics at the level of $3 million in FY 1986.

Sincerely,

ERNEST AMBLER, *Director.*

Section 2(b)(3). Although the conferees are deeply concerned about the overall adequacy of NBS equipment, most of the requested reductions in the Working Capital Fund for FY 1986 were accepted. The conferees expect NBS agressively to pursue alternate sources of capital equipment funding both by using the cost recovery authority of Section 4 and by accepting donations of equipment from private industry. The Conferees trust that the reduced request for capital equipment funds will be a one year phenomenon.

Section 2(c). The conferees accept the House's reprogramming language with the addition of a proviso to prohibit use of operating funds for construction of the cold neutron facility; the Senate had no comparable provision. The Conferees place extremely high priority on construction of the Cold Neutron Facility and urge the Administration to repropose it for the National Bureau of Standards. The Conferees are mindful that NBS is a small but essential agency that has suffered severe cuts in funding and manpower in recent years. Therefore, the conferees were unwilling to permit a new construction project, however worthy, to be funded by cutting back on ongoing NBS operations including the Center for Fire Research, the Center for Building Technology, and the Institute for Computer Sciences and Technology. The proviso is not meant to delay either insertion of the Cold Neutron Source into the research reactor or other work short of construction of the facility which will permit the construction to take place in an expeditious manner when construction funds are made available.

Section 2(d). The Senate accepts the House-passed provision requiring NBS to seek funds from other Federal agencies to expand its nuclear winter research. The conferees recognize NBS's unique capability in fire-related computer modelling and feel this research would be an appropriate use of the capability.

Section 3. The Conferees substituted such sums as are necessary for the specific dollar amounts for foreign currency in the House and Senate passed versions.

Section 4. The Senate agrees to the House provision which authorizes such sums as may be necessary to restore the salary, pay, retirement, and other employee benefits of the NBS to FY 1985 levels and to make any other adjustments in NBS's employee salaries and benefits as may be provided for by law. The pay levels assumed in the Section 2 authorization level are the same as in the President's budget as submitted. By adding this section, the conferees affirm that any decision to abrogate the 5% pay cut or to grant a cost of living adjustment for government employees must be decided on a government-wide basis rather than in individual authorization bills.

Section 5. The Conferees accept the Senate's cost recovery authority provision including its October 31, 1984 effective date. This non-controversial provision would have been put into effect on that date if the FY 1985 NBS authorization bill had not been vetoed.

Section 6. The Conferees accept the House language regarding compensation of the NBS Director. Except for the effective date, the House and Senate-passed provisions were substantially identical.

Section 7. The House conferees agree to accept the Senate-passed provision allowing NBS to initiate and conduct investigations to determine the causes of structural failures in structures which are used or occupied by the general public. As set forth in page 10 of Senate Report 99-31, the conferees feel that NBS's unique, objective perspective will help the building community better understand the causes of these failures and also that making the results of NBS's investigations available to state and local officials will aid in preventing recurrences of tragedies. As stated in the Senate report NBS's role is to be investigative rather than regulatory.

Section 8. The conferees accept the House provision setting a goal of 20 Senior Scientist positions at the National Bureau of Standards. This provision should aid NBS in attracting and maintaining a group of leading scientists at a time when NBS must provide standards leadership in an increasing number of disciplines. The conferees also expect the National Bureau of Standards to comment on its progress towards reaching this goal as part of its annual budget submission.

Section 9. The conferees accept the Senate provision dealing with the Office of Productivity, Technology, and Innovation (OPTI). This restores OPTI funding except for adjustment to reflect OPTI's contribution to the President's Deficit Reduction Program. Therefore, the conferees do not accept the proposed elimination of OPTI's and expect OPTI's major efforts including its small business division, its office of metric programs, and its efforts to encourage cooperation between government and industry to continue unabated. The cut in OPTI should be absorbed in administrative expenses.

Section 10. The Senate bill allowed the National Technical Information Service (NTIS) to obtain its printing services directly from commercial printers rather than from the Government Printing Office (GPO). The Conferees recognize that NTIS has experienced serious delays and added expenses over the last two years in the procurement of printing services from GPO. This situation has resulted in the loss of many hundreds of workdays over that time period. Typical examples of lost workdays reported to the Conferees include the following:

1. During the 12-month period from June 1, 1983, to May 31, 1984, the GPO-obtained printing contractor for the *Abstract Newsletters* (Eagle Press) printed 52 weekly print orders. Of those, 34 involved delayed shipments and 10 had quality defects. 214 workdays were lost because of lateness and reprints to make up shortages or to replace defective copies.

2. Poor quality control at the inception of a printing contract for *Tech Notes* in November 1984 led to defective print runs for the first three issues. Late delivery and reprinting caused a time loss of 35 workdays.

3. The GPO printer for the *Directory of Federal Technology Resources* used the wrong ink for the cover stock. The ink did not dry properly and the covers smeared. It took 54 workdays to correct the problem. The job was sent to Department of Commerce Office of Publications on October 14, 1984, for production. Usable stock was delivered on February 28, 1985.

The Conference Committee expects GPO, NTIS, and the Department of Commerce to work together over the coming year to resolve problems such as those described above. It is imperative that NTIS scientific and technical documents be made available

to the Service's customers in an expeditious manner both to ensure the timely transfer of technology to American industry and to prevent costly duplication of research efforts.

The Government Printing Office and NTIS are exploring ways to improve the quality and timeliness of GPO's services. For this reason, the Conference Committee has decided not to give NTIS the ability to use commercial printers. The Conference Committee does expect to see an improvement in the quality and timeliness of GPO's services to NTIS by next year, however. If GPO's services does not improve, a statutory change to allow NTIS to use commercial printers will be reconsidered.

The Senate also agrees to drop its provision allowing the NTIS to pay for inventories and capital equipment from sales revenues. The authorization level for NTIS was the same in the House and Senate-passed bills and is therefore not in conference.

Section 11. The Availability of Appropriations section was substantially the same in both Houses and therefore not in conference.

Section 12. The Senate accepts the House-passed requirement for a report on the implementation of the Grace Commission report with the added proviso that in addition to the persons listed in the House-passed version, the report also be submitted to the Secretary of the Senate.

DON FUQUA,
DOUG WALGREN,
STAN LUNDINE,
MANUEL LUJAN, JR.,
SHERWOOD BOEHLERT,
Managers on the Part of the House.

JOHN DANFORTH,
SLADE GORTON
BARRY GOLDWATER,
FRITZ HOLLINGS,
DON RIEGLE,
Managers on the Part of the Senate.

□ 2000

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1048

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1048.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

PERSONAL REQUEST

Mrs. BENTLEY. Mr. Speaker I wish to record an explanation on Rollcall No. 185, the Nichols amendment to the Defense Department authorization bill. My radio page malfunctioned, and I was unaware of a recorded vote on that matter. Had I been present, I would have voted "aye."

ENERGY POLICY AND CONSERVATION AMENDMENTS ACT OF 1985

Mr. SHARP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1699) entitled "An Act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for the purposes," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Policy and Conservation Amendments Act of 1985".

TITLE I—AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT

SEC. 101. EXTENSION OF TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title I of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART C—EXPIRATION

"EXPIRATION

"SEC. 171. Except as otherwise provided in title I, all authority under any provision of title I (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1989, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1989.".

(b) MATERIALS ALLOCATION.—Section 104(b)(1) of such Act is amended by striking out "December 31, 1984" and inserting in lieu thereof "June 30, 1989".

(c) CONFORMING AMENDMENT.—The table of contents for such Act is amended by adding after the item relating to section 167 the following new items:

"PART C—EXPIRATION

"Sec. 171. Expiration.".

SEC. 102. STRATEGIC PETROLEUM RESERVE AMENDMENTS.

(a) AMENDMENTS TO STRATEGIC PETROLEUM RESERVE PLAN.—Section 159(e) of the Energy Policy and Conservation Act is amended to read as follows:

"(e) Subject to section 161(g)(2), any amendment transmitted pursuant to subsection (d) may not become effective until 60 days after the date of such transmittal, except that such 60-day period shall not apply if the President determines that such amendment is required by a severe energy supply interruption or by obligations of the United States under the international energy program.".

(b) SUSPENSION OF PROVISIONS RELATING TO THE STRATEGIC PETROLEUM RESERVE.—Section 160(e) of such Act is amended—

(1) by inserting "and" at the end of clause (i) of paragraph (1)(B);

(2) by striking out clauses (ii) and (iii) of paragraph (1)(B) and inserting in lieu thereof the following:

"(ii) the President has transmitted such finding to the Congress.";

(3) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) the suspension of the application of subsections (c) and (d) under paragraph (1)(B) may become effective on the day the finding is transmitted to the Congress and shall terminate nine months thereafter or on such earlier date as is specified in such finding."; and

(4) by redesignating paragraph (4) as paragraph (3).

SEC. 103. STRATEGIC PETROLEUM RESERVE TEST DRAWDOWN AND DISTRIBUTION.

(a) DIRECTIVE TO CARRY OUT TEST DRAWDOWN.—Section 161 of the Energy Policy and Conservation Act is amended by adding the following new subsection at the end thereof:

"(g)(1) In order to evaluate the implementation of the Distribution Plan, the Secretary shall, commencing within 180 days after the date of the enactment of this subsection, carry out a test draw down and distribution under this subsection through the sale or exchange of approximately 1,100,000 barrels of crude oil from the Reserve. The requirement of this paragraph shall not apply if the President determines, within the 180-day period described in the preceding sentence, that implementation of the Distribution Plan is required by a severe energy supply interruption or by obligations of the United States under the international energy program.

"(2) The Secretary shall carry out such drawdown and distribution in accordance with the Distribution Plan and implementing regulations and contract provisions, modified as the Secretary considers appropriate taking into consideration the artificialities of a test and the absence of a severe energy supply interruption. To meet the requirements of subsections (d) and (e) of section 159, the Secretary shall transmit any such modification of the Plan, along with explanatory and supporting material, to both Houses of the Congress no later than 15 calendar days prior to the offering of any crude oil for sale under this subsection.

"(3) At least part of the crude oil that is sold or exchanged under this subsection shall be sold or exchanged to or with entities that are not part of the Federal Government.

"(4) The Secretary may not sell any crude oil under this subsection at a price less than that which the Secretary determines appropriate and, in no event, at a price less than 90 percent of the sales price, as estimated by the Secretary, of comparable crude oil being sold in the same area at the time the Secretary is offering crude oil for sale in such area under this subsection.

"(5) The Secretary may cancel any offer to sell or exchange crude oil as part of any drawdown and distribution under this subsection if the Secretary determines that there are insufficient acceptable offers to obtain such crude oil.

"(6)(A) The minimum required fill rate in effect for any fiscal year shall be reduced by the amount of any crude oil drawn down from the Reserve under this subsection during such fiscal year.

"(B) In the case of a sale of any crude oil under this subsection, the Secretary shall, to the extent funds are available in the SPR Petroleum Account as a result of such sale, acquire crude oil for the Reserve within the 12-month period beginning after the completion of the sale. Such acquisition shall be in addition to any acquisition of crude oil for the Reserve required as part of a fill rate established by any other provision of law.

"(7) Rules, regulations, or orders issued in order to carry out this subsection which have the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, shall not be subject to the requirements of subchapter II of chapter 5 of such title or to section 523 of this Act.

"(8) The Secretary shall transmit to both Houses of the Congress a detailed explanation of the draw down and distribution carried out under this subsection. Such explanation may be a part of any report made to the President and the Congress under section 165.".

"(b) CONFORMING AMENDMENTS.—(1) Section 160(d) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) in determining the number of barrels of crude oil for purposes of subparagraph (A) of paragraph (1), any crude oil drawn down from the Reserve as a result of any drawdown and distribution carried out under section 161(g) and not replaced under section 161(g)(6)(B) shall be considered to be within the Reserve.".

(2) Section 161(b) of such Act is amended by striking out "in subsections (c) and (f)" and inserting in lieu thereof "in subsections (c), (f), and (g)".

(3) Section 167(b)(3) of such Act is amended by inserting ", including a drawdown and distribution carried out under subsection (g) of such section" after "section 161".

(4) Section 167(d) of such Act is amended by inserting ", including a drawdown and distribution carried out under subsection (g) of such section" after "section 161".

SEC. 104. EXTENSION OF PART B OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.

(a) GENERAL EXTENSION.—Title II of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART D—EXPIRATION

"EXPIRATION

"SEC. 281. Except as otherwise provided in title II, all authority under any provision of title II (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1988, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1988.".

(b) TERMINATION OF CERTAIN GENERAL EMERGENCY AUTHORITIES.—Part A of title II of such Act is amended by adding the following new section at the end thereof:

"TERMINATION DATE

"SEC. 204. Except as provided in section 203(f), authority to carry out the provisions of this part and any rule, regulation, or order issued pursuant to such part shall expire at midnight, June 30, 1985.".

(c) CONFORMING AMENDMENTS.—(1) The table of contents for such Act is amended—

(A) by adding after the item relating to section 203 the following new item:

"Sec. 204. Termination date.";

(B) by adding after the item relating to section 272 the following new items:

"PART D—EXPIRATION

"Sec. 281. Expiration."; and

(C) by striking out the item relating to section 531.

(2) Section 252 of such Act is amended by striking out subsection (j) and by redesignating subsections (k), (l), and (m), and all references thereto, as subsections (j), (k), and (l), respectively.

(3) Section 531 of such Act is hereby repealed.

(4) Section 252(d)(1) of such Act is amended by striking out "(f) or (k)" in the last sentence and inserting in lieu thereof "(f) or (j)".

SEC. 105. LIMITATION ON NEW PLANS OF ACTION.

Section 252 of the Energy Policy and Conservation Act, as amended by section 104(c)(2) of this Act, is amended by adding at the end thereof the following:

"(m)(1) With respect to any plan of action approved by the Attorney General after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985—

"(A) the defenses under subsections (f) and (j) shall be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982) only if—

"(i) the Secretary has transmitted such plan of action to the Congress; and

"(ii)(I) 90 calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"(II) within 90 calendar days of continuous session after receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval pursuant to subsection (n); and

"(B) such defenses shall not be applicable to Type 1 activities if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"(2) The Secretary may withdraw the plan of action at any time prior to adoption of a joint resolution described in subsection (n)(3) by either House of Congress.

"(3) For the purpose of this subsection—

"(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"(n)(1)(A) The application of defenses under subsections (f) and (j) for Type 1 activities with respect to any plan of action transmitted to Congress as described in subsection (m)(1)(A)(i) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 90-day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term 'joint resolution' means only a joint resolution of either House of the Congress as described in paragraph (3).

"(B) After receipt by the Congress of such plan of action, a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction in the Senate, the joint resolution shall be referred in the Senate immediately to the Committee on Energy and Natural Resources of the Senate.

"(2) This subsection is enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by paragraph (3); it supersedes only rules only to the extent that is inconsistent therewith; and

"(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clauses: 'That the Congress of the United States disapproves the availability of the defenses pursuant to section 252 (f) and (j) of the Energy Policy and Conservation Act with respect to Type 1 activities under the plan of action submitted to the Congress by the Secretary of Energy on ——.', the blank space therein being filled with the date and year of receipt by the Congress of the plan of action transmitted as described in subsection (m).

"(4)(A) If the Committee on Energy and Natural Resources of the Senate has not reported a joint resolution referred to it under this subsection at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other joint resolution which has been referred to the committee with respect to such plan of action.

"(B) A motion to discharge shall be highly privileged (except that it may not be made after the Committee on Energy and Natural Resources has reported a joint resolution with respect to the plan of action), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(C) If the motion to discharge is agreed to or disagreed, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"(5)(A) When the Committee on Energy and Natural Resources of the Senate has reported or has been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 90-day period following receipt by the Congress of the plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of each joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"(B) Appeals from the decision of the Chair relating to the application of rules of the Senate to the procedures relating to a joint resolution shall be decided without debate.".

TITLE II—REPORTS CONCERNING COAL IMPORTS

SEC. 201. SHORT TITLE.

This title may be cited as the "National Coal Imports Reporting Act of 1985".

SEC. 202. REPORT CONCERNING REVIEW OF UNITED STATES COAL IMPORTS.

(a) IN GENERAL.—The Energy Information Administration shall issue a report quarterly, and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

(b) CONTENTS.—Each report required by this section shall—

(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the previous calendar year into the United States;

(2) identify the foreign nations exporting the coal, the domestic electric utility plants receiving coal from each exporting nation, the domestically produced coal supplied to such plants, and the domestic coal production, by State, displaced by the imported coal;

(3) identify (to the extent allowed under disclosure policy), at regional and State levels of aggregation, transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

(4) specifically highlight and analyze any significant trends of unusual variations in coal imports.

(c) DATE OF REPORTS.—The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

(d) LIMITATION.—Information and data required for the purpose of this section shall be subject to the law regarding the collection and disclosure of such data.

SEC. 203. ANALYSIS OF AND REPORT CONCERNING THE UNITED STATES COAL IMPORT MARKET.

(a) IN GENERAL.—The Secretary of Energy shall, through the Energy Information Administration, conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

(b) CONTENTS.—The report required by this section shall—

(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each States;

(3) identify domestically produced coal that potentially could be replaced by imported coal;

(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

(5) evaluate increased coal consumption by domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased coal consumption, including consumption by existing coal-fired plants, new coal-fired plants projected up to the year 1995, and plants planning to convert coal by 1995;

(6) identify existing authorities available to the Federal Government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe executive branch plans and strategies to address coal imports;

(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa, with specific analysis of—

(A) direct or indirect Government subsidies to coal exporters;

(B) health, safety, and environmental regulations imposed on each coal producer; and

(C) trade policies relating to coal exports;

(8) evaluate the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal, and constraints on importing coal into the United States because of port and harbor availability;

(9) identify specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

(10) identify the policies governing coal imports of all coal-importing industrialized nations (including the United States, Japan, and European nations) by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.

Mr. SHARP (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. DANNEMEYER. Reserving the right to object, Mr. Speaker, I would like to ask, in connection with my reservation of my colleague, Mr. SHARP, if this is the bill that permits the extension of EPCA for an additional period of time?

Mr. SHARP. The gentleman is correct. A 4-year extension of EPCA, so we can continue to fill the strategic petroleum reserve. That is the central authority. It is supported by the administration, and has strong bipartisan support.

Mr. BROYHILL. Would the gentleman yield?

Mr. DANNEMEYER. I will be happy to yield.

Mr. BROYHILL. Would the gentleman tell me, now, does this include the 3-year extension of IEA as opposed to the Senate's 2 years?

Mr. SHARP. That is correct. The extension of the IEA authority will last for 3 years.

Mr. Speaker, this amendment adopts the House language, or the House position, on five of the eight points of disagreement between the Houses.

These five points are:

A 4-year extension of title I, the basic strategic petroleum reserve legislation.

A 4-year extension of the basic Defense Production Act "energy emergency" authorities.

Replacement of EPCA's unconstitutional "legislative vetoes" with advance Presidential notification to Congress.

Elimination of rarely used energy conservation contingency authority.

Requirement of a small "test drawdown" of the SPR, to verify the workability of our Nation's key defense against an oil disruption.

On two points, we agreed to the Senate language:

Requirement for a coal import study, analysis, and quarterly reports, by the Energy Information Administration.

Requirement for advance congressional review—and a chance for Congress to disapprove—any future decision by the Attorney General to "put on the shelf" a broad antitrust exemption the major oil companies could later use during an international oil disruption.

Both I and the gentleman from Oklahoma will have serious questions about any plan that so exempts: Voluntary commercial actions by the majors; at prevailing market prices; during an oil crisis; even though no one will have mandated these actions or approved them in advance.

But House review of such a plan will be subject to normal Rules Committee consideration—not expedited procedures.

On the final point, we compromised: The House extended the International Energy Agency authorities for 4 years, and the Senate, for 2. This amendment is a 3-year extension.

Mr. Speaker, I ask unanimous consent to insert in the RECORD a more detailed summary of the intent of this amendment.

SUMMARY OF PROVISIONS OF THE AMENDMENT

1. Senate language on 4-year extension of Title I (identical in effect to House language).

2. House language on extension of Defense Production Act 101(c) to June 30, 1989.

3. Modified House language on legislative reviews/vetoes: The House bill replaced two unconstitutional "legislative reviews" of Presidential decisions on SPR, with a simple requirement that the President give advance notification to Congress before making these two types of decisions. They are:

President's decision to amend the current SPR sales plan,

President's decision to stop filling SPR in a crisis, and continue pumping and selling NPR oil in a crisis.

House language is used for a new SPR plan, except notification must be 60 days in advance. In a crisis, the "60 day advance period" is eliminated.

House language is used for a SPR fill suspension, thus requiring simple notification.

4. House language on SPR test drawdown, with technical amendments.

5. Senate language on extension of Title II, and elimination of separate effective date in 252(j) for Sec. 252 (identical in effect to House language).

But the extension would be for a period of 3 years, not the 4 years set by the House bill, nor the 2 years set by the Senate bill.

6. House language terminating Part A of Title II (energy conservation contingency plans).

7. Modified Senate language limiting new IEA-related plans of action:

Only covers new plan approved by Attorney General, to extent it gives antitrust and breach of contract defenses to "Type 1" activities, i.e., voluntary actions that are neither mandated nor approved in advanced by the IEA.

Defenses are disapproved if Congress enacts joint resolution of disapproval within 90 legislative days.

J. Resolution is subject to expedited procedures in Senate, but no expedited procedures in House.

8. Senate language on coal import study, quarterly reports, and coal import market analysis.

PROVISIONS OF THE AMENDMENT

SECTION 1—SHORT TITLE

The amendment adopts the short title of the Senate bill: the Energy Policy and Conservation Amendments Act of 1985.

TITLE I—AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT

SECTION 101—EXTENSION OF TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT

General extension

Both the Senate and House measures extended Title I of the Energy Policy and Conservation Act (EPCA) for four years until June 30, 1989 (Sec. 101(a)).

Materials allocation

The amendment adopts the House provision (Sec. 101(b) amending EPCA section 104(b)(1) to extend until June 30, 1989, the authority for materials allocation under section 101(c) of the Defense Production Act of 1950.

Conforming amendments

Conforming amendments are made to the EPCA Table of Contents, as in the Senate bill.

SECTION 102—STRATEGIC PETROLEUM RESERVE AMENDMENTS

Amendments to SPR plan

The amendment adopts, with an amendment, the House provision (Sec. 102(a)) regarding Congressional notification of any amendments to the Strategic Petroleum Reserve Plan (SPR Plan).

The amendment deletes the "one-House veto" Congressional review requirement set by EPCA section 160(e) for any amendments to the SPR Plan, and replaces it with an "advance Presidential notification" requirement and 60-day waiting period before any amendment becomes effective. The 60-day waiting period does not apply if the President determines that such amendment is required by the existence of a severe energy supply interruption or by obligations of the United States under the International Energy Program.

Suspension of SPR fill during an energy emergency

The amendment adopts the House provision (Sec. 102(b)) that deletes the "concurrent resolution" Congressional review requirement set by EPCA section 160(e) for any presidential decision during an energy emergency to stop filling the SPR and to continue selling Naval Petroleum Reserve (NPR) oil, and replace it with an advance Presidential notification requirement.

SECTION 103—SPR TEST DRAWDOWN AND DISTRIBUTION

Directive to carry out test drawdown

The amendment adopts, with clarifying amendments, the House provisions (Sec. 103(a)) that adds a new EPCA section 161(g) to require a test drawdown and sale of crude oil from the SPR.

The Secretary of Energy is required to carry out a limited test sale within 180 days of enactment. This mandatory test, which would involve approximately 1.1 million barrels of crude oil in the SPR, would be conducted in accordance with the SPR Distribution Plan. Proceeds from the test sale must be deposited in the SPR Distribution Plan. Proceeds from the test sale must be deposited in the SPR Petroleum (Acquisition) Account in the Treasury with a requirement for replacement of oil sold during the test—to the extent of test sale receipts—within 12 months of completion of the test sale.

Conforming amendments

The amendment adopts necessary conforming amendments. For example, a new section 160(d)(3) clarifies that if the SPR contains less than 500 million barrels, as a result of withdrawals for the purpose of the test sale, then the amount of oil withdrawn for the purpose of the test sale shall be considered to still be in the SPR; this will permit sales of Naval Petroleum Reserve oil to continue and not be barred under subsection 160(d), if, but for the test drawdown, there would be 500 million barrels in the SPR. If receipts from the test sale are insufficient to fully replace the withdrawn crude oil, then the amount not replaced would similarly be considered to still be in the SPR.

SECTION 104—EXTENSION OF PART B OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT

General extension

The amendment extends Part B of Title II of the Energy Policy and Conservation Act for three years until June 30, 1988 (Sec. 104(a)).

Termination of certain general emergency authorities

The amendment adopts the House provision (Sec. 104(b)) which provides a specific termination date of June 30, 1985, for Part A of Title II. (The specific termination date of September 30, 1981, in EPCA section 203(f) for gasoline rationing authorities, is left undisturbed.)

SECTION 105—LIMITATION OF NEW PLANS OF ACTION

The amendment adopts, with clarifying amendments, the Senate provision (Sec. 105) that adds a new EPCA section 252(m) requiring the Secretary of Energy to notify the Congress in advance with respect to any plan of action approved by the Attorney General after the date of enactment of this Act under which the anti-trust and breach of contract defenses would be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual). In such instances, anti-trust defenses (under EPCA section 252(f)) and breach of contract defenses (under EPCA section 252(j)) proposed in such plan shall only be applicable to Type 1 activities if the Secretary has transmitted such plan of action to the Congress and a Congressional review period of 90 days of continuous session have elapsed without enactment of the joint resolution of disapproval, or a joint resolution of disapproval has been disapproved. Expedited procedures are provided for Senate, but not House, consideration of such a joint resolution.

TITLE II—REPORTS CONCERNING COAL IMPORTS

SECTION 201—SHORT TITLE

The amendment provides that Title II may be cited as the "National Coal Imports Reporting Act of 1985."

SECTION 202—REPORT CONCERNING REVIEW OF UNITED STATES COAL IMPORTS

The amendment adopts, with technical amendments, the Senate provision requiring the Energy Information Administration to issue quarterly reports, and provide an annual summary of such reports to the Congress (Sec. 202(a)). Details on the contents of such reports are specified in section 202(b).

SECTION 203—ANALYSIS OF AND REPORT CONCERNING UNITED STATES COAL IMPORT MARKET

The amendment adopts the Senate provision directing the Secretary of Energy, acting through the Energy Information Administration, to conduct a comprehensive analysis of coal import markets in the United States and report the findings to the Congress within nine months of enactment (Sec. 203(a)). Details on the content of such analysis are specified in section 203(b).

SPR

H.R. 1699 extends title I of the Energy Policy and Conservation Act which contains the basic authority to build, fill, maintain, and use the strategic petroleum reserve [SPR]. The extension is for 4 years, until June 30, 1989.

The SPR is a large stockpile of oil held in gulf coast storage sites, and now totals about 470 million barrels of oil—enough to replace all U.S. crude imports for nearly 5 months.

When we first began to develop the SPR, after the enactment of EPCA in 1975, the Nation was very vulnerable to an oil import disruption. Our vulnerability was clearly demonstrated when the gasoline lines and price hikes of 1979 took many by surprise. At that point, SPR held hardly any oil.

Now, the SPR gives us the means to replace oil lost in a disruption. Instead of merely allocating a shortage, we can prevent it—or at least greatly ease its impact on our economy. That is why continued authority to build and use the SPR, if necessary, enjoys wide support.

FILL RATE

There has been some debate about how fast SPR should be filled. The bill does not settle this issue. It does authorize a fill rate of up to 300,000 bar-

rels per day. But separate legislation will set the specific rate for future years. I personally support a rate of only 50,000 barrels per day—less than one-third the current rate—because we face strong budget pressures. Indeed, the House budget resolution specifies a rate of 50,000 barrels per day.

But while we may disagree over the future fill rate, we all agree that we must maintain and be ready to use the oil we now have in SPR. The current glut will not last forever. Oil is a depleting resource. The Middle East remains unstable. And confident "predictions" of what will happen in the oil markets continue to turn out wrong.

IEA

H.R. 1699 also extends other "energy emergency" authorities in EPCA, including those in title II which allow U.S. participation in the International Energy Agency [IEA], for 3 years, until June 30, 1988.

The IEA is a group of oil importing nations, including the United States and its major allies, which have agreed to coordinate their responses to a future supply shortage in order to minimize its impact.

TEST DRAWDOWN

The bill also requires that the Department of Energy carry out a small "test sale" of SPR oil within 6 months.

This will test the complex mechanical and "paper" bidding and sales processes that must work rapidly in an oil disruption, if our $18 billion investment in SPR is to effectively protect consumers.

While there have been some tests to date of the SPR pumping machinery, and some simulated sales of SPR oil, current law bars any actual sale of SPR oil except in a crisis. H.R. 1699 removes this restriction, but only for a single, small test sale of about 1.1 million barrels—enough to test the five different SPR sites, and the actual bidding and purchasing process.

COSTS

CBO estimates the test drawdown will cost $400,000.

CBO estimates the cost of the IEA extension will be $164,000 for each of the next 3 years.

CBO estimates the cost of additional SPR site construction, in outlays, will be $770 million over the next 4 fiscal years. Cost of additional oil purchases for SPR, according to CBO, is $6.386 billion over the next 4 fiscal years.

The committee's estimate of oil purchase costs is much lower, $2.309 billion over the next 4 fiscal years, because the committee assumes a future SPR fill rate of only 50,000 barrels per day—less than a third as much as CBO assumes.

The gentleman from California has been very cooperative and supportive on these two measures. I appreciate his efforts to develop this bipartisan legislation.

Mr. DANNEMEYER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I rise for the purpose of receiving the schedule for the balance of the day. A number of our Members are asking about that, and also for the schedule for the week upon our return from the Fourth of July district work period.

I would be glad to yield to the distinguished majority whip for the purpose of learning if there is any other business pending today, and of the schedule the week after we return.

Mr. FOLEY. Mr. Speaker, there is no further business today with the exception of the election of a Speaker pro tempore for the purpose of next week.

The schedule next week is, we will be in recess; the district work period will be in effect until Monday, July 8, at which time the House will meet at noon, and consider two bills under suspension of the rules. I am sorry; one bill currently scheduled under the suspension of the rules, H.R. 2401, the Field Office Closing Justification Act. Other suspensions may be announced later.

Mr. LOTT. Will the gentleman yield at that point?

Mr. FOLEY. Yes.

Mr. LOTT. The gentleman only has one suspension on for the Monday, July 8, and then other suspensions are likely to be announced. Do we have any idea how many?

Mr. FOLEY. Well, I do not at this time know the precise number, but the minority will of course be notified, and it is our intention to vote on Tuesday on any suspension on which rollcall votes are ordered.

So in no case will there be any recorded votes on the suspensions taken on Monday.

Mr. LOTT. As soon as the decision is made on those other suspensions, we would appreciate being notified.

Mr. FOLEY. Yes, I will undertake to see to it that will be done.

On Tuesday the House will meet at noon and 10 a.m. the balance of the week. First on Tuesday we will be taking any recorded votes ordered on the suspensions debated on Monday, July 8; and then we will take up H.R. 1555, the Foreign Assistance Authorization for fiscal year 1986, to complete consideration.

Next, H.R. 99, the American Conservation Corps Act, open rule, 1 hour of debate; and if time permits, H.R. 1383, the Agricultural Productivity Act, open rule, 1 hour of debate.

As always, conference reports may be brought up at any time, and further program may be announced at any time.

Mr. LOTT. I thank the gentleman.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Monday, July 8, 1985, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 10, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order on calendar Wednesday, July 10, 1985, may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Ms. OAKAR. Mr. Speaker, I was detained for the final passage of the bill, H.R. 1872. Had I been present, I would have voted "aye."

EXTENDING TIME FOR CONDUCTING REFERENDUM WITH RESPECT TO NATIONAL MARKETING QUOTA FOR WHEAT

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 822) entitled "An Act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986" with the Senate amendment to the House amendment thereto, and agree to the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the amendment of the House of Representatives, insert: That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty-one days after adjournment sine die of the first session of the Ninety-ninth Congress.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Reserving the right to object, Mr. Speaker, it is my understanding that we are now in round 3 of this bill in the House Chamber. Do I understand that in this particular instance now we are coming back to the discretionary language that the Senate had originally asked for?

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, the text has the basic structure; not the same number of days, but it is basically the original language of the Senate bill.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 27, 1985.

I hereby designate the Honorable Thomas S. Foley to act as Speaker pro tempore to sign enrolled bills and joint resolutions until July 8, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The Speaker pro tempore. Without objection, the designation is agreed to.

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO HAVE UNTIL TUESDAY, JULY 2, 1985 TO FILE REPORT ON H.R. 8, WATER QUALITY RENEWAL ACT OF 1985

Mr. BOSCO. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until 5 p.m. Tuesday, July 2, 1985, to file a report on the bill, H.R. 8, the Water Quality Renewal Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. NIELSON of Utah. Mr. Speaker, reserving the right to objection and I do not object, but I would ask has this been cleared with the minority?

Mr. BOSCO. Mr. Speaker, will the gentleman yield?

Mr. NIELSON of Utah. I yield to the gentleman from California.

Mr. BOSCO. I thank the gentleman for yielding.

Yes, it has.

Mr. NIELSON of Utah. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. Bosco]?

There was no objection.

TRIBUTE TO WILLIAM R. DRIVER

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, yesterday was indeed a sad day when I learned of the death of my friend and fellow public servant, the Honorable William R. Driver.

Bill Driver was a very close friend. I came to know Bill when we served together in the Johnson administration. Although I came to respect and hold in high esteem many of President Johnson's appointments, I can truly say Bill was among the best, if not the best, official to serve in the Johnson administration.

Bill Driver began his 21-year career at the Veterans' Administration as a management analyst. His distinguished career at the agency earned him the honor of becoming the VA's first career Government employee to be appointed as its Administrator. As its head, Bill soon became known as one of the most dedicated, honest, and objective public officials in our Government. These qualities served him well in his years of leading the agency. No one ever doubted his resolve to advocate fully the causes of the VA constituency—our veterans, both pensioners and the disabled. But he also displayed an eternal sense of objectivity in balancing the interest of our Nation as a whole and the needs of his veterans in particular. Bill was a paragon among Government professionals. He was without peer in the class of honest public servants.

After leaving the Veterans' Administration in 1969, Bill, however, did not leave public service. Bill Driver was sworn in as Commissioner of the Social Security Administration on January 3, 1980. In his years at SSA, Bill again stressed what is perhaps best captured in his own words, "I intend to stress professionalism. I want to turn the organization loose to solve its problems." In these days of highly charged debates over the politicalization of the Social Security issue, we can find comfort in the words of Bill Driver. I hope his work, his ideals, his contributions will never be forgotten by those who follow his service in these two agencies.

Mr. Speaker, a very wise man departed from us yesterday. He will be sorely missed.

THE FORGOTTEN HOSTAGES: NO VISIT FROM THE RED CROSS

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, the good news is: The International Committee of the Red Cross has visited the 40 Americans held hostage in Lebanon from the hijacking of TWA flight 847 13 days ago. The non-news is: There are seven other Americans held hostage in Lebanon for as long as 15 months who were not visited by the Red Cross this week.

The visit of the Red Cross to the 40 Americans from the TWA hijacking resulted in the prompt release of a hostage for medical reasons. Since the Red Cross has never been permitted to visit the seven other hostages, we don't know if any of them should be released for medical reasons.

The "Forgotten Seven" do not have a negotiator on their behalf.

The "Forgotten Seven" have had no press conferences.

The "Forgotten Seven" do not get interviewed for the American TV networks.

The families of the "Forgotten Seven" have only the sketchiest information on the health and well-being of these hostages. Some families have received threatening letters obviously written under extreme duress. The kidnapers of the "Forgotten Seven" have sent Polaroid photos of their hostages to a Beirut news organization.

Mr. Speaker, the "Forgotten Seven" hostages are:

William Buckley, 468 days held hostage, as of today.

Rev. Benjamin Weir, 415 days held hostage.

Father Lawerence Jenco, 170 days held hostage.

Terry Anderson, 103 days held hostage.

David P. Jacobsen, 30 days today.

Thomas Sutherland, 6 days longer than the TWA hostages.

Peter Kilburn, missing 206 days.

Mr. Speaker, 46 Americans are held hostage in Lebanon, not only the 39 remaining from the TWA hijacking. The "Forgotten Seven" includes a man

who has been held in Lebanon longer than the U.S. Embassy hostages were held in Iran.

It reminds me just of what E.B. White said in 1940:

"Whenever free men are in chains
We are threatened also
Whoever is fighting for liberty
Is defending America."

□ 2010

TAIWAN

(Mr. DYSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYSON. Mr. Speaker, these are very difficult times for governments based on freedom and democracy. Terrorism and tyranny are on the march all over the globe.

As Israel is threatened on one side of the world, the Republic of China is threatened on the other. The brave people of Taiwan have pounded out on the anvil of freedom a steel determination to preserve their country in a free, democratic state. I know you share my deep concern over the recent pronouncements made by the Chinese Communist leader Hu Yaobang.

In what has been confirmed as an accurate statement made by Mr. Hu on May 31, the Communist leader boasted, "in 7 to 10 years we will have to use some force. We might consider a military attack against Taiwan."

Mr. Speaker, I know this alarms you as it alarms all of us in this Chamber. Such a vitriolic diatribe hardly squares with Peking's purported policy of peaceful reunification with Taiwan. Nor does this strident stance augur well for continued U.S. technical assistance to a Communist country who would use this very assistance to overthrow a true friend to the United States. Are we to dismiss these aggressive comments as political posturing?

Mr. Speaker, I think we dare not. If the Chinese Communist's policy toward the Republic of China is one of peace, let them declare that in public. Let them renounce once and for all the use of force against this tiny bastion of democratic freedom. I ask the Members of this great body to join my voice in strong condemnation of such unwise and unwarranted assaults on the principles of peaceful coexistence and self determination.

LEGISLATION INTRODUCED TO EXTEND TRAINING AND RELOCATION OF TRADE ADJUSTMENT ASSISTANCE PROGRAM

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, I am introducing today, along with Congressman DAVIS, Congressman MONSON, Congressman MITCHELL, and Congresswoman KAPTUR, a bill that I believe is extremely important in view of the continued shutdowns and worker displacement in many of our basic industries.

Foreign imports are flooding the markets and our trade deficit is burgeoning. The steel and copper industries, among many others, continue to announce major shutdowns and layoffs of thousands of workers. It is easy to see why industries are demanding more quotas, subsidies, loan guarantees, bailouts, and other protective measures from Government. These protective measures only serve to reduce free international trade and this ends up costing everyone in the longrun.

I am convinced that the retraining of workers in trade sensitive industries is extremely important. It could be an effective instrument for facilitating economic adjustment and fending off new import barriers.

The Trade Adjustment Assistance Program is scheduled to terminate this year. This program contains Trade Readjustment [TRA] benefits that help those that have been laid off due to import pressures to be trained in other fields. The bill we are introducing today will extend the training and relocation allowances of the TAA Program for 3 more years. Funding would be limited to training and relocation allowances only and would not include the entitlement portions of the program. The bill would authorize $26 million for 1986 and the authorization will be reduced until it ends in 1989. I believe that this will allow for realistic retraining funding in the face of continued shutdowns in many major industries. A comprehensive overhaul of our Nation's retraining efforts is probably due, but in the meantime I believe we should ensure that the retraining programs in existence are sufficient to allow retraining and to ease protectionist pressures.

TEXTILE AND APPAREL WORKERS

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, the President is protecting the U.S. noodle while telling the American textile worker, "Toodle!"

Within a few days of launching a campaign to kill a bill in Congress which would enforce U.S. laws—laws already on the books—to limit foreign textiles and apparel, President Reagan has slapped a 1,000-percent tariff increase on European noodles and pasta.

In my home State of South Carolina, 61 textile plants and 36 apparel plants have closed and 46,900 workers are jobless—this is just one State.

The textile and apparel people of this Nation have just begun a campaign to promote American textiles and clothing. This button I'm wearing says, "Crafted with pride in the U.S.A." I think it's just wonderful, Mr. President, that now your noodles can say, "Crafted in the U.S.A."

When you get through, there won't be any American textiles around to pin this button on.

I have nothing against U.S. noodles; I'm sure they're terrific. But I'm a lot more concerned about those people who used to be textile workers, who used to be taxpayers, who are now being halfway supported on unemployment compensation or whose unemployment has run out and who have no place to turn.

Ladies and gentleman, I give you the American noodle—more important to the President than 1.9 million textile and apparel workers.

GENERAL LEAVE

Mr. NIELSON of Utah. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Massachusetts [Mr. CONTE].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

GENERAL LEAVE

Mr. DURBIN. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from Florida [Mr. PEPPER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LET'S CELEBRATE, AMERICA

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. Speaker, this week we observe and celebrate the birth, the strength, and the compassion of the greatest democracy in the history of the world.

The United States of America, despite its 209 years, is a young Nation—youthful by comparison to countries like England, Spain, France, Russia, China, Japan, Mexico, and others, which have national identities reaching hundreds of years farther back into history than ours. Yet remarkably, we have the oldest existing form of government in the world.

Every other nation on Earth has seen its government interrupted, overthrown, or radically changed, while our democracy—defined by the courage and hope of the Declaration of Independence and put into practice by the framework and freedoms of the Constitution—has persisted and grown stronger through the years.

Each time the strength of our Nation has been challenged, we have prevailed. Each time our form of government has been challenged, our forebearers' design has been sustained. And each time our commitment to freedom and justice for all has been challenged, we have grown better and stronger.

Although the parchment has grown yellow and the ink faded, the Declaration of Independence remains an awesome creation, unique in the history of the world. Viewing it in the National Archives in Washington, straining to read the words we have heard, read, and memorized, I am always struck by the fact that it not only unleashed a revolution of people yearning for freedom from an oppressive and distant government, but that it laid the foundation for the most remarkable Nation in world history.

We have been the most generous Nation on Earth. In 1983, our Government gave $8 billion—almost a third of the economic aid given by all the industrialized nations of the free world—to the developing nations to help meet their special needs. That same year, Americans gave $1.3 billion in private, voluntary contributions to developing nations. That is more than given by all other people in the world combined and was given even before the outpouring of private donations to feed the starving people of Ethiopia and other African nations began. And the National Bureau of Economic Research projects that Americans next year will give an amazing $65.66 billion to charitable causes at home and abroad.

We have been the bravest Nation on Earth. Although war is a last resort, we have not hesitated as a Nation to take up arms against a demented dictator like Hitler on another continent in a war far from home, from which we could have safely hidden, all to defend freedom-loving people against foreign aggression.

And we have come to demand, as we should, that our allies and friends throughout the world accord their citizens basic human freedom and dignity, as we do. We call attention to and work against the intolerable oppression that exists in the Soviet Union, in other nations, and in dictatorships in our own hemisphere.

As individuals and as a Nation, we have put our money where our mouth is and we have given action to our philosophic commitment to freedom, justice, and opportunity.

One of the glorious things about the United States of America is that we have become strong enough and mature enough to resist the taunts of those who are weaker and envious, yet determined enough to take action when toughness is called for.

George Washington prophetically noted that freedom, independence, and self-government throughout the world were "finally staked on the experiment entrusted to the hands of the American people."

For 209 years we have handled the experiment well. Let us celebrate America as we observe the Fourth of July, 1985.

UNITED STATES SHOULD AVOID MOVING AMERICAN HOSTAGES FROM BEIRUT TO SYRIA

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I am offended that President Reagan and his advisers are considering an offer to move the 39 American hostages from Beirut to Syria.

The U.S. Government should avoid like the plague any such agreement.

After all, it's obvious to anyone who knows that situation in the Middle East that without Syria's cooperation there wouldn't be a single American held hostage in Lebanon.

Any support by the United States to move the hostages to Syria would have the effect of legitimizing terrorism, and give Syria undeserved dignity and credibility when they are the arch-fomenters of terrorism in the region.

We cannot and should not make any pacts with terrorists—and let there be no doubt about it—the Syrians are experts at terrorism.

How can we forget the Syrian hand in the 1983 bombing of the U.S. Marine barracks in Lebanon where more than 200 Americans were murdered in cold blood.

The brutality of the Syrian Government in recent years was evident the day 20,000 members of the Muslim Brotherhood—an opposition sect in Syria—were murdered in the village of Hamah.

At this very moment, some 10,000 Russian advisers are stationed in Syria.

Propaganda emanating from Syria and its President, Hafez Assad, is more vitriolic and more anti-American than the worst we have heard from experts at vilification like Khomeini and Qadhafi.

Mr. Speaker, we cannot reward the Syrians for their acts of terrorism.

We cannot allow the hostages to become political pawns in Syria's efforts to sway public perception in its favor.

The United States should not abandon its policy of ignoring the demands of terrorists.

And the Syrians are accomplices in this latest act of terrorism against Americans. Indeed, Israeli press is reporting that two of the hijackers were Syrian intelligence agents.

I hope and pray that the hostages are released soon, including those hostages who were removed earlier because of their Jewish-sounding names and including the seven Americans who were kidnaped before the TWA hijacking.

But any move to transfer the TWA hostages from Beirut to Syria is unacceptable and a shameful affront to the murder of the 200 U.S. marines.

I urge the administration to ignore the offers of the Syrians and work for the release of the hostages through appropriate, respectable, and credible channels.

□ 2020

ORDER OF BUSINESS

The SPEAKER pro tempore. Without objection, the gentleman from Washington [Mr. FOLEY], will proceed first in the 5-minute special orders.

There was no objection.

SENATOR GARY HART'S "FOUNDATIONS FOR AN AMERICAN RENEWAL"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. FOLEY] is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I thank the Chair, and I thank my colleagues for their consideration.

Mr. Speaker, at the American University in Washington, DC, one of the young leaders of the Democratic Party delivered an address about the future of our party and our country.

In a speech he called "Foundations for an American Renewal," Colorado Senator GARY HART defined the course he believes that we must take—in economic and national security policy—if we are to master the dramatic changes that are shaping our workers, our foreign and domestic markets, and our status in the world.

I recently had the opportunity to read the text of Senator HART's American University address. I believe that our colleagues and the public will find it enlightening and useful.

Mr. Speaker, I ask unanimous consent that the entire text of Senator HART's speech be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

FOUNDATION FOR AN AMERICAN RENEWAL

This spring we celebrated the fifty-second anniversary of the Democratic Party's emergence as the Party of Change. Five decades ago, America was locked in depression, and the policies of the day could not break its icy grip. But in just 100 days, Franklin Roosevelt chose bold, new, experimental courses, and launched America toward a rendezvous with destiny.

Fifty-two years later, the imperative of change is upon us once again. The choice, as before, is whether we will go forward or stand still. In 1933, standing still meant immediate decline and disaster. Today, our choice is more difficult. For now, standing still leaves us in a comfortable present—but adrift on dangerous seas, with no guiding vision for the future.

To set our own rendezvous with destiny, we must be willing to experiment again—to dare in the cause of moving forward. Only then will we be able to steer toward a future where change is not a threat but a challenge—a challenge to our highest ideals, and our grandest dreams.

America is a pathfinding nation—mapped by explorers, settled by pioneers—a population of dreamers, inventors, and leaders. Our very political system was an innovation. Washington and Jefferson called it an "experiment" in self-government. And they encouraged those who followed to adjust to changing times so that our nation could conquer new frontiers while preserving old values.

But, today, dramatic changes threaten to outrun all we value: our schools, our skills, our factories, our stature abroad, and our security at home. Like an earthquake, change is rearranging the landscape of our lives. Our store of scientific knowledge—acquired over millennia—will double before the end of the century. Over the next two decades, some 10 percent of our workers—in both manufacturing and services—will be displaced. The number of nations possessing nuclear weapons may climb from six to nearly 30 by the year 2000.

The issue is not whether we will cope with these changes. We have no choice. The only question is whether we will be the masters of change—or its servants.

We will not master change by binding ourselves to rigid orthodoxies—as too many political leaders now propose. The Administration in power today pursues an old, hidden agenda. Irresponsible tax policies and indiscriminate weapons purchases create monstrous deficits, which then become the excuse to reverse 50 years of social progress. They seek to cripple legitimate government action and shatter a bi-partisan consensus on social justice—to drown in red ink what they could never kill with votes.

At the same time, the Party of Progress, the Democratic Party, has come to worship the status quo. After 50 years of governance, we too often protect old programs rather than old ideals; focus more on the quantity of legislation than the quality of life; and attend more to factional views than national values. We have occasionally forgotten that some solutions do not flow from legislation, but from our commitment to such principles as excellence, justice, community, and courage.

Now the times demand a new course. But it is not enough simply to call for change. Progress demands that we explain what those changes are, and write a new agenda, committed to our oldest values and suited to a revolutionary time—a foundation for an American renewal. That foundation must support the two central aspects of our vision for tomorrow: an investment strategy in long-term economic growth and opportunity; and a new definition of national security.

First, investment in growth and opportunity. In this period of profound change, too many leaders have become wedded to traditional economic policies instead of creatively pursuing our economic values and goals. Let's recall those goals: to provide jobs that offer material rewards and personal fulfillment for all Americans able to work; to ensure that hard work yields a fair income not eroded by inflation; and to liberate the energy of our entrepreneurs.

These goals are the key to more than individual prosperity—they are the key to a just society. Social justice is inseparable from economic growth. No proposal to help the poor, to assist workers, to modernize industries, or to rebuild cities will finally succeed if our economy cannot generate the resources to fulfill a humane public agenda.

We will not achieve growth and opportunity merely by relying on the market, as this Republican Administration advocates. Markets can drive our economy, but they cannot calculate the national interest. By themselves, markets do not invest in the minds of our children or the roads of our communities. They do not care for the elderly confined to their beds. Markets do not rehire the steelworkers who have lost their jobs forever, nor do they protect our national security. Blind reliance on the market is merely a prejudice masquerading as an economic policy.

As the Republican economic motto is laissez-faire—to let happen, so the Democratic motto should be aidez-faire—to help make happen. Government cannot legislate intelligence, or inventions, or expanding markets. But it can help release and encourage the productive energy of our people.

In an era of transition, we will be either the agents of change—or its victims. To lead, to shape and fashion change, we must invest in our future—investment in productivity and competitiveness; investment in our nation's circulatory system—our roads, bridges, and ports; investment in basic industries; investment in innovation; investment, most of all, in our most vital asset—the human mind.

Investment in the human mind means education. A Chinese proverb tells us, "the schools of a nation are its future in miniature." But our future is at risk when our students study only one-third to one-half the math and science of their Japanese and Russian contemporaries. When we neglect the education of our young people—like those here today—we endanger your future contributions to our nation's prosperity—the boldness of your innovations, the quality of your work, and, most of all, your appreciation of life itself.

Investments in educational excellence will create new curricula to give America's children the skills of tomorrow—skills to operate sophisticated machine tools; to invent the next generation of computers; and to speak foreign languages in overseas markets. (1) And these investments will create the kind of partnerships among schools, industries, and government that have produced such new technology centers as Silicon Valley, Route 128, and Research Triangle Park. (2)

We must continually train America's workers. Eighty percent of our workers in the year 2000 are already in the workforce, so tomorrow's productivity depends on investment in training today. Firms should be encouraged to invest in workers' skills as well as in equipment. Workers must be encouraged to invest in their own retraining as well as their retirement. (3) And we should turn the unemployment compensation safety net into a springboard that helps the unemployed learn new skills or start their own businesses. (4)

We must invest in innovation. One of the great engines of innovation is the creative energy of new and small businesses. Small businesses produce 24 times as many innovations per research dollar as large businesses. And 60 percent of the innovation products of the past 15 years have been produced by firms with fewer than 100 employees.

We have a choice. We can watch giant firms devour smaller firms in a corporate feeding frenzy. Or we can encourage the broad business ownership that has produced such innovative products as the electronic calculator and the personal computer. We need public policies which help new businesses obtain capital for research and start-up costs, and which help direct some of the trillion dollars of pension funds into new ventures, so that enterprising Americans can turn their ideas into products, profits, and jobs. (5)

We must modernize our basic industries. Industrial modernization does not require a choice between traditional manufacturing and new technology industries; rather it requires a partnership. Every high-tech job creates some five to fifteen jobs in manufacturing and services. And basic manufacturing is the biggest single consumer of high-technology products.

America needs a national strategy to inspire the integration of these sectors and our transition into the post-industrial age. A progressive government can encourage and broker this process—not with new bureaucracies—but with leadership that brings labor, management, and capital together to create industrial modernization agreements or compacts. Under such compacts, labor would condition wage demands on profitability or productivity and would, in exchange, receive long-term job guarantees. Management would agree to those job guarantees in exchange for labor peace and a stable workforce. Management would also commit to direct investment in plant and equipment modernization and worker retraining in exchange for long-term lines of private credit. If necessary, the national government could guarantee that private credit, but only on the condition that it be productively invested. With leadership, but limited government involvement, we can make America stronger, more secure, and more competitive in the global market.

America must invest in our national circulatory system—our public infrastructure. The best-trained workers will not attract industries to a city if the port is closed. And the most innovative products will never reach their markets if bridges collapse.

As a nation we have systematically underinvested in these public facilities for a generation. The bad news is that it will cost billions of dollars to rebuild our public systems. The good news is this investment could create millions of jobs. The best news is that by uniting federal, state, and local governments, we can revitalize our economic circulatory system once again.(6)

Finally, we must invest in our ability to compete in international markets by increasing productivity and competitiveness. We must reduce the Reagan deficits that overvalue the dollar and keep our products from selling abroad. We should expand ex-

isting trade rules to include new technologies and services. And we must resist the fools-gold promise of protectionism, steering instead toward promotion, and a trade policy of "national treatment" that insists other nations treat American products as if they were produced in that nation.

A Democratic government must be a catalyst government that sparks the fires of change. We stand for trained minds, not idle workers; innovative products, not golden parachutes; tax fairness, not tax shelters; modern industries, not take-overs and bailouts; the national interest; not the special interest. The Democratic Party must reclaim its historic inheritance as the Party of economic change, growth, and opportunity for all. Aidez-faire, not laissez-faire—to make change happen for the benefit of all, not to let things happen for the benefit of the few.

The second element of a foundation for American renewal in this age of change is a new definition of national security. The Administration in power today seeks to base our security on two outdated notions: spending unlimited sums on military hardware, and attempting to regain nuclear superiority. Both are pure folly. In her recent book, the historian Barbara Tuchman writes that folly throughout the ages has had three elements: knowing a course to be foolish; having a more plausible alternative; and refusing to accept that alternative. History will judge the current Republican security policy as folly—but only if the Democratic Party offers the nation a more plausible alternative.

As with our economic agenda, the strength of our security policy must flow from our values. Because we value freedom, we must protect our allies from Soviet expansionism. Because we value democracy, we must not side with dictators against those who seek to cast off the yoke of tyranny. Because we value justice, we must resist the dark forces of terrorism, repression, and want. Because we value hope, we must lead the world to a halt in the nuclear arms race. Above all, we must understand that America's strongest weapon will always be—not missiles, tanks, or ships—but our moral force: our respect for human dignity, open societies, and genuine alliances. This weapon alone will always be invincible to our foes, and irresistible to our friends.

The Democratic Party has historically been dedicated to our national security. Two world wars, fought under Democratic Presidents, established America as the leader of the free world. Failed policies in Vietnam and elsewhere taught us we must exercise that leadership wisely. And the ominous threat of nuclear annihilation has impelled us to lead the world away from conflict, or there may be no world to lead.

Today, new forces confront our security, from the rise of nationalism, to radical religious fundamentalism, to the spread of nuclear weapons, to the accumulation of an explosive third-world debt. Unfortunately, the current Republican Administration views today's diverse world through an East-West ideological prism that obscures these historic changes. The Democratic Party—the Party of Change—must now create a new definition for national security in this era of global transformations.

The greatest challenge of all time is to prevent the use of nuclear weapons. Today, our global community lives with 50,000 nuclear warheads that threaten to plunge us into a nuclear winter where no human life could survive. Face to face with extinction, the true measure of security and patriotism is not how many more nuclear weapons we can acquire. Indeed, our security is betrayed by tired leaders who cling to this anachronistic view.

True security demands a tough, bold, and comprehensive agenda for preventing nuclear war. But it will not be enough to oppose nuclear weapons. A credible program for national security must be more sophisticated than slogans, and more constructive than protest rallies. It is our obligation to propose realistic and positive steps to create a safer world.

The first step must be to strengthen our conventional forces through military reform. These forces are the West's most important protection against nuclear war. The more capable these forces, the less likely we will ever have to resort to nuclear weapons.

Let's not be naive: we have responsibilities, and we have enemies. These realities require that our military forces be strong enough to re-enforce our friends and allies, to deter aggression, and to promote stability.

But today our military priorities are so distorted, we could well suffer a major defeat if challenged.

We have too few operational reserve divisions on NATO's central front to stop a major Warsaw Pact attack or launch a successful counter-thrust.

Our forces are poorly deployed—by placing most of our troops along a forward line in Europe, we have successfully imitated the disastrous Maginot Line of 1939.

We have a military top-heavy with brass—the ratio of senior officers to enlisted personnel has tripled since World War II.

We have a Navy based on a few carriers which are increasingly vulnerable targets for superior numbers of Soviet submarines.

We have too few planes to sustain prolonged air-to-air combat; too many soldiers who have never worked together as a unit; and too many lieutenants who have never studied military history.

These short-comings will not disappear simply by increasing the Pentagon's budget—as too many Republicans want to do—or by cutting it—as too many Democrats want to do. Spending more, or less, on a military that doesn't work only produces a bigger, or smaller, military that doesn't work.

The answer is military reform. (7) This is an historic challenge. No modern nation has comprehensively reformed its military institutions in the absence of a military defeat. All who are serious about preventing nuclear war should be serious about military reform. All who acknowledge there are legitimate and necessary uses for American military force should seek to make that force as effective as possible.

The first and most important reform is with people. People win wars; weapons don't. Enlisted personnel must develop unit cohesion by remaining with their units instead of being constantly rotated—because people who know each other fight better together. We need to train officers as battlefield commanders, through study of military history and tactics, and promote them for their leadership qualities, not business management and bureaucratic skills. We need to train troops in "free play" exercises, not rigidly scripted war games that more closely resemble ballet than battle. And we must provide adequate pay and benefits to retain the increasingly skilled career military personnel who sacrifice for our country in both wartime and peacetime.

The second reform relates to our doctrine and strategy. We prevailed in two world wars by overwhelming our opponents with superior numbers of manpower and equipment. The practice of wearing one's opponent down is called firepower and attrition. That will not work with the Soviet Union. The alternative in dealing with a possible opponent of that size is to outsmart and out-think him. That is called maneuver warfare. By training our forces in tactics of sudden change and unpredictable quickness, we can break the will and cohesiveness of our opponents, and save the lives of our troops.

The third reform is in hardware. We are currently the victims of technology. The cost of sophisticated technology is driving *down* the numbers of tanks, planes, and ships that even today's free-spending Pentagon can afford. But in combat, it is crucial to have effective weapons in large numbers. We must use our qualitative advantage in technology to produce larger numbers of less sophisticated weapons that work in the dust, heat, and confusion of combat—not just in the well-lit calm of the laboratory, or the slick photo layouts of defense contractors.

The Party that pioneered innovations in our social institutions must now pioneer reforms that will bring excellence to our military institutions. Military reform should be our alternative to the current folly of mindless build-up. It offers true security for our national interests. It can save us from massive budget deficits and bankruptcy. And it strengthens our conventional deterrent, so that we may reduce our dependence on nuclear weapons.

At the same time we reform our conventional forces, we must dramatically alter the focus of arms-reduction efforts. We should focus national policy on three areas: moratoria, verification, and non-proliferation.

Mutual moratoria are imperative to give negotiators what they need most—time: time to fashion deep and balanced arms reductions, and to prevent diplomacy from being outrun by technology. Moratoria can work. In 1963, President Kennedy, speaking at this University, broke a dangerous deadlock by challenging the Soviets to join in a temporary halt to atmospheric nuclear tests. They did, and within weeks we signed the Limited Nuclear Test Ban Treaty.

I want to see America recapture the hope and imagination President Kennedy brought to our world 22 years ago. Today, the United States should regain world leadership by challenging the Soviets again. In dramatic fashion, we should demonstrate our willingness to stop a mindless nuclear arms race by proposing moratoria on testing, on deployment of destabilizing land-based missiles, on anti-satellite weapons, and on offensive weapons in space. Only by breaking the technology-driven cycle of testing, production, deployment—then negotiation—will we ever achieve true stability and security.

But no agreement can go beyond our ability to verify it. We should also challenge the Soviets to join us in a Manhattan Project for Verification.(9) Like the pioneering effort that produced the first atom bomb, this Project can join the two largest scientific communities on earth to devise new ways to guarantee treaty compliance and prevent nuclear treachery. Scientific breakthroughs could broaden the horizon for arms reductions, and eliminate an easy objection of those who oppose all arms control.

In addition to this Project, we should also increase stability by establishing a joint crisis control center, staffed by senior military and diplomatic personnel from both nations. This center would allow cooperative analysis of threatening conduct on either side, to prevent nuclear catastrophe by mistake.

Finally, to prevent the use of nuclear weapons, we must stop the proliferation of nuclear materials and weapons technology to other nations. We should propose and lead an international freeze on the production of plutonium, to stop the trafficking in the key element most likely to be used by renegade nations or terrorist groups in building a nuclear device. The time to act and lead is now, for on the day a Khomeini or Qaddaffi unlocks the nuclear warchest, it will be far too late.(10)

In this, as in all aspects of our security policy, much more is at stake than our own security. We live in a world that has diminished in size as missiles have increased in speed, and as nations have increased in interdependence. The words spoken by President Kennedy at this University a generation ago still speak to us today: "in the final analysis, or most basic common link is that we all inhabit this small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal."

I have advocated this new economic and security foundation not because it is easy, but because it is essential. It is essential if the Democratic Party is to reassert itself as a majority, and as the Party of Change. And it is essential to making our nation master of its own destiny in an unpredictable age.

In each American generation, our destiny has been steered by the courageous few who looked to the future in order to serve and strengthen our country: Thomas Jefferson, when he spoke of a free and strong America down to "the thousandth generation"; Franklin Roosevelt, when he rallied a nation against its own immobilizing fear; Martin Luther King, when he branded his dream upon the conscience of our nation; and John F. Kennedy, when he came to American University to announce his Strategy for Peace, and his vision of hope.

Let us rediscover today their passion for progress. Let us rededicate ourselves to a true patriotism, founded on our highest values, equal to the challenge of change, thankful for the opportunities of a great nation, and determined to renew America's dreams.

APPENDIX; POLICIES FOR AN AMERICAN RENEWAL

Education

(1) Senator Hart is the principal Senate sponsor of the American Defense Education Act, a bill to provide incentives for elementary and secondary schools to improve, instruction and student achievement in mathematics, science, communications skills, foreign languages and technology. ADEA is a grant program for schools which agree to improve student achievement and professional instruction in these core areas.

The bill was developed to deal with six critically important and related challenges facing our society: lower achievement test scores by students; the diminishing numbers of students attracted to the hard sciences; the decline in the number of teachers being certified in math and science; the need for our society to invest in the education of tomorrow's workers, who will have to master the technology of the 1980s and 1990s; the relationship between the training they need to receive and our ability to stay competitive in foreign markets; and the increasing technological complexity of military equipment.

(2) Senator Hart has also introduced the High Technology Morrill Act, a bill to promote joint initiatives among private industry, educational institutions, and state government to strengthen science, engineering and technical education.

The Act establishes a Technology Trust Fund, financed by revenues from the sale and rental of energy and mineral resources, to provide matching grants to educational institutions participating in the joint initiatives. According to the Bureau of Labor Statistics, the demand for technically trained individuals is outstripping the numbers of scientists, engineers and technicians graduating from post-secondary institutions. By promoting partnerships among state government, educational institutions and industry, the High Technology Morrill Act builds upon the successes of Research Triangle Park, Silicon Valley and Route 128.

Worker retraining

The Department of Labor projects a shortage of 2.5 million skilled workers by 1990. As the shortage of skilled labor becomes more acute, the numbers of dislocated workers are increasing rapidly. A November 1984 Department of Labor study shows that 5.1 million long-term workers were displaced from their jobs between 1979–1984—because of plant closings or relocation, slack work, the elimination of positions or shifts. To respond to the related problems of skilled workers shortages and displaced workers, Senator Hart is working on a series of proposals.

(3) Senator Hart is the author of the National Individual Training Account Act of 1985. The Act is based on the G.I. Bill, a successful retraining program, and a savings and equity-based financing system analagous to the Individual Retirement Account. The legislation authorizes employers and employees to make annual, tax-deductible contributions to an interest-bearing savings account. Upon involuntary retirement, the participating workers is entitled to withdraw the funds, in the form of a tax-free voucher, to attend a certified worker retraining program of the worker's choice. The legislation has been endorsed by the Northeast-Midwest coalition, and several leading economists.

(4) Along with Congressman Ron Wyden, Senator Hart has developed the Self-Employment Opportunity Act of 1985. This legislation, which reforms the current unemployment compensation system, gives displaced workers a new option of using unemployment insurance benefits to defray the start-up costs of a small business.

Senator Hart has been joined by Senate Finance Committee Chairman Robert Packwood and Senator Lloyd Bentsen in requesting a Department of Labor study of additional unemployment compensation reforms including the use of such payments for education, retraining, or relocating unemployed workers.

Investing in innovation

(5) Senator Hart has introduced legislation, the National Entrepreneurship Act, which is designed to make risk and long-term capital available to new, young and small businesses. The bill removes impediments these firms face in securing funds from the capital markets by proposing four essential reforms.

The bill provides matching grants to States which establish pension fund clearinghouses to collect and disseminate information on new investment options to the managers of the funds. It calls for the creation of State Venture Capital Corporations to provide instruments such as royality financing for growing businesses. The bill also establishes a secondary market in industrial mortgages, similar to the role which Fannie Mae plays in the housing market. Finally, to encourage new loans for growing businesses, the legislation creates a National Loan Loss Reserve Program.

Senator Hart, a Member of the Senate Budget Committee, has introduced this legislation with Congressman Charles Schumer, a member of the House Banking and Budget Committees.

Infrastructure

A study conducted for the Congressional Joint Economic Committee has found that, on a national basis, there will be a shortfall of investment in the nation's infrastructure amounting to $450 billion by the year 2000. Budgetary constraints, for the foreseeable future, will make expenditures of that magnitude extremely difficult.

(6) Senator Hart has introduced the National Infrastructure Act, legislation designed to increase Federal outlays for investments in highways, bridges, transit systems, sewers, and water treatment facilities. The National Infrastructure Fund established by the bill would be financed at a rate of $3 billion a year for ten years. It would make 20-year, no-interest loans available to the States, which are to be rapid. The States in turn would set up infrastructure banks or revolving funds which will lend money to finance infrastructure construction and repair. Through this mechanism, the original $30 billion in loans will leverage $76 billion in new infrastructure spending over thirty year life of the program.

Military reform

(7) Senator Hart introduced the term "military reform" into the contemporary American defense debate in 1981 in a column in the Wall Street Journal. Later that year, he joined Cong. G. William Whitehurst of Virginia in founding the Congressional Military Reform Caucus, in which he continues to take an active part. In 1982, Senator Hart discussed in military reform terms his analysis of our defense problems in an article in the New York Times Sunday Magazine. He is currently coauthoring a book on military reform with William S. Lind, a well-known writer on military topics.

Moratoria resolution

(8) Senator Hart, along with Senator John Kerry, has introduced legislation (S. Res. 131) calling upon the President to propose to the Soviet Union a number of mutual and verifiable moratoria on the development and deployment of nuclear weapons. The moratoria proposals include a temporary halt on the flight testing of ballistic missiles and anti-satellite weapons, and an interim ban on underground testing of nuclear warheads. These initiatives are intended to serve as a catalyst to the on-going arms control negotiations in Geneva.

Verification

(9) There are three elements in Senator Hart's proposed joint U.S.-Soviet verification project.

First, creation of a joint U.S.-Soviet scientific effort to overcome technological constraints on verification; second, the pursuit of diplomatic efforts with the explicit pur-

pose of generating a series of confidence-building measures to improve prospects for verification and crisis control and monitoring center to help prevent accidental or unintentional nuclear war.

Non-proliferation

(10) Senator Hart will reintroduce this year two bills designed to address the issue of nuclear non-proliferation.

The Plutonium Freeze Resolution calls for a mutual verifiable freeze with the Soviet Union on the production of separated plutonium, and on the export of associated technologies. A freeze on plutonium would make a tangible contribution to preventing the spread of nuclear weapons to other nations or sub-national groups.

The Nuclear Explosives Control Act is a far ranging proposal aimed at strengthening the nuclear export policies of the United States. It will place strict controls on the transfer and reprocessing of all weapons—usable nuclear materials of U.S. origin, as well as on the export of sensitive nuclear technology.

Senator Hart has served on the Armed Services Committee since 1975. He is the ranking member of the Strategic Subcommittee.

THE VOTER INTEREST AND PARTICIPATION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GROTBERG] is recognized for 5 minutes.

● Mr. GROTBERG. Mr. Speaker, today, I am introducing legislation which is by no means a cure-all for the controversial effects of the Federal election campaign laws enacted since 1971. This legislation, though, is a beginning in our attempt to reassert the role of the major political parties and individuals in the political process. Now, I am opposed to many of the remedies which some of our colleagues have proposed and introduced as legislation. These include limiting the ability of political action committees [PAC's] and other groups to contribute to candidates for Federal office. The growth of these PAC's is a direct result of the vacuum caused by laws enacted during the last decade which have reduced the influence of both the Democratic and Republican Parties to contribute and expend funds in behalf of candidates for the Congress. Likewise, individuals, who under the 1974 FECA amendments were prohibited from contributing more than $1,000 to any candidate for Federal office per election, have seen their ability to influence elections erode with the burgeoning inflation rates of the late 1970's and early 1980's. The $1,000 limit in 1974 translates into the $500 range today.

What my legislation would do is to encourage individual interest in the political process, and along with that, allow for the rebuilding of the political parties by giving them a greater part in the election of candidates to the House and Senate. This bill makes a number of changes in current law.

At this point, Mr. Speaker, I would like to include a section-by-section analysis of the bill and insert the text of it:

SECTION-BY-SECTION ANALYSIS

Section 1: Short Title—"Voter Interest and Participation Act of 1985."

Section 2: This section would permit the mailing of absentee ballots and voter information for any general or special election to prospective voters and the return of same without postage. A nearly identical bill relating to free postage for absentee ballots has been introduced by our colleague, the gentleman from Arizona [Mr. UDALL].

Section 3: This provision amends the Internal Revenue Code of 1954 by applying the appropriate tax rate, rather than the highest tax rate, on investment income of national, State, and local political party committees.

Section 4: This section increases the ability of individual to contribute to Federal candidates or their principal campaign committees from $1,000 to $3,000 per election. It also increases the amount that individuals and nonmulticandidate political committees can contribute in any calendar year, to national political party committees, from $20,000 to $40,000. Third, it increases from $5,000 to $10,000 the amount an individual can contribute to any other political committee—local or State political party committee or PAC—in any calendar year. Finally, the aggregate sum, in any calendar year, that individuals can contribute to all political party committees, candidates running for Federal office, and other political activities is doubled from $25,000 to $50,000.

Per part 4(c), one of the most important provisions of H.R. 2905 would eliminate all contribution and expenditure limitations by a political committee of a political party with respect to candidates running for the House or Senate in a general or special election. It would, though, continue to keep in place all disclosure requirements for the political parties.

Section 5: Sets effective dates in the bill.

H.R. 2905

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Voter Interest and Participation Act of 1985".

SEC. 2. POSTAGE FREE MAILING OF ABSENTEE BALLOTS FOR FEDERAL ELECTIONS.

(a) IN GENERAL.—Chapter 34 of title 39, United States Code, is amended by adding at the end the following new section:

"§ 3406. Mailing of absentee ballots for Federal elections

"(a) Except as provided in subsection (b) of this section—

"(1) absentee ballots for any Federal election, voting instructions for such ballots, and return envelopes for such ballots sent to voters by State or local election authorities; and

"(2) such absentee ballots returned by voters to State or local election authorities; may be mailed free of postage.

"(b) Any matter mailed under subsection (a) of this section shall bear the words 'Absentee Ballot—No Postage Necessary', or words to that effect specified by the Postal Service, in the upper right-hand corner of the address area.

"(c) This section shall not apply to mail matter transmitted under the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc et seq.) or the Overseas Citizens Voting Rights act of 1975 (42 U.S.C. 1973dd et seq.).

"(d) As used in this section—

"(1) the term 'Federal election' means a general or special election held solely or in part for the purpose of electing any candidate for the office of President, Vice President, Presidential elector, Senator or Representative in, or Delegate or Resident Commissioner to, the Congress; and

"(2) the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 34 of title 39, United States Code, is amended by inserting after the item relating to section 3405 the following new item:

"3406. Mailing of absentee ballots for Federal elections."

(c) TECHNICAL AMENDMENTS.—Section 2401(c) and section 3627 of title 39, United States Code, are each amended by striking out "3403-3405" each place it appears and inserting in lieu thereof "3403-3406".

SEC. 3. TAXATION OF POLITICAL PARTY COMMITTEES AT APPROPRIATE RATES.

(a) IN GENERAL.—Section 527(h)(1) of the Internal Revenue Code of 1954 is amended by inserting after "principal campaign committee" the followinig: "or a committee established and maintained by a political party".

(b) CONFORMING AMENDMENT.—The subsection heading for subsection (h) of section 527 of the Internal Revenue Code of 1954 is amended by inserting after "COMMITTEES" the following: "AND POLITICAL PARTY COMMITTEES".

SEC. 4. INCREASE IN CERTAIN LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES IN FEDERAL ELECTIONS.

(a) CONTRIBUTIONS BY PERSONS (OTHER THAN MULTICANDIDATE POLITICAL COMMITTEES) TO CANDIDATES AND POLITICAL COMMITTEES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is ameded—

(1) in subparagraph (A), by striking out "$1,000" and inserting in lieu thereof "$3,000";

(2) in subparagraph (B), by striking out "$20,000" and inserting in lieu thereof "$40,000";

(3) in subparagraph (C), by striking out "$5,000" and inserting in lieu thereof "$10,000";

(d) CALENDAR YEAR LIMITATION ON CONTRIBUTIONS BY INDIVIDUALS.—The first sentence of section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(c) CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES IN GENERAL AND SPECIAL CONGRESSIONAL

ELECTIONS—Section 315 of such Act (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) Notwithstanding any other provision of this Act no limitation shall apply to contributions or expenditures by a political committee of a political party with respect to a general or special election for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress.".

SEC. 5. EFFECTIVE DATES.

The amendments made—

(1) by section 2, section 4(a)(1), and section 4(c) shall apply to elections taking place after December 31, 1986;

(2) by sections 4(a)(2), 4(a)(3) and section 4(b) shall apply to calendar years beginning after December 31, 1985; and

(3) by section 3 shall apply to taxable years beginning after December 31, 1985.

Mr. Speaker, this bill's intent is to provide for more participation and interest in the electoral process. The Federal Government should be always mindful of ways to increase involvement, not reduce it. I believe that my bill will do just that and return the role of accountability in the political arena to the people and their primary vehicles of political policy, the major political party organizations. As a precinct committeeman for the past 15 years and one-time Republican county chairman of the largest county in my congressional district, I speak from experience when I say that the people, through their parties, make the wisest decisions for the future of our great Nation.

Finally, Mr. Speaker, I would like to include in the RECORD at this time, an editorial from the Washington Post of April 18, 1985, which speaks to this important issue. I commend it to your attention and that of our colleagues:

[From the Washington Post, Apr. 18, 1985]

SPENDING LESS ON CAMPAIGNS

No, it's not a misprint. For the first time since 1972, when the federal campaign laws started keeping accurate track of these things, campaign spending by congressional candidates was down from one two-year period to the next. Major party candidates spent $165 million on the 1984 elections, down from $174.5 million in the preceding two-year cycle. The drop is all the more startling because it comes after years of hefty, far-above-inflation increases in campaign spending. Why the change? And what does it mean?

One reason for the change may be that campaign spending has reached a level of diminishing returns. Money is not automatically convertible into votes, as shopping center heir Adam Levin of New Jersey could tell you: Mr. Levin spent some $2.3 million, most of it his own money, on a House race in 1982 and won just 43 percent of the vote. The lesson here was not lost on politicians around the nation, and it should be noted that 1984's biggest spender, New York Democrat Andrew Stein ($1.7 million), also lost. You can only spend so much on television (the stations typically limit the amount of time any candidate can buy), and you can only mail out so much literature. Campaign spending in House races took a big jump between the middle 1970s, when most candidates didn't buy TV time, and the early 1980s, when candidates in almost every seriously contested race did. But candidates haven't yet found a new medium into which to pour huge sums.

The other reason for the dropoff in spending on House races is that fewer of them were seriously contested in 1984 than in 1982 or other recent years. There were fewer close rates, fewer open seats, more unopposed members. Voters expressed higher levels of confidence in government in polls during the fall and returned to office a near-record number of incumbent congressmen in November.

Those still a bit weary of last fall's TV ads may hail the drop in spending on congressional races as a good thing. That's not so clear. Campaign contributions were way up and, as Common Cause points out, what rose most rapidly were PAC contributions to incumbent members—which may be investments in more than good government. And who, aside from incumbents weary of the travail of campaigning, believes that a decline in serious competition is a good thing? In an age when voters don't actively seek information about congressional candidates, effective campaigning requires money, and usually lots of it. When—if—Congress gets around to reforming the campaign laws, it needs not only to do something about the overly large sums of the wrong kind of money flowing to candidates; it also must make sure that enough of the right kind of money gets to candidates. Those who want to limit the amounts that PACs can contribute should be sure to insist as well on measures that will encourage and allow increased giving by individuals and the political parties.●

RECOGNITION AND APPRECIATION OF CONGRESSIONAL STAFF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, for several days we have participated in and observed hectic activity on the floor of the House of Representatives as we have debated, amended, and finally passed the fiscal year 1986 Defense bill.

This bill could not have been organized and completed without the capable and professional staff people that surrounded many of the Members on the floor of the House. Therefore, Mr. Speaker, I want to take a few minutes to pay tribute to those people who seemingly untiringly and unselfishly make it possible for the legislators of the Congress to serve our constituencies, enact legislation and work toward keeping America moving forward as a great country.

I, of course, speak of the dedicated staff people who work so diligently in our Washington and district offices.

I, myself, have served in the past as a staff person for several years and I am grateful that I have had the opportunity to work as the coworker to staff people and also now in my present capacity as a Member of Congress, supported by a team of excellent staff people. This experience makes me a better and more understanding Member and I consider it to be one of my most valuable assets.

I know from experience that to be successful, one must be surrounded by people who have the expertise which he or she does not possess.

There are staff people who no doubt have been able to accomplish great things for this country by combining their knowledge with the expertise of the elected Members.

An example of such a person is a member of my staff who has been a part of Capitol Hill since 1959—Mrs. Ruth Witte, who serves as district coordinator in my Washington office.

She first came to Capitol Hill in 1959 as a staff assistant to Congressman Leonard G. Wolf of Iowa.

During the years, she has served three other Congressmen and the Postmaster General.

She worked for my predecessor, Congressman Jack Brinkley, and rose in his organization to the top position of Administrative Assistant. During her 16 years with Congressman Brinkley, she came to know the Third District of Georgia like a native of the area. Her friends are as numerous there today as they are here in Washington.

Helping the people of Georgia has been Ruth's daily task for almost 19 years, and she has freely extended her aid and knowledge to our people. Each person she comes in contact with has received special treatment and their problem or concern has always gotten personal and prompt attention.

One of the smartest moves I made when I was elected to succeed Congressman Brinkley was to persuade Ruth to continue her career with me. Over the last 2 years, she has helped me put together my organization and has assisted in training much of my staff in her areas of expertise. She has continued to serve and work with the people of the Third District of Georgia.

After working daily with her for over 2 years, I can honestly say that I have never met anyone with her capabilities and her penchant for thoroughness.

Last month, she announced that after 25 years on Capitol Hill, she is retiring at the end of June.

She has been a part of the third district's representation in Washington for so many years, that many of us are having trouble imagining what it will be like when she doesn't show up for work. I might add, promptly at 8 a.m.

Ruth Witte deserves our gratitude and respect for the work and the constant effort she has given over the years. It is with a great sense of loss that I accepted her resignation, but it is with admiration and fondness that I speak of her today.

Ruth Witte is that rare person who has both the skill and the compassion

to help others. We were very fortunate in Georgia that she chose to devote those abilities to us for so many years.

She possesses a rare combination of hard work, cooperative spirit, and love for people which is difficult to replace. She will leave behind a great number of friends in all levels of the congressional organization and hundreds of constituents of the Third District of Georgia who will remember her as the person who efficiently and quickly got through bureaucratic redtape to get to the heart of a problem which they were having with a Federal agency.

To all staff people, I thank you. But, especially to Ruth Witte, I personally wish the very best of everything. I thank you for your tremendous contribution to our people and to America. We will miss you, but more than that, we will always be grateful for all you have unselfishly given over the years.

THE 30TH ANNIVERSARY OF ROLL CALL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. WHITTEN] is recognized for 5 minutes.

● Mr. WHITTEN. Mr. Speaker, I wish to join my colleagues in recognizing Roll Call on the occasion of its 30th anniversary.

Sid Yudain has done a great job with Roll Call, dealing with thousands of Members of Congress where each has his share of ego. With even more employers, Sid has been objective, humorous, and informed with an ability to get along. Sid is an institution in his lifetime.

To Sid and his associates we give our congratulations and thanks for the part they have played in making this a great institution.●

CONSUMPTION TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. DONNELLY] is recognized for 5 minutes.

● Mr. DONNELLY. Mr. Speaker, I rise to express my strong opposition to a movement which, according to yesterday's Wall Street Journal, is currently underway in the other body: A proposal to impose a consumption tax on the American people. The Journal reported that pressure to pass a consumption tax comes from "corporate lobbyists who hope to find a new source of revenue to fund the retention of business breaks that are threatened by the effort to overhaul the income tax system." A majority of the Finance Committee is reported to be favorably disposed to a consumption tax.

A consumption tax is among the most regressive forms of taxation. Taxing what people spend, rather than what they earn, would place a far more serious burden on working class Americans, who must spend all they earn in order to survive, than on the rich, who can save large portions of what they earn. To impose a consumption tax on the American people in order to preserve corporate tax breaks some of which eminently deserve to be eliminated would make a mockery of tax reform. If that is truly the direction in which the other body is heading, we should halt consideration of tax reform now, before any vestige of fairness in our tax system is eliminated. Consumption taxes have no role in discussions of tax reform.●

WE SHOULD NOT SUPPORT ANOTHER INCREASE IN INCOME TAXES ON SOCIAL SECURITY BENEFICIARIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. ARCHER] is recognized for 5 minutes.

Mr. ARCHER. Mr. Speaker, I was startled to read in the June 27, 1985, Wall Street Journal your description of high income Social Security beneficiaries—including yourself—as "freeloaders." Can this be the same TIP O'NEILL who launched a congressional fundraising drive last fall, called Campaign To Protect Older Americans from the clutches of the Republican Party? Yet now you profess to find freeloaders among those older Americans?

Mr. Speaker, I feel compelled to speak against your proposal to increase from 50 percent to 85 percent the portion of Social Security benefits subject to income tax. It is the wrong way to go. First, there is the simple matter of an equitable return on FICA taxes invested in Social Security by taxpaying workers. High income workers receive today a benefit equal to only 23 percent of their covered earnings in the year prior to entitlement. By way of comparison, average earners receive 41 percent and low earners 64 percent. While the weighting of benefits to low-income earners can be defended in a social insurance system, combining that 23 percent rate of return with a selective income tax provision simply isn't fair.

Further, Mr. Speaker, you are sending the wrong message, or incentives if you will, to both young and old workers.

To young workers, you are saying if you invest well and faithfully in IRA's, you will lose a significant chunk of your Social Security benefits to income tax.

To older workers, you are saying "retire." The worker between ages 65 and 70 not only is subject to the retirement test and the payment of FICA taxes, but under your proposal an income tax on 85 percent of any benefits received. The wage earner over 70, who pays the maximum in FICA taxes, $2,791.80 in 1985—$4,672.80 for one who is self-employed—and is subject to income tax on 85 percent of his or her benefits may well decide there is little economic incentive to continue working.

Further, Mr. Speaker, let me observe that—based on our constituent correspondence—many beneficiaries at the $25,000/$32,000 threshold levels for single and married taxpayers not only don't regard themselves as freeloaders, but don't regard themselves as upper income either. They view their income ranges—as many workers do—as being solidly middle classs.

The bottom line, Mr. Speaker, is that the social security trust funds are currently solvent, and there is simply no justification for selectively increasing income tax rates on social security benefits. If your conscience bothers you when you cash your monthly social security check, I would advise you that you may—pursuant to section 201(I)(2) of the Social Security Act—donate your benefits to the Social Security trust funds. In any case, Mr. Speaker, I urge you not to support another increase in income taxes on Social Security beneficiaries. Neither in the short-range, nor the long range, are such taxes justified.

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SUPPORT FOR NATION'S ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LIGHTFOOT] is recognized for 5 minutes.

Mr. LIGHTFOOT. Mr. Speaker, my colleagues and I on this side of the aisle have called this special order tonight to display our strong and solid support for our Nation's elderly and for efforts to reduce the Federal deficit. Since the beginning of the year, there has been much talk about eliminating, reducing, or postponing Social Security cost-of-living adjustments. Although the Senate narrowly approved a fiscal year 1986 budget package which freezes COLA's for a year, the House refused on a bipartisan basis to go along with the Senate.

Now, we find ourselves in a dismal situation. On Tuesday, the House-

Senate budget conference committee broke down over the COLA issue. This action threatens our ability to reduce the mounting Federal deficit, a priority which must be No. 1. All along, the budget process has been rough and rocky. Many people were amazed that the House and Senate were able to pass budget resolutions because of the need to make many difficult cuts. We did though, but now we have reached an impasse.

This impasse, however, is surmountable. It can be accomplished by simply removing the issue of Social Security cost-of-living adjustments from the budget negotiations. Although many of my Republican colleagues in the House and I believe that cuts need to be made in Federal programs, we do not believe that the cuts should be made at the expense of our Nation's elderly.

At this time, I would like to read the letter that many of my Republican colleagues and I sent to the distinguished Senate Budget Chairman PETE DOMENICI asking him to resume the budget conference and to remove the issue of the COLA's from consideration. The letter indicates that a great many House Republicans oppose any changes in Social Security cost-of-living adjustments and that this issue is not a Democratic issue. This letter displays the House Republicans' strong and unwavering support for our Nation's senior citizens.

The letter reads:

WASHINGTON, DC, *June 27, 1985.*

Hon. PETE V. DOMENICI,
Chairman, Senate Committee on the Budget, Washington, DC.

DEAR MR. CHAIRMAN: We as Republican Members of the House of Representatives strongly encourage you as the Chairman of the House-Senate Budget Conference to resume the Conference deliberations on deficit reduction and exclude from the Conference any further consideration of Social Security cost-of-living adjustments.

We believe that Social Security is not part of the deficit problem and are opposed to eliminating, reducing or postponing Social Security cost-of-living adjustments. However, we stand firmly behind the Senate budget proposal with regard to the significant budget cuts and real structural reforms in federal spending embodied in your resolution.

The American people are demanding a reverse in the budget priorities of the past Congresses toward structural reforms which will change the role of the federal government. We support the Senate position of terminating and phasing out many programs which presently enjoy negligible public support, but which nevertheless are being protected by the Democrat Majority in the House. We want the House-Senate Budget Conference to focus on crafting the larget deficit-reduction package possible through significant budget cuts and real structural reforms in federal spending.

Because the Social Security issue has deadlocked the Conference, we believe the issue should be eliminated from further consideration. With this in mind, we hope that you will reconvene the Budget Conference so that we can push for the deeper cuts and terminations in an effort to change the role of the federal government and come to grips with the burgeoning federal deficit.

We believe we speak for a very large majority of Republicans in the House, and we appreciate your consideration of our views.

Sincerely,

Beau Boulter, Jim Lightfoot, Bill Broomfield, George Wortley, Nancy Johnson, Larry Coughlin, Gene Taylor, Chris Smith, Don Ritter, Bud Hillis, Tom Ridge, John McCain.

Robert C. Smith, Guy Vander Jagt, Henry Hyde, Olympia Snowe, Norman F. Lent, John G. Rowland, Larry Combest, Bob McEwen, Bob Walker, Duncan Hunter, Stu McKinney, Dan Burton.

Larry Hopkins, Jim Courter, Jim Broyhill, John Paul Hammerschmidt, Frank Horton, John Kasich, Bill McCollum, David Dreier, Howard Neilson, James Saxton, Al McCandless, Bobbi Fiedler, Howard Coble.

Bill Emerson, Michael Strang, Barbara Vucanovich, Mickey Edwards, Joe McDade, J. Alex McMillian, Mike Bilirakis, Pat Swindall, Bill Frenzel, Sherwood Boehlert, Ed Madigan, Stan Parris, Mack Sweeney, Tommy Hartnett.

Robert K. Dornan, Bob Livingston, John McKernan, Trent Lott, Mark Siljander, John Myers, Jack Kemp, Vin Weber, John Grotberg, French Slaughter, Richard Armey, William Dannemeyer, Newt Gingrich, William Cobey, Joe J. DioGuardi

Members of Congress.

Mr. Speaker, at this time I would like to urge my colleagues to implore the budget conferees to go back to the table and work out a budget conference that will protect our senior citizens and will also ensure the future of our Nation. While we will support the necessary cuts to reduce the Federal deficit, we will not support a cut in the Social Security COLA. As individuals and a party, we care about people of all ages.

As individuals and as a party, we care about people of all ages, and we want to see that duty is served.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Illinois.

Mr. DURBIN. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Iowa on his statement because I believe in the best interest of coming up with a budget resolution that will bind both the House and the Senate, that the Social Security issue should be taken from the table.

I think the message that the gentleman has sent to the Republican leaders of the Senate will also be delivered to the President and I hope it is very effective.

Mr. LIGHTFOOT. I thank the gentleman.

THE 44TH ANNIVERSARY OF THE ACT OF PROCLAMATION RESTORING UKRAINIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, June 30 marks the 44th anniversary of the Act of Proclamation which briefly restored the independence of Ukraine during World War II. On this date in 1941, courageous Ukrainian nationalists were able to seize power and form a provisional government, dedicated to principles of self-determination and human dignity, and free from the tyranny and oppression of the Communists or the Nazis.

The Proclamation signed in Lviv, Ukraine on June 30, 1941, came at a time when Soviets, who had occupied the country since the end of World War I, were forced to withdraw because of the threat of oncoming Nazi troops. Prior to this Nazi invasion of Ukraine, Ukrainian nationalists in Lviv quickly convened a National Assembly which issued the Act of Proclamation declaring a free and independent Ukraine. The text of the Act of Proclamation follows:

ACT OF PROCLAMATION OF THE UKRAINIAN STATE

1. By the will of the Ukrainian people, the Organization of Ukrainian Nationalists under the leadership of Stepan Bandera proclaims the restoration of the Ukrainian State, for which entire generations of the best sons of Ukraine have given their lives.

The Organization of Ukrainian Nationalists, which under the direction of its creator and leader Evhen Konovalets during the past decades of blood-stained Muscovite Bolshevik subjugation carried on a stubborn struggle for freedom, calls upon the entire Ukrainian people not to lay down its arms until a Sovereign Ukrainian State is formed in all the Ukrainian lands.

The sovereign Ukrainian government assures the Ukrainian people of law and order, multi-sided development of all its forces, and satisfaction of its demands.

2. In the western lands of Ukraine a Ukrainian government is created which will be subordinated to a Ukrainian national administration to be created in the capital city of Ukraine, Kyiv.

3. The Ukrainian national-revolutionary army, which is being created on Ukrainian soil, will continue to fight against the Muscovite occupation for a Sovereign All-Ukrainian State and a new, just order in the whole world.

Long live the Sovereign Ukrainian State!

Long live the Organization of Ukrainian Nationalists!

Long live the leader of the Organization of Ukrainian Nationalists—Stepan Bandera!

(The City of Lviv, June 30, 1941, 8 p.m.)

JAROSLAW STETSKO,
Head of the National Assembly.

The timing of the proclamation forced the Nazis to declare their true intentions to overrun Ukraine and force its annexation as a part of Germany. As a consequence of this procla-

mation, the Nazis were brutal in their attempts to suppress the Ukrainians for their show of independence, and many of their cultural, religious, and political leaders were sent to concentration camps.

Over 2,000 young Ukrainian freedom fighters bravely stood up against the barbarism and terrorism of the Nazis. Ukrainian patriots remembered all too well the cruelty of the Soviets, having experienced the brutality of Stalin's imposed "famine" which took the lives of over 10 million Ukrainians. Those freedom fighters fought valiantly in the hope that future generations of Ukrainians would be able to once again have control over their own destinies and be able to live in freedom.

The Nazis arrested Stepan Bandera, president of the Organization of Ukrainian Nationalists, and Yaroslav Stetsko, prime minister of the provisional government, because of their leadership role in the resistance, and placed them in the Sachsenhausen concentration camp for the duration of the war. The Nazis unsuccessfully tried to force their prisoners to repudiate the proclamation, but these leaders refused to yield.

The spiritual leader of the Ukrainian Catholic Church, Metropolitan Sheptitsky, in a pastoral letter on June 30, 1941 hailed the proclaimed Ukrainian state, bestowed his blessings upon it, and called upon the people to give the new Ukrainian Government their loyal support. He stated that "your faith, solidarity, and conscientious execution of duties, prove that you are worthy of independent national existence."

Mr. Speaker, although the Ukrainians are still under foreign domination, I am hopeful that one day their love of liberty will triumph and Ukraine will once again take her rightful place in the community of free nations.

It is with pride that I join with Americans of Ukrainian descent in the 11th Congressional District of Illinois which I am honored to represent, and those all over the world, who are celebrating the 44th anniversary of the Ukrainian Act of Proclamation. The spirit and strength of the people of Ukraine has not waivered as they continue in their efforts to break free from their Communist oppressor and reestablish their homeland as an independent nation.

COUNTING PROCEDURES IN THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

Mr. LUNGREN. Mr. Speaker, today as we dealt with a very serious issue dealing with the overall subject of defense, some procedures in the House came to my attention which caused me great dismay and which are of a major concern and make one ponder whether one is a Member of Congress or whether one is just merely sitting in the gallery, or whether someone has the opportunity to see it via television.

We on the minority side recognize that we do not have the votes. We realize that and we work with that. But we expect some mutual respect. We expect some modicum of courtesy. We expect some recognition that we were elected by the same number of people as every Member in the House was, whether he is a Democrat or a Republican.

We are required to give allegiance to the rulings of the Chair, particularly in terms of the Chair's determination arithmetically of how many people are standing or how many people happen to be here, and normally that is no problem.

Today, Mr. Speaker, on several votes, I have reason to believe that we had sufficient people standing at times and were denied a vote, and that, for whatever reason, quorums were found when I frankly could not count that many people here on the floor.

Some people say, "Why is that a concern?" Why should we be worried about parliamentary considerations in the House? It is because we are given an opportunity or denied an opportunity to go on record with respect to certain issues based on the number of people who are here. Today we had a vote on the death penalty. It was on an amendment that was accepted by both the majority and the minority side, and so it was part of the bill, but under our procedures, of course, anyone can ask for a separate vote. Such a request was made.

Some would say, "Why would you ask for a vote when, in fact, your amendment has already been adopted?" Let me tell you why.

This would have been the first time that the House went on the record on the question of the death penalty in many years. I have not checked it specifically, but I am informed, and believe on that information, that it has been since 1977 that we have had a vote on the death penalty.

The death penalty is an issue that is within the subject jurisdiction of the Committee on the Judiciary, of which I am privileged to be a member. I have been there 7 years and we have never had a vote on it. We have never had a serious discussion on it. There has been no ability for us to bring that question to the floor.

I go home and people say, "Why, on the Federal level, does John Hinckley not even have to worry about the death penalty because you do not have a constitutional death penalty provision for murdering the President or Vice President of the United States?" I have to say to them, "Because the ideological make-up of the Judiciary Committee is such that we cannot even get it out of subcommittee, much less the full committee."

□ 2040

So how do you pressure those institution of this House to allow the American people an expression of their concern on a thing like the death penalty? You have to orchestrate the issue.

We wanted a vote on this floor on the death penalty on this bill so that we could get a true reflection of what the general assembly of the House of Representatives feel on the bill.

I have no doubt it would have passed by a 2-to-1 margin at least and then we have a record for this, the 99th Congress, as to how the American people's representatives in what is supposed to be the people's House feel; but some knew we were going to do that and they made every attempt they could to make sure that we would not be given that opportunty and when we requested a separate vote under the rules under which we were then proceeding, we needed 44 people to stand up.

First of all, we suggested the absence of a quorum, but suddenly a quorum materialized, from where, I do not know. Maybe they counted staff, maybe they counted the pillars on the wall. Maybe they counted the people in the galleries, I do not know, but they found a super quorum.

So then we had to ask for a recorded vote. We needed 44 people—and guess what, the presiding officer could only find 43 people.

I believe with every fiber of my being that there were more than 44 people standing and that the American people had a right to find out where we stand on the death penalty.

Following that ruling made by the Chairman, the distinguished gentlemen from Texas [Mr. WRIGHT], I went over with the gentleman from Pennsylvania [Mr. WALKER] to question why we had that.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. LUNGREN] has expired.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MCHUGH] is recognized for 5 minutes.

● Mr. McHUGH. Mr. Speaker, during the proceedings of Tuesday, June 25, I was absent for rollcalls 187 through 190. I was unable to be present on Tuesday evening due to a death in my family.

Had I been present and voting, I would have voted "no" on rollcall 187, "aye" on rollcall 188, "no" on rollcall 189 and "aye" on rollcall 190.●

COUNTING PROCEDURES IN THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I am glad to yield to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from Pennsylvania [Mr. WALKER] and I proceeded up to talk to what the press states is the next Speaker of the House. I told him in rather vivid terms that if what they want in this House is a requirement that we ask for a teller vote on every single important issue, that is what we will do, if that is the only honest vote we can get.

What is a teller vote? A teller vote is when one Member of the majority and one Member of the minority, or one for or against a proposition presented stand, one on each side of the center aisle, and Members walk through as in a parade, those for and those against. It is very difficult to miscount under those circumstances.

What happens when you ask for it? You are accused many times of obstructing the duties of the House; but I told the gentleman from Texas [Mr. WRIGHT] that that is in fact what he is leading us to and I suggested to him in as strong terms as I could muster that in fact there were at least 44 people standing, that I was elected by as many people as he was, that I have a right to be considered with dignity in the House. It has nothing to do with what he thinks of me. It has to do with what he thinks of the people that I represent. I represent one of 435 districts in this country. They have every right to be considered with respect and accorded dignity in this House.

I would assert they were not given that respect or accorded that dignity in the House tonight.

When I then mentioned that we would call teller votes, Mr. WRIGHT, the distinguished Majority Leader, said,

"I am smiling bcause I am trying to hold inside how I feel. I want to come down off here and punch you and Mr. Walker in the mouth."

He then came down the two steps and grabbed me by the arm and repeated—I will not yield at this time—grabbed me by the arm and repeated the suggestion, at which time I told him to get his hands off my arm.

Now, I do not have to fear for my physical being in this House. My avocations are weigh lifting and tae kwon do and I certainly do not have to worry about someone who is 2 decades older then I am. That is not the point.

The point is that that is not what we are supposed to be doing in the House. It goes to the very dignity of this House. It goes to the integrity of this House and we on the minority side are time and time again given the short shift of a vote and then we are told to accept it and we are told that the American people have no right to find out how their elected Representatives feel on a crucial issue of the death penalty. I think something has to change in this House.

I think Mr. WRIGHT owes me and Mr. WALKER, but more importantly, my constituents and Mr. WALKER's constituents in this House an apology.

I will say this right now. If this is going to continue in terms of not counting those who are standing in order in some cavalier fashion to deny us an opportunity to present an issue that deserves to be presented, then we will ask for teller votes on each and every crucial vote from now to the end of this particular Congress.

I am telling my colleagues that this is not done in any effort to try to impede the progress of this House, but if we are going to have honest votes in this House, and that is the only way we can get it, I will stand here from now until midnight every day we are in session to ensure that that is going to happen.

Other Members have said, "Why do you take this so seriously?"

I had Members tell me on this side of the aisle that I ought not take it so seriously, it is not that important.

Well, I came to this House because I felt we could make a difference. I came to the House because I happen to think, I happen to believe, that people have a right to be respected. They have a right to be heard. They have a right to be represented and I do not care who it is. I do not care whether you are from the lowest district, you represent the people with the least amount of money or the most amount of money. I do not care whether you are from the majority party or the minority party. I did not grow up, learning in my civics lessons, that it depends whether you have a "D" or "R" behind your name as to whether you are going to be accorded respect.

I did not grow up thinking that you did not give fair and honest vote counts. I thought that was the way of the old machine politics. I have been told by some of my relatives from Chicago that the only place you can find instant and immediate immortality is in Cook County where some of my ancestors are long since deceased, but are still living on voter rolls, but I never thought we would bring it here to the House of Representatives.

The SPEAKER pro tempore. The time of the gentleman has expired.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. TRAXLER] is recognized for 5 minutes.

● Mr. TRAXLER. Mr. Speaker, on roll-call No. 208 the final passsage of H.R. 1872 the Department of Defense Authorization Act, I was unavoidably absent. I supported the bill and had I been present would have voted "aye".●

COUNTING PROCEDURES IN THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I yield to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, I thank the gentleman from yielding.

The point I am trying to make is that it has gone too far in this House. It is no longer a question of partisanship. It is a question of elementary fairness. It is no longer a question of State or sector or special interests. It is a question of simple democracy.

The American people should understand what is happening in this House. What is happening in this House is somehow under the guise of a cavalier attitude, under the guise that people have a plane to catch or we are running overtime, that somehow we will wink when a vote is not properly recorded and no one will be the wiser.

Well, my colleagues, I am tired of winking and I am tired of being winked at and an end must come to this practice.

We do not hold this House up to the fine repute of this Nation by allowing these practices to go on. We do not allow this to be the people's House when we deny the people's representatives their rights under the rules to proceed.

The funny thing is that the rules were changed just several years ago to require more bodies to be present and standing in order to call for a recorded vote. The fact of the matter is, we are denied opportunities to call for votes when we could just 5 or 6 years ago.

The fact of the matter is that the rules have been changed so that we cannot bring certain amendments up on appropriation bills, as we could 5 and 6 years ago.

The fact of the matter is that you cannot get a death penalty vote on the floor of the House because if the committee does not want to bring it forward, the only thing you can do is go through the extraordinary procedure of a petition that discharges the bill from further consideration by the committee and causes it to come forward. It requires 218 Members to sign that discharge petition. That discharge petition is held privately. It is not allowed to be shown. It is a violation of the rules to show it to anybody and what happens when you sign it, it is suggested that somehow you are im-

pinging on the rights of the chairman of a committee or subcommittee.

The people be damned. The country, forget it. You are going to impinge on the right of a committee chairman or a subcommittee chairman.

So then when we go through all that and we get an opportunity to vote on the floor and we follow the rules, we are denied an honest count on this floor.

□ 2050

And people laugh and people wink and people threaten you. And people suggest they are going to punch your lights out because you are doing that.

I mean this sounds like a school yard. This sounds like a joke. This does not sound like the most famous deliberative body on the face of the Earth.

I mean this is the place where as kids we read about the House of Representatives where some of the great debates took place, where we argued the large scale issues of war and peace, where we argued about slavery and freedom, where we argued about whether people have a right to be a part of a State, to join the Union, where Douglas MacArthur appeared, where Franklin Delano Roosevelt appeared, where Ronald Reagan appeared.

This is the place where someone comes down off his throne and says, "I am going to punch you out?" What have we come to in this House? What have we come to in this House?

I just hope that all of my colleagues, whether they are Democrat or Republican, will reflect on what has happened here today, because I am not proud of it. I am not proud of it at all, and I do not think anybody ought to be proud of it.

The fact of the matter is that the American people were denied an opportunity for their elected Representatives to go on record on the question of the death penalty.

People do not realize how strange our Federal law is. John Hinckley, if he had committed murder while skyjacking an airliner to get to Washington to assassinate the President, could have gotten the death penalty for skyjacking but not for murdering the President.

Now you tell me that makes sense. You tell me that shows the proper respect for the democracy that we are supposed to hold so dear.

It does not make any sense at all. Yet in this House we take care of all sorts of things.

I do not mean to disparage it, but we name weeks after illnesses, we name months after ailments. We spend half of our time nodding to one another and talking about how we are so esteemed. Any yet we do not have the time to deal with the death penalty in the United States on the Federal level.

Who is kidding whom? The national polls show something like 70 percent of the American people think we ought to have it, and they wonder why we do not vote on it in the House.

I will tell you why we do not vote on it in the House, American people: because we are not allowed to vote on it in the House. We had a chance to vote on it once in the House today and it was denied.

The SPEAKER pro tempore (Mr. KILDEE). The time of the gentleman from California has expired.

COMMEMORATING THE 30TH ANNIVERSARY OF ROLL CALL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 60 minutes.

● Mr. CONTE. Mr. Speaker, I rise today to commemorate the 30th anniversary of Roll Call, Capitol Hill's own newspaper, as well as its founder, publisher, and editor, my old friend, Sid Yudain.

Obviously, not many Members of this great body, or Members of that other body, were around when the first issue of Roll Call hit the streets. For that matter, when I look around at the faces of our countless staffers, it dawns on me that most of them weren't even twinkles in their parents eyes when this paper was first published. But, I'll tell you, they snatch it right up as soon as it arrives in the offices.

I guess what I'm trying to convey is that Roll Call, and Sid for that matter, are both products of a different era—the Hill was different then; better, some would argue, definitely simpler. It's been said that in those days, the problems were more solvable, the pressures were less intense, and the Congress was more reminiscent of a college campus rather than a multinational corporation.

All of this leads me to wonder if a venture like Roll Call could even get off the ground if it were launched today. That's why we're all lucky that Sid did what he did 30 years ago and is still up to his neck in it today. Sid and the entire staff over there on Massachusetts Avenue remind us every week that we're not too big for a little self-depreciation and humor. And, when it comes to taking that periodically unavoidable bite out of the old "humble pie," Sid and his staff make it much easier to do than do the "heavies" in his business.

Back in 1955, Sid realized that the Hill community needed its own chronicle to let people know what's going on at the nuts and bolts level. This fact hit him when one Member inquired of him what another Member—who had recently gone to his final reward—was up to lately. That was it. A few months later, June 16 to be exact, Roll Call came into being.

Sid and his fledgling newspaper had some powerful early admirers. There was the majority leader of the Senate, Lyndon Johnson, the Vice President, Richard Nixon, and he even managed to eventually win over the Speaker, Sam Rayburn. In fact, Mr. Sam once enlisted the help of Sid and Roll Call in his deadlocked effort to shore up the Capitol's East Front.

Still, as with any good rag, it has occasionally stepped on the toes of the high and the mighty. And, Sid has even seen his share of cancelled subscriptions as a result of his eagle-eyed reporting. Of course, his favorite being the one which read "His Excellency the Ambassador of the Netherlands is honored to announce his cancellation of his subscription to the Roll Call newspaper."

The initial purpose of Sid's dream was to create a paper "of such concentrated congressional coverage that it will be read from cover to cover." Or better yet, a paper that would "remain completely nonpartisan while reserving the right to rip the pants off both parties—always within the bounds of good taste."

Sid and his paper have done this, as well as so much more. As many of you may know, the Roll Call endeavor that is closest to my heart is their enduring sponsorship of the annual congressional baseball game. Since 1962, Roll Call has placed its good name behind some great baseball management and some so-so baseball playing. And, a lot of us have really appreciated that.

So, on the heels of the heady issues that have kept this great body busy all week, I think it is fitting that its Members take time to sit back a little, reflect and reminisce a lot, and thank Sid Yudain and the Roll Call staff—past and present—for all they have given us over these last 30 years. Thanks Sid. We wish you all the best for your next 30. The Hill needs you.●

● Mr. MILLER of Ohio. Mr. Speaker, I want to join my colleagues today in saluting Sid Yudain and Roll Call on the occasion of the newspaper's 30th anniversary. We are celebrating today the anniversary of a Capitol Hill institution.

Washington is a city of ideas and late breaking news. There are sources of information literally at the disposal of anyone seeking it, at any hour and at any moment. To be successful, a newspaper competing in a town such as this has to be innovative, interesting, and informative. Roll Call is all three and has been for 30 years. The newspaper has given us information we have been denied from other sources. It has been a congressional insider and companion. In short, it has been a key part of the Capitol Hill community and I, for one, am hopeful that it will remain so for many years to follow.

I offer my sincerest congratulations to Sid and his fine staff for giving us a newspaper for Congress and about Congress. Sid is to be commended for his fairness and imagination. I read every issue of Roll Call.●

● Mr. MICHEL. Mr. Speaker, I am happy to join with our colleagues in saying happy 30th birthday to Roll Call.

Last week's issue shows why Roll Call is such a part of our lives on Capitol Hill.

Where else would you find a front page with two pictures, one of my good friend DAN ROSTENKOWSKI, starting off into space and another of the speaker eating the largest ice cream cone I have ever seen?

Pictures like that inspire the rest of us to greater efforts, in the hope that someday our faces may grace the front page of Roll Call.

When my time comes, I'm going to find out what ROSTY was thinking about so I can get that same thoughtful look on my face. And I'm going to ask the speaker how to hold a triple-dip ice-cream cone without dripping any.

Come to think of it, ROSTY's thoughtful expression might be explained by the fact he was looking with astonishment at the speaker attacking a tuttie-fruitie triple-decker.

But these deep matters of state will have to be discussed at another time.

I just want to use my time here to say congratulations to Sid Yudian, to his staff, and to Roll Call.●

● Mr. BIAGGI. Mr. Speaker, some of those persons interested in the goings on in Congress spend a considerable amount of time reading the CONGRESSIONAL RECORD on a daily basis. Many others, though, keep track of Capitol Hill happenings a far easier way—they simply wait until Thursday of every week and read Roll Call.

I am proud to join my colleagues today in paying a richly deserved tribute to Roll Call, during this, the 30th anniversary year of Roll Call's existence. No doubt about it, Roll Call's staff has always been exceptional. Yet, there have been a number of Washington newspapers over the years with exceptional staffs. Roll Call, however, has something the other papers do not—and his name is Sid Yudain. As Roll Call's founder, editor, and publisher, Sid Yudain is the heart and soul of Roll Call. It was 30 years ago on June 16, that Sid, who was then a staff assistant to former Representative Albert P. Morano, circulated the first issue of Roll Call. Capitol Hill has never been the same since.

I am sure there are some who read Roll Call for its inside view of the major issues confronting Congress—like taxes, the budget and defense spending. But, to most of us, Roll Call is special because it focuses on the more personal side of Congress. With his own special flair, Sid has used his experience as a Connecticut and Hollywood newsman to focus on what he has called the "sidelights and oddities" of Capitol Hill. Over the years we have learned that this description includes such things as profiles of Members—past, present, and future—staff changes, baby arrivals, marriages, birthdays, and the anecdotes that abound on Capitol Hill. To put it more simply, if it happened on Capitol Hill, chances are you read about it in Roll Call.

Perhaps more than anything else, I am particularly fond of Roll Call's sports reporting—more specifically, their softball reporting. For 3 years in a row, beginning in 1981, my softball team, "Biaggi, Bronx Bombers," won the congressional B league softball championship and, of course, Roll Call was the first to report it—making the achievement seem all the more special.

The original prospectus of Roll Call called for "a publication of such concentrated congressional coverage that it will be read from cover to cover." Specifically, it was designed "to inform neighbors and friends of illnesses, births, marriages, and other personal affairs (without, of course, getting too personal); to remain completely nonpartisan while reserving the right to kick or rip the pants off both parties (always within the bounds of good taste); to provide a service to the Congressmen and legislative employees of Capitol Hill and to the various organizations that are an integral part of the Hill."

Suffice it to say that Roll Call has met those ambitious expectations, and then some. Sid Yudain, and all those who have been associated with Roll Call over the past 30 years are to be saluted for a job well done. Keep up the good work.

Mr. Speaker, I must conclude my remarks at this time because, since today is Thursday, I have some very important reading to do.●

THE PROCESS OF LAW—THE NATURE OF DEMOCRACY—THE CHALLENGE TO AMERICAN LIFE AS WE HAVE KNOWN IT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk this evening about the process of law, the nature of democracy and the challenge to American life as we have known it. But I think it is very appropriate to start by continuing with the particular discussion which the distinguished gentleman from California [Mr. LUNGREN] and the gentleman from Pennsylvania [Mr. WALKER] have initiated.

COUNTING PROCEDURES IN THE HOUSE

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I think the gentleman from California has said it far more eloquently than I could.

But I do want to confirm the facts of what the gentleman said. The gentleman's factual presentation of what he and I were told at the chair following that vote is precisely correct.

The gentleman from Texas [Mr. WRIGHT], I think to his everlasting disgrace, did in fact come down off the chair and threaten to punch us out.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I think that is something which does not become this House, and we ought not to have that kind of a situation arise ever again, and certainly not in the kind of circumstances where Members were rightfully protesting an action that I believe was a very, very ludicrous part of the operations of the House today.

I was the one indeed who was asking for the vote and had asked for a division vote precisely to establish what kind of a quorum we had in the House in order to assure that we could get a vote. But when the division vote took place there were approximately 150 people in the Chamber.

Within 2 minutes, within 2 minutes 100 people miraculously appeared when I suggested the presence of no quorum.

That was disturbing. But I guess maybe I can understand that. Maybe 100 people came storming out of the cloakrooms that I did not see, or were hiding under the chairs and I did not see them get up to their feet. Perhaps that took place.

But then, but then I also suggested, as is my right, that we ought to have a recorded vote. That takes 44 people standing. I personally counted 50 people on their feet, and I will say that for the record. I looked around and I tried to, as quick as I could, to count and to find out whether or not we had sufficient people standing. I personally counted 50. I will not vouch that it could not have been 49, that it could not have been 42. And so the gentleman in the chair then decided it was 43, just one short of the necessary number.

I think that when you put those two things together it becomes very disturbing. The gentleman from California [Mr. LUNGREN] and I attempted to register our dismay about that procedure, particularly since, in our opinion, on two previous occasions in the

House earlier today, we had also been short counted and denied an opportunity to vote again on the death penalty. And in another case on amendments offered by the genlteman from California [Mr. HUNTER] that were we thought crucial votes to have on the RECORD with regard to the situation in Nicaragua.

It was a pattern today which culminated with what the Speaker pro tempore did tonight. And in registering that protest on those actions, as I think is our right as Members of the House, we were threatened bodily. And I think that that is something, as I say again, we should never have happen again.

And I thank the gentleman very much for yielding.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Illinois.

Mr. DURBIN. Could I ask the gentleman from Pennsylvania or the gentleman from California who spoke on this issue a question? I, prior to serving in the House of Representatives, did work as a trial attorney, and I can recall that evidence rules relative to hearsay were if someone came before the court and said just that another person had made a statement, the court would reject it and say that, in fact, you had to bring in evidence.

Can either gentleman tell me whether they advised the majority leader this evening that they were going to bring up his name tonight as a part of the special order and, in fact, make some reference to his own integrity?

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield to the gentleman from California.

Mr. LUNGREN. A member of his staff came up to me to ask where I would be tomorrow to receive a phone call on tomorrow and I told him at that time that I was going to take 5 minutes and I was going to speak, and that was done approximately 15, 20 minutes before I took the floor.

Mr. DURBIN. But did either gentleman have a conversation with the majority leader to advise him?

Mr. LUNGREN. If the gentleman will yield——

Mr. GINGRICH. I am glad to yield to the gentleman from California.

Mr. LUNGREN. The last sight I had of the majority leader was as he was reading the riot act to the minority leader, telling him that I should be lucky and the gentleman from Pennsylvania [Mr. WALKER] should be lucky that he did not punch us out. And then——

Mr. DURBIN. Is the answer no?

Mr. LUNGREN. And calling into the——

Mr. DURBIN. If the gentleman will yield, is the answer to the question no?

Mr. LUNGREN. I would say to the gentleman I believe I have the time.

Mr. DURBIN. Is the gentleman going to respond?

The SPEAKER pro tempore. The gentleman from Georgia [Mr. GINGRICH] controls the time.

Mr. LUNGREN. I believe the gentleman from Georgia [Mr. GINGRICH] gave me the time.

Mr. GINGRICH. Go ahead, Mr. LUNGREN.

The SPEAKER pro tempore. The gentleman from Georgia controls the time.

Mr. LUNGREN. I am sorry that the Members on our side perhaps are more concerned about the use of the rules, but it is because we are the ones against whom the rules are used so often.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield.

Mr. DURBIN. I would like to make a comment in this respect. I do not know what transpired in the well, and it is unfortunate that the person you are accusing is not here, and from your own statement was not invited by you to be here to defend himself.

But I will say this: There was a portion of it that I did see. The gentleman from California made the point, and I think it should be made again, the amendment which you are discussing passed. It was enacted. It is a part of the House defense authorization bill.

Now that does not disparage or diminish either of your rights or the rights of any individual Member to ask for a rollcall. But I think there is a point worth noting. When the gentleman from Pennsylvania [Mr. WALKER] asked for other Members to stand and join him in asking for a recorded vote, I, was seated on this side of the aisle and I witnessed the fact that many of your own Members did not join in standing and asking for a rollcall vote. At that point, the gentleman from Pennsylvania estimated, in a quick count, he saw 50.

For the record, I think it should be noted that within a few minutes there was a rollcall on the passage of the bill and at that time 160 Republican Members voted either for or against the House defense authorization, which means to say that at least 111 of your colleagues would not join you in asking for a recorded vote.

Now, why they did not I do not know. But the fact is there was not an overwhelming number standing on your side of the aisle.

Mr. GINGRICH. Let me reclaim my time, if I may.0

□ 2100

Before I yield I want to say something to the gentleman from Illinois [Mr. DURBIN] who probably was a very good trial lawyer. But I would like to ask you something about fairness. Are you saying that as long as your amendment passes, it is all right to break the rules? That is what you just said.

Mr. DURBIN. No; if the gentleman will allow me.

Mr. GINGRICH. To qualify?

Mr. DURBIN. I said I do not disparage or diminis the right of any Member to ask for a rollcall. The question is how many Members were standing. The point I am trying to make is that the amendment passed and at least 111 of your colleagues would not join you in asking for a recorded vote.

Mr. GINGRICH. If I may reclaim my time, I am a little confused by your line of questioning. The allegation here is not that the amendment did not pass. The allegation here is not that there was overwhelming desire and 300 people stood up. The allegation is very explicitly that enough Members of this House rose that under the rules of this House there had to be a vote.

Now does the gentleman, since you were playing trial lawyer a minute ago, to reverse roles, does the gentleman wish to in any way take on the central allegation that in this situation if enough people rose, and the gentleman from Pennsylvania [Mr. WALKER] has alleged that in his judgment there were 50 he personally counted, that under the rules of the House that should have been a recorded vote, does the gentlemen dispute that?

Mr. DURBIN. I do not dispute it. But if I might, will the gentleman yield?

Mr. GINGRICH. I do

Mr. DURBIN. This question has been presented to us this evening in partisan terms. And somehow it has been suggested that either because the majority leader is of an opposite faith or because there is some sort of an unfair treatment under the rule that your side of the aisle is not treated fairly.

Mr. GINGRICH. And you doubt that.

Mr. DURBIN. If I might finish.

Mr. GINGRICH. Let me just ask the question. Do you doubt that that is true?

Mr. DURBIN. Yes; I do.

Mr. GIRGRICH. I am amazed.

Mr. DURBIN. I certainly do.

Mr. GINGRICH. You do.

Mr. DURBIN. Yes.

Mr. GINGRICH. Would you like to join us for a few weeks to test that?

Mr. DURBIN. If I might add, if the gentleman will continue to yield, it has been my honor and opportunity over the last 8 days to preside over this House of Representatives during much of the debate on the House Defense

authorization bill. I believe every effort has been made by all of the staff here on both sides of the aisle to be open and fair. I do not think there is any question of the rulings that have been made. But the point I am making is this, if I might just finish this.

Mr. GINGRICH. Sure.

MR. DURBIN. I do not believe it is a partisan question. It is a question of how many people were standing. The fact that there were no Democrats standing says something. But the fact that 111 Republicans would not join you as well also says that at least on a bipartisan basis there were people who did not want a recorded vote on an amendment that had already been adopted.

Mr. LUNGREN. If the gentleman will yield, because that is a misleading statement, that is a misleading statement. The gentleman knows we have a 15-minute voting period during which time Members come here and vote. We have 15 minutes to vote. We did not have 161 or however many Republicans respond on the floor at that time, and the gentleman is well aware of that. We did not have 111 who did not stand. Point No. 1.

Point No. 2, the rules do not say you have to have 150 Members stand. The rules say you have to have 44. What you are saying is we do not have super majorities beyond the rules, therefore we are going to be held to a higher standard; then change the rules. You guys have changed them before. You changed them 3 years ago to require 44 when we did not used to have 44.

Point No. 3 is this: We happen to be feeling the way we are because of the way we are treated. I never served in a legislative body before. I was a trial attorney for 6 years. I was treated fairly in a courtroom. I had a fair shot at a jury; I always had a fair shot at a jury.

The rules were even.

I played football; there were 11 people on a side, not 13 on one side and 9 on another.

We come in here, you have got more votes, there is no doubt about that. But you do not have to change the rules and use the rules every single time.

Point No. 4: No; I did not tell Mr. WRIGHT I was going to do it. I informed his staff who came over here to inquire of me where I was going to be tomorrow and I gave at least 15 to 20 minutes' notice.

Point No. 5: We have no way to overrule the ruling of the Chair on the number of people he can find on the floor of the House. We have to take it on faith. And our faith has been shattered.

Next point: The gentleman says that he was presiding for much of the debate and you were fair then. Therefore, I guess you are arguing you must have been fair in every other instance, either you or whoever else was in the chair.

You know as a trial attorney when you come to court with a criminal offense or even a civil offense, civil question, you don't defend yourself by saying, "I know I am charged with rape on January 22, 1974, but I will tell you absolutely I did not rape on January 1, January 2, January 3, January 4, January 5, January 6, January 7, January 8, every other day of the year I did not rape. Therefore, do not accuse me of rape now."

I also know that some votes are more important than others. As the gentleman knows also because there were votes on your side of the aisle that were insisted upon, there were recorded votes on your side of the aisle that were not insisted upon. We do have a death penalty in this bill. We do not have a recorded vote.

So if I go to the chairman of the Committee on the Judiciary or if someone else goes to the chairman of the Judiciary Committee and says, "We have stopped allowing any action on the whole question of capital punishment for the last 8 years but the pressure is building because two-thirds of the people in the House are supportive of it," he can say to me, "How do you know? It was done by voice vote." We have not had a recorded vote on the floor of the House in 8 years.

Where is the evidence of the attitude of the people in this House? And the gentleman I do not believe suffers from naivete. The gentleman served as a trial attorney, the gentleman has been a Member of this House for some time, and the gentleman understands that sometimes we like to avoid issues, particularly if they are controversial. And if you cannot avoid it, then you are forced to vote on it.

Joe Louis used to say, "You can run but you can't hide." That is not true in this place. You can hide behind the rules if you have the active support of the leadership. And what we were trying to do was to establish in the 99th Congress where this House stands on the generic question of capital punishment. We may disagree on what it should apply to, what offenses, the magnitude of the offenses, but we wanted a vote to show that there was a receptivity to the position of capital punishment and that the Judiciary Committee perhaps ought to pass it out because the American people's will as reflected in this body was to act on that question and not just be limited to the question of people who commit treason while in uniform, which you had to do in this bill because that is the only type of thing that was germane.

So the point I am making is, No. 1, votes are important in differing degrees; No. 2, we played by the rules and we did not lose by the rules, we lost by something other than the rules; No. 3, we have nobody to whom we can make an appeal.

No. 4, I was physically threatened by another Member of this House, as was Mr. WALKER. You say that I—that it is hearsay evidence. I was the subject of that. It reminds me of a famous case in California, a famous supreme court case that shows you the state of our racial situation in California in the 1850's.

In that case a Caucasian man attacked a Chinese man, he assaulted him. I believe he also robbed him. The gentleman was convicted of the assault and an appeal was taken to the California Supreme Court. The case was thrown out, the conviction was overturned because in California at that time we happened to have in our constitution a requirement that if you are more than, I think, one-sixteenth Oriental, your testimony, even if you were assaulted by someone else, was not sufficient to convict that person, you needed a corroborating witness.

So it was thrown out. And you are telling me because I was threatened by somebody, someone laid his hands on me, that I have no right to come to the floor and say that because that is hearsay.

I am just telling you what happened. You can believe it or not believe it, I am telling you what happened. It is disgraceful and this House deserves an apology.

Mr. GINGRICH. Before proceeding, I want to ask a question since we have at least two attorneys on the floor.

Mr. DURBIN. And at least three opinions.

Mr. GINGRICH. Is it correct to say that if the witness, no, not if the witness, but if the victim in the technical term—is not assault the threat to do physical harm?

Mr. LUNGREN. Assault is the threat to do physical harm. Battery is an illegal physical action.

Mr. GINGRICH. So technically if you were the victim of an assault you would not be hearsay, you would actually be the testimonial to the incident? I am probably not using the right words, because I am not a lawyer.

□ 2110

Mr. LUNGREN. I can testify as to words that were made against me.

Mr. GINGRICH. Now the gentleman, however, it would be correct to say that Mr. WALKER, who was not the person threatened is a witness.

Mr. LUNGREN. Let me put it this way. Technically—if you want to get to technicalities, if you talk about hearsay evidence, hearsay evidence is a statement made by a party not before the court, offered for the truth of the information contained therein.

In other words, we want to have a law class here; it would be hearsay for me to say that when Mr. WRIGHT said that to me, he actually meant it. But it is not hearsay for me to say what he said to me, being an element of the offense.

An element of the offense of assault is to put someone in reasonable apprehension of bodily harm, and so the fact that someone under circumstances meets you in the street, and he happens to be 6 foot 4, 240 pounds, and you happen to be a 60-year-old lady, about 100 pounds with a cane, and the man says to you, "If you don't give me money, I'm going to beat you up" but he is really joking about that, you can still tell the court that that is what they said, if that puts you in reasonable apprehension of danger.

So if we want to go on technicalities of what is and what is not hearsay, the gentleman has gotten us into an interesting argument on splitting hairs and technicalities, but in fact what I stated is not hearsay.

Mr. GINGRICH. Let me ask a second question, and then I will yield to the gentleman—because I do not understand the law very well.

Mr. WALKER of Pennsylvania, who as I understand it was standing next to me, is in that setting a witness to the actual event. Is that correct?

Mr. LUNGREN. That if correct.

Mr. GINGRICH. Now, can a witness testify as to what the witness heard as opposed to the victim?

Mr. LUNGREN. The witness may testify.

If I may just, if the gentleman will be kind enough to yield, I am not sure we serve any purpose by going into technicalities here. The fact of the matter is——

Mr. GINGRICH. Well, I am just trying to understand, since the gentleman from Illinois——

Mr. LUNGREN. If I might just have some time, the fact of the matter is that this arose out of a serious concern that a number of us have about the rules in this House being observed.

When I have people telling me. "Don't take it so seriously, it's not all that important," I have to recoil and say, "It is that important, because it goes to the question of whether I am given an opporuntity to represent the 520,000 people who comprise the 42d Congressional District of California."

It goes to the question of whether the American people are going to have a right to have an expression of opinion taken in action on something as serious as capital punishment. I really do not believe the gentleman from Illinois thinks that it is adequate for us to pass legislation by voice vote in each and every instance on important controversial issues; I would think that the gentleman would think it important for us to register how we vote on important and controversial issues.

Otherwise, there is no reason to have a teller vote; there is no reason to have even a recorded vote; there is no reason to have anything that would identify us or ties us to our position on the issue.

I think as important an issue as that is, and because if Members were put on record on that issue, it would give us an opportunity perhaps to break through what we call the Bermuda Triangle of criminal law, otherwise known as the Committee on the Judiciary, we would not be so concered about it, but those things are necessary for us to do.

Mr. GINGRICH. Let me try, if I can for a minute, to elevate this to a more general discussion, and then I will be glad to yield back.

I want to make a point to my friend from Illinois, which is that the gentleman rose and asserted correctly, and legitimately, that you have been a trial lawyer, and you raised legal issues.

I want to walk through for a minute, just because——

Mr. DURBIN. Will I be given an opportunity to testify as part of this proceeding?

Mr. GINGRICH. Just a second. Let me reframe it for a second, because the point I want to make is that there are, first of all, that the central issue which I would like to share with you from the standpoint of a Member of the minority party, is that what we had today, three times, was the inside-the-House equivalent of the McIntyre problem in Indiana.

As you will remember, McIntyre won, but not by enough votes, and so they went through recount after recount until finally the Democrat was seated, even though under State law, he never found enough votes to win.

What we had happen today, in our judgment—and this is a judgment issue, but we want the gentleman to at least understand why we feel so upset. It is not really the question of whether or not the distinguished majority leader lost his temper, or whether or not our folks got excited.

The underlying problem is deeper. three times today, three times, in our judgment, we were cheated. Three times, we tried to play by the rules, and we were cheated. Now you may not experience that, because you are a Democrat, and your side runs this House; and you get to win all the time, and if you cannot win fairly, then your leaders will cheat for you.

Mr. DURBIN. Will the gentleman yield on that point?

Mr. GINGRICH. Wait a second. I want the gentleman to understand that I am not just saying this as a partisan. I am saying this—all right. I find it very offensive that when we tell you that in our honest professional opinion, your leadership cheats us, you think it is a joking matter.

Mr. BRYANT. Will the gentleman yield?

Mr. GINGRICH. I will be glad to yield.

Mr. BRYANT. Thank you. Could I make a few points, if you will allow me to speak.

First, fundamental to our Constitution and our body of law in this country is the right of every individual to confront the accuser, and I am sure the gentleman from California is well aware of that constitutional principle.

The point that I raised earlier was whether or not either of these gentlemen invited the majority leader to this special order so that the accusers could confront him. The answer was "no."

If I might make a second point.

Mr. GINGRICH. Now wait a second; that is not technically correct.

Mr. BRYANT. If the gentleman would allow me, I have very little time, and I would just like the chance to say——

Mr. GINGRICH. Let met just say flatly—what you just said is technically not true.

The majority leader's staff person is here; the majority leader has a car in this city which has a car phone; the majority leader could have been reached at any time that his staff wanted to reach him.

Now—and his staff was informed some 20 minutes prior to the event.

Mr. WALKER. Will the gentleman yield?

Mr. GINGRICH. Let me yield to the gentleman, and then I will come back to you.

Mr. WALKER. I think there is one other point that ought to be raised on this, and that is, given the nature of the incident that took place, there is a question of personal privilege that lies, that would entitle us to an hour of time on a question of personal privilege, just based upon this kind of incident that is specifically there for us to say something that has taken place on the floor that we consider personally offensive.

Now there is no requirement under that that anybody be invited. We chose not to do that; we chose instead to use the special order time, because we felt that that was a more appropriate thing to do, given the nature of it, because the fact is that the kind of personal privilege motion that would have to come up could have been voted on.

We decided maybe it was not the best idea to put the Members of the House through a vote, given the situation tonight, and so we used special order time.

The fact is that the gentleman is raising a completely fallacious issue.

Mr. DURBIN. Will the gentleman yield?

Mr. WALKER. And it is an attempt to——

Mr. BRYANT. May I ask the gentleman from Georgia to yield?

Mr. WALKER. Has the gentleman yielded to me?

Mr. GINGRICH. Yes; go ahead.

Mr. WALKER. We are compounding the error with discourtesy.

It seems to me that what we have here is a situation where we are simply trying to explain that we think that a very disgraceful incident took place on the House floor, and I am surprised, given the nature of the incident that we just described, that the Members of the majority side are attempting in some way to defend that kind of conduct.

Mr. BRYANT. Will the gentleman yield?

Mr. GINGRICH. I am not sure I——

Mr. BRYANT. To the gentleman from Texas who was present at the time of this incident?

Will you yield?

Mr. GINGRICH. I will yield to the gentleman from Texas.

Mr. BRYANT. I would like to ask the gentleman if he would be willing, in view of the fact that he has righteously proclaimed that he has been fair in giving notice to everyone involved that he intended to have this special order tonight, in the absence of the majority leader, if he would be willing to grant to me 5 minutes that I might make a case for our side, uninterrupted. Just a grant of 5 minutes.

Would you yield 5 minutes to me?

Mr. GINGRICH. I will yield to you for the moment, go ahead.

Mr. BRYANT. Will you yield to me for 5 minutes, that I might make my case without clever and well-planned interruptions of the presentation of our side? Will you or will you not; it is a simple question of fairness.

Mr. GINGRICH. No; I will not.

Mr. BRYANT. I think that speaks for itself.

Mr. GINGRICH. Let me tell you why I will not.

Mr. BRYANT. It does not matter why you will not. There is no reason.

Mr. GINGRICH. I want you to feel what it is like to be in the minority. You do not have the floor, you are not getting the floor on your terms, so then you can walk off the floor—because you would not talk except on your—in other words, if you cannot control, you cannot talk?

Mr. WALKER. Will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman.

Mr. WALKER. I would say that I believe that it was the gentleman; and the gentleman might want to confirm this with the gentleman who told me in the well that I was not permitted on his side of the House of Representatives.

Mr. GINGRICH. Was that the same gentleman that just left?

Mr. WALKER. I think the gentleman who just spoke here was one of the gentlemen who, during the incident on the floor tonight, pushed me back and told me that I was not permitted on their side of the House Chamber.

It seems to me that that speaks for itself, too, because the gentleman obviously really did not want to speak to the issue; there is no case to be made.

So the gentleman raises a phony issue. The gentleman from Georgia had yielded to the gentleman; he could have said anything that he wanted to; and instead he walks off the floor, having been a part of the incident himself.

□ 2120

Mr. GINGRICH. Let me say that I was intrigued when the gentleman from Texas just came in and asked, because as a teacher, I, once upon a time, during the period when we were going through integration in Georgia and we had great difficulty, I was once asked to come in and teach in a high school that had great problems trying to understand what it had been like to have lived under segregation. And I taught a course in which I had all of the white students sit at the back of the room and I required them to not speak, to not be involved, and in a matter of several weeks their parents began to call. They began to get very upset because Johnny or Sally would come home and tell them, and they would say, "Why are you offending my child? Why are you making my child feel bad?"

And the point we were driving at was to try to get those young people who had never before felt segregation to have some sense of what it was like to live in a system in which they would always lose, they would never have a chance to play and to control and to dominate.

I think it is fascinating. I would suspect that if the Democrats in this House tried to live under the kinds of rules the Republicans normally function under, that they would fail in a matter of days, that they would find it intolerable and outrageous.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman.

Mr. WALKER. I think it is interesting that the two gentleman who came to the floor to discuss it expressed their sense of outrage that the gentleman would not yield to them and had no sense of outrage that two Members of the minority were physically threatened by one of their leaders. I mean that kind of outrage does not occur to them, but the outrage that somehow they would not be yielded sufficient time to speak, that is somehow a major crisis with them, despite the fact that the gentleman had yielded. It is just one more example of the incredible level at which we operate.

I thank the gentleman for yielding.

Mr. GINGRICH. I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I think one point that was made by the two gentlemen on the other side who came in to defend their leaders was that they think it is appropriate that the leader have an opportunity to respond, and I think that is the feeling of everybody who has spoken here. Clearly, the two gentlemen who were affected have made their case, and I think it is probably appropriate to say that this is the last day of the session and we are not going to be back for 10 days, but I think it is appropriate to give the majority leader an opportunity to take out an order with the gentlemen who are here to discuss the situation. And the indications that I have from the two people who represented his point of view and defended him, that he have that opportunity. So I think it would be appropriate.

Mr. GINGRICH. And I think it would be fair to say that certainly the gentlemen on our side of the aisle would be more than willing to schedule the time if the majority leader wants to meet with them and have a special order and discuss it.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I assume that if the majority leader wants to come to the floor right now and present his side of this case, the gentleman from Georgia would be very pleased to yield to him.

Mr. GINGRICH. I would yield to him virtually all the time which is left.

But let me say that the real point today is not whether someone got mad or someone lost their tmeper. The real point today is that three times in 1 day the Republican side was cheated, three times in 1 day we got a fast count, a short count, but the basic ground rule was that we were not going to win.

Now, it is hard enough to play under rules that are adopted on the first day of the session in a manner in which the Democrats guarantee that they will have much more power than their share of the numbers. It is hard enough to work under a system where the committees are stacked against the Republicans, despite the votes we get back home, despite the number of seats we have. It is difficult enough to work in committees where not only are we outnumbered in the committees disproportionately, but the staffs are absurdly massive on the side of the Democratic Party. It is difficult enough to deal in a system where again and again we will turn up physically, we will be in the room, and with pieces of paper the Democratic chair-

man will win key votes in the committee with proxy votes. It is difficult enough to function when the Speaker capriciously controls the calendar and comes to the floor and says, as he did 2 years ago, "I control the calendar, I am the Speaker, I decide what comes up." All that is difficult enough. It is outrageous, then, to have a seat in Indiana stolen, and we honestly and sincerely regard it as stolen. But that is behind us.

And then we come in today. And what happens today? Three times on the defense bill which affects the defense of the United States, once on the critical issue of Central America and stopping communism, once in the Committee of the Whole on the critical issue of the death penalty and doing things that affect people who are spying against America, and once in the House as a whole on the critical issue of the death penalty and doing things to people who are spying on America, Three times we were cheated.

Now, we do not object outrageously—we object a little—to the fact that the rules are stacked, that everything else is stacked, that the calendar is stacked. But when we do, even in a situation where the playing field is wrong, where we have got to gain 20 yards for a first down, they gain 10, we have got to score three touchdowns to get six points, they have only got to score one, under every circumstance where we have sat through and we have tried nonetheless, we said:

Fine. The power of the majority is the power to organize the House. The power of the majority is the power to organize the committees. The power of the majority is the power to set up a calendar.

Then when we come in today, and even when we did the things we are supposed to do under the rules, we get what I guess you could call the McIntyre count. The McIntyre count occurs when the Democratic side decides the Republicans ain't going to win this one. It does not matter whether there are 50 people standing and the rules say it took 44 and therefore, we had to have a vote. They just give us a short count. It does not matter that if, in fact, under the rules of reasonable procedure there is enough time for somebody to get up and ask for a vote. There just was not quite the time, a quick gavel.

It may be funny to those who are used to being masters of the plantation when the servants get angry and say this is not fair. But let me suggest to the gentlemen on the other side who were laughing earlier, it is not funny when the people of America know that in their House of Representatives, the Representatives they send cannot get a vote recorded on the death penalty; it is not funny when the people in America know that the Representatives they send to Congress cannot get in the House of Representatives, a vote on stopping communism in Central America.

This House is not a schoolyard. At one point this afternoon in what I thought was the ultimate statement, having given us a quick count, the gentleman who at that point was presiding, lectured the House in behaving like children. Let me suggest this is not a schoolyard, this is not fun and games, this is not a question of whose side is which side. This entire Chamber belongs to the people of the United States. We may for various practical reasons talk about the Republican side of the aisle and the Democratic side of the aisle. This room does not belong to either party. Neither party existed when the country was founded. There was no Democratic Party when we had our first Congress, there was no Republican Party. This is the people's House and it belongs to the people of the United States. They have every right to expect that the Democratic Party will elect leaders who preside over the House in a sense of fairness.

Let me say that we inherited from the British a tradition by which the Speaker was supposed to be neutral, a tradition by which the Speaker was an institutional figure who guaranteed that there was a fair playing field. Now, if the Speaker is going to be partisan, if, in fact, the leader of the Democratic Party is clearly now the Speaker of the House to such a degree that routinely we can assume that if we are not totally on our feet, totally prepared, aggressively ready, we will probably be cheated, then we are going to look at institutional reform such as having a majority counter and a minority counter so that both sides agree that the count is honest. We are going to have to have a whole new set of procedures to figure out how to run this House. Because I can assure the Democratic colleagues we serve with that if they expect the Republican Party to go through the next few years in a situation where we are manipulated routinely, we are cheated on the floor, we are then threatened if we complain about the cheating, that they have a very long and difficult time.

People often ask why do I talk on the floor, why do I reach out to the country, why am I willing to be confrontational. My challenge to the gentleman from Illinois and the gentleman from Texas and the Democrats who came down here is very simple: If you had been cheated three times in 1 day, what would you do? If you were in a situation where the people who ran the institution you belong to laughed at you and ran over you, what would you do? There is no point in negotiating with your leadership because you are just going to run over us, you are going to set up the game so you maximize your chances of winning and minimize our chances.

We confront you because we are convinced if we did not confront you, life in this building would not be worth serving. We reach out to the country because we are convinced that only by educating the country to the scale of the problem of boss rule in the House, only by getting the American citizens to realize how much they are disserved by this House when the leadership of this House does the kinds of things it did today, that only in that manner can we return this House to the people of the United States.

It is a very sad commentary that on three occasions today the House of Representatives did not belong to the people, it belonged to the Democratic Party. And that is a very different thing than saying the Democratic Party is a majority in the people's House.

Trying to pass laws has to occur on a fair playing field to have legitimate and fair laws. We are currently in a real crisis in the world. We are in what George Will called a war against and Americans. Four of our young people were killed in El Salvador, young Marines. The first time in the history of the Diplomatic Corps, the Marines on guard duty at an embassy were killed.

□ 2130

They were shot down sitting in a cafe, not provoking anyone. An American sailor was killed, flying on an airplane, not provoking anyone. The very fabric of our civilization is at bay.

Today, on this floor, in that kind of setting, dealing with the Defense bill, looking at the defense issue, a time when every step should be made for fairness so that every American feels that the rules we adopt are reasonable and clear, what happened? The Democratic majority, for no sound reason, cheated again and again. On three occasions Members of this House are willing to say unequivocally, the Republican side in an effort to gain a vote clearly was cheated. Not defeated under the rules, but defeated because the rules were broken.

It is a very sad day for this House, and I hope that when we come back that the opening order of business will be the Speaker and the majority leader apologizing to this House for that behavior and promising this House that for the rest of this Congress we are not going to have cheating on the rules; we are not going to have that kind of petty behavior; that they will do everything they can to restore a sense of order and a sense of reasonableness to the House.

I thank the Chair.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

[Mr. DORGAN of North Dakota addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE TRUTH ABOUT SO-CALLED POPULATION AND FAMILY PLANNING IN THE PEOPLE'S REPUBLIC OF CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 60 minutes.

● Mr. KEMP. Mr. Speaker, over the past several weeks, our colleagues Mr. KOSTMAYER and Mr. SCHEUER have made charges about my motives for trying to end U.S. taxpayer assistance for organizations that participate in the brutal programs of coerced abortion and forced sterilization that masquerade under the name of "family planning." Their statements, made on the floor of the House and in the press, have no relationship to fact or reason, and betray an ignorance of the atrocities that have been carried out in the People's Republic of China in the name of population control.

As ranking member of the Foreign Operations Subcommittee of the Appropriations Committee, I support U.S. assistance to voluntary family planning programs worldwide. But the use of U.S. taxpayer funds by organizations that refuse to end their alliance with programs, of coerced abortion and forced sterilization threaten the integrity of our commitment to providing voluntary family planning services worldwide.

Mr. Speaker, I favor a better relationship with the People's Republic of China; but in this case, the People's Republic of China is conducting a population control program for its own people that has been described by the Washington Post, in an editorial published on January 10, 1985, as one whose "* * * methods fall into the realm of the openly coercive and brutal: mandatory abortion, induced stillbirth, the strangling of the newborn."

U.S. taxpayers provide one-third of the budget for the United Nations Fund for Population Activities. It, in turn, will provide $100 million between 1980 and 1989 to the People's Republic of China, a significant portion of the PRC's budget to population control. These funds are used at every level of the Chinese program. A major priority, according to UNFRA documents, is the "strengthening of the State Family Planning Commission"—the central directorate of the entire population control program. UNFPA documents further detail their intent to fund "management training, logistics, management information systems, programme research and evaluation and publicity education * * * it also includes projects in population education in the formal and nonformal sector * * * UNFPA assistance would provide international consultants; training, including fellowships and study tours; and expendable and nonexpendable equipments and supplies." (UNFPA Proposed Projects and Programmes: Recommendation by the Executive Director, Assistance to the Government of China, March 30, 1984.)

Mr. Richard Derham, Assistant Administrator of the Agency for International Development concluded in a March 29, 1985 memo to AID Administrator Peter McPherson that "* * * the China program debases human values by its emphasis on physical and psychological coercion and violates international recognized standards of the human right to determine the family size * * * I further conclude the UNFPA Program cannot be disentangled from the pervasive coercion of the system and that even if it could, the shadow on the PRC Program would pose difficulties. Hence I conclude that the United States should take strong action to dissociate itself from the China program."

Mr. Speaker, the participation and support for this program by the UNFPA is justly unacceptable. Frankly, I can't understand why the UNFPA and its supporters want to associate with the massive campaign of human rights violations being carried out by the PRC—a campaign that masquerades under the name of family planning.

In a letter to the editor of the Washington Post, Congressman KOSTEMAYER claims that my efforts and the efforts of many of my colleagues to end U.S. funding for organizations that support programs of coercive abortion and forced sterilization are unnecessary because the Helms amendment of 1974 prohibits the use of U.S. funds in the performance of abortion, and because the foreign aid authorization bill reported out of the Foreign Affairs Committee requires the segregation of U.S. funds from those being used to support the population program of the People's Republic of China. Mr. Speaker, I support the Helms amendment and believe it has done a great deal to reduce the use of abortion as a method of family planning. But those who wish to circumvent the spirit of the Helms amendment are very clever in using bookkeeping devices—and the use of segregated accounts is merely a smokescreen which does nothing to express U.S. dissatisfaction with a program that continues to participate in and defend a population control program that involves gross human rights violations on a massive scale.

Mr. KOSTMAYER's letter also notes my interest in President Reagan's decision to suspend the $17 million U.S. contribution to the International Planned Parenthood Federation because of that organizations refusal to end its promotion of the use of abortion as a method of family planning. What Mr. KOSTMAYER neglected to mention is that: First, according to AID, the $11.5 million which would have gone to IPPF in London this year is being reprogrammed to other private family planning programs—50 percent in Africa, 17 percent in Latin America, 5 percent in Asia and the balance elsewhere; second, although IPPF is disqualified because of its abortion-promoting activities, IPPF-affiliated national family planning associations remain eligible for AID funds if they do not perform or actively promote abortion as a means of birth control. AID states: "In the vast majority of developing countries, abortion as a method of family planning is not legal," and, to date, no IPPF affiliates have been denied funds because of abortion-related activities, and third, according to AID, after reprogramming the IPPF funds, an even higher percentage—77 percent will go for family planning services that would have gone for services via IPPF—68 percent.

Mr. Speaker, the amendment I offered to H.R. 2577, the supplemental appropriations bill for fiscal year 1985, need not reduce U.S. population planning assistance overseas by 1 cent. But it will force the UNFPA to make a choice: either end its association with China's program of coercive abortion, involuntary sterilization and female infanticide—or forfeit U.S. funding. If the UNFPA and its supporters are truly concerened about providing voluntary family planning services worldwide, as I am, the choice seems to be an easy one to make. I am including an article from the Washington Post by reporter Michael Weisskopf which describes the methods used by the PRC to enforce its one child per family policy. I hope my colleagues will consider it carefully in making their decisions about continued U.S. taxpayer funding for organizations that continue an active participation and support for this tragic use of population control methods.

[From the Washington Post, Jan. 10, 1985]

ONE COUPLE, ONE CHILD

The China series by Michael Weisskopf, the Post's correspondent in Peking for the last four years, illuminates the scope and type of measures the authorities there employ to limit their country's population. This is, for Westerners, a difficult subject. Many Americans, we would surmise, accept that the world's most populous nation must do something to cap and eventually trim the growth of a population already estimated at over 1 billion. But while some of the means are what you could call extremely rigorous—education, propaganda, economic leverage, social pressure—other methods fall into the realm of the openly coercive and brutal: mandatory abortion, induced stillbirth, the strangling of the newborn. That the state

actively sanctions and sponsors these means underlines the dilemma.

Having favored first three children and then two children per couple earlier in the 1970s, an alarmed government went to "one couple, one child" in 1979. The difference between two and one, it calculated, was the difference between reaching 1.54 billion people in the year 2052 and peaking at 1.05 billion in 2004.

Many Chinese, especially tradition-oriented peasants, have gone to strenuous lengths of resistance and evasion to have more than one child. Even among those willing to stop at one, however, tradition and individual preference have led many to want a son. What happens when the one child officially permitted turns out to be a girl? The saddest fact of all those recounted by Mr. Weisskopf is the short count of healthy baby girls. It is measured in the hundreds of thousands each year. The explanation for it is the practice of infanticide, the horrible response of desperate parents to the official edict. The government decries it, feebly.

It is sometimes suggested, in mitigation of reports like this one, that China can ill afford the ethical standards of more affluent societies and that its policy is not without its own considered and defensible moral basis: better that some suffer now so that a greater number will not suffer later. But it is not mere sentimentalism that produces a response of outrage to what is going on in China. A totalitarian state is using its immense resources to intervene crudely, often violently, in the most delicate personal choices of millions of human beings. In the name of modernization, the state is seeing to the death of live human beings. It is the kind of policy that puts a deep moral divide between the United States and the People's Republic, notwithstanding the cooperation they seek on more routine affairs.

[From the Washington Post, Jan. 7, 1985]

ABORTION POLICY TEARS AT CHINA'S SOCIETY

(By Michael Weisskopf)

DONGGUAN COUNTY, CHINA.—No goverment program has cut so deeply into Chinese society nor inspired such strong resistance in 35 years of Communist rule as the struggle to trim China's population.

Chinese leaders consider their policy of "one couple, one child" a fight for national survival, the chief prerequisite of modernization. Publicly, they claim to rely on the powers of persuasion and education, exercising a policy of voluntary consent. They point to declining birth rates and happy one-child couples as symbols of success worthy of the United Nations' first family planning award given jointly to China and India in 1983.

But a closer and longer look reveals a very different picture. China, to be sure, is curbing its population growth, but its success is rooted in widespread coercion, mass abortion and intrusion by the state into the most intimate of human affairs.

"The size of a family is too important to be left to the personal decision of a couple," Minister of Family Planning Qian Xinzhong explained before resigning last year.

"Births are a matter of state planning, just like other economic and social activities, because they are a matter of strategic concern," he said. "A couple cannot have a baby just because it wants to. That cannot be allowed if China is to stabilize its population and keep it from doubling and redoubling as it might."

The one-child policy was launched in 1979 as the centerpiece of an ambitious plan to contain China's population at 1.2 billion by the year 2000. China now has a population estimated at 1,038,000,000—22 percent of humanity—and has just 7 percent of the world's arable land.

Loosely enforced at first, the policy was tightened in 1982 after population growth rates began to climb. Since then, the state has strictly required intrauterine devices for all women with one child and sterilizations for one member of every couple with two or more children.

Cutting the growth rate of 1.15 percent in 1983—less than half the 1970 level—these regulations are credited officially with preventing millions of births yearly.

For all its statistical gains, however, the one-child policy is piling up heavy costs in broken lives and is tearing at the fabric of Chinese society.

China is a society dominated by peasants who live off the land and strive for big families as a matter of economic necessity—the more children, the more hands to till the soil. To them, birth control is a threat, which many actively counter. They hide pregnant women. They secretly remove IUDs. They falsify sterilization certificates. And they physically attack officials.

Every year, millions of Chinese defy authority and have more children despite jolting penalties—heavy fines, dismissal from jobs and loss of farmland, housing and economic benefits—that leave them farther behind in China's march to modernization. Yet at least one-quarter of the 15 million to 20 million babies born in China every year are unapproved.

Faced with strong popular resistance, Peking resorts to even stronger measures. To this struggle, it brings the full powers of a totalitarian state, operating without fear of political opposition. There is no check on official abuse, no outlet for human rights complaints and no forum for public debate of the policy.

What emerges from more than 200 interviews spaced over three years with officials, doctors, peasants and workers in almost two-thirds of China's 29 main subdivisions is the story of an all-out government siege against ancient family traditions and the reproductive habits of a billion people.

The story offers a glimpse of China usually hidden from foreigners but painfully familiar to most Chinese—a world of government-sanctioned infanticide, of strongarm sterilizations and of abortions performed at a rate as high as 800,000 a year in a single province.

It is a harsh milieu, in which houses are razed and valuables seized as the penalty for birth control violations, in which women are forced to wear intrauterine devices as the price of compliance.

While the policy works smoothly in many parts of China, local officials eager to please the central government often resort to excess.

THE DARK SIDE OF FAMILY PLANNING

Nowhere is this dark side of family planning more evident than in Dongguan, a bucolic patch of Guangdong Province in southern China. Here, abortion posses scoured the countryside in the spring of 1981, rounding up women in rice paddies and thatched-roof houses. Expectant mothers, including many in their last trimeseter, were trussed, handcuffed, herded into hog cages and delivered by the truckload to the operating tables of rural clinics, according to eyewitness accounts.

Dongguan had been engulfed by an intense birth control campaign known as "high tide," engineered by local officials to bring birth control offenders in line with the one-child policy.

In 50 days, 19,000 abortions were performed—almost as many as the county's live births in all of 1981.

Dongguan's "high tide"—details were confirmed in interviews here after initial reports in Hong Kong—dramatizes the least cited but most frequently observed form of birth control in China: abortion.

Any mother who becomes pregnant again without receiving official authorization after having one child is required to have an abortion, and the incidence of such operations is stumning—53 million from 1979 to 1984, according to the Ministry of Public Health—a five-year abortion count approximately equal to the population of France.

In 1983 alone, the number of abortions nationwide—14.4 million—exceeded the combined populations of the District of Columbia, Maryland, Virginia, West Virginia and Delaware.

Visits to rural south China produced evidence of more than five abortions for every birth in places such as Duan Fen commune of Guangdong Province.

Although abortion was criminally punishable as murder in China as late as the 1950s, it is dispensed today without debate over moral questions.

"It's more humane to kill children before they are born than to bring them into a society of too many people," said Xu Fangling, a birth control official who helped direct the Dongguan campaign. "If you consider the serious difficulties overpopulation creates for people living today, the moral problem of abortion isn't too serious."

Nor is the timing of abortion usually a factor. Many are performed in the last trimester of pregnancy—100,000 in Guangdong last year, or 20 percent of the province's total abortions—and some as late as the ninth month. Officials say it often takes that long to get reluctant women to clinics.

Doctors normally terminate late-term pregnancies by injecting an herbal drug into the womb, killing the fetus and inducing labor—a kind of induced stillbirth. The dead fetus is usually expelled in 24 hours.

In the Inner Mongolian capital of Hohhot, however, hospital doctors practice what amounts to infanticide by a different name, according to a Hohhot surgeon, who would not allow his name to be used for fear of reprisal. After inducing labor, he revealed, doctors routinely smash the baby's skull with forceps as it emerges from the womb.

In some cases, he added, newborns are killed by injecting formaldehyde into the soft spot of the head.

"If you kill the baby while it's still partly in the womb, it's considered an abortion," explained the 33-year-old surgeon. "If you do it after birth, it's murder."

He said the practice began in 1981 after hospitals in Hohhot passed a new regulation banning births of second children except in the case of ethnic Mongolians, who are treated more leniently under a national minorities policy. For everyone else, he said, "the second child cannot come out alive. The doctor has the obligation to prevent it."

A doctor who ignores the regulation risks losing his job, he said. He estimated that hundreds of babies die this way in his hospital every year.

"You get used to it," said the surgeon, explaining how doctors react. Sitting in the corner of a coffee shop during the interview, he lifted a cup and said, "It's like drinking

coffee. At first, it's bitter. But after a while you don't notice the taste.

"I've done it myself."

Similar practices have been reported from other urban centers. A former hospital patient in the northwest city of Urumqi said that she saw women in labor being wheeled into a large room marked "abortion ward."

A medical student in Canton who worked in a hospital gynecology ward in 1982 told foreign visitors that pregnant women were required to present birth authorization cards before admission to the delivery room. He said doctors who were under orders to abort all unauthorized pregnancies often strangled or smothered newborns.

While abortion is justified officially as a necessary expedient, its high incidence is considered an embarassing breakdown of a system carefully crafted to prevent unplanned pregnancies.

China's family-planning work is backed by the full organizational might of the Communist Party, which extends its influence to every factory, neighborhood and village. Every Chinese belongs to a "unit"—workplace or rural governing body—and every unit has a birth control committee headed by party officials. These officials have enormous power over the lives of their charges. Almost all decisions require their approval—who earns bonuses, who gets housing space, who grows cash crops, who has a chance to study, who marries and who has children.

When Peking gave local party chiefs responsibility for family planning, it added a powerful lever to assure compliance. Then, to fortify the resolve of these officials, it added financial incentive. In most parts of China, local officials earn cash bonuses only if their units observe birth control limits.

With a financial stake in low births, officials put a high premium on prevention. They carefully plan new births for their unit, requiring written applications from any couple wanting to have a child and matching requests with quotas that trickle down from Peking.

The primary target of their work, however, is couples who already have two or more children. At least one parent is required by the state to undergo sterilization, and local officials use methods ranging from cash rewards to coercion to get those eligible to the operating table. Almost always the woman bears the responsibility.

Official statistics show a high level of success: 31 million women and 9.3 million men were sterilized between 1979 and 1984, totaling almost one-third of all married, productive couples in China.

A national sterilization drive last winter boosted annual sterilization for 1983 to an extraordinary 16.4 million for women and 4.4 million for men, according to the Public Health Ministry—exceeding the total number of such procedures in the previous five years.

Most sterilizations in rural areas are done collectively in "high tides" organized by local officials to coincide with the visit of roving surgical teams who operate in improvised facilities or cold, austere clinics equipped with little more than board and bucket.

A roundup in frigid northern China near the Mongolian border illustrates how the process works.

The campaign, which was described by a participating doctor, began in November 1983, when officials from every commune in the county searched their records for women under the age of 45 who had two or more children. Then they broadcast their names over public loudspeakers and set dates by which each had to report to the clinic for surgery.

There was a warning to potential evaders: a loss of half of their state land allotment, a fine of $200—equal to about a year's income—and a late fee of $10 for every day they failed to report.

Several couples initially defied the warning but were quickly brought into line. Officials went to their homes, confiscated valuables, such as sewing machines and building materials, and threatened to sell them within three days unless they submitted to the operation.

The surgical team left in early January after completing its goal of 16,000 sterlizations in two months, according to the doctor.

It was an unusually successful campaign considering the intensity of opposition to sterlization. The very mention of a "high tide" has sent whole villages of eligible women into hiding. To head off a mass exodus last year in coastal Fujian Province, Fuqing County officials reportedly organized late-night "surprise attacks," hustling sleeping women from their beds to 24-hour sterilization clinics.

Another popular dodge is phony sterlization certificates. Couples buy falsified or purloined forms at high prices. When the woman gets pregnant, she pleads for leniency, claiming she was a victim of faulty surgery.

As resistance stiffens, however, so does the penalty for evasion.

When women in a Yellow River community of Henan Province fled in advance of a "high tide" last spring, Xiuwu County officials tore off roofs of their houses and knocked down walls with tractors, according to a Chinese medical staffer who witnessed the wrecking.

Female workers in the sleepy southern port city of Zhanjiang were docked their wages until they reported for sterilization surgery, according to factory hands there. Although 20 women at one candy plant stood their ground and were fired, most gave in to the financial pressure.

"Who dares to oppose the regulation?" asked a 34-year-mother who had an operation she did not want. "I have three children. Can I afford to feed them without a job?"

Officials are no less forceful in dealing with one-child mothers. They are required by national regulation to have IUDs inserted after their first child is born and strictly forbidden to remove the stainless steel loops.

Other forms of contraception are permitted, including birth control pills and condoms, but statistics reflect the official preference for easier and more reliable IUDs: Of 124 million married women using birth control, 55 percent wear IUDs—69 million, which exceeds the total number of IUD users in the rest of the world combined.

AUTOMATIC IUD IMPLANTS

In some city hospitals, doctors automatically implant the devices immediately after a woman gives birth, often without informing the women or seeking prior consent, according to a Peking gynecologist.

Official prodding substitutes for hospital efficiency in most places, however. Family-planning authorities call on new mothers to stress the need for contraception. There are follow-up visits to "educate" the woman until she possesses an IUD certificate, for which she gets a cash bonus and time off work.

Little choice is given in places such as rural Fujian, where women who refuse IUDs lose their right to grain rations and medical benefits for their first child, according to an overseas Chinese visitor.

Women fitted with IUDs in most of China regularly are shepherded into clinics for X-rays to make sure of proper placing. Up to six times a year, they are stood before decades-old equipment to endure the kind of fluoroscopic examination discouraged in the West for fear of causing radiation damage to ovaries or fetuses. Frequent X-ray exams are considered necessary because of the high failure rate of IUDs, which are often inserted in factory-line fashion without concern for sizing.

Of greater concern to authorities is the problem of surreptitious removals. Women who had submitted reluctantly to IUD insertions pay charlatan doctors to extract them with homemade metal hooks. It is a common occurrence in rural areas, where the so-called "hook wielders" charge as much as $25 for a home "operation," often undoing the family planning work of an entire village in a few days' time.

These "hook wielders" remain popular despite their record of disasters—hundreds of deaths and injuries reportedly caused by penetration of the uterus and intestines with unsterilized bicycle spokes or bamboo sticks.

For local officials who claim to run voluntary IUD compaigns, the reported incidence of such deviant behavior is contradictorily high: 80 percent of IUD users in some parts of Fujian had their loops removed in 1981; 10,000 extractions were reported in a single county of Sichuan Province between 1980 and 1983.

"These so-called doctors are swindlers who take advantage of the backward desire of peasants to have more children," said Sun Guoliang, vice chief of Sichuan's birth control office.

"There are women who were less than willing in the beginning to have the IUDs put in," he said. "Others may have been willing at first but changed their views after the swindlers told them the loops would make them sterile." In case of contraceptive failure or abuse, however, there are other controls built into the system.

Few unauthorized pregnancies can elude the tight supervision of birth control activists, a phalanx of female members of the party, Communist Youth League and Women's Federation who are deputized by local officials to monitor the reproductive lives of Chinese couples.

The activists, who often are referred to derogatorily as "mothers-in-law" for their meddling ways, each focus on a few couples in every factory, neighborhood and rural hamlet.

They know everyone's contraceptive method. They make daily house calls to remind birth control pill users to take their pills. They issue condoms on request, giving repeated instructions an insisting they be used "two at a time" or be inflated first to test for leaks.

The activists closely watch for signs of pregnancy—morning sickness, craving for sour food or swollen breasts—and cultivate informers to report on their neighbors or coworkers.

They keep detailed records of every women's menstrual cycle, checking to make sure of regularity.

"If it is late, we wait four days," said Yu Caihua, an activist in Zhou Nan County of Shandong Province. "If the women's period

still doesn't come, we take her for a check-up.

MONITORING CONTRACEPTION IN THE WORK PLACE

Many factories around the country hang up blackboards listing each female worker's contraceptive measure and the day her period arrives. The women are required to place a check mark next to their names after menstruation begins every month. If she fails to report on schedule, her boss will be asked why. The woman is then ordered to take a pregnancy test.

A positive test spells trouble for any women who already has a child. She is urged to have an abortion, offered a cash bonus and time off from work as a reward. If she refuses, the pressure mounts.

This is where China's family-planning apparatus comes down with firm force. It also is the breaking point for many Chinese.

First come the tactics of persuasion played out in what is know euphemistically as "heart-to-heart chats." Several activists visit the pregnant woman at home to explain the need for population control. She is urged to have an abortion for the good of her nation, her community and her family. Husbands and mothers-in-law are recruited for the talks because they often pose the biggest obstacle to abortion.

If she holds her ground, the talks intensify. More officials enter the fray, sometimes eight or 10 at a time. They come for hours every day lecturing, cajoling, pleading. Eventually, the local party chief joins in and the tenor changes. Now the pregnant woman is criticized for resisting and warned of the penalty for unauthorized birth, which varies from place to place but can include loss of farmland, fines of up to $1,000, firing from factory jobs, public censure and the denial of land, medical benefits, grain rations and educational opportunities for the unplanned child.

To increase the pressure for speedy abortion, the woman is charged a penalty, called a "talking fee," of $2 per day in the rural suburbs of Qingdao in east China, according to peasants there.

In coastal Jiangsu Province, she is required to sign a "guarantee" promising to pay any penalty, according to family planning officials there.

Fines begin in the fourth month of pregnancy in factories of Shantou in east Guangdong, where both husband and wife lose 50 percent of their monthly wage—to be refunded if she finally has an abortion.

Party chief Huang Zhigao of Double Bridge Village in the southwestern province of Sichuan acknowledged the practice of "helping" pregnant women to the clinic if they refuse to go on their own.

As an example, he cited the story of a 32-year-old woman named Li who had a baby girl and became pregnant again in the hope of having a boy. After numerous visits to her home by "persuasion groups" proved unsuccessful, eight activists appeared at her doorstep one morning and told Li, then four months pregnant, "if you don't go to the clinic willingly, we'll take you," according to Huang.

"The woman struggled and started crying when they started taking her by the arms," recalled Huang. "She was dragged about 50 yards and finally gave in."

Activist Zhang Xiujun, who was among those "helping" Li, said, "It took all of us to get her to the clinic."

Hunag justified the episode as a necessary "administrative measure." He said Li and another woman who met a similar fate complained that they had been taken against their will, but "they were told there was no way out because they rejected our advice to go willingly."

The large number of Chinese who reject such advice every year indicates less aggressive enforcement or stronger resistance elsewhere.

Many pregnant women hide in the mountains or flee to a relative's village to escape official harassment, practicing what is colloquially known as "childbirth on the run." So many runaways reached the remote, northwestern province of Gansu that a regulation was passed directing local officials to "terminate within a limited time all unplanned pregnancies of women not in their home residential area," according to an internal document.

Those who stay home simply resist the official hectoring, usually passively. In numerous cases, however, the pressure becomes too much and explodes into violence. There have been attacks against the private gardens of activists in Sichuan and Anhui provinces. And there have been physical attacks against officials themselves—stabbings, clubbings and beatings, according to official news reports.

A Guangdong peasant named Wu Jingqu, who had two children, personally pulled out his wife's IUD and got her pregnant. When the depty party secretary of his commune visited the couple and pressed the woman to have an abortion. Wu reportedly hacked him to death with a meat cleaver. Wu was executed.

A Shandong activist was hospitalized for two months after she was kicked in the groin and beaten with wooden staves by a man who objected to her urging a pregnancy test for his wife.

"Some peasants accept the idea of birth control easily and some don't," said vice chief Sun of Sichuan. "The activists have to do their work, and the peasants want more children. There are inevitable clashes."

For many peasants who are just starting to prosper under today's flexible economic policies and want more farm hands, the prospect of being fined for having children seems unjust. For local officials, however, the only way to stop unplanned births is to make them prohibitively costly.

At the Double Bridge commune, Huang decided to make a "negative example" of a 29-year-old woman named Meng who fled 200 miles to have her second child at an aunt's home. Huang, who lost his bonus because of Meng's clandestine delivery, took revenge when she returned. He stripped her family of half of the land given by the state for farming, fined her $400—almost thrice her annual income—and denied her the right to grain and cloth rations for the second child.

To sharpen the sting, Meng was forced to make a self-criticism at a mass meeting. Standing before 100 peasants who sat on stools in the village warehouse, she endured what in Chinese terms is a painful loss of face.

"Since then, we haven't had an unapproved second birth," said Huang.●

IN MEMORY OF THE HAPPY WARRIOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 60 minutes.

● Mr. PEPPER. Mr. Speaker, I know you and those who were present here in this honorable Chamber will never forget as long as they live the day on which Vice President and Senator Hubert H. Humphrey came before us here at the House's special invitation to receive our tributes and our expression of love, friendship and admiration for that great American statesman that he was.

He appeared emaciated, weak and he was in the terrible grip of the throes of cancer—a battle he bravely fought like so many other vital battles he fought for other people all across this beautiful and bountiful land of ours. Yet he smiled, and shared—told stories and made our day as much, I am sure, as we made his.

Recently I had the honor of visiting with Frances Humphrey Howard—that indefatigable, lovely and charming sister of Hubert's—and a very distinguished assembly in honor of the memory of the Happy Warrior, whose lifelike bust by the artist, Gabriel Ponzanelli, was being unveiled at Meridian House International from where it will travel fittingly to stand at the entrance of the Hubert H. Humphrey Cancer Research Center at Boston University.

Many of you remember Mildred so well, my wife of a lifetime, who fell victim to that monster illness which takes about 500,000 lives each year. About 30 percent of all Americans alive today expect to have cancer in their lives and it may often kill them or inflict great pain on them and their loved ones.

This cause, which was Hubert's cause and which remains our cause as yet today, is a great cause in the name of humanity.

Today, in both Houses of the Congress, I will be joined by the Honorable EDWARD M. KENNEDY, the Honorable ROBERT DOLE, majority leader of the U.S. Senate, the Honorable LARRY PRESSLER, the Honorable PAUL SIMON, and the Honorable JOHN D. ROCKEFELLER IV; also the Honorable LINDY BOGGS, and the Honorable GERRY SIKORSKI, Members of the House; and we will spread upon the pages of this CONGRESSIONAL RECORD the program as it unfolded at Meridian House here in Washington that day.

We begin with the introduction by former Ambassador Joseph John Jova, the president of Meridian House International, who introduces first the Honorable William McSweeney, chairman of the board of that fine institution for the purpose of presenting greetings from President Reagan.

Next, I have the pleasant opportunity to present the Honorable LINDY BOGGS' remarks, as usual, a fine and moving speech with great interest. Following that, a message from my dear colleague, the Honorable AUGUSTUS "GUS" HAWKINS.

I commend this dedicated and beautiful program to the attention of all our colleagues who could not be present there and to all who read this RECORD.

Ceremony of the dedication and unveiling of a portrait bust of Vice-President Hubert H. Humphrey, by Gabriel Ponzanelli, Saturday, June 1, 1985, 4:30 p.m., Meridian House International, Washington, DC.

Opening: The Honorable Joseph John Jova; President, Meridian House International.

Unveiling and Presentation of Bust: Frances Humphrey Howard; The Honorable Hubert H. Humphrey III, Attorney General of Minnesota.

Response: John I. Sandson, M.D., Dean, Boston University School of Medicine; Herbert H. Wotiz, Ph.D., Director, Hubert H. Humphrey Cancer Research Center; John B. Amos, Member, Board of Visitors, Boston University School of Medicine.

Tributes by Distinguished Guests: The Chief Justice of the United States; The Honorable Charles S. Robb, Governor of Virginia; The Honorable Walter F. Mondale, former Vice-President of the United States; The Honorable Claude Pepper, United States House of Representatives; The Honorable Augustus F. Hawkins, United States House of Representatives; The Honorable Corinne Boggs, United States House of Representatives; The Honorable Jeane J. Kirkpatrick, former United States Representative to the United Nations.

Due to the congressional recess at the time of the unveiling and dedication ceremony of the Hubert H. Humphrey bronze portrait bust on June 1, 1985, members of the Senate and House leadership who were Vice President Humphrey's close friends and colleagues were unable to attend but sent messages of congratulations.

Personal letters and messages to the family were received from the President of the United States, from several Senators and Congressmen including Senator Jennings Randolph, Senator Jacob Javits, Senator Charles Percy, Senator Howard Baker, Senator Barry Goldwater, Senator Robert Dole, Senator Edward Kennedy, Senator Paul Sarbanes, Senator Larry Pressler, Senator Dave Durenberger, Senator John D. Rockefeller IV, and Senator Paul Simon. The Hon. Margaret M. Heckler, Secretary of the Department of Health and Human Services sent warm and most appropriate friendly regards. Letters were also received from Luci Baines Johnson and Edward M. Kennedy, Jr.

President Joseph John Jova: Mrs. Ponzanelli, Mr. Chief Justice, Ambassadors, ladies and gentlemen: Bill McSweeney, Chairman of our board, our entire board, and I myself—we are indeed honored that Meridian House has the opportunity to participate in this very important ceremony. I say this as a longtime admirer of Hubert Humphrey. He came to see us in Chile, he came to see us in Honduras; he saw us again in Mexico, as a personal friend of Frances Humphrey Howard and the rest of the Howard and Humphrey families.

Recalling Vice-President Humphrey's sincere interest and affection for Latin America, it is indeed symbolic that the portrait bust that will be unveiled is the work of a Mexican sculptor, Gabriel Ponzanelli. He incidentally was commissioned by me when I was Ambassador to Mexico to do the monumental sculpture representing the Battle of Pensacola which was a vital fact there in our war for independence, and it was a battle in which Spanish, Mexican, Venezuelan, Puerto Rican troops fought against the British to help us.

I would like to recognize the presence among us of Gabriel Ponzanelli, who incidentally has come specially from Mexico and tomorrow or Monday goes to Madrid accompanying the President of Mexico to inaugurate another statute that he has done to be placed in the capital of Spain. So I would like to ask both Mr. Ponzanelli and the Cultural Minister of the Mexican Embassy, Dr. Hugo Gutierrea-Vega, who is representing his Ambassador who is away in Mexico to stand and be recognized. (Applause) And it is indeed significant that this bust of Vice-President Humphrey will be placed in the Hubert Humphrey Cancer Center of the Boston University School of Medicine, where such splendid work is being done on the battle against cancer. I will now ask the Honorable William McSweeney, who is the Chairman of our Board and a dear friend of the Humphrey family to read the special message addressed to Frances Humphrey Howard on this occasion by the President of the United States.

Chairman MCSWEENEY: I'm sure that Vice-President—Senator Humphrey would be so pleased to see us all gathered here today. You'll pardon me if I don't recognize anyone but Mrs. Howard officially, because there are so many old friends from so many old campaigns and so many great memories that are here today. It is my happy—well just to read a letter from President Reagan to Mrs. Howard:

"I was very pleased to hear from you of the unveiling of a portrait bust of Senator Humphrey. It is truly a pleasure for me to have this opportunity to join you, Skip Humphrey, John Sandson, John Jova, and so many other distinguished citizens on hand for this occasion. This is a tribute to Hubert Horacio Humphrey and his untiring optimism. He was a man who devoted his life to caring for others. It is appropriate that the bust you now unveil will be located at the Humbert H. Humphrey Cancer Research Center where it will be a monument to one who was reknowned for his concern for his fellowman and for the uplifting of the human condition. Nancy joins me in sending best wishes to all. God bless you and the work of the center.

Sincerely, /s/ Ronald Reagan."

(Applause)

President Jova: I wish I had time to share with you the beautiful messages to Mrs. Howard from many, many members of the Senate and the House, and other distinguished personalities. (I am not going to read the list now, Frances, because I know that we are running against time because one of our speakers must take a plane to go elsewhere, but I will read them later on.) I wish to recognize the presence of you many distinguished Ambassadors representing countries in which Vice-President Humphrey had a special interest; also several Members of Congress and other distinguished guests. It is now my pleasure to introduce Mrs. Frances Humphrey Howard. (Applause)

President Jova: Thank you very much Vice-President Mondale for those beautiful words. It is now my honor to ask Congresswoman Corinne "Lindy" Boggs to come to the microphone. (Applause)

Congresswoman Boggs: Thank you so much, Mr. Ambassador. Mr. Chief Justice and Vera, Governor Robb and Linda, Frances, and all of you here—all of you distinguished people on the platform. It's such a rare privilege to be with you on this beautiful day. Among the myriad personal and political memories, some joyful, poignant, exciting, sad, shared by Hale and me and by Hubert and Muriel, and among the extravagances of his powerful leadership capabilities; of his meaningful legislative proposals for justice and equity and economic progress, and of his positive programs for peace at home and abroad, it is difficult to select out one quality, one piece of legislation, one program, one occasion, one time for a special remembrance.

When I saw that Mr. Ponzanelli was the artist who was going to execute the bust, I thought of Bernardo de Galvez who was the hero of the Battle of Pensacola. And when he was having a little bit of trouble with his multinational troops who were really afraid and were pulling back, he took a little ship all by himself and sailed with great courage into the face of adversity. Then he encouraged the troops how to go out as they were to come behind him and to secure that post against the British supply of men and materials so that the fledging little continental army could prevail in the great war of the American Revolution. And so it was that I determined to select the year, 1976, to remember especially the year of the great deterioration in Hubert's health, but also the year of our nation's bicentennial celebration.

Hubert and I served on the Joint Committee of the Senate and the House for the Bicentennial Preparations where he engaged the cooperation of the United States and foreign government agenices with the courage, persistence, and patriotic fervor of our Founding Fathers. Our agenda was programmed not only to remember who we were and to celebrate where we'd been, but also to determine where we should go as a nation. And the long list of his legislative guideposts for the future and the bullions of his spirit declaring that they could be obtained projected him as the symbol of the hope and vibrancy to all Americans—especially to the young and the young at heart. That autumn he was called upon to exhibit those expressions of liveliness and cheer to fellow-patients at the Memorial Sloan-Kettering Cancer Center.

Among the young people who loved and admired Hubert and enjoyed working for him and with him is my daughter Barbara, whom I didn't know was going to be here today but I am very happy that she and her husband, Paul, are. She shares a birthdate, May 27th with him, and fortunately she enjoys some of Hubert's attributes including determination and valor and a grand sense of humor. And these Gemini twins, as she was to Hubert, was able to hold firm, to lose, only to run again as Hubert had done when she lost an eye to cancer during her campaign bid for the Senate seat nomination in New Jersey. Her acceptance of the Hubert Humphrey Inspirational Award from the National Cancer Society presented by her beloved and admired friend, Frances Howard, was a bright reminder to her family and her friends to take courage and to know that everything was bright and full of promise.

So it's fitting then that we would have this unveiling of this beautiful bust in this setting which projects the best of America's history and its plans for the future to the rest of the world. And to celebrate the unveiling and the dedication of a portrait bust of Hubert Humphrey under the auspices of the Hubert H. Humphrey Cancer Research Center at Boston University School of Medi-

cine so that the hope that he promised and that the center can provide can be honored by an ever-increasing circle of friends and supporters. (Applause)

President Jova: Thank you very much, Lindy. That was a beautiful presentation. And when I spoke at the beginning of the Battle of Pensacola and the Ponzanelli monument, I mentioned the soldiers from Spain, Mexico, Cuba, Venezuela, and I really should have said, soldiers of Louisiana because that was the main contingent (laughter); as a matter of fact it was the first company of free black soldiers that came from Louisiana to fight in that battle, and I think that was a landmark in our history.

You know—from your programs you will see that Congressman Hawkins was scheduled to speak with us today but he has been called out of the city by urgent business in his district. Mrs. Howard has asked that I read the telegram he has sent, and thus attempting to replace him as a speaker:

"Dear Friends: I regret that I cannot attend this prestigious ceremony honoring my good friend, Hubert Humphrey. Senator Humphrey's courageous battle against cancer epitomized his undaunted spirit and great sense of compassion in humanity. In many ways Hubert Humphrey was our nation's conscience. He was continually striving to address the problems of unemployment, racial discrimination, and poverty. I was proud to join forces with him in introducing, the Full Employment and Balance Growth Act, the cornerstone of our nation's commitment to reduce unemployment. His unwavering call to end human, social, and economic deprivations is best expressed in his own words: 'The moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly, and those who are in the shadows of life, the sick, the needy, and the handicapped.'"

Hubert Humphrey was a man of all seasons. I commend all of you here for carrying out, carrying on his dreams.

Sincerely,

/s/ Augustus F. Hawkins (Applause)

● Mrs. BOGGS. Mr. Speaker, earlier this month I had the honor of participating in ceremonies for the dedication of a bronze portrait bust of former Vice President Hubert H. Humphrey at the Meridian House here in Washington. The bust will be displayed at the entrance of the Hubert H. Humphrey Cancer Research Center at the Boston University School of Medicine.

Among the participants in the event was our colleague, CLAUDE PEPPER, who knew Hubert well and worked with him in the political vineyard for many years. His insights into the character and dedication of the "Happy Warrior" were very moving. I am pleased to join with him today by including his comments in the RECORD.

Thank you.

Senator PEPPER. Mr. Chairman, Mrs. Frances Humphrey Howard, Attorney General Humphrey, distinguished guests, ladies and gentlemen. Everyone knows that Hubert Humphrey said he couldn't say hello in five minutes. Well, anybody who has served in the United States Senate for fourteen years has the same difficulty. [Laughter.]

The first time I ever saw Hubert Humphrey, my wife was christening a ship of the Butler Shipbuilding Company in Superior, Wisconsin. I think it was right after the 1940 Democratic Convention. On the platform that day was a tall, handsome, but rather what we call "spindly" young man who was the Mayor of Minneapolis, Hubert Humphrey. Later I came to know, to honor, and to love Hubert Humphrey as have almost all other people who've ever come across his path in our beloved land.

He was a man of extraordinary intellectual power, great and dynamic physical strength, but be had above everything else, it seemed to me, a massive marrow of power. There was something that exuded from the spirit and the heart of Hubert Humphrey that had tremendous force, immeasurable impact upon those who heard him speak his heart for the worthy causes that he cherished.

Everyone knows the record of Hubert Humphrey. I am glad you are preserving in this good statue his appearance so that many who did not know him will have the opportunity to understand what kind of a man he was. I am glad you have attached his name to your great research center for cancer. I have some similarity of experience with Hubert's family. My wife passed away a victim to that same monster, and I know that that cause will be more belligerently and militantly espoused, because the spirit of Hubert Humphrey will always be a part of that institution.

More almost than any man I've ever known, Hubert Humphrey was a universal man. Hubert Humphrey was the ornament and the representative of the human race. He prided himself on people being his constituents as well as those who he directly represented in our political system. He had a moral force that emanated from his convictions that could almost move mountains, and did move many, in the years that he was a leader in our public life. In our troubled life of today, at home and abroad, how stirring, how exhilarating, how encouraging it would be if we could just see again that handsome, smiling countenance; hear those eloquent words, even enjoy the long speeches, and hear a man from his heart speak as a man of God dedicated to the service of the people.

Hubert Humphrey believed that every child was a child of God wherever it was born; and that that child was entitled to enough to eat, satisfactory shelter, the right for medical care that's required, the right to grow up into life and to become all that God potentially made him or her to be. And he fought his heart out against the disbelievers or the people of little faith or those who did not understand or those whose perception was barred by prejudiced interests.

If Hubert Humphrey could speak to us today, he would say to the Congress which he had known and which loved him: Look here, do you remember when President Roosevelt said to build a bomb? He didn't say, if it can be built for a billion dollars; because the appropriations for cancer research is now just a little over a billion dollars, and the Congress is very timid about going any further. Hubert would have said: Do you remember when President Kennedy said, 'We're going to the moon;' he didn't say but we'll stop when we've spent a million dollars.' He would have said: 'Let's take at least one of these terrible killers that takes nearly five-hundred thousand people a year from our beloved America and dooms them to die; at least let's take one of those monster killers and grapple with it until we choke it to death.' And Hubert Humphrey would have spoken with a fervor that might have induced favorable action that might have saved lives—Hubert Humphrey's and Mildred Pepper's.

And so today, let us as often as we can keep alive the spirit, the vision, the dream, the courage of Hubert Humphrey. It'll make a better world as he did. I know of no better words to describe Hubert Humphrey than those words that Shakespeare had Antony utter when he found the body of his fallen Brutus upon the floor of his tent, and Antony said: "His life was gentle; an element so mixed in him that nature might stand up and say to all the world, 'This was a man.'" [Applause]

President Jova. Thank you, Senator Pepper. And thank you for carrying on that Humphrey fervor in the battle against disease and in behalf of those of us whose hair is no longer black. [Applause]

The bust has been on display in my office for almost a year. It's been part of my life and now I'm going to miss it, and I am going to miss it thanks to John B. Amos because it is due to his generosity that it will be able to be placed at the Hubert Humphrey Cancer Research Center at Boston University. And we are all grateful to you, Mr. Amos, and we ask you to take this podium. [Applause]●

● Mr. SIKORSKI. Mr. Speaker, with great honor and pride, I submit to the CONGRESSIONAL RECORD the speeches of both Frances Humphrey Howard and the Honorable Hubert H. Humphrey III, attorney general of Minnesota, from the dedication and unveiling of a portrait bust of Vice President Hubert H. Humphrey.

It is highly appropriate this bust stand in front of the Hubert Humphrey Cancer Center of the Boston University School of Medicine. It will serve, like he did, as a beacon of hope and inspiration, of pride and dignity, of compassion and benevolence. Hubert Humphrey set the ethical standards for Democrats as well as all public servants w ıen he stated:

The moral test of government is how it treats those who are in the dawn of life, the children; those who are in the twilight of life, the aged; and those who are in the shadows of life, the sick, the needy and the handicapped.

I only wish he were here today to offer his wisdom, his insight, his counsel, his inspiration and his laughter.

I join with his sister, Frances and his son, Skip, in honoring the memory of this invincible man.

REMARKS OF FRANCES HUMPHREY HOWARD, JUNE 1, 1985

As you can see, John is always eloquent and elegant and we are so grateful to Marie and to John. It gives me, of course immense pleasure. I've been looking forward to this day for almost two years. I'm so happy to be sitting next to my very favorite nephew, Skip Humphrey. That makes it a very special occasion because we don't see each other that often. I would say that, when I first saw Gabriel Ponzanelli's work, it was here at Meridian House. It was a statue of

John—absolutely beautiful and I said, "Who did that?" and he said, "Gabriel Ponzanelli." and I said, "Well, I'll commission him right away to do one of my brother." So that is how it happened and we are delighted that the Boston University School of Medicine established the Hubert Humphrey Institute and that they, today, through the generosity of John Amos, are going to have this wonderful bust which Skip and I are going to unveil at the Center's entrance to the entrance of the Hubert Humphrey Cancer Center.

All of you here today are Hubert's dear friends and those who are absent—Senators and Congressmen—many of you who knew Hubert. More than 50. John is going to read those 50 names afterwards. More than 50 sent special messages to express their admiration for Hubert's courage in spite of his cancer and for his leadership. Hubert loved not only the Senate—no, he loved the Congressmen too and we're fortunate to have in this audience both Senators and Congressmen and Governors and Governor's wives. The entire family, of course. I said in my original remarks which I cut that we were so touched by the fact that the Chief Justice of the United States wanted to come and that he loves Hubert and we're also so pleased that Walter Mondale, Jeane Kirkpatrick, Claude Pepper, Augustus Hawkins, Corinne Boggs, and Governor Chuck Robb—all of them just, you know, so willingly wanted to come because of their affection for Hubert.

But I'm reading to you, when I'm finished, a letter from somebody that's not in a high place—he may be one day—but Hubert is loved by people everywhere. Yesterday, at noon, I received a letter from a 15 year old boy, a ninth grader in Lake Mahopak, New York, whom I've never met. He chose to write me on Hubert's birthday, the 27th of May about my brother who would have been 74 years old. His letter reads in part, "Dear Mrs. Howard, My name is Eric. Why I am writing to you is to let you know that my teacher, Mrs. Walters, gave me an assignment to write a research paper on anything we wanted to write about. I, myself, am interested in politics. I choose to do this paper on your brother, Hubert, because I believe he was one of the greatest politicians that ever lived. And not only that, but that he was simply one of the greatest men that ever lived and, in honor of your brother, I decided to write the research paper about him. I hope you don't mind me writing you about your brother often because, I am sure, you loved him dearly. I believe that he was a brave and dedicated man to his work and his family and it's a shame that Hubert was not elected President. He came so very close. When reading about him, I admire Senator Humphrey so much because he was a truly beautiful man and America was fortunate to know him. Out of all of the politicians I have read about and know, I believe Hubert Humphrey was the most caring and the nicest of them all. I'm sure you feel that way too." "In all honesty," says Eric, "I would like to be a politician when I grow up because I believe this country needs people that are interested. America needed Hubert and they revered him and he set an example for them all. The truth is that your brother is one of my idols and I admire him greatly." Signed Eric.

This letter was a source of real joy—it was a affirmation that Hubert's life and public service continue to be an inspiration to generations of young Americans. In a recent conversation last week with Ted Kennedy, Jr., he expressed pride in the fact that he'd been the recipient of the Hubert Humphrey Inspiration Award of the American Cancer Society. I want to mention to you that today we honor not only Hubert for his valiant courage and his inspiring hope but we also honor the Boston School of Medicine. And we honor the fact that they established this Cancer Center, that they were forward looking and they established it the year after his death. Hubert's abiding concern during the last years of his life was that all possible resources should be looked at to find the causes of cancer. Boston University honored this commitment and today by our presence here at this ceremony we honor the fact that Boston University will receive this bust and it will be placed at the entrance of that Center. Today we honor, too, the generosity—I don't want to forget—of John Amos who made it possible for the Center to have this bust. Today we are also honoring scientists, all scientists, who work in the battle against cancer. Most particularly, the scientists at Boston University's Hubert Humphrey Cancer Center. They will continue to aspire to the ideals Hubert so eloquently expressed realizing, as Hubert said, that the combination of hope, purpose and commitment to cancer research will yield answers and, someday perhaps, a cure.

REMARKS OF HUBERT H. HUMPHREY III, ATTORNEY GENERAL OF MINNESOTA, JUNE 1, 1985

Thank you very much Mr. Ambassador, Mr. Chief Justice, Vice President Mondale, Mayor Washington, Dean Sandson, Ambassadors and honored guests and friends. First of all, I have to congratulate those who organized this—they must really understand and they must have a line to dad because they organized a Minnesota day and knowing for sure this is exactly where he would want to be with all of his friends and thinking that this is close enough to his birthday that its just a wonderful opportunity to share with all of you.

Well let me just say that long speeches are really not for today. The joy of remembering my father, of being here in the city that he loved, where politics came alive for him every single day, is really a good memory and physically present in this fine artistic work that we will be unveiling very shortly is what is most important and comforting. But I am reminded of one of dads many admonitions to me—some of which I didn't exactly follow as sons are wont to do on occasion—but he would say "Never turn down a chance for a speech" and he also said, "Say your thoughts and say it with emotion and with feeling" and I know that all of you know that he was able to do that very well and very often. So I really can't resist this opportunity.

This day shared with so many of our families close friends—people he worked with, traveled with, argued and debated with—all of us gathered here under the auspices of a great institution, the Boston University School of Medicine. It's a thing that made me remember at least this: Dad understood that people, individuals, needed to have good health, a sound body and mind, to be constructive, to be involved citizens in our democracy. Human health and the provision of high-quality health care to all was not a privilege or an option to be available only to the few for dad. Not for him. Available comprehensive health care was a right for every American. And he recognized early on in his life the complexity of solving and of defeating this dread disease of cancer. His own battle with cancer was a testament to courage, persistence and the optimism of hope for ultimate victory over this disease. The work of the institution and institutions like the Boston University Medical School and the Cancer Research Center fits squarely in dad's vision for a better America. To all associated with this project, to all of you his dear friends and our families dear friends and on behalf of my mother and the entire Humphrey family, I say thank you. You have and are doing great and good work. And you are really carrying on the tradition of Humphrey. Thank you very much.●

PERSONAL EXPLANATION

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I was unavoidably absent, on June 18, 19, 20, and 21, 1985. Had I been present on the floor of the House, I would have cast my votes in the following manner:

Roll No. 166, on an amendment to the substitute that sought to end the missile program by eliminating all 1986 procurement funding and all unobligated prior-year appropriations for the missile program, requiring that funds saved be used for conventional weapons. Had I been present, I would have voted "no" as indicated by my paired vote.

Roll No. 167, on an amendment to the original amendment expressing the sense of Congress that deployment of MX missiles should be limited to not more than 40. Had I been present, I would have voted "aye."

Roll No. 168, on an amendment to the substitute that sought to reduce procurement funding for the missile program by $228 million and to limit deeployment to 50 missiles in existing silos. Had I been present, I would have voted "no."

Roll No. 169, a quorum call. I would have responded to that call had I been present.

Roll No. 170, on an amendment that sought to transfer $4 billion of funds previously appropriated for conventional forces to be equally divided among the Army, Navy, and Air Force. Had I been present, I would have voted "no."

Roll No. 171, on an amendment deleting procurement funds for the Trident II D-5 missile. Had I been present, I would have voted "no."

Roll No. 172, on the Skelton amendment to the Porter amendment. The Skelton amendment sought to eliminate funds for procurement or assembly of binary weapons unless, if after September 30, 1987, the United States has not entered into a multilateral agreement concerning binary weapons or there is a need for the weapons for national security, including NATO interests. Had I been present, I would

have voted "aye" as indicated by my paired vote.

Roll No. 173, on an amendment, as amended by a substitute, as amended. This is the Skelton amendment to the Fascell amendment forbidding the use of funds for binary chemical munition procurement until September 30, 1987. After such time procurement may be had if a control agreement has not been entered into by the United States and the President certifies to Congress the need for such weapons. Had I been present, I would have voted "aye" as indicated by my paired vote.

Roll No. 174, on approving the journal. Had I been present, I would have voted "aye."

Roll No. 175, a quorum call. Had I been present, I would have responded to that call.

Roll No. 176, on an amendment that sought to diminish the strategic defense initiative authorization to $954 million, prohibiting the use of funds for tests that should potentially abrogate the 1972 antiballistic missile treaty. Had I been present, I would have voted "no" as indicated by my paired vote.

Roll No. 177, on an amendment that sought to freeze the SDI Program at $1.4 billion, the 1985 level forbidding funds from nonlaboratory tests of SDI technology. Had I been present, I would have voted "no" as indicated by my paired vote.

Roll No. 178, on an amendment to the preceding substitute that sought to increase the SDI authorization by $1.24 billion to $3.7 billion. Had I been present, I would have voted "no."

Roll No. 179, on an amendment that sought to lower the SDI authorization from $2.5 billion to $2.1 billion and to restrict the amount available to 4 programs that could violate the ABM Treaty to 1985 levels. Had I been present, I would have voted "no" as indicated by my paired vote.

Roll No. 180, on a substitute amendment as amended, that sought to increase the strategic defense initiative $490 million to $2.9 billion and requiring that activities be consistent with the ABM Treaty. Had I been present, I would have voted "no" as indicated by my paired vote.

Roll No. 181, on a technical amendment to the SDI language that increased the authorization $27 million to $2.5 billion. Had I been present, I would have voted "aye" as indicated by my paired vote.

Roll No. 182, on approving the Journal. Had I been present, I would have voted "aye."

Roll No. 183, a quorum call. Had I been present, I would have responded to that call.

Roll No. 184, on approving an amendment clarifying specifications of core logistics functions subject to contracting-out limitations. Had I been present, I would have voted "aye."

I was unavoidably absent on June 25, 1985, and missed roll No. 187 and roll No. 188. I would have cast my votes in the following manner:

Roll No. 187, on an amendment that would allow acceptance of certain compensation if prohibiting such acceptance would hamper the Department of Defense from obtaining highly qualified individuals. Has I been present, I would have voted "aye."

Roll No. 188, on an amendment, amended by a substitute, as amended, prohibiting those with significant duties for procurement function from accepting compensation from that contractor for a period of 2 years following separation from Department of Defense employment. This includes Members of Congress and the bill requires the Department of Defense to provide written notice of applicable contractors to these retired individuals. Had I been present, I would have voted "aye."

I was unavoidably absent on June 26, 1985 and missed Roll No. 195. I would have cast my vote in the following manner:

Roll No. 195, on an amendment, as amended, that requires the Defense Department to maintain records of contractor's proposed and negotiated costs and pricing data and to be appropriately categorized. Had I been present, I would have voted "aye."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FISH (at the request of Mr. MICHEL), for today, on account of minor surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. NIELSON of Utah) to revise and extend their remarks and include extraneous material:)

Mr. GROTBERG, for 5 minutes, today.
Mr. QUILLEN, for 5 minutes, today.
Mr. KEMP, for 60 minutes, today.
Mr. CLINGER, for 60 minutes, July 17.
Mr. BATEMAN, for 5 minutes, today.
Mr. ARCHER, for 5 minutes, today.
Mr. LIGHTFOOT, for 5 minutes, today.
Mr. LUNGREN, for 5 minutes, today.
Mr. WALKER, for 5 minutes, today.
Mr. HUNTER, for 5 minutes, today.

(The following Members (at the request of Mr. DURBIN) to revise and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.
Mr. WHITTEN, for 5 minutes, today.
Mr. DONNELLY, for 5 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. MCHUGH, for 5 minutes, today.
Mr. TRAXLER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LEWIS of California on the amendment offered by the gentleman from New York [Mr. ADDABBO] in the Committee of the Whole, today.

Mr. FORD of Tennessee, following final passage of H.R. 1872, in the House, today.

Mr. SWEENEY, in support of the amendment of the gentleman from Virginia [Mr. DANIEL] on the Readiness and Special Operations Forces, prior to the vote on the Daniel amendment, in the committee of the Whole, today.

Mr. WEISS, on the amendments of the gentleman from Massachusetts [Mr. MARKEY] on D-5 and W-8, in the Committee of the Whole, today.

(The following Members (at the request of Mr. NIELSON of Utah) and to include extraneous matter:)

Mr. MORRISON of Washington.
Mr. HILLIS.
Mr. GROTBERG.
Mr. STRANG in three instances.
Mr. GINGRICH in three instances.
Mr. GREEN.
Mr. NIELSON of Utah.
Mr. MCDADE.
Mr. JEFFORDS.
Mr. DIOGUARDI.
Mr. LIGHTFOOT.
Mr. BLILEY in two instances.
Mr. WHITTAKER.
Mr. PORTER.
Mr. CONTE in five instances.
Mr. KEMP.
Mr. SHUMWAY.
Mr. RUDD.
Mr. GILMAN in three instances.
Mr. BURTON of Indiana in five instances.
Mr. MOORHEAD.
Mr. BROOMFIELD in three instances.
Mr. SAXTON.
Mr. DANNEMEYER.
Mr. WHITEHURST.
Mr. LOWERY of California.
Mrs. JOHNSON.
Mr. FRANKLIN.
Mr. WYLIE.
Mr. PARRIS.
Mr. RINALDO.
Mrs. ROUKEMA.
Mr. DORNAN of California.
Mr. SWEENEY.
Ms. FIEDLER.

(The following Members (at the request of Mr. DURBIN) and to include extraneous matter:)

Mr. FASCELL in three instances.
Mr. MCCLOSKEY.
Mr. TALLON.
Mr. MCHUGH.
Mr. COYNE.

Mr. FORD of Michigan in two instances.
Mr. FEIGHAN.
Mr. ANTHONY.
Mr. JACOBS.
Mr. APPLEGATE.
Ms. MIKULSKI in two instances.
Mr. BROOKS.
Mr. GEPHARDT.
Mr. LELAND.
Mr. HAWKINS.
Mr. FLORIO.
Mr. LEVIN of Michigan.
Mr. SCHUMER.
Mr. EDGAR.
Mr. LANTOS in two instances.
Mr. ECKART of Ohio in two instances.
Mr. MARKEY.
Mr. DYSON.
Mr. RANGEL.
Mr. HERTEL of Michigan.
Mr. FORD of Tennessee.
Ms. KAPTUR.
Mr. HOYER.
Mr. CONYERS.
Mr. TOWNS.
Mr. FRANK in two instances.
Mr. STUDDS.
Mr. WEISS in two instances.
Mr. WAXMAN.
Mr. KILDEE in two instances.
Mr. ATKINS.
Mr. LAFALCE.
Mr. OBERSTAR.
Mr. MILLER of California.
Mr. BEDELL.
Mr. DONNELLY.
Mr. MANTON in two instances.
Mr. MORRISON of Connecticut.
Mr. STALLINGS.
Ms OAKAR.
Mr. WYDEN.
Mr. SOLARZ.
Mr. DARDEN.
Mr. SCHEUER.
Mr. FUQUA in five instances.

ADJOURNMENT TO MONDAY, JULY 8, 1985

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 54 of the 99th Congress, the House stands adjourned until 12 o'clock noon, Monday, July 8, 1985.

Thereupon (at 9 o'clock and 32 minutes p.m.), pursuant to Senate Concurrent Resolution 54, the House adjourned until Monday, July 8, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1593. A letter from the Deputy Assistant Secretary of Defense, transmitting notification that the Defense Logistics Agency intends to exercise the provision for exclusion of the clause concerning examination of records by the Comptroller General, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

1594. A letter from the Director of Compensation, Office of the Assistant Secretary of Defense, transmitting an amendment to the report (EC 1287) submitted May 15, 1985, concerning defense contractors and consultants who during the past 3 years held positions of GS-13 or above with the Department, pursuant to 10 U.S.C. 2397; to the Committee on Armed Services.

1595. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by the Eximbank during May, 1985 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

1596. A letter from the General Council, Department of the Treasury, transmitting a draft of proposed legislation to repeal the requirement that U.S. currency notes be reissued after redemption; to the Committee on Banking, Finance and Urban Affairs.

1597. A letter from the Administrator, Department of Justice of Juvenile Justice and Delinquency Prevention, transmitting the "Eighth Analysis and Evaluation: Federal Juvenile Delinquency Programs," pursuant to Public Law 93-415, section 204(b)(5) (91 Stat. 1049) and section 246; to the Committee on Education and Labor.

1598. A letter from the Secretary of State, transmitting a report entitled: "Thirty-third Report to the Congress on United States Contributions to International Organizations," pursuant to 22 U.S.C. 262a; to the Committee on Foreign Affairs.

1599. A letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to improve the management and disposal of Federal surplus personal property, and for other purposes; to the Committee on Government Operations.

1600. A letter from the Acting Director, Office of Personnel Management, transmitting a copy of a public notice announcing a Computer Matching Program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1601. A letter from the Kaufman & Goble Associates, Actuaries and Consultants, transmitting the Sacramento Farm Credit Employee's retirement plan 1984 annual pension report, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1602. A letter from the Counsel, Pacific Tropical Botanical Garden, transmitting an annual audit for calendar year 1984, pursuant to Public Law 88-449, section 10(b); to the Committee on the Judiciary.

1603. A letter from the Admiral, U.S. Coast Guard Commandant, Department of Transportation, transmitting a list of programs which may be converted to private sector performance, pursuant to Public Law 98-557, section 14(c) (98 Stat. 2864); to the Committee on Merchant Marine and Fisheries.

1604. A letter from the Secretary of Energy, transmitting the quarterly report on biomass energy development, pursuant to Public Law 96-294, section 218(a); jointly, to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1390. A bill to authorize additional long-term leases in the El Portal administrative site adjacent to Yosemite National Park, CA, and for other purposes; with an amendment (Rept. No. 99-182). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1343. A bill to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, CA; with amendments (Rept. No. 99-183). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 729. A bill to amend the Panama Canal Act of 1979 in order that claims for vessels damaged outside the locks may be resolved in the same manner as those vessels damaged inside the locks, and for other purposes; with an amendment (Rept. No. 99-184). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2095. A bill to provide for daylight saving time on an expanded basis, and for other purposes; with an amendment (Rept. No. 99-185). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 2401. A bill to amend title 5, United States Code, to establish certain reporting requirements applicable in the case of any agency proposing to carry out removals, reductions in grade or pay, or other adverse personnel actions incident to closing, or changing the functions of, any of its field offices (Rept. No. 99-186). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA: Committee of conference. Conference report on H.R. 1617 (Rept. No. 99-187). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GLICKMAN (for himself, Mr. FUQUA, Mr. BROOKS, Mr. BROWN of California, Mr. WIRTH, Mr. WALGREN, Mr. NELSON of Florida, Mr. WYDEN, Mr. HUGHES, Mr. LEWIS of Florida, and Mr. HORTON):

H.R. 2889. A bill to amend the act establishing the National Bureau of Standards to provide for a computer security research program within such Bureau, and to provide for the training of Federal employees who are involved in the management, operation, and use of automated information processing systems; jointly, to the Committees on Science and Technology, and Government Operations.

By Mr. WHITTEN:

H.R. 2890. A bill making supplemental appropriations for the fiscal year ending Sep-

tember 30, 1985, and for other purposes; to the Committee on Appropriations.

By Mr. ALEXANDER:

H.R. 2891. A bill to amend section 144 of title 23, United States Code, to give States the discretion of using a portion of their bridge replacement funds to replace certain bridges or ferryboat operations; to the Committee on Public Works and Transportation.

By Mr. BIAGGI:

H.R. 2892. A bill to amend the Higher Education Act to assist the establishment of migration studies centers, and for other purposes; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, and Mr. JONES of North Carolina):

H.R. 2893. A bill to amend section 607 of the Merchant Marine Act, 1936 dealing with the capital construction fund, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BLILEY:

H.R. 2894. A bill to amend the foster care and adoption assistance programs under part E of title IV of the Social Security Act, and for other purposes; to the Committee on Ways and Means.

By Mr. CARR:

H.R. 2895. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of an additional exemption amount for certain physically disabled taxpayers; to the Committee on Ways and Means.

By Mr. DASCHLE:

H.R. 2896. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products be subject to certain examinations, inspection, and labeling requirements, and to require the Secretary to issue a study of the feasibility of requiring eating establishments serving imported meat or meat food products to provide notice of that fact to their customers; to the Committee on Agriculture.

By Mr. DORNAN of California:

H.R. 2897. A bill to amend the Internal Revenue Code of 1954 to deny status as a tax-exempt organization, and as a charitable contribution recipient, for organizations which directly or indirectly perform or finance abortions; to the Committee on Ways and Means.

H.R. 2898. A bill to release the restrictions on funds appropriated to provide assistance to non-Communist resistance forces in Nicaragua and to authorize funds for assistance to such forces for fiscal year 1986; jointly, to the Committees on Foreign Affairs, Intelligence (Permanent), and Appropriations.

By Mr. EVANS of Iowa:

H.R. 2899. A bill to amend title IV of the Farm Credit Act of 1971 to allow the Governor to reduce temporarily the capital requirements of a bank or association; to the Committee on Agriculture.

By Mr. CONTE (for himself, Mr. JEFFORDS, Mr. ST GERMAIN, Mr. MOAKLEY, Mr. BOLAND, Mr. FRANK, Mr. STUDDS, Mr. SMITH of New Hampshire, Mrs. SCHNEIDER, Mr. GEJDENSON, and Mr. MAVROULES):

H.R. 2900. A bill to amend section 123 of the Clean Air Act regarding tall stacks and dispersion techniques; to the Committee on Energy and Commerce.

By Mr. EVANS of Iowa:

H.R. 2901. A bill to amend section 4.26 of the Farm Credit Act of 1971 to authorize the Governor to provide capital worth certificates as partial payment for the purchase of foreclosed farmland or mortgages on farmland; to the Committee on Agriculture.

By Mr. FLORIO (for himself, Mr. COELHO, Mr. MORRISON of Connecticut, Mr. GALLO, and Mr. TORRICELLI):

H.R. 2902. A bill to amend title XIX of the Social Security Act to assist severely disabled individuals to attain or maintain their maximum potential for independence and capacity to participate in community and family life; to the Committee on Energy and Commerce.

By Mr. FOGLIETTA (for himself and Mr. GRAY of Pennsylvania):

H.R. 2903. A bill to designate the Federal building and U.S. Post Office located in Philadelphia, PA, as the Robert N.C. Nix, Sr., Building; to the Committee on Public Works and Transportation.

By Mr. GEPHARDT:

H.R. 2904. A bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GROTBERG:

H.R. 2905. A bill entitled the "Airport and Air Carrier Security Improvement Act of 1985"; jointly, to the Committees on Foreign Affairs, and Public Works and Transportation.

H.R. 2906. A bill to increase voter participation in Federal elections by providing for free mailing of absentee ballots, equitable tax rates for political party committees, and higher limitations on certain campaign contributions and expenditures; jointly, to the Committees on House Administration, Ways and Means, and Post Office and Civil Service.

By Mr. HAWKINS:

H.R. 2907. A bill to strengthen programs under title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. HAWKINS, Mr. WILLIAMS, Mr. GOODLING, Mr. MARTINEZ, Mr. HAYES, Mr. GUNDERSON, Mr. DYMALLY, Mr. PERKINS, Mr. DASCHLE, Mr. DORGAN of North Dakota, Mr. LOWRY of Washington, and Mr. RICHARDSON):

H.R. 2908. A bill to amend title XI of the Education Amendments of 1978, relating to Indian education programs; to the Committee on Education and Labor.

By Mr. LELAND (for himself, and Mr. HORTON):

H.R. 2909. A bill to amend title 39, United States Code, to establish an Office of Inspector General within the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.R. 2910. A bill entitled the "Lead Free Drinking Water Act"; to the Committee on Energy and Commerce.

By Mr. MORRISON of Connecticut (for himself, Mr. MOORHEAD, Mr. FISH, Mr. BERMAN, Mr. COBLE, Mr. EDWARDS of California, Mr. FRANK, Mr. KINDNESS, Mr. BONER of Tennessee, Mr. DIXON, Mr. DOWNEY of New York, Mr. FAZIO, and Mr. Waxman):

H.R. 2911. A bill to amend title 17 of the United States Code with respect to home audio recording and audio recording devices and media, and for other purposes; to the Committee on the Judiciary.

By Mr. NIELSON of Utah (for himself, Mr. DAVIS, Mr. MONSON, Mr. MITCHELL, and Ms. KAPTUR):

H.R. 2912. A bill to extend, at reduced levels, training and relocation allowances under the worker adjustment assistance program until September 30, 1988; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 2913. A bill to extend the Tariff Schedules of the United States to provide for rates of duty on imported speedometers used on exercise equipment consistent with those on bicycle speedometers; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 2914. A bill to amend the Internal Revenue Code of 1954 to provide uniform nondiscrimination rules for coverage and benefits under certain statutory fringe benefit plans; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 2915. A bill to require the enactment of special legislation to continue the expenditure or obligation of funds on any major civil acquisition whenever the cost of such acquisition has increased or, on the basis of estimates, will increase by 25 per centum or more; to the Committee on Government Operations.

H.R. 2916. A bill to amend the Flood Control Act of 1970 to include the possible prevention of loss of life among the factors to be considered in evaluating the benefits of proposed water resource projects; to the Committee on Public Works and Transportation.

H.R. 2917. A bill to to amend the Tariff Schedules of the United States by repealing item 807.00 relating to certain articles assembled abroad from fabricated components which are products of the United States; to the Committee on Ways and Means.

By Mr. RINALDO (for himself, Mr. GUARINI, Mr. HUGHES, Mr. COURTER, Mrs. ROUKEMA, Mr. GALLO, and Mr. SAXTON):

H.R. 2918. A bill to amend the Clean Air Act to control sources of sulfur dioxides and nitrogen oxides to reduce acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROYBAL:

H.R. 2919. A bill to establish a program of Federal assistance to the National Hispanic University, and for other purposes; to the Committee on Education and Labor.

By Mr. STRANG:

H.R. 2920. A bill to exempt irrigation conveyance systems from fees and conditions under the Federal Land Policy and Management Act of 1976, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 2921. A bill to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STUMP:

H.R. 2922. A bill to terminate all participation by the United States in the United Nations, and to remove all privileges, exemptions, and immunities of the United Nations; to the Committee on Foreign Affairs.

By Mr. WATKINS:

H.R. 2923. A bill to amend the Federal Election Campaign Act of 1971 to reduce the amount that a multicandidate political committee may contribute to a candidate in a Federal election and to limit the total amount that a candidate for the office of Senator or Representative may accept from multicandidate political committees in an

election; to the Committee on House Administration.

By Mr. WAXMAN:

H.R. 2924. A bill to amend section 408 of the Federal Food, Drug, and Cosmetic Act to authorize emergency action with respect to pesticide chemicals which present an imminent hazard to the public health, to revise the procedures under such section for changes in tolerances and exemptions for pesticide chemicals, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BEREUTER (for himself, Mr. EVANS of Iowa, Mr. ROBERTS, and Mrs. SMITH of Nebraska):

H.R. 2925. A bill to provide capital assistance to agricultural lenders, and for other purposes; jointly, to the Committees on Agriculture, and Banking, Finance and Urban Affairs.

By Mr. BEREUTER (for himself, Mr. EVANS of Iowa, Mr. ROBERTS, and Mrs. SMITH of Nebraska):

H.R. 2926. A bill to provide capital assistance to agricultural lenders, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Agriculture.

By Mr. BURTON of Indiana:

H.J. Res. 328. Joint resolution to condemn the government of Vietnam for violations of human rights; to the Committee on Foreign Affairs.

By Mr. CONTE:

H.J. Res. 329. Joint resolution to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. DYSON:

H.J. Res. 330. Joint resolution designating May 1986 as "Public Awareness of the Hearing Impaired Month"; to the Committee on Post Office and Civil Service.

By Mr. FASCELL (for himself, Mr. HOYER, Mr. YATES, Mr. WIRTH, Mr. MARKEY, Mr. RITTER, Mr. SMITH of New Jersey, Mr. KEMP, and Mr. PORTER):

H.J. Res. 331. Joint resolution to designate September 21, 1986, as "Ethnic American Day"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 332. Joint resolution designating the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine"; to the Committee on Post Office and Civil Service.

By Mr. WHITTAKER (for himself, and Mr. SIKORSKI):

H.J. Res. 333. Joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. NELSON of Florida:

H. Con. Res. 172. Concurrent resolution to celebrate the tenth anniversary of the Apollo-Soyuz rendezvous in space; to the Committee on Science and Technology.

By Mr. SAXTON:

H. Con. Res. 173. Concurrent resolution expressing the sense of the Congress that taxes on Social Security benefits should not be increased; to the Committee on Ways and Means.

By Mr. BURTON of Indiana:

H. Res. 211. Resolution expressing the sense of the House of Representatives that Fidel Castro's actions in limiting the free flow of information, and in limiting the right of Cubans to travel in and out of their country freely, are both a violation of the Cuban people's internationally recognized human rights and a major obstacle to improved United States-Cuban relations; to the Committee on Foreign Relations.

By Mr. PORTER:

H. Res. 212. Resolution expressing the sense of Congress with respect to forced abortion, economic coercion, and infanticide in the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. SMITH of New Hampshire (for himself, and Mr. GIBBONS):

H. Res. 213. Resolution urging the Postmaster General to issue a series of commemorative stamps in honor of members of the Airborne Divisions of the U.S. Army who served during World War II; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

191. By the SPEAKER: Memorial of the Senate of the Commonwealth of Pennsylvania, relative to radon gas; to the Committee on Energy and Commerce.

192. Also, memorial of the Legislature of the State of Nevada, relative to the speed limit; to the Committee on Public Works and Transportation.

193. Also, memorial of the Legislature of the State of Nevada, relative to radioactive waste; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COUGHLIN:

H.R. 2927. A bill for the relief of Spencer M. Hurtt, Jr., And Annie Lawrie D. Hurtt; to the Committee on the Judiciary.

By Mr. DANIEL:

H.R. 2928. A bill for the relief of Mrs. Josefina Flores-Dimacali; to the Committee on the Judiciary.

By Mr. KOSTMAYER:

H.R. 2929. A bill for the relief of the estate of James H.W. Thompson; to the Committee on the Judiciary.

By Mr. MOORHEAD:

H.R. 2930. A bill for the relief of Wagih R. Girgis; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 10: Mr. BUSTAMANTE, Mr. MANTON, Mr. DERRICK, Mr. REID, Mr. SOLARZ, Mr. ROBINSON, and Mr. ROYBAL.

H.R. 11: Mr. FOWLER, Mr. MCCAIN, Mr. PASHAYAN, Mr. SLATTERY, and Mr. WILLIAMS.

H.R. 39: Mr. SYNAR and Mr. GONZALEZ.

H.R. 70: Mr. EDWARDS of Oklahoma.

H.R. 144: Mr. MCDADE.

H.R. 147: Mr. CROCKETT and Mr. PRICE.

H.R. 343: Mr. DANNEMEYER, Mr. BATEMAN, and Mr. THOMAS of Georgia.

H.R. 427: Mr. BEREUTER.

H.R. 472: Mr. RALPH M. HALL.

H.R. 512: Mr. HENDON.

H.R. 585: Mr. HENDON.

H.R. 605: Mr. HYDE.

H.R. 615: Mr. HENRY and Mr. DONNELLY.

H.R. 659: Mr. CAMPBELL, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DASCHLE, Mr. FAZIO, Mr. GARCIA, Mrs. LLOYD, Mr. MARTINEZ, Mr. MATSUI, Ms. MIKULSKI, Mr. SENSENBRENNER, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STRANG, and Mr. WORTLEY.

H.R. 696: Mr. MCCOLLUM, Mr. DURBIN, Mr. STALLINGS, Mr. MINETA, and Mr. PENNY.

H.R. 891: Mr. WOLPE.

H.R. 983: Mr. BOUCHER, Mr. HAWKINS, Mr. WEISS, Mr. NEAL, Mr. DYMALLY, Mr. CLAY, Mr. DIXON, Mr. LOEFFLER, Mr. FORD of Tennessee, Mr. WILLIAMS, Mr. NIELSON of Utah, Mr. MARTINEZ, Mr. VENTO, Mr. FAZIO, Mr. KILDEE, Mr. STOKES, Mr. JENKINS, Mr. SENSENBRENNER, and Mr. HAYES.

H.R. 1082: Mr. LOEFFLER and Mr. HILLIS.

H.R. 1140: Mr. BROWN of Colorado.

H.R. 1335: Mr. WAXMAN and Mrs. BURTON of California.

H.R. 1356: Mr. FORD of Michigan, Mr. HENRY, Mr. COLEMAN of Missouri, Mr. ECKART of Ohio, Mr. BIAGGI, Mr. DYMALLY, Mr. MITCHELL, Ms. KAPTUR, Mr. ROE, Mr. DWYER of New Jersey, Mr. CAMPBELL, Mrs. COLLINS, Mr. NOWAK, Mr. WYLIE, Mr. GRAY of Illinois, Mr. KASICH, Mr. WORTLEY, Mr. OWENS, Mr. CROCKETT, Mr. SCHEUER, Mr. BROWN of Colorado, Mr. DE LUGO, Mr. FEIGHAN, Mr. TORRICELLI, and Mr. SENSENBRENNER.

H.R. 1524: Mr. DIXON, Mr. PENNY, Mr. MANTON, Mr. BOLAND, Mrs. BENTLEY, and Mr. STAGGERS.

H.R. 1559: Mr. MADIGAN.

H.R. 1589: Mr. TOWNS.

H.R. 1611: Mr. OWENS, Mr. NIELSON of Utah, and Mr. MATSUI.

H.R. 1632: Mr. LAFALCE.

H.R. 1633: Mr. LAFALCE.

H.R. 1672: Mr. MARTINEZ, Mr. FAUNTROY, Mr. RANGEL, and Mr. SEIBERLING.

H.R. 1673: Mr. FAUNTROY and Mr. MARTINEZ.

H.R. 1720: Mr. GLICKMAN and Mr. FAZIO.

H.R. 1875: Mr. GRAY of Pennsylvania, Mr. COUGHLIN, Mr. KOSTMAYER, Mr. MARTINEZ, Mr. MURTHA, Mr. MURPHY, Mr. KOLTER, and Mr. KANJORSKI.

H.R. 1884: Mr. GROTBERG, Mr. FUQUA, Mr. BARNARD, Mr. LEHMAN of California, Mr. KILDEE, Mr. HEFTEL of Hawaii, Mr. HARTNETT, Ms. SNOWE, Mr. CLINGER, and Mr. MCCURDY.

H.R. 1906: Mr. TOWNS.

H.R. 1950: Mr. DWYER of New Jersey, Mr. KLECZKA, Mr. FUSTER, Mr. FAUNTROY, Mr. KOSTMAYER, Mr. HOYER, Mr. MAVROULES, Mr. MOLLOHAN, Mr. RANGEL, Mr. HUBBARD, Mr. LEVIN of Michigan.

H.R. 1959: Mr. WHITLEY and Mr. TOWNS.

H.R. 1967: Mr. LOWERY of California, Mr. TORRICELLI, and Mr. BIAGGI.

H.R. 1985: Mr. SHELBY, Mr. TORRICELLI, Mr. MRAZEK, and Mr. WOLPE.

H.R. 2020: Mr. OWENS and Mr. TOWNS.

H.R. 2070: Mr. GINGRICH, Mr. RICHARDSON, Mr. TOWNS, Mr. BEDELL, and Mr. VANDER JAGT.

H.R. 2114: Mr. DEWINE.

H.R. 2205: Mr. DAUB, Mr. DIOGUARDI, Mr. DIXON, Mr. DONNELLY, Mr. EVANS of Illinois, Mr. FUQUA, Mr. FROST, Mr. GREEN, Mr. HENRY, Mr. HORTON, Mr. LUNDINE, Mr. LANTOS, Mr. MCEWEN, Mr. MITCHELL, Mr. PENNY, Mr. VANDER JAGT, Mr. YOUNG of Alaska, and Mr. WILLIAMS.

H.R. 2226: Mr. BOLAND and Mr. TORRICELLI.

H.R. 2235: Mr. DICKS.

H.R. 2248: Mr. SWIFT, Mr. STUDDS, Mr. STRATTON, Ms. FIEDLER, Mr. MILLER of Washington, and Mr. PARRIS.

H.R. 2267: Mr. RUDD, Mrs. BENTLEY, Mr. HYDE, Mr. DAUB, Mr. LOTT, Mr. DENNY SMITH, and Mr. DICKINSON.

H.R. 2274: Mr. ANTHONY, Mr. BONER of Tennessee, Mr. DAUB, Mr. FRENZEL, Mr. GEPHARDT, Mr. GIBBONS, Mr. HEFTEL of Hawaii, Mr. MCGRATH, Mr. MATSUI, Mr. STARK, Mr. FOWLER, and Mr. THOMAS of California.

H.R. 2280: Mr. DWYER of New Jersey, Mr. EVANS of Illinois, Mr. BROWN of California, Mr. VENTO, Mr. SISISKY, and Mr. BILIRAKIS.

H.R. 2322: Mr. MARTINEZ, Mr. CONYERS, Mr. FAZIO, and Mr. DELLUMS.

H.R. 2353: Mr. YOUNG of Alaska, Mr. TOWNS, Mr. BROWN of California, and Mr. GAYDOS.

H.R. 2364: Mr. LANTOS.

H.R. 2472: Mr. OWENS and Mrs. MARTIN of Illinois.

H.R. 2492: Mrs. BENTLEY, Mr. BILIRAKIS, Mrs. COLLINS, Ms. FIEDLER, Mr. FLIPPO, Mr. HENDON, Ms. KAPTUR, Mr. MCEWEN, Mr. MCKERNAN, Mr. MACKAY, Ms. MIKULSKI, Mr. QUILLEN, Mr. SLAUGHTER, Mr. STAGGERS, Mr. TRAXLER, and Mr. WYLIE.

H.R. 2500: Mr. LIVINGSTON.

H.R. 2522: Mrs. COLLINS, Mr. ANNUNZIO, and Mr. KOSTMAYER.

H.R. 2526: Mr. MARTINEZ.

H.R. 2539: Mrs. HOLT, Mr. LIGHTFOOT, Mr. WILSON, Mr. FRENZEL, and Mr. MRAZEK.

H.R. 2560: Mr. SMITH of New Hampshire.

H.R. 2582: Mr. EVANS of Illinois, Mr. WEAVER, Mr. LIPINSKI, Mr. SMITH of New Jersey, and Mr. DEWINE.

H.R. 2589: Mr. KASTENMEIER, Mr. MORRISON of Connecticut, Mr. LEVIN of Michigan, Mr. RANGEL, and Mr. HAWKINS.

H.R. 2591: Mr. HORTON, Mr. MURTHA, Mrs. BENTLEY, Mr. THOMAS of Georgia, Ms. KAPTUR, Mr. WATKINS, and Mr. WEAVER.

H.R. 2597: Mrs. BENTLEY.

H.R. 2602: Mr. BARNES.

H.R. 2607: Mr. WILSON, Mr. MURPHY, Mr. KLECZKA, Mr. BOLAND, and Mr. FOWLER.

H.R. 2624: Mr. KOLBE, Mr. RUDD, Mr. RANGEL, and Mr. MITCHELL.

H.R. 2626: Mr. CAMPBELL, Mr. NIELSON of Utah, and Mr. RUDD.

H.R. 2659: Mr. BOEHLERT, Mr. TOWNS, and Mr. MANTON.

H.R. 2660: Mr. FRANK.

H.R. 2680: Mr. BROOMFIELD.

H.R. 2684: Mr. CHENEY.

H.R. 2708: Mr. SMITH of Florida, Mr. FUQUA, Mr. ARCHER, Mr. MURPHY, and Mrs. HOLT.

H.R. 2741: Mr. BEDELL, Mrs. BENTLEY, Mr. BIAGGI, Mr. COUGHLIN, Mr. ECKART of Ohio, Mr. EMERSON, Mr. EVANS of Iowa, Mr. FOGLIETTA, Mr. GRAY of Illinois, Mr. HARTNETT, Mr. HOWARD, Mr. LEVINE of California, Mr. LIPINSKI, Mr. MARTINEZ, Mr. MITCHELL, Mr. MOLLOHAN, Mr. MORRISON of Washington, Mr. OBERSTAR, Mr. RANGEL, Mr. RIDGE, Mr. SMITH of Florida, Mr. STAGGERS, Mr. TALLON, Mr. TORRICELLI, Mr. YATES, and Mr. DIXON.

H.R. 2749: Mr. PACKARD, and Mr. SENSENBRENNER.

H.R. 2754: Mrs. KENNELLY, Mr. CONYERS, Mr. COYNE, Mr. JEFFORDS, Mr. GREGG, Mr. BRUCE, and Mr. GEJDENSON.

H.R. 2762: Mr. WALGREN, Mr. KOLTER, Mrs. BENTLEY, Mr. STAGGERS, Mr. SHELBY, Mr. MURPHY, and Mr. KANJORSKI.

H.R. 2768: Mr. DORNAN of California, Mr. EDWARDS of Oklahoma, and Mr. YOUNG of Florida.

H.R. 2773: Mr. OWENS, Mr. RIDGE, Mr. ROE, Mr. MCKERNAN, and Mr. TOWNS.

H.R. 2790: Mr. BARTON of Texas and Mr. SCHAEFER.

H.R. 2795: Mr. BEDELL, Mr. FRANKLIN, Mr. TAUKE, Mr. EMERSON, Mr. BLILEY, Mrs. SMITH of Nebraska, Mr. HENRY, Mr. STAGGERS, and Mr. GOODLING.

H.R. 2814: Mr. LIGHTFOOT, Mr. SAXTON, Mr. EDWARDS of Oklahoma, Mr. WORTLEY, and Mr. WHITTAKER.

H.R. 2848: Mr. TOWNS.

H.R. 2851: Mr. SIKORSKI, Mr. DELLUMS, Mr. DIXON, Mr. HORTON, and Mr. FRANK.

H.J. Res. 1: Mr. GREGG.

H.J. Res. 3: Mr. PETRI, Mr. GILMAN, and Mr. PURSELL.

H.J. Res. 68: Mr. HEFTEL of Hawaii.

H.J. Res. 106: Mr. BUSTAMANTE.

H.J. Res. 131: Mr. BROWN of California, Mr. WORTLEY, Mr. NOWAK, Mr. HEFTEL of Hawaii, Mr. QUILLEN, Mr. STALLINGS, Mr. GROTBERG, Mr. HENDON, and Mr. COBEY.

H.J. Res. 164: Mr. KANJORSKI and Mr. SAXTON.

H.J. Res. 222: Mr. BARNES, Mrs. BENTLEY, Mr. BIAGGI, Mr. BOLAND, Mr. CHAPPIE, Mr. COELHO, Mr. EMERSON, Mr. FEIGHAN, Mr. FROST, Mr. KEMP, Mr. LAGOMARSINO, Mr. MARTIN of New York, Mr. MATSUI, Mr. MCKINNEY, Mr. RINALDO, Mr. RODINO, Mr. STANGELAND, and Mr. YOUNG of Missouri.

H.J. Res. 223: Mr. NOWAK, Mr. WAXMAN, Mr. BERMAN, Mr. WORTLEY, Mr. BURTON of Indiana, Mr. SUNIA, Mr. MANTON, Mr. TRAXLER, Mr. ROE, Mr. O'BRIEN, Mr. ADDABBO, and Mr. MARTINEZ.

H.J. Res. 229: Mrs. BENTLEY, Mr. BILIRAKIS, Mr. BLAZ, Mr. BOUCHER, Mr. FISH, Mr. FRANK, Mr. HENRY, Mr. HATCHER, Mr. NIELSON of Utah, Mr. PEPPER, Mr. SCHUETTE, Mr. SISISKY, Mr. SOLOMON, Mr. VOLKMER, Mr. WAXMAN, Mr. WYDEN, Mr. SYNAR, Mr. BATEMAN, and Mr. YOUNG of Florida.

H.J. Res. 230: Mr. SKELTON and Mr. NELSON of Florida.

H.J. Res. 234: Mr. CONYERS, Mr. BORSKI, Mr. MAZZOLI, Mr. BIAGGI, Mr. NEAL, and Mr. BONIOR of Michigan.

H.J. Res. 296: Mr. REID, Mr. KANJORSKI, Mr. LENT, Mr. JONES of Tennessee, Mr. LELAND, Mr. PANETTA, Mr. ANDERSON, Mr. BARNARD, Mr. BATEMAN, and Mr. BEDELL.

H.J. Res. 316: Mr. MATSUI, Mr. MADIGAN, Mr. DIXON, Mr. FUQUA, Mr. BROWN of California, and Mr. SHUMWAY.

H.J. Res. 325: Mr. WALGREN, Mr. WOLPE, Mr. GUARINI, Mr. BIAGGI, Mr. MANTON, Mr. RODINO, Mr. TORRICELLI, Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. BOUCHER, Mr. COOPER, Mrs. COLLINS, Mr. DORGAN of North Dakota, Ms. KAPTUR, Mr. FISH, Mr. WYDEN, Mr. DURBIN, Mr. DYMALLY, Mr. JACOBS, Mr. BERMAN, Mr. ROE, Mr. ORTIZ, Mr. WATKINS, Mr. DIXON, Mr. LEVINE of California, Mr. KOLTER, Mr. KANJORSKI, Mr. BOLAND, Mr. FASCELL, Mr. LUNDINE, and Mr. MARTINEZ.

H. Con. Res. 24: Mr. BATEMAN, Mrs. BENTLEY, Mr. BIAGGI, Mr. BONER of Tennessee, Mr. BROWN of California, Mr. BUSTAMANTE, Mr. EDWARDS of Oklahoma, Mr. FAZIO, Mr. GREEN, Mr. HALL of Ohio, Mr. HAYES, Mr. HENRY, Mr. KOSTMAYER, Mr. LIPINSKI, Mr. MCGRATH, Mr. MURPHY, Mr. ORTIZ, Mr. REID, Mr. SMITH of New Jersey, Mr. SWINDALL, Mr. UDALL, Mr. WEBER, and Mr. YOUNG of Missouri.

H. Con. Res. 36: Mr. FORD of Tennessee and Mr. UDALL.

H. Con. Res. 69: Mr. SISISKY, Mr. KOSTMAYER, Mr. LANTOS, and Mr. HATCHER.

H. Con. Res. 123: Mr. HARTNETT and Mr. DELLUMS.

H. Con. Res. 129: Mr. FIELDS, Mr. HUBBARD, and Mr. COBEY.

H. Con. Res. 170: Mr. BILIRAKIS, Mr. SOLARZ, Mr. REID, Mr. GROTBERG, Mr. YOUNG of Florida, Mr. SAXTON, Mr. LANTOS, and Mr. ZSCHAU.

H. Res. 36: Mr. VOLKMER, Mr. ACKERMAN, Mr. REID, Mr. WHEAT, Mr. BOUCHER, Mrs. COLLINS, Mr. MRAZEK, Mrs. BURTON of California, Ms. MIKULSKI, and Mr. SILJANDER.

H. Res. 60: Mr. STALLINGS.

H. Res. 105: Mr. KILDEE, Mr. FORD of Michigan, Mr. KANJORSKI, Mr. HAWKINS, and Mr. CARR.

H. Res. 112: Mr. BILIRAKIS and Mr. RANGEL.

H. Res. 122: Mr. LUKEN and Ms. OAKAR.

H. Res. 152: Mr. CONYERS, Mr. MCGRATH, Mr. TRAFICANT, and Mr. SOLARZ.

H. Res. 167: Mr. EDWARDS of Oklahoma and Mr. DEWINE.

H. Res. 180: Mr. MACK, Mr. LANTOS, Mr. WEBER, Mr. KASICH, Mr. MATSUI, Mr. MONTGOMERY, Mr. BLILEY, Mr. MCGRATH, Mr. PORTER, Mr. ZSCHAU, Mr. SAXTON, Mr. BATEMAN, Mr. BARTON of Texas, Mr. BLAZ, Mr. SILJANDER, Mr. KOLTER, Mr. VALENTINE, Mrs. HOLT, Mr. WILSON, Mr. FISH, and Mr. DIO-GUARDI.

H. Res. 194: Mr. BERMAN, Mr. BARNES, and Mr. SAXTON.

H. Res. 208: Mr. BROOMFIELD, Mr. LAGOMARSINO, Mr. STRATTON, Mr. KEMP, Mr. HYDE, Mr. FAZIO, Mr. GIBBONS, Mr. MCCURDY, Mr. MONTGOMERY, Mr. ROTH, Mr. BURTON of Indiana, Mr. LEATH of Texas, Mr. JENKINS, Mr. HOYER, Mr. DORNAN of California, Mr. COURTER, Mr. GILMAN, Mr. ANTHONY, Mr. BATEMAN, Mr. WHITTAKER, Mr. ROWLAND of Connecticut, Mr. DICKS, Mr. NICHOLS, Mr. HARTNETT, Mr. YOUNG of Florida, Mr. DICKINSON, Mr. SHELBY, Mr. DORGAN of North Dakota, Mr. GUNDERSON, Mr. ROBERTS, Mr. LIVINGSTON, Mr. SLAUGHTER, Mrs. BURTON of California, Mr. MCCOLLUM, Mr. QUILLEN, Mr. STUMP, Mr. ERDREICH, Mr. HATCHER, Mr. WILLIAMS, Mr. FOGLIETTA, Mr. RUDD, Mr. KASICH, Mr. ARMEY, Mr. ACKERMAN, Mr. OXLEY, Mr. COATS, Mr. MOORHEAD, Mr. NIELSON of Utah, Mr. WALKER, Mr. MONSON, Mr. CRAIG, Mr. HORTON, Mr. WHITEHURST, Mr. GROTBERG, and Mrs. VUCANOVICH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1048: Mrs. BENTLEY.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

154. By the SPEAKER: Petition of the council of the County of Maui, Wailuku, HI, relative to homelessness; to the Committee on Banking, Finance and Urban Affairs.

155. Also, petition of the Pennsylvania State Veterans' Commission, relative to peace activists in the Vietnam era; to the Committee on House Administration.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555

By Mr. DONNELLY:

—Page 89, after line 6 insert the following new subsection:

(i) INCREASING ASSISTANCE FOR EL SALVADOR.—In order to allow additional assistance for El Salvador, there are authorized to be appropriated for each of the fiscal years 1986 and 1987 (in addition to amounts otherwise authorized to be appropriated by this Act)—

(1) $11,170,000 to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance);

(2) $150,000 to carry out chapter 5 of part II of that Act (relating to international military education and training);

(3) $19,500,000 to carry out chapter 4 of part II of that Act (relating to the economic support fund); and

(4) $6,970,000 to carry out chapter 1 of part I of that Act (relating to development assistance).

By Mr. DORNAN of California:

—Page 30, after line 10, add the following new section:

SEC. 128. FUNDS FOR ASSISTANCE TO NONCOMMUNIST RESISTANCE FORCES IN NICARAGUA.

(a) FINDINGS.—The Congress finds that—

(1) the Sandinista regime of Nicaragua assumed power as a direct consequence of action by the Organization of American States based upon a commitment made by the Sandinistas in 1979 that they would conduct free and fair elections, pursue political pluralism and a nonaligned foreign policy, maintain a mixed economy, and guarantee the full observance of human rights and respect for religious freedom;

(2) the Sandinistas have reaffirmed their commitment to these principles by signing the 21-point Contadora Document of Objectives in September 1983 which calls for full support for democratic institutions, the establishment of democratic systems in all the countries of the region, and respect for human rights;

(3) the current conflict in Nicaragua stems from the violation by the Sandinistas of their 1979 commitments;

(4) despite generous aid from the United States for Nicaragua during the period 1979 through 1981, as a large part of the $1,600,000,000 received by Nicaragua in Western economic help, and despite United States forebearance from counteraction until late 1982, Nicaragua has committed aggression and has armed and directed subversion and terrorism against her neighbor countries, with the backing of the Soviet Union and Cuba, in violation of her commitment to the Organization of American States;

(5) the Sandinista leadership is composed of committed revolutionaries who openly embrace Marxist-Leninist ideology and the goal of extending their regime beyond the borders of Nicaragua by means of subversion and terrorism directed against their Central American neighbors;

(6) the size and equipment of the Sandinista military resulting from a massive infusion of weapons from the Soviet Union and Soviet clients, now exceeds all legitimate defensive needs and is far larger than that of any other Central American country;

(7) President James Monroe, announcing the Monroe Doctrine in 1923, declared that the United States would consider any attempt on the part of European powers "to extend their system to any portion of this Hemisphere as dangerous to our peace and security";

(8) the establishment of Marxist-Leninist states as surrogates for Cuba and the Soviet Union in Central America poses a rea' and clear peril to the security of the United States, and all of the Americas, including potentially serious threat to shipping lanes through the Caribbean, an increase in the level of violence, terrorism, economic disruption, physical dislocation, and political repression in the region occasioning a massive flight of refugees to the United States and a necessity for the United States to devote greater military resources to defend against what, if not contained, will inevitably become a growing threat to the southern approaches to the United States;

(9) the President announced economic sanctions against Nicaragua on May 1, 1985, in response to the emergency situation created by the Sandinista regime's aggressive activities in Central America, but that those sanctions alone are unlikely to have the effect of changing Nicaragua's behavior; and

(10) the policy of the United States toward Nicaragua has the four following objectives: (A) an end to Nicaraguan support for guerrilla groups in neighboring countries, (B) severance of Nicaraguan military and security ties to Cuba and the Soviet bloc, (C) reduction of Nicaragua's military strength to levels that would restore military equilibrium to the region, and (D) fulfillment of the original Sandinista promises to support democratic pluralism and respect human and civil rights.

(b) POLICY.—It is, therefore, the sense of the Congress that—

(1) dialogue, negotiation, and pressure from world opinion have proven to have virtually no effect in changing the Sandinista regime's behavior and can be no substitute for direct economic and indirect military pressure;

(2) the President should consider severing diplomatic relations with the Sandinista government if that government does not fulfill its commitments to the Organization of American States and the Contadora countries and desist from further terrorism and subversion of its neighbors;

(3) the United States should provide funding for both overt and covert assistance to the non-Communist resistance forces in Nicaragua to meet both their military and nonmilitary needs; and

(4) current restrictions in law on the use of funds to provide assistance to non-Communist resistance forces in Nicaragua should be removed and additional funds for such purpose should be authorized for fiscal year 1986 and fiscal year 1987.

(c) AUTHORIZATION OF ASSISTANCE.—Of the amounts available to carry out chapter 2 of part II of the Foreign Assistance Act of 1961, up to $28,000,000 for fiscal year 1986 and up to $28,000,000 for fiscal year 1987 may be used to provide assistance to non-Communist resistance forces in Nicaragua, notwithstanding any other provision of law.

By Mr. KOLBE:

—Page 35, after line 2, insert the following new paragraph (2):

(2) ASSISTANCE CONDITIONED ON RELEASE OF AMERICAN HOSTAGES.—These funds may be used for assistance for Lebanon only if all United States citizens held involuntarily by terrorists in that country have been released before the enactment of this Act.

Page 35, line 3, strike out "(2)" and insert in lieu thereof "(3)"; and line 5, after "because" insert "the condition specified in paragraph (2) is not met or because".

EXTENSIONS OF REMARKS

HOUSE JOINT RESOLUTION 324

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. ROTH. Mr. Speaker, over the last few months we have begun receiving an increasing number of reports on the atrocities being committed by the Ethiopian regime of Colonel Mengistu. My colleagues and I are appalled by the inhumane acts being perpetrated on the Ethiopian people. As a result, yesterday I introduced House Joint Resolution 324 calling for trade sanctions against the Ethiopian Government unless the present genocide is stopped.

We have heard of the forced evacuation fo 60,000 hungry refugees at Ibnet. We have heard of the confiscation of U.S. supplied tents to be used for troops rather than the starving. And we have heard of the tons of grain rotting on the docks. I would also like to draw the attention of my colleagues to a poignant account of what is happening in Ethiopia written by Mr. Dereje Deressa who is himself an Ethiopian. Mr. Deressa's story appeared in the Los Angeles Times on February 3, 1985, and is reprinted below:

ETHIOPIA'S OTHER NEED: DECENT GOVERNMENT

(By Dereje Deressa)

As an Ethiopian, I want to express my deepest appreciation to the American people. Without your contributions of money and shipments of food and medicine, the terrible tragedy that has befallen my pecple would be even greater catastrophe than it already is.

It is widely known that the famine was initially caused by a drought that has afflicted parts of Ethiopia for as many as four years. It is less well known that far more than lives are being destroyed; the very social fabric of the countryside has fallen victim to the drought. Worst of all, the natural disaster is being multiplied by a brutal regime that is obsessed with power at the expense of the lives of its own people.

The rural communities where 90% of Ethiopians live are being decimated by the combination of drought and human destructiveness. The fate of an ordinary village illustrates the pattern.

Chutta, typical of thousands of villages in Ethiopia, is the center of a farm community of several hundred families. An effective social and economic system has for generations allowed these families to survive by sharing their limited resources, while at the same time retaining their individuality.

Farmer A owns a donkey, and uses it to carry grain to market. Farmer B has an ox that pulls a simple plow. Farmer C has some large clay pots in which grain is stored, to use as seed for the next crop. A long-standing pattern of cooperation lets each farmer share the resources of his neighbors. Alone, each is doomed. Together, they can survive.

The present string of dry years in Chutta has been made worse by the interference of a regime that is willing to destroy this functioning cooperative system in pursuit of power for itself. When nature has already dealt these farmers a severe blow through drought, the imposition of forced collectivization has turned tragedy into catastrophe by destroying the existing survival system.

Under the present regime, Farmer A no longer owns his donkey nor Farmer B his ox. Both animals now belong to every one, meaning to no one. A farmer looks after his animals as if they were family, for the human members would not long survive without them. But animals without masters are poorly cared for; they weaken and often die prematurely. They often are not bred, because it isn't in anyone's particular interest to do so. Government committees can collect the animals and send them elsewhere to work. They may not all be returned, those that are will not have been well cared for.

Farmer C, who stores grain seed for himself and his neighbors, now is accused of hoarding. The seed is confiscated and given to another committee—one that is fed by the government, not by food produced through its own labor.

All stored food reserves—the insurance policy of every traditional farmer the world over—also is taken in the name of collectivization. When the inevitable dry period arrives, it becomes an immediate death sentence, because the stored reserves have disappeared into the government's hands, to be given to the army (who should be home growing food) or distributed or withheld on the basis of political reward.

It is not the principle of the collective behavior that is to blame. It is the cruel indifference of the regime to the consequences of reckless collectivization, brought about because the government cares more about power than food production. The result is the destruction farming. In Chutta today there are no donkeys, no oxen and no seed to plant. With their food reserves gone, the farmers have but two choices: starvation at home or the desperate effort to reach the food distribution centers that we see on television. Many die en route, and we have seen for ourselves the condition of those who survive the journey.

Unless something is done, the survivors of the drought will become permanently dependent, for their very lives, on a continuing flow of flood from the United States and other countries. The rural society that has fed Ethiopia for so many centuries is disintegrating in much of the country, and is in danger of total collapse. Distributing food through camps located along Ethiopia's few roads is, for now, the only way to save lives, and must continue. But an end to dependence requires that many Chuttas be helped to rebuild the social and economic structures that will allow then to feed themselves. And only if the farmers are allowed to participate in the decisions affecting their lives will there be hope that the rebuilding can succeed.

The present regime in Ethiopia, the Dergue, has shown itself to be morally and practically unfit to lead. It came to power in a revolt against Haile Selassie's corrupt government during a famine 10 years ago. The many bitter charges made against his misrule are true of the Dergue today.

Power and wealth is concentrated in a few hands, as it was before, while the majority starves. Tribal bigotry keeps civil wars raging in Eritrea, Tigre, Bale, the Ogaden, and elsewhere. The army, already too large under the emperor, has become the largest standing army in Africa, absorbing nearly half of the government's budget. Northerners are drafted to fight southerners and vice versa, dividing the nation further by deepening ethnic animosities. Two million Ethiopians have been driven into exile; of the 100,000 now in the West (some 70,000 in the United States), 80% represent the skilled human resources without whom modernization is a practical impossibility.

In response to the need for development, the regime has mortgaged its exports for years to come in order to buy weapons from the Soviet Union. The government spent more than $100 million last year to celebrate its 10th anniversary, diverting trucks from food distribution to military parades.

In addition to the bountiful generosity of the American people, I must appeal for one thing more. You must insist that your government, in coordination with those of the other countries helping to meet the present emergency, require that the aid be distributed to *all* suffering regions of the country; that Ethiopia use its own resources for food and development, not to maintain a huge army, and that the government allow the Ethiopian people a real voice in the decisions that will shape their lives. Only Ethiopians can, in the long run, feed Ethiopians, and to do so they must be led by a government that has the people's interests as a primary goal, not the preservation of its own authority.

However callous the regime is, it also is afraid, with good reason, that its control is growing weaker as the suffering spreads and grows. At such a time, the regime is less able to resist pressures from outside that accompany offers of life-saving aid. If those pressures are humanitarian, compassionate and realistic, if they demand that dictatorial practices be abandoned and military spending be sharply cut, if they demand that farmers and craftsmen be allowed to make their own day to day decisions, the regime will find it impossible, given their lack of an alternative source of aid, to ignore the demands altogether. Once the door is opened a crack, once the heavy authoritarian yoke has been lifted even slightly, it will prove impossible to turn back the clock.

I can see no other hope for a self-reliant Ethiopia. Even following the removal of a brutal and repressive system, the problems facing my country are enormous. But if such a regime is unchallenged, I see no hope at all.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

BUILDING ON A FITTING TRIBUTE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. RITTER. Mr. Speaker, I would like to take this opportunity to bring to the attention of my House colleagues the outstanding accomplishments of James Molinaro.

In 1984, Mr. Molinaro was recognized by the House and Senate of the Commonwealth of Pennsylvania for achievements while serving as the president, and earlier as secretary, treasurer, and first and second vice president during his 10 years of involvement with the Lehigh Valley Home Builders Association.

On the national level Mr. Molinaro has received the National Association of Home Builders [NAHB] Award of Recognition, the NAHB Local Government Affairs Certificate of Appreciation, and the NAHB Certificate of Appreciation.

We in the Lehigh Valley are fortunate to have men such as James Molinaro who are dedicated to community service. Please join me in congratulating Mr. Molinaro for his efforts.●

THIRTEENTH ANNIVERSARY OF THE SOCIAL SECURITY COST-OF-LIVING ADJUSTMENT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Ms. SNOWE. Mr. Speaker, Sunday, June 30th, is the anniversary of the passage of H.R. 15390, the legislation which established a cost-of-living adjustment for Social Security. Prior to that time, the benefits that went to beneficiaries under the provisions of the Social Security Act could be eroded by inflation, making Social Security benefits, while vital, less secure. Since the implementation of the cost-of-living adjustment, those on fixed incomes, such as the elderly, can be assured that they will maintain a constant level of purchasing power.

It is interesting, then, that 13 years after the passage of that legislation, we are still embroiled in a debate over the COLA. This time, the notion is that the COLA must be frozen in order to help pay for the enormous national debt. There are those who say the elderly must do their fair share.

To that I respond, the elderly have. In 1983, as a result of the amendments to the Social Security Act, older persons lost 6 months of their COLA. The short-term effect was that 6 months of inflation protections were totally ignored. The long-term effect was to create a slippage in the system that will never be regained. In other words, the base on which all subsequent benefits were calculated was diminished so that lifetime benefits were less.

The extent to which these COLA's are essential is dramatized by data provided by the Congressional Budget Office which found that the effect of a reduction in the COLA for Social Security recipients would result in 600,000 more persons slipping into poverty, 410,000 of whom would be the elderly. Increases in Supplemental Security Income would only ameliorate the problem by about 70,000 persons. And if one uses the administration's projections for inflation, the figures are even more dire—650,000 more persons into poverty. In real terms, these statistics translate into more people unable to meet their basic needs for food, shelter, and health care.

The lesson should be clear. Many older persons live on the edge of poverty. The only cushion they have is provided by the cost-of-living adjustment. To tamper with that inflation adjustment is to cut benefits to current and future recipients.

In a larger sense, however, the issue transcends the statistics. Social Security is a contract, a promise made between us, the Government, and those through whose consent we govern. Without the confidence and the trust that promises made are promises kept, we risk the support of this generation of elderly and their children in the future.●

ASSEMBLY JOINT RESOLUTION 58

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. FAZIO. Mr. Speaker, I would like to call the attention of the House to an important resolution, Assembly Joint Resolution 58, which was adopted recently by the California Legislature. The resolution makes a good and sound case for the nutritive contribution apricots can make to the National School Lunch Program. I believe the contribution is even more significant in times such as the resolution establishes now exists in the international specialty crop markets.

Thank you for allowing these points to come to the Membership's attention.

ASSEMBLY JOINT RESOLUTION No. 58—RELATIVE TO APRICOTS

LEGISLATIVE COUNSEL'S DIGEST

AJR 58, Cortese. Apricots: domestic use.

This mneasure would memorialize the Secretary of the United States Department of Agriculture to provide written assurance to purchase additional domestic apricot juice, as specified, for the National School Lunch Program.

Whereas, California produces 98 percent of all domestically produced apricots, comprising a $37 million industry; and

Whereas, Apricots have extraordinary nutritional content, being loaded with vitamin A and potassium and containing noteworthy amounts of vitamin C; and

Whereas, Through the California Apricot Advisory Board, a state marketing order board, California apricot growers finance an ongoing national advertising and promotion program to assist movement of their commodity in the marketplace; and

Whereas, Industry leaders estimate that between one-quarter to one-third of the 1985 crop, amounting to 20,000 tons, will be lost due to record high dried apricot imports; and

Whereas, The importation of dried apricots in the United States, primarily from Turkey, has resulted over the last five years in a severe loss of markets for domestic apricot producers and processors; and

Whereas, Domestic dried apricot utilization accounted for only 20 percent of the total utilized production from the 1984 crop, down from 32 percent of the crop used for drying in 1983; and

Whereas, Preliminary estimates from the United States Department of Agriculture indicate a 46 percent increase over the same period one year ago in the number of dried apricot imports; and

Whereas, These imports are entering United States markets at prices below our growers' actual cost of production; and

Whereas, If the present trend continues, the Turkish dried apricot import situation, which is fueled by the extraordinarily strong United States dollar, presents a terminal problem for a significant number of the 400 California apricot producers; and

Whereas, The California Legislature applauds the Secretary of the United States Department of Agriculture's recent decision to purchase 400,000 cases of canned apricots for the National School Lunch Program; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature hereby recognizes the significant contributions the apricot industry makes within the state; and be it further

Resolved, That the Legislature respectfully memorializes the Secretary of the United States Department of Agriculture to provide written assurance to purchase an additional 500,000 cases of apricot juice for the National School Lunch Program because the long-term survival of our domestic production and the thousands of jobs it supplies hang in the balance; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President of the United States, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the United States Department of Agriculture.●

SUPERFUND WEAKENED

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. EDGAR. Mr. Speaker, I would like to call the attention of my col-

leagues to a disheartening development in the progress of the Superfund reauthorization. Last Thursday, the House Subcommittee on Commerce, Transportation and Tourism voted against consideration of the Superfund reauthorization bill introduced by its chairman, JAMES J. FLORIO, and decided to consider a much weaker version. Yesterday the full Committee on Energy and Commerce reported a similar weak bill, with the addition of only a few strengthening amendments.

There is a broad consensus that our Nation is facing a toxic waste emergency. Over half of our population's drinking water is under threat of contamination and studies have estimated the number of hazardous waste sites at 300,000 nationally. Congress needs to implement a stringent reauthorization of the Superfund Program that would address our Nation's toxic waste problems. We need a bill that will get started on the cleanup that has been lagging for 5 years. I commend JIM FLORIO for his history of hard work in this area.

In the last Congress, this body approved a Superfund reauthorization introduced by Chairman FLORIO by an overwhelming vote of 323 to 33. A similar bill was reintroduced by Chairman FLORIO this year but was tabled by the subcommittee. The Florio bill would have provided EPA and the industry with a strict set of cleanup standards and deadlines and would have transformed the recent years of inaction into a concerted effort to rid our Nation of the danger posed by toxic waste sites.

The bill approved yesterday, on the other hand, would allow the EPA to fail in the war against toxic hazards by providing weaker cleanup standards, by shifting the financial burden for cleanup from those responsible to the public at large and by limiting the ability of those affected by Superfund sites to sue to force cleanup operations. The bill ignores the historic failure to solve the toxic waste problem.

I commend to my colleagues' attention an insightful article on the Superfund issue by Dale Mezzacappa that appeared in the June 23, 1985, Philadelphia Inquirer. The article follows:

AS TOXIC-WASTE PROBLEM BECOMES CLEARER, RESOLVE IN CONGRESS SOFTENS

(By Dale Mezzacappa)

WASHINGTON.—"We all agree that these toxic-waste dumps must be cleaned up as rapidly as possible," said Rep. Jack Fields (R., Texas).

"All of us concur that the reauthorization and improvement of Superfund is the most important environmental action we will take this year in Congress," said Rep. Thomas Tauke (R., Iowa).

"There is no question that this country needs a stronger Superfund than the one that is about to expire." said Rep. Billy Tauzin (D., La.).

Ever since the toxic-waste crisis hit public awareness in this country in 1978 with the Love Canal disaster in New York, it has been hard to find a member of Congress who admits to wanting anything less than the strongest program to clean up as many poisonous dump sites as quickly as possible.

But despite mom-and-apple pie statements in support of Superfund—the $1.6 billion cleanup program enacted in 1980 whose authorization expires this year—Congress appears to be softening its stance on toxic waste.

On Thursday, a House subcommittee voted to retreat significantly from a bill passed by the full House last year. Compared with the 1984 bill, the measure approved Thursday imposes weaker cleanup standards, reduces the chances that cleanups will take place efficiently and quickly, and shifts the burden of paying for the program from the chemical industry to other industries and the public at large.

The subcommittee also voted to limit the ability of people to sue polluters to force cleanup action, and to give more enforcement discretion to an Environmental Protection Agency that has had to be dragged reluctantly into enforcing the program with any vigor.

On almost every individual point, environmentalists contend, the subcommittee Thursday adopted solutions favored by the petrochemical industry and ignored the industry's historic failure to acknowledge or solve its toxic-waste problems.

All this has happened while evidence has mounted that the problem is worse than previously thought, with half the population's drinking water under threat and as many as 300,000 sites, according to one study, that potentially threaten serious environmental problems.

"It's like fighting a tar baby," said Rep. James J. Florio, the New Jersey Democrat who pushed through the first Superfund law over oil and chemical industry opposition and who is now facing major problems in his effort to strengthen the program. "They 'yes' you to death, and then they turn around and fight anything with teeth."

Last year, two months before the election, at a time when the dangers of toxic pollutants were prominent in the public mind, the House voted a tough Superfund reauthorization package by a lopsided, 323-33, vote.

Among other things, it would have imposed deadlines on the EPA to begin cleanups, set strict standards for the cleanups, and explicitly included the common-law principle that a polluter can be held liable to pay for an entire cleanup, even if it is responsible for only part of a dump site's problems.

Environmentalists consider that principle important in getting industries to smoke out other responsible parties, because a company that is fined for the entire cleanup cost is itself more like to seek others responsible for a site's pollution.

Industry officials have objected to that principle as unfair, but so far they have failed to overturn it in court.

Environmentalists say that including the principle in the Superfund law will end court challenges against it and allow cleanup efforts to proceed.

Despite the overwhelming House vote, Florio's bill did not become law last year. When the Reagan administration—which favors a $5.3 billion Superfund program—objected to the House bill, it died in the Senate.

This year, the process started over again. With no election for another 18 months and the program due to expire in September, Florio tried to present basically that same bill to his subcommittee.

Instead, he encountered Thursday's mutiny. The subcommittee, of which Florio is chairman, voted 13-5 to kill Florio's bill before it could be considered by the full House and substituted its own Superfund measure.

In addition to its other provisions, Thursday's measure eliminated language—approved last year by the full House—that would allow citizens to sue polluters, not just the government, to force cleanup of sites presenting immediate dangers to public health.

Supporters deny that the measure passed Thursday is weaker than Florio's bill, saying their solutions are more practical and based on newer information.

"Although I supported last year's bill, in a way I'm glad it was never enacted, because we know so much more now," said Norman F. Lent, (R., N.Y.), the subcommittee's ranking Republican.

Supporters of the substitute measure cited political considerations, as well.

Dennis E. Eckart (D., Ohio), the architect of the measure passed Thursday, acknowledged that the House is less receptive to Florio's measure than it was last August. He also called his legislation "veto-proof," alluding to the administration's resistance to Florio's bill.

Eckart said he feared that, unless a more politically acceptable measure was drafted, industry supporters on the subcommitee might have pushed through provisions that would have seriously weakened toxic-cleanup efforts.

On the subject of who should pay for the fund, the petrochemical industry has won broad concessions. In Florio's original bill, most of the cost would have been paid for through a tax on raw chemicals. Last year's House bill would have quintupled that tax as a main source of funds.

But through heavy lobbying, the industry has convinced Congress that the burden should be spread. The Senate Finance Committee, in approving a $7.5 billion program, imposed a broad-based manufacturers' excise tax. The rationale was that virtually all industries benefit from the use of chemicals and therefore contribute to the toxic-waste problem.

The subcommittee's measure also accepts in principle that the cost of paying for cleanups should be spread more broadly, and not borne primarily by the chemical industry.

"The industry is working hard for relief," said A. Blakeman Early of the Sierra Club. "They won no major increase in taxes, so now they are going after the liability provisions."

The industry perspective is the opposite. Lobbyists argue that the industry is taxed to pay for the fund and held liable for individual cleanups, as well.

The five-year-old Superfund, enacted frantically during the lameduck 1980 session as the Reagan administration prepared to take office, was a brand-new endeavor attempting to deal with a problem of unknown magnitude.

At the time, the Chemical Manufacturers Association opposed its enactment, arguing that Love Canal was an aberration and that no social purpose would be served by adding another government bureaucracy.

What Congress wrought soon proved to be full of systemic weaknesses, and the problem was made worse by the attitude of the Reagan administration.

The EPA under Anne M. Burford was reluctant to enforce the program. Congressional investigators reported that she let money build up in the fund so that the tax on the chemical industry would be reduced or eliminated and decided what sites to clean based on politics, not on need.

In 1982, White House memos undercovered by congressional investigations showed that the political goal of the administration was to avoid Superfund reauthorization in 1985.

After the scandal that resulted in Burford's resignation and the jailing of her Superfund director, Rita Lavelle, for lying to Congress, the EPA improved its cleanup record, but still not to the satisfaction of the agency's critics.

The fact that only six sites have been cleaned up, even though nearly $1.5 billion has been spent, is a function of both the EPA's delay in getting started and the overwhelming complexity of the problem, including a lack of adequate treatment technology.

Leslie Dach, Washington representative of the Audubon Society, complains that members of Congress have been too willing to listen to an industry that "has cleaned itself up only at the point of a gun and is now saying it will be Boy Scouts and do the right thing."

Today, the CMA admits there is a problem and favors reauthorization of the program, but at the $5.3 billion level favored by the Reagan administration.●

"PROTECTIONISM"

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. SHUMWAY. Mr. Speaker, the Banking Subcommittee on Economic Stabilization is conducting hearings concerning the controversial subject of protectionism in response to the growing clamor for such measures.

To borrow from the words of Eugene O'Neil, "We can kid the world but we can't fool ourselves." And whether we call it voluntary restraint agreements, import surcharges, domestic content requirements or the like, we cannot delude ourselves into thinking that we are not engaging in the very practice of protectionism—the practice of our trading partners which we decry and condemn.

With the U.S. trade deficit burgeoning to record levels, it is easy to hop the "protectionism bound" bandwagon and engage in trade wars with those countries which limit American access to their markets. Indeed, Japan, who enjoyed an embarrassing $37 billion surplus in trade with the United States and, at the same time, restricted U.S. imports on manufactured products, has become the primary target for retaliation.

I can appreciate the sentiment. Japan and every other U.S. trading partner imposing import barriers on U.S. goods, are seen as exploiters of the international trading system, rogues threatening the very foundations of open trade. And this Nation, who supposedly honors the rules of "free and fair" trade, is the loser. Millions of Americans are thrown out of work, and portions of the Nation's industrial sector verge on ruin.

However, we cannot brand Japan as the wicked witch of the east. We cannot attribute our inability to compete to trade barriers. And we cannot delude ourselves into thinking that protectionist measures will make our economy more productive and eliminate our trade deficit.

I believe that in the panic produced by the escalating trade imbalance, we are overlooking some important facts. Most of the trade deficit since 1980 has been caused by the rising dollar, which in turn has been the result of the huge budget deficit. the current projected budget deficit raises real interest rates in the United States and attracts funds from the rest of the world. This has raised the dollar's real value in comparision to other currencies by more than 70 percent since 1980. And with American prices up 70 percent in comparison to overseas competition, it is not surprising that our trade deficit has exploded. If the deficit is reduced, the result would be a significant decline in the real interest rates, in the dollar and in our trade deficit.

Second, America has recovered much faster from the last recession than have our trading partners. Last year, the American economy grew by 6.8 percent, compared to 4 percent in Canada, 2.6 percent in West Germany, and 1.6 percent in Great Britain. Japan, with 6.2 percent growth, also lagged behind the United States. Consequently, American businesses and consumers have more money to spend than their foreign counterparts. So the United States imports more than they do. Our trade balance normally deteriorates in an expansion, but the comparative vitality of the U.S. recovery has exaggerated the pattern.

Third, while we think of the United States as a paragon of free trade, let us not overestimate our virtue. It is interesting to note that this country has approximately 45 percent of its manufactured imports subject to some form or another of nontariff barrier. Consumers are already paying higher prices because of these tariffs. If we impose additional surcharges or limit foreign imports, we are hurting only ourselves in the form of higher prices and the expense of maintaining a limited number of jobs. This form of protectionism has no broad benefit to society.

While the budget and trade balance would look better through protectionism, it doesn't solve our trade problems. More importantly, this type of action invites retaliation on the part of our trading partners which will work against the national interests of the United States in the long run. The United States must be partners, not adversaries, with other countries.

Let us not allow emotionalism interfere with economic logic. If our existing trade laws are not working, let us strengthen them. If the budget deficit is contributing to the trade imbalance, let us work to lower it. But let us not pursue policies, practices and attitudes that will cripple our ability to compete in the international arena. If we do, it will only be a pyrrhic victory, at best.●

JOB CORPS PROGRAM STUDIES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1985

● Mr. OBEY. Mr. Speaker, attempts by the Reagan administration to discredit the Job Corps have backfired and have, in fact, strengthened the evidence in support of this vital training program. That is why I am alerting my colleagues to six Job Corps Program studies directed by the administration, most of which have never been made public.

These studies tell us a good deal about the Job Corps, but a whole lot more about the way budget decisions are being made in this administration. In a year in which the President is asking for $15 billion increase in Government spending, and in a year when $30 billion is being transferred from domestic purposes to spending on defense and foreign affairs, Congress is being asked to eliminate a program which the administration's internal reviews show is both working and saving tax dollars.

The Job Corps has been the subject of extensive evaluations. The most comprehensive one, completed in 1982 by Mathematica Policy Research, Inc., of Princeton, was undertaken at the direction of the U.S. Department of Labor. The study showed that, for every tax dollar spent on the Job Corps, $1.46 was repaid in increased tax revenues from the higher earnings of program participants and from the decreased burdens which Job Corps graduates placed on Government programs, such as food stamps and Aid for Families with Dependent Children.

Apparently, the results of this study did not please the administration so the Office of Management and Budget ordered the Department of Labor to review the mathematica study. The documents I refer to today uphold the original findings of this evaluation and again demonstrate that the Job Corps is a program well worth our investment. I will just mention a few of the highlights from these studies:

We are able to report our conclusions regarding the Job Corps because it stands out

clearly as a program for which there is strong evidence regarding effectiveness: there are few other evaluations of youth programs from which the committee can draw conclusions about effectiveness with such confidence. . . On the basis of our review, the committee concludes that the Job Corps serves a significant portion of the disadvantaged population effectively and that society receives a reasonable return on the resources it invests in this program." (Letter from the National Research Council of the National Academy of Sciences.)

This (Mathematica) study of the Job Corps . . . represents the current state of economic and econometric art. . . This is a very detailed and exhaustive benefit-cost analysis. The final conclusion that the benefit ratio to society is greater than 1.0 . . . is supported by the data. There do not appear to be any outcomes of significant magnitude or conceptual relevance that are missing." (From an assessment by Ernst W. Stromsdorfer, then of ABT Associates, Inc.)

In summary, none of the reviewers found any serious deficiencies that could not be satisfactorily explained by Mathematica. All reviewers indicated . . . that the evaluation was competently conducted." (From a review by the Department of Labor, Office of Research and Evaluation, Employment and Training Administration.)

I have been reading program reviews and evaluations for 16 years as a Member of the Appropriations Committee. I know of no instance where the documentation is more uniform or the evidence of success is more overwhelming than with the Job Corps Program. Even if there were agreement with the administration's view that billions of dollars should be transferred from domestic programs to spending on defense and foreign military support, the Job Corps is not a domestic program that any fair or right-minded person would choose for reduction. There are a number of programs right in the Department of Labor that would be cut first.

Recent assertions by the administration that it costs as much to send a young person to Job Corps as it does to Harvard or Stanford are factually in error and beside the point. "The cost to send someone to the Job Corps is considerable less than the administration's $15,200 per slot figure. That figure is deliberately misleading because the average period of attendance in the program is 8 months, not 12. The cost of 9 months' education at Harvard or Stanford, including both the tuition costs and the costs picked up by the university through the endowment, is in the range of $25,000."

Mr. Speaker, even if it costs as much for the Job Corps to educate young people from the most difficult family situations and the worst high schools in the country as it costs Harvard and Stanford to deal with the cream of American secondary education, then I would say they were doing a pretty good job. The point is, all evidence points to the fact that it is working and saving money. The administration has failed miserably to produce factual data that support their argument to eliminate the program.

I am inserting in the RECORD today the full text of the letter from the National Research Council of the National Academy of Sciences which was prepared for the U.S. Department of Labor at their request in February of this year. The other research reports on the Job Corps are available to Members from the Joint Economic Committee.

LIST OF JOB CORPS STUDIES AVAILABLE FROM THE JOINT ECONOMIC COMMITTEE

Review of Selected Aspects of the Job Corps Program, Employment and Training Administration, Office of Research and Evaluation, Division of Program Evaluation—July 1982.

Assessment of the Job Corps Evaluation Study, Farrell Block, independent consultant—July 5, 1982.

Memorandum on Evaluation Report on Job Corps, Department of Labor—August 1982.

Technical Assessment of a Comparative Evaluation of the Benefits and Costs of Job Corps, ABT Associates, Inc.—August 31, 1982.

An Assessment of the Job Corps Program, U.S. Department of Labor—September 1982.

Comparing the Costs of Job Corps with the costs of Other Youth Employment and Training Programs, Center for Employment and Income Studies—September 1982.

NATIONAL RESEARCH COUNCIL,
Washington, DC, February 22, 1985.

Mr. FRANK CASILLAS,
Assistant Secretary for Employment and Training, U.S. Derpartment of Labor, Washington, DC.

DEAR MR. CASILLAS: In 1983 the U.S. Department of Labor requested that the National Research Council undertake a study of youth employment and training programs, focusing in particular on the programs developed and carried out under the Youth Employment and Demonstration Projects Act between 1977 and 1981. In response to that request the Committee on Youth Employment Programs was established in October 1983. (A list of committee members is attached.) Our charge was to:

Review what is known about the effectiveness of the principal types of YEDPA programs; assess existing knowledge regarding the implementation of youth employment programs; evaluate the YEDPA research strategy; summarize the lessons learned from YEDPA for future policy development and program implementation.

This report is in response to a request from Dr. Fred Romero, Administrator, Office of Strategic Planning and Policy Development, for any information the Committee can provide at this time regarding the effectiveness of youth labor market programs, especially the Job Corps Program. Although its evaluation of other youth programs is still in process, the Committee on Youth Employment Programs is able to offer its assessment of the Job Corps based on the best evaluation evidence available.

The Committee's findings with regard to the Job Corps are part of an ongoing comprehensive review and study of youth employment problems and programs (as indicated in the mission statement). We are able to report our conclusions regarding the Job Corps because it stands out clearly as a program for which there is strong evidence regarding effectiveness: there are few other evaluations of youth programs from which the committee can draw conclusions about effectiveness with such confidence.

A principal point emerging from our review of the nature of youth employment problems is that these problems are particularly severe for school dropouts, and especially for black and Hispanic youth. For example, in October 1983, when unemployment rates among adult white males (age 35 to 44) averaged 5.2 percent, the unemployment rates for male and female 16- to 19-year-old school dropouts were 29 percent for whites, 31 percent for Hispanics, and 57 percent for blacks. It is noteworthy that the enrollees in the Job Corps have been predominantly from this group: minority group school dropouts.

The Job Corps is in many respects unique. It is distinguished by the population it serves, the comprehensive nature of the services it offers, its stability as a program, and the quality of the evaluation that is available on it. We note that these last two points are probably not unrelated. The Job Corps serves a severely disadvantaged population: about 90 percent of the Job Corps enrollees were either from households below the poverty line or receiving welfare benefits; more than 75 percent were minorities. Furthermore, despite the fact that the median age of Job Corps enrollees was about 18, their median reading levels were at or below the 6th grade level. The Job Corps is run in a residential setting, and provides a combination of services that include health care, basic skills instruction, skills training, and counseling. The Job Corps has existed for 20 years; few programs have had such stability. The program is currently serving about 102,000 youths per year in 41,000 slots; i.e., enrollees averaged just under 5 months participation. At the time of the evaluation we reviewed, about 70,000 participants were being served per year.

Although the Job Corps has been substantially modified since it was first established in 1964, most evaluations of the program prior to the study by Mathematica were based on the experiences of those who participated in the Job Corps during the mid-1960s. A series of surveys by Louis Harris and Associates served as the primary data source for researchers attempting to estimate the impact of the Job Corps. These early studies had conflicting findings. For example, one study (Cain, 1968) found that participants earned $188 to $260 per year more than "no-shows" (those who enrolled but never participated) 6-months post-program. Another study (Woltman and Walton, 1968) found no significant differnce between the earnings of the Job Corps enrollees and early terminees (those who remained in the program less than three months) 18 months after participation. Taken together, these early findings suggested that Job Corps has a short-term impact that decayed (faded) fairly quickly (Goldstein, 1972).

The evaluation study by Mathematica (Mallar et al., 1982) that the committee reviewed was the most extensive and sophisticated of the studies of the Job Corps undertaken over the years. Unlike most evalutions of other youth employment programs that the Committee reviewed, this study:

a. Was based on a large sample of program participants (2,800) and nonparticipants (1,100) who were similar in most respects to Job Corps participants. The nonparticipants were youth eligible for the Job Corps residing in geographic areas where the Job Corps enrollment was low.

b. Gathered data on the participant and comparison groups for a reasonably long time after the program so that it was possible to establish the degree to which post-program effects exist and persist or decay. The third follow-up interview was conducted 42 to 54 months after the program period.

c. Had low rates of attrition in the follow-up samples of participant and comparison group members. The third follow-up survey was completed by 70 percent of those who completed the original baseline questionnaire, 65 percent of participants and 75 percent of comparison group members.

d. Took measurements on a wide variety of factors that could be affected by, or affect, the Job Corps experience, including: educational attainment, the value of economic production by Job Corps participants, receipt of welfare and other transfers, the extent of criminal activity, unemployment rates, employment rates, hours worked, and wage rates.

e. Used a comparison group methodology in a way that was as careful and technically sound as the state of the art permits.

The study also took careful accounting of full program costs and included an extensive cost-benefit analysis.

The essential finding of the evaluation is that the Job Corps "works." In particular:

a. On average, participants in the Job Corps were employed about 3 weeks per year (13 percent) more than nonparticipants up to 3½ years post-program, and their earnings gains after leaving the Job Corps were estimated to be $567 per year higher in 1977 dollars (28 percent) for enrollees than they would have been in the absence of the Job Corps experience. The amount of time that Job Corps enrollees received cash welfare or unemployment compensation benefits was lower by 2 weeks per year and 1 week per year, respectively, compared with nonparticipants.

b. The educational attainment of participants increased substantially while they were in the Job Corps: the probability that enrollees would receive a high school diploma or its equivalent (GED) within the first six months after leaving the Job Corps was .24 for enrollees compared with .05 for comparison group members.

c. Overall, the health of the Job Corps participants was better than that of nonparticipants after the program; participants reported about 1 week less per year of serious health problems.

d. Criminal activity, as indicated by rates of arrest, were significantly lower for participants during the period of the program, and after leaving the program they had fewer arrests for serious crimes than nonparticipants.

e. After an initial 6-month period post-program when enrollees fared worse than the comparison group in terms of employment and earnings, the aggregate positive effects of the Job Corps persisted at a relatively stable rate throughout the 4-year follow-up period. This outcome suggests that the main effects of the Job Corps do not stem from job placement.

We note that these overall effectiveness estimates included all participants, early leavers as well as those who followed the Job Corps course to completion.

Furthermore, when the benefits and costs of the program were estimated—in the study's quite detailed and sophisticated benefit-cost analysis—it was found that from the view of society as a whole, the net present value of benefits exceeded costs by $2,300 per enrollee (in 1977 dollars). From the view of participants, benefits exceeded costs by $2,400 on average. In the case of nonparticipants (i.e., private benefits and costs) a net cost of $115 per enrollee was incurred, representing a net redistribution of resources from nonparticipants to the Job Corps participants.

The estimated benefit-cost difference is particularly sensitive to the assumptions regarding the magnitude of the effect of the program in reducing crime. However, even when it is assumed that there are no post-program crime reduction benefits, the net present value of the program to society is still positive, about $500 per enrollee.

The committee has some remaining reservations about the Job Corps evaluation that are largely technical in nature. While the anaylsts appear to have done a thorough job in attempting to correct for any bias in the estimated effects, the lack of randomly assigned treatment and control groups leaves open the possibility that some amount of self-selection bias may exist. In addition, we do not have sufficiently detailed evidence that allows us to "unbundle" the elements of the Job Corps program and determine whether (or for whom) the residential element of the program is critical; whether the health component is essential; and whether the skills training offered adds to any effects that the basic education elements may have created—or vice versa.

On the basis of our review, the committee concludes that the Job Corps serves a significant portion of the disadvantaged population effectively and that society receives a reasonable return on the resources it invests in this program. Given the residential nature of the program, the fact that centers are for the most part in rural areas (many are located at former military bases), and the cost, it is not surprising that the Job Corps serves a relatively small proportion of all youths. What is of major importance is that the Job Corps appears to effectively serve those among the disadvantaged population who have been provided the opportunity to enroll.

Very truly yours,

ROBINSON HOLLISTER,
Chair, Committee on Youth Employment Programs.

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NATIONAL RESEARCH COUNCIL, COMMISSION ON BEHAVIORAL AND SOCIAL SCIENCES AND EDUCATION, COMMITTEE ON YOUTH EMPLOYMENT PROGRAMS

Robinson G. Hollister, Jr. (Chair), Department of Economics, Swarthmore College; Robert F. Boruch, Department of Psychology, Northwestern University; Raymond J. Carroll, Department of Statistics, University of North Carolina; James Coleman, Department of Sociology, University of Chicago; Roberto M. Fernandez, Department of Sociology, University of Arizona.

Judith M. Gueron, Manpower Demonstration Research Corporation, New York, New York; Joel F. Bandler, School of Law, University of Wisconsin; Patrick W. Moore, San Diego Regional Employment and Training Consortium; Ronald L. Oaxaca, Department of Economics, University of Arizona; John U. Ogbu, Department of Anthropology, University of California, Berkeley; Paul Osterman, Department of Economics, Boston University.

Paul E. Peterson, Brookings Institution, Washington, DC; Harriet B. Presser, Department of Sociology, University of Maryland; David A. Wise, John F. Kennedy School of Government, Harvard University; Charles L. Betsey, Study Director; Mary R. Papageorgiou, Research Associate; Charles F. Turner, Senior Research Associate.●

ALARMING PROBLEM FACING THE ST. LOUIS BARGE INDUSTRY

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GEPHARDT. Mr. Speaker, recently an article appeared in the St. Louis Post-Dispatch that discusses an alarming problem facing the St. Louis barge industry and economy. The barge industry, which in the past has thrived in St. Louis, is in terrible shape. Barge companies are being forced to close because they cannot afford to maintain operations.

St. Louis' history is based on the river. That history is being threatened by the industry's economic woes causing bankruptcies and unemployment for hundreds of pilots, deckhands, oilers, fuelers, and boilermakers in the St. Louis area.

I think this article addresses an important issue that should be faced in the Congress. I encourage my colleagues to review this article.

[From the St. Louis Post-Dispatch, June 9, 1985]

BARGE INDUSTRY AWASH IN RIVER OF RED INK

(By Robert L. Koenig)

The river transportation industry—long a vital part of St. Louis' commerce and history—is in the throes of financial troubles that some analysts and rivermen say rival even the deepest troughs of the Great Depression.

What many barge companies hoped would be a spring of recovery this year has proved so far to be a bust. The industry continues to battle a dangerous economic current that

has idled a third to a half of the towboats and barges along segments of the Mississippi and Ohio rivers.

As that depression has deepened over the last few years, St. Louis—long known as the nation's largest inland port—has lost ground as a river city. About 22.7 million tons of river traffic passed through the Port of Metropolitan St. Louis in 1983; that was second to Pittsburgh's 26.5 million tons.

The rash of bankruptcies and mergers in the industry has thrown hundreds of pilots, deckhands, cooks, oilers, fuelers and boilermakers in the St. Louis area out of work. And the waiting lists for jobs at the union halls keep growing longer.

"Everybody said we hit bottom in 1984," said George Matz, port agent for the National Maritime Union here. "But here we are going into 1985, and now they're talking about a worse year. Let's hope we all survive it."

That assessment is shared even by the industry's boosters.

"This industry is in terrible shape," said Joseph Farrell, president of the American Waterways Operators, the trade association of barge and tow operators.

Two years ago, the waterway operator organization, based in Arlington, Va., closed its St. Louis office to save money. About the same time, another national water resource group also shuttered its office here.

"This association mirrors the industry," Farrell said.

A number of St. Louis' river companies have folded or left town in recent years. "St. Louis is no longer quite the hub of river commerce that it once was," said James V. Swift, vice president and business manager for The Waterways Journal Inc., a magazine based here.

Farrel said the number of barge companies nationwide had plummeted to about 1,000 from an estimated 1,500 a decade ago. In the St. Louis area, about 17 barge companies have survived out of the 40 or so that operated here in the 1970s, one official estimated.

"The first few years, we lost the mom and pop companies that didn't have the staying power to make it through the hard times," said Robert Goodwin of Jefferson Barracks Marine Service Inc. "Now we're losing the medium-sized companies—more and more each year."

Tied to a dock on the Mississippi about a mile south of Jefferson Barracks Bridge, two gleaming towboats owned by the Agri-Trans Corp. sat idle on a recent weekday. The generators hummed on the multimillion-dollar crafts, but the boats were going nowhere.

A few miles upstream, at the MVBL Terminal dock at the foot of Rutger Street in south St. Louis, a few more towboats rocked gently in the river—waiting for full barges to push upriver. That wait might be a long one.

Such equipment is idled at docks and in fleeting areas up and down the Mississippi—signs of the equipment surplus that plagues the industry.

Lloyd H. Eneix, senior vice president of Agri-Trans Corp., a cooperative firm that hauls grain and fertilizer in its 400-barge fleet, said that half of the firm's 10 towboats were idle.

"We thought we hit bottom last year," he said. "Well, this year is worse."

Tom Barta, president of The Valley Line Inc., has a similar story. "We're running less than half of the boats that we'd normally be running at this time of year," he said.

Valley Line, which is based here, owns 33 towboats and 1,200 barges. It is the third-largest barge company on the inland waterway system.

"Our company has laid people off. All the other river companies have laid people off." Barta said. "And you're seeing the firms that service the barge industry in worse shape that we are."

Barta said the trend toward consolidation in the industry was bound to continue as long as business was bad.

Since 1968, the Valley Line has been a subsidiary of the Chromalloy America Corp. of St. Louis. It used to be called the Mississippi Valley Barge Line Co.

The only St. Louis barge company older than Valley is Federal Barge Lines, which was established by the federal government in the early 1920s as part of the Inland Waterways Corp.

Charles Skie, vice president of Midland, says Federal Barge maintains only a sales office and small fleeting areas in St. Louis.

"We're folding it into our present operation," Skie siad. He said most of Federal Barge's 15 towboats and 600 barges would operate outside St. Louis. With more than 2,300 barges, Midland by the far the largest barge company on the inland waterways.

Skie said Midland was making money but he conceded that conditions in the industry were "worse than anyone in the industry has seen so far."

"The industry is a basket case,; said U.S. Sen. John C. Danforth, R-Mo. "The last thing we should be doing is talking about trying tc squeeze more blood from a stone.

Danforth commented Friday on the efforts of the administration of President Ronald Reagan to increase the user fees charge to barge and tow businesses. Tow operators pay a fuel tax "user fee" of 8 cents a gallon, which will increase to 10 cents a gallon in October.

This week, the Senate Committee on Environment and Public works is considering final approval of a bill that would require that industry share the cost of all federal water projects—a move that Danforth and others see as tantamount to increasing user fees.

But whether or not additional user fees are imposed, the future of the river transportation industry appears bleak, some analysts say. One recent report sponsored by the U.S. Maritime Administration recommends that owners begin to scrap idle barges.

Surplus barges have contributed to the depression. Farrell, of the Waterways Operators organization, attributes the economic woes of the industry to three major factors:

The building of excess barges and towboats in the late 1970s and early 1980s, leading to a massive surplus. The construction was spurred by changes in tax laws and by the anticipation of huge increases in grain and coal exports—increases that failed to materialize.

The grain embargo in 1980 against the Soviet Union. The embargo adversely affected U.S. grain exports and the amount of grain carried by barges.

The world oil glut. That has cut down on the demand for U.S. coal, so less coal is being transported on the river.●

THINGS ARE NOT WHAT THEY SEEM

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. JACOBS. Mr. Speaker, things aren't what they use to be—in fact they never were.

[From the Baltimore Sun, June 26, 1985]

(By Theo Lippman, Jr.)

Last week James J. Kilpatrick wrote this on the page opposite: "Back in the summer of 1904, kidnapers in Tangier seized an elderly American citizen, Ion Perdicaris. The responsible party was well known: a brigand chieftain named Ahmed ben Mohammed Raisuli, an enemy of the sultan of Morocco. At that very moment the Republican National Convention was meeting in Chicago. Theodore Roosevelt was nominated by acclamation. He dispatched an ultimatum to be delivered in Morocco and read to the convention: 'Perdicaris alive or Raisuli dead!' "

Noting the Perdicaris was released. Kilpatrick concluded his column, which was about the current hijacking story, "Teddy Roosevelt had the right idea 80 years ago."

Let me just say two words about that. Bah loney.

The true facts: Raisuli kidnaped Perdicaris and his British stepson and demanded ransom and political concessions from the sultan. The U.S. sent warships to the scene. But the principal foreign power in Morocco was France, which wanted the demands met for its own reasons. France forced the sultan to agree to Raisuli's terms, even lending him the money he needed.

The sultan dawdled and had not yet carried out his end of the bargain when the Republican convention opened. At that point Roosevelt and Secretary of State John Hay received a plea from the U.S. consul general in Tangiers. He wanted pressure on the sultan, not the bandit. So Hay cabled back: "This government wants Perdicaris alive or Raisuli dead." That's the part made public at the convention. The next sentence instructed the consul general not to do anything. "Do not land marines or seize customs without department's specific instruction." (This is known as speaking loudly but carrying a small stick.)

It was all unnecessary, anyway. Before the message reached Morocco, the sultan had finally completed the deal, and Perdicaris and stepson were set free. The U.S.'s tough talk had nothing to do with it.

There are two interesting footnotes (footnote?) to the story.

1. Perdicaris was not an American. He had renounced his U.S. citizenship for Greek citizenship during the Civil War to keep the Confederate government from seizing property he owned in the South. Roosevelt knew but did not reveal this.

2. Perdicaris enjoyed his captivity. That's clear in this 1907 Sun report of a Perdicaris lecture to a Baltimore woman's club: "Mr. Perdicaris said Raisuli was as nice a fellow as he cared to meet. He said that being kidnaped by such a dress-suit bandit was not so bad after all. While the United States was demanding 'Perdicaris alive or Raisuli dead,' Raisuli and his distinguished prisoner were sitting under an old apple tree among the sylvan glades of Morocco with attendants to furnish highballs, cigarettes, fans and the

daily papers. After Mr. Perdicaris had told about it, several of the ladies said they wished Raisuli would kidnap them too."●

INTRODUCTION OF LEGISLATION TO EXEMPT IRRIGATION CONVEYANCE SYSTEMS FROM FEES AND CONDITIONS UNDER THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976

HON. MICHAEL L. (MIKE) STRANG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. STRANG. Mr. Speaker, beginning with the Louisiana Purchase, Congress adopted policies to promote the exploration, mapping, and settlement of the West. To that end, the Congress also adopted laws in the late 1800's that made certain promises or implied promises relative to the establishment of productive farms and ranches and irrigation of those lands.

Among those actions were laws which granted rights-of-way across lands for irrigation ditches to aid in the settlement of farm and ranch lands in the West. Many of those grants were made prior to the Federal lands being reserved for national forest purposes. Other grants came as a result of subsequent legislation. This tradition continued essentially unchanged until Congress adopted the Federal Land Policy and Management Act [FLPMA] in 1976. FLPMA constituted a major revamping of Federal land management policies, and repealed most of the old land use laws.

FLPMA established a new system of permits and fees for rights-of-ways across Federal lands. Although FLPMA sought to recognize valid and existing rights, such as the original irrigation rights-of-way grants, FLPMA did not distinguish clearly between the previous rights-of-way grants and the post-FLPMA permit system. As a result, the Federal land managers began to subject irrigation ditch rights to the regulatory and fee permit provisions of FLPMA.

That was clearly not the intent of Congress in adopting the massive land management reforms embodied in FLPMA. Those ditches lawfully constructed and in use under statutes in effect prior to the passage of FLPMA on October 21, 1976, were in fact nonfee right-of-way grants. They are soundly considered as property rights and subject to subsequent transfer as such, free of regulatory constraints.

There are various ways to resolve this problem resulting from unclear legislative language and the inability or unwillingness of the Federal bureaucracy to grasp the difference between a congressional grant of the use of land, and an agency permit for the use of land for the same purpose. I prefer the simple, straightforward method which is embodied in one of the bills I am introducing today. It says quite clearly, those irrigation rights-of-way over public lands for agricultural, livestock and private domestic purposes, constructed and in place prior to the enactment of FLPMA shall not be subject to regulation or fees. The second bill I am introducing on the same subject, is a modified version of a draft bill prepared by the Forest Service, which I introduce for discussion purposes.

This is a serious problem that has spawned threats of lawsuits and begs for resolution soon. My hope is the House Interior Committee will schedule prompt hearings on this legislation so we can develop a straightforward yet effective resolution to this specific problem. The text of both bills follows:

H.R. —

A bill to exempt irrigation conveyance systems from fees and conditions under the Federal Land Policy and Management Act of 1976, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) is amended by adding the following new subsection at the end thereof:

"(k) The provisions of this section shall not apply to irrigation conveyance systems constructed and in operation prior to October 21, 1976, which are used primarily for agricultural, livestock, or private domestic purposes.".

SEC. 2. Section 505 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1765) is amended by adding the following new subsection at the end thereof:

"(c) The provisions of this section shall not apply to irrigation conveyance systems constructed and in operation prior to October 21, 1976, which are used primarily for agricultural, livestock, or private domestic purposes.".

SEC. 3. The provisions of subsection (f) of section 2409a of title 28, United States Code, shall not alter, limit, or, in any way impair the right to the use, operation, and maintenance of irrigation conveyance systems constructed and in operation prior to October 21, 1976, which are used primarily for agricultural, livestock, or private domestic purposes.

H.R. —

A bill to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under Acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 501 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761) is amended by adding at the end thereof the following subsection:

"(c)(1) The Secretary of Agriculture may issue permanent easements, without reimbursement, for water systems described in subsection (a)(1) of this section, traversing lands within the National Forest System, constructed and in operation or placed into operation prior to October 21, 1976, if—

"(A) the lands under the administrative jurisdiction of the Secretary of Agriculture are in States where the appropriation doctrine governs the ownership of water rights;

"(B) the use served by the water system is located on non-Federal lands;

"(C) the originally constructed facilities have been in substantially continuous operation without abandonment. Failure of the holder of the facilities to use the facilities for the purpose for which they were originally constructed, for any continuous five-year period, shall constitute a rebuttable presumption of abandonment of the right-of-way; and

"(D) a legally acceptable and recordable survey or description is provided to the Secretary of Agriculture by the applicant for the easement.

"(2)(A) Easements issued under the authority of this subsection are supplementary to, and not in lieu of, any other grants made by previous Acts. Each such previous grant of right-of-way shall remain in full force and effect unless the holder thereof notifies the Secretary of Agriculture that such holder elects to be governed by the provisions of this subsection, in which case such previous grant shall be deemed to have been relinquished and shall terminate upon the issuance of a new easement. The Secretary of Agriculture shall have the authority to administer all grants issued for uses authorized by previous Acts by the Secretary of Interior with respect to land under the jurisdiction of the Secretary of Agriculture.

"(B) Easements issued under the authority of this subsection are fully transferrable with all existing conditions and without the imposition of new conditions or stipulations at the time of transfer. The holder shall notify the Secretary of Agriculture within sixty days of any address change of the holder or change in ownership of the facilities.

"(C) Easements issued under the authority of this subsection shall include all changes or modifications to the original facilities in existence as of October 21, 1976, the date of enactment of this Act.

"(D) Any future extension or enlargement of facilities after October 1, 1976, shall require the issuance of a separate authorization, not authorized under this subsection.

"(3)(A) The Secretary of Agriculture may terminate or suspend the easement in accordance with section 506 of this Act.

"(B) Nothing in this subsection shall confer to the Secretary of Agriculture any authority to regulate the appropriation of water rights for the purposes described in subsection (a)(1).

"(4) Unless specifically excepted in this subsection, all rights-of-way authorized by this subsection are subject to all other conditions and requirements of this Act.".

SEC. 2. Section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) is amended by—

(1) inserting before the end of subsection (f) "or for emergency repair work necessary for those rights-of-way authorized under section 501(c) of this Act.";

(2) striking out the first sentence of subsection (g) and by inserting in lieu thereof the following: "The holder of a right-of-way shall pay in advance the fair market value thereof, as determined by the Secretary granting, issuing, or renewing such right-of-way. The Secretary concerned may require either annual payment or a payment cover-

ing more that one year at a time. The Secretary concerned may waive rentals where a right-of-way is granted, issued, or renewed in reciprocation for a right-of-way conveyed to the United States in connection with a cooperative cost share program between the United States and the holder."; and

(3) adding at the end thereof the following new subsection:

"(k) Notwithstanding any requirement of subsection (i), in the event the holder of the right-of-way allows it to deteriorate to the point of threatening persons or property and refuses to perform the necessary repair and maintenance, the Secretary shall have the right to undertake such repair and maintenance on the right-of-way and assess the holder for the cost.".●

INDIAN COUNTRY GAMBLING REGULATION ACT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. SHUMWAY. Mr. Speaker, I would like to submit for the RECORD the following editorial which recently appeared in the Red Wing Republican Eagle, a newspaper from the Duluth area of Minnesota. I recommend it to the attention of my colleagues as an illustration of the problems inherent in unregulated Indian gambling, as well as evidence of the need of remedial legislation which I have introduced, the "Indian Country Gambling Regulation Act" (H.R. 2404).

[From the Red Wing Republican Eagle, June 21, 1985]

LAW AND ORDER ON INDIAN BINGO

The Duluth bingo parlor plan that cleared its last hurdle Friday demonstrates three things: how high-stakes Indian bingo makes a mockery of state gambling laws; how the concept of the Indian reservation has been turned into a charade; and why Congress ought to legislate relief from the above by passing the sort of common-sense bill offered by a gutsy California congressman.

Duluth bingo will join a half dozen other highstakes Indian bingo operations on reservations around Minnesota, including the Island Bingo parlor in our own Red Wing community. High-stakes bingo is illegal in Minnesota, but a body of U.S. Supreme Court rulings has declared that Indian reservations are sovereign governments and therefore exempt from state-regulated activities.

Which, in essence, permits a mockery to be made of Minnesota laws. Minnesota, for instance, limits bingo prizes to $2,500, a limit that derives from Minnesotans' collective moral judgment not to have big bingo gambling inside their state borders. Yet high-stakes gambling goes on seven days a week on Indian reservations across the state, and it still is spreading. It flouts the law, undermines the character of the state, and is an outgrowth of fededal misdirection that Congress should correct.

Maybe Congress will. All three Indian bingo-related bills in Congress address the likelihood of a high-cash industry such as Indian bingo becoming entangled with organized crime. The bills would make Indian bingo subject to federal regulations intended to prevent that. One bill, however, also meets the states' need to have the integrity of state laws restored.

Under California Rep. Norm Shumway's bill, the U.S. secretary of interior would establish federal regulations with which Indian bingo parlors would be required to comply. Rather than create a uniform, nationwide set of regulations, however, the secretary would adopt the gambling regulations already created by each state.

In effect, then, every Indian bingo parlor would be subject to the same laws and regulations that everybody else in its particular state is subject to. For Minnesota, that means no big bingo anywhere unless the state elects to change its laws. Having Indian bingo operators answer to the federal government avoids clashing with their court-determined independence from state regulation.

Considering how politically touchy these Indian issues can be, that's a gutsy bill, and Shumway deserves to be commended. We urge other congressmen, including our Rep. Tim Penny and fellow Minnesota representatives, to turn a deaf ear to the anticipated howls of protest and get behind this Shumway bill.

Initially, it seemed to us that putting Indian reservations under state rules and just arranging with the interior secretary to call them federal rules was a clever sleight of hand. And maybe it is. But the nature of the Indian reservation system has to be kept in mind. If the anachronistic notion of reservation sovereignty is to be maintained in today's America, then a bill like Shumway's seems to be a practical way of dealing with the social disturbances that reservations are creating outside their boundaries.

There's another disturbing trend in Indian bingo, and it is illustrated by the Duluth bingo plan.

Last February, the Fond du Lac Indian tribe located on a reservation 18 miles outside Duluth bought an old Sears building in Duluth's downtown. Last Friday, the Bureau of Indian Affairs' Minneapolis director put the building into federal trust. In effect, that makes the building part of the reservation and opens the door to converting it into a high-stakes Indian bingo parlor.

That's plainly wrong. Conferring reservation status on a piece of property so state laws can be circumvented is an abuse of the reservation concept. It turns the notion of Indians' special reservation rights into a charade.

Unfortunately, as far as we know there is no congressional attempt to address this property-transfer problem.

As an aside, we would be remiss, while we are firing arrows, not to fire one at Duluth city government. We were astonished to read that Duluth, which is in a unique joint arrangement with the tribe on this big-gambling venture, will receive one-fourth of the profits.

So here's a city that will earn profits off the sort of high-stakes gambling that state regulations forbid. With the legalities of gambling in such disarray, Duluth's involvement might be legally defensible, but Duluth really ought to display good Minnesota citizenship and keep its hands clean of activities that the state has tried, through regulations, to keep outside its borders.

The states need somehow to exercise better control over gambling on Indian reservations. Shumway's bill looks like the right approach. And, who knows, with Shumway-type legislation in effect, maybe that property-transfer problem will cure itself.●

ELOQUENT MAJORITY LEADER

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. ECKART of Ohio. Mr. Speaker, I want to introduce into the CONGRESSIONAL RECORD the eloquent and articulate remarks of our majority leader, JIM WRIGHT, who responded to the President's recent criticism that the Democrats in the House are crippling America's defense.

The President would have the American people believe that our party is acting irresponsibly. Nothing could be further from the truth. We Democrats have offered this House an array of amendments to the defense bill, all intended to wage a war against fraud, waste, and other irresponsible abuses such as defense contractors billing the American taxpayers for country club and kennel costs, and other misdeeds.

We stand for a strong defense, but not a defense that bleeds the taxpayer. We stand for a sound defense that addresses the Nation's needs domestically and geopolitically. We stand for a strong America in a world filled with too many weapons of swift and complete destruction. We are not willing to tolerate spending the taxpayers' money on $600 ashtrays and $7,000 coffeemakers. We are not willing to put up with a General Dynamics overbilling the Government while earning huge profits and paying no taxes. We are not willing to allow the taxpayers to continue to be cheated—not once but twice by defense contractors who are undisciplined and exploit our defense needs in the interest of greed.

Our majority leader has addressed these concerns in his response to the President's criticism. This is one instance where Mr. WRIGHT is the great communicator.

Thank you.

TEXT OF HOUSE MAJORITY LEADER JIM WRIGHT (D-TX) RESPONSE TO PRESIDENT REAGAN'S RADIO BROADCAST, JUNE 22, 1985

WASHINGTON.—At the outset, let me ask that all Americans join together this weekend in prayers for the safe and speedy release of our fellow citizens held captive in foreign lands. This is a matter that transcends partisanship. It is a prayer in which all of us can join as one.

When the security of our country and the safety of our people are at stake, Democrats in Congress have always put patriotism above partisanship. We want no political advantage at the price of American misery.

In the wake of fanatical bombings—terrorist attacks—cowardly kidnappings which take American citizens captive and mock the efforts of the White House to deal with them, we silence our criticism and publicly support the President of the United States.

It is unfortunate that Mr. Reagan apparently cannot resist the temptation to make partisanship attacks on us over questions of honest judgment and priorities.

Today in a rhetorical orgy he attacked our House budget for not spending enough more on the Pentagon and for insisting that we keep our promise—and his promise—to the American people by protecting Social Security recipients, disabled veterans and military retirees from the ravages of inflation.

Mr. Reagan accused us of wanting to weaken the country's defense. This is utterly untrue. In the matter of national security, we support a strong defense. This is not a partisan issue. The Democratic House has provided very substantial defense increases in each of the past four years. We are spending twice as much on the Pentagon this year as we were in 1980.

The President would have you believe that we are sending a "signal of weakness" to other countries and "cutting vital defense needs." That is emphatically not true. Our budget will increase defense outlays by 15 billion dollars next year over this year's figure.

Mr. Reagan next says the House makes "no meaningful effort" to shrink what he calls the "spending machine." He did not tell you that our House budget reduces his projected budget deficit for next year by $56 billion, the same amount the Senate does. We cut next year's deficit $56 billion below the amount Mr. Reagan himself submitted in his budget in February. Our House budget freezes most civilian programs at last year's level.

The President says he likes the Senate budget because of its "program reforms and permanent savings."

Lets look at what he and the Republican Senators are calling "program reforms."

They want to renege on the commitment to our elderly by denying any cost of living adjustment for retirees.

They want to make medicare treatment more costly to the elderly patients.

They want to reduce the amount we share with our States for medicaid.

They want to make it harder for young Americans to get a college education by reducing student loans at a time of soaring tuition costs.

They want to make it harder for a young couple to buy a home.

Their Senate Republican budget would add user fees for a family taking a VA loan of about $2500 upfront or $30 a month for the life of the loan—probably $10,000 over the life of the average home loan. Mr. Reagan says he is against any new tax, that he'll veto it. Well, I wonder what he calls that.

The President talks piously of deficits. Yet his very policies have added as much to the national debt in these first five years of the Reagan Administration as our ancestors added in the entire 192 years of our previous history.

These enormous fiscal shortfalls which plague us are Reagan deficits—the result of his huge tax giveaway of 1981 and his enormous military spending buildup, which has been so rapid that waste and flagrant abuse have sapped our strength and robbed the buying power of our military dollars.

We are as committed to an adequate defense as Mr. Reagan is. But we do not believe the people expect us to tolerate waste.

We are as deeply committed to reducing those ranging deficits as he is. But we will do it by keeping faith with the American people, by keeping our promises.

In the campaign last year, Mr. Reagan made a solemn promise to protect social security COLA's. Now he wants us to break that promise as the Senate has done.

We are not prepared to do that. The American people would not respect us if we did.

Hubert Humphrey said the moral test of government is how it treats those who are in the down of life, the children, those who are in the twilight of life, the aged, and those who are in the shadows of life, the handicapped and the disadvantaged.

In being fiscally responsible we intend also to be morally responsible. And I think that's what the American people want and expect us to do.●

A PROPOSAL TO START PEACE NEGOTIATIONS IN THE MIDDLE EAST

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. NIELSON of Utah. Mr. Speaker, over the past few months, we have seen movements being made both in the Middle East and here in Washington to pave the way for negotiations to resolve the Arab-Israeli conflict. Perhaps no Middle Eastern leader has worked harder to make peace a reality than King Hussein of Jordan. A longtime friend and ally of the United States, King Hussein has never doubted that peace in the region was possible. As a result, he has welcomed various peace proposals over the years with an open mind and sincere interest.

King Hussein got the diplomatic ball rolling in February by bringing key players closer to the negotiating table when he concluded a Jordanian-Palestinian agreement that would enable the Palestinian people to participate in peace negotiations. And last month, King Hussein visited Washington to discuss this development with President Reagan. Directly following this meeting King Hussein publicly reiterated his support for negotiations based on United Nation's resolutions 242 and 338.

Clearly the king's actions deserve a concrete response from the administration. His efforts must not be allowed to fall by the wayside and be ignored. At the same time I feel that it is important for my colleagues to understand the king's position on negotiations and the role of the Palestinian people in the peace process. No source illuminates this better than the speech His Majesty gave by telecast to conference participants at the 13th annual convention of the National Association of Arab Americans on May 4. I am asking that excerpts of his speech be placed into the RECORD.

Honorable members of the National Association of Arab Americans, distinguished guests:

We in Jordan have noted the increasing effectiveness of your association in promoting the Arab position on peace and justice. You are making a difference, because you are an integral and active part of your great society. But you also remain faithful to your noble Arab heritage.

I thank you for having acted upon my suggestion, made to you at your convention two years ago through my brother, Crown Prince Hassan, that you encourage members of the United States Congress to visit Jordan to acquaint themselves at first hand with the facts and realities of the situation here. There have been such visitors and we have all benefited from the increased interaction.

The movement towards peace in the Middle East has never been at a more critical crossroads than it is today, and your efforts to contribute to a peaceful settlement have consequently never been more needed. For the first time since Israel captured the West Bank, including East Jerusalem, Gaza and the Golan Heights, eighteen years ago, there exists an unprecedented opportunity for the parties involved to re-activate the peace process, based on the return of territory in exchange for peace. This opportunity should not be missed. It is an opportunity that I know will never come again, if we fail now.

In February, we in Jordan, with our Palestinian brethren structured an initiative that represents an important breakthrough in the Arab search for peace. It is an initiative that holds enormous promise if it is received with the trust and good will with which it has been formulated and offered.

I refer to the Jordanian-Palestinian accord concluded in February between the Government of Jordan and the Palestine Liberation Organization, the sole legitimate representative of the Palestinian people recognized by the majority of nations.

This accord represents an historic and unprecedented opportunity to resolve the Middle East conflict peacefully, through negotiations based upon the principles embodied in United Nations Security Council resolutions.

For the first time, we in Jordan, with our Palestinian brethren, have structured an initiative representing the pursual of their goals of self-determination through peaceful means.

They have also agreed to the principle that a peace settlement should be based on the return of the captured territories of 1967 in exchange for recognition of Israel's right to exist within secure and recognized borders, as called for by United Nations Resolutions 242 and 338. The PLO has also ascertained that the right of Palestinian self-determination will be exercised within the context of a confederated state of Palestine and Jordan.

The circumstances which have created this opportunity for negotiation will not last indefinitely. For the PLO to have taken this step was an act of great courage. If the PLO continues to be denied a part in the peace process, and the creeping annexation of the West Bank continues, how long will it be before the Palestinians and Arabs conclude that peace in our time is unattainable and struggle is the only alternative?

In Israel, too, circumstances will not remain the same indefinitely. Despite some positive and encouraging signs among responsible elements, there are those who insist that not a single inch of the West Bank, Gaza, or the Golan should be returned. These include members of the Israeli cabinet who could assume power before long.

We do not believe that it is possible for Jordan and the PLO on their own to reach a settlement with Israel.

The Jordan-PLO agreement accepts the U.N. Security Council resolutions which include, among other things, the principle of the "inadmissibility of the acquisition of territory by war" derived from the United Nations Charter. These resolutions make clear that the territories captured in 1967 should be returned for Arab recognition of Israel's right to live within secure and recognized borders. President Reagan's own initiative of September 1, 1982 recommends essentially this same solution. The governing principle and negotiating formula must be: total peace for total withdrawal. All parties must be prepared to negotiate a comprehensive settlement on this basis.

It is essential for the United States, the co-sponsor of Resolution 242 which we jointly interpreted then and the author of President Reagan's initiative, to participate actively in formulating a just and comprehensive peace to ensure that the principles of both are fully honored.

I believe Jordan can be proud of its continuing efforts over the past eighteen years to settle the Arab-Israeli dispute peacefully. Despite frustration, isolation and set-backs, Jordan has not waivered in its purpose.

Let me review what Jordan has done in the last two years to advance the cause of peace.

In 1982, in the wake of the tragic invasion of Lebanon, we welcomed President Reagan's courageous initiative, despite the fact that Israel flatly rejected that initiative within 24 hours. Two weeks later, the Arab League held its summit conference in Fez, Morocco. Our serious efforts there were rewarded when the summit agreed on a unanimous declaration which, in its call for the United Nations Security Council to guarantee the right of all states in the region to live in peace, was an implicit Arab recognition of Israel.

Jordan continued to work to restore unity and cohesion to the Arab world. We restored diplomatic relations with Egypt. In November, 1984, we risked the wrath of some in welcoming the Palestine National Council to meet in Amman. This meeting allowed the Palestinians to persevere in their cause. Our efforts were rewarded when Jordan and the PLO signed the February 11 agreement, which I have already described.

The Fez resolutions and the Jordan-PLO accord are the expression of the Arab commitment to live in peace with the people and the state of Israel—but only if Israel makes a similar commitment to live peacefully and on equal terms with her Arab neighbours, and particularly with a Palestinian people granted the right of self-determination.

To those in the West who seek Arab recognition of Israel's existence, we say this Arab commitment offers mutual recognition of Israeli and Palestinian national rights. To those in the West who seek security for Israel, we say this Arab commitment would guarantee the security of Israel and the Jordan-Palestine confederation—as well as all states in the area and parties to the conflict, within the context of a final comprehensive peace based on justice for all.

Finally, I would like to clear up two points about our policies which I believe are not fully understood in the United States.

First, the people who live in East Jerusalem, the West Bank of Gaza are Palestinians, and it is their legitimate right, along with their brothers in the diaspora, to make the decisions that will determine their own future. It is the consensus among Palestinians that the PLO is their legitimate representative in any negotiations determining their future. We are their partners according to their choice. We will never take away their right to represent themselves.

The second point I want to clarify is the concept of starting peace negotiations under the auspices of an international conference.

We believe that the Middle East crisis has such global significance that it cannot be settled in isolation. The area has often been said to be the powder keg that could set off World War Three. It is surely a legitimate interest of other relevant parties to participate in negotiations designed to insure such a catastrophe never occurs. That is why our joint agreement suggests that peace negotiations should be conducted under international auspices.

Moreover, U.N. Resolutions 242 and 338 are the foundations of our efforts for peace recognized as such in every peace initiative to date. We believe that the achievement of a just and durable peace has the best chance if the negotiation process is conducted in a context where every power with a legitimate interest in the region, particularly the five permanent members of the Security Council, has an incentive to facilitate a settlement, not to block one. We feel that such participation will also add credibility to the international guarantees that will be required to implement whatever solution is reached.

In conclusion, I want to emphasize by belief that Jordan and the PLO, having laboured long and hard on their February 11 agreement, have made a significant move in the peace process. We cannot continue alone. We hope the United States will assume her special responsibilities as a superpower to support our efforts. If peace is achieved, you will have the satisfaction of knowing that you made a difference.●

U.N. FORUM TO BE HELD HOSTAGE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GREEN. Mr. Speaker, I would like to bring to the attention of my colleagues a recently issued study which is critical reading as we approach the Nairobi, Kenya, conference which will take place in July and which is a World Conference to Review and Appraise the Achievement of the United Nations Decade for Women.

This study, conducted by the Jacob Blaustein Institute for the Advancement of Human Rights, which is headquartered in my district in New York, examines one of the items on the agency, item 7, on the subject of Palestinian women. This subject will be considered as documented by a report of the Secretary-General entitled "The Situation of Women and Children Living in the Occupied Arab Territories and Other Occupied Territories."

As has so often been the case in the United Nations in recent years, however, the report focuses exclusively on Palestinian women and Israel's alleged culpability for unsatisfactory conditions. The Secretary General's report never mentions the condition of women in other occupied territories.

It is my concern that the entire Nairobi conference will be used merely as another U.N. forum to attack Israel. It is this concern which prompts me to reprint the forward of the Jacob Blaustein Institute's study. I hope my colleagues will take the time to read this study and express their outrage at this important worldwide forum being turned into a vehicle for anti-Israel sentiment.

PERSPECTIVES ON PALESTINIAN WOMEN

(By Sindey Liskofsky, Program Director, Jacob Blaustein Institute for the Advancement of Human Rights)

FOREWORD

The 1975-85 United Nations Decade for Women will culminate with the world conference to be held in Nairobi, Kenya, July 15-26, 1985. The Nairobi Conference is the third international event sponsored by the world organization during the Women's Decade. The first took place in Mexico City in July 1975; the second in Copenhagen in July 1980. The purposes of the Copenhagen Conference, like those of the conference planned for Nairobi, were to assess the progress achieved, to identify the obstacles encountered in attaining the goals of the Decade and to plan how to implement these goals in the future.

These Nairobi purposes are specified in two main agenda items. The review of progress and appraisal of obstacles at national, regional, and international levels is to take place under agenda item 7. Under agenda item 3, the conference is to devise "forward-looking strategies" to achieve the goals of equality, development and peace at these national, regional and international levels up to the year 2000.

The U.S. and West European governments have insisted from the start of UN planning for the Nairobi Conference that its agenda should exclude political questions more properly considered in the Security Council (and other political organs) and that differences should be resolved by consensus rather than majority vote. The Soviet and Non-Aligned blocs were unyielding. These blocs have 11 and 99 members respectively (the latter including 21 Arab states, and a large number of other Muslim states). The differences remained for the conference itself to settle, where these states would have a controlling majority.

Since Israel's creation in 1948, and especially after its victories in the 1967 and 1973 wars, the UN has been the principal forum of the wide-ranging campaign of the Palestine Liberation Organization (PLO) and its Arab and Soviet allies to delegitimize Israel. While failing to achieve Israel's expulsion from the UN, a goal it has not relinquished, the PLO has been able to secure repeated condemnations of Israel's alleged policies and practices. It has also succeeded in impugning Israel's identity as a Jewish state by obtaining in 1975 a General Assembly resolution equating Zionism with racism. These condemnations have been tacked onto an array of unrelated issues on agendas throughout the UN system, including those concerned with the status of women.

The intrusion into a UN specialized agency, conference or technical program of

extraneous political questions is especially improper when these very questions are repeatedly addressed in the UN's political organs that exist for that very purpose. As the UN Secretary-General has urged, "the public forum afforded by the United Nations . . . not [be] wasted on the exchange of useless accusations that offer no hope of bridging differences." (Lecture, Harvard University, January 10, 1985; SG/SM/3648, p. 6).

Over the objections of the U.S. and other members of the Nairobi planning bodies, the subject of Palestinian women has been placed on the Nairobi agenda, under item 7. A Report of the Secretary-General (hereafter referred to as the SG Report), entitled "The Situation of Women and Children Living in the Occupied Arab Territories and Other Occupied Territories," is the documentation on which basis the subject will be considered.

The subject was placed on the agenda in response to a General Assembly recommendation that the conference pay particular attention to the problems of women in territories under "racist or colonial rule" or "foreign occupation," taking into account the Mexico City and Copenhagen guidelines. Since the subject of Palestinian women had been discussed in Copenhagen, the Nairobi preparatory body (the Commission on the Status of Women) decided, in carrying out the General Assembly's recommendation, to request the Secretary-General to update an earlier (1982) report it had prepared on this subject. Although the title of the SG Report speaks of "occupied Arab territories" and of "*other* occupied territories," the Report itself mentions none of the latter—much less discusses in detail the problems of women in them—for example, the occupied territories of Afghanistan, Kampuchea and Chad. The Report deals exclusively with Palestinian women, obscuring or minimizing Israel's achievements in the West Bank and Gaza and, moreover, assuming that Israel is at fault for unsatisfactory conditions—real or imagined.

At the request of the Jacob Blaustein Institute, Dr. Mala Tabory, a legal scholar and social scientist, undertook a study intended to provide participants in the Nairobi Conference with another perspective beside that contained in the SG Report. Concerned about the situation of women worldwide, the Institute felt that it was important for the conference attendees to have a document that contributes to a balanced and *constructive* view of the controverted subject of Palestinian women.

Dr. Tabory drew in her research for the full study (which is available on request) from both Arab and Israeli published sources as well as on the documents of several UN agencies. Most important, she visited factories, vocational schools and health centers in the West Bank and Gaza to interview Palestinian women about their situation.

A convenient digest of Dr. Tabory's findings follows. It is divided in keeping with the main headings in her text: demography and vital statistics; employment; working conditions; education, including vocational training; health; and environmental sanitation. Thanks are due to Kenneth Bandler, Allan Kagedan and Phyllis Sherman for preparing the digest.

As established in Dr. Tabory's study, and indeed admitted in the SG Report, the latter's account of the situation of Palestinian women and children is not truly a "report"—much less an impartial one. It not only disregards Israel's information and viewpoint, it fails to apply elementary evaluative criteria, such as comparison of present with pre-1967 conditions. Nor does it take into account the bearing of Arab/Muslim religious traditions and social patterns on the situation of Palestinian women. Its method appears to be to assert as a general proposition that the Israeli occupation is per se harmful to all Palestinians, from which the extrapolated, without specific evidence, the conclusion that it must be damaging to Palestinian women and children.

This perception of the SG Report is borne out by the statement in its introduction that "As no comprehensive study related to the status of Palestinian women has been prepared within the United Nations system during the last year, . . . it [the SG Report] draws exclusively on recent reports and other material dealing with various aspects of living conditions of Palestinian people in the Arab occupied territories, prepared by United Nations bodies." That the Report is indeed based on prior UN documents, which themselves reflect an anti-Israel bias, is evident from its 82 bibliographical notes, only four of which cite Israeli sources. The rest are drawn from the reports of the General Assembly's Committee on the Exercise of the Inalienable Rights of the Palestinian People, serviced by the UN Secretariat's Palestine Centre. The Committee—whose member states are Senegal, Cuba and Afghanistan—and the Centre, are known to reflect the views of the PLO.

Other statements in it confirm this impression of the SG Report: "Although none of these reports refer specifically to the question of Palestinian women, they describe the living conditions of the Palestinian population as a whole"; "The policy of the occupying power uniformly affects men, women, youth and children as members of society"; the military authorities' "oppressive practices . . . affect equally all members of the family." In short, the authors of the Report, unwilling or unable to prepare a particularized study of the situation of Palestinian women, simply repeat the generalized criticism of Israel's occupation common to many UN documents.

Among the other sources cited in the SG Report are the reports of the Mexico City and Copenhagen conferences. The Mexico City Conference was widely criticized as politicized, especially for including in its final Declaration a call to the international community to seek the elimination of Zionism along with racism and apartheid. The linking of Zionism with these evils served as precedent for the General Assembly's adoption on 10 November 1975 of the mischievious and dangerous resolution falsely equating Zionism with racism. The Copenhagen Conference extended this falsehood, restricted to the Declaration adopted in Mexico City, into a Program of Action for improving the situation of women worldwide.

The UN Charter declares the determination of all peoples of the United Nations "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small." In sharing that faith, the Jacob Blaustein Institute expresses the hope that the Nairobi Conference will not be diverted into extraneous political bypaths but will rather direct its energies to the real issues of women, and thereby truly contribute to attaining the goal of equal rights for men and women the world over.●

OPPRESSION IN KOREA

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Ms. MIKULSKI. Mr. Speaker, the situation in South Korea demands our attention and concern. The Chun Doo Hwan government currently allows little power to the National Assembly, and has not accepted the opposition party's call for a constitutional amendment allowing direct elections for President. Kim Dae Jung and other important opposition leaders continue to experience constraints on their activities. Disturbingly, the recent protests against these policies have taken on an increasingly anti-American tone. With 40,000 troops stationed in Korea and a long history of friendship between our two countries, the United States has an important role to play in this crucial time.

To fully understand the current situation in South Korea, I submit a recent article from the Evening Sun written by Stanley A. Blumberg.

The article follows:

[From the Evening Sun, June 17, 1985]

OPPRESSION IN KOREA

(By Stanley A. Blumberg)

SEOUL, SOUTH KOREA.—There is little difference between left- and right-wing dictatorships. The left espouses a philosophy that decries the exploitation of man by man and sets forth lofty moral goals to be achieved by centralizing the means of production in an all-powerful state. The right makes the government the ally of dominant, self-aggrandizing private economic interests. For the common citizen, the effects are often the same, or, to paraphrase Gertrude Stein: a dictatorship is a dictatorship is a dictatorship.

This is easy to understand. For both right and left dictatorships are without oversight by an opposition party and have no fear that a free press might expose corruption and oppression.

There are many similarities between the Soviet Union and South Korea. Moscow has the dreaded KGB, while Seoul nurtures its counterpart, the Korean CIA. Both organizations are subject only to the will and direction of their respective dictators. These intelligence agencies routinely arrest, jail and torture citizens who have the courage to attempt to speak out against the excesses of the regime.

Thought control is a common element in both countries. Hitler shocked the world when he ordered that "unacceptable" books be burned. And yet there is little public outcry when Seoul and Moscow confiscate and ban "undesirable" books and periodicals.

"I do not wish to alarm you," my Korean friend said, "but from the time you arrive at the Seoul airport you may expect to be followed. The phone in your hotel room will be tapped and your luggage could be searched during your absence."

Attempts at thought control and media censorship have been a constant ingredient in Korean President Chun Doo Hwan's efforts to maintain his dictatorship. In 1980,

for example, the military regime forced the managers of newspapers and periodicals in South Korea to dismiss more than 700 journalists under its so called "purification program."

In spite of assurances from Washington and Seoul that the South Korean government is moving in the direction of a democratic state, plenty of evidence to the contrary is available.

As recently as May 1, the Chun government engaged in an unprecedented large-scale operation aimed at the forceable seizing and banning of books deemed by them to be unsuitable for reading by their own citizens. Some 298 different books and periodicals were confiscated from publishers and book stores throughout the peninsula.

The four agencies that planned and carried out this seizure were the Department of Culture and Information under Minister Lee Won-Hong, the Police Department of Domestic Affairs under Minister Chung Suk-Mo, the Korean CIA under Director Chang Se-Dong and the Prosecution Authority of the Department of Justice under Minister Kim Suk-Hwi.

The day after the coordinated, well-planned raid was carried out, a complaint judiciary issued a warrant authorizing this seizure.

There was another blatant example of censorship last February. The Asian edition of Newsweek featured a cover story on Kim Dae Jung, the dissident leader of the democratic movement in South Korea. The edition never reached the Korean people because all 40,000 copies were seized by the government as soon as the planes carrying them arrived in Korea.

Unfortunately, the U.S. government cooperates in the suppression of news. Last fall ABC newsman Ted Koppel interviewed Kim Dae Jung on the program, "Nightline." The program is normally shown in Korea on Armed Forces Television, for the benefit of the 40,000 American troops and other U.S. personnel there. The Kim interview, however, was not shown. A staff spokesman at Armed Forces Television said this was "because we have a policy of not antagonizing the host country."

Evidence of my Korean friend's warning that I would be under surveillance is beginning to surface. A security officer is stationed in the corridor of my hotel in downtown Seoul. Every time I leave or enter my room he picks up the hall phone.

Within a few days, 35 of the 298 titles seized were banned, but there is no evidence that the rest of the books confiscated were returned to their owners. Among the banned books was "The Jungle," an American classic written by Upton Sinclair in 1906. Sinclair's exposure of unsanitary conditions in the Chicago stockyards led to overdue reforms in the U.S. food-processing industry. Other books on the prohibited list include: "Red Star over China," by Edgar Snow; "The Age of Imperialism," by Henry Magdoff, and many additional books on economics and political theory.

There are helmeted police wearing flack jackets scattered throughout the city. A young man, presumably a student of 18 or 19 years old, approaches a subway terminal. He is stopped by a policeman and required to show his I.D. card. The youth is then questioned and his books are examined. Fortunately none of them is "subversive" and he is allowed to proceed.

One night in Seoul I was having dinner with a very powerful government official. In a joking fashion I suggested that President Chun was trying to make the Korean dissident leader, Kim Dae Jung, a very rich man.

I recalled that political prisoners are permitted to write one postcard per month to their family. During his last five years in prison (for "treason") Kim Dae Jung, using a fine pointed pen, exercised this opportunity to communicate with his family.

The postcards were reproduced in a book entitled, "Letters from Prison." Initially 10,000 copies were illegally circulated. They were quickly sold and another 10,000 copies were placed in book stores. This time government agents fanned out throughout the country and bought up the offending manuscripts. Again another 10,000 books were printed. Then, however, President Chun's police seized the books without paying compensation.

The Korean government official interrupted my comments. "How," he asked, "does this make Kim Dae Jung a rich man?"

I explained: "The University of California is translating and is about to publish 'Letters From Prison.' Americans are like Koreans; they love to read banned books. If the phrase 'banned in Korea' is printed on the dust jacket, Kim's book should enjoy a wide circulation in America and your government will have succeeded in making the dissident leader a rich man."

As I was awaiting departure from the airport at Seoul, my briefcase was opened and searched by two security agents. They examined and read with care some printed material about human rights violations in Taiwan. I was then allowed to board my plane.

Stanley A. Blumberg, a Baltimore free lance, has just returned from a visit to South Korea.●

AS EASY AS FALLING OFF A LOG

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BARNES. Mr. Speaker, I am indebted to several of my constituents for bringing to my attention a recent commentary in the New Yorker magazine about the administration's plans for a war in Central America. I want to share this thoughtful piece with my colleagues, and would call their attention particularly to the long paragraph of questions that we ought to ask ourselves before we get too much farther into this war. I hope someone is asking them.

The article follows:

[From the New Yorker, June 17, 1985]

THE TALK OF THE TOWN

On Tuesday of last week, in the first of two articles on American military policy in Nicaragua, the Times quoted "an intelligence official whose opinions have been solicited by members of the National Security Council" as saying that an American invasion of Nicaragua would be as easy as "falling off a log." The story described a new airfield at Palmerola, in the Honduran highlands west of Tegucigalpa, which was dedicated in February. The field, one of eight in the country, has an eight-thousand-foot, lighted, all-weather runway, which "shimmers like a mirage in the midst of a sprawling military town of wood huts, camouflaged anti-aircraft emplacements and repair shops." The story also noted that this year the United States Army's Southern Command is scheduled to receive a detachment of C-7 Caribou planes, which are capable of "landing troops or material" on any of nine hundred "tiny, undeveloped airstrips" in the region. According to the Times, "United States intelligence sources in the region have told their superiors in Washington that major Nicaraguan installations are lightly defended"—that thirteen potential targets in the Managua area are guarded only by 57-millimetre and 37-millimetre anti-aircraft guns—and therefore, one intelligence officer has said, "if proper tactics and proper ordnance were applied to those sites, they'd never know what hit them." Another "political military officer in the region" outlined for the Times the most plausible scenario in the event of a full-scale conflict: "The U.S. would come in heavily for a month or so, mostly with air strikes against major facilities. Then a new government would be put into place, and it would come with its own army." According to "several military analysts" the new government would have to deal with the Sandinistas, who might retreat to the hills and keep fighting, but this new government would probably benefit from "a program like El Salvador, advisers and assistance." The Sandinistas might not be much of a problem anyway, because, "one United States military officer who has briefed members of the National Security Council" said, the people who live in the mountains in Nicaragua don't like the Sandinistas and would chop their heads off. Military analysts said that another problem for the Sandinistas was that "Nicaragua has no counterpart to Vietnam's Ho Chi Minh Trail."

In the second article, the Times concentrated on the political, not the military, aspects of an American invasion, stating that "interviews with almost fifty" government experts in Washington, Panama, Costa Rica, Nicaragua, and Honduras "indicate that discussion of the issue has become commonplace in official circles," and that in the United States "the mood on Capitol Hill in the last few weeks appears to have shifted sharply against the Sandinista government." General Paul F. Gorman told Congress this winter that even if military aid for the Contras fighting the Sandinistas were renewed the rebels could not be expected to change the Nicaraguan government "in the foreseeable future." Therefore, the next step the Administration is most likely to take, said "several officials," is to end diplomatic relations. Senator Richard Lugar, the chairman of the Senate Foreign Relations Committee, told the Times that he thought this would happen soon, and "then we might recognize a government in exile." As for how the war to install that government might begin, "American officials say they have not dropped the threat to destroy" any MIG jets that the Nicaraguans might get from the Soviet Union; in fact, "they have broadened it to include Czech-built L-39 jet training planes." The times explained, "The idea is that American warplanes would destroy the new planes and try not to hit anything else. Then in theory the attack would end. But a senior Administration official said: 'I've never been able to see how that kind of phased operation stops because it sets off an action-reaction. If we hit the airport and maybe kill eighty or ninety people, they could come at the embassy.'" If they didn't come at the embassy, the official added, they might do something

else to provoke an attack. "It is difficult to find anyone, friend or foe of the Nicaraguan government, who is confident the Sandinistas will not make a miscalculation that could lead to a military confrontation with the United States," the Times reported. "Many American military and diplomatic officials" have told their "superiors in Washington" that when a confrontation comes neighboring countries would welcome it. If the United States invaded Nicaragua, a Costa Rican official said, his government would issue a statement "saying something like "it is unfortunate that the Cuban and Soviet advisers were invited in, and that the Sandinistas provoked it.'" An American intelligence officer who has interviewed dozens of people in Nicaragua and has been called upon to "brief numerous senior Administration officials on his views—including Mr. Weinberger, Mr. McFarlane, and Gen. John W. Vessey, Jr., the Chairman of the Joint Chiefs of Staff" said, "What the people tell me is, 'we'd get out of your way and let you take care of the Sandinistas'" if the Americans landed. The biggest problem that United States forces would face, he added, would be preventing "severe retribution" against Sandinista officers.

Now that the invitations have gone out and the notice has appeared in the newspapers, it's probably too late to break off the engagement. Far be it from us to stand up in the back of the church and voice objections. But we do have a few questions. Real questions, not rhetorical ones. The answers to them are not, we think, obvious, and that is the point. What, exactly, is a Czech-built L-39 training plane? Have we as a nation finally decided the debate about our right to topple governments we don't like? Do we really dislike the Nicaraguan government so much more than, say, the government of Guatemala? (If so, what, exactly, does the phrase "human rights" refer to?) What about those eighty or ninety people who are going to be killed when we bomb the Czech L-39 jet trainers? What if a lot more people are killed—say, eight thousand, or maybe nine thousand? Once we have fallen off the log, what, exactly, are we thinking of doing in Nicaragua? That is, are we going to insure a democratic, non-repressive government? Or will we be satisfied as long as the government is anti-Communist? Are we completely convinced that the agent who did the man-in-the-street interviews was a good reporter, and that other Latin-American countries will welcome this invasion? What if some of them get angry and repudiate their debts to American banks? What about the difficulties in distinguishing between farmer and fighter which led to, say, the trouble at My Lai—have we figured out how to prevent them? Will our allies in the free world support us, and should we care? Maybe some Americans—college students and such—will get angry and alienated: how much damage will that do to our country? Is there any way, short of our removing its government, for us to live in peace with Nicaragua? How much money will all this cost, and are there better things to spend that money on? How much should we rely on experts and officials in this matter? Is there anyone else to rely on? Will falling off the log involve defoliating parts of Nicaragua, and, if so, will there be food shortages and the like? The ex-Somocistas in the Contra camps—what will their role be in the new Nicaragua? If the Russians are so deeply involved in Nicaragua, is there any danger that an American invasion of Nicaragua will escalate into something larger? Will an invasion hamper efforts to, say, reach arms-control agreements? Will the land that has been given to peasants under the Sandinistas be returned to its former owners? Will an invasion undercut international law? Is international law a useful idea? What, exactly, will we feel when we watch the bodies of soldiers being returned to the United States—will our determination waver or will it increase? Have we citizens of the United States collectively given this whole business as much study as any one of us would give, say, the purchase of a new car?

While in Washington the next war was a "commonplace" topic of discussion, in the country at large people were still trying to come to terms with the last war—the one we fought in Vietnam. We don't mean the much discussed "lessons" of Vietnam—important as those are—but the sheer fact of the war itself: the fighting and the dying and the grieving. Remembrance has come hard. Only recently has the country been holding parades for the Vietnam veterans and building monuments to the war dead. One of these monuments is in New York, on Water Street, and we went down to visit it the other day.

It stands in a small park—Vietnam Veterans Plaza—lying between Water Street and the East River, where the river broadens out into New York Harbor. To the north and south, two office buildings tower over the park. The monument is a wall of glass brick with a stone pillar at each end and two doorways in the center. Engraved on the wall are quotations from letters written home by American soldiers and quotations from news stories and speeches of the Vietnam period. When we arrived—early on a hot, hazy day—a few other people were arriving, a few people were leaving, and a little wall of people, two and three deep, was standing facing the wall of the memorial, reading the letters and other inscriptions. Now and then, a handkerchief dabbed an eye. One letter said, "To see your buddy step on a VC antipersonnel mine is a hard thing to take but the real scare is when you go back to your base camp and see the smiling villagers all around you and then start to wonder if one of them set it there." In a letter inscribed over one of the doorways, a soldier told his family, "If I feel like talking about it, I will, but otherwise don't ask." Over the doorway was this passage from a letter: "I often wonder if what we're fighting for is worth a human life." Inspired, perhaps, by the inscriptions on the wall, some veterans had penned messages of their own and attached them to the wall with tape. One, addressed to "My Fallen Comrades," read, in part, "I remember you, too, gentle Sarge. I think of you, Robby, whenever I see an asphalt paver. You deserved better than to be in the path of an exploding claymore." It ended with the words "May a merciful God grant peace to you and comfort to your loved ones who survive, and may He help them to make some sense of your sacrifice."

In Washington, officials were poring over their maps, choosing targets, and planning the operational details of a war they believed might be as easy as falling off a log. In downtown New York, a wall of people was standing stock-still in front of a glass wall reading and reflecting, and mourning the victims of a war that had ended more than ten years before.●

A BILL TO AMEND THE TARIFF SCHEDULES

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. QUILLEN. Mr. Speaker, I rise today to introduce legislation of great importance to the American industry and its workers producing speedometers for use primarily on nonmotorized vehicles or equipment.

The primary uses of speedometers other than on motorized vehicles are for recreation and physical fitness. The largest volume of speedometers in this category is used as an accessory on bicycles or as a part of an exercise-cycle or some other form of exercise equipment. Because vibration and usage characteristics are significantly different for motorized and non-motorized speedometer use, products produced to service the recreational and physical fitness markets are quite different in terms of design, ruggedness, features and price from the products needed on cars, trucks, boats and other motorized vehicles. However, speedometers that are used on physical fitness equipment are essentially identical with those used as accessories on bicycles. In fact, the speedometers for these two markets are produced from the same component parts, by the same workers, on the same assembly lines in the same plants.

For many years, speedometers for motorized vehicles and speedometers for the recreational and physical fitness markets have been classified differently for tariff purposes. The present Tariff Schedules continue the separate treatment that has existed since a Customs Court decision in 1953 resulted in a dramatic reduction in duty rates for components of automotive vehicles. *Industrial Operations* v. *United States,* 30 Cust. Ct. 82 (1953). Moreover, until 1980 the Customs Service treated all speedometers capable of being used without modification on a bicycle as being classified under 711.93, thus preserving the historic division between products designed for motorized vehicle use and all others.

Unfortunately, through a series of narrowly technical decisions by the Customs Service and the Court of Appeals for the Federal Circuit, the domestic industry producing speedometers for the recreational and physical fitness markets now finds itself buffetted by foreign competition based on a distinction that has virtually no commercial meaning—the presence or absence of a nonfunctional 10 cent plastic wheel. The tariff savings resulting from the addition of this nonfunctional piece of plastic are many times the added cost. The results are obvious—an incentive to tariff evasion and

the needless sacrifice of a domestic industry with a proud history of innovation and service to the American consumer.

The bill I introduce today seeks a technical change to the Tariff Schedules to simply eliminate the unrealistic distinction between essentially identical products that has recently arisen. The bill does not change the tariff rate for speedometers used on nonmotorized vehicles from that presently assessed under 711.93. The bill merely confirms what historically has been true—if a speedometer is built to the quality, durability, and feature requirements of the recreational and physical fitness markets it will not be assessed the duty-rate designed for speedometers used on motorized vehicles.

In light of the unprecedented trade deficits being experienced by our Nation and the competitive disadvantage a seriously overvalued dollar presents to all domestic industries, it is imperative that our workers and our industries not be sacrificed through interpretations of our laws that, while arguably technically correct, ignore the market realities within which our industries must compete and our workers find or maintain employment.

The bill I introduce today is important and responsible legislation. I urge my colleagues to support its prompt passage. I ask unanimous consent that the text of the bill be printed in the RECORD.

H.R. 2913

A bill to amend the Tariff Schedules of the United States to provide for rates of duty on imported speedometers used on exercise equipment consistent with those on bicycle speedometers.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart D of part 2 of schedule 7 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 711.93 and inserting in lieu thereof the following:

"711.92	Bicycle-type speedometers and parts thereof.	19.6% ad val.	17% ad val.	110% ad val.".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

SUPERFUND BILL MUST BE STRENGTHENED

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Ms. MIKULSKI. Mr. Speaker, as many of my colleagues know, the Subcommittee on Commerce, Transportation, and Tourism recently reported a Superfund bill (H.R. 2817) to the full Energy and Commerce Committee. I am not satisfied with this legislation and intend to keep working to strengthen the bill as it proceeds through the House.

I am not satisfied because the legislation is substantially weaker than the bill overwhelmingly approved by the House last year by a vote of 323 to 33. The bill now under consideration gives the Environmental Protection Agency complete discretion to ignore and abuse the law in such crucial areas as cleanup schedules, cleanup standards, and health assessment studies. The bill would impose the substantial costs of long-term operation and maintenance at finished Superfund sites exclusively on the States. It would also deprive citizens of the right to sue polluters to force them to clean up the sites they created. Finally, the bill contains a blatant effort to cut off the States' right to develop laws in the vital area of informing communities about the toxic hazards in their midst.

I would draw my colleagues attention to the following letter we recently received from a broad coalition of national environmental groups stating their unequivocal opposition to the new Superfund bill and urging us to continue to work to improve it as the legislation proceeds through the Congress.

NATIONAL AUDUBON SOCIETY,
Washington, DC, June 21, 1985.

DEAR REPRESENTATIVE: On June 20th, Representatives Dennis Eckart and Norman Lent introduced H.R. 2817. H.R. 2817 is a major retreat from the Superfund bill passed overwhelmingly by the House last year. The American people will not accept a weaker Superfund bill simply because their representatives are casting their votes far in advance of their next election.

H.R. 2817 is a significant step backwards in our efforts to pass a strong Superfund bill. The National Audubon Society, National Campaign Against Toxic Hazards, Natural Resources Defense Council, Environmental Action, Congress Watch, and the Sierra Club oppose the Eckart-Lent bill.

During the last year, the hazardous waste problem has intensified in communities across America. Government agencies have dramatically increased their projections of the cost of cleaning up leaking waste dumps. Despite this overwhelming need H.R. 2817 would delay clean up and threaten public health. H.R. 2817 is not a compromise Superfund bill. It is a dramatic weakening of the legislation passed by the House last fall.

H.R. 2817:

Allows dirty clean ups which violate health standards and criteria of other federal laws. Last year's House-passed bill guaranteed safe cleanup.

Delays clean up of poisonous dumps for years by failing to require a minimum number of cleanups starts each year. Last year's House-passed bill required 600 cleanup starts over 5 years.

Delays and weakens cleanups by requiring states to shoulder the burden of operation and maintenance costs. Last year's House-passed bill required Superfund to pay 90% of these costs.

Guts community-right-to-know provisions by allowing companies to hide essential information from the public.

Overturns over 60 state and local right-to-know laws which are more protective of public health. It would preempt state and local efforts to pass more protective laws in the future.

Prevents citizens whose health is threatened by leaking dumps from using the courts to protect themselves. Last year's House-passed bill gave citizens this right.

Precludes citizens from participating effectively in Superfund clean up decisions by severely capping technical assistance grants. Last year's House-passed bill did not cap these grants.

Continues the EPA Superfund clean up shell game by allowing short-term and short-sighted clean ups.

Fails to protect public health from dangerous dumps owned by the federal government.

Fails to adequately protect public health from leaking underground storage tanks.

Prevents the victim of hazardous waste from getting a fair day in state courts to seek reimbursement of medical and other costs from responsible parties.

Leslie Dach, National Audubon Society; Martha Broad, Natural Resources Defense Council; Cathy Hurwit, National Campaign Against Toxic Hazards; Dan Becker, Environmental Action; Blake Early, Sierra Club; Janet Hathaway, Congress Watch.●

AMERICA'S TOP COWBOY: JO ANN SMITH

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FUQUA. Mr. Speaker, the National Cattlemen's Association has one of its most dynamic and capable presidents in its history. Just as an aside, she is a woman.

Jo Ann Smith is from an area of my State which I once had the opportunity to represent. Might I add that she was and is a long time personal friend, adviser and supporter.

Obviously I took great pride in seeing her move up the ladder on her way to the national presidency of this great organization—it surprised a lot of people, but it didn't surprise those of us who know Jo Ann.

As the television ad might be paraphrased, "She does things and gets things done the old fashioned way. She works for it."

In a demanding position, she has brought new attention to the goals and objectives of the National Cattlemen's Association. She is an ardent spokesman for a vital industry.

Next to her husband, Cedric, another warm personal friend, and her family, I guess I am about as proud of her accomplishments as anyone.

Recently Southern Living magazine featured Jo Ann in their column on prominent people entitled "Southerners." It says a lot about a delightful

lady who is charting new ground in an old and important enterprise—the cattle industry.

AMERICA'S TOP COWBOY

A cattleman, says Mr. Webster, is "a man who tends or raises cattle." Say the word to most people, and they imagine a lean, square-shoulderd fellow whose level gaze reflects the cowboy heritage we Americans treasure.

Jo Ann Smith shatters that image. This lady from Wacahoota, Florida, has the direct gaze all right. She knows the hardships of the cattle business. But she's a woman. She's also the new president of the National Cattlemen's Association.

As a group, ranchers tend to be politically conservative, fiercely independent, and prone to call every woman, regardless of age, "ma'am." So it's somehwhat of a surprise when the representatives of 230,000 American cattle raisers decided that a woman should be their represenative for the next year.

Forget tokenism. And she wasn't elected as a novelty.

"Jo Ann is bright, hardworking, and ambitious," says one person who knows the leaders of the industry. "She was elected in spite of being a woman, not because of it."

The job is demanding. In recent years, presidents of the organization have been called on to promote beef consumption, press for cattlemen's causes in Washington, and tour the country giving speech after speech, news interview after news interview, extolling the virtues of beef and the importance of cattlemen sticking together for their common good. That requires about 300 days of traveling a year. The pace is grueling. But Jo Ann Smith is ready.

"Getting to be president of NCA is really a four-year job as you move up through various offices," she explains. "By then, the new president is in tune with the demands and pressures of the job."

Demands and pressures aren't new to Mrs. Smith. She and her husband, Cedrick, are both fifth-generation cattle raisers in the area around Gainesville. Until she became active in the national organization, they shared management of a 5,000-acre ranch and other businesses.

"We've done what was necesssary to make a living in agriculture," she explains. "Cedrick is the salesman; I handled the office work."

Mrs. Smith didn't come to a sense of public responsibility just recently. She worked in local activities, such as the Chamber of Commerce and United Way, in addition to being chairman of the trustees of the regional medical center in Ocala, Florida. She was also involved in organizations such as the Junior League.

When Cedrick was head of the state cattlemen's association, she began working in CowBelles, a women's group that promotes beef. She was a national officer and on her way up when she made the decision in the early 1970's to stay at home.

"My daughter was entering her teenage years," Mrs. Smith recalls. "I didn't want the children to come home to an empty house. And if they had something happening at school, I wanted to be there."

Later, she got involved again in national beef promotion work. Next came a series of national offices, culminating with election as president of the National Cattlemen's Association this past January. Along the way, she was named a director of the Federal Reserve Bank of Jacksonville and served on the President's Advisory Committee on Trade Negotiations.

Jo Ann Smith travels in fast company. But she isn't intimidated by the prospect of telling the Secretary of Agriculture, a powerful senator, or even the President that her organization disagrees with them.

She makes it plain that most cattlemen would rather operate in a free market, without government aid or interference.

And she's been received well in Washington. But she scoffs at the idea that doors open just because she is a woman heading a traditionally male organization.

"We don't bother the people in Washington unnecessarily," she says. "We don't try to run other people's business."

Mrs. Smith also scoffs at the idea of being a role model for women. She says that she is a "cattleman." And she claims she's been accepted by ranchers because she insists on being judged on her ability.

But in spite of her national duties, she still likes home. Her mother-in-law lives next door, closer than some suburban neighbors might be. A few hundred yards away, her son and his new birde live in the small frame cottage that Cedirck and Jo Ann once occupied.

Family, you see, is still important. Soon after her election in January, she cancelled a scheduled appearance on the MacNeil-Lehrer News Hour, the popular show on public television. "An uncle had died. I attended to the funeral arrangements," she explains with a shrug.

What would she do if she could plan on two weeks where there were no speeches, no press conference, no planes to catch?

"I'd stay at home and spend more time outside in the garden. This past winter was hard on the roses."●

VIETNAM PROTESTERS FEEL GUILTY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GINGRICH. Mr. Speaker, I'd like to share with my colleagues a column from the May 12, 1985, Atlanta Journal/Constitution on Vietnam protesters. Ron Martz entitles his column, "Vietnam War Protesters Deserve the Guilt They Feel Now."

I hope my colleagues will review this article carefully. Americans can no longer afford to be isolationist, especially with Leninist Nicaragua waging war against our Central American allies. And assistance to the freedom fighters and our other friends in the region will ensure that more Americans won't have to die in another tragic battle against communism.

[From the Atlanta Journal and Constitution, May 12, 1985]

VIETNAM WAR PROTESTERS DESERVE THE GUILT THEY FEEL NOW

(By Ron Martz)

I read recently where Jane Fonda almost apologized for her actions during the Vietnam War. In an interview published in a British newspaper, Ms. Fonda was quoted as saying:

"I'd do anything to take back the hurt I caused so many people, especially the families of all those that died, but I'm afraid that's something I'll have to live with for the rest of my life."

After all these years it seems that Janie is feeling guilty.

She's not alone. The recent 10th anniversary of the fall of South Vietnam produced a spate of breast-beating treatises by former anti-war activists who expressed similar feelings of guilt about what they did during the '60s and '70s.

These are the same people who spit on U.S. soldiers when they returned from Vietnam and called them baby killers.

These are the same people who burned American flags and championed the cause of communist North Vietnam and their lackeys in the south, the Viet Cong.

These are the same people whose naive clamorings prolonged the war and caused additional American deaths by giving the enemy needed moral support.

These are the same people who cut and ran from their country when their country needed them most.

Now, they tell us they feel guilty.

Good.

I hope they carry that guilt to their graves.

No group is more deserving of that guilt.

And, of all the members of that group, no individual is more deserving than Ms. Fonda.

I think the idea that her husband, Tom Hayden, had a few weeks ago to erect a monument to the anti-war protesters is an excellent one. No one should forget what those people did to this country. A fitting monument would have Ms. Fonda sitting in the seat of an anti-aircraft gun in Hanoi with the bodies of dead Americans strewn on a field in front of her.

That way future generations would be reminded of what she and her ilk did to this country.

And, in that same way, they can remember what guys like "the Blackhawk" did for this country. The Blackhawk won't have any memorials erected in his honor. He's one of more than 58,000 G.I.s whose names are etched into the black marble wall in Washington that honors those who died in Vietnam.

Panel 27E, line 36. The name there reads "Quinner T. Chandler Jr." but he was the Blackhawk. Whenever I'm in Washington I go by the wall to look at his name and remember what he did for a lot of us.

The first time I saw the Blackhawk was about 2 a.m. on Oct. 6, 1965. We had just arrived at Parris Island, S.C., and 80 scared civilians were being introduced to the pleasantries of Marine Corps boot camp. There were 79 of us who trembled and sweated as a beetle-browed drill instructor impugned our manhood, maligned our family heritage and generally questioned our reasons for existing anywhere near him.

Only the Blackhawk smiled.

The Blackhawk smiled throughout the next eight weeks of training. Nothing any of our three drill instructors did or said could erase that smile. After a while, they stopped trying.

The Blackhawk was an 18-year-old barrel-chested black kid from Guthrie, Okla., in a unit filled with tough, white kids from Philadelphia, New York City and Boston. During those eight weeks many of us drew our strength from his ever-present smile as we waded into unknown and frightening territory in the early days of Vietnam. We didn't know where Vietnam was, or what it was, only that Marines were dying there.

Two years later I was sitting at a desk at Headquarters Marine Corps in Washington. My war was with the mounds of paper work created by Vietnam and with the hippies who infested Georgetown in those days. Vietnam was a war I would never see but would come to know quite well through the parents and wives of those who died there.

My job was to explain to grieving parents and distraught widows why they did not get back treasured personal items, like wedding rings or St. Christopher's medals, from the bodies of the dead. The euphemism used to explain it was "due to the circumstances of death." The truth was usually too grisly to be told.

That day, as I was sifting through a stack of papers, I ran across the name, "Chandler, Quinner T., Jr."

The Blackhawk was dead. He was 20 years old.

I sat and stared at the name for a long time. I wondered if he was smiling before he died. I could not help but smile when I thought of him. When I pulled his file to find out what had happened I learned he had died in one of those "non-battle" deaths that were so prevalent in Vietnam. The truck he had been driving overturned, killing him.

The Blackhawk was no hero. But, he was special. He was a Marine doing what his government asked him to do. He didn't cut and run.

Whenever I hear of Jane Fonda making another million off the capitalist system she so despises, or whenever I read of another left-winger feeling guilty, I think of the Blackhawk and the 58,000 others like him. I think of the 2,477 among them whose bodies were never accounted for. I think of the more than 300,000 who were wounded.

Forget?
Never.
Forgive?
Hell no.●

LOAN LOSS RESERVE LEGISLATION

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FLIPPO. Mr. Speaker, I am pleased to join with my distinguished colleague from Minnesota, Mr. FRENZEL, in introducing today a bill to amend the Internal Revenue Code of 1954 to require conformity between the loan losses reserve accounts maintained by commercial banks for tax purposes and for financial statement purposes.

This bill represents a timely and necessary change in the tax law to make Federal tax policy consistent with the objectives of the Federal bank regulatory initiatives and generally accepted accounting principles (GAAP). The enactment of this bill would strengthen the commerical banking industry in a time of high risk and uncertainty.

Mr. Speaker, the relatively large number of bank failures in recent years has become a matter of considerable public concern. While bank failures averaged only 10 per year in the late 1970's and early 1980's, the number of failures rose substantially, reaching 79 in 1984. This trend continues in 1985. Over the first 4 months of 1985, 29 banks have failed and there are expectations that the number of failed banks in 1985 will surpass the number recorded in 1984. The passage of the bill I am introducing today would help restore public confidence in the commercial banking system.

Just last month, the Comptroller of the Currency found it necessary to remind the boards of directors and chief executive officers of the Nation's banks of their responsibility to maintain an adequate reserve for loan losses. In view of recent trends in the financial marketplace, the Federal banking authorities acted wisely in issuing this timely reminder to the banking officials about their responsibilities in providing for an adequate reserve for loan losses.

Loans are generally a bank's largest single class of assets and generally present the highest potential for loss. The degree of risk associated with lending depositors' money mandates that a bank maintain an adequate allowance for loan losses through periodic charges to operating expenses. The amount set aside in a reserve for loan losses can be considered reasonable when the allowance for loan losses is determined by management to be adequate to cover estimated losses inherent in the loan portfolio.

It is the duty and responsibility of the board and management of each bank to make the judgment regarding the overall size and the periodic additions necessary to maintain an adequate reserve for loan losses. The circular issued by the Comptroller of the Currency on May 31, 1985, emphasized that:

> It is the responsibility of the board of directors and bank management to establish written policies and procedures to evaluate the risk in the portfolio, ensure the timely charge-off of loans, and properly reflect estimated future loss in the allowance.

The allowance for loan losses must not and should not be determined by a mechanical formula that does not and cannot take into consideration the effect of changing business trends and other factors in the local economic environment. Yet this is just what the present tax law requires.

Under current Federal tax law for commercial banks, the maximum annual tax basis addition to the allowance for loan losses is based on the greater of a 6-year average of loan loss experience or a formula that permits, subject to certain limitation, an addition increasing the aggregate allowance for loan losses to a fixed percentage of eligible loans as defined in Internal Revenue Service regulations. The fixed percentage factor will be eliminated after 1987. Thereafter, the maximum addition will be based on the 6-year moving average loss experience method.

The Tax Code attempts to substitute a simple formula based on past experience for sound business management based partly on past experience, but taking into consideration changing business conditions and knowledge of local markets. This arbitrarily calculated loan loss percentage dictated by Federal tax policy is not consistent with regulatory objectives or generally accepted accounting principles. It does not necessarily promote bank safety or reflect the workings of the marketplace.

In fact, Mr. Speaker, the arbitrary formula may have the opposite effect working against prudent regulatory objectives. In cases where bank management is advised on one hand, to maintain adequate bad debt reserves, but are told, on the other, that it will not be allowed a tax deduction for additions to these reserves, management may be discouraged from adding the prudent amount to the reserve for loan losses. Banks should be permitted and encouraged to account appropriately for loan losses and estimated future loan losses and the financial statements of the banks must accurately reflect the financial conditions of the individual bank.

The legislation we have introduced today will enable and encourage bank management to maintain a reserve consistent with the risk inherent in the bank's loan portfolio and with current banking practices. In recent years, most bank officers have created loan loss reserves that are commensurate with the size and risk characteristic of the loan portfolio which are equal to or in excess of, the reserve balance allowable for tax purposes. It is time to bring Federal tax policy in line with prudent regulatory objectives, sound managerial practices, and generally accepted accounting principles.

The bill provides that a bank may take a tax deduction for the amount necessary to bring its reserve for loan losses for tax purposes up to the level of its loan loss reserve for financial statement purposes. For these who might be concerned that such a change could lead to an excessive tax deduction, the bill includes a provision precluding a deduction for additions to a book reserve in excess of 1.5 percent of total loans.

There are two additional limitations in this bill. First, if a bank's book reserve for 1984 is greater than its tax reserve then the tax reserve is to be adjusted to match the book reserve as of the first day of taxable 1985 and the amount of that adjustment is to be spread over 6 years. Second, if a bank's book reserves for 1984 is less than 1.5 percent of total loans, then, even if the bank increases its book reserves to 1.5 percent of total loans for 1985, the amount of the addition to

the tax reserve for which a deduction is allowed cannot exceed 0.5 percent of total loans of the taxpayer as the close of the taxable year, plus net charge-offs. The same rule would apply to newly chartered banks where first-year book reserves amounted to less than 1.5 percent of total loans.

Mr. Speaker, the Congress has not thoroughly examined the tax laws regulating the amounts banks may add to a reserve for loan loses since 1969. The marketplace for financial services has changed substantially over the intervening years. The structure of the banking industry has changed substantially. New competitive pressures have emerged. The composition of the loan portfolio of commercial banks has also changed dramatically.

The experience over the past 15 years demonstrates that it is no longer appropriate to restrict additions to a reserve for loan losses to an arbitrary formula. The banking marketplace has changed and the tax laws should be revised to reflect the changing needs of bank officials and federal regulatory authorities. Above all else, we need to restore public confidence in the commercial banking system. This bill would base the reserve method of treating bank's bad debts on generally accepted accounting principles and regulatory standards. It would help strengthen the banking system. I urge my colleagues to support this timely legislation.●

LOAN LOSS RESERVE LEGISLATION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FRENZEL. Mr. Speaker, today, my colleague, the distinguished gentleman from Alabama, Congressman FLIPPO, and I are introducing legislation to provide for bank soundness by amending the Tax Code to allow commercial banks to maintain adequate loan loss reserves. Our bill provides that a bank may take a tax deduction for the amount necessary to bring its loan loss reserve for tax purposes up to the level of its loan loss reserve for financial statement (book) purposes.

In the past, commercial banks have been criticized for using the loan loss reserve provision as an artificial tax deduction that did not reflect the amount that banks were actually charging earnings for loan loss reserves. This criticism was due to the fact that banks' loan loss reserve deductions were based on a fixed percentage of their loan portfolio. Our bill would eliminate the artificial preference aspects of the deduction by replacing the percentage method with a deduction based on the amount a bank charges against its earnings for loan loss reserve. Banks will no longer pay tax based on income that has been reduced by an arbitrarily calculated loan loss percentage. The tax paid under our bill would be based on bank's real economic income.

The bill contains additional limitations to ensure that excessive reserves are not maintained. The deduction is subject to an overall limitation in that no deduction is allowable which reflects a book reserve in excess of 1.5 percent of total loans. Where a bank's book reserve is greater than its tax reserve, the tax reserve will be adjusted to match book reserve over a period of 6 years.

An additional limitation directed toward smaller, closely held institutions, provides for a sub cap of 0.5 percent of loans on the amount that may be deducted for increased reserves in any given year.

I believe the bill promotes the soundness of our banking system by providing commercial banks with a reasonable means of maintaining loan loss reserves and requiring them to pay tax on their economic income. I urge my colleagues to join us in support of this important legislation.●

AIMING HIGH . . . TOGETHER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DORNAN of California. Mr. Speaker, I wish to place in the RECORD the transcript of an outstanding speech by Thomas A. Fuentes, chairman of the Republican Party of Orange County, CA, to the Orange County Convention of the League of United Latin American Citizens [LULAC] in Anaheim last April.

Mr. Fuentes, himself an Hispanic, speaks cogently and eloquently of the plight of innocent preborn children who are tragically denied their God-given right to life in what he refers to as the "time of Holocaust of the preborn."

The message that Mr. Fuentes so brilliantly delivered to Hispanics applies to people of all ethnic origins. He said:

* * * the same Hispanic blood that runs through your veins and mine is daily sacrificed on the abortion-mill slaughter-tables of our land * * * Hispanic infants are being sucked from their mothers' wombs by butchers calling themselves doctors. This is the greatest threat to our people and to the continuation of our Hispanic heritage in modern society.

"Hispanic involvement in the political process is addressed poignantly by Mr. Fuentes later in the talk when he speaks of the "false prophets and tired leaders who still try to saddle our Hispanic people with the tried and failed philosophy and programs of liberalism and the politics of confrontation."

I commend Mr. Fuentes for his courage and insight and urge my colleagues to read and reflect upon his thoughts. His strong remarks hold great meaning for all Americans.

"AIMING HIGH . . . TOGETHER"

(By Thomas A. Fuentes)

Mr. Chairman, Honorable and Distinguished Guests, My fellow Hispanic Orange Countians.

Thank you very much for this special opportunity to address your convention meeting of the League of United Latin American Citizens. It is a pleasure and a privilege to be among you and to have the opportunity to talk with you.

As an Orange County Hispanic, it is a special pleasure to be invited to participate in a gathering of an organization which has for so many years been recognized as a forum for the expression of an Hispanic viewpoint.

As a Republican, it is a welcomed opportunity to share with you my perspective on social, political, and civic participation opportunities which our Hispanic people today enjoy in the ranks of the G.O.P. in this county.

But, before I speak to you of politics, I want to speak to you of morality. I want to speak with you of the greatest issue that today affects Hispanics in America. I want to share with you the pain of the Preborn of our land who cry out with silent screams. Good Hispanic men and women of conscience must respond.

To gain the courage to talk with you so frankly and candidly about so sensitive and critical an issue in our national debate, I invoke the aid of Our Mother, the Virgin of Guadalupe.

More times than I can count over the years, I have been a Guadalupan Pilgrim on my knees at the Shrine of Tepiac. Unashamedly, I remind you that Guadalupe is the Patroness of All the Americas. It is under her guidance and patronage that we Hispanics have had a special role to play for generations on this continent. Today we have a special role in modern society. My brothers and sisters, it is Guadalupe, who is a fitting model for all of us, men and women, in our role as Hispanics in this modern world.

Her venerable image has for you and me, as Hispanics, an undeniable presence in our culture, our history, and our present lives.

The first settlement of Orange County by Europeans was an Hispanic settlement. It was in 1776, the year of our National Independence, that Fray Junipero Serra founded Old Mission San Juan Capistrano. His monumental achievement in Orange County was with the spiritual aid of Guadalupe.

Friends are often times amazed to learn it when I tell them that Father Serra, his brother padres, and the Indian converts of this land in Orange County had a role in the success of George Washington and the American patriots.

You see, the King of Spain was at war with England and thus Spain became an ally to the American freedom fighters. The King of Spain asked all of the priests in service to the Crown to pray for the success of General Washington and his troops. So, in the archives of Old Mission San Juan Capistrano there is a record of spiritual alliance between the first Hispanics of Orange County and the patriots of the American Revolution.

My family came to California from Mexico in 1833, and settled at old Mission San Gabriel. From there, they founded homes near the Plaza in Los Angeles and later near Mission San Fernando. The separation from Mexico came and we have since had an allegiance to the United States of America. Like you, I share pride in my Hispanic heritage and at the same time am grateful to God that I am able to share in the great American dream.

I raise all of this personal family history to share with you evidence that the same Hispanic blood runs through my veins as runs through yours. And, I share it with you to remind you that the same Hispanic blood that runs through your veins and mine is daily sacrificed on the abortion-mill slaughter-tables of our land. Yes, right here in Orange County and throughout California today, Hispanic infants are being sucked from their mothers' wombs by butchers calling themselves doctors. This is the greatest threat to our people and to the continuation of our Hispanic heritage in modern society.

Earlier this month, I participated in ceremonies here in Orange County with our Jewish neighbors to commemorate the freeing of European Jews from the concentration camps of Nazi Germany. We marked the memory of Auschwitz with prayer and words. Yet, throughout that evening of candlelit remembrance I could not help but be ever mindful that as Jews died in extermination chambers only 40 years ago, today brown Hispanic babies die by suction chambers in sterile white clinics in our own cities of California. We live in a time of the Holocaust of the preborn.

My own ability with the Spanish language is poor, but to keep up what little facility I have, I often times turn to the Spanish language radio stations of the Los Angeles area. As I drive and listen, my outrage grows. Almost universally, the Spanish language radio stations of this area are frequent broadcasters in Spanish of abortion advertising, soliciting Hispanic women to bring their infants to the slaughter.

You seldom hear this kind of advertising on English language stations. But, those who broadcast to Spanish speaking people, freely broadcast for profit a message of infanticide. Hispanic babies cry out with silent screams.

If this Spanish language abortion advertising be not the practice of racism, what is?

I have been confronted by radical feminists who yell and tell me that I am against abortion because I am a Roman Catholic. And, others who tell me that I am a Republican because of my Pro-Life stands. The first accusation is wrong. The second may be correct.

I am not against abortion and for the saving of innocent infant human life because I am a Roman Catholic. I am a Catholic because the church I claim is a defender of the Right to Life, a position which I arrive at ethically and intellectually. I am a Republican too, because, the Republican Party today defends the Right to Life in America and the Democrat Party has abandoned the defense of life and family values which are the foundations of our American society, and our Hispanic heritage.

For years, the Democrats gave lip service to the Hispanic people in Orange County. At election time they passed out soggy tacos, watered-down Margaritas, and played for us brassy Mariachi music. But, in delivering opportunity for real participation in the leadership of the Democrat party, they failed us. That is what is different about the G.O.P. Ours is the Great Opportunity Party! For everyone who wants to participate and work, the opportunity for leadership is unlimited. We have countless converts today in the leadership of the Hispanic community of Orange County who testify to this reality.

I remind you that it was the Republican Party which was the first political party in Orange County to offer a party banner to an Hispanic for a seat in the California state legislature. Raoul Silva was nominated in this county back in 1980 as the Republican Nominee in the 72nd Assembly district to challenge a liberal Democrat Richard Robinson, whose record of anti-family life and anti-life votes would make any Hispanic, true to his or her heritage, cringe.

And, when the Democrat controlled California Legislature carved out a so-called "Hispanic State Senate District" with overwhelming Democrat registration in the Center of Orange County for the election of 1982, the Democrats failed to nominate an Hispanic. So, many Hispanics in our community turned to a dedicated Conservative Republican in the person of now State Senator Ed Royce, whose philosophy and commitment are compatible and consistent with the traditions, philosophy, and ethics of the Hispanic heritage which is yours and mine.

Your convention theme is "Aiming High Together!"

That is a fitting theme for us Hispanics every day! But we must not only Aim High, we must succeed! There are false prophets and self-appointed false leaders among us who would actually not really have us each succeed.

They know that if we succeed, we would abandon them.

I speak of the false prophets and tired leaders who still try to saddle our Hispanic people with the tired and failed philosophy and programs of liberalism and the politics of confrontation.

I speak of false prophets who advocate Hispanics being in a role of opposition to free enterprise rather than in a role of full participation in a free market economy.

It was in 1921 that my father first came to Orange County. He was a seven year old student at St. Catherine's Military School in Anaheim. In those days the Ku Klux Klan would ride around the school in their hoods and robes and do what they could to scare the nuns and children. Of course, all the students were Catholic and many were Hispanic.

But today, things are very different in Orange County and things are very different in our Republican Party, too. (As was mentioned earlier, today there is even an Hispanic Chairman of the Republican Party of Orange County!)

Today, we the Republican Party of Orange County, are 159,000 more registered Republicans than Democrats in this community. We are a broadly based party which has captured the hearts and allegiance of all segments of our community.

I was a little surprised when some of the press made a major point of my election as the first Hispanic Chairman of the Republican Party of Orange County, the most Republican county in the nation. After all, I had served for the four previous years as the Vice Chairman of our party. And, our 12 member Executive Committee has long had four members who are Hispanics. I speak for Raoul Silva, Chuck Montero, and Dan Montano, colleagues who have for years shared with me in the leadership and direction of our party in this Conservative Republican county.

Hispanics played an important role in the re-election of President Ronald Reagan in 1984. We know that Hispanics voted for the President. He carried Hispanic precincts in Orange County by 65.5%! The leadership and programs of Ronald Reagan were endorsed by the Hispanic People.

Here in Orange County, the Hispanic vote was very crucial to the election of a new Republican Member to the United States Congress. Bob Dornan received a significant Hispanic vote in his critical election battle last year. He defeated a Liberal, anti-family life and anti-life Democrat. Hispanics played a major role in that election and they will continue to play an important role in the present and future of the Republican Party of Orange County.

We have today an Hispanic Republican Committee in Orange County which is recognized throughout California and across this nation. It has been at the forefront of Hispanic outreach in our party. Its members are professionals, successful large and small business people, blue collar workers, the elderly and youth. All of them have the esteem and appreciation of our entire Republican Party network because they are so vital and so active. And, so successful.

The outreach of the Republican Party of Orange County is, of course, not just to Hispanics. The color and fabric of our community are rapidly changing. We have a vital and vibrant community of many diversified elements. And, the Republican Party of Orange County is responding and leading. Today there is a Black Republican Council. There is a Korean American Republican Association and a Vietnamese American Republican Association. All of these active, new organizations are swelling with membership and capturing the involvement of ethnic peoples who are welcome as new neighbors, many of them becoming new citizens each day.

Today, with Ronald Reagan in the White House and George Deukmejian in the Governor's office, more Hispanics have jobs in Orange County because all Orange Countains have more jobs! Our unemployment rate is at an all-time low in Orange County today. Reaganomics works! Deregulation works! The free market works and allows all of us to work and succeed!

I speak of those who would demand bi-lingual programs rather than advocate the necessity of our people learning English.

Only if our people, especially our youth, learn the finest of English language skills can they obtain a full role in society and share in a full life of social, civic, political, educational, and economic growth.

And the teaching of English to our children does not have to be just the responsibility of government. We have churches and church schools which are fitting places for extensive English language programs for Hispanics.

We ought to demand of our priests and sisters that they open our schoolrooms in the evenings and on weekends and teach our people English in the arms of the Church.

There are false prophets among us who would have Hispanics oppose the Reagan administration policies in Central America. They would abandon our Hispanic brothers and sisters in Central America to a future in the shackels of Marxism.

I say to you that we should listen to the countless tens of thousands of our Hispanic brothers and sisters who are the Cuban refugees in our own communities. These Hispanics know the tyranny of Marxism. They

share the determination of our President to preserve freedom's future in Latin America.

We should align our voices with those among us who speak with un accento Cubano.

I invite each and every one of you to aim high! But, more so, I invite each of you to succeed in Orange County.

I invite you to join our many Hispanic brothers and sisters who today have a full role of participation in the Republican Party. I invite you to join a party that wants you, welcomes you, and yes, knows that it needs you.

With the arrival of Junipero Serra, Orange County was first an Hispanic community. Today, once again, Hispanics are assuming key roles of leadership. The door is open. The welcome mat is out. The Republican Party, the party of leadership in Orange County, extends a most cordial invitation to you. Please join us!

But, most of all, listen and hear the silent screams of the preborn. Join us in their defense.

Thank you!●

WHY WE SHOULD EXPEL DOBRYNIN

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GINGRICH. Mr. Speaker, recently we've witnessed numerous atrocities committed against Americans abroad. While our citizens are being held hostage in Beirut, our Marines were gunned down in El Salvador and Americans were killed in Air-India flight 182.

The United States can't sit quietly while her people are under seige around the world. But at the same time, the current wave of terrorism shouldn't cloud our memory of the cold-blooded murder of Major Nicholson by a country we assume acts more rationally than radical terrorists.

I call to the attention of my colleagues Congressman FRED ECKERT's column, which appeared in the May 26, 1985 Democrat and Chronicle. FRED clearly and concisely outlines why we should expel Dobrynin.

I hope my colleagues will read this column carefully and never forget the pain and humiliation our country has suffered by the senseless murder of Major Nicholson by the Soviet Union.

HONOR, COMMON SENSE SUPPORT THE EXPULSION OF DOBRYNIN

(By Representative Fred J. Eckert)

The world must have seemed pleasant to "Nick" Nicholson on March 24th. The 37-year-old United States Army major enjoyed a fine record and reputation. He was well-liked. He had a lovely wife and a cute little eight-year-old daughter. And it was a delightful day near the East German Village of Ludwigslust as he went about his routine assignment.

Suddenly, and without any warning, a Soviet soldier raised his AK-47 assault rifle and fired three shots in rapid succession at Major Nicholson.

Sgt. Jesse Schatz, Major Nicholson's companion, quickly grabbed a medical kit and rushed to his fallen friend. But Soviet soldiers stepped forth and forbade him from administering first aid. Major Nicholson was bleeding profusely, but not one Soviet soldier lifted a finger to help him. They just stood there. They just watched—for nearly an hour—until, finally, Major Nicholson bled to death.

It was a savage act of cold-blooded murder. Maj. Nicholson had done nothing to provoke the Soviets. He was in an area he had every right to be in. He was simply performing routine duties under a U.S.-U.S.S.R. on-site inspection military liaison agreement that both sides have operated under for the past 38 years. He was unarmed—and the Soviets knew that, because U.S. servicemen who perform this duty are always unarmed.

Civilized conduct demands that the Soviets discipline those responsible for the murder of Maj. Nicholson. Human decency demands that the Soviets show remorse and make amends to the wife and child of the young major. But to date the Soviets have steadfastly refused to so much as even apologize. Instead, they lie and blame the innocent victim—the deceased Maj. Nicholson—for the tragedy.

It is because the Soviets have been arrogant and abusive, when they should be apologetic, that the House of Representatives passed a resolution on May 9th asking the president to expel the Soviet ambassador to the United States unless the Soviets apologize for the murder of Maj. Nicholson. The vote was 322-93.

For joining most Republicans and most Democrats in supporting that resolution, Congressman Frank Horton and I have been ridiculed by the Democrat and Chronicle, which calls that action "new heights of silliness" and "empty blows against communism."

Silly? Empty? Well, what alternative action has the Democrat and Chronical recommended? None. None—like in "empty."

So it is "silly" to expel a Soviet diplomat, is it? Silly New Zealand expelled the Soviet ambassador in 1980. Silly Egypt expelled the Soviet ambassador in 1981. Silly Liberia expelled the Soviet ambassador in 1983. In the past 10 years, 35 silly countries around the world have expelled a total of 397 Soviet diplomats.

The Democrat and Chronicle claims that it is inconsistent to recognize that in today's world we need to talk to the Soviets but vote to send their ambassador packing "so you can't talk after all." Now that's silly! There are nearly 900 accredited Soviet diplomats in the United States! The problem is finding a Soviet leader who listens to reason.

The fundamental flaw of the Democrat and Chronicle editorial is that it treats the proposed expulsion of the soviet ambassador as tantamount to termination of diplomatic relations. The Democrat and Chronicle should know better.

The bipartisan coalition of members of the House of Representatives who supported this resolution that the Democrat and Chronicle finds so abhorrent did not propose that we do not talk with the Soviets. We did not propose that we abandon diplomacy. What we proposed was an intelligent, measured, sophisticated response to an atrocity. Expulsion of Soviet Ambassador Anatoly Dobrynin would deprive the Soviets of the services of their leading agent outside the Soviet Union, their best connected diplomat, the diplomat in whom they have the most invested.

To suggest that it is "silly" or extreme to inconvenience the Soviet Union in response to the cold-blooded murder of a fine young American military officer who committed no offense is itself, frankly, silly and extreme. Honor and common sense support the moderate, measured action that the House of Representatives called for.

Three days after the murder of Maj. Nicholson, the Democrat and Chronicle had the bad taste to compare this tragedy to a football game and the bad judgment to conclude that the U.S. and U.S.S.R. had agreed to call the killing an accident. So perhaps we should be encouraged that the May 19th editorial did call this what it really was—"a brutal killing which cannot be excused and must not be forgotten." Too bad that the Democrat and Chronicle cannot understand that one of the most effective ways for the United States to demonstrate that we do not excuse and shall not forget is to take the action recommended in the House of Representatives resolution.●

THE TRAGEDY OF LEBANON—WHERE IS GEMAYEL?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BROOMFIELD. Mr. Speaker, what has happened to President Amine Gemayel of Lebanon? Why hasn't he spoken out about the hostage situation? Are the forces in the region that want to crush Lebanon's independent status now silencing President Gemayel?

Just a few years ago, President Gemayel's brother was assassinated allegedly with outside influence. The current President came to power and asked for peace in Lebanon. He dedicated himself to that goal as a moderate and he tried to bring the warring factions together. He promised the various groups in Lebanon a greater role in his new government. He tried to establish some form of central government control over that war-torn land.

The United States provided considerable assistance to the Lebanese Government. We trained the Lebanese Armed Forces, and helped the President's reconstruction programs in parts of Beirut that had been destroyed in the 1982 bombings in that city. The United States also provided both economic and military assistance to Lebanon.

There are elements in that country, however, which don't want a peaceful and united Lebanon. They hope that out of the current chaos and bloodletting they can crush the opposition and emerge victorious. Some elements in that country engage in terrorist acts to draw attention to their newfound authority in that turbulent land.

It is also widely known that Syria has a long-term objective indirect control over that country. Syria will not

allow any faction to gain power in Lebanon which does not share that vision of a greater Syrian role in Lebanon.

Let's face the facts. President Gemayel has been silenced by Damascus. For all intents and purposes, Assad is running the show in Beirut. Once free and independent Lebanon has come under the de facto control of the crafty Syrian regime. This is why, my colleagues, the President of that country has not said anything about the almost 40 American hostages being held in his country. This is why he failed to denounce the madness of the hijacking of the TWA plane. This, my friends, is the real tragedy of Lebanon.●

LET'S BE SAFE BUT NOT SORRY: MORE OFFSHORE OIL AND GAS DRILLING IS NEEDED NOW

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DORNAN of California. Mr. Speaker, I wish to call to my colleagues' attention an outstanding article on offshore oil drilling which was written by Mr. John M. Barbieri of San Pedro, CA. His article, "Offshore Oil: A Long Range View," appeared in the May 1985 issue of Sea Power magazine and I include it in the RECORD.

Mr. Barbieri is exactly correct when he says that the United States, for national defense and domestic consumption needs, should open up more of the Outer Continental Shelf to oil and natural gas exploration and development.

I could not agree more with Mr. Barbieri's conclusion that, "the United States lags far behind the United Kingdom, the U.S.S.R. and other nations in leasing its offshore lands for energy exploration and development. Moreover, despite an urgent need to change course and thus remove the threats posed to national security and economic progress, Congress has moved in the opposite direction in recent years—toward prohibiting leasing activities on more and more offshore acreage. Each acre removed, amounts to another serious backward step in the Nation's march toward a secure energy future."

While I have had my past concerns on selected drilling sites, we in the Congress should be absolutely firm on that one most important point. We must have more, not less oil and gas exploration and the lease-sale programs should move forward at a faster pace. The wholesale removal of drilling sites, so that exploration is more often the exception than the rule, will have disastrous consequences for the future health and prosperity of this Nation. Congress must break this self-destructive mindset against offshore oil drilling that is based on exaggerated fears and ignorance perpetuated by those who are just plain antigrowth.

I have inspected a number of offshore oil platforms along the southern California coastline. I am convinced that the oil industry has succeeded in establishing ecological compatibility with the water environment around it. While risk is inherent in all we do, the oil industry has minimized that risk by devoting its vast resources to developing checks, counterchecks and superior cleanup technology.

I commend Mr. Barbieri's article to my colleagues. It is a short, concise analysis of what needs to be done and what will haunt us if we do not.

The tragic events unfolding before us in the Middle East must serve as an immediate reminder that this Nation cannot allow itself to be held hostage to foreign energy sources ever again.

OFFSHORE OIL: A LONG-RANGE VIEW

(By John M. Barbieri)

(John M. Barbieri is the president of Barbieri International, a San Pedro, Calif.-based consulting firm.)

The largest oil-producing nation in the world is not in the Middle East. Although it accounts for more than a fifth of all the oil produced on this planet, it is not even a member of the Organization of Petroleum Exporting Countries (OPEC).

This fortunate nation is the Soviet Union, whose energy self-sufficiency contrasts dramatically with the energy dependence of the United States.

While the Soviet Union is a major petroleum exporter, the United States continues to look abroad for a significant portion of its oil supplies. Despite falling oil prices, successful conservation efforts by American consumers, and what appears to be the nation's relative comfort in the fact of a worldwide oil glut, one out of three barrels of oil consumed in the United States still comes from foreign sources. About the same ratio prevailed just before the Arab oil embargo of 1973-74.

DEPENDING ON OIL

If anything, the United States is likely to become more, not less, dependent on oil imports; in any case, it will continue to be dependent on oil and natural gas as fuels for the foreseeable future. In fact, it has been estimated that by the year 2000 the two combined could account for about half the nation's total energy supply.

But America's oil and gas reserves are dwindling, and the United States is depleting those reserves at a rate much faster than new ones are being found. This adds up to an imposing task: Just to replace the oil that will be consumed in the next 10 years, the American Petroleum Institute says, the United States will have to find 32 billion more barrels of oil.

Fortunately, the needed reserves already may be in place, right at the country's oceanic doorstep. The U.S. Geological Survey (USGS) estimates that America's undiscovered recoverable energy resources in offshore areas may be as much as 44 billion barrels of crude oil and 231 trillion cubic feet of natural gas—enough to eliminate all oil imports (at 1982 levels) for more than 23 years, and provide a 65-year supply of natural gas to over 45 million U.S. households now using gas for heating. The USGS further estimates that as much as 59 percent of future U.S. domestic crude oil could come from offshore fields.

GOING WHERE THE OIL IS

Access to these potentially rich areas, however, remains a serious problem.

In 1945, the Federal Government claimed formal ownership of all natural resources found on that portion of the outer continental shelf (OCS) extending from state offshore boundaries to the point where the water reaches a depth of 2,500 meters. The Federal Government thus owns about 966 million acres off America's coasts, or about 97 percent of the OCS. The States own the rest.

But over the three decades ending in January 1984 the federal government had made available for exploration and development only 23% of its offshore acreage, and had actually leased only 3%.

Other nations, including the Soviet Union, have been, in contrast, far more aggressive in finding and producing their petroleum resources. The United Kingdom, for example, has offered for leasing all of its outer continental shelf. As a result of the search for offshore oil and gas that resulted from that policy, the United Kingdom, like the USSR, now produces more oil than it consumes; indeed, it now supplies the United States with 8% of the oil the United States imports.

BACKWARD STEPS IN CONGRESS

As suggested above, the United States lags far behind the U.K., the USSR, and other nations in leasing its offshore lands for energy exploration and development. Moreover, despite an urgent need to change course and thus remove the threats posed to national security and economic progress, Congress has moved in the opposite direction in recent years—toward prohibiting leasing activities on more and more offshore acreage. Each acre removed, of course, amounts to another serious backward step in the nation's march toward a secure energy future.

Ironically, it was Congress that originally directed the Department of Interior to establish a plan to accelerate offshore leasing. Such a plan, it was then argued, would help avert energy crises like those America experienced during the Arab oil embargo of 1973-74 and again during the Iranian Revolution of 1979.

But in the past three fiscal years Congress has effectively banned the leasing of millions of federal offshore acres. A series of one-year moratoriums was imposed on leasing in areas off the North Atlantic coast, the eastern Gulf of Mexico, and the coast of California.

In 1982, 700,000 acres were withdrawn. The total area placed off limits rose to 36 million acres in 1983, and to 52 million 1984. Withdrawals are down somewhat in 1985 (to 46 million acres). But even that somewhat lower total is more acreage than has been leased in the past 30 years.

DOLLARS AND SENSE

It seems obvious that economic progress and national security walk hand in hand. History shows that social change follows close on the heels of technological advancement. American ingenuity time and again has created the technology which in turn has stimulated economic growth and productivity and, at the same time, enhanced national security. The American oil industry

carries on this tradition through the development of innovative technology aimed at fueling the nation's economy and simultaneously supporting the common defense.

Unfortunately, regulatory tape ensures a premature death for many current and planned offshore energy development projects. A case in point is Exxon's attempt to develop oil and gas reserves in the resource-rich Santa Barbara Channel (SBC) off the California coast.

Few individuals know the intricacies of American government and how and why it works—and sometimes doesn't—better than former Secretary of Defense Elliot Richardson. In a recent *New York Times* article, Richardson lamented the "regulatory morass which is a familiar aspect of contemporary economic life." And he pointed out that in 1968 the Exxon Corp. leased, for $218 million, an interest in 47 tracts in the SBC, which exploration later indicated held over 400 million barrels of oil and substantial quantities of natural gas.

California officials said at the time that the Exxon proposal to develop the SBC reserves constituted the single largest economic project in the state's history. Today, the SBC oil fields are still one of the largest proven reserves of petroleum in U.S. possession. And they still remain to be developed.

As Richardson pointed out in his *New York Times* article, it wasn't until 1981—after Exxon had struggled through three major environmental impact studies, 24 major public hearings, 10 major governmental approvals (and many minor ones), 51 consultant studies (costing more than $2 million), 12 lawsuits, and one countywide referendum—that a final governmental decision was received on whether development could *begin*. All that in spite of the fact that the SBC project promises to provide about 1,500 jobs, federal revenues of over $5 billion, and state and local revenues exceeding $525 million. "This is no way for government to proceed," Richardson sadly concluded.

The type of interference faced by Exxon obviously reduces productivity, growth, and employment. Less obvious, but more important, is the fact that it also leads to increased government social spending and weakens national security.

Aside from direct economic benefits, offshore oil and gas development is an important part of sound fiscal policy. In fact, the OCS leasing program is second only to the Internal Revenue Service as a source of income to the federal government; by 1987, it is expected to have generated about $90 billion in lease sales and royalties alone.

Development of OCS resources contributes in a fundamental way to certain national defense aspects of the nation's overall security and economic well-being.

Two primary defense objectives are supported by domestic OCS production: readiness; and war-fighting sustainability. *Readiness* is enhanced through peacetime training exercises carried out by the military. Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) Lawrence J. Korb sums it up this way: "Aircraft must fly, ships must sail, and ground forces must train in realistic circumstances. These activities are possible only with adequate liquid hydrocarbon fuel resources to support the flying hours, steaming days, and field training activities.

"War-fighting *sustainability* is assured, in part," Korb also points out, "by the prepositioning of military fuel and war reserve assets near the point of intended use and by the development of arrangements for follow-on fuel from secure sources once the prepositioned fuel has been expended."

The Pentagon has for the reasons stated by Korb encouraged the development of secure sources of petroleum. In that context, it is evident that development of OCS oil reserves would both add to the total of secure domestic petroleum assets available and provide a broader base from which to draw in an emergency.

The simple fact is that without adequate fuel U.S. naval and military forces cannot function. Many vital weapon systems currently in the defense inventory, as well as planned systems, are designed to operate on liquid hydrocarbon fuels exclusively. Obviously, access to such fuel is basic to the needs of the nation's armed forces. Because the U.S. outer continental shelf is one of the most promising areas for increasing the nation's domestic oil reserves, common sense dictates that it be developed to realize its full potential.

One incidental effect of OCS oil development has been to fortify the nation's seagoing maritime assets. The use of U.S.-flag tankers to carry crude oil provides an important auxiliary service to the Department of Defense. In addition, as the National Academy of Sciences (NAS) has documented, the service vessels and craft engaged in supporting the offshore industry have a potential defense utility.

GROUNDLESS FEARS

Much of the opposition to offshore energy development is based on fears about its impact on the environment and on commercial and recreational fishing. The facts, though, show such fears to be groundless.

The offshore oil industry's environmental record speaks for itself. Over approximately the past decade, oil spills from all U.S. offshore petroleum operations have totaled 56,000 barrels—about one-tenth of 1% of all of the oil produced by the industry during that same period. In fact, in the course of drilling over 33,000 offshore, wells in U.S. waters, there has been only one oil spill—in 1969, off Santa Barbara County in California—that caused even temporary damage to coastal beaches and to marine life in the tidal zone. Several scientific studies, moreover, have determined that no long-term damage resulted even from that spill.

Further, since 1969, new technologies have greatly reduced the possiblity of future spills, and oil spill cleanup cooperatives have been established by oil companies to respond rapidly in the event of an accident. In addition, the U.S. Coast Guard maintains trained oil spill "strike teams" and cleanup equipment.

Numerous environmental laws and regulations govern offshore energy operations. Oil companies engaged in offshore drilling must secure 17 major permits and comply with 74 sets of federal regulations, various state regulations, and nearly three dozen major environmental and navigation laws.

The environmental concerns about offshore energy operations undoubtedly are caused in part by the numerous misconceptions that persist about the sources of the oil found in the world's oceans. But a study conducted by the National Academy of Sciences has determined that, of all the oil detected in oceanic waters, river runoff accounts for 41%, 20% comes from tankers, and other modes of transportation, "natural seeps" account for 15% and municipal sources 11%, world offshore oil and gas production *outside* the United States is responsible for 5%, and 8% is attributable to other "miscellaneous" sources. The total resulting from U.S. offshore oil and gas production is only *five-hundredths of 1%*.

It is reasonable to point out—in reply to those who fervently assert that even five-hundredths of 1% is too much and that it should be U.S. national policy to stop *all* oil pollution—that over the past 10 years natural petroleum seepage alone leaked about *45 million* barrels of oil into the sea.

DRILLING FOR FISH

As to the effects of offshore energy activities on commercial and sport fishing, offshore development has, if anything, been a boon to fishing.

Oceanographers have long known that reefs play a crucial role in the oceans' ecosystems by providing substrate (the base on which an organism lives) for algae, mussels, barnacles, anemones, and other marine life. These organisms serve as a food source for small fish which, in turn, support colonies of large fish as well as other marine life, such as seals and sea lions.

An offshore drilling structure acts, in effect, as a reef, and with the same result. A single platform in 150 to 200 feet of water adds one and one-half to two acres of substrate to the ocean's subsurface, thereby increasing the marine population, supporting the food chain in the local oceanic community, and even attracting new types of marine life to that community. In fact, since the first offshore structure was installed in the Gulf of Mexico in 1937, 150 species of fish that previously were not found in the gulf have been sighted around the steel reefs of oil company platforms.

Commercial fishing today flourishes in the Gulf of Mexico, where more than 20,000 oil and gas wells have been drilled, and sport fishermen often anchor near platforms to take advantage of the enhanced fishing that is a natural if unforeseen result of offshore energy exploration.

The fact is, therefore, that fishing and petroleum development have coexisted rather well. The growth of offshore oil and gas production over the past 20 years has coincided with a steady growth in the fish catch in the Gulf of Mexico (and in the Pacific Ocean during the same time frame). To be sure, some of the increase is the result of improved fishing methods, but it is clear the presence of extensive offshore oil and gas operations has had no adverse impact on either the fish population or the fishing industry

FINDING THE WILL

To summarize: Energy security is important both to U.S. national security and to the nation's economic health. It follows, therefore, that moving ahead with development of offshore oil and gas resources will enhance that security.

Like the Soviet Union, the United States is blessed with abundant energy resources; what it evidently does not have in common with the Soviet Union is the national will to develop its resources to their full potential.

Continued—and probably accelerated—development of America's offshore energy resources is needed to ensure against potential cutoffs in the near or distant future. But if that future is to be truly secure, a healthy infusion of farsightedness is needed now, particularly in Congress, to make it come about. If that farsightedness is lacking, though, future generations of Americans might well—and with good reason—find cause to question both the wisdom and the political courage of those who now occupy

positions of power in the legislative and executive branches of government.●

A TIMELY SALUTE TO FIVE AMERICAN HEROES

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BURTON of Indiana. Mr. Speaker, I have the opportunity as we depart this body to celebrate the birth of our Nation, to share with my colleagues, an article prepared for the annual convention of Army Special Forces, otherwise known as the Green Berets. The author of that article is a former staff member of the late Larry McDonald, and as a member of the Special Forces Association, will be with his fellow comrades at that convention in New Orleans. The main thrust of the article concerns our former prisoners of war [POW's] and never to be forgotten, our missing in action [MIA's]. It is significant that the article makes special note of our own colleague here in the House, JOHN MCCAIN of Arizona. this is a very timely article that should be read by all Americans this Fourth of July.

The article follows:

A TIMELY SALUTE TO FIVE AMERICAN HEROES

(By R.D. Patick Mahoney)

Over the 4th of July weekend, all past and present membership of that elite group known as the Green Berets will be gathering in New Orleans for their annual convention. The message of the convention will be to not forget our Missing In Action (MIA) from the Southeast Asia War.

It is timely that two American heroes have just co-authored a book dealing with the Prisoner Of War situation, titled, 'In Love and War." They are Jim and Sybil Stockdale. While Jim was suffering unbearable torture and humiliation at the hands of the North Vietnamese captors, his wife Sybil had founded the National League of Families of American Prisoners and Missing in Southeast Asia. Sybil was later to receive the U.S. Navy's distinguished Public Service Award, while Jim was awarded the Nation's highest award for valor, the Congressional Medal Of Honor. The story of these two American heroes should be read by all. It is the expose of American pilots being restricted to hitting meaningless targets and winding up as Prisoners Of War or Missing In Action, or worse—death. It also exposes the negative response by our State Department to the families of the POW/MIAs, for demanding cutoff of war supplies to the Soviets while the Soviets supplied all our enemies in Southeast Asia. In his book, Jim pointed to the ridiculousness of sending picture taking aircraft (known as RF-4s) to shoot pictures of ammunition and anti-aircraft missiles being unloaded at docks in Haiphong. Not to wipe out the enemy's potential to wage war and shoot down our airmen—just to take pictures. Finally, thanks to the concurrent efforts of Secretary of Defense, Caspar Weinberger and Senator Barry Goldwater, the Rules Of engagement (ROE) under which our airmen operated under, have been declassified. Barry Goldwater began releasing these rules in the March 6, 1985 Congressional Record.

Hero #3 would have to be John McCain, another former "guest" of the North Vietnamese, and also tortured beyond belief. Fellow POWs remember the unbelievable messages that John McCain sent with his tin cup through the walls of his cell to his fellow POWs after a particularly brutal session. John McCain is today a Congressman from Arizona. He has just returned from Southeast Asia and points to the means the vicious animals of North Vietnam are using to torture the families of those still Missing In Action. He verifies what most Americans already have guessed. Photographs of Americans in the custody of North Vietnamese and in perfect health, are over ten years hence, returned as dead bodies to United States Officials. John McCain's final message to the American people on his return from Southeast Asia is timely, for it points to the cause of the MIA situation today. In the future, says McCain: ". . . the United States should not send its young men to fight and die in a conflict unless the goal is victory." To that final statement we could only add that if we were allowed victory, we would have occupied, and brought our own men home as we did, with the exception of Soviet occupied territory, in World War II.

Hero No. 4 is not known to the general public as a hero, but should be known as such. He is none other than the father of POW Commander John McCain, Admiral John McCain who was the Commander In Chief, Pacific Forces (CINCPAC), for a most critical period of the Southeast Asia War. And what was Admiral McCain doing during all this. Well, one who has access to "Ivy Tree" messages at that time knew well what was going on. The Admiral knew that he had a son that was being brutally tortured, and probably more so than others, because the North Vietnamese knew he was the Admiral's son. Admiral McCain knew what we should be doing and in message after message he requested authority to go to the core of the cancer in the Southeast Asia War—and destroy it. He called for the mining of Haiphong Harbor in North Vietnam. He called for the destruction of the enemy's potential to wage war, in the capitol of North Vietnam. It was Admiral McCain thinking and acting like a logical battlefield commander would. After all, did we hesitate to bomb Tokyo or Berlin? The hero, Admiral McCain, followed his conscience on behalf of all Armed Forces in Southeast Asia, but the living miracles with neither brains nor guts in Washington were to deny him the means to bring the war to an abrupt end.

It was hero Jim Stockdale who was to witness (along with hero John McCain) what Admiral McCain had been denied for so many years. The B-52s were finally in December of 1972, turned loose over Hanoi—to the cheers of all the POWs. Jim Stockdale witnessing the impending collapse of North Vietnamese will from the bombing pointed out in his book, that it ". . . could have been brought about in a like manner in any tenday period in the previous seven years and saved the lives of thousands, including most of those 58,012 Americans who died in Vietnam."

And as we ponder the results of the Southest Asia, we think of Hero No. 5. It must be remembered as MacArthur pointed out that, ". . . in War there is no substitute for Victory." It took MacArthur, commanding forces in the Pacific, some 43 months to conquer the entire Pacific and occupy the highest industrialized nation in the Pacific—Japan. It cost us 100,000 dead and 100,000 wounded. And yet for two little pieces of real estate called Korea and Vietnam, it has cost us over a dozen years, over 120,000 dead, and over 375,000 wounded in Vietnam alone. Obviously the purpose of the last two wars against proxies of Soviet and Chinese Communism, was not to win.

We are dealing today in every corner of the globe with proxies of Soviet Communist Russia. To that realization we name Hero No. 5, General S. Patton, Jr. It was in 1945 that the war in Europe ended. General Patton, among other things, was forced to withdraw his 3rd Army troops from Czechoslovakia so the Soviets could occupy same. It was happening all over Europe. That, plus the Roosevelt agreements made at Yalta, is why we have Captive Nations today. So let us remember General Patton's ultimate warning at the conclusion of World War II, and published by the American Legion magazine over 20 years ago: "But thousands will sleep in strange lands forever and still there is no peace. You cannot lay down with a diseased jackal. Neither can we ever do business with the Russians." God bless All these five American Heroes on the Birthday of our Nation—and remember their lessons of history and never forget our Missing In Action (MIAs).●

THE MEANING OF VIETNAM

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GINGRICH. Mr. Speaker, not long ago Secretary of State Shultz gave a very powerful and moving speech in memory of the tenth anniversary of the fall of Indochina.

I'd like to share this speech with my colleagues. Each of us should study this speech, learn from it, precisely because we want no more Vietnams. Our allies threatened by Communist forces should never again be abandoned.

THE MEANING OF VIETNAM

Just a few hundred yards from here stands the Vietnam Veterans Memorial. Its stark beauty is a reminder of the searing experience our country went through in its longest war. From a window of my office I can see the crowds of people—veterans, families, old and young—coming to search for names on the black granite slabs, or to search their souls in meditation. It is more than a memorial; it is a living human tribute taking place day after day. This is not surprising. That war left its mark on all the American people.

There are three dozen names that do not appear on that memorial. Instead they are here in this Diplomatic Entrance, on our own roll of honor. Many civilians served in Southeast Asia—from the State Department, AID, USIA, and other agencies. Many of you here today were among them. While the war raged, you were trying to build peace—working for land reform, for public health and economic progress, for constitutional development, for public information, for a negotiated end to the war. I am here to pay tribute to you.

The tenth anniversary of the fall of Indochina is an occasion for all of us, as a nation, to reflect on the meaning of that experience. As the fierce emotions of that time subside, perhaps our country has a better chance now of assessing the war and its impact. This is not merely an historical exercise. Our understanding of the past affects our conduct in the present, and thus, in part, determines our future.

Let me discuss what has happened in southeast Asia, and the world, since 1975; what light those postwar events shed on the war itself; and what relevance all this has to our foreign policy today.

INDOCHINA SINCE 1975

The first point—and it stands out for all to see—is that the Communist subjection of Indochina has fulfilled the worst predictions of the time. The bloodshed and misery that Communist rule wrought in South Vietnam, and in Cambodia and Laos, add yet another grim chapter to the catalogue of agony of the twentieth century.

Since 1975, over one million refugees have fled South Vietnam to escape the new tyranny. In 1978, Hanoi decided to encourage the flight of refugees by boat. At its height in the spring of 1979, the exodus of these "boat people" reached over 40,000 a month. Tens, perhaps hundreds of thousands never made it to safety and today lie beneath the South China Sea. Others managed to survive pirate attacks and other hardships at sea in their journey to freedom. We have welcomed more than 730,000 Indochinese refugees to our shores. The work of people in this Department has saved countless lives. Your dedication to the refugees of Indochina marks one of the shining moments of the Foreign Service.

In addition to "boat people," Hanoi has given the world its own version of the "reeducation camp." When the North Vietnamese Army conquered the South, it rounded up officials and supporters of the South Vietnamese government as well as other suspected opponents. Many were executed, or disappeared forever. Hundreds of thousands were sent to these camps, suffering hard labor, indoctrination, and violent mistreatment. To this day, upwards of 10,000 remain imprisoned. They include Buddhist and Christian clergy, and intellectuals, as well as former political figures. According to refugee reports, they face indeterminate sentences, receive food rations below subsistence levels, are denied basic medical care, and are punished severely for even minor infractions of camp rules—punishment often resulting in permanent injury, or death.

Hanoi has asserted for years that it will let these prisoners go if only we would take them all. Last fall, President Reagan offered to bring all genuine political prisoners to freedom in the United States. Now, Hanoi no longer adheres to its original proposal.

Another Communist practice has been to relocate people in so-called "new economic zones." In the years after the fall of Saigon, hundreds of thousands were uprooted and forced into these isolated and barren rural areas to expand agricultural production and reduce "unproductive" urban population. Many have fled the zones, returning to the cities to live in hiding, without the ration or neighborhood registration cards needed to get food or jobs. Indeed, no one in Vietnam may change residence or place of work without permission, and unauthorized absences open whole families to arrest.

The 24 million people of South Vietnam are now victims of a totalitarian state, before which they stand naked without the protection of a single human right. As Winston Churchill said of another Communist state, they have been "frozen in an indefinite winter of subhuman doctrine and superhuman tyranny."

Compare conditions in Vietnam under ten years of Communist rule with conditions in the South Vietnam we fought to defend. The South Vietnamese government accepted the principles of free elections, freedom of speech, of the press and of association. From 1967 to 1971 the South Vietnamese people voted in nine elections; opposition parties played a major role in the Assembly. Before 1975 there 27 daily newspapers, some 200 journals of opinion and scholarship, three television and two dozen radio stations, all operating in relative freedom.

No, South Vietnam was not a Jeffersonian democracy with full civil liberties by American standards. But there was a vigorous, pluralist political process, and the government intruded little into the private lives of the people. They enjoyed religious freedom and ethnic tolerance, and there were few restrictions on cultural or intellectual life. The transgressions of the Thieu government pale into insignificance next to the systematic, ideologically impelled despotism of the regime that replaced it.

The neutralist government in neighboring Laos was swiftly taken over in 1975 by local Communists loyal to Hanoi. As in Vietnam, thousands of former officials were sent to "reeducation camps." Fifty thousand Vietnamese troops remain in Laos to ensure the "irreversibility" of Communist control—in Hanoi's version of the Brezhnev Doctrine—and thousands of Vietnamese advisers are in place to monitor Laos' own "socialist transformation."

Hmong villagers in Laos who resisted Communist control were suppressed by a military juggernaut that relied on chemical weapons produced and supplied by the Soviet Union in violation of international treaties. Six decades of international restraints on chemical warfare have been dangerously eroding in recent years—and "yellow rain" in Indochina was the first major breach. Yellow rain. Another addition to our vocabulary from post-1975 Indochina.

Finally, in Cambodia, the worst horror of all: the genocide of at least one million Cambodians by the Khmer Rouge, who also took power ten years ago this month. The Khmer Rouge emptied the cities and murdered the educated; they set out to destroy traditional Cambodian society and to construct a wholly new and "pure" society on the ruins of the old. A French Jesuit who witnessed the early phases of Communist rule called it "a perfect example of the application of an ideology pushed to the furthest limit of its internal logic." We saw at least one million dead. Maybe it was two million. The suffering and misery represented by such numbers are beyond our ability to comprehend. Our imaginations are confined by the limits of the civilized life we know.

In December 1978, Vietnam went to war with its erstwhile partners and overthrew the Khmer Rouge regime. Naturally, some Cambodians at first welcomed the Vietnamese as liberators. But as the Vietnamese invaders came to apply in Cambodia the techniques of repression known all too well to the people of Vietnam, resistance in Cambodia grew.

In 1979, Cambodia was ravaged by widespread famine that killed tens if not hundreds of thousands. Vietnam bears much responsibility for this famine. Its invasion prevented the planting of the 1979 rice crop; its army adopted scorched-earth tactics in pursuing the retreating Khmer Rouge.

Many will recall how the Vietnamese obstructed international relief programs and refused to cooperate with the efforts of the Red Cross and others to establish a "land bridge" of trucks to bring relief into the country from Thailand.

Today, Cambodia is ruled by a puppet regime stiffened by a cadre of hundreds of former Khmer Rouge; it is headed by Heng Samrin, a former Khmer Rouge himself. The Vietnamese shell refugee camps along the Thai border in their attempt to smash the resistance.

Hanoi's leaders are thus extending their rule to the full boundaries of the former colonial domain, seeking dominion over all of Indochina. Not only do the Vietnamese threaten Thailand. The Soviets with naval and air bases at Cam Ranh Bay, are now better able to project their power in the Pacific, Southeast Asian, and Indian Ocean regions, and to threaten vital Western lines of communication in all those regions. Cam Ranh is now the center of the largest concentration of Soviet naval units outside the USSR.

RETROSPECTIVE: THE MORAL ISSUE

What does all this mean? Events since 1975 shed light on the past: This horror was precisely what we were trying to prevent.

The President has called our effort a noble cause, and he was right. Whatever mistakes in how the war was fought, whatever one's view of the strategic rationale for our intervention, the morality of our effort must now be clear. Those Americans who served, or who grieve for their loved ones lost or missing, can hold their heads high: Our sacrifice was in the service of noble ideals—to save innocent peoples from brutal tyranny. Ellsworth Bunker used to say: No one who dies for freedom ever dies in vain.

We owe all our Vietnam veterans a special debt. They fought with courage and skill under more difficult conditions than Americans in any war before them. They fought with a vague and uncertain mission against a tenacious enemy. They fought knowing that part of the nation opposed their efforts. They suffered abuse when they came home. But like their fathers before them, they fought for what Americans have always fought for: freedom, human dignity, and justice. They are heroes. They honored their country and we should show them our gratitude.

And when we speak of honor and gratitude, we speak again of our prisoners of war—and of the nearly 2,500 men who remain missing. We will not rest until we have received the fullest possible accounting of the fate of these heroes.

RETROSPECTIVE: THE STRATEGIC PRICE

We left Indochina in 1975, but the cost of failure was high. The price was paid, in the first instance, by the more than 30 million people we left behind to fall under Communist rule. But America, and the world, also paid a price.

Our domestic divisions weakened us. The war consumed precious defense resources, and the assault on defense spending at home compounded the cost; years of crucial defense investment were lost, while the Soviets continued the steady military buildup they launched after the Cuban missile crisis. These wasted years are what necessitated our recent defense buildup to restore the global balance.

For a time, the United States retreated into introspection, self-doubt, and hesitancy. Some Americans tended to think that American power was the source of the world's problems, and that the key to peace was to limit our actions in the world. So we imposed all sorts of restrictions on ourselves. Vietnam—and Watergate—left a legacy of Congressional restrictions on Presidential flexibility, now embedded in our legislation. Not only the War Powers Resolution but a host of constraints on foreign aid, arms exports, intelligence activities, and other aspects of policy—these weakened the ability of the President to act and to conduct foreign policy, and they weakened our country. Thus we pulled back from global leadership.

Our retreat created a vacuum that was exploited by our adversaries. The Soviets concluded that the global "correlation of forces" was shifting in their favor. They took advantage of our inhibitions and projected their power to unprecedented lengths: intervening in Angola, in Ethiopia, in South Yemen, and in Afghanistan. The Iranian hostage crisis deepened our humiliation.

American weakness turned out to be the most destabilizing factor on the global scene. The folly of isolationism was again revealed. Once again it was demonstrated—the hard way—that American engagement, American strength, and American leadership are indispensable to peace. A strong America makes the world a safer place.

WHERE WE ARE TODAY

Today, there are some more positive trends.

In Asia, the contrast between Communist Indochina and the rest of the region is striking. Indochina is an economic wreck; the countries of ASEAN are advancing economically. In 1982, their per capita income averaged $770; Vietnam's was $160. ASEAN is a model of regional cooperation. It is now our fifth largest trading partner. In the past five years, total U.S. trade with East Asia and the Pacific surpassed our trade with any other region of the world.

Our relations with Japan remain excellent and our ties with China are expanding. The regional picture is clouded by the growing Soviet military presence and by Vietnam's continuing aggression. But a sense of community among the Pacific nations is growing. A decade after the war, America is restoring its position in Asia.

At home, the United States is recovering its economic and military strength. We have overcome the economic crisis of the 1970s and once again are enjoying economic growth with stable prices. We are rebuilding our defenses. We have regained the confidence and optimism about the future that have always been the real basis of our national strength. We see a new patriotism, a new pride in our country.

A lot of rethinking is going on about the Vietnam war—a lot of healthy rethinking. Many who bitterly opposed it have a more sober assessment now of the price that was paid for failure. Many who supported it have a more sober understanding now of the responsibilities that rest on our nation's leaders when they call on Americans to make such a sacrifice. We know that we must be prudent in our commitments. We know that we must be honest with ourselves about the costs that our exertions will exact.

And we should have learned that we must maintain the ability to engage with, and support, those striving for freedom, so that options *other* than American military involvement remain open.

THE RELEVANCE OF THE VIETNAM EXPERIENCE

That experience has many other lessons.

We acted under many illusions during the Vietnam period, which events since 1975 should have dispelled. We have no excuse for falling prey to the same illusions again.

During the Vietnam war, we heard an endless and shifting sequence of apologies for the Communists: That they were "nationalists;" that they were an indigenous anti-colonial movement, that they were engaged in a civil war that the outside world should not meddle in. As these arguments were proved hollow, the apologies changed. We heard that a Communist victory would not have harmful consequences, either in their countries or the surrounding region. We were told that the Communists' ambitions would be satisfied, that their behavior would become moderate. As these assertions became less convincing, the apologies turned to attack those who fought to be free of Communism: Our friends were denounced as corrupt and dictatorial, unworthy of our support. Their smallest misdeeds were magnified and condemned.

Then we heard the theme that we should not seek "military solutions;" that such conflicts were the product of deep-seated economic and social factors. The answer, they said, was not security assistance but aid to develop the economy and raise living standards. But how do you address economic and social needs when Communist guerillas—as in Vietnam then and in Central America no—are waging war against the economy in order to maximize hardship? Our economic aid then, as now, is massive; but development must be built on the base of security. And what are the chances for diplomatic solutions if—as we saw after the 1973 Paris Agreement—we fail to maintain the balance of strength on which successful negotiation depends? Escapism about the realities of power and security—that is a pretty good definition of isolationism.

And finally, of course, the critics turned their attack on America. America can do no right, they said. Now, criticism of policy is natural and commonplace in a democracy. But we should bear this past experience in mind in our contemporary debates. The litany of apology for Communists, and condemnation for America and our friends, is beginning again. Can we afford to be naive again about the consequences when we pull back, about the special ruthlessness of Communist rule? Do the American people really accept the notion that *we*, and our friends, are the representatives of evil?

The American people believe in their country and in its role as a force for good. They want to see an effective foreign policy that blocks aggression and advances the cause of freedom and democracy. They are tired of setbacks, especially those that result from restraints we impose on ourselves.

VIETNAM AND CENTRAL AMERICA

Vietnam and Central America—I want to tackle this analogy head-on.

Our goals in Central America are like those we had in Vietnam: democracy, economic progress, and security against aggression. In Central America, our policy of nurturing the forces of democracy with economic and military aid and social reform has been working—without American combat troops. And by virtue of simple geography, there can be no conceivable doubt that Central America is vital to our own security.

With the recent legislative and municipal elections, El Salvador has now held four free elections in the past three years. When the new assembly takes office shortly, El Salvador will have completed an extraordinary exercise in democracy—drafting a new constitution and electing a new government, all in the midst of a guerrilla war.

The state of human rights is greatly improved, the rule of law is strengthened, and the performance of the armed forces markedly better. Americans can be proud of the progress of democracy in El Salvador and in Central America as a whole.

The key exception is Nicaragua. Just as the Vietnamese Communists used progressive and nationalist slogans to conceal their intentions, the Nicaraguan Communists employ slogans of social reform, nationalism, and democracy to obscure their totalitarian goals. The 1960 platform of the Communists in South Vietnam promised:

"Freedom of expression, press, assembly, and association, travel, religion, and other democratic liberties will be promulgated. Religious, political, and patriotic organizations will be permitted freedom of activity regardless of belief and tendencies. There will be a general amnesty for all political detainees [and] the concentration camps dissolved. . . . [I]llegal arrests, illegal imprisonment, torture, and corporal punishment shall be forbidden."

These promises were repeated time after time. We find similar promises in the letter the Nicaraguan revolutionary junta sent to the Organization of American States in July 1979.

The junta, which included the Communist leader Daniel Ortega, declared its "firm intention to establish full observance of human rights" and to "call . . . free elections." The Nicaraguan Communists made the same commitment when they agreed to the Contradora Document of Objectives in September 1983, and when they said they accepted the Contadora draft treaty of September 1984.

What the Communists, in fact, have tried to do since they took power in Nicaragua is the opposite: to suppress or drive our non-Communist democratic political forces; to install an apparatus of state control down to the neighborhood level; to build a war machine; to repress the Roman Catholic church; to persecute Indians and other ethnic groups, including forcible relocations of population; and to welcome thousands of Cuban, Soviet, East European, PLO, and Libyan military and civilian personnel. They have formed links with PLO, Iranian, and Libyan terrorists, and are testing their skills as drug traffickers. Like the Vietnamese Communists, they have become a threat to their neighbors.

Broken promises. Communist dictatorship. Refugees. Widened Soviet influence, this time near our very borders. Here is your parallel between Vietnam and Central America.

Brave Nicaraguans—perhaps up to 15,000—are fighting to recover the promise of the 1979 revolution from the Communists who betrayed it. They deserve our support. They are struggling to prevent the consolidation and expansion of Communist power on our doorstep, and to save the people of Nicaragua from the fate of the people of Cuba, of South Vietnam, Cambodia, and Laos. Those who assure us that these dire consequences are not in prospect are some of those who assured us of the same in Indochina before 1975.

Particularly today, what can we as a country say to a young Nicaraguan: "Learn to live with oppression; only those of us who already have freedom deserve to pass it on to our children"? What can we say to those Salvadorans who stood so bravely in line to vote: "We gave you some aid for self-defense, but we will also give a free hand from a privileged sanctuary to the Communists in Nicaragua to undermine your new democratic institutions"?

The critical issue today is whether the Nicaraguan Communists will take up in good faith the call of the Church and of the democratic opposition for a ceasefire and national dialogue. This is what President Reagan called for on April 4.

What does it tell us about the Nicaraguan regime that it refuses dialogue combined with a ceasefire? What does it tell us about who is prolonging the killing? About who is the enemy of democracy? What does it tell us about the prospects for peace in Central America if the democratic forces are abandoned?

The ordeal of Indochina in the past decade—as well as the oppressions endured by the people of Cuba, and every other country where Communists have seized power—should teach us something. The experience of Iran since the fall of the Shah is also instructive. Do we want another Cuba in this hemisphere? How many times must we learn the same lesson?

AMERICA'S RESPONSIBILITY

Today we remember a setback, but the noble cause of defending freedom is still our cause. Our friends and allies still rely on us. Our responsibility remains.

America's armed forces are still the bulwark of peace and security for the free world. America's diplomats are still on the front line of efforts to reduce arsenals, settle conflicts, and push back the danger of war.

The larger lesson of the past decade is that when America lost faith in herself, world stability suffered and freedom lost ground.

This must never happen again. We carry the banner of liberty, democracy, the dignity of the individual, tolerance, the rule of law. Throughout our history, including the period of Vietnam, we have been the champion of freedom, a haven of opportunity, and a beacon of hope to oppressed peoples everywhere.

Let us be true to the hopes invested in us. Let us live up to our ideals, and be their strong and faithful champion around the world.●

ATHENS, GREECE AIRPORT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DYMALLY. Mr. Speaker, during the discussion of the criminal hijacking of the TWA airplane in Athens, Greece, there has been a great deal of discussion about airport safety in Athens.

Below are some statistics regarding safety at the Athens Airport, and airports around the world, including airports in the United States which have the worst safety records.

I. FACTS FROM U.S. DEPARTMENT OF TRANSPORTATION HIJACKING DATA (1977–1984)

1. Prior to the recent TWA hijacking, the Athens Airport had one hijacking in the last 8 years. There were 257 hijackings worldwide during that time period.

2. Chances of being hijacked from some other places compared to the Athens Airport:

a. Miami, FL—14 times greater.
b. New York—10 times greater.
c. India—9 times greater.
d. Los Angeles, CA—5 times greater.
e. Turkey—5 times greater.
f. West Germany—5 times greater.
g. Chicago, IL—4 times greater.
h. Japan—4 times greater
i. Atlanta, GA—2 times greater.

There are many other airports worldwide and in the United States with hijack records much higher than the Athens Airport. Athens in one of the least hijack prone airports in the world. The U.S. airports are the most unsafe.

II. NEW SAFETY ASSURANCE IN GREECE

1. Immediately following the TWA hijacking, Greece invited the International Air Transportation Association to examine security at the Athens Airport. The steps to improve even further are underway.

2. TWA pilot James McIntyre, sent to Athens by TWA to investigate the hijacking security, said on June 24, "The Athens Airport may be the safest in the world now."

3. Pan American World Airways, the only airline to cancel flights to Athens following the travel advisory, investigated the hijack security issue and announced the resumption of their flights to the Athens Airport on June 25.

III. DAMAGE TO THE PEOPLE OF GREECE

30,000 people in just this country have already cancelled trips to Greece as a result of our government's travelers advisory televised worldwide. At least $3,000 per trip, that is $90 million in trips to Greece that have been lost from our country alone—a severe blow to any small country's economy.

IV. OTHER ATHENS AIRPORT INFORMATION

FREQUENCY OVERLOOKED

1. In the few days since President Reagan's warnings about the danger of the Athens Airport, there has been a hijacking from Norway, a bomb in the Japanese Airport, an apparent bomb on the Air India 747 out of Toronto, and Air Canada out of British Columbia. A bomb at the Frankfurt Airport, and a rifle carried into the U.S. State Department and used to kill a woman down the hall from the Secretary's office. All of these incidents point out how unfair it is to single out the Athens Airport.

2. Athens Airport security was able to do something that hardly any other airport security systems could accomplish—capture one of the hijackers.

3. The head of Washington's National Airport security said that the same kind of hijacking could have happened in our nation's capital.

4. In addition to Greek Airport security, TWA had it own security check of the hijackers prior to boarding the plane in Athens.

5. One June 24, the Shiites said that they believed that the small pistols and hand grenades which were used to hijack the TWA plane were placed on board the plane in Cairo, Egypt before the plane went to Athens. The machine guns were taken on board in Lebanon.

Mr. Speaker, I thought that during the course of this heated debate the above facts may be somewhat sobering.●

THE 44TH ANNIVERSARY OF THE ACT OF PROCLAMATION WHICH RESTORED THE INDEPENDENT UKRAINIAN STATE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BROOMFIELD. Mr. Speaker, in light of the 40th anniversary of World War II, it is important to remember the national liberation struggle of the Ukrainian people.

On Sunday, June 30, 1985, the Ukrainian community throughout the United States will commemorate the 44th anniversary of the Act of Proclamation, which restored the independent Ukrainian state for a brief period during World War II.

This proclamation announced the restoration of the Ukrainian state in Lviv, Ukraine, on June 30, 1941. This came at a time when Soviet troops were withdrawing from the Ukraine and prior to the influx of German Nazi troops.

The result of this constant struggle led to the deaths of millions. The Soviet Communist forces retreating before German advances summarily massacred tens of thousands of Ukrainian political prisoners on the excuse that there was no time to transport them eastward. As the Red army withdrew, it followed a "scorched-earth" policy of destroying factories, roads, bridges, railroads, buildings, crops and livestock, and even churches, to leave nothing in its wake for the Germans.

Upon Soviet withdrawal, the Germans then exterminated an estimated 3.9 million Ukrainians, including 900,000 Jews, and deported millions more to slave labor camps where countless numbers of victims perished.

Surprising the Germans with a "fait accompli" by seizing power in Lviv and convening the National Assembly which issued the Act of Proclamation, the National Assembly appointed Mr. Yaroslav Stetsko Prime Minister of the newly formed Ukrainian Provisional Government.

Despite the courageous acts of more than 2,000 young Ukrainian freedom fighters, Nazi troops responded to the Act of Proclamation with mass arrests and widespread terror.

The head of the Organization of Ukrainian Nationalists, Stepan Bandera, and Prime Minister Yaroslav Stetsko were arrested on July 12, 1941. After rejecting Hitler's repeated demands to revoke the Act of Proclamation, they were dispatched on September 15 to the concentration camp at Sachsenhausen.

Although the imprisonment of Bandera and Stetsko left the infant state without its two primary leaders, a strong resistance against the Nazis was waged by the Organization of Ukrainian Nationalists and later the Ukrainian Insurgent Army.

Of extreme importance was the Ukrainian Insurgent Army's two-front resistance against both the Nazis and the Soviets. As a result of the Nazi savagery, which was indeed indistinguishable from that of Stalin himself, both alternative conquerors became equally unacceptable. The Organization of Ukrainian Nationalists, therefore, had no choice but to declare an unequal war on two of the greatest totalitarian empires, who had armies to match, that the world had ever seen.

Following the war, the Ukrainian Insurgent Army continued to fight against Soviet troops in the Western Ukraine well into the 1950's.

In conclusion, the true voice of the Ukrainian people cannot come from that illegitimate Communist organization which, while pretending to represent Ukrainian interests, has been admitted to the United Nations as the mouthpiece of the Soviet Communist Party and its imperialistic designs on the rest of the world.

The Ukraine has always maintained close ties with the West and has never voluntarily merged her fate with the East and Moscow. However, the Ukraine's western orientation has not helped that country to secure her independence. Every attempt at the liberation of the country has approached the West, but the West has not listened.

Today, the West is threatened as never before. It is in the interests of freedom-loving people everywhere to recognize the struggle of the Ukrainian people to throw off its age-old yoke, to unite with them in their struggle, and to admit them to a new Europe and a union of free and democratic nations.

On behalf of the Ukrainian-Americans and the Ukrainian Congress Committee of America, I propose this statement of solidarity with the thousands of Ukrainian Insurgent Army veterans living in the United States who fought courageously against nazism and communism on the day which they commemorate the anniversary of a once-independent Ukrainian state.●

SCIENCE IN ARGENTINA

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FUQUA. Mr. Speaker, earlier this year the President of Argentina, Dr. Raul Alfonsín, was in this Chamber where he addressed a joint session of Congress during the course of a state visit to our country. In addition to his appearance here and meetings with the President, the Secretary of State and other leaders President Alfonsín also met with scientists, engineers, and educators in New York on March 21. Particularly noteworthy was a ceremony honoring him by the American Association for the Advancement of Science. Held at the American Museum of Natural History, the ceremony honored President Alfonsín's efforts to rebuild science and technology in his country and his defense of human rights. The event was organized by James W. Rowe, director of Western Hemisphere Cooperation for AAAS, and Mónica Peralta Ramos, attaché for academic affairs at the Argentine Embassy in Washington.

The ceremony was opened by William T. Golden, treasurer of AAAS and a trustee of the American Museum of Natural History, who greeted President Alfonsín in impeccable Spanish and relayed a letter of greeting from Mayor Ed Koch. David A. Hamburg, M.D., president of AAAS and of the Carnegie Corp. of New York presented President Alfonsín with a certificate of membership in AAAS and a letter of commendation. Dr. Hamburg prefaced his award with these remarks.

INTRODUCTION BY DR. DAVID A. HAMBURG

The world is full of bad news: famine and war, prejudice and ethnocentrism terrorism and repression. But there is good news too and perhaps the best news of recent years is the return of democracy to Argentina. Therefore, President Alfonsín who did so much to bring democracy back to Argentina is a vivid symbol of hope throughout the world. Moreover, he has moved rapidly to restore the scientific community to its former healthy condition—one of freedom and creativity and social contribution. Indeed, the scientific community of Argentina has distinguished tradition. We in the North American scientific community are fully confident that our colleagues in Argentina will once again thrive in the democratic atmosphere fostered so well by President Alfonsín.

Indeed, these happy events in Argentina highlight the intimate connection of democracy with science and technology. Science flourishes in the context of political freedom. Technology flourishes in the context of economic freedom. Therefore, the return of democracy to Argentina is especially good news for the international scientific community and surely excellent news for people of good will everywhere.

I especially want to call your attention tonight to a lesser known but very important fact about President Alfonsín. He is one of a small group of world leaders—all current heads of states—who are making a unique effort to help resolve the dangerous tensions between the United States and the Soviet Union. They are providing a highly credible, independent, and deeply thoughtful perspective on ways to diminish the risk of nuclear war. This five continent peace initiative is another reason why we of AAAS so deeply value President Alfonsín's courageous and far-sighted leadership. I first heard from Congressman Tom Downey about President Alfonsín's work in the Five Continent Peace Initiative. Congressman Downey played a key role in discussing the initiative with the President in Buenos Aires and met again with President Alfonsín in New Delhi just before the recent summit meeting of the world leaders involved in the Initiative. I am delighted that Mr. Downey is with us tonight. I commend both President Alfonsín and Congressman Downey for their involvement in this imaginative new effort to stem the nuclear arms race.

Dr. Hamburg presented a formal letter to President Alfonsín stating that "the American Association for the Advancement of Science is deeply honored to participate in your welcome by offering this citation of your outstanding contributions to advancing the course of science and of human rights. * * * As you honor us with your presence, I wish to express our deep and warm appreciation for your support of the advancement of scientific education and research, and your steadfast defense of human rights and dignity. We are inspired by your example. We receive you into membership in the AAAS with the deepest respect and enduring appreciation."

President Alfonsín addressed the meeting after being introduced by AAAS President-elect Gerard Piel, publisher of Scientific American. The president's remarks on the importance of science and technology in the relationships of our countries were so eloquent that I commend them, as well as a portion of Mr. Piel's introduction, to my colleagues in the Congress.

INTRODUCTION BY GERARD PIEL, PRESIDENT-ELECT, AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

It is a high privilege for the American Association for the Advancement of Science to welcome the President of the Republic of Argentina. The president has already been given a warm welcome in our nation's capital. We feel it symbolic that his arrival in New York, where he has been honored today by two great universities, coincides with the arrival of springtime in the Northern Hemisphere. It was springtime in Argentina, where the seasons are the reverse of ours, when Dr. Alfonsín assumed the leadership of his country just over a year ago. It was a historic moment—the return to democracy in Argentina, under a leader who is committed to the rule of law and the defense of human rights. For many, a long season of darkness and tragedy yields to new life and hope, and all of us feel the promise that accompanies the healing.

In education and science, the United States and Argentina have engaged in the exchange of ideas and visits for a long time. Shortly before our Association was founded in 1848, Domingo Faustino Sarmiento first visited the United States and commenced his long friendship with the Horace Manns. His fascination with public education continued through his return here as Minister to Washington, in the 1860s, and as second president of the Argentine Republic in the 1870s, when he recruited the celebrated

band of "New England school-marms" to sail from Boston to teach in his country.

Notwithstanding the traditional attraction of many Argentine intellectuals and professionals toward Europe, subsequent years have seen countless examples of the exchange of visits and flows of scientific and technological information between our two countries.

Development of a strong tradition in research in Argentina has long been recognized by U.S. universities and laboratories, especially after the first Nobel prizes for science in Latin America went to Bernardo Houssay in 1947 (Physiology and Medicine) and Luis Leloir in Chemistry in 1970. In recent years, a variety of circumstances has brought many Argentine scientists and professionals to the United States. They occupy over 500 research positions and are found at our best institutions. We are pleased to have some of them with us tonight. Many are also in other countries, where, as Cesar Milstein so recently has reminded us, some have achieved high distinction.

We are gathered to express not only our welcome but our appreciation to President Alfonsin, and it is highly appropriate that we do so, in light of his tremendous contributions to objectives we share. The objectives of AAAS are to further the work of scientists, to foster scientific freedom and responsiblity, to improve human welfare and to increase the public understanding and appreciation of the importance and promise of the methods of science in human progress.

These are concerns that do not easily observe national frontiers. During the past decade AAAS has made a substantial effort to collaborate with the scientific and technological communities of Latin America through initiatives of the Interciencia Association, including a trilingual journal, inter-American scientific symposia and special programs in biological resources and biotechnology.

The commitment of AAAS to foster scientific freedom and responsibility led to expressions of deep concern about the condition of scientific freedom in Argentina during the late 1970's. Our president in 1977, Emilio Daddario, made a 10-day visit to Argentina to express the concerns of the American scientific community for the plight of their colleagues in Argentina, and in 1981 AAAS issued a report "Scientists and Human Rights in Argentina". Since 1983, AAAS' Committee on Scientific Freedom and Responsibility has collaborated with Argentina's National Commission on Disappeared Persons, notably in the use of forensic sciences in identification of remains of disappeared persons.

In welcoming President Alfonsin, we want not only to review the past and record admiration for his steadfast and articulate support for human rights and dignity in difficult times.

We also want to express appreciation for his present efforts to advance the cause of science. In doing so, we are mindful of large and difficult problems that confront him, not the least of which are two legacies from previous times: the foreign debt of nearly $50 billion, impacting on all sectors, with education and research no exceptions; and a virtually devastated university system. Other major problems abound. Nonetheless, President Alfonsin has pledged to rebuild science and make education, rather than weapons, the foundation of Argentina's national security.

We are aware there are also bright spots, especially in the possibilities for innovation and invigoration of agricultural research, the interest of a number of institutions and laboratories in imaginative application of the new biotechnologies in health, agriculture and livestock, and growing confidence that the country's impressive achievements in nuclear engineering will be wisely applied.

Few can disagree with the importance President Alfonsin places on science and technology in the recovery and futher development of Argentina. Science and technology do not guarantee growth, but sustained development is unlikely without them.

Dr. Alfonsin took the oath of office on December 10, 1983 in a high noon of hope. The fifteen months since have not been easy ones. The repairs to be made are diverse and the problems stubborn. But the President's course has remained steadfast and the light kindled in Argentina has spread its glow through much of South America. We are here tonight to honor the President of the Argentine Republic and to express our special appreciation for his long and outstanding record of upholding rights, and for the efforts he is now making to encourage the advancement of science. I am deeply honored to introduce President Alfonsin.

ADDRESS OF RAUL ALFONSIN, PRESIDENT OF THE REPUBLIC OF ARGENTINA BEFORE THE AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

Mr. Piel, Dr. Hamburg, Members of the American Association for the Advancement of Science, Ladies and Gentlemen:

It is a great honor for me to be among you to receive your commendation, probably underserved, but which I accept with emotion and gratitude.

On receiving this and seeing among you a group of friends and fellow countrymen who had to go in exile, or depart in search of new professional horizons, I cannot avoid thinking that this award signifies, first of all, a tribute to democracy in Argentina, to whose rebirth you also have been contributors.

In fact, the American Association for the Advancement of Science was one of the U.S. organizations that with most objectivity denounced violations of fundamental human rights in Argentina.

Now in order to understand the magnitude of the challenge faced by my government, I think it would be useful to remember very briefly, the evolution of our country in the last fifty years.

In 1930, Argentina enjoyed one of the highest per capita incomes in the world. In spite of the richness of our land and the nature of our people and our society, which were such that peace, prosperity, liberty and justice seemed to be the promise of our future, this future never materialized.

In other words, in the last fifty years we have not been able to prosper, but have lived rather from crisis to crisis, which brought about poverty and hunger for many Argentines. Instead of enjoying freedom, we frequently lived under authoritarian governments. Instead of peace and justice, we suffered violence, intolerance and inequalities.

The democratically elected government which I preside is committed to re-establish our institutions and the rule of law throughout the nation. We are committed to securing an open, pluralist and prosperous society, the revalorization of public freedoms, the reaffirmation of legal and economic security, within respect for intellectual freedoms and the rejection of authoritarianism and violence.

However, restoration of the principles of ethics compelled us not to ignore the past. Faced with many supposedly "realistic" voices who sustained the need to stanch the wounds of the Argentine society by forgetting the past, the government never doubted the need to take on the past and investigate it: this seemed the only possible guarantee to insure a different future, free from all terrorism.

We present all information available from this "dark puzzle" to the courts, recalling the formula used by the National Committee on the Disappeared Persons (CONADEP) to report its investigation about the tragedy that darkened our country.

Aware as I am of the commitment of this Association to the worldwide observance of human rights, and because I know the depth of your concrete and effective collaboration with CONADEP's efforts, it is even more important that I emphasize another line of our action: we have never abandoned our conviction that the task to repair must be carried out within the framework of democratic legality.

We understand the anguish of those who would want to have this process go faster. However, the juridicial and conceptual framework within which we want to clarify facts and responsibilities demands that this be done while respecting guarantees of due process, in the context of the autonomy of the Judicial Power.

Just as we decided not to forget the past, we also acted to guarantee, in the future, the effective protection of fundamental rights. To this end, we specially created the Undersecretariat for Human Rights of the Ministry of the Interior.

Aware that this protection goes beyond national borders, we ratify the American Convention on Human Rights, thus recognizing formally the competency of the Inter-American Court for Human Rights.

We also subscribed to the International Convention against Torture, rejecting any justifications or extenuating circumstances for this aberrant practice. At the same time, the Congress has approved legislation condemning torture in the domestic order, bringing the sanction for it up to that for homicide.

This association brings together scientists and because of this I think it is unavoidable a brief reflection on the "Initiative of the Group of Six" about peace and disarmament, which Argentina has proposed. The signatories of this initiative are convinced that humankind cannot accept as an objective postulate, or as unchangeable and inalterable, the present reality, the persistence of the balance of fear.

Our planet is inhabited by four billion human beings, but only a tenth of them, the governments of the great nuclear powers, have the power and ability to decide actions which can result in the destruction of humanity, without hearing our voice, ignoring our will to live. We must alert all the inhabitants of the planet, those who work, suffer and dream of a better world.

Scientists have a special responsibility on this matter, because they know that, although the knowledge they have can be decisive, it is their duty to disseminate, distribute and unveil everything dealing with the nuclear threat hanging over humanity.

Our government inherited an extremely difficult economic situation. The payment of the foreign debt incurred in the last years consumes a great part of what the country realizes from exports. This means a decrease of public spending, and the promo-

tion of science and technology is thus necessarily limited.

This is why we are appealing to the U.S. scientific community to facilitate the formation of our graduate students in the best research centers of this country, and to establish agreements that allow Argentine scientists residing in the United States to participate in a systematic manner, in the efforts carried out by our country to reinvigorate again our scientific and technological system, weakened by massive exodus and arbitrary exclusions.

I am aware that we can continue counting on the understanding and collaboration of the American Association for the Advancement of Science.

I also know we can count on the disinterested support of Argentine scientists residing in this country—those who at some point were allowed by Argentina, to leave, or were made to leave, or for whom nothing was done to avoid their departure.

We are proud that outstanding Argentines are today part of the U.S. scientific community. They are the eloquent proof of adaptation and personal realization in a society which knew how to be enriched by the contributions of peoples coming from other parts of the world.

But I am also aware that they have kept alive their ties with Argentina. Any departure, any exile can become sometimes a privilege, but it can also be tearing. I am proud to think that our government can contribute in some measure to diminish the effects of this distance.

The Secretariat of Science and Technology, under the leadership of my collaborator Dr. Manuel Sadosky, is working towards the rehabilitation of the scientific and technological system, trying to create conditions that will allow the return of those who would like to do so. Others, undoubtedly, will not return. But I am convinced that they will participate from here on this revitalization of scientific research in Argentina. I want you to know that we are mindful of you and that we need you.

Before concluding, I would like to thank again the continued and courageous activities of the American Association for the Advancement of Science, through its Committee on Human Rights and its representative organs, developed since 1976 to denounce repression in Argentina.

That solidarity in our difficult times awakens our deep gratitude. In this hour of democratic reconstruction, we are proud to count with the support of all of you.

Thank you.●

KOSBERG THRIVES ON THRIFTS—GIBRALTAR, FIRST TEXAS WELL-MATCHED

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LELAND. Mr. Speaker, I would like to bring to my colleagues' attention an article on J. Livingston Kosberg which appeared in the Houston Chronicle on June 25, 1985.

The article details the rise of Mr. Kosberg in the field of savings and loans. From 1966 when he led a group of investors in purchasing Houston's Home Savings Association to the purchase of Gibraltar Savings last summer, Mr. Kosberg has continually demonstrated a keen business sense and unmatched brilliance.

As a Houstonian, I am extremely proud of Mr. Kosberg's many accomplishments as well as his many contributions to the Houston community.

I urge my colleagues to read the following article.

[From the Houston Chronicle, June 25, 1985]

KOSBERG'S GREEN THUMB IS IN THRIFTS

(By Scott Clark)

J. Livingston Kosberg once invested in a wholesale plant nursery near Conroe, but he's had more luck cultivating savings and loans.

He sold out of his thrift investments just before the worst two years in the industry's history and he got back in just as the business began to rebound. Last year, he merged his First Texas Savings Association with Houston's Gibraltar Savings to create the state's largest thrift organization.

"The saving and loans industry is a commodity business," said Kosberg, explaining his attraction to the industry. "Dollars are the commodity. Other businesses ebb and flow, but money never goes out of style."

Kosberg, 48, became intrigued with savings and loans when, as a small builder, he had a hard time financing construction projects. His first taste of the business came in 1966 when he led a group of investors in purchasing Houston's Home Savings Association.

"Home Savings had $35 million in assets at the time," said Kosberg. "That seemed like a lot back then. It was the biggest thing I'd ever seen."

Two years later, Kosberg bought into Beaumont Savings. He and other investors then put Home and Beaumont Savings together with two other thrifts to create Gulf Republic Financial Corp. The investors sold Home Savings to billionaire Daniel Ludwig in 1978, took the rest of Republic private and changed is name to Centennial Savings.

In 1980, just before the collapse of the savings and loan industry, he sold the Centennial to Beneficial Corp.

"Our timing was right for all the wrong reasons," he said. "The investors just wanted to go their separate ways."

While the savings and loan business was going on, Kosberg found time to build National Living Centers into the nation's largest nursing home group. He sold the company ARA Services Inc. in 1973, but stayed on to manage the company's health facilities group—covering 30,000 beds with $350 million in sales—until 1978.

Kosberg found his way back into the savings and loan business in 1982, purchasing First Texas Savings from Beneficial in a year that the Texas thrift lost more than $40 million. Because Beneficial had merged the old Centennial Savings into First Texas, Kosberg ended up buying back some of the same savings and loan offices he's sold two years earlier.

Again, the timing was right. Interest rates soon fell from their record heights and red ink turned to black for much of the industry.

Among the small group of investors that joined Kosberg in buying First Texas were Charlie Thomas, Houston auto dealer and owner of the Houston Rockets; Sidney Schlenker, Houston businessman and owner of the Denver Nuggets; B.J. "Red" McCombs, San Antonio rancher and former owner of the Nuggets; and former Democratic National Committee Chairman Robert Strauss.

Gibraltar Savings, purchased last summer for about $270 million in cash, matches up well with First Texas. Gibraltar is a wholesale-oriented thrift with strength in the Houston market. First Texas is more retail-oriented and concentrated in Dallas. Both have strong real estate operations. Gibraltar focuses on raw land acquisition and development and First Texas aims at improved real estate projects.

The combining of the two companies remains in its embryonic stages and will take up to another year to complete, Kosberg said. In the process, two First Texas branches opened in Houston before the merger may become Gibraltar offices. Although some operations are being combined or coordinated between the savings and loans, the two will remain separate organizations, he said.

With the merger of the associations, Gibraltar and First Texas have been able to consider larger investments, said Kosberg. Gibraltar, for example, agreed earlier this year to purchase 6,400 acres of land near Dallas for $130 million.

Gibraltar, which sold about $86 million worth of properties in the 12 months before the merger, has sold virtually no properties since, Kosberg said. Because it has become a private company, it is not driven to produce results every quarter, he said.

"The opportunities in Houston, Dallas, San Antonio and Austin are limited at this point," said Kosberg. And, as Texas developers have turned to other states. Gibraltar and First Texas have followed.

Rather than open their own offices from scratch or contract with independent brokers. First Texas has become a partner in mortgage brokerage companies in several other cities. A mortgage broker gets builders and developers together with financial institutions to fund a project. The investments give First Texas the first look at any projects the broker develops.

First Texas has four such ventures—in Dallas, Tampa, Denver and Los Angeles—and it is looking for additional expansion, said Kosberg.

Although most of his efforts focus on First Texas and Gibraltar these days, Kosberg continues to pursue other business interests, including television stations.

He was in the ownership group of Channel 20 in Houston and Channel 21 in Fort Worth, both of which have been sold. He remains an investor in a Miami station and has plans to invest in two others in Philadelphia and Chicago.

"I keep investing in television stations because I've made some money there," he said.

His other holdings include several real estate properties, a small insurance company and a small business investment corporation.

Kosberg admits not all his ventures have done well, including the nursery venture for which he did not have a green thumb.

"But, if all your investments are good," he said, "You're not taking enough risk or making enough money."●

LET'S SET THE RECORD STRAIGHT ON GREECE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MANTON. Mr. Speaker, in the wake of the terrible hijacking of 104 American civilians aboard TWA flight 847, President Reagan held a national press conference to denounce the hijacking. Every American shares our President's outrage and anger about the actions of these brutal terrorists. However, in the initial clamor to respond to this attack on our Nation's honor, President Reagan told millions of Americans that the Athens airport was a security risk. He also suggested that the arms which were used to hijack the aircraft were smuggled onto the plane in Athens.

The result of these accusations have been devastating to the economy of Greece. More than 30,000 Americans have canceled flights to Athens in the wake of the President's travel advisory. Millions of dollars in hotel, restaurant and travel revenues have been lost.

While such an economic sanction might be justified if the Athens airport was a serious security problem, this damage to the economy of Greece is totally unjustified in light of the recent revelation that the weapons used to hijack the airplane apparently did not come from Athens but rather from Cairo. It is also unjustified in view of the fact that U.S. Department of Transportation statistics show that during the past 8 years only one other hijacking occurred at the Athens airport, even though 257 such events occurred worldwide during that same time period.

Mr. Speaker, Greece has been an important ally of the United States for many years. Greece continues to depend on the United States for free and open trade, including tourism, while we all share in our President's desire to point the finger of guilt at any culprit in this hijacking and hostage crisis, we must never rush to judgment. In doing so, we only serve to damage an important relationship, such as the one the United States currently enjoys with the nation of Greece.

Mr. Speaker, I urge the President to join me in helping set the record straight on this matter. While it may not be possible to eliminate all of the damage done to the economy of Greece, I think it is critical that we move quickly to minimize the damage.●

FOSTER CARE AMENDMENTS OF 1985

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BLILEY. Mr. Speaker, today I am introducing a proposal developed by the administration to amend the Federal Foster Care and Adoption Assistance Programs. These important programs are administered by the Department of Health and Human Services and operated through State child welfare and social services agencies.

The Congress last addressed the foster care system in 1980 when it enacted the Adoption Assistance and Child Welfare Act. That law, the product of a bipartisan effort, made substantial changes in the Federal Foster Care Program and created the Federal Adoption Assistance Program. Too many children were spending their childhood lost in the foster care system, moved from temporary home to temporary home and sometimes to an institution.

The programs established by the 1980 law to find permanent homes for such children and to reduce foster care placements by providing social services to troubled families are now well underway. Although these programs have proven successful to some degree, more can and must be done to assure that no child remains in foster care for unacceptable long periods of time.

The proposal which I introduced today builds on the foundation created in 1980 to strengthen the foster care and adoption programs. The bill would make amendments to the foster care and adoption assistance programs under title IV-E of the Social Security Act to help States reduce the number of children in foster care, to moderate the increase in costs of the Foster Care Program, and to make other program improvements.

The proposal would create a program of incentive payments to reward States that increase the number of long-term foster children removed from foster care to permanent homes. States that are unable to make reductions would not be penalized.

The bill would also eliminate practical difficulties in providing Medicaid coverage to adoption assistance children, and would make permanent the temporary provisions of title IV-E authorizing maintenance payments for certain children voluntarily placed in foster care.

The proposal would also modify the limitations on Federal funding for the title IV-E Foster Care Program, and the formula for determining a State's allotment when a limitation is in effect. These changes would not eliminate increases in funding for this program, but would slow the increase in costs. The proposal would continue to allow States to provide child welfare services with funds from their title IV-E foster care allotment which were not needed for foster care. Federal funding for adoption assistance payments would remain open-ended.

Mr. Speaker, more children in permanent homes means fewer children with permanent problems. This legislation will encourage States to find permanent homes for children who otherwise might spend their childhood years in foster care. I hope you will join with me in supporting this proposal.

For my colleague's information, I have attached a section-by-section analysis of the bill.

FOSTER CARE AMENDMENTS OF 1985

SECTION-BY-SECTION SUMMARY

The draft bill would make amendments to the foster care and adoption assistance programs under Title IV-E of the Social Security Act.

BONUS FOR REDUCTION OF NUMBERS OF CHILDREN IN LONG-TERM FOSTER CARE

Section 2 of the draft bill would provide for a program of incentive payments designed to encourage States to move children from foster care into permanent family placements. A State that in any of fiscal years 1988, 1989, or 1990 reduced by at least 3 percent below the prior year's total the number of children who had been in foster care more than 24 months would receive payments of $3,000 per child for such reductions. States could use bonus payments for any purpose under Title IV-E (foster care and adoption assistance), Title IV-B (child welfare services), or Title XX (the social services block grant).

LIMITATION ON STATES' ENTITLEMENT TO FUNDING FOR FOSTER CARE

Section 3 of the draft bill would make amendments to the conditional limitation on Federal funding for State expenditures under Title IV-E related to foster care, and to the formula for calculating each State's foster care allotment for years when the limitation is in effect.

Subsections (a) and (b) would make the conditional limitation effective for FY 1986 and any succeeding fiscal year in which at least $200 million was appropriated for child welfare services under Title IV-B of the Act (under present law the limitation becomes effective only when the Title IV-B appropriation is at least $266 million).

Subsection (c) would eliminate the provision that the conditional limitation applies only if the triggering amount for Title IV-B is included in an advance appropriation.

Subsection (d) would freeze total payments to States for fiscal year 1986 at $485,424,000 (the estimated payment level for fiscal year 1985), and would provide that each State's share of this amount would be proportional to its share of foster care funds for FY 1984 (including any funds transferred to Title IV-B), as determined on the basis of expenditure reports received by the Secretary on or before April 30, 1985, and approved by September 30, 1985.

For fiscal year 1987 and succeeding years, this subsection would provide that each State's allotment would equal its Federal matching payments for fiscal year 1984 for

foster care and for transfer to Title IV-B (without limitation to claims submitted by April 30, 1985), adjusted by the lower of five percent or the Consumer Price Index.

These amendments move to fiscal year 1984 the base year for purposes of calculating States' allotments (the base year under present law, with certain variations, is essentially fiscal year 1978), and revises the inflation factor (currently the lower of 10 percent or twice the CPI) to be more in line with current inflation rates.

Subsection (e) would make conforming amendments.

Subsection (f) would make these amendments effective with respect to calendar quarters beginning on and after October 1, 1985.

MEDICAID ELIGIBILITY OF CHILDREN ELIGIBLE FOR ADOPTION ASSISTANCE PAYMENTS

Section 4 of the draft bill would make two changes in the provision deeming adoption assistance children to be children receiving AFDC for purposes of Medicaid eligibility.

First, this amendment would deem children found eligible for adoption assistance who have been permanently placed pursuant to a final or interlocutory adoption decree and an adoption assistance agreement to be Medicaid-eligible, regardless of whether adoption assistance payments are being made. This revision would eliminate the need to maintain token adoption assistance payments in cases where the adoptive parents do not need cash assistance, in order to preserve the child's Medicaid eligibility.

Second, this amendment would specify that adoption assistance children are eligible for Medicaid from the State where they reside, regardless of whether that is the State which was a party to the adoption assistance agreement.

ONE-YEAR LIMIT ON SUBMISSION OF PRIOR YEAR CLAIMS

Section 5 of the draft bill would provide that, effective with respect to quarters beginning on and after October 1, 1985, States would be required to make claims for Federal financial participation in expenditures under Title IV-E within one year after the expenditure (rather than two years, as under present law).

PERMANENT EXTENSION OF AUTHORITY TO FUND VOLUNTARY FOSTER CARE PLACEMENTS; REPEAL OF REQUIREMENT FOR ANNUAL REPORT

Section 6 of the draft bill would make permanent the provisions of Title IV-E which authorize Federal matching of foster care maintenance payments made on behalf of certain children voluntarily placed in foster care. These provisions, most recently extended by Public Law 98-617, are due to expire on September 30, 1985.

This section would also repeal the requirement for an annual report to the Congress on voluntary foster care placements. This requirement, which was designed to help the Congress to decide whether to make this authority permanent, would no longer be needed.●

TITLE III—INSTITUTIONAL AID ACT

HON. AUGUSTUS F. HAWKINS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. HAWKINS. Mr. Speaker, the colleges and universities of this Nation have historically made enormous contributions to the vital economic growth and productivity of this Nation.

Recognizing these contributions, and recognizing that it was to the national interest to support the efforts of our higher education institutions, the 89th Congress passed and saw enacted into law, the Higher Education Act of 1965.

An essential component within the Higher Education Act is title III, which has as its purpose, the providing of grants of assistance to less developed, smaller colleges whose survival is threatened by declining enrollments, a consistent scarcity of resources, and a fight not to be isolated from the main current of academic life.

Over the period of its lifetime, title III has provided direct assistance to minority institutions and to traditional colleges and universities serving large numbers of poor students—both minority and nonminority.

Because I believe that it is especially important to support promising, yet struggling colleges and universities, who primarily service low-income students, today I am introducing the Institutional Aid Act of 1985—a bill which will revise and modify title III of the Higher Education Act of 1965. These modifications to the current law are essential if we are to continue the important access, matriculation, and graduation roles played by institutions which cater to the special needs of low-income students—both minority and nonminority.

While reductions in student aid funding at the Federal level, and information about the availability of that aid, are contributing problems, the kind and quality of those institutions capable of and committed to providing access to a postsecondary education also contribute to the problem. The bill I introduce today will help address that problem. The bill will eliminate confusion about institutional eligibility and provide direct assistance to minority institutions and traditional colleges and universities serving large numbers of low-income, minority students. These modifications to the current law are essential if we are to continue the important roles played in institutions which cater to the special needs of minority students.

The revision in my bill will: Modify the eligibility criteria to assure the eligibility of institutions serving large numbers of low-income students;

Combine part A & B, originated under the 1980 amendments to the Higher Education Act, under a single function (part A) while preserving the 30-percent set-aside of part A funds for junior and community colleges;

Establish a new part B that will authorize the first 5 years of a 10-year program of assistance to the Nation's historically black colleges and universities. The uses of these funds will be tailored specifically to the needs of these colleges, whose physical, academic and professional needs are not being met under the current title III program;

Continue the endowment grant program authorized under Public Law 98-95, the Challenge Grant Act Amendments of 1983; and

Create a combined 30-percent set-aside of part A funds for Hispanic institutions, Native American institutions and Pacific-Basin institutions.

The bill would authorize $175 million in fiscal year 1987 for part A, $110 million in fiscal year 1987 for part B excluding a "such sums" authorization for five medical and graduate institutions; and $50 million in fiscal year 1987 for part C. These authorization figures are the same as or below the fiscal year 1985 authorizations for title III. The only new authorization is $110 million for part B, the Black College and University Act. No new appropriations would be required to carry out the changes I recommend. However, the fulfillment of the objectives embodied in this bill would necessitate additional funding.

This bill presents two new concepts for the Higher Education Act which deal with set-asides for historically black colleges and universities and for national origin-based higher education institutions.

These concepts are not new to Federal legislation and have found approval in related cases before the Supreme Court.

The American Council on Education has given the bill a preliminary recommendation of support in the council's draft legislation submitted to the House Subcommittee on Secondary Education.

Major endorsement of the bill has been made by: The American Association of Community and Junior Colleges; the Hispanic Higher Education Coalition, the American Indian Higher Education Consortium; the United Negro College Fund; and the National Association for Equal Opportunity in Higher Education.

It is my belief that Congress should reaffirm its moral and social commitment to equality of opportunity by impelling some needed changes in the legislative intent of title III to assure that higher education institutions serving disproportionate numbers of low-income college students are provided adequate and long-term support. A national investment in institutions that have suffered from debilitating effects of prolonged neglect merits greater attention given the growing public demand for defensible performance standards, as well as increased competition for academically advanced students. Support for these institutions should be structured to allow

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both independence and sustained growth. Thus, budgetary flexibility and greater discretionary power should be provided which would allow institutions the latitude to target areas of critical concern and, to build and strengthen their capacity to serve the most needy and educationally neglected students.

Properly restructured, title III can play a major role in expanding the growth and ability of these institutions to sustain the fundamental principle of equality of opportunity.●

THE HORROR OF SOUTH AFRICA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. SOLARZ. Mr. Speaker, it is my great pleasure to offer for inclusion in the RECORD the address of Prof. John Hope Franklin given at the commencement exercises of Brandeis University on May 19, 1985. Professor Franklin minces no words in describing the horror of the apartheid system and its demeaning effect upon all the people of South Africa. He challenges the new graduates of Brandeis to look hard at this issue and to make fundamental choices about it in keeping with their basic convictions on the human condition.

Mr. Speaker, we in the Congress are also engaged in a process of making decisions about South Africa. And to that end, let me urge my colleagues to read Professor Franklin's thoughtful and well documented description of the situation there. Let me urge that we consider the facts which have been so ably presented in arriving at our own decisions regarding American policy toward South Africa.

Mr. Speaker, I insert Professor Franklin's remarks in today's RECORD:

PUTTING PRINCIPLES INTO PRACTICE

President Handler, Members of the Board of Trustees, Members of the Faculty and of the Graduating Classes, Parents, Relatives, and Friends of the Graduates, Friends of the Brandeis University Community, Ladies and Gentlemen: I am pleased and honored to be here today, to become a member of the alumni of this illustrious university, and to say a few words to the members of the graduating classes. Permit me, first of all, to congratulate all who have had a part in the making of this great occasion: the administration and faculty of Brandeis, the students who have at long last reached this day for which they have been striving for several years, and their supporters—parents, friends, and loved ones—who have given so much of themselves to make this day possible. It is a wonderful day, and I rejoice with all of you in celebrating this day of days.

Last week, my wife and I were in Nashville, Tennessee, attending the fiftieth reunion of our class at Fisk University. It was a thrilling experience, as indeed this one is today, to look back on what had happened to the various ones of us over the years. Several of those classmates who live in the Boston area are here today, resolving to make our reunion, begun so auspiciously last week, a kind of movable feast. I can tell today's graduates that when one has been out for fifty years, there cannot be too many celebrations. You have something which to look forward.

I could not help thinking, as I reviewed the history of my own University which is almost one hundred and twenty years old, of the remarkable strides Brandeis has made in slightly less than forty years. The history of Brandeis provides clear evidence that age is not necessarily a requisite for greatness, and dedication, commitment, and sacrifice can go far toward endowing an institution with those qualities so necessary for its becoming a successful and even powerful force in shaping the educational and social milieu of which it is a part.

It is because of the sensitivity on the part of Brandeis University to the problems that beset mankind that I wish to speak to the graduates and their friends and admirers assembled here about one of the very major tragedies of our time. That tragedy is what is happening in South Africa in 1985 and what is happening to the people of this country in regard to that tragedy. It is, of course a great tragedy that four million white people in South Africa enjoy the franchise and the privilege of holding office and making all the policy decisions affecting the people of that country, while some twenty-two million non-whites have *nothing* at all to say about their own future or the future of their country. It is a compounding of that tragedy that blacks, constituting eighty-four per cent of the population, are forced to live in "homelands" that constitute only thirteen per cent of the land. Meanwhile, they are considered "migratory citizens" in eighty-seven per cent of the country; and no African can enter or remain in an urban area without permission, even with an employment contract. Black men who are employed in the areas in which they are forbidden to live may not bring their families to the places where they work. Strikes by black workers are illegal, except in very restricted situations. The color bar is more extensive and more rigidly enforced than anything known in this country even in its most racist phase.

These policies are administered with the help of a population registration apparatus known as Pass Laws. All Africans over the age of sixteen must carry a document containing the identity number, photograph of the bearer, his ethnic group, nation or tribe, the name and address of his employer, date of employment, details of taxes, levies, and rates paid by him. Each month his employer must sign the book and a date of discharge must be noted when work is terminated. For African women the book must include the name, address, and reference book of their husband, parents, or guardian. The books must be produced on demand. Each year, several hundred thousand people are prosecuted under pass laws, and hundreds of thousands more are challenged. While there have been cosmetic modifications in the regulations since 1977, the disabilities are substantially the same and the operation of the law remains as cruel and as far-reaching as ever.

What we have, then, is a thoroughly repressive system, in which human beings, if they are black, have no dignity, no rights, no respect, and no recourse. If they protest they are arrested, summarily tried and imprisoned. If they seek to improve their lot, they may be convicted under any number of acts, such as the Suppression of Communism Act, the Riotous Assemblies Act, and the Terrorism Act. If they demonstrate against their oppression, they are likely as not to be killed, and as we have seen in recent months, if one flees from the scene of the demonstration he or she may be stopped by officers of the law who shoot men, women, and children in the back with impunity. If persons are "banned" after conviction under one of these repressive acts, they no longer enjoy any civil liberties, cannot attend meetings, cannot associate with others in any form of organization, cannot write or speak on any public question, and cannot participate even in community or civic affairs lest all such affairs become immediately suspect.

Meanwhile, South Africa continues to prosper. As an outlaw nation, it defies the United Nations, the world court, and other international authorities, and exploits Southwest Africa from which it was supposed to have withdrawn more than a half century ago. As a so-called "developed nation," it regards itself as the only sovereign state on the continent of Africa that is worthy to associate with the advanced nations of the world. Its disdain for its immediate neighbors is as strong as it is for its own blacks who are exploited daily. By terror or the threat of terror it fends off the front line countries, many of which are, in one way or another, at the constant mercy of the great colossus at the south, the worst of all nations on the face of the earth today. It is imperialistic and terroristic; it is racist and bigoted; it is barbaric in its heavy-handed repression of liberty and in its exploitation of the servile masses. It is as close to being uncivilized as one can imagine a country to be. It is the clearest example we have of the fact that the correlation between technological and scientific advancement on the one hand, and elementary civility on the other is slight if, indeed, it exists at all.

When I say that the present regime in South Africa is the worst and most uncivilized we have had since Nazi Germany, I am making no comparison with that barbaric regime. Such a comparison would be impossible. Nothing can match the horrors of Nazi Gemany, not even the burning at the stake of black American soldiers in the uniform of their country at the end of World War I or the genocide of millions of Africans in the middle passage to the New World in the seventeenth and eighteenth centuries. I merely assert that since 1945 there has been nothing to approach the depth of inhumanity that has become commonplace in South Africa today. It has occupied Namibia, it has raided Lesotho and has supported terrorism in Mozambique. Internally, it uses its army and the police to enforce a system of state racism that deprives black South Africans of the most elementary rights. For twenty-five years it has imprisoned, tortured, killed, and exiled the leaders of the opposition to its totalitarian regime. A holocaust is inconceivable in South Africa, not because of the beneficence of mercy of its white rulers for they have none, but because the elimination of black, workers would, of itself, destroy the economic and social bases on which the system depends and thrives; and the white rulers know it.

From the point of view of an American, the worst feature of this obscene system which has the temerity to pass itself off as

civilized, is that it thrives, in part, because of the material and moral support it gets from the United States. As the debate intensifies over whether American businesses shall continue to invest in the South African economy or cease their involvement altogether, the American economic presence there should not be minimized, as some seek to do. Direct American investment in South Africa has exceeded two billion dollars since 1978 and indirect investments are at least twice that amount. American loans to the government as well as to the private sector have been significant, even crucial, to the well-being of that country's economy. The sale of many kinds of American equipment, including the illegal sale of arms, cattle prods and other devices used to control, punish, and further repress the black population, has flourished.

There is no question that the American economic presence in South Africa is significant both quantitatively and qualitatively. The question is whether the American presence in terms of investments, factories, financial institutions and the like is at all defensible. It is not defensible in terms of providing a decent income and acceptable standards of living for blacks as well as whites. The gap between the earnings of black and white workers is enormously wide and in most instances is becoming wider. But one must not confuse the issue by advancing the argument that black Africans benefit from American investments there. That same specious argument was used to support slavery in this country. It would not wash then, and it will not wash now. Nor is the American presence there defensible in terms of the questionable compliance with the Sullivan principles that were drawn up by Leon Sullivan of Philadelphia to achieve equality between white and black workers in South Africa. The Sullivan principles call for the elimination of racial segregation in the workplace and for equal and fair employment practices, including equal pay for equal or comparable work for all employees. There is serious question whether these principles have had any salutary effect, especially since South Africans have become as adept as Americans in evading compliance with such principles and doctrines, whether public or private. There is also serious question whether principles of fair employment and equal opportunity can be effective in American companies there, when the record of many of these same companies in their own factories and businesses in the United States in such matters is a record of evasion and duplicity.

The primary reason that the American presence in South Africa is indefensible, however, is that it is encouraged by the policies and practices of the United States government itself. Think for a moment of the stark fact that this government, so activist and so interventionist in political situations around the world, has so little to say about the government that denies virtually all of the tenets in which our administration places so much stock. The so-called policy of "constructive engagement" is essentially a policy of persuading and cajoling, with the tenderest consideration, the ruling element in that benighted land. Last week, while in Europe, the President used the phrase, "power to the people," when praising the increase in democratic practices "throughout the world," as he put it. What does he think about the powerlessness of the people in South Africa, where seventy-three per cent of them are barred from voting, regardless of their educational or other qualifications, solely because of race? What about the powerlessness of a people, twenty-eight of whom the police killed a few weeks ago at Uitenhage, which moved the President of the United States merely to comment that perhaps it was the fault of the victims themselves.

A few days ago when he was in Europe, the President had a golden opportunity to broaden the world's understanding of the manner in which repression, regardless of where it occurs, degrades the human body and spirit. At Bergen-Belsen he invoked the memory of John F. Kennedy who, twenty-two years ago, stood at the Berlin Wall and said, "I am a Berliner." The President continued, "Today, freedom loving people around the world must say, 'I am a Berliner. I am a Jew in a world still threatened by anti-Semitism. I am an Afghan, I am a prisioner of Gulag. I am a refugee in a crowded boat foundering off the coast of Vietnam. I am a Laotian, a Cambodian, a Cuban, and a Miskito Indian in Nicaragua. I, too, am a potential victim of totalitarianism.' "

It is unfortunate that the President chose to imply, by his examples, that people in communist countries have a monopoly of totalitarianism. Surely, he must know that freedom denied in reactionary, racist undemocratic, right wing countries is as much a violation of human dignity and an outrage against humanity as freedom denied in a communist country. If he could have persuaded himself to add, "I am a South African black, yearning for the same basic human rights for which people have fought and died down through the ages," he would have been more credible. It is most unfortunate that what could have been one of the great moments in history was rendered of little consequence by resorting to politics.

The people of Poland are cheered by our government when they dare to engage in an illegal strike against their own. When the black people of Africa strike or attempt to strike against their exploiters, however, the silence of our government regarding such action is remarkable. When the rebels of Nicaragua, many of whom belonged to the tyrannical Somoza regime, seek to overthrow their government, the President of the United States calls them "Freedom Fighters" and compares them with the patriots who fought for independence from Britain in the eighteenth century. When the people of South-West Africa seek to end the illegal tyranny under which they have suffered at the hands of South Africa for many decades, we will not even support their claim to independence and our only concession is that we could perhaps look with favor on their claim to independence if Cuban troops will leave Angola. Even the black Africans themselves, with so little experience in the art of statecraft, had to laugh at the tortuous logic of this statement of American foreign policy.

All that the majority in South Africa seek is to live in decency and self-respect and to enjoy full and equal citizenship with the tiny minority that has controlled their lives for so many years. If they seek this admirable goal with zeal and determination, have they not qualified as "Freedom Fighters?" Is it not possible that those who reject degradation, humiliation, segregation, and discrimination have, by their stand for justice, earned the admiration and support of the leader of the free world? If they have not earned our admiration and support, what are we leading and for what purpose are we leading?

I have never owned a Krugerrand for several reasons, the most important of which is that it symbolizes the type of government that I abhor. For many reasons I have no stock or any other kinds of investments, so far as I know, in any company doing business with South Africa. The most important reason, however, is that I could not reap profit from an investment there any more than I could profit from the calculated and sinister exploitation of any people anywhere. I do no more than suggest that you *consider* the matter and arrive at a position with which, in terms of your own view of life and of the world, you can live. It would be better if the world in which we live was a bit more sensitive to the issues we face.

When I was teaching at Cambridge University almost twenty-five years ago, I was interested to observe that my grocer was always careful in pointing out to me which oranges came from Jaffa and which came from South Africa, or which lobsters came from the Mediterranean and which came from South Africa. Invariably, I chose oranges from Jaffa and lobsters from the Mediterranean. In the United States I always have to ask about such things; and in American restaurants I have not been embarrassed to return lobsters to the kitchen when the waiter finally discovered after some prodding from me that they were indeed from South Africa.

Today I have focussed on South Africa for two reasons. One reason is that it is the clearest example we have of the utter and complete rejection of the elementary democratic principles that this country has espoused for more than two centuries. it is my view that if we as a nation and as a people cannot stand up against South Africa in the United Nations, on Wall Street, in the banking community, and in our personal convictions and policies, we have forfeited any claim to leadership in the community of civilized nations. The second reason I have focussed on South Africa is that we, as Americans much prefer to agonize over problems several thousand miles away from our shores. And yet, because we have been through much that South Africa is going through, we have special talents and experiences that we can share with that country. in the process, we could review our own situation and tidy it up where there is need to do so. If equal opportunity and fair employment are wonderful objectives of the Sullivan principles for South Africa, as our government claims, perhaps the Justice Department might reconsider its determination to dismantle the apparatus that seeks to achieve those goals here. There is nothing so sobering as the process of examining ourselves as we undertake to examine others.

In the days and years ahead, you who go down from this place today will have to make choices, some more critical than others. It is important that as early as possible in your careers, you should raise questions and reach decisions that are in keeping with the most fundamental tenets of your lives. If it is important to you that freedom and human dignity be valued, then the choices you make will be in keeping with those values. If you cherish human rights and the belief that all men and women should enjoy these rights, then there are certain choices that you will make on the basis of your convictions. South Africa is merely a test of your capacity to plumb the depth of your own understanding of the human condition and your own responsibility in deciding what is to be done about the urgent human problem that exists in South Africa. I am confident that at this great university you have acquired

the skills and the intellectual qualities to assist you in reaching a decision with which you can live. I am also certain that in numerous other areas touching on the human condition, you will be able to function and live as the competent, sensitive human beings that you are. You have my congratulations and best wishes from this day forward.●

DEALING WITH TERRORISTS

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. PRICE. Mr. Speaker, I've been around here a long time, and I've seen a lot of things, but the despicable antics of the obnoxious thugs we have come to call "terrorists" take the cake.

I do give credit to the hijackers of TWA flight 847 in one respect, though: They couldn't have planned their crime more thoroughly. They wanted Israel to release prisoners she was going to release anyway, so they probably thought their chances of success were enhanced by this. But they also knew direct action against Israel always entails great risk of failure, because it's no secret that the Israelis don't fool around. Israelis have the resolve to act when they should, because their survival depends on it. Direct threats against Israel would get the hijackers nowhere.

So who could deny the hijackers logic in going to the airport in Athens—Where else?—to steal an American airliner with American passengers? Now they command the attention of that most amazing publicity machine, American television, and, through it, the anxieties of the American people. The hijackers must have believed that the United States would be brought to her knees and would do whatever she could to convince Israel, which depends on American support, to meet the hijackers' demands. Dispersing the hostages so that we don't know where they are was a smart move to frustrate our planning, leaving us helpless to do anything but give in, right?

In recent years, American citizens have developed a reputation for lacking the political will to do the right thing, if there's a chance it might offend someone or inconvenience some "special interest group." We don't want to look like bullies, and we do want people in other lands to like us. But whether they like us or not, such a course insures that they won't respect us, which is much more important. As an example, Sandinista leader Daniel Ortega has been quoted as saying that he can do whatever he wants in Central America because the people of the amendment remain so "traumatized" by the experience of Vietnam that they lack the political will to permit their Government to do anything to stop him.

Socialist totalitarianism, like cancer, tends to spread. The sooner it is stopped the better. But some people put off seeing the doctor for fear of confirming their worst suspicions. Such irrational thinking makes major surgery inevitable. The surgery is temporarily more painful than the disease, but it eventually becomes the only cure, provided it isn't too late to avert premature death. In my view, the current hijacking and other act of international terror are just symptoms of this disease.

If these fanatic hijackers and the governments that encourage them—for general anti-West purposes—hope by this episode to, at the very least, strain relations between the United States and Israel, their hopes should be dashed. Sure Israel could end the crisis overnight simply by releasing her prisoners: Any conflict—even a world war—will end when one side surrenders. But to do so invites worse problems later.

Mr. Speaker, the only thing we should give the hijackers is the back of our hand. We must continue to demonstrate the political resolve and moral perspective to resist their outrageous behavior and to punish it whenever we can. You see, our national survival does depend on our ability to recognize the warning signs of the political diseases that, left untreated, will kill us. Ignoring the symptoms is the worst thing we can do.

I urge our citizens and allies to support and comply with the recommendations President Reagan announced at his press conference the other night. Sure I'm annoyed that criminals are forcing us to restrict our liberty, but sometimes one has to give a little to gain a lot. And I am confident that we will demonstrate unity in doing what we must to thwart and punish all terrorist thugs so that they will never have any hope of advancing their causes through crime. Belligerence is deterred only when it is believed counterproductive. I refuse to knock anyone's religion, but I will acknowledge that the Shiites' penchant for martyrdom makes them difficult to deal with, because they believe that they win even if they lose.

We will not stoop to their barbarism, but we must not lose our perspective on what we must do to preserve our freedom in a world wracked by political disease. Freedom used to be worth fighting for. It still is. Some Americans seem to think it isn't even worth the inconvenience, but I think there are fewer of them this week. How could there ever have been any doubt that eternal vigilance is the price of liberty? America can stand tall only if there's something to stand on. Today we stand on a consensus to condemn and punish terrorism, and we must never step down.●

NEW EXTRADITION TREATY BETWEEN UNITED STATES AND UNITED KINGDOM WARRANTS CLOSE SCRUTINY BY SENATE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BIAGGI. Mr. Speaker, on Tuesday of this week the United States and the United Kingdom signed a Supplementary Extradition Treaty. The main element of this treaty is its repeal of the previous political offense exception as it applies to certain violent offenses.

This supplementary treaty was obviously developed in response to the unique problems which exist today in Northern Ireland. As the chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs I have some concerns about this treaty which I hope can be addressed during the Senate's consideration of it.

One has to support all efforts to combat heinous terrorist crimes such as hijacking and hostage taking as well as murder. One cannot quarrel with this supplementary treaty on that regard. However we should be extremely careful about having the United States place itself in the position of endorsing the status quo of British direct rule over Northern Ireland which features one of the most oppressive of all criminal justice systems in a democracy. We will be making an unfortunate political statement with this treaty if we accept a total repeal of all political offense exceptions.

At this point in the RECORD I wish to insert the full text of a press statement issued this week by the British Embassy outlining this new treaty.

EXTRADITION BETWEEN THE UNITED KINGDOM AND THE UNITED STATES

The Home Secretary, The Rt Hon Leon Brittan QC MP, today announced that agreement has been reached on a new Supplementary Extradition Treaty between the United Kingdom and the United States. The principal effect would be to deny fugitives accused or convicted of certain serious offences of violence the ability to avoid extradition on the grounds that their offences were 'political'.

In a written answer to a Parliamentary question The Home Secretary said that such a step would represent a most significant contribution to the efforts now being made by western democracies to counter the threat posed by international terrorism.

Both Governments believed that the present "political offence exception to extradition," as it applied to violent offences, was not suitable to extradition arrangements between two democratic countries sharing the same high regard for the funda-

mental principles of justice and operating similar independent judicial systems.

It is also intended to make some further, minor amendments to the present Treaty.

It is expected that the new Treaty will be signed in Washington this week.[1] In due course, the United States Senate's advice and consent to ratification will be sought and an order under the Suppression of Terrorism Act laid before Parliament for approval

The new arrangements will cover all the serious extraditable offences of violence, for example, the terrorist offences which are the subject of international conventions (hijacking, hostage taking, etc) as well as murder, manslaughter, other offences of violence against the person, certain explosives and firearms offences, and attempts to commit such offences.

EXTRADITION LAWS AND TREATIES IN THE UNITED KINGDOM

BACKGROUND NOTES

Extradition to foreign states (excluding the Republic of Ireland) depends on the existence of treaty arrangements and is governed by statute, principally the Extradition Act of 1870. The reform of British extradition law is the subject of a recently published Green Paper (Cmnd 9421).

Present extradition arrangements with the United States.—The present extradition arrangements with the United States are governed by the Extradition Treaty signed in London in June 1972 (Cmnd 6723) and by the Extradition Acts of 1870 and 1935 as amended. The treaty is supplemented by other multilateral conventions which have been ratified by both the US and the UK:

(a) The Hague Convention for the Suppression of the Unlawful Seizure of Aircraft;

(b) The Tokyo Convention of Offences and certain other Acts committed on board Aircraft;

(c) The Montreal Convention for the Suppression of Unlawful Acts against the Safey of Civil Aviation; and

(d) The New York Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons.

The Political Safeguard.—The present "political offence" exception is one of a number of restrictions on the return of fugitives. Section 3 of the 1870 Extradition Act provides that a fugitive criminal shall not be surrendered if he proves that the offence of which he is accused is one of a political character.

This restriction is therefore also a feature of our bilateral extradition treaties. For example, the treaty with the United States provides that: 'Extradition shall not be granted if . . . the offence for which extradition is requested is regarded by the requested Party as one of a political character.'

The European Convention on the Suppression of Terrorism.—The European Convention of 1977 is intended to remove the scope for refusing extradition among Council of Europe States for serious terrorist offences on the ground of the political nature of the offence. The Convention provides that, for extradition purposes, certain specified offences shall not be regarded as 'political' (Article 1) and other specified offences may not be (Article 2), notwithstanding their political content or motivation. The United Kingdom ratified the Convention in 1978 and applies it in respect of both Article 1 and Article 2 offences.

The Suppression of Terrorism Act 1978.—The passing of the Suppression of Terrorism Act in the United Kingdom made it possible for the United Kingdom to ratify the European Convention on the Suppression of Terrorism. The Act provides that certain serious offences may not be regarded as political in the context of extradition to Convention States. The Act may be applied to a non-Convention State by Order. Such an Order, which has to be approved by the British Parliament, would specify which provisions of the Act would apply, including which of the listed offences should not be regarded as 'political'. Thus, prior to ratification of the proposed revision of the UK/US extradition treaty, an Order under the 1978 Act (together with an Order under the Extradition Act of 1870) will be necessary.

Minor amendments to the 1972 Treaty.—The Supplementary Treaty provides the opportunity to make two minor changes to the Extradition Treaty of 1972.

(a) A technical change is being made as a measure of simplification in relation to time-barred proceedings.

(b) The period within which a formal extradition request must be submitted is extended from 45 to 60 days. Current practice in the United States, where cases have to be routed from the State to the federal authorities before the request is transmitted to the United Kingdom Government, makes it desirable to extend the period to 60 days, which is the time allowed in some of the UK's other extradition treaties.●

[1] Signature Arrangements: The agreement will be signed in Washington on Tuesday June 25. There will be no press facilities.

LOCAL CHAMBER OF COMMERCE EXECUTIVES DIFFER FROM NATIONAL CHAMBER POLICY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FRANK. Mr. Speaker, sometimes there are important differences in viewpoint between national organizations and local organizations that have an affiliation or a similar name. One such difference recently became clear in southeastern Massachusetts during a session involving the national chamber of commerce and some local chambers of commerce. In contradistinction to the position of the national chamber of commerce, the executives of many of the local chambers of commerce of southeastern Massachusetts made clear their support for a continuation of many important Federal urban aid programs.

The executives of the chamber of commerce in southeastern Massachusetts understand the need for restraint in Federal spending, and they have urged me and other members of the Massachusetts delegation to look critically at programs, to hold many of them to rates of expenditure below last year's in dollar terms, and to seek to improve their efficiency. But they understand that the abolition of these programs as proposed in the budgets of the President and the Senate would do great economic harm to the prospects for economic growth in southeastern Massachusetts.

I think it important that people understand that when the U.S. Chamber of Commerce speaks for abolition of many of these programs, it does not speak for many of the local chambers across the country and in my view, these local chambers have a much better understanding than the national chamber of the best way in which to combine deficit reduction with sensible economic development programs at the Federal level.

I ask that the article from the Fall River Herald News be printed here.

BUSINESS LEADERS DISAGREE WITH U.S. CHAMBER POSITION

(By Sean Flynn)

Business leaders from the local Chambers of Commerce disagreed with positions put forward by the head of the U.S. Chamber of Commerce in a panel discussion that followed his speech,

Frank Morsani had said during the featured speech at the Regional Economic Conference held Monday that businessmen should support the elimination of federal grant programs. But when Moderator Richard J. Ward, dean of the SMU College of the Business and Industry, asked the officers and members of chambers of commerce from Fall River, New Bedford, Taunton, Braockton, Attleboro and Middleboro who supported this position, he was greeted by silence.

Richard J. McNally, chairman of the board of the Fall River Area Chamber of Commerce and Industry, made the opposing positions of the national and local chambers clear when he stood up and said, "I don't see how UDAG, HODAG, revenue sharing funds and Industrial Revenue Bonds contribute to the federal debt. Those are loans that are paid back to the government. "Those loans have attracted industry and created jobs in my community, and I don't see how eliminating these loans makes economic sense," McNally continued. "We are trying to start up new industries, educate our people with new programs, and help the older industries.

"We need funding," McNally said. "The only people I know you can go to for that kind of help is the federal government."

After McNally made his statement, Ward then asked if anyone from the regional chambers favored cutting the various federal grants. No one offered support for the U.S. Chamber position.

This left panel member Steven E. Wooley, manager of the northeastern office of the U.S. Chamber, to defend the grant eliminations. "The federal grants were beneficial, but they have to be given up to reduce the federal deficit," he said. "Can't we apply our own inventiveness locally to redevelop?" he asked.

"The new tax plan President Reagan has proposed will help business; it reduces capital-gains taxation, for example, and so encourages new industries," Wooley said. Ward contended, "Older industries will have trouble finding advantages in the new tax plan."

Chris Needham, representing the State Street Bank of Boston, said his bank's financing of two textile companies in the area was dependent on the companies receiving

federal and state grants. "Only with the grants could the companies stay here instead of going abroad," said Needham.

Jim Mathis, executive vive president of the New Bedford Chamber of Commerce, said the area would be in bad shape without the federal grants and expresed support of McNally's position.

Charles Volkmann, executive vice president of the Taunton Chamber of Commerce, emphasized that "the public-private partnership has worked tremendously in developiong the Miles Standish Industrial Park."

Ward noted that the total allocations for the federal grants amounts to $7.9 billion. The total national debt for 1985 amounts to $1.7 trillion, while the defnese budget for fiscal 1986 approaches $300 billion, according to Ward.

Besides Woolley and Ward, the panel also featured Joseph Goodrich, business editor of the Providence Journal, and Gary Glenn of the state Executive Office of Economic Affairs.●

INDIANA UNIVERSITY'S DISTINGUISHED ALUMNI SERVICE AWARDS

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. McCLOSKEY. Mr. Speaker, I rise today to pay tribute to five Indiana University graduates who were honored on June 16, 1985, by receiving the Distinguished Alumni Service Awards for 1985.

Sidney Harrison Estes, whose career dedicated to the improvement of education, especially for children, began modestly in an elementary classroom. Reinforced by graduate education and knowledge gained from directing two Ford foundation-supported projects, this promising educator found himself drawn into administration, advancing from a principal's role to an assistant superintendency of instruction in a major American city. His qualities of leadership he devoted to identifying weaknesses in the system and bringing strength to them through reform, innovative projects and incentives. With an intuitively broad perspective he welcomed key participation in the national organizations promoting his profession and into their implemental uses. Few facets of the educational process, from a focus on reading and mathematics to a principal's institute, from pupil progression to international education, have failed to attract his interest and benefit from his productive ideas. A contributing citizen to his community and country, he served in his Nation's armed forces and now provides leadership in Georgia's Keep America Beautiful Program and to the Atlanta Area Council of the Boy Scouts of America. Recognizing his unstinting application of his education, wisdom, and talents to the betterment of his chosen field his alma mater is proud to name him a distinguished alumnus.

Estel Wood Kelley, descendant of a pioneer Hoosier family, has exhibited traits of that heritage in his dynamic progression toward his goals. Rising from an accountant's position in a small firm to president and chief executive officer of a top American corporation through successive triumphs in corporate management he has shown himself to be a man of exceptional industry, ability, and intellect. In each company that he joined, he was able to increase sales dramatically, restructure efficiently, and improve profitability. Among his ceaseless endeavors he included the steady expansion of business interests in his native community. National boards of the YMCA and the Boy Scouts of America benefited from his business acumen. His alma mater recognized his brilliant career with an honorary degree in 1971. Equally worthy has been his notable service to his alma mater. His generous contributions of time, counsel and substance to the school of business, increasing its stature, are symbolized by the fund that bears his name. For over 15 years a respected director of the Indiana University Foundation, he generously abetted his favorite alumna Wilma in her presidency of the Indiana University Alumni Association. We salute his devotion and honor his achievement in naming him a distinguished alumnus.

George Patrick Smith II, a man of prodigious energy and uncompromising principles, has made an impact on the legal community both nationally and internationally. His diverse interests have led him to pioneering work in fields of maritime and environmental law. With typical intellectual curiosity he dared to explore lawmaking for bioethics in the company of a few. From unerring instinct he anticipates legal issues and provides the research and textbooks for their development. His students attest to his intellectual fervor and to his unstinting labors on their behalf, even in the pursuit of their careers. He has been a visiting scholar by coveted invitation to the Kennedy Institute of Ethics, the Hoover Institute, Bellagio, and many others. His inquisitive mind is constantly searching to expand his horizons and those of the legal community. A prolific writer, his bibliography alone would mark him distinguished. To his vocations as lawyer, scholar and educator he has added public servant, fashioning a reputation as advisor to the legislative, executive and judicial branches of the Government. Colleagues note that he is generous with his time, modest in his expectations. A multiple career of such dimension and far-reaching influence richly deserves an alma mater's acknowledgment through a distinguished alumni service award.

William Elwood Steckler, self-supporting as a student, had the advantage of self-reliance when he launched his brilliant career. The quality of his private practice and of his public performance in State positions led to his appointment to the bench of the U.S. District Court of the Southern District of Indiana at the age of 36, the youngest Federal Judge in the Nation. That trust he has honored for 35 years by the merit of his judgments and conduct, his leadership in encouraging educational programs for judges and his initiatives for court administration and reform. Pretrial conferences, written instructions to juries, a checklist of procedures, and an internship program exemplify the importance of his innovations. A skillful judicial administrator, he has earned widespread and profound respect for the traits of character that have marked the discharge of his duties: impeccable integrity and fairness, meticulous attention to detail, compassion and courtesy, patience and understanding. No tribute to him could exceed the praise of attorneys who have appeared before him. The powerless and the powerful he has treated equally. His colleagues deem him a model for young aspirants to the judiciary. Such worthiness his alma mater hereby proudly and gratefully attests.

Muriel Mae Thorne, a fine arts graduate with an exposure to astronomy, has fashioned a career encompassing art, science, and education. For more than a decade her successful service at the National Gallery of Art augured lifelong dedication to that institution until her avocation, an interest in astronomy and space exploration, became her vocation. Fortune brought her to the National Aeronautics and Space Administration in 1961 as Educational Programs Officer in the Academic Affairs Division. Her talents as an interpreter and communicator, first exhibited as a docent, have assisted school children nationwide and their teachers in their orientation to the Space Age. Numerous letters testify to the skill with which she informed students' understanding and ignited their aspirations, as do two coveted NASA awards. Wherever NASA educational programs are expanding imagination's horizon she has played a part. As editor of a history of NASA and of reports to educators she has broadened the awareness in the schoolroom of NASA's development and accomplishments, heightening national pride. Her vounteer service, especially to the Washington Cathedral, is noteworthy in its extent and variety. A life so lived is a tribute to the value of a liberal arts education and truly merits the accolade of distinguished service alumna.●

AMENDMENT TO H.R. 1555

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DONNELLY. Mr. Speaker, I am considering offering an amendment to H.R. 1555, the International Security and Development Cooperation Act of 1985, to increase assistance to our ally El Salvador by 10 percent over the level authorized in the committee bill. H.R. 1555 as reported from committee calls for a net reduction of $25 million from current fiscal year 1985 assistance to El Salvador. The bill would authorize $377.9 million in aid to El Salvador in each of the next 2 fiscal years. We provided El Salvador a total of $402.96 million in the current fiscal year. This total includes a recent reprogramming of $10 million in additional military assistance. I am aware that the total figure authorized by the committee is often supplemented with reprogrammed funds during the year. However, at this time when forces seeking to overthrow the democratically elected Government of El Salvador have embarked on a stepped-up campaign of urban violence, it sends the wrong signal for us to reduce aid levels to the Duarte government. Last week, 13 people, including 4 off-duty U.S. marines and 2 American civilians, were gunned down at an outdoor cafe in San Salvador. Radio Venceremos, the rebels' broadcast station, called

the killing of the marines "a just action in the legitimate defense of our people." Radio Venceremos is the official voice of the Farabundo Marti National Liberation Front [FMLN], the guerrilla group that is waging a hit-and-run war of attribution against the Duarte government. The same group that claims credit for killing unarmed U.S. marines and civilians had been invited to enter into dialog by President Duarte.

I make that point to demonstrate the peaceful, nation-healing intentions of Jose Napoleon Duarte. By their cowardly deed of last week, the rebel forces have clearly shown their intention to attempt to win through escalating violence what they have not been able to win through other means, namely, control of the country. President Duarte is making real strides in restoring democracy and justice to his war-ravaged nation. He has the overwhelming support of the people of El Salvador. They have rejected with equal distrust the radical elements of the left and of the right.

At a time when the rebels have stated their intentions to engage in an expanded campaign of terrorist attacks in El Salvador, it is critically important that the people of that nation know they have our firm, unwavering support. It is in that spirit that I intend to offer an amendment to increase by 10 percent the aid level for El Salvador called for in H.R. 1555.●

TRIBUTE TO MARY JANE SALTER

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. THOMAS of Georgia. Mr. Speaker, in Georgia we take justifiable pride in our rich tradition of having produced great statesmen and public leaders in the past. And to the best of our ability, those of us who serve in public office from Georgia today try to attain those same high standards.

But anyone in the Congress knows that the demands of our modern society have made it impossible for any man or woman to effectively fulfill the responsibilities of elective office without help.

We depend heavily on our families for support and on our constituents for direction. And to a very large degree we depend on our staffs.

This month marks the time when one of the most dedicated and experienced members of a Georgia congressional delegation staff will be leaving, and I would like to take this moment to recognize her achievements and what her hard work says about the nature of public service today.

For the past 13 years, Ms. Mary Jane Salter has served on the staff of Georgia's very distinguished senior Senator, the Honorable SAM NUNN. She came to Washington to join Senator NUNN when he first took office, and for 5 years she worked on his staff here in Washington.

Then some 8 years ago, Mary Jane moved to Savannah, GA, in my First Congressional District, where she took charge of Senator NUNN's Savannah District Office. For the past 8 years, she has been responsible for handling the affairs of the Senator's office in a 40-county area. This month, she is leaving Savannah and Senator NUNN's office to move with her family to Albany, GA, where her husband is accepting an excellent new employment opportunity.

The people of the First District are excited about the new opportunities that Mary Jane and her husband, John, and their daughter Kate, will be enjoying in the beautiful community of Albany, GA. But we are deeply saddened that she will be leaving our own area, because Mary Jane has come to symbolize the very highest standards of professionalism and concern for her fellow citizens that is the lifeline of public service.

As Senator NUNN's representative, she has traveled throughout our section of the State, working with constituents on individual problems they are experiencing with Federal agencies, attending public functions, working with local elected officials on community projects, coordinating Senator NUNN's activities, and serving as his eyes and ears throughout the communities in southeast Georgia.

But beyond those formal duties, Mary Jane has a quality that no job description could prescribe. She possesses impeccable honesty and integrity and the ability to get a job done.

She recognizes the frustration that citizens often feel in dealing with the broad scope of problems that arise in their contacts with government at all levels, and she has the good judgment to know how to untangle the most difficult of tasks.

From my own standpoint, my staff and I have come to depend on Mary Jane for her counsel, and for her suggestions and guidance in providing the most effective service possible for our First District constituents.

As I said, we are saddened by her move from our area. But we are heartened by the knowledge that wherever she may be, she will play a leadership role in her community and will be an asset to every endeavor into which she enters.

On behalf of the people of the First Congressional District, I salute her for her accomplishments, and I thank Senator NUNN for having made her contribution to our area possible.●

GILMAN LAUDS SECRETARY GENERAL'S CALL FOR WORLD DRUG ABUSE CONFERENCE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GILMAN. Mr. Speaker, as our colleagues are well aware, narcotics trafficking and drug abuse have reached epidemic proportions worldwide. For many years I have advocated the comprehensive assessment of this problem by the international community, to encompass a pooling of resources, personnel, information, funds, and equipment. As the ranking minority member of our Select Committee on Narcotics Abuse and Control, I was pleased to participate with our distinguished chairman, Mr. RANGEL, at the 31st session of the U.N. Commission on Narcotics Drugs that was held last February in Vienna, Austria, where the many global aspects of drug abuse and trafficking were discussed.

I was therefore pleased to learn that Secretary General of the United Nations, the Honorable Javier Perez de Cuellar, has recently proposed an international drug conference for 1987 to combat this global problem. The conference would be held at the ministerial level and would focus on six areas of drug abuse prevention; crop substitution; limiting the use of narcotics to medical and scientific purposes; forfeiture and extradition; strengthened resources for law enforcement; and drug treatment and rehabilitation. The conference would also serve to raise the consciousness of the public as to the dangers of drug trafficking and drug abuse and would mobilize the resources of the entire U.N. system to help combat this deadly menace.

Mr. Speaker, I commend the Secretary General for his initiative. Accordingly I am inserting at this point in the RECORD the complete text of his statement and I urge my colleagues in the Congress and in the executive branch to support this proposal.

SECRETARY-GENERAL'S STATEMENT ON DRUG ABUSE TO ECONOMIC AND SOCIAL COUNCIL

Following is the text of a statement by Secretary-General Javier Perez de Cuellar on the issue of drug abuse, to be delivered today to the Economic and Social Council:

Drug abuse presents as destructive a threat to this and coming generations as the plagues which swept many parts of the world in earlier centuries. Unless controlled, its effect will be more insidious and devastating. I spoke to the Third Committee last November in appreciation of action being taken by the General Assembly to assist in the fight against drug abuse and to indicate what I was doing to mobilize greater efforts by the United Nations system. I have asked to address the Economic and Social Council on the same subject because I believe an even more concerted and determined struggle on the part of the entire international

community is now required. Indeed, in my view, the time has come for the United Nations to undertake a bold and new offensive to combat drug trafficking and abuse.

Illicit drugs, wherever they are produced or used, contaminate and corrupt, weakening the very fabric of society. Increasing world-wide abuse is destroying uncounted useful lives. These problems have already profoundly afflicted every region in the world.

Individual cases of drug abuse now run into the millions. Tragically, many of those most seriously affected are young people to whose concerns and interests the present year is particularly dedicated. All too frequently, the abuse of drugs, often in combination with alcohol, can lead to death, bringing grief and pain to countless families around the world.

The suffering of individuals is not the only cost. Illicit drugs and crime go hand-in-hand. The allure of tremendous profits constitutes a potent attraction to criminals, and drug trafficking frequently entails other criminal acts, including bribery, larceny, the corruption of public officials and even murder. Moreover, there may well be links between illicit international drug networks and armed terrorist groups which have sought to subvert Governments.

It must also be stressed that trafficking in illegal drugs represents a heavy toll on many national economies. The cost must be counted in literally billions of dollars, traceable to the time lost in the workplace, to the substantial burden imposed on judicial and penal systems, and to the treatment and rehabilitation of drug addicts.

The personnel, raw materials and equipment used in the illicit manufacture and transport of narcotic drugs are all too readily obtainable. Even as the demand for older drugs spreads to new markets and regions, new drugs are being developed. Many of these drugs are both easy and cheap to synthesize, and sometimes more lethal than the older ones. Thus, as we look toward the future, the potential for even more widespread danger is evident.

There has long been awareness in the United Nations of the drug menace and, with near unanimity, Member States have called for a wide range of counter-measures. Last year, the General Assembly adopted a series of resolutions including a proposal for the preparation of a new convention designed to combat more effectively the traffic in illicit drugs. Moreover, new international initiatives involving the highest levels of government have been devoted to this issue over the past year. But it is evident that the existing instruments and resources are inadequate to deal with a problem of such magnitude. We need a more concerted, a more comprehensive, and a truly world-wide effort to reduce the plague of illicit drugs. I believe the moment has arrived for the international community to expand its efforts in a global undertaking to meet this peril.

I accordingly propose that a world conference be convened at the ministerial level in 1987 to deal with all aspects of drug abuse.

Specifically, the conference should be multi-disciplinary in nature and focus on the following key areas: (1) the promotion of education and community participation in prevention and reduction of the demand for illicit drugs; (2) crop substitution and other methods of reduction of supply; (3) improved methods to limit the use of narcotics to medical and scientific purposes; (4) forfeiture of illegally acquired proceeds and the extradition of persons arrested for drug-related crimes; (5) strengthening of resources of law enforcement authorities; (6) treatment and rehabilitation of drug addicts.

The conference should serve to raise the level of world awareness of the dangers we face, mobilize the full potential of the United Nations system, reinforce other intergovernmental, non-governmental and regional initiatives, and encourage Governments to concert their efforts and to devote greater resources to combat drug abuse and trafficking.

I believe the United Nations is uniquely qualified to play a major catalytic role in enhancing efforts to deal with this problem.

I hope that Member States will favorably consider this proposal and thereby give new impetus to the struggle to free the world of the deadly scourge of drug abuse. In this fortieth anniversary year, such action could constitute a major contribution to the common good, in the spirit of the United Nations Charter.●

MYASTHENIA GRAVIS WEEK

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. CONTE. Mr. Speaker, I am pleased to introduce once again a resolution to designate a week for the recognition of a most serious and debilitating disease. This resolution will set aside the week of October 6 through October 12, 1985 as "Myasthenia Gravis Awareness Week." Last year many of the Members of this body approved this resolution, and I would urge them to support me in this effort again this year.

Myasthenia Gravis, also known as Erb-Goldfam disease, is a neuromuscular disease which affects people of both sexes, all ages and races. There are currently over 100,000 victims in America. The disease affects the synapse—the gap which conducts the electrical current from the nerve to the muscle—and is literally a breakdown in communication.

Myasthenia Gravis is a very unpredictable disease which can strike any area of the body at any time. It is often misdiagnosed as chronic fatigue, which allows the disease to progress until the victim is in severe danger. Until recently, Myasthenia Gravis proved to be fatal for 85 percent of its victims. There is still no prevention or cure, but there has been great progress in research.

By establishing "Myasthenia Gravis Awareness Week," Congress will be calling attention to the problems victims face daily. Hopefully by stimulating interest in this disease, there will be increased research which would lead to a better understanding of this disease and eventually a cure.

Over the years our Nation has been very successful in conquering or making progress to conquer many terrible diseases; it is resolutions such as this that have greatly aided in these successes.

I hope that all of my colleagues will join me in approving this resolution.●

NONEXISTENCE OF FEDERAL RESERVED WATER RIGHTS IN WILDERNESS AREAS

HON. MICHAEL L. (MIKE) STRANG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. STRANG. Mr. Speaker, on a prior occasion, I submitted for the record and for the benefit of my colleagues, my concerns about the contention that the designation of wilderness areas on Federal public lands carries with it additional Federal reserved water rights. My previous comments urged my colleagues to take a close look at this issue because States' rights and water are so crucial to those of us from Western States. Obviously, I do not believe any such additional Federal reserved water rights exist in wilderness areas. That point of view is now supported by the Colorado Water Congress, an organization of professional water officials from throughout Colorado.

Earlier this year, I asked the Colorado Water Congress to look into the issue of alleged Federal reserved water rights in wilderness areas. The conclusion of the Water Congress states that:

* * * we cannot support additional wilderness designations in Colorado, unless such legislation contains an explicit declaration that wilderness designation has not created implied Federal reserved water rights in Colorado.

I offer the attached summary of the Colorado Water Congress findings for the further benefit of other Members who are in the position of considering wilderness designations for their States.

The material follows:

WILDERNESS FEDERAL RESERVED WATER RIGHTS: THEY DO NOT EXIST AND THE ASSERTION THAT THEY DO IS AN OBSTACLE TO ADDITIONAL WILDERNESS DESIGNATIONS IN COLORADO

(Opinion submitted by Colorado Water Congress, June 11, 1985)

PREFACE

On June 10, 1985, the Colorado Water Congress passed a resolution which stated in part:

"Now, therefore, be it resolved, That it is the consensus of the Colorado Water Congress that wilderness legislation covering any area in Colorado should not be passed unless it contains adequate safeguards for present and future development of Colorado water resources. This legislation should address past wilderness designations in Colorado as well. The Colorado Water Congress is willing to work this year for wilderness leg-

islation that contains these protections for development of Colorado resources."

The impetus behind the resolution was the concern of the Water Congress membership over the adverse effects which judicial creation of federal reserved water rights in Colorado wilderness areas could have upon the rights of Colorado water users.

The issue of federal reserved water rights in wilderness areas has been thrust before the federal courts in *Sierra Club* v. *Block*, Civil Action No. 84-K-2, United States District Court for the District of Colorado. At this time, the Colorado Water Congress would like to offer for your consideration the following analysis of the federal reserved water rights issue both as a statement of its position on this matter, and as a guide to be utilized in considering future legislation covering Colorado wilderness areas.

I. AN ANALYSIS OF PERTINENT LEGISLATION

In 1876, the drafters of the Colorado Constitution provided that the water of every natural stream not theretofore appropriated within the State of Colorado was to be the property of the public and dedicated to the use of the people of the State. Colo. Const., Art. XVI, Section 5. The right to divert such unappropriated waters to beneficial use was to never be denied. Colo. Const. Art. XVI, Section 6. Water was the lifeblood of a developing West, and Colorado set out to codify a fair and rationale system of water allocation that would insure continued growth and progress.

In 1897, Congress passed the Organic Administration Act and explicitly set forth those purposes for which national forests would be established. Included within those purposes was the "securing of favorable conditions of water flows." 16 U.S.C. § 475. As stated by the United States Supreme Court in *U.S.* v. *New Mexico*, 438 U.S. 696, 713, 98 S.Ct. 3012, 57 L.Ed.2d 1052 (1978):

"Congress authorized the national forest system principally as a means of enhancing the quantity of water that would be available to the settlers of the arid West."

Thus, Congress intended to augment and preserve those waters available for appropriation under State water law.

In 1964, Congress passed the Wilderness Act. At that time, it declared its intent to secure for present and future Americans the benefits of an enduring resource of wilderness. 16 U.S.C. § 1131(a). However, there was no indication in the plain language of the Act that Congress intended any additional reservation of water rights. Rather, 16 U.S.C. § 1133(a) explicitly stated that the purposes of the Act were to be "within and supplemental to" the purposes for which national forests were established, with no provision of the Act to "be in interference with" such national forest purposes. In point of fact, in keeping with the concept of water generation for consumptive use, Congress explicitly allowed, upon Presidential approval, prospecting for water resources and the establishment and maintenance of waterworks in wilderness areas. 16 U.S.C. § 1133(d)(4).

In addition, nothing contained in the legislative history of the Act indicated an intent on the part of Congress to create such federal reserve water rights. (See portions of Congressional Record attached hereto as Appendix A.) Certainly no one could reasonably conclude that Representative Aspinall in the House or Senator Allott in the Senate, both of whom closely monitored the progress of wilderness legislation as it wended its way through Congress, would have allowed passage of a bill that had the potential to seriously deplete the availability of Colorado water resources. Senator Church of Idaho, one of the leading proponents of wilderness legislation, stated in response to concerns of Senator Kuchel of California, that wilderness designation would "not constitute any impediment whatever" to continued water development in the West. Congressional Record, April 8, 1963; Vol. 109, Part 5, at page 5892. Such a statement would not have been made if Western states were losing, as noted below, both the ability to appropriate available water within or above the wilderness area, as well as the ability to change the place, amount, or type of use of existing water rights.

II. EFFECT OF RECOGNITION OF FEDERAL RESERVED RIGHTS

In defining "wilderness", the Act states that it is an area of undeveloped federal land which retains its primeval character and influence and is protected and managed so as to preserve its natural conditions. 16 U.S.C. § 1131(c). The term "natural conditions" is not further defined, but certainly it is the fear of the Colorado Water Congress that it may be interpreted so as to preclude any stream depletion in wilderness areas should a federal reserved water right be recognized. Thus, under Colorado water law, even one holding a senior water right may be unable to change the place, amount, or type of his water use. For example, a senior appropriator could ostensibly be barred from changing a point of diversion for sound engineering reasons, by moving the point of diversion 100 feet upstream within the wilderness area, due to the fact that such a change would adversely affect the junior federal reserved water right in that span.

Further, though recognition of a wilderness reserved water right which prevents diversions in headwaters may provide water for downstream users, such water would be provided at the expense of senior water rights entitled to divert the headwaters out of the basin. The geography of Colorado is such that at times water must be taken out at the headwaters and transported to an adjacent watershed for use by downstream appropriators, i.e. transmountain diversion projects through wilderness areas are required.[1] Though these projects are designed to have a minimal impact, if any, upon the wilderness area, any change of the place, type or amount of water use could be effectively forestalled by the existence of a federal reserved water right. It is therefore apparent to anyone with even a passing knowledge of the geography of the State of Colorado that the recognition of federal reserved water rights in wilderness areas would adversely impact existing and future water appropriations.

III. EFFECT OF NON-EXISTENCE OF FEDERAL RESERVED RIGHTS FOR WILDERNESS

On the other hand, it is important to note that non-existence of the so-called wilderness reserved water rights will not result in a dewatering of those areas. The proscription contained in 16 U.S.C. § 1133(c) against use of motorized equipment and the installation of even temporary roads, when combined with the regulation of water works construction mandated by 16 U.S.C. § 1133(d)(4), help to insure that wilderness areas are preserved. Even those water projects which are statutorily exempt from certain provisions of the Wilderness Act are subject to special use permits whose conditions are designed to protect the wilderness characteristics of the area. In addition, the reserved water rights of the United States for the primary purposes of the National Forest continue to exist on forest lands which have been designated as wilderness. Thus, it is false to assume that if such federal reserved water rights are not recognized, the purposes of the Wilderness Act will be frustrated.

To deny the federal government federal reserved water rights in wilderness areas is not to deny any federal claim to needed waters in such areas. Pursuant to 16 U.S.C. § 1133(d)(6), Congress denied any exemption from State water laws. In keeping with this statement on position, federal agencies could apply under state law for unappropriated waters needed to fulfill recognized beneficial uses in wilderness areas. Such an approach would simply put the federal government on the same footing as other water users. In point of fact, it is this approach which the Water Congress believes was intended at the time of passage of the Wilderness Act. Federal land managers can simply work with the Colorado Water Conservation Board to ascertain whether additional instream flow filings should be made in wilderness areas, creating water rights which can be administered under State law as intended by the McCarran amendment. The Water Conservation Board already has established instream flow water rights on many miles of streams in Colorado Wilderness areas.

IV. RIGHT TO NOTICE

In addressing the issue of federal reserved water rights in wilderness areas, one cannot forget that a fundamental cornerstone of the democratic legislative process is input from those members of the electorate whose rights are being affected by Congressional action. The various water users represented by the Colorado Water Congress certainly had no notice of the fact that a federal reserved water right was to be claimed for designated wilderness areas, if indeed such was the intent of Congress at the time of passage of the Act. Any such proposition would have been vigorously opposed as being detrimental to the future development of Colorado, while not offering any significant benefits to those wishing to enjoy recreational opportunities within this State. Indeed, not only are water users entitled to such notice, but as those most directly affected by a decision on federal reserved water rights, it is the water users whose interests should be paramount in making the federal reserved water rights determination. Thus, the members of the Water Congress urge the Colorado Congressional delegation to act in accordance with the provisions of the Water Congress resolution which is once again submitted to them.

V. RESPONSE TO OPPOSING VIEW

Finally, certain individuals have provided the Colorado Congressional Delegation with a memorandum dated January 25, 1985, which addresses this most important issue. The memorandum purports to present ". . . the legal authority for the existence of a federal reserved water right for wilderness and the nature of that right." In light of the *Sierra Club v. Block* suit which is cur-

[1] In the *Sierra Club v. Block* litigation, plaintiffs assert that the Eagle-Piney Project, the East Gore Canal Project, the Elkhorn Water Project, the Williams Fork Project, the Homestake II Project, and the Idylwilde Project will all affect waters located in wilderness areas.

rently pending in Federal District Court, and in which the Colorado Water Congress is a named party, the Water Congress does not believe it appropriate at this time to comment in detail upon each assertion contained in the memorandum. However, in view of what the Water Congress believes to be the erroneous conclusion reached in the January 25 memorandum, it would respectfully request that members of the Congressional Delegation review the brief response to that memorandum which is also attached hereto.

VI. CONCLUSION

The Colorado Water Congress firmly believes that no support exists for the recognition of federal reserved water rights in wilderness areas under either the Wilderness Act itself or the accompanying legislative history. Rather, the federal government is obligated to apply for needed water rights under state law as do other water users. To deny such a conclusion would inescapably result in serious harm to waterworks development in Colorado and neighboring Western states. The Water Congress therefore urges members of the Colorado Congressional delegation to consider wilderness legislation which protects the ability to use Colorado's allocated water resources, as expressed in the Water Congress Resolution of April 12, 1985.

HAROLD E. MISKEL,
President, Colorado Water Congress.●

CONRAIL PUBLIC SALE BILL

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BLILEY. Mr. Speaker, I am pleased to join my colleague, DENNIS ECKART in introducing a bill that is of paramount importance to the continued vitality and competitiveness of the eastern U.S. rail freight industry, tens of thousands of railroad employees and their families and thousands of shippers and manufacturers throughout the country. This bill provides for the continued independent operation of Conrail by selling the Government's 85-percent interest to a group of private investors who, through a series of stock offerings over a 5-year period, will sell their interest to the public.

In 1973, by passage of the Rail Reorganization Act [3R Act], Congress created the U.S. Railway Association [USRA]. The USRA, with a mandate from Congress, developed a plan for salvaging the collapsed eastern rail freight system, identified most notably by the Penn Central Railroad. Out of this plan, on April 1, 1976, was born Conrail, the Consolidated Rail Corp. Since then, almost 10 years have passed and the American taxpayer has poured billions of dollars into the revitalization of Conrail. In 1980 with the passage of the Staggers Rail Act, substantial deregulation of rail transportation has occurred and has contributed greatly to Conrail's ability to attract business and serve its customers profitably.

In 1981, Congress passed the Northeast Rail Service Act [NERSA] which granted numerous special advantages to Conrail enabling it to attain a high level of competitiveness and profitability. NERSA also provided for the orderly transfer of Conrail to the private sector.

In 1984, Transportation Secretary Dole received 15 bids for the purchase of Conrail. She recommended that Norfolk Southern Corp. be the purchaser of Conrail.

However, it is up to the Congress to determine who will be the ultimate owner of Conrail. So today, Mr. Speaker, with the introduction of H.R. 2873, the Congress has before it an alternative, a far better alternative, to the Norfolk Southern purchase. The private investor group organized by Morgan Stanley will purchase Conrail for $1.2 billion in cash. In addition, the Morgan Stanley proposal will offer the Federal Government an opportunity to share in the upside of Conrail stock by providing it with 1 million warrants. Moreover, the Morgan Stanley proposal will not have the adverse tax consequences to the Federal Treasury embodied in the Norfolk Southern offer.

A fair return to the taxpayer is not reason enough to sell Conrail to the Morgan Stanley group. My bill stipulates that the investor group must abide by numerous public covenants which protect Conrail employees and provide for continuity of operation while preventing the divesture of lines and wholesale liquidation of assets.

Ultimately, the Morgan Stanley proposal is the best possible offer in that it guarantees the future of Conrail as an independent, self-sustaining railroad. As such, it will preserve if not enhance the present shipping rate structure, maintain employment levels, and retain the present route system. A Norfolk Southern-Conrail merger will be the death knell to a competitive rail freight system in the eastern United States. As a wholly owned subsidiary of Norfolk Southern it could be easily divested. The antitrust implications of a Norfolk Southern purchase of Conrail will lead to enormous job losses, higher shipping rates, and abandonment of lines.

The choice is now before the Congress. Each of us must seriously consider whether we want to support a railroad that serves the interests of the taxpayer, its employees and its customers or one that serves the narrow, selfish, and monopolistic interests of a corporate conglomerate. I ask you to seriously consider the Morgan Stanley proposal and support it with your vote.●

DECADE OF THE DISABLED

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BATEMAN. Mr. Speaker, in declaring this the Decade of the Disabled, President Reagan paid tribute to those who have undertaken "innovative research and development both in technology and training techniques to assist the disabled." This applied research can open new worlds of opportunity to address millions of disabilities suffered by Americans.

Today, scientists from across the Nation are finding ways to enhance the independence, freedom, and dignity of individuals with disabilities. In particular, new applications of aerospace technology are demonstrating the vast potential of this industry, and already include the following:

The Programmable Implantable Medication System [PIMS].—This microcomputerized, computer-driven system is implanted in the body, and provides delivery of medication to target organs in precisely controlled amounts from a source within the body. PIMS promises to be useful to patients who must receive periodic injections of medication, such as insulin for the treatment of diabetes. PIMS has proven successful in animal studies and will soon be tested in humans.

The Human Tissue Simulator.—Through electrical stimulation of the brain or selected nerve centers, chronic pain caused by arthritis, rheumatism and other disorders can be eased. Scientists have recently designed an implantable stimulator the size of a deck of cards which can perform this function. Initial tests of the stimulator show promising results for reducing some types of pain and for controlling involuntary muscle movement associated with cerebral palsy.

Composite Material Wheelchair.—Conventional wheelchairs made from metal tubes are frequently heavy and difficult to handle, and the materials are damaged by corrosion and fatigue during normal use. Scientists at the NASA-Langley Research Center, in Hampton, VA and the University of Virginia have designed a prototype chair made of composite materials. This chair weighs just 11.5 kilograms (25.3 pounds) (about half the weight of a standard wheelchair), can support a 90 kilogram (198 pounds) person, and is easily folded and stored.

These important developments share a common lineage—all are by-products of aerospace technology. The technology that has lifted men into the heavens is lifting the hopes, the dreams and the aspirations of the disabled here on Earth.

Mr. Speaker, as cochairman of the Congressional Space Caucus, I am pleased to join with the Secretary of Health and Human Services, Margaret Heckler, in her efforts to encourage the best minds in the private sector to make the great promise of aerospace technology a reality for our disabled citizens. At the recent Paris Air Show, Secretary Heckler met with leaders of the aerospace industry to encourage their involvement in the National Initiative on Technology and the Disabled. This important partnership between the public and private sectors will be the catalyst that produces new and faster applications of aerospace technology to meet the needs of individuals with disabilities.

The Decade of the Disabled reminds us that Americans with disabilities desire lives of independence and freedom. The fulfillment of these earthly aspirations may well lie in the technology that has carried man into the heavens. I commend Secretary Heckler for her leadership in seeking to use this technology to expand human horizons, and I am particularly proud that the Langley Research Center is associated with this timely initiative through its development of the composite wheelchair.●

DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1985

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WATKINS. Mr. Speaker, the difficulties faced by the American farmers and others in rural communities in recent years have been extensive and far too numerous. Unfortunately, attempts by the Federal Government to address these problems have fallen short of their goals, due in part to the complexity and inefficiencies of existing farm and rural development programs.

With the extreme stress that the agriculture industry is under, never before has efficiency been so important. The agency required to deal most often with the current crisis in agriculture is the Farmers Home Administration [FmHA]. At a time when farmers have needed more assistance than ever before, the FmHA has been simply unable to keep up with the needs of farmers. Due to the devastatingly low farm income for the majority of farmers over the past few years, more and more have had to turn to FmHA for assistance. Due to the current structure, the manpower has not been able to deal with this influx of applicants.

Not only has the increased need for farm ownership and operating loans resulted in a tremendous backlog of applications, but the FmHA county supervisors have also had to keep up with all the other loan programs they administer, such as the housing, water, and sewer programs. It is unreasonable to expect one person to be both an expert in administering housing loans and farm loans. They are too different. They require different skills and knowledge. If we are going to have an adequate delivery of any of these programs, we must have a more proper division of labor. We can accomplish this by separating the farmer programs from the other programs. In this way, we can place personnel who are knowledgeable about agriculture and agricultural finance in charge of agricultural loans, while placing those who are knowledgeable about housing in charge of housing loans.

Mr. Speaker, I have introduced the Department of Agriculture Reorganization Act to create a more effective delivery of services of the Nation's agricultural community and to the one-third of America's citizens who live in rural America.

As you may recall, I introduced a similar bill earlier this session; however, a number of my colleagues had a number of concerns about the bill. For the betterment of all of agriculture, I am willing to do my part to make those changes and take this needed positive step forward. Hopefully, this streamlined version of the bill will address those concerns. Major changes in the bill include USDA's title remaining the same and single family housing being shifted under the Rural Development Administration, as proposed.

My bill is basically simple:

First, the current Farmers Home Administration will become the Farm Administration and will continue to have jurisdiction over the present agriculture loan programs.

Second, the bill proposes to take the ingredients for rural development from the existing Farmers Home Administration including all rural housing, associated measures from the Soil Conservation Service, technical assistance and planning functions of the Office of Rural Development Policy and combine them to form the Rural Development Administration. FmHA, with some admitted failings, still has the best delivery system available to rural America. We want to keep it that way and strengthen the effectiveness and efficiency of this delivery system where we can.

On the other side of the coin, my farmers and ranchers tell me that when they have business at the FmHA office, frequently they find the personnel are tied up with community facility or other projects and cannot tend to farming matters. My proposal calls for redirecting the necessary personnel which are now implementing programs to the respective new agency with direct responsibility for those specific programs. This is to better serve the needs of the 270,000 FmHA borrowers who, in these trying times, need all the help they can get.

Programs transferred to the new RDA will include business and industry loans, community facility loans, water and waste disposal loans and grants, rural development and planning grants and loans, rural housing and all other programs dealing with rural development but not pertaining to agricultural production or farms, family size or not.

Third, current FmHA district offices and personnel, which usually serve from six to nine counties in each State, would be transferred to the new RDA. The RDA district offices will work directly with the people of the resource conservation and development councils and the people of rural America.

Fourth, RC&D councils will continue as volunteer groups working with local units of government and the people for the betterment of rural life. RDA district offices will have the rural development technical specialists and, as is currently the case, Soil Conservation Service technicians who serve as RC&D coordinators to work directly with the cities, towns, villages, and the people of rural America.

Fifth, transferred to the Soil Conservation Service would be two categories of loans currently under FmHA: Resource conservation and development loans and watershed protection and flood prevention loans. These are currently completed with technical assistance and planning by SCS and administered by FmHA.

The bill also proposes the transfer of such personnel as necessary on the State and national levels—plus FmHA district personnel—who are now providing these services to accomplish a smooth transition and provide an orderly continuation of services by the Farm Administration and the new Rural Development Administration. It is proposed that the specialists now working with specific programs continue in that speciality at their new assignment for a more orderly transition. The proposal leaves intact the Rural Electrification Administration and the Federal Crop Insurance Corporation. It is my assessment that this reorganization can be accomplished without adding a single new employee. People to whom I have talked within the Department of Agriculture assure me that SCS-RC&D coordinators can assume double duty as soil and erosion technicians and rural development technical assistance needs.

Individuals and farm groups with whom I have discussed this proposal agree with the concept and with my judgment that the reorganization will be good for all concerned.

Agricultural producers will not have the forces of their assigned personnel diluted and the delivery of agriculture programs will be streamlined. The role of the RC&D councils will be emphasized and strengthened. The proposal will give a more comprehensive thrust to the Soil Conservation Service. And, finally, the proposal will for the first time provide a sole-purpose agency for delivery of rural development programs to the 80 million people who live in rural America.

Additionally, the bill proposes the establishment of rural technology centers to stimulate rural industrialization. The primary objective of the centers will be to improve the economic condition of rural areas by promoting the development through technological and commercialization of new products which can be produced in rural areas and new processes which can be utilized in the production of products in rural areas.

Locations in rural areas with few rural industries and agribusinesses; high levels of unemployment; high rates of migration of people, businesses, and industries; low levels of per capita income; and that will contribute the most to the improvement of economic conditions of rural area shall receive preference for grant applications made providing for the establishment of centers for rural technology development.

Activities to carry out the objective of the center may include programs for technology research, investigations, and basic feasibility studies in any field or discipline for the purpose of generating principles, facts, technical knowledge, new technology and other information which may be useful to rural industries, agribusinesses, and other persons, in rural areas in the development and commercialization of new products and processes.

They may include programs for the collection, interpretation, and dissemination of existing principles, facts, technical knowledge, new technology, and other information which may be useful to rural industries, agribusiness, and other persons, in rural areas in the development and commercialization of new products and processes.

Activities may include programs providing training and instruction for individuals residing in rural areas with respect to the development, through technological innovation and adaption of existing technology, and commercialization of new products and processes.

Also, programs to provide loans and grants to individuals in rural areas and to small businesses in rural areas for purposes of generating, evaluating, developing, and commercializing new products and processes may be part of the discipline of the centers.

Programs may also provide technical assistance and advisory services to individuals, small businesses, and industries, in rural areas for purposes of developing and commercializing new products and processes.

Such centers in carrying out their activities will seek, where appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal Government, and State and local governments.

Also, centers will consult and cooperate with any college or university administering any program under title V of the Rural Development Act of 1972 in the State in which such a center is located.

Centers will take all practicable steps to develop continuing sources of financial support for such centers, particularly from sources in the private sector.

I would like to remind my colleagues that this particular language of the bill has already passed the House three times, once by voice vote and two times by recorded votes by 383 to 8, and 398 to 3 votes, respectively.

The bill proposes that the Secretary of Agriculture may make grants to defray not to exceed 75 percent of the administrative costs incurred by organizations and public bodies to carry out projects for which grants and loans are made concerning rural development. In determining the non-Federal share of such costs, the Secretary shall consider contributions in cash and in kind, fairly evaluated, including premises, equipment, and services.

Subject to dollar limitations specified, the amount of any grant or loan made by the Secretary for a project to be carried out by a multicounty public organization or body may be 10 percent larger than the amount of the grant or loan which would have been made to an applicant which is not a multicounty organization or body to carry out such projects.

If adopted, this legislation will provide significant improvements in already established farm and rural development programs. In this time of great hardship among our agricultural community, it is essential that the Federal Government take every possible step to ensure the maximum benefit of current policies and projects to those citizens who are experiencing great need. I urge my colleagues to join in support of this legislation.●

HONORING LEO J. CONWAY

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WYLIE. Mr. Speaker, on Sunday, June 30, family and friends will gather in Upper Arlington, OH, in my 15th Congressional District, to pay homage to Leo John Conway on his 79th birthday. It gives me great pleasure to bring this occassion to the attention of my colleagues, for it allows me the opportunity to praise Leo Conway for the many and varied contributions he has made to his country and to his community.

From his earliest years, Leo Conway has dedicated himself to the premise of public service. After graduating from the University of Michigan Law School in 1931, he quickly became a leader in his community of Jackson, MI. He was a member of the National Guard and was assistant prosecuting attorney before being elected city commissioner in 1934. In 1938, he became vice mayor of Jackson and was a member of the board of directors of the Maryland Municipal League.

When the call came to defend his country in World War II, he left his wife, Helen, and three daughters, and entered into what would become a major part of his life for the next 35 years. He fought in the European theater as a member of Patton's Third Army, commanding an artillery battalion in the 20th Corps. he received the Silver Star, the Legion of Merit, the Bronze Star, and the French Croix de Guerre for his bravery on the field of battle.

After returning to a brief stint in civilian life, he joined the U.S. Army as a regular officer where he served 30 years. During this time he served in the Korean war, and was the commandant of the Eta Jima Command School in Japan. He had many duty assignments, including one at Fort Meade, MD, which often brought him to the Pentagon. Upon retiring with the rank of colonel, he became a military adviser in advanced engineering research at North American Aviation in Columbus, OH.

In the early 1960's he was persuaded to pick up his law career once again and he joined the Office of the Attorney General for the State of Ohio, where he was the chief of criminal activities division and later head of the habeas corpus section. His legal prowess in the appellate field soon earned him the repect of all who came in contact with him, and his opinions were much sought after. During his outstanding career with the State of Ohio, he won five cases he argued before the U.S. Supreme Court on behalf of the people of Ohio. Even though he has subsequently retired from his position with the State, he is still called upon to advise attorneys at both the State and local levels an appellate law.

Mr. Speaker, Colonel Conway's contributions to his country and to his State and community have earned him the respect of all who know him. His

humor, his ready wit, and his keen intellect are only part of the reason he will be honored on Sunday. Another is his loving and affectionate relationship with his family. He and his beloved wife Helen are the parents of five children and they and their families will be with him to celebrate this occasion.

In closing, Mr. Speaker, I wish to add my sincere congratulations on this special day, and express the gratitude that I know my colleagues share for his contributions to the good of our Nation. Leo Conway has played an important role in the history of this country, and I know that you join with me in sending him every best wish on this day and on the many yet to come.●

COMMUNITY AND FAMILY LIVING AMENDMENTS OF 1985

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FLORIO. Mr. Speaker, today I am introducing legislation which corrects what I believe to be the destructive effects of large institutions for the mentally retarded/developmentally disabled. This legislation, the House companion bill to Senator CHAFEE's S. 873, outlines a policy change at the Federal level which is long overdue.

The Community and Family Amendments of 1985 provides the Congress with the opportunity to make adjustments to the Medicaid program which are in keeping with current philosophies of care and training for mentally retarded/developmentally disabled people. As such, it would restructure Medicaid to encourage States to move in the direction of allowing individuals to live in the community in residences of 15 beds or less.

Over a period of 14 years, this bill would shift the institutional arrangements to services provided in community-based, integrated, family-scale environments. There are three mandated services which the State must provide in order to receive Medicaid dollars. These services are: First, protective intervention; second, case management; and third, individual family support services—which would include nonmedical personal assistance and respite care.

Medicaid dollars would be available for use by the State for the services outlined above if they are provided to an individual living in his/her own home, in a natural, adoptive or foster home, in a community living facility, or in facilities which fall within the grandfathering clause.

The legislation no longer requires the total phaseout of Medicaid funding for services to mentally retarded/developmentally disabled persons in large—15 beds or more—long term care facilities [ICF's/MR, ICF's, SNF's], the provision of the original bill which was of most concern to States.

Rather, it would require a phase down of these funds. The phase down would be complete by the year 2000. Each State chooses a base year for the purpose of this provision. Fifteen percent of the funds expended by the Medicaid Program in that State during that year for individuals with severe disabilities would be available to the State in each year after 2000 for services which do not meet the definition of community-based services as defined by the bill. This amount would be adjusted for inflation annually.

For services provided in facilities which are not community living facilities, a natural, adoptive or foster home, or which are not grandfathered, the Federal Medicaid match would be reduced by 4 percent per year for no more than 10 years.

This bill provides protections and safeguards for the individual. State implementation plans and individual written plans must be completed before a person is brought back into the community. These provisions eliminate the so-called dumping of people into the streets. The bill also provides formulas for safeguarding against ghettos.

We must not forget those individuals who are born disabled, or become disabled later in life. Many of these mentally and/or physically disabled citizens are institutionalized when, in fact, they would be better suited living with their families in the community. My bill seeks to assist severely disabled individuals to maximize their independence by encouraging participation in community and family life. We have a responsibility to not only seek ways to prevent disabilities, but to aid those disabled persons in living a life of self-respect. This is a major piece of legislation. Together, Senator CHAFEE and I hope to provide the first steps toward meeting this responsibility.●

CHICAGO CUBS WIN A BASEBALL GAME

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. HILLIS. Mr. Speaker, I stand before you today a happy man. Yesterday, the Chicago Cubs won a baseball game.

Through the years, the misfortunes of the northsiders from Chicago have become legendary.

Outfielders crashing into each other as a lazy fly ball falls in for a double.

Routine grounders grazing a pebble and scooting between the shortstop's legs.

Pitchers throwing a pick-off to first when the bases are empty.

But things were different this year. The Cubs were winners and their long-suffering, blindly loyal, somewhat psychotic fans couldn't wait until April.

The 13-game string of futility which Keith Moreland and Ryne Sandberg ended yesterday with their home runs was a test of our faith. I believe we have passed that test.

We shall not be stopped. We shall let no Expo, no Cardinal and certainly no Met stand in the way.

The Cubs are winning again. As Gerald Ford once said, "our long national nightmare is over."●

ROBERT SANTO HONORED FOR AIDING HANDICAPPED CHILDREN

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RINALDO. Mr. Speaker, the people of Scotch Plains, NJ, are fortunate to have Robert Santo, a kind and generous resident who volunteers his time and donates to a variety of community services and charitable causes, as a neighbor.

He was recently honored by the parents, faculty, and students of the McAuley School for Exceptional Children, and I wish to include in the RECORD my remarks made at a testimonial dinner saluting this outstanding citizen and wonderful human being. My remarks are as follows:

Bob Santo has been involved in running a successful business, in community fund programs, and in serving in government. With the support and help of his wonderful wife, Donna, Bob also has found time to serve on the Scotch Plains Board of Adjustment, the Sewer Assessment Commission, and as a member of the Recreation Commission. He has been active in the Easter Seal Drive and raised money for handicapped children and for the McAuley School for exceptional children. He's been involved in promoting programs and fund raising drives for cerebral palsy victims and in helping their families confront this terrible disease.

The McAuley School is a lifeline and a source of strength and hope for handicapped children and their families.

One of the giants of the movement to help handicapped children was that great author, the late Pearl Buck. I hope you all have the opportunity to read her book, "The Gifts They Bring."

In it, she wrote that: "The accidents of human development fall upon the brilliant and the able, as often as they do on lesser persons. Rare indeed is the family anywhere in the world that has no retarded child somewhere within its history."

We now have a national commitment to the handicapped at the federal level, and I assure you that it will not be abandoned under the pressures of budgetary restraints.

We are not going to allow the deficit to be reduced by sacrificing meaningful programs

that work, that make sense, that are needed and are worth every penny that is appropriated for them.

Pearl Buck sums up the benefits to society and to us as individuals in another way.

She asks this question about the handicapped. "What, above all, has been their gift to us?" The intangible quality of love. We are here, we are human beings, we know not how or why. We are here and we are gone. In the brief span only love can serve.

"Love enlarges the heart so that what is done for one small child will have its rippling effect in benefits for other children and handicapped persons."

I believe that with all my heart, and so does Bob Santo.

Bob, congratulations for all your good work. I know that it's been a labor of love for all the children at McAuley School.●

THE 65TH ANNUAL MEETING—U.S. JAYCEES

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BATEMAN. Mr. Speaker, last week marked the U.S. Jaycees' 65th Annual Meeting in Indianapolis, IN. I am sure the Members of this body are aware of the tremendous contributions of this dynamic young persons' leadership training organization in their States.

Appearing before this group last Wednesday, President Reagan said you can always count on the Jaycees. For the Jaycees this commemorated the end of a year of change, opportunity and successes. Last July, the U.S. Supreme Court ruled that the Jaycees were a "unique" organization and must open their membership to women. Since that date the U.S. Jaycees have added more than 31,000 women to their rolls.

The national organization contributed $2 million to the Muscular Dystrophy Association, recognized 10 Outstanding Young Americans, 10 Health American Fitness Leaders, and 4 Outstanding Young Farmers. In addition, they have raised literally millions of dollars in their communities and expended hundreds of thousands of manhours in improving their communities.

As a past president of the Virginia Jaycees and general counsel of the U.S. Jaycees, I would like to specifically recognize the efforts of my home State organization and its president, Wally Owings of Manassas, VA. The U.S. Jaycees promotes a competition between the States to evaluate their contribution to their communities, development of its members and membership growth. This Parade of States was won by the Virginia Jaycees for the first time in their history.

President Wally Owings and the Virginia Jaycees are to be congratulated for their contributions and their success in leading the U.S. Jaycees. The impact of the Virginia Jaycees this year, through Camp Virginia Jaycee, contributions to MDA and cystic fibrosis and the promotion of "Mr. Yuk," a poison prevention program and providing leadership training opportunities to nearly 10,000 young people of the Commonwealth of Virginia, will be a legacy for years to come.●

PROBLEMS CREATED BY PAYING OVERTIME

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FORD of Tennessee. Mr. Speaker, I rise today to address the problems created by the Labor Department's plan to begin enforcing the controversial Supreme Court decision requiring State and local governments to pay overtime to police and firefighters.

In February of this year, the U.S. Supreme Court in Garcia versus San Antonio Metropolitan Transit Authority, overruled its decision of 9 years ago in National League of Cities versus Usery and held that no constitutional limitations exist on the application of the Fair Labor Standards Act [FLSA] to employees of State and local governments. The holding in Garcia potentially subjects the full range of State and local government activities to the Federal minimum wage and overtime law.

However, this ruling has caused much confusion and will generate substantial hardships to many State and local employees, specifically those involved in hazardous activities, such as fire protection and law enforcement.

Under guidelines issued by the Department of Labor, law enforcement employees must receive overtime pay if they work more than 171 hours in a 28-day period. For fire protection employees, overtime must be paid after 212 hours.

However, these guidelines are in direct conflict with agreements entered into between employees and local governments. Prior to Garcia, these employees could opt to take compensatory time off in lieu of overtime compensation. The act however prohibits compensatory time off for overtime hours accumulated beyond the work period in which the overtime is earned.

If local fire and law enforcement agencies were required to adhere to this provision, local municipalities would be faced with vast manpower shortages as a result of employees using their accumulated overtime within the work period earned. In addition, municipalities would be faced with substantial overtime expenditures if their respective agencies were unable to schedule employees to take their accumulated compensatory time off within the pay period in which the overtime was earned.

For these reasons I have introduced an amendment to the Fair Labor Standards Act that would allow employee engaged in hazardous activities, such as fire protection and law enforcement, the option of receiving compensatory time off in lieu of overtime compensation beyond the time in which it is earned. This option will be implemented only, if pursuant to: First, a contract made between the public agency and such employees individually, or second, an agreement made as a result of collective bargaining by representatives of such employees and the public agency and only at the written request of the respective employee.

This I feel is a most reasonable and workable alternative to the mandate promulgated in Garcia versus San Antonio. I in turn urge my colleagues to support this most needed legislation and I thank you, Mr. Speaker, for allowing me this time to express my views.●

TERRORIST CRISIS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RUDD. Mr. Speaker, at the moment, national attention is focused on the hostage crisis. In the reports we read in the newspapers and the accounts with pictures on the evening TV news, there is frequently implied criticism of the way President Reagan has handled this crisis.

We have been repeatedly reminded of the firm statements Reagan has made in the past about the action of terrorists.

But some appear not to be satisfied with the President's statement that we, meaning the United States, are doing all that can be done to bring about a release of the American prisoners.

If you saw President and Mrs. Reagan on television when the bodies of the four Marines were brought home from El Salvador, you must certainly understand this tragic turn of events is being taken personally by the President. His grief and frustration is evident.

In recent days I have said to some of my acquaintances who are critical of the President, "All right, I'll make you President of the United States for the next 2 hours. What would you do?" Most, after thoughtful consideration, confess there is very little we can do.

The sad truth is the terrorists are waging war against the United States.

But it is a strange kind of war. It is a war of intimidation.

But to prevent future terrorist actions against the United States and other Americans being taken hostage by extremists, there is much we can and should do.

First, we must strengthen our intelligence gathering capabilities. Over the past 20 years, the effectiveness of the CIA and the FBI have been severely limited by the Congress. Our Middle East intelligence is not what it should be and we need to give our Government the legislative ability, financial backing, and public support to protect our citizens and our national interests throughout the globe.

Second, complacent security measures at U.S. embassies and installations, as well as international airports and other travel centers for Americans must be corrected. We are at war with terrorists and our security precautions should be designed to meet this threat and protect innocent lives.

Third, we must make it clear to international terrorists that violence and intimidation will not succeed. In the long run, lives will be saved if terrorism is shown to fail.

Reprisals should be one clear and definite option for our Government. There is nothing wrong with answering or deterring violence with violence provided it targets those who deserve it, and has a hope of changing or mending their ways.

Our enemy has a face and has a name. And once we know that name and know that face, we will be in a position to punish those responsible.

But I fervently hope the United States will never resort to terrorist tactics. What I do hope for is a reestablishment of our ability to identify specific targets, and then deal with those targets in an effective manner. And if we have to bend some rules to penetrate the councils of those factions committed to using terrorist tactics against us, so be it.

Lastly, the resolve of the American people to combat terrorism and stand firm in the face of intimidation must continue. We Americans are paying a price in the Middle East for our support of Israel, but we must know that for a world power, right or wrong, only decisiveness will achieve success.

That is little comfort to American families bereaved by terrorists to be told, nor is it reassuring to be told that a world power does not always have its way and is often the target of fanatical terrorists thousands of miles away.

But do not sell this President short. I am persuaded that he intends to find those names and find those faces, and then respond in an appropriate fashion. I also believe his first priority is bringing the American hostages home alive and doing everything in his power to see that we don't witness another macabre game of hostage holding with American citizens.●

JOE METZGER, FRIEND OF THE HOUSE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. STUDDS. Mr. Speaker, I take this occasion to report to the House the death of Joseph E. Metzger, the former Clerk to the House Parliamentarian, on June 14, 1985. Mr. Metzger moved to Falmouth in my district upon his retirement after serving the institution for almost 30 years. He began his career in the House in 1945 as a member of the Capitol Police Force following military service in the U.S. Army in Australia toward the end of World War II. His many talents were soon recognized by the Clerk, and he was quickly promoted to a position with the Clerk where he remained for 2 years. In 1947, he became a member of the staff of the Office of the Parliamentarian of the House of Representatives serving the House until his retirement in 1976.

Joe Metzger had unique talents which enabled him to take on a variety of duties, and he soon became indispensible to not only the Parliamentarian's Office but also to the Speaker and the Chairmen of the Committee of the Whole. During his years as Clerk to the Parliamentarian, Mr. Metzger served as timekeeper for the Chair, occupying the position to the Chair's left. His memory for faces and names was legendary. He was able to recall for the Chair the name of a former Member or employee who happened to return to the House after a long absence, as well as to assist the Chair in the priority of recognition with incredible speed and accuracy even in the most stormy late-night sessions. His duties also included the preparation of the programs for joint sessions and joint meetings during those tumultuous years following World War II when the House was addressed by such dignitaries as Winston Churchill. His expert organizational abilities allowed the joint sessions and joint meetings to be conducted smoothly without any unnecessary or embarrassing faux pas.

Joe Metzger's meticulousness has been of lasting value to the House. The files he created during his 25 years with the Office of the Parliamentarian contained valuable information which would be unavailable today if it were not for his efforts. His love for the institution encompassed an intimate knowledge and deep admiration for the Capitol Building, where he often conducted tours through the unexplored corners and catacombs.

Joe Metzger is survived by his wife Eva and two children, Patricia A. Meng and Robert W. Metzger, as well as several grandchildren. Interment was at Arlington Cemetery on June 20. I know I speak for the House when I offer my sincere condolences to his family.●

THE APOLLO THEATRE: A NEW BEGINNING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RANGEL. Mr. Speaker, the Apollo Theatre in Harlem is alive and well. Undeterred by frequent obstacles to renovating the theatre, Mr. Percy Sutton, principal owner of the Apollo, has continued his quest to restore the reputation, the splendor and the magnificence of the Apollo. Mr. Sutton is joyously rebuilding it back into its rightful domain. The refurbishing of the Apollo Theatre has brought celebration to 125th Street and the entire Harlem community.

Mr. Sutton has made the Apollo an industry within itself: businessmen, street merchants, and vendors will all share the benefits of the many patrons who attend events at the theatre. The people of New York City deserve such a monument, such a symbol of the very best in black entertainment. I share their excitement and enthusiasm. I am proud not only as the Representative of the 16th District of New York, but as a man who grew up around the Apollo, watching great black performers who were destined to go on to receive national and international acclaim. Mr. Sutton is to be commended for bringing the Apollo back to life.

Welcome back Apollo Theatre—we missed you.

I submit the following article, from the Washington Times which captures the exciting resurgence of this legendary pillar of Harlem life, for inclusion in the CONGRESSIONAL RECORD.

The article follows:

[From the Washington Times, June 25, 1985]

THE APOLLO THEATER: ALIVE AND JUMPIN'

(By Deborah Papier)

NEW YORK.—In 1982, when Inner City Broadcasting Corp. chairman Percy Sutton bought the bankrupt Apollo, he had two things in mind for the Harlem theater that had for decades been the nation's premier showcase for black performers—creating a cable television programming center and turning the dilapidated former burlesque house into a place with "class."

The first part of Mr. Sutton's plan had to be modified. The cable revolution failed to come about, and so the Apollo will now contain a regular television studio, with production and post-production facilities. But despite the red tape created by three agen-

cies with jurisdiction over the Apollo renovation, and the pressure of pulling it all together in time for last month's Motown TV special, Mr. Sutton has a theater that meets his standards of elegance.

It is still far from complete. Next month the Apollo, which has been open for amateur nights and a variety of other events, will close down for construction of the television studio, and other architectural work. But at the Motown extravaganza, at which such stars as Stevie Wonder, Smokey Robinson, Debbie Allen and Bill Cosby celebrated the theater's reopening, the red velvet, the mirrors, the gilding and the chandeliers were in place.

The chandeliers, in fact, were central to Mr. Sutton's vision. A lawyer and politician as well as a radio communications executive, Mr. Sutton has, he says, been entranced by chandeliers since childhood.

"They just say, 'This is style,'" he explains.

In his quest for the right style, Mr. Sutton traveled around the country, looking at theaters and hotels. He found some fixtures he loved in an old hotel in Buffalo, N.Y., but couldn't persuade the owners to sell them, so he had chandeliers made according to his specifications in Czechoslovakia.

There was one problem, discovered when the firm of Le Gender, Johnson and McNeil was brought in to do the architectural work: The chandeliers as designed would extend to about four feet from the floor in the lobby, according to Garrison McNeil.

"It would have been a great theater for midgets," he says. "So we had to reorder the chandeliers. But they were a major design criterion for us, they were a given, so we looked at how to enhance them.

"What we did was dome the ceiling in the lobby, a plain continuous barrel vault, and then we pulled the flat ceiling areas away from the walls and had hidden lighting [installed] so that the ceiling tends to float. And then we have a whole continuous mirror along one side that further reflects and enhances that."

In the theater itself, a major project was the restoration of the bas-relief sculptures that lined the proscenium arch and the box tiers. Much of the intricate detailing on the proscenium arch had been plastered over, so painstaking chisel and hammer work was required to unearth it. As for the tier decorations, only four of the 100 sculptures were still intact, so a mold had to be made to reconstruct the other 96.

Then there was the scraping of the brown paint off the walls, to be redone in cream and gilt; the brassing of the rails; the reupholstering or replacing of the seats; the reshaping of the stage to improve its television sight lines; the installation of $400,000 worth of rigging over the stage, so that sets can be "flown in" (changed in seconds) and performers can fly over the stage, if they're so inclined.

Mr. Sutton also hopes to have more pyrotechnics on stage: crisscrossing lasers, smoke billowing up from the floor.

All of this will end up costing close to $15 million, an investment Mr. Sutton thinks will pay off in the television studio. He will produce some shows himself—educational material as well as entertainment specials—but will also rent out the studio to other groups.

"We will be able to produce a program there, someone else can produce a program there, edit the program, put it in a videocassette, and send it to a satellite right from the Apollo Theater," says Mr. Sutton.

Finding the space to create that state-of-the art studio was the trickiest problem in the renovation, however. There was no place to go but up, but raising the roof the necessary 12 feet created all sorts of problems with how the facade—protected by both city, state and federal landmarking commissions—should be treated.

The first conflict was between the city and the state, with one saying the extension should be in style of the existing facade, the other saying it shouldn't. That problem was recently resolved by the federal landmarkers, who decreed that the addition should not be visible from the street at all.

Once that work is completed, and the Apollo is in full operation, there will be something going on there almost every night. In addition to the Wednesday amateur nights—which in the past produced such stars as Sarah Vaughan, Pearl Bailey, James Brown and Dionne Warwick—Mr. Sutton's plans include "An Evening With," which will bring in established performers on Monday nights, "Live from the Apollo," a Saturday-night variety show; "Night of the Rising Stars," record-company-produced shows of regional performers, on Thursdays; and "Gospel According to the Apollo" on Sundays.

Mr. Sutton does not see these events as being geared toward a strictly black audience. The amateur nights, he predicts, will draw primarily black crowds, but he expects the concerts to draw audiences that will be a 50-50 mix of blacks and whites.

"We're not the South Bronx," says Mr. Sutton, a longtime Harlem resident. "We have not had a mugging on 125th Street in 10 years. If you have a good product, they'll come.

"There's a place called Sylvia's that serves barbecue," he continues, "and I can't get in there, because people from other parts of the city are there; it's an *in* place.

"You just need a good product, with class."●

SUMMARY OF THE AIRPORT AND AIR CARRIER SECURITY IMPROVEMENT ACT OF 1985

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GROTBERG. Mr. Speaker, today I am introducing H.R. 2905, the Airport and Air Carrier Security Improvement Act of 1985. This legislation, which is nearly identical to S. 1321 introduced by my Illinois colleague from the other body, Mr. DIXON, on June 19, is a partial solution to the air hijackings and tragedies of the last 2 weeks. Four times within the last 3 weeks we have witnessed these despicable terrorist attacks on our citizens and those of other civilized nations. Two of my constituents remain in captivity in Beirut at the present time—Father Thomas Dempsey of St. Patrick's Catholic Church in St. Charles and Father James McLoughlin of St. Peter's Catholic Church in Geneva—with 37 others from Illinois and around the country. We pray for their safe return; but we must prevent these grotesque attacks from occurring in the future. Therein lies the need for this legislation.

For the benefit of our colleagues, Mr. Speaker, I am inserting a summary of my legislation at this point in the RECORD:

SUMMARY OF THE AIRPORT AND AIR CARRIER SECURITY IMPROVEMENT ACT OF 1985

The Secretary of Transportation is required to conduct periodic assessments of the effectiveness of the security measures maintained at international airports overseas.

Reports to Congress now required by law will be expanded to include summary information based on the assessments. The summaries will identify the airports assessed and describe any significant security problems, together with an explanation of the actions DOT has taken to rectify the security deficiencies identified.

If the Secretary finds that an airport does not maintain and administer effective security measures comparable to the levels in effect at American airports, he or she is required to transmit that finding to the appropriate foreign authorities, and to work with them in an attempt to resolve security problems.

If foreign authorities fail to bring security levels back to acceptable standards within 15 days, the Secretary of Transportation is required immediately to publish in the Federal Register and to prominently display at major U.S. airports a list of foreign airports with security problems.

With the approval of the Secretary of State, the Department of Transportation is given the authority to limit the operations of any U.S. or foreign air carrier flying international routes to the U.S. involving security-deficient airports.

The Department of Transportation is given expanded powers and responsibilities in security technical assistance area, so that it can provide more effective assistance to foreign governments in this area.

The President is urged to seek new international agreements to assure more effective international cooperation towards improving the security of air carriers and airports.

The jurisdiction of the Federal Aviation Administration in the security area over charter airlines is clarified. Existing security measures now applied to all scheduled carriers are required to be applied to charter carriers as well.●

TRANSFERRING AIRPORT CONTROL

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mrs. BYRON. Mr. Speaker, recently I testified before the Subcommittee on Aviation of the Committee on Commerce, Science, and Transportation. The hearing was concerning pending legislation to transfer Dulles and National Airports from Federal control to a local regional authority. This is an issue of great importance to me. I would ask that my testimony before that subcommittee be included in the RECORD.

STATEMENT OF HON. BEVERLY B. BYRON BEFORE THE SUBCOMMITTEE ON AVIATION, U.S. SENATE, JUNE 26, 1985

Madam Chairman, thank you for this opportunity to come before your committee to discuss the airport transfer legislation now before Congress.

Having been involved with the problems of noise and congestion at National Airport, I was delighted when Secretary Dole appointed a commission to draft a proposal for transferring both National and Dulles to a regional authority. I firmly believe that local control is necessary to addressing the problems fairly. I have followed the activity of the Holton Commission with great interest. Although I was pleased that this process was taking place, I must admit that I was disappointed by the Commission's final report. Because S. 1017 implements the Commission's recommendations, it reflects the shortcomings of the final report.

As presently drafted, the bill removes the 16 million annual passenger cap. This is unacceptable to me. At best, we will continue to endure the current high levels of overflights. What is more likely to occur, however, is an increase beyond the current number of flights, with an increased burden for those in the restricted flight corridor.

Additionally, I am concerned about the make-up of the airport authority itself. As the Holton Commission recommended, this bill establishes an authority that does not reflect the true metropolitan region served by and affected by National Airport. Without fair representation of all interested parties, it is naive to expect equitable decisions from the authority.

I am also concerned of the affect this whole operation will have on Baltimore-Washington International Airport. While I certainly want to see National and Dulles Airports operating efficiently and profitably, I am afraid that will happen at the expense of BWI. Without fair representation on the authority, this is a likely result.

I am certain the airport authority will attempt to manage the airports in the best interests of the metropolitan DC area. To do so, however, requires deciding among competing points of view.

I want to ensure that the concerns of my constituents along the Potomac River are taken into consideration. Additionally, I do not want the economic well-being of BWI unfairly threatened.

Let me be clear. It is appropriate to transfer National and Dulles to a regional authority. That authority, however, must represent and respond to all the varied interests in the metropolitan Washington area. I support the intentions of this legislation, But I must voice these reservations. I am confident that, working together, we can arrive at an equitable solution.

Again, let me thank you for this opportunity to present my views. I look forward to working with you on this important issue.●

DAVID PACKARD—AN OUTSTANDING RECORD OF PUBLIC SERVICE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LANTOS. Mr. Speaker, public service is not new to David Packard, the chairman and cofounder of the major electronics company Hewlett-Packard. Last week, he was again asked to take on an important public responsibility for the Federal Government. President Reagan appointed him to chair a new 16-member Commission on Defense Management, which will examine major problems involving military procurement, the exorbitant prices paid for spare parts, illegal payments, and weapons systems that do not work.

The action of this House, during the last few days as we have considered the Defense authorization bill, indicates the very strong feelings of the Congress and the American people that changes in defense procurement are long overdue. Steps must be taken to eliminate the fraud, waste, and abuse that have marked the Defense Department's approach to purchasing equipment and services.

In 1939, David Packard and William Hewlett, both recent graduates of Stanford University with engineering degrees, pooled $538 and established the Hewlett-Packard Co. That corporation is now 60th on the Fortune 500 list of American companies, with sales last year of $4.71 billion and with 80,000 employees. The company is one of the leading producers of electronic equipment, medical and analytical instrumentation, electronic calculators, solid-state components, and digital computers.

The task that David Packard faces is a difficult one, but he is not unaccustomed to challenges. He served as Deputy Secretary of Defense from 1969 to 1971. In many regards, David Packard is ideal for Government service. Unlike many of the lawyers, politicians, professors, and executives who see high office in Washington as a steppingstone to greater things, David Packard views a position in Washington as public service which he gladly performs, but which he does not need. He has said that an individual, in order to be happy, must do something worthwhile, something that gives a sense of accomplishment.

In addition to his outstanding record in business and Government, David Packard has also been a leader in philanthropy. The bay area is fortunate to have a man of such generosity and vision. He has served as a member of the Palo Alto Board of Education, as chairman of the board of trustees of Stanford University, and benefactor of many important public projects, including a new $47 million aquarium in Monterey, CA.

The Monterey Bay Aquarium, the largest in the world, is an enterprise in public service to which David Packard may point with pride. Opened on October 20, 1984, the aquarium already has received 1.6 million visitors of whom 70,000 have been school children from 44 of the 58 counties of California. This amazing educational and scientific facility has 83 habitat tanks and three main exhibit tanks with a total exhibit capacity of 1 million gallons. Its transplanted kelp forest exhibit is unique in the world.

Through an energetic program of public education, through the incredible sea life displays, and through its emerging scientific research programs on the natural history of one of the world's richest marine regions, this institution will be a lasting testimony to the accomplishments of David Packard.

Mr. Speaker, I am delighted that this man's energy management abilities will continue to benefit to our country. Those of us from the bay area who know and respect David Packard appreciate the great contribution he has made in the past and will make in the future for bay area, the State of California, and for our Nation.●

NO COMPROMISE ON BUDGET

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FORD of Michigan. Mr. Speaker, I find it disturbing that House and Senate conferees have been unable to reach a compromise on a new budget, especially since the House Budget Committee had worked so diligently under extremely difficult conditions.

The central problem is that the economic dilemma we face today after 4 years of unprecedented and dangerous budget deficits leaves us with precious few options to deal with the present crisis.

And the resolution produced by the Budget Committee and approved by the House provides a solution to the dilemma that is far superior to the White House or Senate approach. Frankly, I find it hard to understand why Members of the other body—especially those on the Conference Committee—do not see this.

I don't think anyone is perfectly satisfied with the House Budget Committee's proposed solution. But, given the difficult set of circumstances under which it had to work, I am satisfied that it is the best solution that could be worked out at this time.

For one thing, it preserves Social Security benefits in keeping with the promise President Reagan made to the people last year. I do not want to be party to any congressional action that abrogates the President's word.

The House budget resolution also achieves savings on the civil service side without the Draconian steps proposed by the Senate and the administration—measures that would further destroy the morale of the Federal workforce.

It ignores the administration's proposal to cut civil service pay by 5 percent and instead assumes a pay freeze for fiscal year 1986 and an increase of 3.8 percent in January of 1987.

Under the circumstances—which include a $200 billion deficit and all the consequences of that shocking figure—I am pleased with the way the House decided to deal with this crisis and I hope that before too long the Senate will recognize the wisdom of that solution.

I urge the House to remain steadfast in maintaining its position to protect Social Security benefits and COLAS for people who have earned them and who have a right to expect that their Government will not go back on its word.●

REAUTHORIZATION OF THE SUPERFUND IS CRUCIAL FOR NEW JERSEY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mrs. ROUKEMA. Mr. Speaker, the highest environmental priority for the people of New Jersey and the citizens of our Nation is a renewal of the Superfund Hazardous Waste Cleanup Program. The gravity of the national toxic waste problem demands that Congress move swiftly to enact an effective reauthorization bill. For this reason I have joined many of my colleagues in cosponsoring H.R. 2817, which was recently approved by the House Subcommittee on Commerce, Transportation, and Tourism for consideration by the full Energy and Commerce Committee. I cannot stress strongly enough the importance of Congress taking prompt action to reauthorize the Superfund Program before it expires on September 30, 1985.

At thousands of sites across the country, toxic chemicals are poisoning our ground water, land, and air. Unfortunately the extent of this problem and the future costs involved in correcting it remain unknown. The General Accounting Office, for instance, projects future costs of $6.3 billion for the Superfund Program. The Office of Technology Assessment, moreover, has recently estimated that Federal Superfund costs could amount to $100 billion over the next 50 years, and require the cleanup of up to 10,000 sites.

Nationwide there are over 500 sites on the national priority list. Ninety-seven of these sites are in New Jersey alone, more than in any other State. My own district in northern New Jersey contains four sites listed on the national priorities list. The A.O. Polymer Co. in Sparta, the Maywood Chemical Co. in Maywood and Rochelle Park, the Metaltech/Aerosystems Co. in Franklin, and the Ringwood Mines and Landfill in Ringwood are all presently in various stages of cleanup actions under the Superfund Program. Recognition of such sites has been belated, however, and official reaction has been too slow.

The magnitude of this problem dictates immediate attention. If we fail to reauthorize the Superfund Program this year, we would most likely be faced with approving a 1-year continuing resolution at present funding levels, which would be sorely inadequate to meet today's hazardous waste problem.

It is hard to overstate the need for prompt congressional action on this issue. With each passing day, both the damage to the environment and to human health increase. In the long run it is in everyone's interest to deal with the hazardous waste problem today, rather than delay for another year.

There continue to be several unresolved issues involved in the reauthorization process which will have to be considered by the full committee and the full House. for example, differences exist over codification of the strict, joint and several liability standard and mandatory cleanup schedules. Personally, I am in favor of including strict mandatory cleanup schedules in the bill to ensure that EPA increases the pace of actual cleanups. In addition, the Ways and Means Committee has not yet had an opportunity to develop a funding mechanism to pay for an expanded cleanup fund. The House must find a way of paying for a greatly increased Superfund through some combination of waste end, feedstock, import, and broad-based corporate taxes. Despite these problems, however, the overriding goal of my colleagues must continue to be the reauthorization of an expanded Superfund before the end of the fiscal year.

With the Superfund bill now pending before the House Energy and Commerce Committee, I am hopeful that the reauthorization process will continue without delay. As I stated in a recent letter to the chairman and ranking minority members of the committee and subcommittee with jurisdiction over Superfund, * * * "the citizens of New Jersey and of our Nation deserve the protection of having an expanded and strengthened Superfund reauthorization." "Clearly, to allow Superfund to continue operation under the current funding levels through a continuing resolution would be inadequate. * * * The overriding public good demands that it be resolved, and resolved quickly."●

CONYERS PAYS TRIBUTE TO MICHIGAN WOMEN ATTENDING NGO FORUM IN NAIROBI, KENYA

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. CONYERS. Mr. Speaker, I rise to bring to the attention of my colleagues upcoming events in the Kenyan cities of Athi River, where July 14 has been declared "Michigan Day," and in Nairobi, where two conferences concerning the U.N.-declared international decade for women will be held from July 8 to 26.

A group of women, primarily from the Detroit area and representing the Black women of Michigan, will be welcomed to Athi River by Mayor Ndeti and the townspeople on "Michigan Day". The women will also attend the 1985 Nongovernmental Organization [NGO] Forum which marks the end of the U.N.-declared decade for women. They travel to Kenya with a message of friendship and solidarity.

The cities of Detroit and Athi River celebrate a long history of friendship. Ms. Catherine Blackwell, who will lead the delegation of Michigan women, has hosted numerous African students who have come to the United States to study. Among those she has hosted is Kivuto Ndeti, a relation of Mayor Ndeti of Athi River. Mr. Kivuto Ndeti came to Detroit in 1959 to study at the University of Detroit. In honor of Ms. Blackwell's continued hospitality and friendship, the Ndeti family will adopt Ms. Blackwell into their family in an official ceremony and present her with a piece of land in Athi River. The Detroit delegation will take a gift of books and school supplies to present to the Mua Hills Secondary School in Athi River.

The Michigan women will attend the NGO Forum to meet with women of varied backgrounds from around the world and to learn from each other's experiences, achievements and problems. They will attend workshops, seminars, lectures and other programs during the 9 day NGO conference.

The NGO Forum, which parallels the official U.N. conference culminating the U.N. Decade for Women 1976-85, was organized to permit wider participation of women throughout the world, particularly women not representing national governments or governmental agencies, in an open forum to discuss women's issues which may or may not be addressed in the U.N. conference.

The U.N. conference is a result of a General Assembly decision to convene a world conference to review and appraise the achievements of the U.N. Decade for Women as a conclusion to

the decade of women. The conference is the third in a series of U.N. conferences held over the past decade. The first, the 1975 World Conference in Mexico, was held in celebration of the U.N. Women's Year. Following this conference the U.N. General Assembly proclaimed 1976-85 the U.N. Decade for Women. A middecade conference was held in Copenhagen in 1980 to evaluate the progress made as well as obstacles encountered in carrying out the 1975 World Plan of Action. A programme of action for the remaining 5 years of the decade was adopted at the Copenhagen conference.

The 1985 conference will critically review and appraise further progress achieved and obstacles which continue to hinder the goals of equality, development and peace and the subthemes of employment, health and education set for the U.N. Decade for Women. The conference will also discuss forward-looking strategies of implementation for the advancement of women through to the year 2000 and concrete measures which work towards the fulfillment of goals set for the decade.

Ultimately it is hoped that a "forward looking strategies document" outlining specific plans of action can be finalized and supported by all members attending the Nairobi Conference. A preparatory body, the 32-member intergovernmental commission on the status of women, has drafted a document of approximately 300 paragraphs of which nearly 180 have already been agreed upon. Issues which have been marked for further debate at the general conference before motions are made for their adoption include apartheid, Palestinian rights, nuclear disarmament, and economic issues. A number of western countries, including the United States, have refused to acknowledge the significance of these issues as women's issues.

I respectfully request my colleagues to join with me in celebrating the achievements of the decade for women, while recognizing the great task that remains ahead. Let us join together in support of the women of the Detroit delegation and will all women who will be attending the conferences in Nairobi, with the hope that all issues of importance to women, regardless of national or ethnic origin and race, might be adequately addressed. Let us further look forward to that day when women are recognized as an integral part of all global concerns in all spheres of life, and can contribute to and benefit from humanity's aspirations and achievements in their entirety and on an equal basis with men.●

A NEW CHAPTER IN WESTWAY'S UNSAVORY HISTORY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WEISS. Mr. Speaker, some interesting developments have been coming out of a U.S. district courtroom in Manhattan lately, where Judge Thomas P. Griesa is conducting a trial to determine the legality of a new Federal permit issued for the landfill portion of the controversial Westway interstate highway project.

That may be news to you and many of our colleagues, however, because coverage by the print and broadcast media in New York has been exceptionally scarce. Fortunately, a daily newspaper in new Jersey, the Newark Star-Ledger, has published extensive reports on day-to-day developments in the trial.

I believe our colleagues will find the story from Tuesday's Star-Ledger to be especially interesting. It chronicles the apparently successful efforts to pressure the Environmental Protection Agency into dropping its longstanding opposition to Westway.

Sadly, the account is characteristic of Westway's history. The first landfill permit awarded by the Army Corps of Engineers was overturned by Judge Griesa in 1982 because it violated the Clean Water Act. He ruled that both the Federal Highway Administration and Army Corps of Engineers had violated Federal law in the approval process of Westway, and that New York State officials had practiced deception in promoting the highway.

The article is reprinted below:

[From the Newark (NJ) Star-Ledger, June 25, 1985]

ROCKEFELLER PRESSURED EPA TO BACK WESTWAY

FINANCIER AND D'AMATO ATTACKED REGIONAL CHIEF AS "PRO-JERSEY"

(By Arthur K. Lenehan)

New York financier David Rockefeller and U.S. Sen. Alfonse D'Amato (R-N.Y.) met with a ranking official of the federal Environmental Protection Agency (EPA) a few days before that agency was to announce its final position on New York City's mammouth Westway project and told the official that the New York regional administrator of the agency could not be trusted because he was from New Jersey.

Within days, EPA officials in Washington had notified Regional Administrator Christopher Daggett that they would be "rewriting" a key position paper he had prepared, in which he opposed the Westway project on environmental grounds. According to EPA documents, the purpose of the rewriting was to "preserve all options" on Westway.

One of the Washington officials who spoke to Daggett, an EPA lawyer named Cathy Winer, noted in her office diary in January that the preemptory reversal of Daggett's position by higher EPA officials entailed a risk of scandal. Winer made reference in the diary to the maelstrom of controversy that enveloped the EPA during the tenure of former Administrator Ann Gorsuch Burford. Gorsuch had resigned while under fire for mishandling toxic waste cleanup efforts, and one of her subordinates later went to jail for perjury before Congress.

"It will be bound to come out that regional technical comments were rewritten by HQ lawyers, out of normal course of review and preparation, and it could look bad like the Gorsuch era)," Winer wrote in her diary.

The EPA documents indicate that Daggett persevered in his opposition to Westway, a stand consistent with EPA comment on the project over the previous eight years. On Jan. 10, Daggett submitted to his Washington superiors a draft EPA position paper that reiterated the environmental arguments against Westway. The draft was in the form of a letter to the New York office of the Army Corps of Engineers, who would make the key decision on the Westway project.

After reading the Daggett letter, a special assistant to EPA Administrator Lee Thomas wrote a memo to Thomas complaining that Daggett seemed to be ignoring the guidance he was getting from Washington. Attached to the memo was a copy of the letter.

"I am troubled by both the tone and content of this letter," wrote EPA official Phil Angell, in an informal note to Thomas dated Jan. 15. "It doesn't appear that Daggett has gotten the message; nothing will kill this project faster than this letter. I would suggest we have another meeting on Westway before the week is out."

The Angell memo and other EPA documents are among hundreds of government records that have been introduced as evidence during a hearing on Westway before U.S. District Court Judge Thomas P. Griesa at the federal courthouse in Manhattan. The documents were not prepared with public dissemination in mind and, in some cases, might cause their authors some embarrassment. For example, Winer mentioned in her dairy the possibility that "EPA will look like a fool" on account of the reversal of the New York regional office's opposition to the Westway project.

The EPA finally sent to the Army Corps of Engineers a letter much less critical of Westway than the Daggett draft of Jan. 10. And in the end, the EPA decided not to appeal the Corps' approval of Westway to the President's Council on Environmental Quality, a move that might have killed the project. Testimony and evidence at the hearings before Griesa have shown that the EPA withdrew from the fight against Westway against the wishes of many midlevel professionals within the agency.

The documents have also illuminated, to some degree, the unique role of David Rockefeller in the Westway story. Rockefeller, brother of the late Vice President and New York Gov. Nelson A. Rockefeller, has long been one of the chief proponents of the Westway project and its preeminent public apologist. But his behind-the-scenes maneuvers on behalf of the project have remained largely unpublicized.

Rockefeller launched his effort to undermine the regional officials of federal agencies in early July 1984, just after the New York regional office of the EPA had advised the Corps of Engineers it had no choice but to continue its longstanding opposition to the Westway project.

The 1984 EPA advisory to the Corps was written by Dr. Richard T. Dewling, Daggett's predecessor. Shortly after it was published, Rockefeller sent two representatives to Mick Fleming, Ernst Minor, and Phil Angell, all officials in the EPA. The two Rockefeller representatives were Larry O'Brien and Chris Kennon.

Fleming wrote a memorandum summarizing the discussion.

"Their main emphasis was on the care to be taken in wording the EPA comments and handling the press followup so as not to sound the death knell for the Westway project," Fleming wrote in his memo. "They anticipate extensive press coverage on the wording of EPA's comments and numerous inquiries to headquarters as to EPA's outlook on the Westway Project."

Fleming explained that the Rockefeller representatives were ready to concede that Westway would have "a significant adverse impact" on the Hudson River environment, particularly the Hudson stocks of striped bass. Normally, federal determination that a project will have a significant impact means the project cannot be approved. The Rockefeller representatives said they hoped to "mitigate" or overcome the adverse impact of Westway by creating additional striped bass habitat to replace that lost to Westway landfill.

Until last autumn, the "mitigation strategy" was an important component in New York state's Westway strategy. The weakness in the plan was that much of the underwater acreage to be provided as new "habitat" for striped bass was on the New Jersey side of the river. When New Jersey officials rejected the plan, it fell apart, leaving Westway's sponsors no ready means of overcoming the "significant adverse impact" they had earlier conceded.

Rockefeller himself sent a letter then-EPA Administrator William Ruckelshaus on July 27, 1984. The July letter begins with the salutation, "Dear Bill," and ends with a notation indicating that a copy was sent to Michael Deaver, then a principal adviser to President Reagan. The letter enumerates the virtues of the Westway project, then turns to an attack on the environmental professionals who staff the northeastern regional offices of the EPA, the National Marine Fisheries Service, and the Fish and Wildlife Service.

"However, rosy as this picture may be," Rockefeller wrote of Westway, "the project is not without its detractors. In particular, the active and personal opposition of lower-level bureaucrats in the federal agencies again makes this promise a hollow one for most of us in New York."

The letter alludes to the possibility that the political establishment of New York might take revenge in the event Westway were not permitted.

"There are indications that Governor Cuomo plans to use Westway as an issue on which to attack President Reagan for failing to follow through on an earlier commitment to New York," Rockefeller wrote.

During his visit to Washington in January, Rockefeller accompanied D'Amato to the office of Cathy Winer. In her office diary, Winer included notes on their comments to her. She wrote that they had told her the New York regional office of the EPA was "totally biased" because Daggett was "from New Jersey, concerned about New Jersey." Daggett is a close associate and former subordinate of Gov. Thomas Kean.

The Rockefeller documents were introduced as background for the testimony of some of the mid-level government professionals Rockefeller attacked. Jay Benforado, a Washington-based EPA official who participated in discussions of Daggett's position, concluded his testimony yesterday. Benforado explained that, after he voiced doubts about the EPA's course, he was no longer invited to meetings about Westway.

Michael Ludwig, an ecologist with the National Marine Fisheries Service, testified that his agency viewed the final Corps of Engineers environmental analysis of Westway as "fallacious" and without basis in legitimate environmental science.

The Westway project would involve the filling of some 240 acres of the Hudson River along the West Side of Manhattan to create a new highway, about 90 acres of new parkland, and about 100 acres to be made available for commercial development. According to independent estimates, the project would cost about $6 billion, of which 90 per cent would be paid by the Federal Highway Administration.

Griesa is holding hearings to determine whether the Corps of Engineers' environmental impact statement on Westway was done according to the law. The judge threw out an initial environmental study two years ago and enjoined construction of the project until the Corps produced a satisfactory impact statement.●

ACID RAIN DEVASTATES FORESTS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. CONTE. Mr. Speaker, while comprehensive control legislation lies dormant in the hoppers of Congress and on the desks of bureaucrats, the acid rain of terror continues to ravage not only aquatic resources but our forests, buildings and our health.

Recent press reports and scientific studies have pointed to a growing and far reaching environmental timebomb: the steady destruction of our forests. Over the past few years, the widespread forest damage in West Germany and throughout Eastern Europe has been well documented. Entire mountains and forest areas have been destroyed by airborne pollutants and acid rain. By their own estimates, this damage has cost German timber and related industries millions and millions of dollars. And the damage is growing. The following article, which will be included in the RECORD for the reference of my colleagues, reports that "between 1982 and 1984, the percentage of affected forests [in West Germany] . . . increased from 8 percent to 50 percent".

In Eastern Europe, the problem is even greater. This Dallas Morning News article reports that "one Czechoslovak Government scientist estimates that 24 percent of that country's forests are already dead and millions more trees are heavily damaged". And in Poland, a government sponsored ecology group "estimates that pollution costs the country up to $6 billion a year, or 12 percent of the value of goods and services produced in the economy".

As this statistic suggests, the acid rain debate must also focus on the costs of uncontrolled air pollution as well as the economic affects of the clean up.

Although the situation in this country is not as grave as the problem overseas, U.S. forests have shown signs of significant damage similar to that documented in Europe. The $135 billion U.S. forest industry along with all those who enjoy and value this natural resource should be very concerned about this growing problem. This damage will not disappear or be wished away. As a country, we must respond to this national problem by controlling sources of pollution before the experience of European forests is repeated here.

Mr. Speaker, I hope my colleagues review this informative article, and I urge them to cosponsor my comprehensive acid rain control legistation, H.R. 1030.

ACID RAIN DEVASTATES FORESTS—POLLUTION PLAGUES EUROPEAN NATIONS

(By Kitty McKinsey)

MOST, CZECHOSLOVAKIA.—In the mountains of northern Bohemia, it's impossible to tell spring has arrived.

No wildflowers bloom; no fresh green buds appear on the trees. As far as the eye can see, the landscape is bleak devastation.

The mountains, covered by gray and brown skeletons of spruce, pine and fir trees, suggest a bomb has been dropped here.

Most, one of the ugliest and dirtiest cities in Europe, is surrounded by a moonscape of craters and parched earth, with only stunted brownish leafy trees and grass visible in places.

This is the legacy of decades of coal mining, power generation and heavy industry—and the proving ground for the disastrous effects of acid rain.

Western scientists say this area of northern Bohemia—especially the Ore Mountains, better known by their German name, Erzgebirge—is the most heavily polluted part of Europe.

It's also representative of the ecological disaster seen all over Eastern Europe.

In Krakow, Poland, the faces of statues on the 900-year-old Wawel Hill castle and cathedral have washed away like sugar candy. Ceramic roofing tiles now erode as much in one year as they used to in 40.

Prague's lovely baroque architectural masterpieces are slowly crumbling under a corrosive layer of black soot.

In some industrial towns in Yugoslavia and Romania, the air causes women's stockings to dissolve.

For decades, the governments of Eastern Europe maintained that pollution could be a problem only in capitalist countries. Under socialism, the theory went, man and nature exist in harmony.

In the last few years, though, East Europeans have realized that the opposite is true.

Their dying forests, poisoned farmland, foul rivers, crumbling buildings and noxious air are unmatched in Western Europe.

The biggest problem is acidification, more popularly known as acid rain.

Pollutants, especially oxides of sulfur and nitrogen, spewed from the smokestacks of coal-burning power plants and factories can travel hundreds of miles. During their travels, they turn into acids, which land as a dry powder or in wet form as fog, snow and rain.

Dying forests all over Europe testify to the damage wreaked by acid fallout, whether wet or dry.

The effects of air pollution and acidification were noted in the Erzgebirge at the turn of this century, but the destruction has accelerated catastrophically in the last few years.

The death of the forests there "has been much quicker than the Czechs themselves believed was possible," said an expert on Eastern European pollution, Gottfried Halbwachs of the University for Agriculture in Vienna, Austria.

Halbwachs said the Czechs thought their coal was limited. They figured the forests would come back while they were using up the coal.

"Now they have lots of coal left, but the forests have disappeared," he said.

In Poland, pollution control experts predicted in the 1970s that pollution would kill all the plants in Krakow by the year 2040 or 2050. Last fall they revised their prediction: It will occur by 1990.

Leen Hordijk, director of acid rain research at the International Institute for Applied Systems Analysis in Austria, said trees can tolerate only a certain amount of pollution. Many European forests have evidently reached that tolerance level and are rapidly succumbing to the cumulative effects of years of pollution.

In West Germany, where the problem is not as serious as in Eastern Europe but where environmental groups have publicized the problem, acceleration of the damage is shocking.

Between 1982 and 1984, the percentage of affected forests—ranging from slight damage to dead—increased from 8 percent to 50 percent.

One Czechoslovak government scientist estimates that 24 percent of that cuntry's forests are already dead and millions more trees are heavily damaged.

Czechoslovakia and East Germany, the most intensive polluters in Europe, burn millions of tons of soft brown coal, which gives off more sulfur dioxide than hard black coal.

East Germany manages to "export" most of its pollution to its neighbors but still suffers the worst pollution damage in Europe, according to a United Nations report.

Cramped geography compounds the problem. Eastern Europe doesn't have the vast land masses that the United States or the Soviet Union do to absorb industrial filth.

For decades, protecting the environment has taken a distance second place to industrial growth in Eastern Europe. Pictures of factories belching smoke still decorate government promotional brochures as symbols of a dynamic economy.

On paper, the environmental protection laws in most East European countries are exemplary. But enforcement is almost nonexistent, and fines are laughably low.

"It is more profitable for industry to exceed (the permitted level of air pollution) even 100 times and pay for it than to install filters and scrubbers," said Krystian Waksmundzki, a geographer who lost his job with the Polish Academy of Sciences because of his work as an ecology activist.

Although some governments, particularly East Germany's, try to deny that pollution problems exist, others are facing up to the economic and human costs of pollution.

The Nature Defense League, a Polish government-sponsored ecology group, estimates that pollution costs the country up to $6 billion a year, or 12.5 percent of the value of goods and services produced in the economy.

Pressure from environmentalists during the Solidarity era led to the 1981 closure of the worst polluter in Poland, the Skawina aluminum factory seven miles from downtown Krakow.

As for how much it would cost to clean up all Polish pollution, "these sums are so high I am not able to make even the roughest calculation," said Bronislaw Kaminski, head of Krakow's department of environmental protection.

Hungary has taken steps to close polluting factories in cities, fine offenders and invest in filters and scrubbers. Hungary's investment in environmental protection now totals 2 percent of its gross national product, the same proportion spent in West Germany.

"The Soviet Union, which last year expressed concern over the amount of acid rain entering its territory from Eastern Europe, spends 2.7 percent of its GNP this way. In Czechoslovakia the figure is 0.3 percent.

The Soviet Union, East Germany and Bulgaria pledged last year to cut the flow of air pollution from their countries by 30 percent by 1993, echoing a commitment already made by Canada and nine West European countries

Waksmundzki argued that Eastern European countries cannot afford not to invest in pollution control. "We can't allow ourselves to deepen the ecological crisis, which results in the greater number of people hospitalized, absent from work (and) having to go on pension early" because of pollution:

"And what is our legacy to future generations?" he asked. "What about the human genetic changes caused by pollution?"

A Czech man echoed his thoughts "Czechoslovakia used to be a beautiful country. We have an inheritance of hundreds of beautiful old chateaus and castles. And what are we going to hand down to our children? A devasted country. A catastrophe."●

A CHRISTMAS TREE IN JUNE

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RAY. Mr. Speaker, If there is any one word that could be considered the "key word" around Washington, DC this year, it would have to be deficit. Everywhere your turn, people at all levels of Government are talking about reducing the deficit, controlling the deficit, and cutting the deficit.

Unfortunately, a lot of the talk is simply that—rhetoric without actions behind it.

This month, we had a vote in the House of Representatives that had serious implications for deficit reduction. That vote took place when we considered a supplemental appropriations bill the first week of June.

A supplemental appropriations bill is supposedly designed to provide money for programs and agencies that have run short and are facing a real emergency from lack of funds. This supplemental was for $13.49 billion, and there were some real emergencies in the bill.

But, the House leadership hid a few surprises in the package—pet projects and special interest legislation to the tune of $4.8 billion. Among the pork barrel spending was $91,000 for House leadership offices, $1 million more for House salaries, $1 million more for committee employees, $2.5 million more for Members to use to hire personal staff, $669,000 for congressional allowances and expenses, $204,000 for salaries and expenses at the White House, $57,000 more for the executive residence of the President, and $171 million for new water projects. Also, additional foreign aid was in this bill, at a time when we are cutting back on many programs affecting our own people.

You may not think a bill like this could pass, but it did, by a vote of 271 to 156. It passed because Members of the House didn't want to vote against the good projects in the bill, in order to defeat the pork-barrel spending. The leadership knew that the good parts of the bill would carry their special projects, and that's why they tied them together. We call these measure "Christmas Tree" bills, because under them, you'll find a little something for everyone.

When I voted against the bill, it was a hard vote. It meant that I would vote against some legitimate educational provisions that were valid, food stamp money, nutritional help for children, and an abortion clause that I would normally support. But, I don't think Congress should hide spending bills in large packages, so that most Americans won't know what we're doing. This ploy is commonly used to pass pay raises for Congressmen and Senators and, in my mind, this is nothing more than a complicated way to hide what we're doing from the American people.

Legislative packaging is not an issue that raises great debate, but it probably has a bigger impact on a bill's future than almost any other factor. The next time we consider a large, omnibus measure in this Congress, I urge my colleagues to look to see what is included in the bill. Most of the time, you'll find a lot of pork-barrel spending hidden in the fine print, and you'll understand why Congress keeps losing the battle to reduce the deficit.●

NO MORE TAXES ON SOCIAL SECURITY BENEFITS

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. SAXTON. Mr. Speaker, it is most distressing that the conference committee now attempting to reach a compromise budget appears to have reached an impasse. But I find it equally distressing that some are suggesting additional taxes be imposed on Social Security recipients as a means of breaking that deadlock.

Today I am asking my colleagues to support my sense of the Congress resolution opposing such a move.

If there was one thing that truly impressed me about Members on both sides of the aisle during the House budget debate, as well as the budget debate in the other house, it was the overriding commitment to produce more than $50 billion in savings without tax increases.

I don't envy the budget conferees and the current dilemma they face. But I hope they will give serious consideration to the reaction of the American people if the product of their work is more taxes aimed directly at our older citizens.

Before I became a Member of the House, Congress, in 1983, allowed for the taxation of Social Security benefits whenever an individual's income rose above $25,000, or a couple's combined income above $32,000.

There were those who argued against this move on the grounds that it would open the door for yet increased taxes. It would appear now that their worst fears are being considered.

The bottom line is that Congress, in passing the Social Security Amendments of 1983, sent out a message that the pending insolvency of the program had been resolved, and that there would be no further tampering with Social Security.

The fact of the matter is that Social Security is solvent and is projected to remain solvent for the next 75 years. The fact of the matter is that Social Security is in no way contributing to the budget deficit problems or the Federal spending problems we face.

I will grant you, Mr. Speaker, that no program is perfect. If, in fact, the Social Security Program creates inequities, or the 1983 amendments need be readdressed, then it is incumbent upon this body to act. But this is not the circumstances under which we should act.

Let's end the tradition of using Social Security to address spending problems. Again, I ask my colleagues in the House to support my resolution conveying this message.

And finally, Mr. Speaker, I understand and appreciate the frustrations the budget conferees are facing at this point. I offer them my support and ask only they seek spending reform and reductions in those areas where such reform and reductions are most appropriate.●

THIRTY YEARS OF SERVICE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. TOWNS. Mr. Speaker, I want to bring to the attention of my colleagues the achievements of a local Brooklyn resident, Ms. Sadie Feddoes, Ms. Feddoes has just celebrated her 30th anniversary as an employee with Citibank in New York. A native of St. Vincent, West Indies, she holds a degree in business from Pace University.

Sadie is best known for her work with various community organizations as a Community and Government Relations Officer for Citibank. She has worked on many community projects and is a member of several professional, charitable and civic organizations including the National Women's Coalition, the Coalition of 100 Black Women, National Women in Communications, and New York Women in Communications. Sadie's work in the communications area stems from her role as a columnist for the New York Amsterdam News and several television programs including NBC's "Today Show."

Ms. Feddoes has received many citations and awards including the "Outstanding Performance Award" from Citibank in 1970 and the Woman of the Year Award in 1984 by the Brooklyn Branch of the NAACP. Sadie has continued her interest in the Brooklyn community beyond her job. She serves on a number of community organizations boards of directors, such as the Bedford Stuyvesant Restoration Corporation and United Neighborhood Houses. Because of her keen interest in the arts, Sadie was selected as chairperson of the Board of the Billie Holiday Theatre in Brooklyn.

She is a person who has served her community well in the last 30 years. Sadie Feddoes is an example of real dedication to community affairs.●

FOOD IRRADIATION IS SAFE

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MORRISON of Washington. Mr. Speaker, I would like to respond to comments that recently appeared in the CONGRESSIONAL RECORD which suggested that food irradiation was not safe. The claim was made that the anticipated FDA approval of low dose applications of food irradiation "would make the American people the guinea pigs in a potentially dangerous laboratory experiment."

These kinds of emotional statements, Mr. Speaker, have little basis in fact. Recent comments allege that research conducted by the Ralston-Purina Co. revealed rare pathological effects in laboratory animals which consumed certain foods treated with gamma radiation. The study in question was actually carried out by Raltech Scientific Services under contract for the U.S. Department of Agriculture and involved mice that were fed irradiated chicken. The data from this study was examined by the Center for Food Safety and Applied Nutrition, and no statistically significant toxicological effect was found.

At the FDA's request, the National Toxicology Program [NTP] this spring also conducted a peer review of this particular study. The conclusion: There were no pathological effects found. In a recent FDA approval of food irradiation for dehydrated enzyme preparations, the FDA further concluded that:

> In its final summary minutes dated May 16, 1985, and submitted to FDA, NTP's Board of Scientific Counselors concluded that the available data did not allow the study [the Raltech study] to be categorized as demonstrating a carcinogenic response. The agency has reviewed all available animal feeding studies in its files and finds that no study, including the Raltech study, showed treatment-related effects that would preclude approving this petition." (50 Federal Register 24190, June 10, 1985)

It is simply incorrect to contend that FDA will approve food irradiation treatment without adequate study. In fact, research into the effects of food irradiation treatment have been carried out for over 40 years under the Departments of Defense, Agriculture, and Energy. Over the past four decades, food irradiation has been studied in more detail than any other food preservation technique. Based upon this extensive study, experts across the world agree that food irradiation is safe and wholesome. Indeed, two international organizations, the Joint FAO/IAEA/WHO Expert Committee and the Codex Alimentarins Commission, have recommended the use of irradiation on food up to doses 10 times higher than FDA is now proposing.

If anything, food irradiation is more wholesome than other accepted food preservation processes. Food irradiation kills undesirable biological elements which contaminate food without seriously eroding the food's nutritional value. It retards spoilage and keeps the food fresh and more natural tasting. It does not leave a residue on

the food as fumigants do. The endorsement of food irradiation by the American Medical Association last year is a true testament to its safety and wholesomeness.

Finally, it is grossly misleading to refer to food treated with ionizing energy as "nuclear material" or to suggest that the FDA has proposed the use of "nuclear radiation in our food supply." As a matter of fact, the doses of gamma radiation used in food preservation are too low to induce any radioactivity in the food itself, and the food supply that is preserved with gamma energy is in no way contaminated.

I hope these comments, Mr. Speaker, will help set the record straight.●

DANGERS OF NUCLEAR TERRORISM

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. ATKINS. Mr. Speaker, in the past 2 weeks, Americans have been the victims of terrorist attacks in the Middle East and in Central America. More than three dozen Americans remain captive in the hijacking of TWA flight 847, and four U.S. marines and two U.S. civilians are dead, the victims of a terrorist shooting spree in a San Salvador cafe.

The people of my district, with millions of other Americans, had the full force of these tragedies brought home with the news that families in their communities had suffered directly in each case. We all extend our deepest sympathies to the families of the victims in El Salvador, and our prayers for the safe and prompt return of the hostages in Beirut.

But as lawmakers, we have an additional responsibility, to learn from these tragedies so that we can be better prepared to prevent similar events in the future. Our colleague, DICK GEPHARDT, of Missouri, gave a speech earlier this week in which he called attention to the very grave problem of nuclear terrorism. As great as our existing problems are dealing with terrorist attacks, they will be greatly compounded if the terrorists gain access to materials needed to build nuclear weapons. He specifically points out that the failure of the Reagan administration to treat the issue of nuclear proliferation as a national security issue could bring the day of nuclear terrorism closer.

The text of Congressman GEPHARDT's speech follows. I urge my colleagues to give it their attention.

THE NEW NIGHTMARE: NUCLEAR TERRORISM

(Remarks by Representative Richard A. Gephardt to the Conference on International Terrorism: The Nuclear Dimension, June 24, 1985)

I welcome the opportunity to talk to you today at this most important conference—one that seeks to head off a grim terrorist nightmare in the future, even as we wrestle with a difficult terrorist crisis today.

Too often, we as policymakers are forced to react to crises rather than prepare for them. Yet, we should have learned that we can best deal with terrorism before the terrorist strikes, not after.

So, I commend the Nuclear Control Institute and the State University of New York's Institute for Studies in International Terrorism for taking a hard look into the future and, through this conference, focusing national attention on preventing nuclear terrorism before it's too late.

I deeply regret, as I know you do, that the tragic events of this past week—from the killing of our brave marines in El Salvador to the continuing sad saga in Beirut—make this conference so topical and timely.

For once more our nation—all of us—watch as events play themselves out on a distant stage—beyond our control and often beyond our comprehension.

Once more we see the yellow ribbons of an America held hostage—as our fellow citizens become lighting rods for crackling currents of hate and resentment from religious and political groups few Americans have heard of and even fewer understand. And I am sure that we all stand behind the President of the United States today as he struggles with the difficult task of asserting our national interest and at the same time trying to extricate our hostages.

But make no mistake about it: *We are a nation at war.*

We fight not uniformed soldiers but zealous barbarians who blend into the crowd, pop up when least expected, leave a bomb at the airport, and then call the local radio stations.

President Kennedy once described the Cold War as a "long, twilight struggle" between the forces of democratic freedom and those of Communist tryanny.

And while that struggle still tests our resolve, we must now, a quarter-century later, steel ourselves for a second, dawning struggle—a struggle with the growing bands of fanatics who are willing to blow themselves into immortality as they kill innocent Americans.

It's tragically ironic that this week the House of Representatives is considering a nearly $300 billion defense bill to preserve our military strength and protect us from attack by our most dangerous adversary, the Soviet Union.

And yet who's attacking us today?

A puny gang of thugs within a puny faction within a leaderless, war-torn country that can barely hold together a standing army.

That's who's taking America hostage. That's who's tying us down, like Gulliver. That's who's holding at bay the mightiest military machine in the world.

And that, my friends, is a national security disaster.

But if a puny gang of thugs within a puny faction within a leaderless country should ever acquire nuclear weapons—that, my friends, would be a national security nightmare.

For the security of our own nations, and indeed the nations of the free world, we must prevent today's terrorist with an AK47 from becoming tomorrow's terrorist with an atomic bomb.

We must prevent the terrorist's ultimate prize from becoming not only airline passengers to hold hostage, but separated plutonium to build an atomic bomb.

And anybody who thinks nuclear terrorism can't become a reality hasn't faced reality.

Anybody who thinks terrorists can't acquire the technical knowledge to build an atom bomb hasn't picked up your average encyclopedia or talked to a college physics major.

Anybody who thinks terrorists aren't cunning or ruthless enough to pull off a nuclear attack has forgotten the Munich Olympics, the showdown at Entebbe, or the shooting of the Pope.

And anybody who thinks an outlaw country won't help terrorists "go nuclear" hasn't been to Teheran or Tripoli.

Our current vulnerability to terrorist attack only foreshadows how seriously a terrorist group, armed with an atomic bomb, could damage our national security.

By attacking or blackmailing U.S. business operations overseas, for example, a terrorist group could severely hamper our ability to compete in the world market. The companies some of you represent couldn't open an office or build a factory without fearing a terrorist attack.

And since our economic security at home depends increasingly on our ability to compete abroad, any disruption of trade—whether by a foreign import quota or—far graver—a terrorist's bomb—will dangerously erode our economic strength.

Even more critically, nuclear terrorists could cripple our ability to act freely on the world stage as we seek to protect our vital national interests and advance the cause of freedom around the globe.

We have spent tens of billions of dollars on a Rapid Deployment Force to secure a free flow of oil from the Persian Gulf, for our allies and ourselves. Yet, terrorists with well-placed bombs could destroy the very oil fields, pipelines and refineries we seek to defend. And all the money spent on the "RDF" will avail us little.

Now the President wants to spend hundreds of billions of dollars on "Star Wars" to defend against Soviet missiles, but that won't give us a dime's worth of security against a terrorist's nuclear bomb.

And what about our allies? If actual or threatened attacks by nuclear terrorists succeed in splitting apart NATO or our other alliances, we will suffer another chink in our security shield.

Far-fetched? Maybe not. Several weeks ago, Direct Action, a left-wing French terrorist group, and Germany's Red Army Faction reportedly forged an alliance with the apparent intent of carrying out bombings and assassinations across Europe to disrupt the NATO alliance.

And we've all heard the chilling scenarios describing how a terrorist's nuclear explosion could spark regional or even global nuclear conflict. While the risk may be remote, even the slightest chance of terrorist nuclear attack raises grave doubts about the security, if not the survival, of the free world.

I don't claim to be an expert either on terrorism or on nuclear technology. But as an elected official with a sworn duty under the Constitution to provide for the common defense, I care deeply about these issues. And as a father with three young children, I fear

for their future in a world riddled with terrorism.

For two converging trends convince me nuclear terrorism is increasingly likely—if we don't act now to prevent it.

First, just as our world constantly changes, so the nature of terrorism is dangerously changing, in four respects: The amount of worldwide terrorist violence has increased dramatically—from a few deaths in 1970 to nearly 4000 last year; American citizens, as well as their property, have become the targets of choice; the randomness and the brutality of terrorist attacks have increased; and, finally, terrorists have advanced to more sophisticated weaponry and more cunning strategy.

Now, consider a second, equally disturbing trend—the accelerating spread, around the world, of nuclear explosives material and technology.

Some 260 commercial nuclear power reactors operating today in the non-Communist world can produce, each year, 45 metric tons of bomb-usable plutonium—the equivalent of 6000 nuclear weapons. Fortunately, 80 percent of the plutonium remains "locked up" in the spent reactor fuel.

And as long as it stays locked up, terrorists or their patron nations can't steal or divert the 15 pounds needed to build a bomb. But one-fifth of the plutonium produced in power reactors has been separated out, and some countries want to separate even more—to fuel their current generation of power reactors or to use in breeder reactors, which produce additional bomb-usable plutonium.

By the year 2000, according to some estimates, if current trends continue, there will be as much as 390 tons of bomb-usable plutonium—nearly twice the combined plutonium stockpile of the two superpowers.

If these two trends, one in terrorism, the other in nuclear technology, should finally converge, the national security nightmare we fear could come all too true.

For as the separated plutonium used for nuclear power increases, so does the risk it will fall into terrorists' hands.

And as the sophistication of terrorists increases, so does the likelihood they can use that plutonium to build a bomb.

These converging trends lead to an inescapable conclusion: To prevent the nightmare of nuclear terrorism, we must deny terrorists the ability to build or obtain bombs. And this means halting the further worldwide spread of nuclear explosives material, both plutonium and highly enriched uranium, along with the technology to produce it.

The rising tide of international terrorism now makes the Faustian bargain we struck under "Atoms for Peace" look like an especially bad deal, for we may have unwittingly traded away our national security.

During the Ford and Carter Administrations, we tried to renegotiate the terms of that Faustian bargain by forestalling the use of nuclear explosive material as fuel for civilian nuclear power plants.

I am particularly proud of the efforts by Congress and the Carter Administration, through the Nuclear Nonproliferation Act, to stop the civilian use at home and the proliferation abroad of nuclear bomb material and technology.

For we required countries receiving our nuclear exports to apply safeguards on all their nuclear facilities. And we required these safeguards to give "timely warning" of a theft or diversion of nuclear material or technology to build a bomb.

It was only a beginning, but we made progress toward our ultimate goal of preventing the further spread of bomb-usable material or technology throughout the world.

But now this President and his Administration seem bent on undoing the past bipartisan effort to stop nuclear proliferation. They have dangerously and systematically tried to dismantle the Nuclear Nonproliferation Act. They have taken a foolishly cavalier attitude toward the global spread of nuclear explosives materials. Indeed, they have aided and abetted it.

Their "laissez faire" attitude toward nuclear exports has led them to approve shipments of sensitive technology even to countries that have not signed the Nonproliferation Treaty and taken its pledge to forego nuclear weapons.

That's just madness. But look at the record:

In 1981, the Administration approved the shipment of heavy water process control equipment from a U.S. company to Argentina.

In 1982, the Administration arranged for France to supply uranium fuel to India although we were blocked from doing so by our own Nonproliferation Act. In 1983, the Adminstration approved the retransfer of 146 metric tons of heavy water from West Germany to Argentina.

Last year, the Administration failed to stop the export to Israel of 600 krytrons, firing pins for an atom bomb. And when a Pakistani was caught shipping our krytrons, the Administration slapped his wrist and paid his way home.

This list alone constitutes a serious bill of indictment. But there's more.

For this Administration has adopted a promiscuous plutonium policy. Many experts, including the International Atomic Energy Agency and our Nuclear Regulatory Commission, concede that current safeguards can't give timely warning that plutonium has been stolen before it's turned into a bomb.

Yet, this Administration has abdicated all leadership in trying to halt the growing commerical use of separated plutonium worldwide.

The Nonproliferation Act gave us control over the further use by other countries of plutonium from U.S.-supplied materials or technology. Since then, we have authorized other countries to separate 19,000 kilograms, or 3000 bombs' worth of plutonium.

And 80 percent was authorized by this Administration.

Now, the Administration wants to give some countries a blank check to use plutonium. With this blank check, known as a programmatic approval, a country need no longer submit to Congressional oversight each time it want to use or retransfer plutonium.

So, the bill of indictment continues. And it gets worse.

Last year, for the first time ever, the Administration approved a shipment of bomb-usable plutonium outside of Europe. It allowed the ocean shipment of 40 bombs' worth from France to Japan.

The Defense Department, aware of the grave security risks, strongly opposed the shipment. And then they spent nearly one million dollars to protect it.

And now the Defense Department is resisting, again on security grounds, a pending request to transfer plutonium from U.S.-origin fuel from France to Switzerland.

If the Defense Department worries about the threat to our security of separated plutonium, then this President ought to worry with it.

But defenders of our promiscuous plutonium policy argue these approvals only go to "proliferation resistant countries"—countries we can trust not to build a bomb.

But proliferation-resistant countries are not necessarily terrorism-resistant countries. And often those we deem the least likely to proliferate—such as Italy and West Germany—are the most likely to have terrorist gangs that may try to steal plutonium to build a bomb.

This Administration has driven us headlong toward a worldwide plutonium economy where nuclear explosive material, although vulnerable to theft by terrorists, will move in international commerce. Soon, we may even trade it on world commodity markets along with steel and porkbellies.

And this brings me to the ultimate irony.

Ronald Reagan likes to talk tough on defense. Yet, he's soft on defense against nuclear terrorism.

Let me say that again: This President is soft on defense against nuclear terrorism.

His "hands off" proliferation policies have set a dangerous example for the rest of the world. In effect, he's told other nuclear countreis that it's all right to stockpile, traffic in, and use separated plutonium. And that could make nuclear explosive material readily available to would-be terrorists.

But we still have a chance to reverse course. We still have a chance to keep nuclear explosivess out of the terrorist's hands.

We can begin by recognizing terrorism in general—and nuclear terrorism in particular—as a direct and serious threat to our national security. To mobilize our nation's resources against this threat, I think we need one person in the federal government to coordinate our efforts against nuclear terrorism. Perhaps we should appoint an Assistant Secretary of Defense for Terrorism.

Second, we must steer the world away from plutonium as a reactor fuel.

It makes no economic sense for a country to use plutonium when it can get the same energy at one-third the cost from low enriched uranium—a fuel that's abundant as well as unsuitable for building bombs.

In fact, our country finally realized that plutonium makes no economic sense—and so Congress curbed this Administration's plutonium appetite by cancelling the Clinch River Breeder Reactor and permitting the mothballing of the Barnwell Reprocessing Plant.

And the United States could *increase* the incentive for other countries *not* to use plutonium by supplying, at a substantial discount, low-enriched uranium fuel with an energy value equal to the plutonium not used.

Third, we must reverse this Administration's promiscuous plutonium policy by denying foreign requests to obtain or transfer plutonium from U.S.-supplied materials or technology.

Fourth, we should place plutonium use and nuclear proliferation high on our list of foreign policy concerns. We have tremendous diplomatic and economic leverage to influence our allies and nuclear trading partners not to traffic in nuclear explosives material. So we should use it.

We should quit short-changing our long-term security interest in halting the further spread of nuclear weapons, for some short-term, and often short-lived, diplomatic gain.

Fifth, we should begin immediately to negotiate with all other nuclear nations to freeze the production of nuclear explosives

material for both civilian and military uses. A plutonium freeze could serve as an important new step toward comprehensive arms control. And it would stop the growth in commercial inventories of bomb-usable plutonium and highly-enriched uranium.

Sixth, we should work to upgrade the safeguards system administered by the IAEA. The current system neither is "safe" nor does it "guard." And as we strive to keep plutonium out of international commerce, we should target our resources to strengthen IAEA safeguards only where they work—on facilities that don't handle nuclear explosives material.

Finally, other countries obviously have legitimate energy needs and seek independence from foreign sources. So we should assist them in developing and using alternative energy technologies—to discourage them from using plutonium fuel. With this assistance, many countries may come to view nuclear power as the energy source of last, not first, resort.

These policies, if we adopt them, could put us back on the path away from a fearful world awash in plutonium, toward a future secure from the peril of nuclear terrorism.

I recognize that the United States cannot alone halt all further spread of nuclear bomb material. We must redouble our efforts, through forums like the coming Review Conference for the Nonproliferation Treaty, to enlist other nations in the fight to keep plutonium out of international commerce, and out of the hands of terrorists.

And if the President won't lead in this effort, then we in the Congress must. For, in the last analysis, the responsibility lies at our doorstep. And while several distinguished Senators—Cranston, Glenn, Percy, and Proxmire—as well as Representatives—Dingell, Markey, Ottinger, and Wolpe—have kept alive the issue of nuclear proliferation, too often it slips from our agenda of urgent concerns.

But as Caucus Chair, I intend to change that.

For I don't want history to record that we squandered the chance to prevent today's struggle against terrorists who threaten the lives of airline passengers from becoming tomorrow's war against nuclear terrorists who threaten the future of civilization.

We still have time to head off this nightmare, but the clock is ticking.●

OUTSTANDING EFFORTS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. STALLINGS. Mr. Speaker, I would like to take this opportunity to honor the outstanding efforts of students participating in the National Junior Honor Society Chapter at Eagle Rock Junior High School in Idaho Falls, ID.

Students at this school in my district, under the direction of their principal, Dr. Joel J. LaPray; their adviser, Marion A. Weitfle; and several other faculty members, have raised $250 to be donated to the Statue of Liberty-Ellis Island Foundation, an organization raising money to restore the Statue of Liberty and Ellis Island.

There are more than 100 students in this organization at Eagle Rock Junior High School. Working with their principal and adviser in this project were faculty members, Jan Fenefiel, Edward Schroeder, June Casper, Doug Farrow and Bruce Draper.

These students, eager to be a part of this worthwhile nationwide project, raised this money through school activities such as dances. They decided to contribute this money as a part of their service efforts this year. This willingness to serve speaks highly of their parents, teachers and each of the students.

Through this contribution, these students exemplify the spirit of the fundraising project as expressed by Lee A Iacocca, who is chairing the fundraising effort. Mr. Iacocca said:

We probably could have raised all the money we needed in a few big chunks from corporations. Or we could have gone to Congress. But it seemed to me that it would mean more if individuals gave. That's the way most of the money was raised to put the statue up in the first place, and after all, the Statue of Liberty and Ellis Island rightfully belong to the people.

I am pleased to have students like these in my district. It's an honor and privilege to represent them in the House of Representatives.●

THE INTRODUCTION OF AUDIO HOME TAPING LEGISLATION

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MOORHEAD. Mr. Speaker, today I am, along with my colleagues, introducing legislation that will provide a solution to the ever-growing problem of home audio taping. My bill would exempt people who tape music at home for private use from copyright liability while providing fair compensation for copyright owners who create the music that is being taped.

Under our proposal, the manufacturers and importers of blank audio tape and audio recording equipment would pay a reasonable royalty fee to compensate copyright owners. This solution provides a fair compromise to the audio home taping problem, for without the creative genius of the artists and copyright owners who create the music, the blank tapes and taping equipment would have almost no economic value.

Today, it is the predominantly Japanese manufacturers and importers of audio blank tapes and audio recording equipment who are profiting at the expense of those people who actually create and produce American music. In effect, the manufacturers and importers of the technology have found a way to divert billions of dollars from copyright owners to themselves. They are earning substantial profits because their premium quality tapes and recording equipment can capture the music created by others.

The legislation which we are introducing today would return some of these profits to their rightful owners, who are the hundreds of thousands of working people across America who depend on sales of prerecorded cassettes and albums for their livelihood. These creators and producers of America's music—recording artists, songwriters, musicians, composers, recording studios, publishers, producers, record companies, and others—all depend upon the continued vitality of the music industry for their economic security.

Home taping has had a harmful impact on these people, by eroding the economic base of the music industry. Dr. Alan Greenspan, former Chairman of the President's Council of Economic Advisers, has estimated that home taping causes America's music industry to lose over $1.5 billion in sales each year.

Our copyright laws have been revised and rewritten over the last century in order to both encourage the development of new technologies while still promoting future artistic achievement. If our American creators are not fairly compensated for their efforts, the quality and quantity of music available to every consumer, whether or not he owns an audio recorder, will suffer.

By the same token, the ultimate damage resulting from home taping affects everyone who loves music. First, home taping without compensation means less investment in new music. Home taping siphons off revenues that otherwise would be spent on new music. That is one of the reasons that the number of albums released has plummeted by more than half since 1978 and that record companies and music publishers are less able to experiment with new artists, new songwriters, and new types of music.

Second, home taping means reduced support for less popular forms of music. Jazz, classical, folk, gospel, and ethnic records rarely turn a profit. They are heavily subsidized by the profits from big hits. But it is these hits that most frequently are taped. Thus, home taping dries up the funds record companies use to produce music that lacks mass appeal.

Third, home taping means that we can expect more expensive music in the future. By reducing sales volume, home taping will force record companies to spread their costs of production over the fewer albums that are sold. Ultimately this will mean higher prices for the records that are sold.

Thus, those who buy records will pay more, so that those who tape can pay nothing.

Finally, home taping means less incentive to create music. The arts in this country have flourished under the protection of our copyright system, which guarantees the payment of royalties to copyright owners as both a reward for the creators' labor and an incentive for future creativity. Widespread home taping strikes at the heart of our copyright system, by depriving copyright owners of their fair rewards and diminishing their incentive to invest time, effort, and money in the high-risk record industry.

I firmly believe that a reasonable copyright royalty fee on blank audio tapes and audio recording equipment, paid by the manufacturers and importers who profit from home taping, is an equitable solution to this complex and ever-growing problem of home taping. Also, our legislation clearly establishes that consumers may tape music at home for private use without facing liability for copyright infringement.

Moreover, the bill contains provisions that exempt those persons who use blank audio tapes or audio recording equipment for purposes other than taping copyrighted music from paying the royalty fee.

Mr. Speaker, I would like to clarify that our legislation transfers the responsibility for administering and distributing the copyright royalty from the Copyright Royalty Tribunal to the Copyright Office. As you know, the subcommittee on which I am the ranking minority member is currently holding hearings on the Copyright Royalty Tribunal. I consider this a completely independent issue, for whatever decisions are reached by Congress regarding the Copyright Royalty Tribunal will not affect this legislation.

I urge my colleagues to show their support for America's music community and their resolve to end the harm caused by home taping, to consumers and music creators alike by joining us as cosponsors of the Home Audio Recording Act.

Mr. Speaker, I ask unanimous consent that the text of my bill be printed at this point in the RECORD, and that a section-by-section summary of the Home Audio Recording Act be printed immediately after the bill.●

NUCLEAR WINTER: A FREEZE THAT NO ONE WANTS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. SCHEUER. Mr. Speaker, I am pleased to note that during consideration of the Department of Defense authorization for fiscal year 1986, the House adopted an amendment which requires the Pentagon to submit an annual report to Congress on the implications of the nuclear winter theory. I commend the distinguished author of the amendment, Mr. WIRTH, and congratulate him for his fine work on this important issue.

Earlier this year, my subcommittee held a hearing on the nuclear winter theory and, after listening to the testimony of Carl Sagan and Assistant Secretary of Defense Richard Perle, I became absolutely convinced of the need for such an annual study.

The spectre of nuclear war is horrifying. The implications of the aftermath of nuclear war—nuclear winter and its catastrophic consequences—are equally horrifying.

Over the last 35 years, since Enrico Fermi warned in 1949 that no limits exist to the destructiveness of nuclear weapons, we have uncovered increasing evidence that a thermonuclear war could mean the end of our global society as we know it today.

As American and Russian scientists conclude that nuclear winter is indeed a fact, it is becoming more evident that the aftermath of nuclear war could mean the extinction of the entire human race and a large fraction of the other life forms on this planet. The soot and dust resulting from the fiery aftermath of a nuclear war would create darkness and freezing temperatures lasting from many months to several years—a ghoulish season of nuclear winter in which few, if any, of us would survive.

Ironically, the survivors of nuclear war—the so-called victors of such a terminal battle—would have little in the way of spoils as the effects of nuclear winter spilled over the far corners of the remnants of our Earth.

Over the last several years, a consensus has formed regarding the validity of the nuclear winter theory. In its first nuclear winter report to Congress, the Department of Defense acknowledged the validity of the nuclear winter theory, although the report was not thorough or detailed as many of us in this body would have liked. The scientific community is also verifying that the phenomenom would occur after a nuclear confrontation.

The bipartisan support for passage of this amendment last night demonstrated clearly that this provision is not a political issue. The Department of Defense has shown that it favors continued study of the nuclear winter theory.

Mr. Speaker, the issue of nuclear arms control and the accompanying theory of nuclear winter is an issue that transcends all others in importance. The fate of all mankind rests in the balance.

It is only proper that we authorize the Pentagon to provide this body with an annual report on the subject so Members of Congress and the public can be kept aware of the gruesome consequences of nuclear war. The implications of nuclear winter impose new realities on nuclear arms control strategy and nuclear deterrence. At the very least, the theory raises profound implications for United States—and Soviet—thinking on issues such as nuclear weapons planning, deployment, targeting and command, as well as civilian defense.

Mr. Speaker, the distinguished sponsors of this amendment and the vast majority of our colleagues who voted for its passage rightly acted in the interest of all mankind by focusing attention on the freeze that no one wants—a nuclear winter.●

BETTER REGULATION OF PESTICIDE RESIDUES IN FOOD NEEDED

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WAXMAN. Mr. Speaker, I am pleased to introduce H.R. 2924, a bill which amends the Federal, Food, Drug, and Cosmetic Act to assure that pesticide residues on raw agricultural products are safe for human consumption. The bill is basically the same as H.R. 5495 from last year.

In the last Congress the Subcommittee on Health and the environment learned that we need fundamental changes in the way we regulate pesticides in food. During the EDB controversy we learned that the Environmental Protection Agency [EPA] is powerless to act quickly to stop the marketing of food that is contaminated by a pesticide which EPA determines is unsafe. The National Academy of Sciences told us there is inadequate toxicity data for approximately two-thirds of all registered pesticides and their inert ingredients. Many pesticides in use today are just as dangerous as EDB, yet EPA has committed few resources to reviewing and removing them from use as it did EDB.

It is no wonder that so many pesticides remain untested and unchallenged by EPA. As with so many of EPA's activities, the pesticide program has been significantly reduced in size and funds. Since fiscal year 1980, there has been a 26-percent reduction in staff from 829 full-time equivalent employees to 610. Funds for the pesticide program dropped by over 28 percent between fiscal year 1980 and fiscal year 1983. While some of this reduction has been recovered, funds in fiscal year 1985 are still $4 million

below the fiscal year 1980 level of $45 million.

The fruits, vegetables and other raw agricultural products on which pesticides are used have become a major part of the American diet. Scientists and nutritionists exhort us to eat more of each in order to live longer, more healthy and productive lives. What we haven't been told is that the consumption patterns EPA uses to set safe levels of pesticide residues are years out-of-date.

I believe the Federal Food Drug and Cosmetic Act and the way it is implemented by the EPA and Food and Drug Administration [FDA] does not assure our citizens a wholesome and safe supply of raw agricultural products. The bill I am introducing today will provide these assurances. The major features of the bill are as follows.

First, the legislation requires the EPA to review within 180 days all exemptions for pesticides. Under an exemption, there is no legal limit on the amount or the pesticide that may remain on a commodity. For example, EDB was applied to various grain products under an exemption. Consequently, the excessive amounts of EDB found in those foods were not illegal. This provision would assure that exemptions will not permit unsafe pesticide residues on food.

Second, the bill mandates the EPA to review all tolerances established for pesticides. A tolerance sets a legal limit on the amount of a pesticide that may remain on a commodity. Because the EPA lacks adequate information on the safety of many pesticides, this provision directs the agency to gather adequate information from pesticide manufacturers and to revoke any tolerance for which adequate safety information is not provided.

Finally, the legislation simplifies the procedures the EPA must use to establish, amend, or revoke an exemption or tolerance for a pesticide.

Mr. Speaker, the American people want to believe that their food is free of unsafe pesticide residues. At present, no one can promise them it is. My Subcommittee will be holding hearings soon on this bill and I expect we will move rapidly to its consideration.

We cannot wait any longer for EPA to act. ●

ETHNIC AMERICAN DAY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FASCELL. Mr. Speaker, I am pleased to introduce, on behalf of the nine members of the House of Representatives who serve on the Commission on Security and Cooperation in Europe, a resolution to designate September 21, 1986, as "Ethnic American Day."

This resolution fosters our commitments under the Helsinki accords to encourage "the preservation of the diversity and originality" of the respective cultures in the signatory countries of the Helsinki Final Act. The enactment of this resolution recognizes the vibrant ethnic and cultural heritage of the United States and conveys to the world our pride in our cultural diversity. This resolution also shows how highly we value the contributions of Americans of various ethnic backgrounds to our free and open society.

As we all know, the establishment of the United States as an independent nation was due in no small measure to the desire of immigrants who came from the far corners of the world to seek freedom and opportunity. Our Founding Fathers laid the foundation for the dream of a truly Democratic society. The waves of citizens who followed them to America, many fleeing political or religious persecution, have built upon that foundation. They shared a dream: to create a better life for themselves and their children. The freedom that this Nation offered unleashed the creative potential of immigrants and their descendants. Grateful for the abundant material and spiritual opportunities offered by this land, they have helped forge this country into what it is today.

Ethnic Americans have also enhanced the values of a society devoted to freedom and cultural pluralism. They are full and active participants in the life of this country. They have not, however, forgotten their roots. In America, millions of immigrants and their descendants are given the opportunity to perpetuate their diverse and distinct cultures and heritages. Such cultural diversity is important in the development and enrichment of American society. It is in our interest to have an understanding of the depth and breadth of these contributions. A day in recognition of the contribution of the over 100 ethnic groups in the United States would help expand our awareness.

Not only are ethnic Americans free to foster their respective traditions, they are free to manifest concern about conditions in their countries of origin, particularly those in which repressive regimes stifle the human rights of their former countrymen. In demonstrating this concern, they make an especially valuable contribution in that they remind all of us that we must never take for granted the principles of liberty and justice upon which our Nation was founded.

Let us demonstrate, through the designation of "Ethnic American Day," the uniqueness of a republic where national unity is enhanced by ethnic and cultural diversity.●

CONGRATULATIONS, MARGARET HECKLER

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LOWERY of California. Mr. Speaker, I would like to extend my congratulations today to the Secretary of Health and Human Services, Margaret Heckler, for a particular project she has undertaken in recent months to help individuals with disabilities: The National Initiative on Technology and the Disabled.

The basic goal of this initiative is to enhance the quality of life for Americans with disabilities by efficiently utilizing aerospace technology. Specifically, this initiative was established to encourage the development of new and better devices which will extend the opportunities and potential of millions of Americans.

The National Initiative on Technology and the Disabled will afford industry and businesses an excellent opportunity to carry out the spirit of the Presidential proclamation for the Decade of the Disabled, 1983-92, by applying technology to the problems of Americans with disabilities. It is clear to me that the President intended much more than mere words upon signing this proclamation. Rather he hoped to energize the resources of the Federal Government and the private sector to assist individuals with disabilities.

To highlight this initiative, the Department of Health and Human Services placed a booth in the Paris Air Show—possibly the largest gathering of high technology and aerospace industry officials in the world. The booth displayed devices developed from aerospace technology, such as the Jarvik heart.

This medical implant is a classic example of the kind of technological spinoffs which can occur from the aerospace industry. Weighing less than 150 grams, these units could extend individual lives by perhaps 3 to 5 years, and continued advancements will extend this even further. The Jarvik-7 implant consists of two connected plastic pumps and special metal valves. Titanium, developed for the aerospace industry and used in jet engines because of its high strength, low weight and corrosion resistance, replaced the steel used in the first implanted artificial heart. The newest pump that drives the heart also has components traceable to aerospace research.

Miniaturized circuits and compressors reduced the pump from 323

pounds per unit on wheels to the size of a camera bag weighing about 12 pounds. But even while complete artificial hearts are being implanted, engineers and physicians have co-opted another bit of aerospace science, and are conducting clinical tests on ventricular assist devices. These motorized microprocessor-controlled implants are designed to replace only the part of the heart that performs most of the pumping. I am pleased to say some of the components of the Jarvik-7, were produced in my State of California by Pacesetter Systems Inc.

Similar to the efforts undertaken by Secretary Heckler to merge the technological capabilities of the defense and aerospace industry for the benefits of the Nation's disabled, is a program long underway at NASA. By congressional mandate, NASA is responsible for promoting further use of the technology it is now developing in its aeronautical and space research programs. NASA's Technology Utilization Program, which seeks to broaden and accelerate technology transfer in the public interest, provides a link between new devices and American consumers.

On a more personal level, I ask each of you to recall the joy and relief you have witnessed the moment a disabled friend, family member, or neighbor receives a long-awaited medical device such as a prosthesis or wheelchair, or discovers a uniquely customized product that addresses a particular need. These are moments where another human being's spirits are immediately uplifted though another's inventive talents. I must ask of you, what could possibly be more rewarding, more purposeful, or more human than an event such as this?

As my colleagues know, there may be as many as 71 million Americans with some form of disability. It is imperative that new applications of technology are made accessible to individuals with disabilities. The President, through the efforts of his executive department officials, such as Secretary Heckler, is taking the right steps in this direction.●

CONGRATULATIONS NORTHEAST UTILITIES

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mrs. JOHNSON. Mr. Speaker, I would like to take this opportunity to congratulate Northeast Utilities on having been selected by the awards committee for the President's Citation Program for Private Sector Initiatives as one of 70 outstanding Private Sector Initiative projects, presented by the President on Friday, June 14, 1985. One of over 1,000 applicants, Northeast Utilities was cited for its "Energy Care" program serving low- and fixed-income customers, including the elderly.

It is exciting to see those in the private sector taking the initiative to aid over a quarter of a million needy customers on a strictly voluntary basis and it is a tribute to this entire country to see such partnerships prosper. Not only did Northeast Utilities provide a wide range of energy conservation workshops aimed at the elderly and lower income customers, but it distributed approximately 50,000 weatherization kits to income-eligible customers. These kits were assembled in sheltered workshops providing employment and training to several hundred physically or emotionally handicapped residents of Connecticut and Massachusetts.

"Energy Care" began in 1981 and has received State and national awards for its nonprofit community efforts to make energy costs more realistic to the needy. This award is yet another tribute to a private company extending its arms to reach and assist its less fortunate customers. I salute such efforts and commend Northeast Utilities for making such an outreach program a success. Indeed I am proud to represent such a community-oriented and responsive firm.●

AEROSPACE TECHNOLOGY AVAILABLE TO DISABLED

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WHITEHURST. Mr. Speaker, I want to bring to the attention of my colleagues the efforts of the "National Initiative on Technology and the Disabled" to make the accomplishments of aerospace technology available to the disabled. I encountered this initiative at the recent Paris Air Show, where the Secretary of Health and Human Services, Margaret M. Heckler, brought an exhibit displaying products for the disabled which use materials and techniques originally developed for aerospace applications.

Many of the disabled are deprived of one of the basic constituents of independence: the ability to move at will. As the aerospace industry has removed the barriers that have tied man to the Earth's surface, a "space program" for the disabled can remove barriers to the movement of the disabled at the Earth's surface.

This initiative combines previously disparate elements in the public and private sectors. The different basic missions of the Federal agencies involved, the Department of Defense, the National Air and Space Administration and the Department of Health and Human Services, demonstrate the uniqueness of this initiative. It is just this sort of marriage of the dissimilar that is making tremendous gains available to bridge the disabilities faced by millions of Americans. The aerospace executives and engineers who attended the Paris Air Show represented the great wealth of knowledge that has been accumulated by the aerospace industry, and are a resource which must be tapped to meet the needs of individuals with disabilities.

For example, the advances in miniaturization and materials made by the aerospace industry can make equally impressive advances for the physically disabled as they have for our ability to conquer space. And many of these promising innovations were on display at the HHS exhibit. A lightweight robotic arm used circuits, batteries and concepts that can be traced directly to the aerospace industry's advances in making things small and durable. Similarly, there were two wheelchairs. One had longer-charged batteries and variable speed control, a derivation of the lunar rover and its unistick control lever. The other was made from a composite of strong, lightweight and noncorrosive materials developed by the Aerospace Program.

Let me give an example which shows how one such device liberated one disabled individual. Mrs. Celeste Thompson lives in Los Angeles. She is a polio victim, totally paralyzed from the neck down. She has benefited from the development of a remotely operated arm. She is able to operate it through a tongue switch. This device was originally developed to manipulate materials in a hazardous environment without exposing the operator to the substances which made the environment hazardous. Through a similar device a totally paralyzed individual can drink from a cup, dial a telephone, turn pages, and even write. Devices of this sort show what a space program for the disabled, adapting technology to meet their needs, can accomplish.

The most promising part of this initiative is the segment that will stress finding people like Mrs. Thompson and meeting their needs. The initiative plans a national network to link State or regional information systems through a central toll-free number. Thus the mobility limitations of individuals with disabilities will be overcome. The network will link individuals with disabilities to those who have the technical knowledge to help them and help those in high-tech fields find individuals whose needs can be fulfilled with their skills.

A device like Mrs. Thompson's tongue-operated arm requires a diverse set of skills. Diverse skills will be brought together in tech teams. Here "tech" is not short for "technology"

instead it is an acronym for "technology enlisted to conquer handicaps." The tech teams are intended to be local groups, organized by groups or employers of individuals in high-tech fields. The engineers and scientists will work together with individuals with disabilities to help them gain the same independence at the Earth's surface that their technology has made possible high in space.

The National Initiative on Technology and the Disabled will work with the private sector to accelerate the transfer of technology from aerospace purposes to making the physically disabled independent. I am confident that in the future we will be able to see more innovations, all as exciting as those seen at the Paris Air Show.●

HEARING ON FERC NATURAL GAS RULEMAKING

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DANNEMEYER. Mr. Speaker, this morning the Energy and Commerce Subcommittee on Fossil and Synthetic Fuels, of which I am ranking minority member, held an informative hearing on the Federal Energy Regulatory Commission's Notice of Proposed Rulemaking on natural gas transportation. FERC Chairman O'Connor and Commissioners Stallon, Sheldon, and Sousa testified before the subcommittee.

As we continue to review the proposed rulemaking and pending natural gas legislation, I urge my colleagues to keep in mind that prices have fallen under partial deregulation, not risen as many predicted. Chairman O'Connor confirmed the downward trend. This is further evidenced by the latest spot market prices. The June 26 Energy Daily reports that Tenngasco Exchange, a major spot market entity, posted its prices for July, which at $2.35 per million Btu are 13 to 17 cents less than they were just 1 month ago.

Mr. Speaker, I would like to insert into the RECORD a copy of my prepared statement at this morning's hearing. I would draw my colleagues' attention to the data taken from recent Senate testimony by Deputy Secretary of Energy Danny Boggs on the benefits of partial deregulation to date and the need to pursue comprehensive deregulation to maximize consumer benefits.

STATEMENT OF HON. WILLIAM E. DANNEMEYER

Mr. Chairman, this morning we meet to hear from the Federal Energy Regulatory Commission (FERC) on its sweeping Notice of Proposed Rulemaking on natural gas transportation. I welcome this opportunity to review the Commission's proposal and believe it must be the first of a series of sessions on natural gas policy, including hearings on pending legislation.

This is the first forum we have had to explore natural gas issues after partial deregulation took effect January 1st. Deputy Energy Secretary Danny Boggs testified before a Senate subcommittee on June 18 and noted the following: FERC Form-11 data shows that prices paid by pipelines for natural gas fell from an average of $2.91 per mcf in 1984 to $2.81 in January and February of this year; Purchased Gas Adjustment (PGA) filings at the Commission project a 3.7 percent decline from late 1984 through 1985; spot market prices have fallen 15 to 20 percent in the last six months; and residential prices, in real terms, have declined slightly.

This favorable experience is just a preview of the benefits from greater decontrol of prices and more competition in transportation. I concur in Mr. Boggs' view that prices remain above market clearing levels and that comprehensive deregulation is the course we must pursue.

The chairman and members of the Commission are to be commended for their responsiveness to the need to adjust the regulatory framework to rapidly changing markets. The Commission adjusted its price rules to partial deregulation late last year. It followed up with a multi-part Notice of Inquiry, extensive public conferences, and now this Notice of Proposed Rulemaking.

The Commission's testimony, public comments due July 15th, and the public conference on July 30th, will air many questions. The nondiscriminatory transportation provisions of the rulemaking are triggered by voluntary pipeline participation in certain programs. There are those who argue that competitive pressures give pipelines a strong incentive to transport gas for others. We must determine to what extent this is the functional equivalent of "mandatory" carriage. In another area, to what extent will the expedited approval part of the rulemaking affect the several proposals which have emerged to build a new interstate pipeline to serve the enhanced oil recovery market in Kern County, California.

Even if we are satisfied that the rulemaking in its final form will bring about the necessary competition in transportation, there are other issues best addressed by Congress.

Deputy Secretary Boggs' testimony indicated that 27 to 48 trillion cubic feet of low-cost, old gas reserves will not be recovered under remaining price controls. This parallels the February 1984 estimate of 19 to 38 trillion cubic feet from the Office of Technology Assessment.

On June 11, 1985, a bipartisan majority of this subcommittee introduced H.R. 2734, the Natural Gas Consumer Supply and Marketing Act. It would phase out most of the remaining price controls through provisions on renegotiated contracts, expiring contracts, production enhancement and infill drilling. It includes mandatory contract carriage to the extent of capacity. It also repeals the Fuel Use Act and incremental pricing. Mr. Slattery and Mr. Coats have introduced a bill to repeal incremental pricing and the Fuel Use Act and I welcome further legislative initiatives.

We cannot afford to ignore the implications of natural gas policy. Oil imports remain high at 30 percent of demand and are projected to grow unless we tap more domestic energy sources. The trade deficit is at record levels, yet we are sending almost $60 billion overseas for imports. We should use cleaner-burning natural gas rather than oil or coal, which are more polluting.

President Reagan called for further deregulation in his State of the Union Address. Deputy Secretary Boggs' testimony shows the benefits of this policy. The Notice of Proposed Rulemaking is a sound framework within which to inject more competition into gas transportation. Many have observed it stands with the Natural Gas Act of 1938, the Phillips decision of 1954, and the Natural Gas Policy Act of 1978, as landmark federal actions on natural gas.

Affordable natural gas must be produced before it can be transported or consumed. Therefore, I intend to continue to work with my chairman and my colleagues to add a fifth landmark: a bill in the 99th Congress to gradually remove remaining price controls to assure market forces operate to the maximum possible extent.●

PRIVATE LEGISLATION

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MOORHEAD. Mr. Speaker, today, I will introduce private legislation for the benefit of Rev. Wagih R. Girgis, pastor of the Middle East Baptist Mission in Pasadena, CA. He is also host of "Praise God from Pasadena," the cable television program for Middle Eastern Christians.

In 1979, Reverend Girgis came to the United States at the invitation of the Arabic Church in Los Angeles, and in 1980, he entered Bible College in this country. Upon graduation in 1983, he began pastoring at an Arabic-speaking mission, and shortly thereafter filed for permanent residency through his church. Even though as an Egyptian Christian in a Moslem country, he risks his life to return there, he was also denied asylum in this country.

My bill would allow Reverend Girgis to adjust the status to that of a permament resident while remaining in this country. That way he would be able to continue his important ministry and maintain his close contact with his family, which now includes a young daughter born in the United States. I hope that the Judiciary Subcommittee on Immigration, Naturalization, and International Law, to which this bill will be referred, will be prompt to hold hearings. When that day comes, I look forward to the opportunity to testify on behalf of Reverend Girgis.●

INTRODUCING THE UNIFORM NONDISCRIMINATION ACT OF 1985

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RANGEL. Mr. Speaker, today I am pleased to introduce the Uniform

Nondiscrimination Act of 1985, which provides uniform nondiscrimination rules for coverage and benefits under certain statutory fringe benefit plans. Generally, the bill ensures that an employer may not make a statutory fringe benefit available for a small number of managers of highly paid employees without making that same benefit available to a large part of the employer's work force. Under this bill, an employer could not provide a statutory fringe benefit, other than health or accident coverage, to one employee without making it available to 85 percent of the employer's full time, nonseasonal employees with at least 1 year of service. In the case of accident and health coverage, the employer could not provide one employee with a benefit without making it available to 100 percent of the employer's full time, nonseasonal employees with 3 months of service.

The bill establishes rules for the following employee benefits: Accident and health plans, group term life insurance, qualified employee transportation plans, cafeteria plans, educational plans, and dependent care assistance. The major employer provided benefit that is not affected by this bill are qualified pension plans. Pension plans are excluded from this bill not because I am convinced that current law ensures they will be provided in an equitable manner, but because the provision of pension coverage raises issues that are separate and distinct from the provision of other statutory fringe benefits.

While current law establishes nondiscrimination rules for most employer provided statutory fringe benefits, these rules vary from benefit to benefit. This inconsistency results in enormous complexity, confusion and expense for employers willing to provide these benefits. More seriously, employer provided health insurance benefits, which, after pensions, are the most important welfare benefit, are not governed by any nondiscrimination rules whatsoever.

The bill I am introducing today injects some consistency in the rules designed to ensure that statutory fringe benefits, and their attendent tax subsidy, are provided in an equitable manner to a broad spectrum of the workforce, and not just to small groups of highly paid employees. The bill also establishes the principle that, within the limits of consistency, the rules governing the provision of health benefits should be more comprehensive than the rules applied to other benefits. After qualified pension plans, health benefits are not only the most important benefit for most employees, they are the most expensive benefit for the Government. This year alone, the tax expenditure for health benefits is estimated to cost $23.7 billion. There is no reason for us to allow this kind of expenditure without ensuring that at least some of the benefits flow to a larger group of employees than those who are highly paid or are managers.

DESCRIPTION OF BILL

In order to be nondiscriminatory, a statutory fringe benefit must meet an eligibility test, and a benefit test.

A. ELIGIBILITY TEST

Section b of the bill provides that an employer provided fringe benefit (except health and accident coverage) is provided on a nondiscriminatory basis only if the plan benefits 85 percent or more of the employees of the employer. That is, if the employer provides a statutory fringe benefit (other than health or accident coverage) to even one employee, the same benefit must be provided to 85 percent of employees to remain nondiscriminatory.

In the case of any accident or health plan, the plan must benefit 100 percent of the employer's employees in order to be nondiscriminatory.

B. EXCLUDIBLE EMPLOYEES

The bill provides that employees need not be covered, or included in the workforce for the purpose of calculating the 85-percent base, if they have completed less than 1 year of service; if they are seasonal or part-time employees; if they are employees who are covered in a collective-bargaining agreement, if the type of benefits provided was the subject of good faith bargaining between these employees and the employer; or if they are nonresident aliens with no U.S. earned income.

In the case of accident and health plans, employees other than seasonal and part-time workers, those covered by a collective-bargaining agreement, or nonresident aliens, are excludible only if they have less than 3 months of service.

However, the bill also provides generally that, if even one member of the above excluded groups is covered by a statutory fringe benefit, then all members of the group must be included in the employee base for the purpose of the 85-percent test (and the 100-percent test, in the case of health and accident coverage).

C. BENEFIT TEST

The bill also provides that the employee benefit plan is discriminatory unless the benefits provided to any participant who is highly compensated are available on the same terms and conditions to all other participants.

D. HIGHLY COMPENSATED EMPLOYEES DEFINED

For the purpose of this bill, the employer's highly compensated employees include any employee who is among the employer's 15 percent most highly compensated employees, or who owns more than 5 percent of the employer.

E. PENALTY FOR DISCRIMINATORY FRINGE BENEFITS

If a fringe benefit plan is discriminatory because it does not meet the eligibility and benefit tests set out above, then generally the value of the benefits provided is made taxable to the employer's highly compensated employees (as defined above).

Specifically, in the case of an insurance type benefit—health and accident, group legal, and group term life insurance—the value of the insurance coverage, as determined by reference to a comparable insurance plan, shall be included in the gross income of the highly compensated employees.

In the case of other benefits—qualified transportation, educational assistance, and dependent care—the value of the benefits actually provided on behalf of the highly compensated employee shall be includible in his or her gross income. In the case of such benefits, the value of the benefit is includible in gross income, rather than the marginal cost to the employer, in order to avoid the problem of valuing benefits that may have little or zero marginal cost.●

KILDEE HONORS DISTINGUISHED MEMBERS OF UAW LOCAL 599

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation a unity recognition ceremony and dinner that will be held Sunday, June 30, honoring several members of United Auto Workers Local 599 who served their local as officials for many years. Among them is Al Christner, who served in the office of president longer than any other president, and who retired this year. Mr. Christner's union brothers, Don Stornello, Rudy Cardwell, Glen Stack, and Howard Clemens will also be honored at the Sunday affair. Mr. Cardwell and Mr. Clemens both served as chairmen of the shop committee. Mr. Stack has served as chairman of the UAW Apprenticeship Program and is known as the dean of skilled trades. Mr. Stornello's proficiency in skilled trades was widely recognized when he was retained by management as a consultant in the building of Buick City in Flint, MI.

Mr. Speaker, the UAW has been a stabilizing force in our national economy and a bulwark of our democratic society. The gains that the UAW has been able to achieve have brought benefits, direct and indirect, to the public as a whole. Over the past 50 years, the UAW has played a central role in the elevation of the American

standard of living. The benefits which the UAW negotiated for workers are, in most cases, now widespread in the economy and enjoyed by millions of their fellow citizens. It is often not remembered that many benefits we now take for granted never existed on any meaningful scale until the UAW and fellow unions, and labor's supporters in legislative halls, won them for working people.

The men we will honor on Sunday are the embodiment of the UAW heritage. I am honored to have had an opportunity to know each of these union brothers who have distinguished their lives through helping others.●

INJURY TEST PROTECTION FOR BRAZIL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. OBERSTAR. Mr. Speaker, last Friday, I joined with my distinguished colleague from Michigan [Mr. DAVIS] in introducing H.R. 2841, legislation to strip Brazil of its right to pursue an injury determination in countervailing duty cases. This action is necessary to show Brazil that the United States will no longer tolerate its outlaw attitude in international trade, that the United States is drawing the line on unfair trade from Brazil in iron ore, footwear, steel, and many other products.

In 1980, Brazil agreed to eliminate its industrial products tax [IPI] for export earnings in exchange for receiving the injury test protection in countervailing duties cases. Thus, to prove that Brazil is trading unfairly in such cases, an American petitioner has to show not only that Brazil was subsidizing its product, but that these subsidies had an adverse effect on U.S. industry. It is not enough for American companies to show that Brazil is subsidizing its industries in violation of American trade laws; they also have to show that they have been directly and materially injured by these subsidies. This injury test places an enormous burden on American firms to prove economic injury and gives Brazilian exporters a tremendous advantage in winning these cases against our producers.

Brazil has failed in the past to honor its commitments to phase out the IPI credit. In 1981, Brazil informed the U.S. Government that it could not eliminate this credit by June 30, 1983, as promised. A year later, it asked the government to waive the elimination requirement; when the United States refused, Brazil asked for a 2-year extension. Although the United States ultimately refused to sign that agreement, Brazil still failed to meet its original commitment to phase out the IPI credit in 1983, but declared instead that it would end the IPI on May 1, 1985.

Investigators from the Office of the U.S. Trade Representative are on their way to Brazil to investigate Brazil's lack of compliance with its obligations. The Brazilian Government now claims to have eliminated the IPI, but we still have two concerns:

First, Brazil has not eliminated the IPI completely. In 1982, it was discovered that Brazil has, as part of another subsidy program called BEFIEX, signed contracts with a large number of exporting firms which guaranteed more firms a continuation of the IPI export credit through 1989. Although Brazil agreed to stop extending the IPI to individual companies in 1984, it has not revoked prior extensions. Brazil's claim that it has eliminated this subsidy is not entirely true.

Second, there are suspicions that Brazil has increased other export subsidies to offset the elimination of the IPI, an action prohibitd by our 1980 agreement with Brazil. Brazilian exporters may now be offered greater amounts of export financing, including both medium- and long-term export credits and short-term working capital at advantageous interest rates. In summary, not only has Brazil failed to live up to part agreements to stop violating U.S. trade laws, it is devising new means of circumventing those agreements and our ineffective laws.

These concerns have led to the introduction of the legislation I've described which will strip Brazil of the injury test protection. Brazil has not demonstrated that it intends to live up to its agreements with our Government. The United States should draw the line on Brazil's disregard for American trade laws and should repeal that country's right to injury test protection.●

CROSSLAND HIGH SCHOOL MOCK TRIAL TEAM

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. HOYER. Mr. Speaker, at a time when public schools are being closed throughout the country and citizens are questioning the American educational system, I take great pleasure in applauding the accomplishments of the students and faculty of Crossland High School, a public school in my district. Under the guidance of their coach, Robert Turner, the members of the Crossland High School Mock Trial Team recently captured the 1985 Interstate High School Mock Trial Championship by defeating the New York State champions at the U.S. Court of Appeals for the Second Circuit, in New York City. The Crossland team reached the finals by defeating a field of 60 to 70 public and private schools in the Maryland State competition.

The case on trial at the interstate championship involved the constitutional question, "Should the police be permitted to waive the Miranda Law when public safety demands it?" The Crossland team argued for the defense and was victorious. The countless hours the team spent in practice both after school and on Saturdays since December proved worthwhile.

The Crossland team consisted of Earle Bannister, Michael Bugg, Cathleen Gillen, Ken Kutsch, Veronica McGlone, John D. Thomas, and Joan West. Coach Turner was assisted by Sharon Jackman. I consider these students and this program to be a fine example of the superb level of talent which our tax dollars support through the public school system. These are the future lawyers, judges, negotiators, and Congressmen; I hope the entire Congress will join me in saluting them.●

VICTORIES FOR DEFENSE PROCUREMENT REFORM

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BEDELL. Mr. Speaker, recently a small businessman from my district, who I think would call himself a conservative, pulled me aside after a speech and said, "I believe in a strong defense, but can't you do something about these horror stories like the $400 hammer?" As a Congressman and former businessman, I believe the people should get the most and best defense their tax dollars can buy, especially with our high budget deficits.

Mr. Speaker, this week we in the House of Representatives have achieved a major victory for procurement reform by passing several amendments to the Department of Defense authorization bill. I am pleased to report that some of these amendments originated in hearings and legislation of the subcommittee of which I was chairman last year, the Small Business Subcommittee on Oversight.

The American taxpayers have told their representatives in Congress that enough is enough, and I believe that the support in Congress for procurement reform has increased enormously since just 1 year ago. One year ago, I brought a toolkit to the floor of the House that contained 22 tools, including a common claw hammer for which the Navy had paid $436. I used this toolkit and the $436 hammer to show my fellow Members of Congress why I

was offering an amendment to reform the way in which the Department of Defense spends billions of dollars every year buying spare parts. Despite strong opposition from military contractors, the Department of Defense and the House Armed Services Committee, my amendment passed overwhelmingly with 324 votes for and 75 against. The nonpartisan General Accounting Office has estimated that my amendment could save $8 to $10 billion per year.

One of the things that my subcommittee discovered during hearings on defense waste last year was that the price of the $436 hammer included $41 for "engineering overhead costs" and $102 for "manufacturing overhead costs"—all for a hammer that the contractor had bought for $7, and that I had bought myself for $7 in a hardware store. My amendment that was so bitterly opposed last year said that, when buying spare parts, the Government would only pay overhead costs that were directly incurred by the contractor.

The first amendment passed by the House this week broadens this commonsense principle to apply to all defense procurement contracts. This amendment says that the Government will not pay for overhead costs that include: country club memberships, alcoholic beverages, advertising costs to promote a contractor, political contributions or other lobbying expenses, entertainment costs such as football game tickets, and excessive travel costs above standard air fares. Stiff fines of up to $250,000 would be imposed on individuals who knowingly submit claims for prohibited expenses. As you recall, one official of a big defense firm had charged the Government for the cost of boarding his dog at a kennel. If enacted into law, this amendment will end these abuses. It also contained a provision requiring that no principal Defense Department contracting official may be assigned to work with any one defense firm for longer than 5 years.

Second, we passed an amendment to slam shut the "revolving door" between Government and industry. The problem has been that a Defense Department employee may be sitting across the negotiating table from a contractor on Friday, and working for the very same contractor on Monday. This practice has undermined public confidence that Defense Department employees are really bargaining for the best price and buying only weapons that work. A former Assistant Secretary of the Navy is under investigation by a grand jury because, while he was still working for the Navy, he continued negotiating contracts with General Dynamics after he had begun negotiating for a job with General Dynamics. The amendment we passed would say that any Defense Department employee who has had "significant responsibility" in working on a procurement contract is prohibited from accepting a job with that contractor for a period of 2 years after the official leaves Government employment. When this amendment was considered by the House, I fought attempts to exempt high-level Pentagon officials from the restrictions.

Third, we passed the "creeping capitalism" amendment. This amendment would require that a steadily increasing percentage of defense procurement contracts must be awarded by competitive procedures. I think that this is a responsible way for Congress to enact procurement reform. It does not slash the defense budget blindly, nor does it attempt to "micromanage" the Department of Defense. It simply requires that the percentage of competitively awarded defense contracts increase by 5 percent per year until it reaches 70 percent. If the Secretary of Defense cannot meet the competition targets for that year, he must submit a report to Congress explaining why. We will be following the implementation of this amendment carefully.

Fourth, we passed the "should take" efficiency amendment. As a businessman who believes that Government should operate in a more businesslike way, I strongly favor this amendment. It would require that defense contractors keep accurate records on their costs, divided into categories such as labor, materials, overhead, and profit. The contractor would have to estimate how long he estimates it "should take" to do the work of the contract. Then, as work progressed, the Defense Department would have to make sure that the contractor's actual time and costs are systematically recorded. It would apply to contracts of $100,000 or more. This kind of information is already kept by contractors for their own use, and it is standard practice in private industry to use this information to calculate the efficiency of work on a contract. Using this kind of information, Air Force industrial engineers calculated that it was taking Hughes Aircraft 17 times longer than it should have to make a Maverick missile.

This information can be used to calculate efficiency rates by comparing what the companies' engineers estimate it should take to do a job with what it is actually taking. In the private sector, this kind of efficiency rate averages about 95 percent. Using information provided by the Air Force at the request of a Senator, defense contractor efficiency rates for a dozen weapons systems averaged only 25 percent. It is important to note that all of these figures would be based on what the companies' own engineers have estimated, and that these calculations can take into account extra time and costs to set up production lines. This amendment was opposed on the floor of the House by defense contractors and the Defense Department because it will provide Congress with much information, reveal more problems, and provide the basis for future legislation.

I voted for all of these amendments, and actively participated in the debate on several of them. Along with the rest of the Defense Department authorization bill passed by the House, these amendments will be the subject of negotiations between the Senate and House. Along with several of my colleagues in the House Democratic Caucus Task Force on Defense Waste, Fraud and Abuse, I will work to see that as many as possible are retained in the final version of the defense bill.●

CONGRESSMAN MILLER SALUTES REACH PROJECT, INC.

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MILLER of California. Mr. Speaker, as the chairman of the Select Committee on Children. Youth and Families I rise today to salute the Rehabilitation, Education, Awareness, Community and Humanitarianism [REACH] Project, Inc. for 15 years of service to the city of Antioch, CA, and its neighboring communities in eastern Contra Costa County.

The REACH Project was founded on April 1, 1970, by Sgt. Leon LeRoy of the Antioch Police Department and Shirley Marchetti, a local citizen appointed by the Antioch City Council to work with the police department in order to combat the causes and effects of alcohol and drug abuse on the local youth.

The REACH Project is dedicated to the improvement of the quality of life for the youth and their families by developing the "Linking Process" enabling schools, law enforcement community agencies, and the private sector to provide a coordinated response to this problem.

I know that my colleagues in this House join me in extending congratulations to the REACH Board, staff and volunteers who have given thousands of dedicated hours to over 10,000 youth and their families in order to combat one of the most complex problems facing families today.●

COMMUNIST NICARAGUA: NO SURPRISES

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. GINGRICH. Mr. Speaker, I'm sharing with my colleagues today two articles from the Atlanta Journal by Robert Akerman.

Mr. Akerman saw back in May 1983 the importance of helping the Nicaraguan freedom fighters in their struggle against a Leninist government. And as Akerman correctly states, Ortega's recent trip to Moscow shouldn't have been a surprise to anyone.

The two articles below are from the Atlanta Journal of May 9, 1983 and May 13, 1985 respectively. I urge my colleagues to read them carefully.

IT IS TIME TO MAKE A REAL DECISION ON NICARAGUA

(By Robert Akerman)

Since critical decisions must be made—some already are being made, if only through inaction—it is time to try to collect our thoughts on the subject of Nicaragua.

Mine have been scattered through several recent columns, and it may not be clear what they add up to.

In Sunday's paper I pointed out that a major reason for present hostility toward us in Nicaragua is our intervention there in the past. I doubt that past intervention was justified in terms of the national interests of the United States. But this does not mean intervention would never be justified, if vital national interests are at stake.

I have also expressed concern about the two different elements among the contras or opponents of the present leftist regime. We must be sure that whatever we do does not result in a restoration of right-wing reaction which could merely mean a repetition of the cycle of revolt.

Last but not least I have expressed concern over the procedural issue as it relates to our own institutions of government—that is, the constitutional question. An invasion of Nicaragua backed in any way by the United States would be an act of war, and Congress ought to be consulted on the matter.

We are now at the point where Congress is considering a cutoff of funds for covert action and arguing over whether it is legal for the administration to do what it is doing. Although most people raising the constitutional issue have in mind blocking action against Nicaragua, I think it is quite possible to believe that Congress should be involved in the decision but that this decision should be in favor of action to overthrow the government of Nicaragua.

If the danger if a Marxist stronghold in Central America is great enough, if the Nicaraguan regime is oppressing some of its own people and committing aggression against its neighbors, there is a very good case for congressional authorization of military action against Nicaragua.

In simpler times this would have meant open debate over a declaration of war. But if what we are considering is assisting indigenous forces rather than using our own troops, a formal declaration of war is not necessary. What is important constitutionally is that Congress authorize acts of war. And whether the debate is in open or secret session is not as important as the question of whether Congress is willing to support and sustain the necessary operation, covert or overt.

Those who compare Central America to Vietnam have been saying that this time Congress should not dodge its responsibility; it must take a stand now instead of letting us drift into a war by executive decision.

But Central America may be different from Vietnam in being far more vital to our national interests. In that case Congress could best live up to its responsibility by authorizing executive action if it is in fact justified and if the plan of action would work to achieve our objectives.

I think the problems in Central America do require U.S. action. If the administration has a plan that would both end the export of revolution by Nicaragua and provide a future of freedom for its people, it should present the plan to Congress, and Congress should make a responsible decision. While Congress is worrying about us drifting into war through executive action, someone ought to be worrying about us drifting into defeat and disaster through congressional inaction.

ORTEGA'S VISIT TO MOSCOW SHOULD NOT BE A SURPRISE

(By Robert Akerman)

The reports from Washington last week were that Congress might soon reverse itself on the issue of U.S. aid to the Nicaraguan contras. One of the main reasons given was that the visit of Sandinista leader Daniel Ortega to Moscow, to ask for more aid from behind the Iron Curtain, had aroused the ire of some who previously thought we could work with him.

Sen. Jim Sasser of Tennessee announced immediately that he would have voted differently on aid to the contras had he known that Ortega was going to Moscow, and apparently a number of members of the House of Representatives feel that way. Speaker Tip O'Neill, who still opposes aid to the contras, has expressed the view that he may lose on the issue if it comes up again this week.

Well, that shows how too many people in Congress think, or don't think. The only surprise about Ortega's Moscow visit was that it came so soon after the vote. Intelligent people would have expected it to come sooner or later.

In the first place, the whole argument of the administration has been that the Sandinista record shows a clear drift to an alliance with the Soviet Union, Cuba and the rest of the communist bloc, and that's why it views Nicaragua as an issue in East-West conflict rather than viewing the Sandinistas as merely an indigenous reform movement.

Readers may remember that for a long time I urged caution on any action to overthrow the Sandinistas, as distinct from action to keep them from interfering in El Salvador, because I thought we needed to be absolutely sure we could not work with this government for the benefit of the people of Nicaragua. But what has slowly emerged is a repetition of the Cuban pattern of takeover by a Marxist hard core. It is because of this drift that so many anti-Somoza liberals and democrats who at first supported the Sandinista movement now oppose the Sandinistas, some to the extent of joining the contras.

I have a clipping from this newspaper in 1980 in which Alfonso Robelo, a member of the ruling Sandinista junta, heatedly denied that Nicaragua was being "Cubanized" by the presence of Cuban teachers, doctors, nurses and so on. A few months later Robelo decided that his country was being "Cubanized" or even "Sovietized," and today he is a contra leader. That's been the pattern.

From the beginning we tried to work with th Sandinista government, pouring in more aid than had ever gone to that country before. Had it been an indigenous reform movement, that process would have continued. But the aid was discontinued, the point should be noted that this was after, not before, so many anti-Somoza democratic liberals broke with the regime or were driven out of it.

The point is that all along Ortega has been on a mission to Moscow, or a mission for Moscow. Those members of Congress who don't trust the administration did not choose to believe the intelligence information it offered. But when they should have done was to get hard intelligence data of their own, to support their own position. It turns out that what they had was not hard information, but a soft hope.

If it were not so, then Ortega's little visit could hardly have stirred them up and seemed so significant.●

COAST GUARD USER FEES

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. CONTE. Mr. Speaker, on April 3, I introduced H.R. 1936, a bill to authorize the collection of user fees from certain beneficiaries of Coast Guard services. This morning I testified before the Committee on Merchant Marine and Fisheries' Coast Guard Subcommittee in support of this measure. I believe that H.R. 1936 could provide the framework for collecting some $150 million a year in Coast Guard user fees, as provided for in the version of the budget resolution passed by the other body.

In a year when all Government programs are under extreme budgetary pressure, it is extremely hard to justify the free ride that the 6 million recreational boaters who receive Coast Guard services are getting from the other 234 million Americans.

As the ranking minority member of the House Appropriations Subcommittee on Labor, Health and Human Services, and Education, I am struggling to find funds for Social Security, for education, for Medicare, for the handicapped, for unemployment assistance, for maternal and child health care, and other programs to meet the essential human needs of this Nation, while also responding to the obvious need to reduce our Federal budget deficit. If ever there was a time to ask the recreational boaters of this country to contribute toward a portion—just a portion—of the cost of providing Coast Guard services, that time is now.

So far, the attitude of many boaters toward the payment of a nominal fee

of less than $20 per year to cover the cost of search and rescue operations might be summed up in a little rhyme.

If the rules of the House permitted it, this rhyme could be sung to the tune of "Row, row, row, your boat":

Row, row, row, my boat
Gently up the stream;
But if you try to make me pay,
I'll throw a fit and scream.

Tow, tow, tow my boat
Through the surf to shore;
So what if I don't pay my share,
The others can pay more.

It is my hope that after listening to my testimony before the Merchant Marine Coast Guard Subcommittee this morning, the boaters of America will change their tune to the following:

Search, search, search for me
When I am over-due;
The Coast Guard needs these user fees,
To pull us safely through.

Tow, tow, tow my boat—
I'll pay that user fee;
'Cause when I really need it,
The Coast Guard's there for me.

I urge my colleagues to support this effort to have boaters contribute a fair share of the cost of the Coast Guard services they receive.●

HOME AUDIO RECORDING ACT

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today I am introducing, with my distinguished colleague from California, CARLOS MOORHEAD, and my distinguished colleagues, a bill to provide a much needed solution to the problem of home audio taping—the Home Audio Recording Act. Home taping of music is currently the single greatest threat to America's music community.

Our bill would accomplish two fundamental goals. First, it would exempt from copyright liability those individuals who engage in audio recording for their private use. Second, the bill establishes a system of compensation for creators and owners of copyrighted material for the use of their creative property. The accomplishment of these goals is crucial to the continued vitality of the music industy and indeed the entire creative process in our country.

Mr. Speaker, the economic harm experienced by the music and recording industries as a direct result of home music taping in recent years is astounding. Over the past several years, the amount of home audio taping has increased dramatically. Recent advances in audio taping technology and the increased availability of inexpensive, easy-to-operate, high-quality recording devices have lead to virtual explosion of audio home taping.

Indeed, the home taping problem has become so widespread that music taping is actually replacing music buying. A recent survey of tapers across the United States revealed that in 1984 alone consumers would have purchased an additional 325 million albums and prerecorded tapes if they had not been able to tape them at home.

The recording business is exceedingly risky: 84 percent of records released fail to even cover their costs. Record companies rely on the revenues from the occasional hit to subsidize releases that fail to break even and to finance new recordings by unknown artists.

Home taping siphons off the revenues that have traditionally spured the musical arts community to put its labor and money at risk. The creative and capital investments fostered by our copyright system have brought consumers a dazzling variety of musical offerings from which to choose and enabled the American music industry to set the standard for the world. Unless we ensure that the fruits of our copyright system are not destroyed by the growing practice of audio home taping, there ultimately will be less music for consumers to tape.

Thus, Mr. Speaker, it is in the consumer's long-term best interest to establish a fair and reasonable system of compensation to the creator, in order to ensure continued public access to the widest possible diversity of creative works.

The element of compensation is also critical because compensation for the use of intellectual property is, and always has been, a necessary incentive for its creation. Society as a whole benefits because compensation to copyright owners for their work provides the impetus for the continued creation of intellectual work. The basic premise of our copyright system is that the payment of royalties serves as both a reward for the creator's labor and an incentive to future creativity.

We must not abandon two centuries of copyright doctrine just because the complexities of a new technology challenge our ingenuity. It is a depressing prospect to imagine a future devoid of cultural diversity and experimentation because we failed to act responsibly to preserve the legal foundation on which America's music community sustains itself financially. Our bill is specifically designed to prevent this from happening.

The Home Audio Recording Act, which we are introducing today, would provide the needed compromise solution to the home taping problem. First, it would exempt home audio tapers from copyright liability, by making it clear that individuals who tape music for their private use would not be liable for copyright infringement.

Next, the legislation specifies a royalty on blank audio tapes and audio recording equipment which would compensate the creators and producers of home taped music. The legislation requires that the manufacturers and importers of blank audio tape pay a one-time royalty of 1 cent per minute of playing time. For audio recording equipment, the manufacturers and importers would pay a one-time royalty of 10 percent of the wholesale price. Producers of dual cassette recorders—machines designed specifically to facilitate the copying of music—would pay a special, higher royalty of 25 percent of the wholesale price.

These royalties would be collected by the Copyright Office and deposited in a royalty pool for distribution to copyright owners.

The use of the Copyright Office instead of the Copyright Royalty Tribunal is not intended in any way to make a statement about the CRT's performance. That issue is currently being explored separately by the Judiciary Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice, of which I am a member. Rather, this transfer of functions to the Copyright Office has been included in our legistation simply to indicate that the bill can go forward independent of the CRT. Should Congress develop an alternative mechanism for functions now being performed by the tribunal, it would be a simple matter to revise our legislation to incorporate those changes.

Our legislation also contains provisions designed to protect from paying royalties those persons who do not tape copyrighted music. Tapes and equipment used primarily for nonmusic purposes, such as dictation machines, would be exempt from the royalty altogether. The Copyright Office would be authorized to designate additional kinds of tapes and recording equipment for exemption. Organizations that us blank tapes for nonmusic recording, such as broadcasters or service groups for the blind and disabled, would be able to purchase blank tapes and equipment without paying any royalties.

Finally, Mr. Speaker, I would like to emphasize that our legislation pertains only to audio taping. I do not intend for this legislation to serve as a vehicle for amendments addressing the video home taping problem or the video first sale issue. It is my understanding that representatives of the motion picture industry do not intend to pursue such legislative intitiatives in this Congress.

I hope that my colleagues in the House will support our bill. It ensures that the public will be able to tape for private use, without risk of copyright infringement liability, that manufacturers and importers will be able to

sell their products, and that artists will be able to recieve compensation for their musical creations. I urge my colleagues to cosponsor this legislation we have introduced today, and to thus help save America's music.●

DAVID PACKARD—AN OUTSTANDING RECORD OF PUBLIC SERVICE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LANTOS. Mr. Speaker, public service is not new to David Packard, the chairman and cofounder of the major electronics company Hewlett-Packard. Last week, he was again asked to take on an important public responsibility for the Federal Government. President Reagan appointed him to chair a new 16-member Commission on Defense Management, which will examine major problems involving military procurement, the exorbitant prices paid for spare parts, illegal payments, and weapons systems that do not work.

The action of this House, during the last few days as we have considered the Defense authorization bill, indicates the very strong feelings of the Congress and the American people that changes in defense procurement are long overdue. Steps must be taken to eliminate the fraud, waste, and abuse that have marked the Defense Department's approach to purchasing equipment and services.

In 1939, David Packard and William Hewlett, both recent graduates of Stanford University with engineering degrees, pooled $538 and established the Hewlett-Packard Co. That corporation is now 60th on the Fortune 500 list of American companies, with sales last year of $4.71 billion and with 80,000 employees. The company is one of the leading producers of electronic equipment, medical and analytical instrumentation, electronic calculators, solid-state components, and digital computers.

The task that David Packard faces is a difficult one, but he is not unaccustomed to challenges. He served as Deputy Secretary of Defense from 1969 to 1971. In many regards, David Packard is ideal for Government service. Unlike many of the lawyers, politicians, professors, and executives who see high office in Washington as a steppingstone to greater things, David Packard views a position in Washington as public service which he gladly performs, but which he does not need. He has said that an individual, in order to be happy, must do something worthwhile, something that gives a sense of accomplishment.

In addition to his outstanding record in business and Government, David Packard has also been a leader in philanthropy. The bay area is fortunate to have a man of such generosity and vision. He has served as a member of the Palo Alto Board of Education, as chairman of the board of trustees of Stanford University, and benefactor of many important public projects, including a new $47 million aquarium in Monterey, CA.

The Monterey Bay Aquarium, the largest in the world, is an enterprise in public service to which David Packard may point with pride. Opened on October 20, 1984, the aquarium already has received 1.6 million visitors of whom 70,000 have been school children from 44 of the 58 counties of California. This amazing educational and scientific facility has 83 habitat tanks and three main exhibit tanks with a total exhibit capacity of 1 million gallons. Its transplanted kelp forest exhibit is unique in the world.

Through an energetic program of public education, through the incredible sea life displays, and through its emerging scientific research programs on the natural history of one of the world's richest marine regions, this institution will be a lasting testimony to the accomplishments of David Packard.

Mr. Speaker, I am delighted that this man's energy and management abilities will continue to benefit to our country. Those of us from the bay area who know and respect David Packard appreciate the great contribution he has made in the past and will make in the future for the bay area, the State of California, and for our Nation.●

THE MILITARY RADIOACTIVE EMISSIONS CONTROL ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WYDEN. Mr. Speaker, recently I introduced legislation, H.R. 2593, that will achieve two important goals. First, it will require the Environmental Protection Agency, rather than the Department of Energy, to monitor radioactive and hazardous emissions from DOE nuclear defense facilities. Second, it will require these DOE facilities to meet emissions standards at least as stringent as those for commercial nuclear facilities.

For years, the Department of Energy and its predecessor, the Atomic Energy Commission, have been the largest single producers of radioactive waste in the United States. In addition to producing these wastes, the Department of Energy has had the responsibility of monitoring radioactive emissions at its own facilities. This is, I believe, inherently contradictory.

While evidence regarding the health effects of these facilities on their workers and the general public continues to grow, the Department of Energy continues to issue itself a clean bill of health. This legislation will help the public know that Federal nuclear facilities cannot exceed the emission limits put in place for commercial facilities. In addition, it will bridge the credibility gap that has emerged with the Department of Energy monitoring its own activities—a situation many believe to be akin to the fox guarding the hen house.

Specifically, my legislation requires the EPA Administrator to issue standards for radioactive releases from the management and disposal of low-level radioactive waste at Department of Energy nuclear defense facilities. These standards would be at least as stringent as those issued for radioactive releases from commercial facilities licensed by the Nuclear Regulatory Commission. Low-level radioactive wastes are what is left over from the plutonium production process—liquids, sludges, and machine tools and parts that become contaminated during the production process.

In addition, my bill says that nuclear material discharged from Federal facilities should be covered by the Clean Water Act and the Clean Air Act—just as are commercial facilities now. Further, the EPA Administrator is required to submit to the Congress an annual report setting forth the findings and conclusions of these monitoring efforts.

Mr. Speaker, this legislation in no way compromises national security interests. My legislation does not require the Department of Energy to divulge information crucial to our national security. Nor will this legislation shut down any of these Department of Energy facilities. The standards are specifically designed so that they can be met by the DOE facilities without a drastic modification of their plants.

The main thrust of the legislation is to bring the Environmental Protection Agency into the process of monitoring these facilities so that we might also bring credibility to the process. One example of the need to bring EPA into the monitoring process is the PUREX facility on the Hanford Nuclear Reservation in the State of Washington. (PUREX is an acronym meaning "plutonium uranium extraction.")

Getting information about the safety of this plant, where plutonium is extracted for use in the production of nuclear weapons, has been difficult and the information that has been available has caused concern in the region. For example:

The Department of Energy in 1984 disclosed that the PUREX plant may release concentrations of plutonium 12 times greater than reported in its 1982

environmental impact statement. (I should note, however, that DOE officials at Hanford inform me that the PUREX facility's radionuclide emissions are currently under the commercial standards.)

The Department refuses to release 17 years of PUREX documents it says prove the plant is safe.

Two months after PUREX was resurrected from a 12-year slumber in 1983, it was abruptly shut down because Department of Energy officials were concerned about a large amount of radiation escaping up the plant's 200-foot smokestack. An in-house review of the incident convinced the Department that this radiation did not pose any dangers and the plant was restarted. Internal DOE documents, however, obtained under a Freedom of Information Act request, show the amount of plutonium that escaped the plant prior to the shutdown was several times more than previously stated.

Residents of the Northwest need to know about this threat because the effects of the radiation extend well beyond the plant gates. This is particularly the case at the PUREX plant because the Hanford Nuclear Reservation boundaries are as close as 5 miles to the Columbia River, which flows downstream to Portland, OR, through my congressional district.

The Columbia River is the key stitch in the economic fabric of the Northwest. If it were contaminated by radioactive wastes, economic development in the Northwest would be devastated. Industries from shipping and fishing to forestry and tourism depend upon a clean and vibrant Columbia River to conduct business and attract people to our region.

When the PUREX plant was operating in the 1960's, the Oregon Department of Health found the Columbia River to be the most radioactive river in the world. While radiation in the river is not now at hazardous levels, I want to be sure increased production at the PUREX plant does not threaten the purity of the Columbia.

Another example of the need to bring EPA into the monitoring process is evidence that negotiations took place between the Department of Energy and Battelle Northwest Laboratory, which wrote the PUREX environmental impact statement. A former Battelle employee made these comments in a September 1984 article in the Bellevue Journal-American (Bellevue, WA) newspaper: "DOE's basic thrust was to get the widest possible leeway in operating PUREX. The problem is, the agency reviews and also pays you. If they pay you, they also want a document with favorable conclusions."

This is the twofold problem that my legislation addresses. It will ensure emission standards for DOE facilities are within levels commercial facilities are required to meet. In addition, it requires a more independent and objective analysis of these radioactive emissions that will not be kept from the public.

Mr. Speaker, I would also add that the problem of restricted DOE information is not limited to Hanford. According to New Scientist magazine, unpublished DOE documents indicate that cancer rates are higher than average in four nuclear facilities run by the Department. The "major research result" cited in these documents is that:

> Excess mortality due to site/type specific cancers (leukemia, lung, brain, digestive tract, prostate, Hodgkin's disease) and excess nonmalignant respiratory disease morbidity were found among workers exposed to uranium dusts and/or radiations from other internal and external sources.

In addition, a 1976 study of employees at the DOE's Savannah River plant, which is operated by DuPont, found a 60-percent excess of lung cancers in male white-collar workers, and a 114-percent excess of leukemia among the male blue-collar workers, as opposed to DuPont's work force as a whole. These findings were not released for 7 years.

In conclusion, Mr. Speaker, every Member of this body must accept responsibility for the image our Federal Government projects. With regard to the monitoring of nuclear waste, we project a contradictory image. First, we tell the private sector to meet stringent standards. Then we provide loopholes so that Federal facilities can escape these standards all together. It's an outright contradiction—one we ought to end.

The American people want a credible source to inform them about the public health effects of nuclear defense activities. My legislation will achieve that goal and will eliminate unnecessary emission standard loopholes in the process, reducing the health risks to DOE workers and all Americans.●

NEW LEGISLATION

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. KILDEE. Mr. Speaker, today I am pleased to introduce legislation which, when implemented, will contribute to a substantial improvement in the educational opportunities for Indian students attending Federal schools. This bill, H.R. 2908, will amend and perfect the Indian Education Amendments of 1984.

The Indian Education Amendments of 1984, title V of Public Law 98-511, contains provisions which set or amend several parameters for the Bureau of Indian Affairs School Programs. I am privileged to have been the sponsor of this legislation, working with a bipartisan group of my colleagues. It was the culmination of 5 years of effort by the Education and Labor Committee to find ways to improve this Federal Indian school system.

After its passage last year a number of issues arose which pointed toward the need for the review of several provisions. In a few instances these concerns, raised by the administration and congressional members, went so far as to question the continued advisability of two provisions.

All of these concerns merited careful review. The bill which I am introducing today on behalf of a bipartisan group of Members, is the product of this review. Working closely with the Senate Committee on Indian Affairs, Members' offices and the Indian community, we have reached a consensus solution to the problems raised. In so doing, we also took into careful consideration the positions of the Bureau, attempting to address the substance of each. This consensus, in the form of a number of technical amendments to the Indian Education Amendments of 1984, will also be introduced soon by a bipartisan group in the Senate.

Basically, the provisions of H.R. 2908 serve to clarify the provisions of the Indian Education Amendments of 1984. With relation to school closures and attendance boundaries, amendments are recommended which will make the statutory provisions (currently retroactive) prospective in effect and which will simplify the administrative reporting requirements. Amendments are included to several provisions, including facilities management and contract school standards, to clarify the scope of the amendments. Particularly with respect to the facilities management, an attempt was made to make crystal clear that the amendments require no separate services for education. A number of changes are proposed to the provisions dealing with stipends, rental waivers, and local procurements. These amendments will reduce the potential costs for these provisions and increase the Assistant Secretary's authority to oversee their use. One provision is made discretionary.

Two other proposed changes merit special mention. Responding to concerns from a number of quarters, sections dealing with personnel and standards and the transfer of contracting responsibility would be deleted. Recent information has supported the conclusion that these provisions are either duplicative or potentially disruptive to Bureau activities other than education.

Two concerns raised by the administration have not been specifically ad-

dressed in bill language. Neither committee believes either issue required statutory action. The proposal to require the Indian Health Service to pay for children's immunizations was not included, since this is current practice and there is no indication that any change will occur. Additionally, the Bureau recommended the deletion of the provision vesting responsibility for evaluative or assignment personnel matters within the eduation division. The Bureau based its request on its interpretation that this provision requires a totally separate personnel entity for the education activity. Neither House or Senate viewed a change as necessary or desirable, since the Bureau's interpretation of the 1984 provision is erroneous. However, I want Members to know that these concerns have not been ignored. Working with the Senate, we shall see that the legislative history accompanying this measure clarifies these points in answer to the Bureau's concerns.

This bill represents a truly cooperative effort to improve Indian education. The Senate Committee on Indian Affairs efforts have been tireless and praiseworthy. The minority on our Committee on Education and Labor also deserves recognition for their work. The Bureau of Indian Affairs, for the first time in my memory, agreed to a day-long meeting which involved a full discussion of their concerns and many excellent suggestions. The tribes and organizations representing those who will be affected most have shown patience and understanding with these efforts and have given their support to this endeavor. A number of congressional offices and other committees, including the cosponsors of this legislation, have rendered suggestions and assistance. Finally, I want to mention the contribution of my chairman, Congressman HAWKINS, who continues to make the improvement of Indian education in the United States a major committee priority.

The measure introduced today will answer the practical concerns voiced with respect to the Indian Education Amendments of 1984. It will, in fact, substantially improve the current law. It does not handle every complaint raised, nor does it delete all provisions in this area and leave this program solely to administrative discretion. No party to the negotiations to construct this bill, from either body or either side of the aisle, suggested this course. It does make the law clear in both intent and language, simpler to understand, less of a concern for some executives, and easier to administer.

The implementation of the 1984 amendments have been stayed pending the resolution of these issues. This means that the beneficial effects of the changes have been lost for an entire academic year. Another school year is fast approaching, and no one wishes to lose more time. Therefore, I will seek to have this bill considered as quickly as possible. I hope that all of my colleagues will join my cosponsors and me in this effort.●

ATTENTION COLLEAGUES

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DARDEN. Mr. Speaker, today I rise to bring the attention of my colleagues to a situation regarding the Health Care Financing Administration [HCFA] and Home Health Agencies [HHA's]. On May 14, 1985, HCFA issued revised cost cap regulations for the over 5,200 Home Health Agencies across the country. These new regulations are slated to become effective for cost reporting periods beginning on or after July 1, 1985. The revised cost limitations would move the current cost limits now set at the 75th percentile to 120 percent of the mean, representing a significant lowering of cost limits. HCFA also proposes to set separate per visit limits for each discipline performed by the Home Health Agency. Currently, cost caps are applied in the aggregate—thus home health agencies over the cap in one discipline can offset this overage in another area.

After discussing this situation with HHA administrators from the Seventh Congressional District of Georgia, I believe that if this change is implemented the ability of the HHA's to provide necessary services to the citizens of the seventh congressional district will be severely hampered. In response to the annoucement in the Federal Register, the members of the Georgia delegation have contacted Dr. Carolyn Davis at HCFA and requested that a postponement of the implemenation of the restructured cost limits be granted.

The Health Care Financing Administration has based the necessity for the reevaluation of the cost cap system on the claim that thousands of Home Health Agencies are operating inefficiently. However, no data to support this claim has been offered. Furthermore, HFCA announced that calculating costs in a per discipline manner would result in cost savings. HHA's in Georgia believe that a per discipline cap will result not in a cost savings but in a reduction of both the availability and quality of care.

I urge my colleagues to contact the Home Health Agencies in their districts and discuss this situation. I hope you will join me and the other members of the Georgia delegation in urging the Health Care Financing Administration to postpone this action until a study on the administration of Home Health Agencies is completed.●

ACID RAIN CONTROL PROBLEM

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RINALDO. Mr. Speaker, I have introduced legislation today dealing with the acid rain problem which remains one of the most significant environmental concerns of the century. Once thought of as a something unique to the Northeast, it is now recognized as a national problem. A recent report by the World Resources Institute in Washington identified vulnerable lakes and streams—waters with high acidity and low buffering capacity—in 33 States extending along the entire Eastern seaboard, the South, the Southwest, the Rockies, the Northwest, and in California.

The effects of acid disposition have been documented throughout the Nation. It has caused damage to our ponds, lakes and streams, as well as extensive erosion of buildings and monuments in our urban centers. An Environmental Protection Agency report estimates that the current total costs of acid rain damage in the eastern United States are about $5 billion annually. According to data developed by the Congressional Research Service, the acid rain problem will likely become significantly worse with an expected 46-percent increase in coal use by electric utilities between now and 1990.

It is therefore essential that a comprehensive, nationwide program of acid rain controls be adopted immediately. This legislation, which enjoys bipartisan support, incorporates the recommendations of the Coalition of Northeastern Governors. In contrast to other bills, it does not tell the States how to achieve their allocated emission reductions. Reductions may be achieved from any source, including powerplants, and major combustion sources. States may select any combination of reduction measures, so long as the required reduction is achieved on schedule.

REDUCTIONS IN EMISSIONS

The bill provides for a reduction of 10.7 million tons of sulfur dioxide in two phases. In phase 1, States would be required to achieve emissions reductions equivalent to reducing statewise average utility sulfur dioxide SO_2, emissions rates to 2 pounds per million Btu's, MM Btu's of energy produced.

These reductions would be achieved by January 1, 1990. In phase 2, the statewide average emissions rate from all combustion facilities must be equivalent to a 1.2 pound/MM Btu level.

The 1.2 level is the standard new boilers must meet. These reductions will be achieved by January 1, 1995. Affected States must develop a reduction strategy through the State implementation plan process. Those States that do not comply will be subject to EPA sanctions. In addition, this bill would prevent an increase of 2 million tons of SO_2 emissions that would occur if no bill were enacted.

The bill also calls for a reduction of 4 million tons of nitrogen oxide by 1995. This will be achieved through revisions to the new source performance standards for electric utility steam generating units and small industrial boilers, and through revised emissions standards for trucks.

TRUST FUND

One unique feature of this legislation is the funding mechanism. The U.S. Treasury will be authorized to provide 100 percent interest-free loans for the capital costs of any equipment necessary to meet mandated reduction levels. A nationwide fee of 1.5 mills/kilowatt-hour will be imposed on all nonnuclear fossil fuel generated electricity for a period not to exceed 6 years. In addition, the Department of the Treasury will be authorized to issue bonds in anticipation of loan payments. The moneys generated will be pooled in a trust fund at the Department of Treasury for the purpose of making interest-free loans. Loan repayments will be related to the level and schedule of debt service on the bonds issued, with repayments after the construction period reduced to the amount necessary to repay funds raised through bond issuance.

There are several advantages to this approach. First, this program will allow all construction to begin within 5 years of enactment, as 100 percent of the necessary funds will be assured. Immediate construction will reduce the total cost of the program, as future inflation costs will be avoided. Second, the certainty of funding will provide a stable planning environment for utilities and eliminate the risk and interest payments associated with market funding. Third, a loan program will encourage utilities to be economical in their emissions reduction strategies. Finally, once construction is terminated and all bonds retired, loan repayments can be forgiven, providing a considerable subsidy for affected utilities.

ACCELERATED RESEARCH AND MITIGATION PROGRAM

This bill provides for a package of accelerated research, which will include: tracer studies to determine pollution formation and transportation nationwide; studies of Western acid rain problems; studies of visibility and health related aspects of acid rain; studies on the effectiveness of mitigation; and the identification of new acid rain control technologies. In addition, funds would be allocated for a State grant mitigation program.

I believe that this legislation provides the framework for the development of a national acid rain control program. It grants ample assistance to those States which have far to go in achieving targeted reductions. Yet, it only imposes minimal costs on States in the West and Southwest where little pollution is generated, and in the Northeastern States which have aggressive clean air programs.●

DISTURBED BY O.M.B. ACTION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Ms. OAKAR. Mr. Speaker, I am extremely disturbed by the action of the Office of Management and Budget overruling the Office of Personnel Management's decision to cancel a very controversial plan to revamp the performance evaluation and reduction-in-force systems for Government employees.

This ill-conceived plan would have had the effect of weakening the Civil Service System. It has been consistently rejected by the Congress; and just a few weeks ago, the House voted again to delay its implementation. The OPM's decision to cancel the plan was welcome but, unfortunately, seems to be short-lived, due to the interference of the OMB.

All of us who are dedicated to a fair and efficient Federal civil service hoped, that with the departure of Dr. Donald Devine, the OPM would finally be properly administered. Under the direction of Loretta Cornelius, Acting Director of the OPM, tensions were beginning to be eased and the way smoothed for more harmonious relations between the OPM and Congress. I was optimistic that our differences over important policies could be resolved in a spirit of cooperation for the benefit of the American people and Federal workers.

Now, a cloud has again gathered over the civil service. The OMB, rather than the OPM, is seeking to establish personnel policies for the Government work force. Certainly, the nomination of Ms. Constance Horner, Associate Director for Economics and Government of the OMB, to head the OPM could further foster the belief that OMB will usurp the statutory authority of OPM. I hope that Ms. Horner understands very clearly that I, for one, will not allow the OPM to become simply an arm of the OMB. This must not occur.

Mr. Speaker, I believe I express the sentiments of many of my colleagues when I say that the OMB's action is intolerable. Next Monday, July 1, the new regulations will become effective unless the administration approves the OPM proposal. The will of the House is clear. The regulations should not be implemented.

I ask for the support of my colleagues and urge you to join me in demanding that the regulations be withdrawn and that OMB allow the OPM to fulfill its statutory responsibility. It is imperative that we act now, before it is too late. The OMB must not be permitted to dictate personnel policies to the OPM for Government workers.●

RETIREMENT OF JILL KER CONWAY AS PRESIDENT OF SMITH COLLEGE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. CONTE. Mr. Speaker, I would like to take this opportunity to honor Jill Ker Conway upon her retirement as president of Smith College.

Mrs. Conway's accomplishments during her 10 years of leadership are tremendous. During her tenure, the physical structure of the campus has been expended, with the renovation and expansion of the Nielson Library and the building of new indoor tennis, and track and field facilities. She has presided over an extremely successful fundraising campaign, so that as she leaves Smith, it has a sturdy financial base. Because of Mrs. Conway's hard work and persistence, Smith has remained the largest privately-endowned women's college in the world.

More importantly, however, is Mrs. Conway's success in asserting the importance of Smith's national role as one of the greatest women's colleges in the country. At a time when women's colleges are being threatened by the spread of coeducation, Smith has remained at the top of the educational field, attracting intelligent and talented women from all over the world. Under Mrs. Conway's guidance, Smith has remained an intellectual center and driving force for women striving to better themselves and the society in which they live.

Mrs. Conway has not only been a major influence on the traditional young undergraduates of Smith, but on women of all ages. When her term as president of Smith College began 10 years ago, the Ada Comstock Program was in its inception. This program was designed to facilitate the return to school of women whose educations were interrupted. The program has flourished and has become one of the most successful of its kind. With the support and encouragement of Mrs. Conway, many hundreds of women have been given the opportunity to

return to school and receive a wonderful college education.

Because of Mrs. Conway's warm and friendly personality, she has developed a close level of rapport with the students. During her administration, she has gained the respect and admiration of all those who have witnessed her courage and determination in performing her job and asserting her leadership. Smith graduates will always be able to look to her as a role model of a successful woman who has reached her goals.

Mrs. Conway's many wonderful contributions to the Smith community will always be remembered, and her presence will be sorely missed by all. We wish her luck in all her endeavors, and much happiness in the future. It is both an honor and a pleasure for me to rise today and commemorate Jill Conway's retirement as president of Smith College.●

WALLENBERG AND THOMAS MORE: A CELEBRATION OF SAINTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LANTOS. Mr. Speaker, I rise to call to the attention of this Chamber a unique celebration taking place this week and this year, the 450th anniversary of the martyrdom of the English saint, Sir Thomas More, who was beheaded on order of King Henry VIII in 1535.

On June 21, the Thomas More Society and friends of the society marked this anniversary year by donating to the National Portrait Gallery a portrait of another remarkable man, often called a saint and possibly a present day martyr to tyranny, Raoul Wallenberg. The linking of Saint Thomas More with Raoul Wallenberg is an inspiring concept. Both were highly motivated, sophisticated, intellectual, and successful men of the world. They were not political leaders and they were not churchmen. Until a great moment of crisis was pressed upon them by the thrust of world events and reigning powers, they were by preference common citizens concerned mainly about the ordinary affairs of life and society.

The Thomas More Society should be congratulated upon its gift to the National Portrait Gallery. The Wallenberg portrait is a lithograph created by the American artist James Rosenquist in a limited edition of 50. It is entitled, "Where Wallenberg?" It is about 3 feet by 2 feet and is a complex, subtle portrait. A number of symbols are included, including a child's swing and a star of David, which are set against verticle lines suggesting prison bars confining the subject, Raoul Wallenberg. The image of Wallenberg itself is done in shades of blue against a background of the flag of Sweden. It is my hope that the Portrait Gallery will loan the portrait so that it may be seen by many Americans.

The Thomas More Society became interested in Raoul Wallenberg, and made this impressive gift to the Portrait Gallery, because his life, imprisonment, and possible death at the hands of the Soviets emulate the high standards of public and private conduct exemplified by Sir Thomas More, a renowned author, lawyer, diplomat, businessman, and Lord Chancellor of England before his death. Presentation of the Wallenberg portrait is one of the ways in which the society is commemorating the 450th anniversary of More's death and the 50th anniversary of his canonization as a Catholic saint. I would like to commend the Thomas More Society once again for their generous gift to the National Portrait Gallery. Wallenberg, in this symbolic manner, truly rejoins the best sons and daughters of America. As an honorary citizen of the United States, Wallenberg is certainly in the forefront of courageous Americans.●

IN DEFENSE OF ITALIAN-AMERICAN HERITAGE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DioGUARDI. Mr. Speaker, I rise before this body today to express my outrage over Mr. Garry Trudeau's recent syndicated comic strips. Mr. Trudeau's "Doonesbury" pictures Frank Sinatra with Italian-Americans who are alleged members of organized crime.

The following text is a telegram the National Italian American Foundation recently sent to Universal Press Syndicate concerning the "Doonesbury" series:

We as officials of the National Italian American Foundation strongly resent this weeks Doonesbury comic strips as the worse kind of pandering to ethnic stereotyping imaginable.

As the representative organization for some 12 million Americans of Italian American heritage, we realize there is good and bad in every ethnic group but we strongly resent singling out Italian Americans as "the only bad guy".

I, too, am deeply offended by this act of blatant ethnic stereotyping. As an Italian-American, I have been subjected to such prejudice, and I resent the implications of Mr. Trudeau's work. I have seen in my own community, and in my own family, many decent, hard-working Americans who have been attacked solely because of their ethnic heritage. This type of behavior is absolutely deplorable.

Mr. Trudeau clearly owes all Americans of Italian heritage an apology for his ethnic slurs, and I have sent him a letter demanding one. No group should ever be persecuted on the basis of their ethnic heritage and I implore Mr. Trudeau to apologize for doing just that.

I hope that Mr. Trudeau realizes that his treatment of Frank Sinatra is tasteless and unfair. I regret that Italian-Americans continue to be subjected to such stereotypes and I hope that Americans of all ethnic backgrounds will join me in opposition to such behavior.

Thank you, Mr. Speaker.●

SUPPORT FOR HOUSE COMMITTEE BILL ON INTERSTATE BANKING

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LaFALCE. Mr. Speaker, the House Banking Committee has recently approved legislation designed to regulate the transition to full nationwide banking. The bill, which passed the committee by a substantial margin, is not without controversy. It is, in fact, vigorously opposed by several segments of the banking industry.

The most vociferous opponents of the bill are those banks who would most profit from the current trend to establish protected regional markets. Those banks, located in States which have begun to join together to create a regional compact, would be allowed to acquire smaller banks or merge with one another virtually without restriction. Banks from outside the compact area would not only be prohibited from entering the markets protected by the compact agreement as these mergers and acquisitions take place, but would be pariahs indefinitely. What that means for the favored regional bank, of course, is easy access to a broad new market without challenge by outside competitors. What it means for the consumer is limited choice and higher prices. As pointed out by the New York Times, "Regional banks may flourish, but their customers will pay for the protection."

Mr. Speaker, many of our colleagues know that the Supreme Court has ruled that regional compacts are constitutional. I do not contest the Court's interpretation of current law, but as noted by the Miami Herald, "a sensible ruling has the unfortunate side effect of perpetuating poor public policy."

As a longtime advocate of congressional action to legitimize interstate banking and oversee the movement of

banks across the country, I am more convinced than ever that the stability of the banking system and the maximization of benefits to the consumer demand that Congress set the ground rules. The Depository Institutions Acquisitions Act of 1985 does just that. In addition to ensuring that regional compacts are used only as a transitional tool to an open, competitive system of nationwide banking, the bill provides safeguards against concentration and lays down strict rules regarding a bank's responsibility to any new community entered via interstate acquisition.

I think the Banking Committee has produced a good bill, and I think it is the responsibility of the House to consider and approve it. The legislation has support in many quarters, even in places like Miami, Boston, Chicago, and the District of Columbia, where regional banking is likely to take hold. After reading the editorials below, which I have asked be inserted in the RECORD, the case becomes even more convincing. We in the Congress can't look the other way.

Perpetuating the status quo would leave the United States saddled with a Balkanized banking system that ill serves the Nation's interests because it's out of step with trends in technology and the world economy.

So says the Miami Herald. They're right. Interstate banking will come with or without us. In my view, the Nation will be better served if the Congress does get involved. The Banking Committee has done its job—now its time for the House to act.

At this point, I would like to place several recent editorials in the RECORD. The editorials follow:

[From the Miami Herald, June 15, 1985]

BANK SHOTS

This week's U.S. Supreme Court decision on interstate banking exemplifies a quirk that sometimes occurs: A sensible ruling has the unfortunate side effect of perpetuating poor public policy.

The High Court can't be blamed. Its 8–0 decision is sound. As the written opinion by Associate Justice William Rehnquist recognizes, the authority to regulate banking rests with Congress. This particular case arose in part because Congress has delegated some of its authority to the states.

The states, in turn, have used that authority in different ways. Example: The Bank Holding Company Act as amended lets each state decide whether to admit out-of-state banks. New York and five other states have opened their doors to all comers. Florida and several other states admit banks only from other states within their region.

That approach, known as regional interstate banking, was the focus of this case. Citicorp and two other banks had challenged their exclusion from the New England market. They lost. The High Court found that regional banking is legal under both Federal law and the Constitution.

So now the dispute moves to Capitol Hill. On Wednesday the House Banking Committee approved legislation to phase in nationwide interstate banking by 1990. Federal Reserve Chairman Paul Volcker and Treasury Secretary James Baker support the idea. Even some regional banks, fearful that the High Court might throw open the doors, supported a phase-in bill prior to the High Court's decision.

Despite the House panel's action, however, prospects for final congressional approval of such a bill may have dimmed as a result of the court decision. The Senate Banking Committee is far less receptive. Moreover, many of the regional banks have flip-flopped on the issue. As Rep. Jim Cooper of Tennessee noted, "A week ago they were urging us to pass legislation. . . . Now they want the status quo."

And why not? Regional banking sets up geographic cartels. It boosts bankers' profits and stifles competition. The arrangement is defensible only as a short-term transitional device to foster more-vigorous competition later by keeping more players in the game. The idea is to hold the huge national banks at bay until the regional banks are large enough to compete.

Unfortunately, the banks that benefit from the regional approach are already talking about making it permanent. Congress should not allow that to happen. A bill is needed this year to set a firm schedule to phase in nationwide interstate banking. If it isn't done now, before regional banks tighten their grip on congressional politics, it may prove impossible.

Perpetuating the status quo would leave the United States saddled with a Balkanized banking system that ill serves the nation's interests because it's out of step with trends in technology and in the world economy. Congress should act while there's still time.

[From Crain's Chicago Business, June 10, 1985]

REGIONAL BANKING SERVES BANKERS

That's some region that legislators are putting together in Springfield as they attempt to keep Illinois banking mired somewhere in the 19th century.

In the interests of restricting innovation and competition in financial services in Illinois, the Senate created a region of six states that would permit interstate branch banking, but only on a reciprocal basis. As envisioned by Senate President Philip Rock, D-Oak Park, the region encompasses Kentucky, Indiana, Michigan, Wisconsin and Missouri. Forget Missouri, where the political leadership—even more myopic than Illinois—already has refused to grant reciprocal banking privileges to any state. Minnesota was never invited in, because Wisconsin bankers were fearful the Minnesotans would beat them bloody in head-to-head competition.

You can forget Michigan, too: Gov. James Blanchard vetoed legislation there because, like Illinois' bill, it failed to recognize advances in banking since green eyeshades. Kentucky doesn't belong in the region either. That state already passed legislation allowing full national banking effective next Jan. 1, which means Kentucky's banking system will be to Illinois what the computer is to the abacus.

So that leaves Illinois reciprocating with such wizards of financial services as can be found in Wisconsin (which lives in fear of Minnesota) and Indiana.

It's ludicrous to suppose that Illinois can benefit from any such arrangement. Banking reciprocity with those states won't produce one new job, one dollar of new capital or one new idea in financial services in Illinois. The concept of a regional compact in banking simply is another method by which Illinois bankers can protect themselves from new competition and ideas.

What Illinois business and individuals need is full interstate banking—and the quicker the better.

[From the Boston Globe, June 13, 1985]

BANKING BY REGIONS

When Congress takes up the banking question tossed its way by Monday's Supreme Court decision on regional agreements, it should weigh the fact that all financial institutions are increasingly subject to national and even international influences. The court permitted, within the structure of existing law, regions to bar outside entrants. Congress should test the wisdom of that policy before reaffirming it.

New England is among the regions that have developed agreements permitting joint ownership across state lines while barring bank acquisitions from outside the region—notably New York. The case in which the court sustained the regional ban on outsiders overruled a New York bank's challenge of mergers affecting Massachusetts, Rhode Island and Connecticut banks.

No doubt, regional bankers and legislators enjoy keeping out the big, bad Manhattan banks. This sentiment is reinforced by a reasonable desire to have locally managed, responsive banks that meet local needs.

The reality, though, is that small community banks, and some that are not so small, must confront large neighbors. One recent merger will produce a bank nearly as large as the Bank of Boston, which has for years ranked among the 20 largest in the country.

Consolidation in banking cannot be halted. Limiting such consolidations to regional participants, or restricting entry by outside banks, will reduce, not expand, competition among banks. The trend in other sectors of the economy toward reduced regulation and increased competition has produced healthy change in trucking, air travel and railroading.

Encouraging competition among banks would be similarly healthy. There is no compelling argument that mere size guarantees overwhelming wisdom or an unassailable position in the community—as New England has had the opportunity to see clearly in recent months. Congress should permit easier entry into all markets.

PUSH BANKING CHANGES

Even the casual local depositor knows how much banking has changed over the past decade. The choices for depositors have multiplied, as have the services thrift institutions may offer. And the legal ceilings once imposed on interest rates have virtually disappeared.

But federal laws written years ago have not always been changed to keep up with the changes in banking itself.

Today it is possible for banks to put together national computer networks and other high-speed channels of communication and commerce. Yet with some exceptions, federal law still prohibits bank holding companies from expanding outside their home states without permission from the recipient states.

The major reason for this is the fear that large banks in the principal money centers such as New York, Los Angeles and Chicago will gobble up the smaller banks around the country, producing unwholesome concentrations of economic power.

The clash between that fear and what appears to be the inevitability of nationwide

banking has paralyzed action in Congress to modernize the regulations governing interstate banking.

Now, however, the House Banking Committee has approved a sweeping proposal that could intelligently balance these conflicting interests and concerns. Some states have begun to establish regional zones within which local banks can expand and merge, while keeping out large money-center banks. Recently, the Supreme Court ruled that such regional banking was permissible.

The proposal of the House banking panel would permit this to continue for another five years. But it would also lift the present ban on interstate banking, enacted in 1956, as of July 1, 1990.

This five-year transition period, originally suggested by Rep. John LaFalce, D-Kenmore, and another committee member, makes sense. It would allow time for preparation and adjustment for nationwide banking but also assure its beginning within a reasonable period of time.

The House bill, significantly, also contains provisions to counter fears of unhealthy concentrations of banking power. Thus, mergers among the nation's 25 largest banks would be banned, and no bank merger of any kind would be allowed if its combined assets exceeded a certain limit. Other antitrust requirements would act to prevent restraints of competition among the covered financial institutions.

The House proposal includes protection for consumers when new banks enter a community and closes a loophole that has allowed so-called "nonbank banks" to evade the present bar against interstate banking.

If approved, the proposal will certainly help large banks in the major money centers to expand. But it will also help any enterprising bank or thrift institution, including those here in Buffalo, that wishes to expand across state lines. And why not? Increased competition within fair national legal guidelines should benefit consumers with broader choices for their deposits, better services and greater efficiency.

And if nationwide banking, driven by rapid changes in technology, is inevitable, as it appears to be, better that Congress guide this development with a modern law based on modern financial conditions. The House banking measure faces heavy opposition in Congress and may not be the final answer. But it offers a responsible and impressive step forward.

[From the Washington Post, June 12, 1985]

CONSTITUTIONAL, BUT UNWISE

Regional Banking is the dubious practice in which a legislature allows banks from certain neighboring states, but not from others, to expand into its own state. The leaders have been Massachusetts and Connecticut, responding to banks located there that wanted it both ways. They wanted to grow by expanding across state lines, but they also wanted to be protected from competition by the big New York banks. The result has been that these two states have adopted interstate banking, but only within New England.

That raised two questions. First, is it constitutional? And second, is it good public policy? The Supreme Court has now answered the first question: yes, it's constitutional. The court acknowledged that these laws discriminate against some states' banks in favor of others. But, it concluded, Congress has authorized the states to set their own rules for interstate banking and they are entitled to protect the independence of their local banks.

But a law can be constitutional and yet be wrong-headed as well. The survival of small local banks is not at stake. It's the profitability of the bigger regional banks that is at the center of this quarrel. For a small country bank in Massachusetts, the arrival of the giant banks from New York would hardly add to the competition that it already gets from the Boston banks. But for the Boston banks, direct competition on their home turf from the New York banks might mean slightly lower interest rates paid by borrowers, and slightly higher rates paid to depositors. Increased competition across state lines is very much in the interest of consumers.

Fortunately, increased competition is inevitably coming. Citicorp, based in Manhattan, is the biggest banking company in the country and one of the plaintiffs in this case; it now operates in three other states—California, Illinois and Florida—into which it was invited to rescue savings and loan associations in distress. Next year it will go into business in Maryland. Other major banks throughout the country are following similar strategies. But the discriminatory character of these regional laws is not going to be cured by a proliferation of loopholes and special exceptions. They only erode the rationale for the discrimination.

Congress is now considering federal legislation to permit regional banking only as a temporary stage in a transition to unrestricted interstate competition. The Federal Reserve Board has recommended a short transition period of no more than three years. Otherwise the banking system will become a hodgepodge of anomalies and preferences, at the expense of the banks' customers. A lot of people in Congress were hoping that the Supreme Court would make their job easier by declaring all regional restrictions unconstitutional. The court has declined to oblige them, and has passed the responsibility back to Congress—where it belongs.

[From the New York Times, June 13, 1985]

BANKING ON CONGRESS

While Congress dawdles, the courts are stifling expansion of America's banking system. Last month, the Federal Court of Appeals in Atlanta ruled against the spread of unregulated banks that offer only limited services. This week the Supreme Court approved regional bank mergers that exclude outside banks. This chaos cries out for a national policy. Only Congress can supply it.

The cause of the confusion is the collapse of legal barriers against interstate banking. Those barriers no longer make sense and there are now many ways around them. But they should be dismantled with prudence, leaving clear Federal guidelines for the emerging system.

In the Atlanta case, the court said the Federal Reserve Board exceeded its authority in permitting U.S. Trust Company of New York to open a limited-service branch in Palm Beach. Limited-service is a concept designed to evade the legal definition of a bank by either taking deposits or making loans, but not both. By this evasion, nonbank businesses like Sears and near-bank businesses like Merrill Lynch effectively make themselves nationwide banks. But real banks were generally kept out. Pending appeal of the Atlanta decision—or overriding action by Congress—this anomaly continues.

Another problem emerges from the Supreme Court's unanimous approval of an arrangement in New England. It permits New England banks to operate throughout the region but excludes banks from other regions. The purpose is to keep out the feared giants from New York and California.

If Congress acquiesces in that policy, the country will soon be sliced into regional banking enclaves. Regional banks may flourish, but their customers will pay for the protection. Only complete and genuine interstate banking will produce the competition that assures depositors and borrowers the most favorable interest rates and loan terms.

Congress should cut through this litigation by authorizing a deliberately paced expansion of banking across state lines under a uniform regulatory regime. The House Banking Committee finally began yesterday to address the issue.

It proposes to prohibit new limited-service banks and to close down those created in the last year. But it would leave more than 100 older ones to enjoy unwarranted privileges.

More commendably, the committee endorsed regional banking and looked toward a more nearly nationwide system—by providing that in 1990 banks could cross state lines wherever states subscribe to reciprocal entry.

Every member of Congress knows a hometown banker who prefers no outside competition. But interstate banking has arrived, brought on by electronic cash cards, money-market funds, non-bank banks and emergency interstate buyouts of failed banks. The challenge for Congress is to make sense of this new world.●

TRIBUTE TO ALFRED L. FITZGERALD

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DioGUARDI. Mr. Speaker, it is with honor that I rise today to speak on behalf of Alfred L. Fitzgerald of Eastchester, a nominee for the Presidential Recognition Award for Community Service.

Al was born in New London, CT, on March 22, 1901, and attended Brown University and New York University School of Law. Since 1974, he has served as director of the Office for the Aging for the town of Eastchester. Prior to that time, he was employed as director of the policy payment division at MONY, where he worked for 42 years until his retirement in 1966.

Al served as assistant director of Eastchester civilian defense in the second world war. He has also served on the board of directors of the Community Fund and as president of the Eastchester Board of Education. His community service includes years with the board of governors for Lawrence Hospital in Bronxville, and as past president of the Associated Business Stamp Club of New York, the National Law Enforcement Associates of New

York, and the Public Health Nursing Association.

Al has also served on the Board of Family Consultation Services, the Eastchester Historical Society, the Scarsdale Manor Tenants Association, and the New York State Tenant and Neighborhood Coalition.

In his tenure as director of the Eastchester Office for the Aging, Al has established a senior citizen nutrition center, a Garth Road senior center, a senior transit service, and other programs too numerous to mention.

I am pleased to recognize one of the great volunteers of America. Al Fitzgerald epitomizes the spirit of voluntarism so important in America today. Thank you, Mr. Speaker.●

NATIONAL WILDFLOWER LANDSCAPING ACT

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. PICKLE. Mr. Speaker, yesterday I introduced H.R. 2878, a bill to encourage the use of native wildflowers in highway landscaping.

This is the original bill introduced by Senator BENTSEN in the other body, and it would designate at least one-quarter of 1 percent of the funds expended in each fiscal year for landscaping our Federal highways to be used for plantings of native wildflower seeds and seedlings.

It has been proven that planting wildflowers along highway rights-of-way reduces maintenance costs while providing great beauty. In fact, in the State of Texas alone, mowing costs have been reduced 24 percent, an $8 million annual savings; watering requirements were reduced by greater than 25 percent annually, and the amount of littering is down.

Of all the environmental bills we have had before the Congress, this one comes as close to being the perfect approach to beautification that we have had. This would assure a vital though small amount of funds be set aside for beautifying our roadside landscape. This all makes eminent sense to me, and I feel strongly that it is legislation that should become law.

This bill has been referred to the Committee on Public Works and Transportation, and will hopefully become a part of the transportation bill this year. A similar bill was in the highway bill last year but unfortunately died in conference. I am most hopeful that we will be able to pass a bill this year, which will include the wildflower proposal.

Mrs. Lyndon B. Johnson spearheaded the establishment of the National Wildflower Research Center in 1982 which was formed as a nonprofit organization to preserve and promote wildflowers throughout the United States, especially along roadways. Thus, H.R. 2878 would tie in perfectly with the work of the center, and as Mrs. Johnson has said previously, the roadways are potentially the biggest garden in the world.

I hope that my colleagues will recognize the value of the practice of planting wildflowers, both from the standpoint of beautification, as well as economics, and join me in supporting it.●

PRESENT ADMINISTRATION'S CIVIL RIGHTS RECORD

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WEISS. Mr. Speaker, recently an informative letter regarding the Reagan administration's civil rights record was brought to my attention. Written by Benjamin Hooks, executive director of the NAACP, the letter persuasively demonstrates the backward-looking character of the administration's policies. In light of the other body's failure to confirm William Bradford Reynolds as Associate Attorney General, I thought this would be an appropriate time to share this letter with my colleagues. It is reprinted here in its entirety:

MARCH 11, 1985.

DEAR FRIEND: The President of the United States recently blamed a handful of national black leaders, including myself, for his low rating among black Americans.

In a sense, this ploy is analogous to the story of the king who blamed the messenger for bringing him the bad news.

The brutal fact is that the circumstances of one-third of all black Americans are approaching disastrous proportions. After decades of slow but steady progress, our black citizens have experienced marked deterioration in their living levels.

Yet the disapproval of most black Americans for the President and his Administration is not based on economic and social plight alone. Forget for a moment the fact that one of every five black adults cannot find a job—three times the rate of white adults. Forget that at least half of black youngsters are unemployed. Ignore, if you will, the U.S. Government's own Census Department figures that some 40 million Americans now live at or below the poverty levels—an increase of six million during Mr. Reagan's first term—and that most of these are minorities. Put aside the disproportionate federal cuts of social and economic programs upon which so many disadvantaged Americans, including a majority of the black populace, had depended for survival. Indeed, pay no attention to the sheer struggle which two of every three black Americans confronts daily to stay alive in this society.

If you are able to ignore all of these facts, then ponder for a moment the consistent hostility exemplified by the President over the past four years towards the spectrum of traditional civil rights advances which preceded him. One of his Administration's first acts after taking office was to propose tax deductible status for private schools which discriminated against blacks. That was followed by the President's forceful opposition to the extension of the Voting Rights Act, which assures that all Americans can exercise the franchise. Thereafter, the President's Justice Department radically altered the course of twenty years and four previous presidents of both major parties by going to federal court to oppose civil rights laws, decisions and practices in housing, jobs, school desegregation and affirmative action in general. The President regularly sent out signals during his first four years that his Administration would undo the progress of the past when it came to civil rights and that minorities would no longer be helped by the White House. His appeals to conservative white voters were rewarded in November. At the same time, nine of ten black voters rejected him.

These black voters were not manipulated by Ben Hooks or other national civil rights leaders. They read the same newspapers, listen to the same radio stations, watch the same television news as the majority population. They do not need to be told what their self interests are, no more than any other racial, ethnic or religious group in America needs to be told. They are smart enough to figure it out for themselves. If it is true, as the polls and media claim, that white Americans voted overwhelmingly in 1984 for their pocket books, so did most black Americans who, for the most part, have not shared in the recent recovery.

But the pocket book is not and has never been the only index of popularity among Americans, black or white. Black Americans knew full well that—quite apart from the Administration's economic policies, over which reasonable men and women can and do disagree—the attitudes of this Administration are, purely and simply, harmful to their interests. And if there were no Ben Hooks, or none of the other national black leaders, black Americans would overwhelmingly continue to perceive this fact.

The irony is that the NAACP has criticized every President since Woodrow Wilson for not going far enough in promoting the advancement of the only group in America which had suffered from almost three centuries of slavery and another century of legally-enforced second class citizenship. Nobody knows better than the NAACP how much progress has been made since our founding seventy-five years ago: scores of us have died and thousands have been lynched, maimed, beaten, and jailed to bring about that progress. And during that entire period, not one of the present-day Administration leaders—from the President to his Assistant Attorney General for Civil Rights on down—had made a significant contribution to that struggle. Indeed, most of his appointees and followers have opposed every measure of black advancement wrought over the past three decades. Now they are trying to tell us that we have gone far enough—and to behave as if they had anything at all to do with the progress we and our white allies brought about, despite so much opposition, much of it violent.

Well, Mr. President, we have a message for you and your followers. You can meet with all of the self-anointed blacks you choose. Let me assure you that black Americans have learned too much from the past to abandon their claims to full citizenship and full prosperity now. Too much blood has been spilled and too many of our finest young men and women—black and white—

have sacrificed too much for us to give up now. The memory of Medgar Evers and Martin Luther King, of Viola Liuzzo and Schwerner, Chaney and Goodman, of the scores of local NAACP leaders who were mauled and killed to get this far, will not disappear that easily.

We remind the President and those who follow his lead that, as loyal Americans, we did not hesitate to criticize Woodrow Wilson, Franklin D. Roosevelt, Dwight D. Eisenhower, John F. Kennedy or Richard M. Nixon for their deficient policies in respect to black Americans; we shall certainly not hesitate to criticize Ronald Reagan either.

Indeed, despite our criticisms of each and every President since Wilson—be they Republicans or Democrats—we have recorded progress in civil rights under almost every one of them. (And much of that progress was earned through hard fighting and intelligent policies.) But never before have we lost ground or suffered so much retrogression, as we have under Ronald Reagan in the past four years. Next to the Reagan record, even Richard Nixon's six years in office now looks enviable.

In the past year alone, the Administration has initiated a series of policies which, if they succeed, will set back the cause of civil rights at least a decade. These include:

Transformation of the U.S. Commission on Civil Rights from a bipartisan, independent agency to a self-serving advocacy lobby for the Administration's anti-civil rights views. The Commission's magazine recently went so far as to question the 1954 Brown decision on school segregation and to ask whether school desegregation is in and of itself either wrong or harmful to black children.

The Justice Department persuaded the Supreme Court, in the Grove City College case, to reverse the past policy of three Presidents (Nixon, Ford and Carter) by continuing federal funding to colleges which practice racial or sexual discrimination. The Administration lobbied strenuously by the House which would have prevented federal funds from going to any college, if a subdivision of that college practiced discrimination. That bill is before the Congress again and the Administration still opposes it.

The Justice Department, whose Constitutional mission is to enforce the laws of the land, has attacked a panoply of civil rights laws, most often those dealing with affirmative action. It has declared its intention to reverse even voluntary affirmative action plans, which were the center-piece of the Nixon Administration's efforts in the civil rights arena;

After more than thirty years of grueling and expensive court fights by the NAACP and its allies in almost every major city in America to realize the promise of the 1954 Supreme Court decision, the Reagan Administration is seeking to reverse the laboriously crafted federal court orders which resulted in desegregated schools, even where segregation remains or has gotten worse;

And, perhaps more dangerous than all the other measures, the Administration is now supporting a drive to return to "states' rights," the very disease which froze second-class citizenship and racial segregation upon one-tenth of our nation until the federal government intervened to break the centuries' old patterns. One proposal is to delegate to the states the responsibility for enforcing federal civil rights laws by recipients of federal funds. Another is to remove from the federal courts—the great bastion of civil rights advancement—the jurisdiction for a broad spectrum of civil rights claims. And that, less than twenty years after Lyndon Johnson, with his famous "We Shall Overcome" speech, routed the last bastions of states' rights forces.

These measures are not the figment of my imagination, or that of other black leaders. As you will see form the enclosure, they have been duly recorded in the New York Times, and in the media in general. Taken together, they represented a radical counterrevolution—an attempt to return to a past which was oppressive and unjust—a past we thought we had permanently put behind us.

What black Americans resent most of all is that, despite our differences with every past President since 1909, this is the first time almost every black American believes that this President is not the President of all the people—only the President of the advantaged, mostly white, population. We do not make this statement out of partisanship, for we revere the memory of Lincoln, who was a Republican, as we do of Truman and Johnson, who were Democrats. We acknowledge progress under Eisenhower and Nixon, as we do under Roosevelt and Carter. What we ask our President to do is lead the nation, not to follow its basest instincts. We beseech our President to heal and bring us together, not to divide and polarize us. The extent that he can find it in his heart to follow the spirit of Lincoln and the resolve of Johnson, he will have earned our undying support.

Meanwhile, the role of the NAACP remains clear: as always, we must articulate the grievances of the least among us while leading those Americans, black and white, who still stand for decency in the vanguard of the civil rights struggle. We have been set back but we are not defeated. The NAACP was born before Ronald Reagan and long after he departs from the White House, there will be an NAACP. And it will continue—with your help—to serve as America's conscience until that day when there is freedom and justice for all. Please help us by contributing as generously as you can to our tax-deductible Special Contribution Fund; we need your support as never before.

Sincerely,

BENJAMIN L. HOOKS,
Secretary.

P.S. Despite the grim record which I have summarized above, we shall continue to seek to meet face to face with the President—as we have with every occupant of the White House since 1909—in order to convey to him the tragic plight of black America. We shall make every effort to work with him and his Administration in the fundamental belief that he is the President of all Americans. BLH.●

FOURTH OF JULY MESSAGE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. ANTHONY. Mr. Speaker, within the last few weeks we have witnessed vicious attacks on Americans in various parts of the world. In an attempt to manipulate and embarrass the United States, terrorists have murdered one American serviceman and taken hostage 40 innocent U.S. civilians in Beirut. To the south of us, four American Embassy guards and two American civilians were brutally gunned down in El Salvador as they sat complacently in an outdoor cafe.

Such anti-Americanism has become rampant in the world. As we approach our Fourth of July holiday, these occurrences cause me to pause and contemplate the ideals of our country. In a world threatened with anarchy, it grieves me to think that perhaps this is the price we must pay for democracy.

Each year as Americans prepare to celebrate another anniversary of this Nation's birth, we extol the virtues of life, liberty, and freedom. Why do we celebrate these virtues with such ferocity? Because we are a nation with a conscience.

We are a nation which has taken the responsibility to reach out halfway across the world to famine-stricken Ethiopia to feed and clothe those less fortunate than we because we have a conscience to aid humanity.

We are a nation who's sons and daughters have taken the responsibility to travel to the far reaches of this Earth in order to assist in battles against tyranny and oppression because we felt a moral obligation to lend the world our strength.

We are a nation which has come together far too often to mourn for those sons and daughters who lost their lives fighting for the establishment and preservation of liberty and freedom because they had conscience enough to care.

We are truly a nation with a conscience, and this is one of the elements within the framework of our country which makes me proud to be an American. We have survived 209 years of life, liberty, and freedom, and I hope the coming years of freedom far outnumber those which have passed.

Happy Birthday, America.●

CLIFTON HEIGHT'S 100TH ANNIVERSARY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. EDGAR. Mr. Speaker, I would like to take this opportunity to request that my distinguished colleagues join with me in congratulating the residents of Clifton Heights, PA, on the land-mark 100th anniversary of the incorporation of their community as an independent borough.

Clifton Height's centennial slogan, "Pride in Our Heritage," greatly exemplifies the community's understandable and commendable pride in the successful blending of traditions, nationalities and religions, that have created an ideal community in which to

live and raise a family. It is the multiethnic, hard-working communities such as Clifton Heights that constitute the backbone of our great Nation.

Mr Speaker, I know you join me in saluting the residents of Clifton Heights on the laudable 100th anniversary of their community.●

RIGHT TO LIFE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DORNAN of California. Mr. Speaker, today I am introducing legislation which is long overdue. Those Members who have worked as I have over the years to protect the right to life of the pre-born will not be the only Members to instantly see the urgency of enactment of this measure. I am confident that upon careful consideration the majority of my colleagues will understand and accept the intent of the bill.

My proposal, "to amend the Internal Revenue Code of 1954 to deny status as a tax-exempt organization, and as a chartiable contribution recipient, for organizations which directly or indirectly perform, or finance abortions," removes the positive reinforcement for the killing of innocent preborn children that has existed in our Tax Code for years.

The U.S. Constitution guarantees the right to life. We must do everything to preserve, protect, and defend the inalienable rights for the pre-born. It is imperative that we eliminate the law which grants citizens and/or organizations a tax deduction for contributing in any way to the death of another human being.

It is a contradiction for the U.S. Government to spend millions of dollars each year in criminal law enforcement while subsidizing the killing of innocent preborn children.

The time for action is now. At the National Right to Life Convention in Washington, June 21, Mother Teresa of Calcutta called abortion the "terrible destroyer of peace, of love, of unity of joy" and said "we must do everything in our power to prevent it. * * * For every abortion there are two killings—the child and the conscience."

I urge all of my colleagues to review this bill and lend full support with cosponsorship and in debate. We must all remember, as Mother Teresa says, "Every little unborn child is created in the image of God, to love and be loved."●

A CONGRESSIONAL TRIBUTE TO JOSEPH L. WROBLEWSKI

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. COYNE. Mr. Speaker, during the 68th Convention of the International Association of Lions Clubs, held June 19–22, 1985, Mr. Joseph L. Wroblewski, of Forty Fort, PA, was elected President of that very worthwhile organization.

Mr. Wroblewski is extremely well-qualified and capable of leading the International Association of Lions Clubs. As a member of the Ashley Lions Club for over 30 years, Mr. Wroblewski demonstrated the skills necessary for effective leadership in several capacities. He has held the post of 100 percent District Governor 14-H, served a 2-year term as a member of the international board of directors of Lions Club International, and was an international board appointee.

In recognition of his loyal service to the Lions Clubs, a number of honors have been bestowed upon Mr. Wroblewski. A recipient of nine international president's awards, and extension award, advancement key award, Mr. Wroblewski has also received the highest honor a Lion can receive, the Ambassador of Goodwill Award. In addition, President Wroblewski is a Melvin Jones Fellow.

President Wroblewski has shown his dedication to community affairs by serving in a number positions of leadership. He is past president of the Northeastern Heart Association, past president Pennsylvania Association of Personnel Services, past president National Employment Association, past member of the board of directors of Catholic Youth Services. He is currently a member of the Pennsylvania and National Funeral Directors Association.

President Wroblewski is an industrious family man, and he and his wife Norma Jean have four children. I extend my sincere congratulations to President Joseph L. Wroblewski, leader of the International Association of Lions Clubs, who has truly answered the call to serve.●

VA CLOSINGS UNJUSTIFIED

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FRANK. Mr. Speaker, sadly, reports have again circulated that the Veterans' Administration is considering closing the outpatient clinic in New Bedford, MA, which serves many needy veterans. There is no justification for this closing, and indeed, the repeated reports of these closings cause unnecessary anguish to many ill veterans. This Government can afford to keep its promises to those who fought for their country.

Recently, the Disabled American Veterans of Massachusetts at their State convention in Chicopee, adopted a resolution presented by the New Bedford Chapter against this closing. I have been pleased to work with my colleagues from Massachusetts [Mr. STUDDS and Mr. MOAKLEY] and our Senators against this callous effort to deny needed medical care to many veterans.

I ask that the resolution of the DAV State convention which explains why this would be such a serious mistake be printed here.

DISABLED AMERICAN VETERANS, DR. C.E. BURT, CHAPTER NO. 7, NEW BEDFORD, MA

Whereas, The medical needs and veteran service of Southeastern Massachusetts and the Islands veterans, hae been provided by the Veterans Administration Out Patient Clinic in New Bedford in conjection with the Davis Park Medical Center, Providence, Rhode Island and

Whereas, This clinic, has been in operation since WWII, and still treats veterans from that period, plus the additional load of Korean, Viet-Nam, Grenada, and Lebanonese campaign era, and

Whereas, With the passage of time and the increase of the World War Two veteran's problems originally have been recognized by PL-96-330 & PL 98-528 by an aware government and

Whereas, Such service had been prescribed by Congressional and Executive action through the request of grateful citizens of this glorious nation and

Whereas, The Continuation of and the updating of the necessary equipment and personnel is exceeding desirable and necessary, and

Whereas, Discontinuance of the New Bedford Out Patient Clinic, based upon a cost effective basis would be unacceptable and repugnant, and

Whereas, Such action would cause veterans to travel from the tip of Cape Cod, Mass. to a sister state, Providence, R.I. in order to get medical treatment and

Whereas, Such travel would be deleterious to the health of the veterans, especially those with hypertension and

Whereas, The excessive time consumed by over 8,000 veteran vists in travel alone, and

Whereas, The additional travel cost plus less care and service create retrograding approach to a serious problem, now, therefore, be it

Resolved by the Disabled American Veterans, Department of Massachusetts assembled at convention in Chicopee, Massachusetts June 13, 14, 15, 1985 to urge upon the Massachusetts members of the United States House of Representatives and the members of the United States Senate to go on record as being diametrically opposed to the curtailment of any services at the New Bedford Out Patient Clinic, and to take position of updating same, and be it

Further resolved, That a copy of this resolution be forwarded to the National Convention of the Disabled American Veterans as-

sembled in New Orlenas, Louisiana July 21-25, 1985.●

SCOUTS COMMENDED FOR GOOD CITIZENSHIP AND CONCERN FOR STORM VICTIMS

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LEVIN of Michigan. Mr. Speaker, it is with great pride that I rise to pay tribute to the leaders and over 150 members of Boy Scout Troop 1101 of Dearborn Heights, MI. Postponing their plans for a weekend camping trip, at the suggestion of their assistant scoutmaster, Doug Kerry, the entire troop traveled to the northeastern Ohio city of Niles to aid the victims of violent storms and tornados that had devastated the community earlier this month.

These scouts spent countless hours collecting food, clothing, and toys to present to the residents of Niles, and while there, assisted with the clean-up process, relocation of homeless citizens, food distribution, and many other assignments. Over and above the physical effort they provided, these young men demonstrated the good will and sense of brotherhood felt by the residents of Michigan toward our Ohio neighbors. I commend each and every member of this organization for their humanity, and thank them for their genuine concern.●

LITTLE SISTERS OF THE POOR 100TH ANNIVERSARY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Ms. KAPTUR. Mr. Speaker, next week the Little Sisters of the Poor is observing its century of service to the Toledo area. Because the sisters have been so dedicated for so many years, their work often is unnoticed by the general public community. That is why I want to take this opportunity to thank them for all that they've done not only in the greater Toledo area, but throughout the world. The Little Sisters of the Poor is a remarkable order. As a Roman Catholic, I am especially proud of their work.

In these troubled times, their work is a constant reminder to all of us who have so many blessings that there are among us many who are less fortunate. But also, the Little Sisters serve as a glimmer of hope and a source of inspiration for all of us, especially those they serve. I know my colleagues in the House of Representatives join me in congratulating the Little Sisters of the Poor in Toledo on their centenary year and wishing them Godspeed in their work.●

H.R. 320

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. TALLON. Mr. Speaker, the trend in our trade deficit is alarming, estimates are that it will reach $140 billion this year. We must take aggressive action to restore the U.S. position in the world market. We have to come up with a forceful trade strategy.

There are a number of reasons for our rapidly mounting trade deficit, but there are three primary contributors which stand out. The overvalued dollar, which has raised the cost of U.S. exports and lowered the cost of our imports, recovery of the U.S. economy in advance of the economies of our major trading partners, which has led to the rapid growth of U.S. imports and stagnant growth in exports and the international debt situation, which has forced debtor nations—especially Latin American countries—to curtail American imports drastically.

I am a strong supporter of the Trade Policy and Reorganization Act of 1985, H.R. 320. This bill would establish a Department of Trade and Industry as a Cabinet level department.

This legislation would place responsibility for both trade policymaking and policy implementation in a single department. I believe that is part of our problem now, we have several people working in the area of trade, but no one has the ultimate responsibility of developing a unified trade and industrial policy. It is in many ways like the old "Three Stooges" routine, "Who's on First?" We don't know who or what's on first!

The new department would consolidate the principal executive trade function and would incorporate related economic affairs and business elements of the Commerce Department. Concentration of the major agencies into one executive department would improve the quality of U.S. trade policies as well as increase the weight of trade considerations in U.S. foreign and domestic policy making decisions.

Along with an overvalued dollar, American businesses and firms that trade overseas or compete with foreign enterprises at home also have to worry about unfair trade practices by foreign firms and countries ultimately cost Americans their jobs. We have already lost over 1 million jobs in the United States.

One example of unfair trade practices is the effort by the Chinese Government to gain a larger share of the American apparel and textile market. Recently, the Department of Commerce ruled that the Chinese have dumped $19.6 million worth of printcloth on the United States at a price 22-percent below fair market value. The People's Republic of China has a state-controlled economy which enables it to sell large amounts of printcloth in the United States at a loss in order to secure much needed U.S. dollars to buy other goods and to gain a foothold in the U.S. textile and apparel market.

I believe there is strong bipartisan support right now in Congress for the Trade Policy and Reorganization Act. With over 25 different Federal agencies involved in U.S. trade policy and investment, we are not lifting up a strong coherent voice on behalf of American products overseas.

Consolidating the wide-range of trade activities into one agency would help reduce the duplication and waste that now exists. It is high time that we take action to bring about a strong unified policy and stop the loss of good American jobs.●

SOCIAL SECURITY BENEFITS NOT BE TOUCHED

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MARKEY. Mr. Speaker, all through the long and arduous Presidential campaign of 1984, Ronald Reagan made one issue abundantly clear. He stated emphatically that he would not touch the Social Security benefits that were due the senior citizens of this great country. The President even went so far as to say that he would never touch the Social Security benefits for elderly Americans and that this applied to cost-of-living adjustments [COLA's].

As the tremendous weight of the budget deficit bore down heavily on his shoulders, the President recanted. But as is his style, the President did so by thrusting responsibility for the potential cuts to Social Security recipients onto the Members of Congress. The President said he would only agree to Social Security cuts if he received a clear mandate from Congress to do so.

The House of Representatives rejected a freeze to Social Security COLA's by a 6.6-to-1-ratio. This was a bipartisan statement. Presently, the House-Senate budget conference has been suspended because the conferees cannot agree about the issue of Social Security benefits and freezing the COLA's. One thing is painfully clear. The President has not received a clear mandate from Congress. Yet our budget problems are growing with

each day that the House-Senate conference remains suspended.

If we do not take steps to cut our deficit we will soon be awash in a sea of red ink. But Congress has demonstrated, in fact it has mandated, that Social Security benefits not be touched. The President should take an initiative. He should instruct the budget conferees that he has not received his requested mandate from Congress, and therefore, the budget should not consider or include any cuts to Social Security benefits. Then the conferees can make some progress in achieving a budget that makes significant cuts. And we can be sure that these cuts will not be at the expense of our senior citizens.●

CONRAIL SALE—WE NEED A CHOICE

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. ECKART of Ohio. Mr. Speaker, President Reagan often speaks of the sparkling magic of a free and unfettered marketplace where competition is king. The forces of competition should always be allowed to work their will. One issue of paramount importance in the proposed sale of Conrail is the preservation of competition. Yesterday, I, along with my colleagues THOMAS J. BLILEY, Jr. of Virginia and BOB EDGAR of Pennsylvania, introduced legislation which would allow for a continued and competitive Conrail.

To date we have been presented with the prospect of a sale to the Norfolk & Southern Corp. or no sale. I say that's no choice. The people of America deserve a choice and today we offer them that choice in a proposal developed by the investment banking firm of Morgan Stanley whih would allow for the Government's disposition of its holdings in Conrail via a public offering.

For almost 5 months we have had the opportunity to closely review and examine the offer for Conrail set forth by the Nortfolk and Southern. During this examination, several serious questions have been raised about the proposed sale of Conrail. Questions about the viability of Conrail, the use of Conrail's tax attributes, the treatment of Conrail's employees and their employment stock option plan, and the economic development of the region in which Conrail operates, are some of the questions which must be answered before we can proceed with a sale of Conrail under any proposal. Only after comparing the answers from both offers to these questions will we able to proceed. The potential is great, the prospect intriguing, and the preservation of a free-standing and independently competitive Conrail is imperative.

I believe that a vote has been taken in the marketplace and early returns show a public offering in the lead. Our offer has won the endorsement of nearly three dozen top rated investors including: major American universities, public employee pension funds, and major independent entrepreneurs. As the President says, the marketplace should be given the chance to work, and it's clearly at work here.

I feel that the Morgan Stanley plan is competitive and in many respects better than the Norfolk and Southern offer. Since time is of essence, we have moved quickly to introduce this legislation. There are, however, additional issues which need to be further explored in this plan such as, broader participation by the Federal, State, and local governments in the upside of Conrail, and ensuring that local, regional railroads continue to be viable alternatives for shippers.

Many contend that we should sell Conrail to neither suitor. Whatever the ultimate choice of Conrail, I believe that there should be just that: A choice. I expect this proposal to be subjected to the same congressional rigor and scrutiny which the other offer has been subject to.

Representing a district which has substantial Conrail operations and employment, my goals are, and always have been: First, competition in Ohio and the Northeast-Midwest region; second, the protection of jobs; third, shippers must continue to receive efficient and competitive rail service; and fourth, the owners—the taxpayers—must receive a fair return on their investment.

The basic tenets of this plan, I am convinced, meet these goals. Competition, through a free-standing Conrail, is maintained, and, thus, jobs are preserved. Additionally, this offer will return more to the Federal treasury than the Norfolk and Southern offer.

I am confident that we will have wide, bipartisan support for this legislation. I want to thank my colleagues for their hard work and their diligent defense of the American taxpayers and Conrail employees. I also want to commend Secretary of Transportation Elizabeth Dole for raising the level of discussion on this issue and for her continued participation. I will continue to work with her on this important issue. I want to ensure that the choice is not between Norfolk and Southern and no sale, but between Norfolk and Southern and other viable alternatives.

I urge my colleagues to join me in cosponsoring H.R. 2873, the Conrail Public Sale and Preservation Act of 1985.●

CHC SALUTES THE 1985 DISABLED VETERAN OF THE YEAR, ARMANDO ALBARRAN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. RICHARDSON. Mr. Speaker, yesterday the Congressional Hispanic Caucus joined the Disabled American Veterans and all Americans across this Nation in proudly saluting Mr. Armando Albarran, the Disabled Veteran of 1985.

Mr. Albarran's selection for the award was based on his dedication and commitment to helping disabled veterans and their families lead lives of dignity and self-respect.

He lost both legs in South Vietnam in 1966; yet he works full time as a vocational rehabilitation specialist with the San Antonio Veterans' Administration and maintains an active caseload of more than 200 individuals and travels over 1,000 miles a month in the San Antonio region.

Mr. Albarran's incomparable courage and heroism strengthens American patriotism and reaffirms our appreciation for those who made such painful sacrifices for our Nation.

Mr. Albarran's motto, "Strive to do the best with what you have, and life will pay you back in many ways," poignantly captures his indomitable, cheerful, and positive spirit.

He is a glowing example and reminder of gallantry, not just to our youth, but to all of us who may forget from time to time what life is all about.●

TRIBUTE TO SAUL KLEIN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. SCHUMER. Mr. Speaker, I would like to take a moment to pay tribute to Mr. Saul Klein, a great man, who recently passed away. As president of the Midwood Civic Action Council and in countless community activities, Saul was an inspiration to all of us. Mr. Klein's commitment to his community, even up to the incident of his death, highlights how much of his life he devoted to community service. Even while in poor health and 80 years of age, Saul continued his unabated involvement in community issues.

There is no denying that Saul was truly an asset to the Brooklyn community in which he lived. His tireless efforts as a community leader will serve as an example to all those who care about the future of the communities

that comprise the Borough of Brooklyn.

Often described by his peers as a "strong man with a gentle touch," Mr. Saul Klein will be solely missed for both his leadership and his compassion.●

HAMMOND HIGH SCHOOL'S 20TH YEAR CLASS REUNION

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. PARRIS. Mr. Speaker, this weekend former students of Hammond High School in Alexandria, VA, will be celebrating the reunion of the class of 1965. In the 20 years that have passed since more than 600 students of this class walked across the stage to receive their high school diplomas, both the students and the city they lived in have changed dramatically.

The past two decades have seen a renewal of the rich heritage of a prosperous port city founded by Scottish merchants in 1749. From the recently rennovated Torpedo Factory Art Center on the revitalized waterfront in the eastern part of the city to the commercial and residential development of western Alexandria, there are more than 1,000 landmarks which remind us of the people who have helped Alexandria grow for more than two centuries.

The Hammond High School Class of 1965 has continued the tradition of contributing to this community, by establishing a college scholarship fund for graduating high school students who show strong leadership qualities, and by setting up a memorial fund for Alexandria Hospital. These 20 years, however, have not passed without sorrow. Last year, the class was shocked by the tragic murder of their class president, Dr. Robert Rixey. In his memory, the class is contributing over $1,000 to the Rixey Foundation, a memorial scholarship fund for college-bound students.

The contributions this class has made are a tribute to the vibrant spirit that has helped the city of Alexandria flourish, and I am grateful for the commitment and assistance they have provided to others in their community.●

TRIBUTE TO GEORGE MAVROMATIS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. APPLEGATE. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a man who has served his community for 40 years, George Mavromatis will be retiring from his position this summer as chief of police in his hometown of Steubenville, OH. He has touched many lives during his years of service and has been an exceptional leader to the residents of Steubenville.

Chief Mavormatis is a former World War II marine who served in Iwo Jima. He was awarded the Bronze Battle Star and the Pacific Operations Theatre Award. After the war he returned to Steubenville and joined the police force.

Chief Mavromatis walked a beat then when he first joined the force and soon came to know the people who resided on it. Because of this close association, he was able to help many young people who were headed for a life of crime, which to him is worth more than any medal a police officer may be awarded during his lifetime.

The chief has never been afraid of the consequences in lending a helping hand to those in need around him. He cares about his fellow officers' protection and safety as much as his own. Due to his close association with the people he serves, Chief Mavromatis has never had to fire his gun in the line of duty in the 40 years that he has been a police officer.

In addition to the protection the chief has given to his community, he has also assisted in establishing the Steubenville Little League and the Babe Ruth baseball programs. He has received honors from the Knights of Columbus and as the College of Steubenville's first Alumni Outstanding Citizenship Award. He was also the Fraternal Order of Police's "Man of the Year."

Mr. Speaker, Chief George Mavromatis is an exceptional human being who has served as an example of law and order for 40 years and will be professionally missed by the community of Steubenville.

So, Mr. Speaker, this entry into the CONGRESSIONAL RECORD is but a small recognition of a man for whom I have great respect and admiration for the love, dedication, and commitment he gave to his community. Best wishes in all your future endeavors, Chief.●

BREAKDOWN OF CONFERENCE TALKS

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. LIGHTFOOT. Mr. Speaker, I rise today to indicate my disappointment in the breakdown of the House-Senate budget conference committee. Mounting Federal deficits must be dealt with quickly and fairly; however, not at the expense of the Nation's 36 million elderly retired persons. Therefore, I implore the conferees to come to an agreement without tampering with cost-of-living adjustments for Federal pension programs.

I think of many colleagues have forgotten or have failed to consider a few things. For instance, just a short while ago senior citizens were asked to take a permanent cut in Social Security benefits when the COLA was delayed for 6 months in 1983. This was sold to the senior citizens as a necessary ingredient in ensuring the solvency of the Social Security system. The senior citizens accepted this delay and now Social Security is experiencing a surplus.

This surplus brings me to another point. At this time, we have no reason to delay or reduce COLA's. The Social Security trust fund is amassing a large surplus. In fact, by 1990, according to the Congressional Budget Office, the Social Security trust fund under current economic projections will be about $54 billion and growing. Besides, the Social Security trust fund, which is financed by employee and employer payroll taxes, is not contributing to the Federal budget deficit. It is a self-financing system with its own trust fund.

Finally, and most important, the elderly depend heavily on Social Security—two-thirds get more than half their income from the program and about one-third get more than 90 percent of their income from Social Security. Delaying or cutting the COLA's would push over 200,000 senior citizens below the poverty line. Tampering with their COLA's would force many senior citizens to chose between food and medicine, a situation which should not happen.

Last year, Social Security was greatly debated. President Reagan said he would "never" cut or reduce Social Security benefits, yet he is considering it. The Republican Party's platform also pledged "that we will adequately provide for them during their golden years so they can continue to enjoy our country's high standard of living, which their labors helped to provide." Yet, many of my counterparts in the Senate are adamantly insisting on a COLA freeze.

I believe that the House Republicans should stand up and let their Senate counterparts know that we do not support a COLA freeze. The Senate Republican budget conferees are not speaking for many of us Republicans in the House when they call for a COLA freeze. I implore the conference committee to get back together and resolve the differences without tampering with Social Security—for the sake of our Nation's seniors and for the sake of our children and grandchildren who will be strapped with this

Federal deficit if it is not brought under control.●

BILL DRIVER—A GREAT PUBLIC SERVANT

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. PICKLE. Mr. Speaker, yesterday, America lost one of its great public servants, Bill Driver. Bill, who was a lawyer by training, was a career public servant. He served with distinction as head of both the Veterans' Administration and the Social Security Administration, two of the hottest seats in Washington.

Bill Driver was tenacious and passionate. He drew upon years of experience in the public arena, and he knew how to get things done. I can think of no higher praise for a public servant than that—"he knew how to get things done." Often, that is the measure of success in this town. But there was so much more to Bill Driver than that.

If there was ever a model Government administrator for young and upcoming civil servants to study and emulate, Bill Driver would have to be considered one of the best. When Bill was selected by President Carter to head the Social Security Administration, he said he wanted to emphasize "professionalism" at the agency and to help the agency solve its own problems. That is the kind of can-do attitude that Bill was known for, and it is something that will be sorely missed.

Mr. Speaker, millions of Americans owe an eternal debt of gratitude to Bill Driver for his magnificent contributions to the veterans, and to all Social Security recipients.●

PERSONAL EXPLANATION

HON. MICHAEL L. (MIKE) STRANG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. STRANG. Mr. Speaker, I was unavoidably absent from the House from Tuesday, June 18 through Friday, June 21 due to surgery. Had I been present I would have voted in the following manner:

"Yea" on rollcall No. 165; "nay" on rollcall No. 166; "nay" on rollcall No. 167; "yea" on rollcall No. 168; "nay" on rollcall No. 170; "nay" on rollcall No. 171; "yea" on rollcall No. 172; "yea" on rollcall No. 173; "nay" on rollcall No. 174; "nay" on rollcall No. 176; "nay" on rollcall No. 177; "yea" on rollcall No. 178; "nay" on rollcall No. 179; "yea" on rollcall No. 180; "yea" on rollcall No. 181; "nay" on rollcall No. 182; and "yea" on rollcall No. 184.●

NATIONAL BLOOD PRESSURE AWARENESS WEEK

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. WHITTAKER. Mr. Speaker, I am pleased today to join my colleague, Mr. SIKORSKI, in introducing a resolution designating the week of November 10, 1985, as "National Blood Pressure Awareness Week."

Elevated blood pressure, or hypertension, is a major factor in the incidence of stroke, heart attack, and other cardiovascular system diseases. An estimated 60 million Americans have high blood pressure. Particularly distressing is the fact that 15 million of these individuals remain unaware that they are affected by this silent killer even though a simple, painless test can detect this condition.

Increased attention to the diagnosis of hypertension and greater awareness of the consequences of elevated blood pressure should be extremely important to all Americans. The number of deaths attributable to cardiovascular diseases dropped by 30 percent between 1970 and 1980, due in part to increased awareness and better treatment of high blood pressure. Despite this progress, 750,000 Americans died from strokes and heart attacks in 1981. Awareness could save lives.

In addition to reductions in needless deaths which can accrue through blood pressure control, increases in productivity and decrease in health care expenditures can also be effected. Last year $2 billion in employee earnings—representing more than 29 million work days—were lost because of cardiovascular diseases which affect more than 30 percent of the work force. In total, these diseases cost the U.S. economy $80 billion annually.

Worksite demonstration projects sponsored by the National Heart, Lung, and Blood Institute have revealed that absenteeism and health care expenditures are greater for individuals with hypertension. More importantly, both absenteeism and health care expenditures were reduced as blood pressure was returned to the normal range. These programs have demonstrated that the detrimental effects of cardiovascular disease can be diminished by blood pressure control.

Last year 246 of our colleagues joined in cosponsoring this measure which was passed by the House and Senate. I urge my colleagues to join again in supporting this resolution and bringing greater attention to the problems associated with hypertension, and at the same time, work toward reducing the terrible human losses with which it is associated.●

A TRIBUTE TO DICK A. BEAN OF THE KNIGHTS OF COLUMBUS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to one of my constituents, Dick A. Bean. For so many years, Dick's devotion to his family, friends and fellow man has been a source of great pride and inspiration for the community of Lexington Park, MD.

Dick is as capable as he is compassionate. A man dedicated to country through service at the Patuxent River Naval Air Station, Dick finds time to selflessly assist the less fortunate among us. Committed to action over words, Dick's indomitable spirit of good will and brotherhood has provided the impetus for many a praiseworthy project.

I speak today of a very special occasion: the commemoration on June 30 of Dick's 25 years of faithful service as financial secretary for the Knights of Columbus, St. Michaels Council, No. 2065. Over the past quarter century, Dick has won the heartfelt respect of his peers, and for this they so honor him.

I am proud to be friend and brother knight of Dick Bean. And as Dick shares this joyous event with his wife and three children, I congratulate him and wish him well in his future efforts in that fine fraternal order, The Knights of Columbus.●

WOMEN IN BASKETBALL

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FRANKLIN. Mr. Speaker, on July 1 the Basketball Hall of Fame in Springfield, MA, will induct the first three women in its history. I think it is appropriate that one of the initial honorees will be Margaret Wade, the former head coach of the Delta State University Lady Statesmen.

Coach Wade spent 21 years as a high school coach in Mississippi, compiling an outstanding record of 453 wins, 89 losses and 6 ties. In the 1970's, when her alma mater, Delta State, made the decision to reinstate women's basketball, the school turned to Margaret Wade as head coach. In her 6 years there, Delta State won an amazing three consecutive national championships—1975, 1976, and 1977. During that time period, the Lady Statesmen

won four State championships, three regional championships, and produced several all-American players. Since 1978, the Margaret Wade Trophy has been presented to the Nation's outstanding woman collegiate basketball player.

It is because of the dedication and commitment of individuals like Margaret Wade that women's college basketball has enjoyed tremendous growth during the last decade. Not only has she made an impact on the game itself, but she has been a tremendous example for the hundreds of students she has coached throughout her career, and an outstanding ambassador for the State of Mississippi and Delta State University.

I know that all Mississippians are proud to see that her outstanding career will be culminated by her induction into the Hall of Fame.●

RONALD ROSE RETIRES

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DioGUARDI. Mr. Speaker, I am honored to have this opportunity to speak today on behalf of Ronald Rose, a resident of Valhalla, NY. Mr. Rose has been a lifetime member of the Adolph Pfister American Legion Post No. 1038 in Valhalla. His efforts through the Legion have benefited veterans, children, youth groups and community organizations. In 1984, he was named Legionnaire of the Year by the Westchester County American Legion.

Ronald Rose was cited by the Chamber of Commerce with the distinguished award of merit and presented with a certificate of appreciation for his outstanding contribution to the community and the betterment of the quality of life in Valhalla.

Ron will be receiving an award from the American Legion for his work in the past year on August 7. He will receive a plaque noting his selection from hundreds of nominations around the country, a scrapbook as a momento of the occasion and a check for $1,000 to the charity of his choice.

I am pleased to present this speech on behalf of Ron, and wish him the best in his future endeavors. Thank you, Mr. Speaker.●

H.R. 2537, TO AMEND THE NATIONAL MINIMUM DRINKING AGE ACT

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. JEFFORDS. Mr. Speaker, recently I introduced legislation to offer the States an option to the Federal mandate established in last year's National Minimum Drinking Age Act.

I have been quite vocal in my opposition to the actions taken by the Congress on this issue. Without a doubt, the serious social problems of alcohol abuse and drunk driving must be addressed. However, I do not believe the problem of drunk driving will simply go away by raising the drinking age to 21. Drunk drivers are a menace and a hazard regardless of their age. In my opinion, the appropriate role of the Government in this issue should be to encourage the development of educational programs on the dangers of drunk driving and alcohol abuse, and the enforcement of stiff drunk driving laws.

There is a need in this country to alter our drinking habits and behavior. It will take the joint energies of parents, teachers, law enforcement, and Government officials, and restaurant owners to effect a real change in this regard. I fear that raising the drinking age will encourage the unlawful and unsupervised use of alcohol at a time when we should be encouraging responsible drinking habits.

The Federal national minimum drinking age law does not ensure that every State will have a 21-year-old drinking age. In fact many States, including Vermont, have decided at this time to not raise their drinking ages. In light of this reluctance on the part of the State governments, I think that the Federal Government's influence on this issue would be better directed at assisting the States in their efforts to address this problem.

After discussing this issue with parents, students, educators and, law enforcement and State officials in Vermont, it is obvious to me that there is a genuine desire to tackle this problem in a positive and timely fashion. There are concerted efforts going on in Vermont and across the country to address alcohol abuse and drunk driving that do not involve an increase in the drinking age. These include education and awareness programs directed at young people, licensed drivers, restaurant employees, et cetera, on the dangers of alcohol, the enactment of tougher drunk driving laws and the enforcement of such laws. There is a great deal of faith in these strategies and I feel they should be encouraged rather than discouraged because they do not meet a Federal mandate to raise the drinking age to 21.

In particular, I have recently been made aware of the efforts of the U.S. Student Association to involve students in doing their part to control alcohol abuse and drunk driving. This organization of students is committed to the active participation of their peers in issues that directly affect them as citizens: student-aid, aid to education, selective service and a national minimum drinking age.

The focus of their campaign to curb the abuses of alcohol is the publication, "Five Things a Young Adult Can Do About Drunk Driving." In an attempt to shape the behaviors and attitudes of young adults on drinking and driving, this campaign gets at the heart of this issue. It is a positive approach for students that is student-generated. I am encouraged by the students' efforts and I applaud their initiative. Their contribution to the larger campaign of controlling alcohol abuse should be supported.

H.R. 2537 provides Federal encouragement for these efforts. This bill will require the Secretary of Transportation to return highway funds withheld from any State that does not raise its drinking age to 21, if that State significantly reduces the number of alcohol-related fatal accidents involving 18-, 19-, and 20-year-olds. This approach will reward States that develop educational and punitive programs that have a real impact on this crucial issue.

My position is clear on the role of the Federal Government in addressing the problem of drunk driving. As forwarded in legislation I introduced earlier this session, I endorse Federal support for State action on this issue. This new piece of legislation reinforces this position by offering a viable alternative to those States that do not feel that 21 is the answer.●

THE 44TH ANNIVERSARY OF THE ACT OF PROCLAMATION

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. MANTON. Mr. Speaker, on Sunday, June 30 Ukrainian Americans in the Ninth Congressional District of New York, which I have the honor to represent, will join with Ukrainian Americans across the United States in celebration of the 44th Anniversary of the Act of Proclamation. This important proclamation declared the independent Ukrainian state of a brief period during World War II.

The proclamation came at a time when Soviet troops were withdrawing from the Ukraine in the face of an invasion by German Nazi troops. The

brave leaders of the Ukraine proclaimed the independence of the Ukraine and prepared to defend their land against Hitler's tyranny.

The Nazis responded to the Ukrainian's declaration with mass arrests and a war of terror. Over 2000 Ukrainian freedom fighters fought valiantly against the German troops. The leaders of the organization of Ukrainian nationalists, Stepan Bandera and Prime Minister Yaroslav Stetsko, rejected Hitler's demand that the proclamation be rescinded. As a result, on September 15, they were sent to the concentration camp of Sachsenhausen. However, throughout World War II the Ukrainian nationalists continued their fight against the Nazis, and later the Ukrainian insurgent army continued to resist the illegal Soviet occupation of the Ukraine. Many of these brave fighters are living in the United States today.

Mr. Speaker, to this day the people of the Ukraine struggle for their freedom. Under Soviet occupation the Ukrainian people are denied their basic human rights. The proud culture and heritage of the Ukrainian people is threatened. Their families here in America continue to work, hope and pray that one day soon the Ukraine will be free again. It is appropriate that we in the Congress remember the plight of the Ukrainian people. As a people privileged to live in a Democracy where our freedoms are protected, we have a duty to remember those not as fortunate as we. As the Ukrainian people commemorate the 44th Anniversary of the Act of Proclamation, I pledge my support to the Ukrainian people and join my voice to theirs in their efforts to restore freedom to the Ukraine.●

BISHOP GALLAGHER VARSITY HIGH SCHOOL BASEBALL TEAM

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, the World Champion Detroit Tigers are not the only team we are proud of back home. We are equally proud of the Bishop Gallagher Varsity High School baseball team in Harper Woods, MI.

Their 1985 season record stands at an incredible 43 wins and 6 losses, not to mention their collection of championships, including the Michigan State Finals, class A State regionals, class A State districts, class A Catholic, and class A "Operation Friendship" Championship.

What is most impressive are the records the Lancers broke this season. For instance, they were the first team to win three crowns in one season, the first to win 3 class A State championship, as well as the first team in the State to win 43 games in one season.

While working for the team for the last 21 years, Head Coach Jim Breciami has accomplished quite an impressive record himself with a career standing of 544-149.

In addition to Jim, I would like to salute assistant coach, Bob Hadacz, for all his hard work and dedication to this special baseball club. The Lancer team members also deserve a hearty congratulations for the long hours they put in to improving their already outstanding athletic skills and for working together so well in a team effort. They are: Terry Bitter, Kevin Brown, Mike Downey, Steve DuCharme, Mike Ericson, Mick Fici, Mike Finn, Channing Hitchcock, Shannon Klug, Mitch Hesson, Mike Kocan, Al Musilli, Brian Neil, David Peralta, Paul Sahadi, Tom Tomasello, and Mike Widgren; I would also like to mention the bat girls, Vicki Choclemski, Helyn Schramm, and Paulo Grzelak for their assistance throughout the season.

Over the years, Bishop Gallagher has produced very exceptional baseball teams, but this year the tradition was at its best.

Best wishes to all my friends at Bishop Gallagher High School especially principal Brother Glenn Neiner.●

DON'T SHRED THE COLA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. FEIGHAN. Mr. Speaker, in all the heated debate over the Social Security cost-of-living adjustment [COLA], I suspect that some Members may have lost sight of the human consequences of eliminating the COLA. A recent letter from one of my constituents, Joseph Margiotta of Lyndhurst, OH, brought home to me again, in a simple but eloquent way, the need to preserve the COLA in full.

Mr. Margiotta tracked the price of an 18 ounce box of spoon-size shredded wheat in his local supermarket over 6 months. The price went up by 60 cents, a 42-percent increase. Now 60 cents may not seem like much money to people who casually speak of billions of dollars, and certainly not all grocery prices have risen by 42 percent since January; but Mr. Margiotta's example illustrates in a down-to-earth way the difficulties that people living on fixed incomes face in coping with inflation.

For many of us, an inflation rate of 4 or 5 percent may seem virtually harmless. But to the millions of Social Security recipients making do on fixed incomes, that level of inflation represents a constant gnawing away at their standard of living. Many Social Security recipients lost half of their COLA at the beginning of 1984. Now the President, who repeatedly promised during his campaign to leave Social Security alone, and the Senate, would like senior citizens to go without another year's COLA. This sort of tampering with the benefits due to older Americans must stop.

Another way to see the dramatic impact that seemingly low levels of inflation can have on citizens surviving on fixed-incomes is to consider the number of people who would be shoved below the proverty line by a COLA freeze. Close to 600,000. There is no need for a complex debate about the causes of poverty in this case. Eliminate the COLA, and more than half a million Americans will be forced to do without a lot more than spoon-size shredded wheat.

For the sake of Mr. Margiotta and the millions of other senior citizens who depend on Social Security for their necessities, I urge the House budget conferees to hold the line and keep the full COLA.●

HOUSE JOINT RESOLUTION 308

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. BROOKS. Mr. Speaker, on June 6, I introduced House Joint Resolution 308, a resolution to designate the week beginning October 20, 1985 as "Benign Essential Blepharospasm Awareness Week."

Benign essential blepharospasm is a little known eye-related disease which causes involuntary and usually uncontrollable spastic contraction of muscles around the eyes. Although the disease is not fatal, it is progressive and ultimately causes functional blindness. It is estimated that approximately 500,000 or more cases exist in the United States. Few people in the medical community or the general public are even aware of the disease and many victims are either misdiagnosed or told that it is "all in their head."

The Benign Essential Blepharospasm Research Foundation, Inc., was founded with the purpose of finding the cause and a successful cure for this disease. The foundation sponsors programs and activities to create an awareness of blepharospasm in the medical community as well as in the general public. The foundation has established support groups in every State in the Nation and several abroad, to encourage communication among persons with the disease, and seeks to raise money for research through public and private contribu-

tions. Research scientists from around the country are submitting grant applications to the National Institutes of Health to study this little known malady.

I believe that setting aside a week to promote public awareness and understanding of benign essential blepharospasm would be a tremendous benefit to the victims of this disease and will lead to increased medical research and awareness, as well as increasing the available information and advice for those afflicted with benign essential blepharospasm.

Mr. Speaker, I urge my colleagues to join me in supporting this resolution.●

SENATE—*Monday, July 8, 1985*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our guest chaplain today is Father Bill McDonnell, from St. Margaret Mary's Parish, Algonquin, IL. He was one of the passengers involved in the TWA hijacking.

PRAYER

The Reverend Bill McDonnell, St. Margaret Mary's Parish, Algonquin, IL, offered the following prayer:

Let us pray. Gentle and Loving Father having just celebrated our Nation's Independence Day and our St. Margaret Mary Parish "Welcome Home Reception" for the 34 members of our "Holy Land Pilgrimage" group and having just experienced the sheer joy and relief of seeing the last of our 39 hostages from flight 847 in the arms of their loved ones, I stand before you truly overwhelmed with gratitude and praise.

First of all, I thank You with the deepest sincerity of heart for delivering us from captivity and the fear of death.

I also thank You for all those who in any way helped us in that journey toward liberation, members of governments and private citizens alike. I thank You for bringing us home again and making us more mindful than ever of the great freedom we enjoy as an American people. Among these are freedom of speech, freedom of assembly, freedom of movement, freedom of religion. I say this because for 40-straight hours these inalienable rights were denied me. For 17 days, they were denied to 39 others.

I thank You for the prayers of so many good and caring people whose hearts were deeply touched by our plight and turned to You to plead our cause.

I thank You Dear Lord for the opportunity to be here today in this great assembly whose Members are so committed toward perserving and extending these great gifts of freedom.

Father, I would ask You kindly to bless the work of these elected officials. Enlighten their minds and inspire their hearts to seek always as a body, and in their own personal commitment, to treasure, cherish, and ensure that these great freedoms we enjoy are passed on to the next generation, not only to the citizens of our country but, by every legitimate means, to work toward these being enjoyed by peoples of all nations.

Father, I also stand before You in petition. I place before You my heartfelt concern for seven countrymen who still suffer the loss of these inalienable rights in unjust captivity. They are Rev. Benjamin Weir, William Buckley, Peter Kilburn, David Jacobsen, Terrence Anderson, Thomas Sutherland, and Rev. Lawrence Martin Jenco. If it be Your will, please bring each of them home safe and soon. Help us not to rest until that deed is done as best we can.

Lord, I wish also to lift up to You the soul of Robert Dean Stethem, member of the U.S. Navy and passenger on flight 847 who was asked to lay down his life for the sake of others and in the name of his country. Your Son, Jesus, has assured us "greater love than this no one has that one lay down his life for his friends." Therefore, I rest assured that You will lead him to his lasting home to be with You forever. Please bring peace and consolation to the grieving members of his family. Let them know Your gentle love and strength and that their sorrow is shared deeply by others also.

Lastly Lord, I place before You my earnest prayers for another group of hostages; namely, my former captors. These young men, and so many other people like them in other lands, are held captive by their own burning hatred, lasting grudges and sometimes centuries-old vandettas. In some ways, they are the real hostages, inner hostages who are held in chains by their own violent lifestyle, sentenced by their own choice to a lifetime of nursing bitterness and revenge.

Father, Your Son Jesus gave us one of the great keys to freedom when He told us to "love your enemies, forgive those who do you wrong."

Finally, I ask You, Father, all powerful, to bring all people closer to that great gift and state of peace by sensitizing us to do what we can to eliminate some of the main causes of war and hatred; namely, an unjust sharing and distribution of this world's goods and a denial of God given rights meant to be enjoyed by all.

Father, I commend all these causes for joy and concern to You, through Jesus Christ Your Son, Who lives and reigns with You and the holy spirit and invite us to share that reign forever and ever. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

FATHER BILL McDONNELL

Mr. DOLE. Mr. President, this body is indeed honored to welcome our special guest chaplain. He is Father Bill McDonnell of St. Margaret Mary Parish in Algonquin, IL. However, he is now known to all America as one of the brave captives of TWA flight 847. We take special note of his words today because we are reminded that the free world's prayers for our hostages surely played a role in their safe return to their families.

During a pilgrimage to the holy lands, Father McDonnell was taken hostage by the Lebanese terrorists. Although one of the first passengers released from the TWA jet, he became a spiritual connection between his fellow captives still on board the aircraft and the millions and millions of concerned citizens around the world.

Mr. President, this Fourth of July took on an extra meaning for all of us because our hostages were home once again. We celebrate their return and join Father McDonnell in his prayers that the hate and violence in the Middle East that spawned this latest wave of terrorism can somehow be assuaged.

Mr. President, we are pleased that Father McDonnell is here today. I know that many Members will want to visit with him in the next few moments.

(Mr. GRAMM assumed the chair.)

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders on each side have 10 minutes each, to be followed by a special order for the distinguished Senator from Wisconsin [Mr. PROXMIRE], not to exceed 15 minutes, and routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

Following routine morning business, at approximately 2 p.m., it will be the intention of the majority leader to begin consideration of S. 995, the South Africa legislation. No votes will occur except for the possibility of votes concerning procedural matters. Any other votes will be postponed until an undetermined time during Tuesday's session.

On Tuesday, by agreement, we will take up the so-called McClure-Volkmer gun legislation. We are under a time agreement. There will be a number of amendments. I hope we can complete that bill in 4 or 5 hours. But,

in any event, we will complete that bill tomorrow.

There may be, as I understand it, some problem with moving to the consideration of S. 995. There will be a meeting at 1 o'clock with some of the principals involved. Hopefully, we can resolve that or at least agree on what procedure will be followed following that meeting.

I also indicate to my colleagues that we have had some good recess time. Another recess starts for the period of August, which means that July will be a very busy month. I caution my colleagues and alert my colleagues that we can expect rollcall votes throughout the weeks, including Fridays and Mondays, with today's exception—I would guess from now until the recess begins.

There are a number of important matters we hope to deal with this month. Let me indicate what I hope we can dispose of. As I have indicated, the South Africa bill, the McClure gun legislation, and there may be five appropriations bills: Legislative appropriations; Commerce Department; Treasury Department; Interior Department; and HUD; hopefully, a supplemental appropriations conference report; line item veto; sports franchise bill; and the farm bill which we hope can be dealt with the week of the 21st of July.

We will double track, if necessary, to complete the farm bill that week. We will consider the immigration bill, if it is ready for floor consideration, and if we can work out some agreement, that will not take the entire week. In fact, I hope none of these will take the entire week. In addition to that, hopefully the budget resolution will have been resolved. We have a number of nominations that we hope to dispose of by agreement. If not, we hope to move on some of those nominations because there are a number of very important nominations. It is my understanding that the administration is quite concerned, and hopes that we can approve all of the nominations quickly. But as you can see, July is not too heavy of a schedule. [Laughter.] I hope we can work out some other things in the interim. That ought to be a piece of cake.

Mr. PROXMIRE. Will the leader yield on that point?

Mr. DOLE. I am happy to yield.

Mr. PROXMIRE. Mr. President, may I say to my good friend that he has listed a very heavy schedule for July. But I hope that the leader will consider, and as I understand it there was some consideration of taking up the Genocide Convention. As you know, we have a resolution in which the Senate overwhelmingly agreed to take it up early in the 99th Congress.

I know that there are difficulties involved in that. But I hope that the distinguished majority leader will give that consideration.

Mr. DOLE. I am advised—in fact, I think the question was raised by the distinguished Senator from Ohio before the recess—that it is an item that we should bring up. But I was advised that it is still in committee. So I know it is a matter of some interest to a number of Senators. But I think if we do all of this in July, we will be in pretty good shape for the recess. I know it is the hope of the distinguished chairman of the Agriculture Committee who happens to be present, and I see other members of the Agriculture Committee—it is almost a necessity that we pass the farm legislation, at least for most of us from the Midwest where it will be planting time for wheat in September. And having been in Kansas for a number of days, I can indicate that without exception there is a great deal of interest in what we are doing with the farm legislation. There is some feeling of urgency because of that planting time. It is sort of nice to know what the program is before you start spending money, particularly where farmers, in most cases, do not have it to spend.

If I have left out any items that Members would like to bring up—I know I will hear from those who do not want to bring up what I have mentioned. But if there are items that we can dispose of in addition to these items, or maybe in lieu of some other of these items if they should fall by the wayside, we will be pleased to hear from Members on the other side within the next few days.

Mr. President, I reserve the balance of my time.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. THURMOND. Mr. President, I want to commend the able majority leader for his interest in this farm bill. I just want to say there is no segment of our population that is more hard pressed, and having a more difficult time now than the farmers. I also want to commend the able chairman of the Agriculture Committee, Senator HELMS, from North Carolina, for his deep interest in this matter, and in trying to push this farm bill.

I want to say further that we hope to get out of the committee this week the constitutional amendment to balance the budget. If the majority leader can arrange to get that scheduled maybe for next week, it would be ready by then.

Mr. DOLE. If I can indicate to the distinguished Senator from South Carolina, we plan to put that on the schedule in July. It is my understanding that there may be positive action in Michigan in early September. That would be the 33d State to petition the Congress for a balanced budget amendment. So it occurred to me that maybe it is something I need to discuss with the chairman of the committee, and others who have interest. It might be better to wait until that State has taken action to bring more pressure to bear on Congress to act.

I will be happy to discuss that with the distinguished chairman later.

Mr. THURMOND. Mr. President, I will be very pleased to cooperate with the majority leader if he feels that is the best procedure.

RELEASE OF REMAINS OF POW/MIA'S

Mr. DOLE. Mr. President, on July 4 in Wichita, I was privileged to present congressional medals to the families of 17 Kansans who are among the many hundreds of POW-MIA's still unaccounted for from the Vietnam war. The men we honored in Wichita are:

Lt. Denis Anderson, 1st Lt. Michael Breeding, Col. Robert E. Bush, Maj. Richard A. Claslin, Capt. Michael Donovan, Maj. Jack Farr, Capt. Patrick K. Harrold, Sgt. Jerry W. Hendrix, Capt. Charles Hoskins, Jr., Lt. Col. David Hrdlicka, Col. Carl F. Karst, Maj. Dean A. Klenda, Lt. John Carl Lindahl, Pfc. William D. McGonegle, Maj. Dennis Pugh, Sfc. Ronald Schultz, and S. Sgt. Thomas W. Underwood.

It was a moving ceremony, made even more meaningful because it fell on the day which, above all others, is set aside to celebrate and give thanks for our freedom. The men we honored gave up their own freedom, and perhaps their own lives, so that all of us can enjoy the freedom we marked on July 4.

And it was a ceremony made even more poignant because the very people to whom we presented the medals—the families of the POW's and MIA's—are themselves not yet truly free. Though they live in a free America, they remain captive to oppressive forces over which they have little control and to feelings of uncertainty and frustration which only they can understand.

For a few of them, the past several days may offer grounds for new hope that the nightmare they are enduring will be brought to an end. The Communist authorities of Vietnam have announced their intention to release the remains of 26 Americans believed to be among the POW's and MIA's. For the families of some few, the long waiting and the corrosive uncertainty may soon be over.

The Vietnamese have also called for new "high level" talks to speed the resolution of this issue and suggested that the U.S. technical experts who now travel periodically to Hanoi be based permanently there. We ought to

look at these proposals seriously but without illusion.

In fact, we have already had high level talks with the Vietnamese on this issue, during which both sides had the opportunity to clarify their positions. Our position, certainly, is clear, and it is correct: The resolution of the POW/MIA issue is of the highest national priority. It needs to be resolved now. It needs to be resolved without precondition—it is not, and should not be, linked to any other geopolitical issue. If the Vietnamese proposal means they accept those principles, then we should be prepared to talk.

Similarly, the stationing of technical experts in Hanoi makes sense only if there is productive work to do there. That will depend on the attitude of the Vietnamese authorities. If they are really willing to cooperate, the experts will have plenty to do and could probably usefully be stationed in Hanoi. If the Vietnamese will not cooperate better than in the past, it is hard to see what value there would be in having our personnel permanently there.

Many, many Americans—in Kansas and around the country—are waiting, as they have for more than a decade, to see if Hanoi is serious, to see if the Vietnamese Communists will live up to minimum standards of humane behavior, to see if they will do what is right.

Ten years after the Vietnam war ended, some 2,400 Americans in Vietnam, Laos, and Cambodia remain unaccounted for. The Communist authorities in those countries, alone, have the means to end the anguish of the families of these Americans. The Communist authorities in those countries, alone, bear the responsibility, and the shame, for allowing this inhumane punishment to go on.

We want all of our men accounted for. We want that accounting without precondition, as a matter of right and humanity. And we want it now.

Mr. President, I ask unanimous consent that the text of my remarks at the POW/MIA ceremony in Wichita on July 4 be made a part of the RECORD.

There being no objection, the remarks were ordered bo be printed in the RECORD, as follows:

REMARKS BY SENATOR BOB DOLE HONORING OUR POW-MIA'S ON THE FOURTH OF JULY

For many Americans, this is a very special Fourth of July.

None among us, probably, will be celebrating freedom with more joy and enthusiasm than the just released TWA hostages and their families. For them, I venture to say, this day of liberty has a new and very concrete meaning.

Kansans have a special reason to celebrate this happy event. Four of our own—the Peel family from Hutchinson—are reunited again and back in our midst. It's nice to have them home.

But, on this occasion, I know their joy, and ours, is tempered by the knowledge that there are others who are not able to celebrate with us. There are those seven Americans kidnapped off the streets of Beirut and held captive for so many months. Until they come home, the crisis we have faced these past few days will not be over. There is a family in suburban Maryland mourning the loss of their son, who was brutally murdered by the deranged hijackers of TWA 847. Until Robert Stethem's murderers are brought to justice, our national responsibility to deal with the crisis shall not be fulfilled.

And, of course, there is one other group for whom this day is one not of joy but of sadness and frustration—the families and friends of the 2,400 American servicemen still unaccounted for from the Vietnam war. We are here today, above all, to honor them and to let them know that we are one with them, in their cause and in their goals.

None of us can truly understand their personal anguish because, truthfully, none of us has ever endured anything like it. But we cannot fail to see and be touched by their loyalty, their tenacity and their courage. Their example shows us the way to our own responsibilities, as a nation and as a people.

Most of all, we must never forget. We must never forget that these are not numbers or memories we are talking about, they are real people, real Americans. Their fate is important to us. That must never change.

Most missing Americans fought in the deep conviction that they were helping to preserve liberty for their families and for their countrymen. They fought with a deep determination to do their duty to their country. And they fought with a valor that reflects the highest ideals of our history.

They sacrificed everything they held dear for those ideals and for us. We owe them something in return. Whatever our other national problems and priorities, we owe them a special concern for and commitment to their families.

We owe them a firm determination to persist in our efforts to get a full accounting for them from the Communist authorities of Southeast Asia. There can be no higher priority in our dealings with those countries. We can talk all we want about national interests, but none is more important than caring for and about our own citizens.

Finally, we owe them a place of honor, in our hearts and in our history. They are American heroes, as surely and clearly as any we celebrate in our history.

So, on this the 209th anniversary of our Nation's independence, it is fitting that we honor these heroes in a special way. Congress has approved the minting of a special commemorative medal to honor them, a medal which, in their absence, will be presented to their families, the other real heroes of this tragedy.

This evening, I am deeply privileged to present some of these medals, to honor our own 17 Kansans still listed as missing and unaccounted for.

For me and for all of us, this ceremony signals not an end but a renewal—a renewal of our commitment to this vital cause, and a renewal of our search for the answers that we demand and that these families deserve.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the minority leader be reserved for his use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

FATHER BILL McDONNELL

Mr. PROXMIRE. Mr. President, first I want to pay my respects to the distinguished Rev. Bill McDonnell. Reverend McDonnell gave what I thought was one of the finest, most eloquent, moving prayers that I have heard in a long, long time. It was most appropriate that Father McDonnell should lead our first session in prayer since we have returned. He and the other hostages deserve our gratitude for the courageous way they handled an extraordinarily difficult situation. Of course, we are all delighted to see them back.

THE TIME FOR AN END TO THE ARMS RACE: NOW

Mr. PROXMIRE. Mr. President, the time for a comprehensive agreement to stop the nuclear arms race has come, and the time is now. Why now? For years, military hawks have argued that the United States lags behind the U.S.S.R. They say we must catch up. Then we can argue from strength. Now, how about it? Have we caught up to the U.S.S.R. in strategic military strength? Are we ahead? Mr. President, the evidence tells a compelling and convincing story. Consider which of the two superpowers increased overall military spending the most over the past 8 years. The CIA tells us that the Soviets slowed down their rate of increase in military spending in real terms between 1976 and 1981 to a bare 2 percent with virtually no increase in procurement. Let me repeat that: no increase in procurement. Meanwhile, we are increasing at a much more rapid rate even during the period when many were criticizing the Carter administration for not putting enough into military spending. Since 1981 the best evidence shows little change in this slow increase rate for Soviet military spending. This is especially surprising for one big reason. Since 1979 the Soviets have been engaged in what the Supreme Commander of NATO Gen. Bernard Rogers calls their Vietnam, a major military expedition into Afghanistan. That Afghanistan exercise has cost the Soviets a significant part of their military expenditure. Taking that into consideration, it seems likely that the Soviets have been putting less—not more—into the

rest of their military operations. Indeed, when we stopped our activities in Vietnam, military spending went down, and went down sharply because so much of what we were spending was going into the Vietnam expedition. The same thing is true on the basis of the testimony by Bernard Rogers about the Soviets with respect to Afghanistan.

How about U.S. military spending? Vietnam is now more than 10 years behind us. Although we have been fighting no significant war anywhere, we have been increasing our military spending probably at a rate three to four times higher than the U.S.S.R. at least since 1979. Spending for nuclear weapons has grown fastest, nearly tripling since 1980. We have revived the B-1 bomber and spent heavily on command and control systems.

According to the Secretary of Defense we are ahead of the Soviet Union in deployed military technology in 17 areas. We are even with the Soviet Union in eight, and we are behind in only five. Furthermore, in technological research, which, of course, indicates the kind of forces we are likely to have in the future—we are ahead in 15 of the 20 areas of the Soviet Union, three-quarters, and behind in none. The Soviet Union does have 6,000 nuclear weapons deployed on ICBM's to our 2,000. But the United States has 5,700 nuclear warheads in submarines, compared to less than 2,000 for the Soviet Union. We have a smashing advantage of 10 to 1—10 to 1, Mr. President, 3,554 nuclear warheads on strategic bombers to their 340. Overall we have 13,000 nuclear weapons we can deliver on the Soviet homeland to 9,000 they can deliver on the United States. A week ago the U.S. Senate decided to stop the increase in military spending in the 1986 budget with the prospect of a 3-percent real increase in both 1987 and 1988.

Actually, we have forward funded the Defense Department so extravagantly that even if they receive no increase in the future they could continue to expand for years to come. For instance, a $30 billion increase in defense spending would mean a more than 10-percent increase. Congress already poured so much money into the Defense Department in recent years that they have not $30 billion but over $240 billion in unexpended balances.

That is money they have not spent. It is just sitting there for them to spend. Let me repeat that. The Defense Department now has more than $240 billion in unexpended balances. They can expend this money in the pipeline without a nickel more of congressional approval.

Nevertheless, many observers view the Senate budget resolution and the even tougher House budget resolution as the end of easy money for the U.S. military. That may be so. If it is, why is not 1985 the ideal time to stop the nuclear arms race? Stop it now. If there is any advantage for either superpower, the advantage lies clearly with the United States. We have more nuclear weapons. We can deliver more of those weapons on the Soviet Union than they can deliver on us. Far more of our weapons are based on submarines that move quietly and invisibly under the oceans and in bombers that move near the speed of sound in the air while most of theirs lie in land based stationary, therefore vulnerable, missiles. Our nuclear arsenal is far less vulnerable. A freeze now would save literally hundreds of billions of dollars of totally wasted military spending over the next few years. It would also greatly enhance our security by sharply reducing the prospect of a Soviet breakout.

MYTH OF THE DAY: THAT THE NICARAGUAN CONTRAS ARE FREEDOM FIGHTERS

Mr. PROXMIRE. Mr. President, this is the ninth in my series of a myth a day. Today's myth is that the Contras fighting to overthrow the Nicaraguan Government are freedom fighters. The President has frequently made this assertion. He has compared them to the American revolutionaries who revolted against George III, the King of England to establish our great constitution and a system of freedom. This is nonsense. The Nicaraguan Government under the dictatorship of Daniel Ortega is certainly a leftwing Communist dictatorship. But how about the Contras?

As Congressman ANDY JACOBS has so cleverly pointed out in a classic letter to the New York Times, 43 of the 45 Contra military commanders are former national guardsmen under Nicaraguan rightwing dictator Somoza. Who says these Contras are freedom fighters? President Reagan that is who. He sent over to central casting for some sheep's clothing. He wrapped that sheep's clothing around these rightwing wolves. The Sandinistas are leftwing wolves in wolve's clothing. The Contras are rightwing wolves in sheep's clothing. Neither of them holds hands with Thomas Jefferson.

The best thing we can do is stay out of Nicaragua, and recognize the freedom fighters moniker hung on the Contras by the President for what it is: a myth.

THE SILENT SUFFERING OF HOLOCAUST SURVIVORS

Mr. PROXMIRE. Mr. President, an article in the April 5 American Psychiatric News describes the silent suffering of Holocaust survivors.

Confronted with society's indifference and the myth that they contributed to their own plight, the survivors often refuse to speak about their suffering.

Yael Danieli, director of the Group Project for Holocaust Survivors and Their Children in New York City, tries to break the survivors' silence. Danieli and a team of volunteer psychotherapists work with survivors and their children to get the survivors to discuss their painful experiences.

Scarred by the memory that the Nazis often gassed the mentally ill, many Holocaust victims fear any kind of psychoanalysis. Danieli's organization understands this fear and treats the survivors in groups to create a sense of community that the survivors often lack.

Danieli encourages the survivors to reminisce about family members who were killed by the Nazis. This belated and emotional mourning of the dead relieves the survivors' suffering and helps their children better understand their parents' ordeal.

Danieli also states that suppressed rage lies beneath the survivors' silence. During the Holocaust, Danieli says, "an angry Jew was a dead Jew" and "(Jews) were too famished to let themselves experience rage or even excitement." Unleashing this pent-up rage is the most difficult problem the survivors face.

Mr. President, it is time to break the silence of this Nation concerning the atrocity of genocide. It is time to let the world know how we as a nation feel about the despicable act of genocide. It is time to reveal the rage we feel about the Holocaust and to act to prevent genocide. It is time, Mr. President, to ratify the Genocide Convention.

Mr. President, I might add that I was shocked to hear this morning that the Genocide Convention is not on the calendar. It was widely reported in the press to have been sent to the Senate by the Foreign Relations Committee in a form which many of us who favored the Genocide Convention thought was faulty. But it was sent to the Senate, according to the information we have. Apparently we were wrong.

I earnestly hope we can have that resolution before us. As I told the majority leader, the fact is this Senate voted by 87 to 2 to support the principles of the Genocide Convention and it called on the 99th Congress to act early in the session of the 99th Congress.

Of course, we have already had half of this year go by. But I do hope we can take it up. It is very discouraging that this is not on the calendar, even though the Foreign Relations Committee has acted on it.

Of course, it is also discouraging that it apparently will not be taken up in the July session. It was my under-

standing that the leadership had intended to do that.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

DEATH OF BRIG. GEN. STANLEY BEAR

Mr. MOYNIHAN. Mr. President, the Senate will be greatly saddened to learn of the death of Brig. Gen. Stanley Bear, who led a long and distinguished career as a flight surgeon in the U.S. Air Force.

This is an especially sorrowful time for me and my immediate associates. Mrs. Vicki Bear-Dodson, my personal assistant, is General Bear's daughter. General Bear had a great love for life, for his family, and for the Nation he served so loyally. His uncommon caring and great skill were known to many in the Armed Forces, and to none better than Gen. Chuck Yeager, whom he treated for injuries suffered in a terrible plane crash on the Mojave Desert. General Yeager recently published an autobiography in which he and his wife pay tribute to General Bear's ability. I ask unanimous consent that excerpts from Yeager be printed in the RECORD following my remarks.

We mourn the loss of this gallant officer and inspired physician, but know his family will find consolation in the knowledge that his work and memory remain with those he treated and cared for so well.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FROM YEAGER BY GENERAL CHUCK YEAGER (1985)

I was dazed, standing alone on the desert, my helmet crooked in one arm, my hand hurting so bad that I thought I would pass out. My face didn't hurt at all. I saw a young guy running toward me; I had come down only a mile or so from Highway 6 that goes to Bishop out of Mojave, and he watched me land in my chute, then parked his pickup and came to offer his help. He looked at me, then turned away. My face was charred meat. I asked him if he had a knife. He took out a small penknife, unfolded the blade, and handed it to me. I said to him, "I've gotta do something about my hand. I can't stand it any more." I used his knife to cut off the rubber-lined glove, and part of two burned fingers came off with it. The guy got sick.

Then the chopper came for me. I remember the medics running up. I asked them, "Can you do something for my hand? It's just killing me." They gave me a shot of morphine through my pressure suit. They couldn't get the suit off because it had to be unzipped all the way down, and then I'd have to get my head out through the metal ring, but my face was in such sorry condition that they didn't dare. At the hospital, they brought in local firemen with bolt cutters to try to cut that ring off my neck. It just wouldn't do the job. Finally, I said, "Look in the right pocket of my pressure suit and get that survival saw out of there." It was a little ring saw that I always carried with me, even on backpacks, and they zapped through that ring in less than a minute.

I began dozing off from the morphine, only half-aware that Glennis was there, but Doc Stan Bear, the flight surgeon, kept shaking me awake. He was probing into the blood caked over my left eye, where there was a deep gash. The blood was glazed like glass from the heat of the fire, and Doc kept poking through it asking me if I could see anything. I said, no. I heard him mutter, "Christ, I guess he lost it." But suddenly I saw a ray of light through a small hole. I told Doc and he smiled. "That dried blood saved your sight, buddy," he said. Then he let me pass out.

They had me on an IV, and I was so groggy the next day that when General Branch came by and I tried to tell him what happened, I fell asleep in the middle of a sentence. Glennis, Andy, Bob Hoover, and test pilot Tony LeVier came to visit, but I was hardly aware. They were keeping me on pain killers.

So, it was several days before I realized how bad things really were. My face was swollen to the size of a pumpkin, badly charred from being blowtorched. Ol' Stan Bear came in and sat down. He said, "Well, Chuck, I've got good and bad news. The good news is that your lungs have not been permanently damaged from inhaling flame and smoke, and your eye looks normal. The bads news is I'm gonna have to hurt you like you've never hurt before in your life to keep you from being permanently disfigured. And I'm gonna have to do it every four days."

I stayed in the hospital a month, and every four days, Doc started from the middle of my face and neck, scraping away the accumulated scab. It was a new technique developed to avoid horrible crisscross scars as the skin grew beneath the scabs. And it worked beautifully. I have only a few scars on my neck, but my face healed perfectly smooth. The pain, though, was worse than any I have ever known. I remember Jackie insisting that I recuperate at her ranch after I was discharged from the hospital. She said, "I was once a nurse and if something comes up, I'll know how to handle it." Doc Bear flew down there, too, to do scraping, and told her, "Jackie, you might want to leave. This is pretty rough." And she huffed, hell, no, she was a nurse, and all that. Man, she lasted twenty seconds and had to leave the room. How I wish I could've gone with her. In the end, though, I came out no worse than losing the tips of two fingers, and I'd call that getting away cheap. Chuck's mother had arrived the night before his accident. We had gone to lunch with him between his two flights in the 104, and because it was a gorgeous December afternoon, I decided to take her around the golf course on my cart. We saw a helicopter fly overhead and land on the hospital pad. We could even see the patient being helped out; he was wearing an orange pressure suit, same as Chuck's but I never made the connection somehow. We went on home and the phone was ringing. It was Jackie Cochran calling me from New York. She was hysterical. "What happened to Chuck?" she asked. I said to her, "What on earth are you talking about?" She said, "He's been hurt. General LeMay was notified at the Pentagon and his office just called me." I yelled, "I'll call you back," and hung up on her just as she was shouting for me not to.

At the hospital Doctor Bear met me and said, "Basically he's pretty good considering he has first-, second-, and third-degree burns." I asked to see Chuck and he hesitated. "He looks pretty bad." Heck I had seen plenty, but when I walked inside and saw them trying to saw through his neck ring, I had to steel myself. It was horrifying. And I saw that he saw me. I said, "How do you expect to be asked to dance, looking like that?" I got a smile, but I didn't know what to say. Every human being has some vanity. I remember Chuck getting upset as he started losing hair up front. I was worried about getting gray so young. But I though there was no way to keep him from being horribly disfigured, and I though, how unfair, how much he didn't deserve it. I was just sick.

Jackie wanted to send her personal physician, Dr. Randy Lovelace, who was also a friend of ours. To her, Randy was Jesus Christ. I asked Chuck what he wanted to do and he said, "I'll stick with Doc Bear. He knows what he's doing." How true, although there were moments when I wanted to punch him for how he was forced to hurt Chuck while peeling the scabs off his face. But he worked a wonder, and we owe him deep gratitude.

JOINT UNITED STATES/PEOPLE'S REPUBLIC OF CHINA SCIENTIFIC TEST IN MAGNETOHYDRODYNAMICS (MHD) ELECTRIC POWER GENERATION

Mr. STENNIS. Mr. President, for several years, scientists at Mississippi State University have contributed to the effort within the Department of Energy in the research, development, and demonstration of magnetohydrodynamic (MHD) electric power generation.

We are very proud that the MHD Energy Center at Mississippi State University, working in behalf of our Government in a cooperative agreement between the United States and China, and just completed a successful series of diagnostic tests conducted on the only complete pilot-scale MHD combined cycle steam powerplant in the world located in the People's Republic of China. Arriving on May 26, 1985, seven scientists from Mississippi State University began the test which completed the first phase of a multiphase bilateral agreement for the exchange of scientific knowledge on MHD between Mississippi State University and the People's Republic of China.

With more than 3 tons of microprocessor-controlled optical diagnostic instrumentation developed and built at Mississippi State University, this group of scientists made significant advances in the acquisition of MHD power train data such as combustion temperatures, slag surface tempera-

tures, velocity profiles, average particle size, and gas composition. This data acquisition is a necessity for the successful development of an MHD pilot plant in this country.

The United States has a long history of MHD research on a large scale and major achievements have been made in such areas as the coal-fired combustor, the high performance generator channel, the super-conducting magnet, beat recovery/seed recovery, and optical diagnostic instrumentation development. The MHD Energy Center at MSU is emerging as the acknowledged world leader in the development of microprocessor-controlled optical diagnostic instrumentation while the People's Republic of China has built the only complete pilot-scale MHD combined cycle steam powerplant in the world.

Both the United States and the People's Republic of China are countries rich in coal resources. China and several other countries throughout the world rank MHD technology near the top in their long-range energy planning.

MHD is a technology with many potential applications, the most significant of which is the expanded use of domestic coal resources to produce more electricity efficiently and in full compliance with applicable environmental guidelines.

The MHD energy process produces electricity in its first stage by heating a gas to almost 5,000 degrees Fahrenheit to make the gas an electricity-carrying plasma. This is almost twice as much heat as conventional steam turbines produce. Then a small amount of metallic "seed" is added to enhance its conductivity and at the same time clean up the sulphur in coal by converting it into sulphates that are easily removed. The projected efficiency of coal-fired MHD plants is approximately 55 percent, compared with only about 35 percent for conventional plants in operation today. In addition, approximately 90 percent of the pollutants are removed more easily than from conventional powerplants.

Diagnostic instrumentation being developed at Mississippi State University is vital for making non-intrusive measurements in the extremely hot and highly corrosive atmosphere present in an MHD channel. Without this knowledge, development and operation of a pilot plant in this country would be dangerous, if not impossible.

Following the June 3-6 testing on the Shanghai Power Plant Equipment Research Institute's MHD facility, Dr. Steve Sheperd, director of the MHD Energy Center at Mississippi State University, and Mr. Shu Zong-Xun, vice director of SPPERI, presented a synopsis of the joint tests to the International Liaison Group for MHD at a meeting in Beijing. Scientists from Israel, Sweden, Italy, Japan, Poland, India, Australia, and other countries committed to expediting the development of MHD as a major source of electric power generation, were gathered at this meeting for exchanges of scientific information on MHD.

INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE SUPPORT BAN ON HANDGUNS

Mr. MATSUNAGA. Mr. President, this afternoon, the International Association of Chiefs of Police conducted a press conference to endorse amendments to S. 49 which would retain the existing ban on the interstate sale of handguns and impose a 14-day waiting period of handgun sales.

The broad support for these amendments in the law enforcement community, together with the statements presented, eloquently demonstrate the need for the adoption of these proposals. I therefore ask unanimous consent that there be included in the RECORD at this point, the list of participants at today's IACP press conference, each of whom endorsed the proposals; a letter to Members of the U.S. Senate signed by leaders of the International Association of Chiefs of Police, the National Organization of Black Law Enforcement Executives, the Police Research Forum, and the Fraternal Order of Police endorsing these amendments; and the statement of Mr. John J. Norton, first vice president of the International Association of Chiefs of Police.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PARTICIPANTS AT IACP PRESS CONFERENCE

Organizational Representatives:

International Association of Chiefs of Police, First Vice President John J. Norton, Pittsburgh, Pennsylvania.

Police Executive Research Forum, President Chief Neil Behan, Baltimore County, Maryland.

National Organization of Black Law Enforcement Executives, President Deputy Superintendent Ira Harris, Chicago Police Department.

Fraternal Order of Police, President Richard Boyd, Oklahoma City, Oklahoma.

National Troopers Coalition—Legislative Representative Michael Muth, LaPlata, Maryland.

The United States Conference of Mayors—Mayor Thomas H. Cooke, Jr., East Orange, New Jersey—Cooke is Chairman of the Advisory Board of the Conference and Chairman of the National Institute of Police.

Additional Police Chiefs:

Chief William Hanton—Cleveland, Ohio.

Chief Reuben Greenberg—Charleston, S.C.

Chief Robert Dick—Tulsa, Oklahoma.

Chief Charles Strobel—Alexandria, Va.

Chief Rodney Steffy—Reading, Pa.

Troopers:

Michael O'Rourke—Legal Counsel, National Troopers Coalition, Buffalo, New York.

Steven Lump—Chairman, Arizona State Troopers.

Tom Stenbach—Chairman, Michigan State Troopers.

Charlie Kohler—Chairman, Kansas State Troopers.

Stan Rogers—Chairman, Florida State Troopers.

JULY 3, 1985.

DEAR MEMBERS OF THE UNITED STATES SENATE: On July 9, the Senate is scheduled to consider S. 49, legislation to amend the Gun Control Act of 1968. The stated purpose of the 1968 Gun Control Act is to support state and local law enforcement agencies in their fight against crime and violence. Unfortunately, the pending legislation would legalize the interstate sale of handguns thus circumventing state and local laws to regulate handgun commerce. This would impair the ability of state and local law enforcement agencies to prevent handguns from being acquired, carried or possessed illegally.

Although S. 49 does make some reforms which meet the legitimate needs of hunters and sportsmen, we in the law enforcement community consider it urgent that those changes not be enacted in a manner that jeopardizes law enforcement's ability to respond to the use of handguns in violent crime.

Accordingly, we urge that when the Senate considers S. 49, it amend the legislation so that current law prohibiting the interstate sale of handguns is retained.

Equally important, we urge the Senate to take advantage of this opportunity to strengthen our federal laws by accepting the recommendation of the 1981 Attorney General's Task Force on Violent Crime and enact a waiting period to facilitate records checks for the purchase of handguns.

Sincerely,

James Sterling, Acting Executive Director, International Association of Chiefs of Police. William Matthews, Executive Director, National Organization of Black Law Enforcement Executives. Thomas J. Iskrzycki, Chairman, National Troopers Coalition. Gary P. Hayes, Executive Director, Police Executive Research Forum. Richard Boyd, National President, Fraternal Order of Police.

STATEMENT BY JOHN J. NORTON, FIRST VICE PRESIDENT, INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE

On behalf of the International Association of Chiefs of Police, I would like to thank you for attending this press conference. The IACP is a voluntary professional organization established in 1893. It is comprised of chiefs of police and other law enforcement personnel from all sections of the United States and more than 60 nations. Command personnel within the United States constitute more than seventy percent of the more than 14,000 members. IACP members lead and manage more than 480,000 law enforcement officers at the Federal, State and local levels. Throughout its existence, the IACP has striven to achieve proper, conscientious and resolute law enforcement. In all of its activities, the IACP has been constantly devoted to the steady advancement of the Nation's best welfare and well-being.

Our purpose today is to request that the U.S. Senate act on behalf of the law enforcement community and the citizens of

this country when considering amendments to the Gun Control Act of 1968. Specifically, we are urging the retention of the current law prohibiting the interstate sale of handguns and asking Congress to enact a waiting period for purchasers.

The IACP supports the rights of all law-abiding U.S. citizens to possess firearms, and the legitimate sporting, recreational, law enforcement and private security uses of firearms. However, current federal, State and local laws directed at preventing the sale and purchase of handguns to various categories of proscribed persons have proven to be ineffective. At present, there exists no uniform and certain procedure to verify the eligibility. Unfortunately, enactment of the pending legislation (S.49) legalizing the interstate sale of handguns would further impair the ability of State and local law enforcement agencies to prevent handguns from being acquired, carried, or possessed illegally. Further, the sale of handguns by licensed dealers to nonresidents of the State in which the licensee's place of business is located will make ineffective the laws, regulations and ordinances in the several States and local jurisdictions regarding such handguns.

As drafted the legislation authorizes dealers to make face-to-face firearms sales to out-of-State customers if the sale would be lawful under the laws of seller's and purchaser's jurisdictions. As a practical matter, the provision that interstate sales must meet the requirements of both States will not be applied in many sales. Handgun ownership laws vary not only from State-to-State but county-to-county and city-to-city. Therefore, it would be virtually impossible for a licensed dealer even with good intentions, to make sure that sales to out-of-state purchasers conform to all laws. A compilation of these laws consists of thousands of pages. Furthermore, even similarly worded statutes and ordinances may have various applications and interpretations as applied by the courts in the different jurisdictions.

Accordingly, we urge that when the Senate considers S. 49, it amend the legislation so that the current law prohibiting the interstate sale of handguns is retained.

The IACP also urges that the Senate take advantage of this opportunity to strengthen our Federal laws by enacting a waiting period for the purchase of handguns. Such a waiting period will encourage the development of effective statewide plans and programs for the screening of prospective purchasers of handguns. It will also allow law enforcement officials the time necessary to carry out these plans and conduct a records check and background investigation for handgun purchasers.

For years and on several different occasions, the IACP membership has passed resolutions urging the creating of a waiting period. In 1981, the Attorney General's Task Force on Violent Crime also recognized the need for a waiting period and recommended that the Gun Control Act of 1986 be amended to provide for a mandatory waiting period. In discussing this recommendation, the task force noted:

"There is, at present no effective method to verify a purchaser's eligibility. The dealer must know or have reason to believe that the purchaser is ineligible to receive a firearm in order to make a transaction unlawful. However, this is very difficult to prove. A person purchasing a firearm from a federally licensed dealer is required to sign a form on which he affirms by sworn statement that he is not proscribed from purchasing a firearm. This signature relieves the dealer from any liability for illegal transfer as long as he requests and examines a form of purchaser identificaton, other than a Social Security card, that verifies the purchaser's name, age, and place of residence."

A waiting period to confirm the aforementioned information and permit a law enforcement agency to verify the person's eligibility is sensible and necessary for effective law enforcement. In locations such as South Carolina; California; Broward County, Florida; and Columbus, Georgia, where waiting periods are in effect, officials claim great success.

Therefore, the IACP urges that the Senate favorably consider an amendment establishing a waiting period to facilitate a records check and background investigation for the purchase of handguns.

Although this legislation does make some reforms which meet the legitimate needs of hunters and sportsmen, we in the law enforcement community consider it urgent that those changes not be enacted in a manner that jeopardizes law enforcement's ability to respond to the use of handguns in violent crime.

Thank you.

SENATOR MOYNIHAN ON THE IMPORTANCE OF TRADE AND THE TRADE DEFICIT

Mr. BYRD. Mr. President, Senator MOYNIHAN recently sent a newsletter to his constituents explaining the importance of international trade and our Nation's dilemma over the increasing trade deficit. This mailing was edited by the Democratic policy committee and sent to editorial page editors around the country. The resulting op-ed appeared in the Philadelphia Inquirer on June 12, 1985.

When Senator MOYNIHAN brings his trenchant brand of analysis to an issue, we all benefit from his insights. This is particularly true of his well, considered thoughts on trade policy. In this article, he points out the real danger of the current trade imbalance—the problems we may experience—of a permanent loss of export capability. This is a problem that we understand well in West Virginia where one out of seven jobs depends upon exports.

The United States is still the largest exporting nation in the world, but we cannot sustain a trade deficit that could exceed $150 billion this year and hope to maintain that lead. Senator MOYNIHAN'S article provides a straightforward analysis of the problems and opportunities we face in a changing global market.

I ask that the text of the Philadelphia Inquirer's op-ed appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRADE WARS ARE FOR LOSERS

(By Senator DANIEL P. MOYNIHAN)

If you have a little patience, trade is a fascinating subject. Huge changes are brought by the most unlikely, sometimes chance, events.

In the decades after the Civil War the railroads spread across the Great Plains, and wheat shipments began pouring back East and thence across the Atlantic to Europe on steamships. This was the period of the great political struggles against the surviving, still feudal power of the great European landlords. What brought the old regime down? Kansas.

In his wonderful book, The Americans, Stanley Lebergott writes: "The small capitalist farmers of North America hacked away at the economic base of the ruling landed classes in Europe more destructively than all the revolutionaries on the continent."

The absolute American economic pre-eminence of the post-World War II years couldn't last and didn't. What didn't have to happen was for us to get complacent, which we did.

One of the best measures of an economy is output per man-hour in iron and steel. We passed the British in this regard long ago. Then in 1973 the Japanese passed us. Mind, the Japanese were getting their ore from Australia, their coal from West Virginia and their technology from Austria. Nature didn't give them their new eminence. Hard work did.

Even so, we held our own more or less through the 1970s, but then disaster struck at the beginning of this decade. Owing to mindless mismanagement in Washington, we could literally cease to be an exporting economy.

What happened? To begin with, we turned into a debtor nation. Running huge deficits, the government has had to borrow huge amounts of money. The national debt all but doubled in four years, from $930 billion in January 1981 to $1,680 billion this April. The federal government is now borrowing money—about $130 billion a year—to pay interest, much of which goes abroad.

Foreigners want to lend money to our government because our interest rates are so high: but the Treasury will accept only dollars for its bonds. So foreign investors have to buy dollars with their currencies. Because so many want to, the "price" of the dollar in foreign currencies is bid up.

One of the reasons this subject is hard to follow is that when this happens, the dollar is said to "strengthen" against other currencies. A "strong dollar" sounds good, but leads to ruin, at least at the levels the administration has sanctioned.

Take our relationship with Canada, the country most like us of any in the world. The American dollar is now "stronger" than the Canadian dollar. Canadians have to pay $1.37 of their currency to get $1 of ours.

Here now comes the trade issue. New Yorkers grow onions. Canadians grow onions. And sooner or later some food wholesaler in the Bronx discovers that for a dollar he can buy $1.37 worth of onions across the border. Result: Canadian onions start coming into this country much like Japanese cars.

All this has led to an unusual event in Rochester, N.Y., the home of the Kodak Company, one of the largest and finest of American manufacturers. Kodak's name is known the world over: a standard of quality and technological leadership. It is our nation's 10th largest exporting company. Kodak produces the world over. It has been in Japan for some 50 years, now has some 10–15 percent of the Japanese market, and plans more. It goes toe-to-toe with Fuji on

price and isn't asking any help from anybody.

What it can't do is overcome the effect of the overpriced dollar. (Here is the real problem with the words we use. We say "strong dollar." Strong dollar, strong America, right? Wrong. But there you are. Overpriced is a better way to put it. If the dollar is overpriced, American exports are overpriced; imports are underpriced.)

In 1984 Kodak's purchases of foreign parts and products doubled from the previous year, while exports stayed level. The situation is becoming threatening.

The worst of it is that at first these changes present themselves as a break for the consumer: goods are cheaper. One of the reasons inflation has come down so rapidly is the flood of imports. (Our trade deficit will be upward of $150 billion this year. In 1980 it was $36 billion.) But this catches up with a people who, in effect, are living on borrowed money.

Protectionism—tariffs, quotas, closed trading systems—seems an easy answer to this. Keep the foreigner out of your market. It surely seemed a good idea in 1930, after the stock market crash. In a frenzy still remembered around here, Congress enacted the Smoot-Hawley Tariff Act of 1930. Tariffs were raised on everything by the time every member of Congress had got his amendment attached.

And did it do the job. Within two years American imports were cut by half. But so were American exports: European nations had retaliated against us instantly. This set in motion changes that led to a general trade war, as tariffs went up and the Depression of the 1930s deepened. It ended with World War II.

In the United States and the United Kingdom, a group of men of great patriotism and courage were persuaded that the trade war had led to the real war, the most awful carnage known to human history: from Auschwitz to Hiroshima. These men determined that at all costs, the post-war world must avoid the awful simplicity of trying to stay prosperous while making your neighbor poor. Under the leadership of Secretary of State Cordell Hull, an American-trade policy team began working in 1943 on a postwar trading system, which was partially achieved in what we call the General Agreement on Tariffs and Trade (GATT).

For decades the new system worked wonderfully. World trade doubled, then redoubled. The trading nations prospered as never in history.

It is breaking down again. The breakdown is starting here. The Senate Finance Committee recently held a hearing on a new proposal making its way around Capitol Hill. It is to impose a 20 percent "surcharge" on all imports until our trade deficit clears up. Rudolph G. Penner, director of the Congressional Budget Office testified:

"The proposed import surcharge would actually raise the average tariff for all imported goods above the average level attained by the Smoot-Hawley Tariff Act of 1930."

There are many things we can do. First, second and third is to reduce the deficit in a responsible way. We can restrain the dollar's rise by building a "Strategic Foreign Currency Reserve." Certainly the major trading nations need to work together to keep their currencies in line. Most assuredly, the United States must drop its policy of doing nothing. Above all, we must not go crazy with tariffs.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CHAFEE. Without objection, it is so ordered.

Mr. BYRD. Mr. President, is the Senate in morning business?

The PRESIDING OFFICER. Yes.

Mr. BYRD. I thank the Chair.

I have cleared this with the distinguished majority leader through his aide. I ask unanimous consent that I may be allowed to speak for any length of time within that hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, this is the 76th statement that I have made on the subject of the U.S. Senate since March of 1980.

Today, I am speaking on the subject of the U.S. Senate and the cold war, 1945-53.

THE UNITED STATES SENATE

THE UNITED STATES SENATE AND THE COLD WAR, 1945-1953

Mr. BYRD. Mr. President, in April 1945, Adolf Hitler committed suicide and Benito Mussolini was killed by Italian partisans. In the United States that same month, President Franklin D. Roosevelt died suddenly of a cerebral hemorrhage, after 12 years as President through the depression and World War II. And on April 25, 1945, representatives of some fifty nations opposed to the Axis Powers met in San Francisco to plan for a new world organization, the United Nations. World War II was ending; political leadership in America was changing; and people were looking toward a New World order. But rather than an era of peace and security, the victors of the Second World War faced a new and perhaps more ominous war—the cold war and the threat of nuclear war. During the next 8 years, the United States built the defensive alliances and established the policies which have dominated our foreign relations ever since. The purpose of my remarks today, in my continuing series of addresses on the history of the Senate, is to discuss the role of the Senate in the early and critical cold war years.

Despite the increased workload during the war, the Senate was still a relatively small, old-fashioned institution in 1945, lacking both the mechanisms and the mindset to handle the problems of the modern postwar world. The Assistant Secretary of State for Congressional Relations during the 79th Congress was Dean Acheson, who has described most vividly in his memoirs the "clubby" atmosphere in which the Senate dealt with foreign policy. Insiders in the House gathered in Speaker Sam Rayburn's "Board of Education," on the first floor of the Capitol Building, to talk informally and plan strategy. The comparable meeting place on the Senate side was the private dining room of Secretary of the Senate Leslie Biffle, a room now designated S-224. There, the "genial majority leader, Alben Barkley of Kentucky, presided while Biffle, the silent, smooth, friendly Secretary of the Senate, the most knowledgeable operator on the Hill, acted as chief of staff. Solemn, courteous, and kindly Walter George of Georgia, the nestor of the gathering, usually put seal on a decision by his pronouncement at the end of a rambling discussion over 'bourbon and branch water' or lunch. Barkley and Biffle invited those who might be especially wanted, and others wandered in more or less regularly from the Senate floor at about noon," wrote Acheson. "Sometimes Biffle, I, or one of the Senators gave a luncheon." Acheson recalls that regulars in this group included Carl Hayden and Ernest McFarland of Arizona, Millard Tydings of Maryland, Burton Wheeler of Montana, Theodore Francis Green of Rhode Island, Lister Hill of Alabama, and Scott Lucas of Illinois. On the Republican side, these Democrats might be joined by Arthur Vandenberg of Michigan, Robert La Follette, Jr., of Wisconsin, and Wallace White of Maine. Interestingly, Acheson never saw Harry Truman in these gatherings, either as a Senator or Vice President. Tom Connally, the Democratic chairman of the Foreign Relations Committee, was also absent from this "inner club," because his sharpness of tongue made him an "uncomfortable colleague."

While all powerful men, the Senators of the "inner club" could not ensure passage of legislation. 'The leadership . . . helped those who helped themselves," Acheson recalled. "Self-help included not only the basic committee work, the hearings, and work with the committee staffs on their reports, but the initial canvassing of members' voting predilections. Here one needs both strong feet and patience." Acheson and Will Clayton, as State Department liaisons, covered the House and Senate office buildings, corridor by corridor, "making our sales talk, and keeping a record of the responses we got for Skeeter Johnston's always-current voting lists."[1] Felton M. "Skeeter" Johnston was at that time the Democratic majority secretary in the Senate.

Acheson's reference to helping committee staffs with their reports was a brief but telling commentary on the

nature of Senate committees in general and the Senate Foreign Relations Committee in particular in 1945. At the end of World War II, the Foreign Relations Committee had a staff of three: One full-time employee who took dictation, typed and ran the stenotype machine, and took care of the committee office; and two part-time employees.

Francis Wilcox, who came to the committee on loan from the Legislative Reference Service in 1945, to accompany the chairman and ranking minority member to the United Nations Conference, has made the following observations about the nature of the staff and its work when he first joined it:

> Now, you can see, at that point there could be no adversary relationship between the two branches of government, because most of the professional work clearly had to be done in the Department of State or in the government somewhere. Speeches had to be written there; committee reports to the Senate were prepared by the executive branch; there was no mechanism really by which the Senate could act independently, or could bring to bear the kind of helpful advice and counsel that a professional staff could bring. . . . Of course, in foreign policy the Congress has to get much of the information it needs from the executive branch anyway, but nevertheless you can see that with a staff of only three—two and a half people—the Senate committee could not function very effectively.[2]

Despite these limitations, in the immediate postwar years the Senate began to reassert more authority in American foreign relations. During the war, with the need for national unity and secret diplomacy, Congress was willing to defer to the Chief Executive. With the simultaneous end of the war and death of President Roosevelt, that deferential attitude evaporated. Members of the Senate had less confidence in the abilities of their recent colleague, Harry Truman, and questioned his handling of international affairs. In October 1945, for example, when President Truman announced efforts to reach an international agreement to control atomic energy for world peace, he promised to consult with Congress and to submit any such agreement for congressional approval. Senator Arthur Vanderberg, the leading Republican spokesman on foreign policy snapped to a reporter: "I should think he would be damned glad to consult with Congress before negotiating agreements. I wouldn't think any one human being would take the responsibility for settling this issue." [3] That same month, the Senate created a Special Committee on Atomic Energy.

Congress especially wanted President Truman and his diplomatic representatives to take a firmer stand against the Soviet Union. The United States and the U.S.S.R. had been allies against Nazi Germany during the war, but strains in the alliance became immediately apparent in the postwar years as Soviet troops remained in Eastern Europe and the Soviets showed little inclination to uphold the Yalta agreement and allow free elections in those satellite nations. Soviet policy in the Middle East appeared aggressive and expansionist, and Soviet-dominated Communist parties in Western Europe were growing in strength as a result of postwar economic distress. Because of such Communist behavior, members of the Senate were troubled over American-Soviet negotiations toward international control of atomic energy—at a time when the United States enjoyed a nuclear monopoly.

Secretary of State James Byrnes, a former Democratic Senator from South Carolina, was pursuing a policy we would later describe as "detente" with the Soviet Union, but found himself under fire from the Senate, and even from President Truman. Because he was afraid of White House leaks, Byrnes refrained from sending daily reports to the President concerning his negotiations with the Soviets. Nothing could have more outraged Harry Truman, who wanted to be fully informed, and who fumed at Byrnes' independence. Although James Byrnes might have felt he should have been sitting in the White House, Harry Truman intended to let him know who was sitting in the White House. In the Senate, Arthur Vandenberg was equally upset by Byrnes' failure to consult with the Foreign Relations Committee or to ask his advice. Vandenberg worried that "the very quality for which Byrnes had been best known in the Senate," that is, his ability to reach compromises, would be his undoing in negotiations with the Soviets.[4]

In February 1946, Vanderberg, delivered a tough speech on the Senate floor, asking, "What is Russia up to now?" In it, he demanded that the United States sustain its own democratic purposes as vigorously as the Soviets were advancing their own. His speech paralleled a "get tough" attitude within the Truman administration—just a week before George Kennan had sent his famous telegram from Moscow urging a policy of containing Soviet aggression—and set the tone for bipartisan cooperation on a cold war foreign policy. The term "cold war," I should point out, is attributed to the prominent newspaper columnist Walter Lippmann. When George Kennan's telegram was published under the signature "X" in Foreign Affairs, Lippmann rebutted his containment thesis. If the United States unilaterally took upon itself the role of containing communism, Lippmann argued, then it would have to send troops to every corner of the globe, no matter how remotely strategic, to support every non-Communist government, no matter how despotic and antidemocratic. Lippmann argued his case in a book entitled, "The Cold War," in which, among other proposals, he suggested turning Europe into a demilitarized zone. Although Lippmann's ideas were not adopted, the title of his book became a widely accepted reference for the frigid relations between East and West.[5]

The elections of November 1946 marked a great divide, both for domestic politics and foreign policies. After 14 years in the minority, the Republicans won a narrow majority in the Senate and captured the House of Representatives. Without Franklin Roosevelt in the White House, they seemed destined to win the Presidency in 1948. During the 80th Congress, President Truman would face a resurgent Republican majority that was bolstered by its alliance with conservative Democrats. Domestically, the Republicans seemed eager to roll back the New Deal. In foreign affairs, they were divided between those represented by Robert Taft of Ohio, who adopted a more isolationist stance. Taft, however, was far more interested in domestic than foreign affairs, and, in his efforts to keep his party united, he allowed Vandenberg to keep the spotlight on foreign policy issues. While these changes were occurring on Capitol Hill, dramatic changes also took place at Foggy Bottom, where, in January 1947, James Byrnes was replaced as Secretary of State by General George C. Marshall. Marshall's prestige and widespread respect were reflected in the speed with which the Republican-controlled Foreign Relations Committee dispatched his nomination: It took them only 20 minutes to discuss and vote to recommend his confirmation. That same afternoon, the Senate unanimously approved the new Secretary of State.[6]

The first crisis facing the new Secretary and the new Congress came only a month later when the British Government informed Washington that it could no longer afford to offer financial assistance to the Greek Government in its civil war with Communist-led guerillas. The British Government hoped that the United States would take over the burden of supporting Greece and Turkey, but with the New Republican Congress engaged in cutting both taxes and the Federal budget, there was no assurance that Washington could provide the necessary financial assistance. President Truman, however, quickly decided to take on this challenge, and called in key congressional leaders for consultation. At a White House meeting on February 27, Secretary Marshall and Under Secretary Acheson briefed senior Senators and Representatives on the danger of a Soviet take-over in Greece and Turkey, which would place the entire Middle East in jeopardy and

directly affect America's national security. Congressional leaders replied that they would support the administration if President Truman would make the same dire predictions in public. As Senator Vandenberg is supposed to have told the president: "If that's what you want, there's only one way to get it. That is to make a personal appearance before Congress and scare hell out of the country." [7]

On March 12, President Truman appeared before a joint session of Congress, and delivered the speech congressional leaders wanted over a nationwide radio broadcast. His appeal was for funds to save Greece and Turkey, but his message was broader: "I believe that it must be the policy of the United States to support free people who are resisting attempted subjugation by armed minorities or by outside pressures," said Truman. "I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes." [8] Truman then asked for a relatively modest aid package of $400 million in military support. Within 2 months, Congress had enacted the bill and the United States had entered a dramatic new phase of foreign policy.

Many had doubts about the direction in which we were headed. In response to a worried letter from one of his constituents, Senator Vandenberg responded:

> You ask me whether there is any "precedent" for the action we are taking in Greece and Turkey . . . . I am afraid we cannot rely upon "precedents" in facing the utterly unprecedented condition in the world today. Certainly there is no "precedent" for today's world-wide clevage between Democracy and Communism . . . . I do not know whether our new American policy can succeed in arresting these subversive trends (which ultimately represent a direct threat to us). I can only say that I think the adventure is worth trying as an alternative to another 'Munich' and perhaps to another war.[9]

Vandenberg's fellow Republican leader, Robert A. Taft of Ohio, was more dubious. He wanted to know what evidence there was that American security was threatened by events in Greece and Turkey, what would be the U.S. role in Greece after the aid had achieved its immediate objectives, and whether this policy would be conceived as a commitment to any similar policy elsewhere in the world. Still, Taft begrudgingly went along. "I don't like the Greek-Turkish proposition," he wrote privately, "but I do recognize that perhaps we should maintain the status quo until we can reach some peaceful accommodation with Russia. I don't like to appear to be backing down." [10]

The debate, as represented by Senator Vandenberg the internationalist, and Senator Taft the isolationist, has in many ways and under many guises continued to the present day. So has the "Truman Doctrine," as the policy came to be known. In recent years, largely in reaction to the Vietnam war, many scholars have shifted from support of Vandenberg's position and have seen new validity in Taft's concerns. These scholars have questioned whether Truman went too far in creating a "crisis atmosphere" and in defining Europe's problems solely in terms of Communist subversion. The President, as Senator Walter George observed, "put this Nation squarely on the line against certain ideologies." But as Robert Donovan has noted in his history of the Truman administration, "By dramatically drawing a distinction between ideologies, as Senator George said, the Truman Doctrine lent a rigidity to foreign policy that for a generation inhibited a turn from the cold war." [11]

Having taken on the responsibility of preserving the Governments of Greece and Turkey, the United States then moved to shore up all of Western Europe. The European situation in 1947 was grave indeed. In the aftermath of the war, Europeans suffered shortages of food, fuel, and raw materials, and lacked the funds to rebuild their industries and transportation systems. Economic unrest seemed to foster the growth of Communist parties in France, Italy, and other Western European nations. A European depression also threatened the economic prosperity of the United States. So, on June 5, 1947, Secretary of State Marshall delivered his famous commencement address at Harvard, launching what came to be known as the "Marshall Plan." Marshall proposed a massive aid program to Europe in general, not any specific nation. Indeed, a key provision of his plan was for European nations to act collectively to administer the aid program, a provision which eventually led to the formation of the Common Market. It was one thing to propose the greatest foreign aid program in the history of the world, but another thing to persuade a parsimonious Congress to appropriate the funds. Senator Vandenberg fretted over any imprudent attempts to rush into European affairs; Senator Taft worried that Europeans would "gang up and make unreasonable demands." Events moved along perilously. In Eastern Europe, the Soviet Union leaned heavily upon its satellite nations to prevent them from accepting American aid; and in Western Europe the economic situation worsened. Mike Mansfield, then a Democratic member of the House from Montana, went to see President Truman after returning from a European inspection. Mansfield told of shortages of goods, diseases, and fears in Europe that made American action essential. He urged the President to call a special session of Congress.[12] The President agreed and called Congress back on November 17, another case of the Democratic President taking the initiative with a Republican Congress—a theme which would serve Harry Truman very well in the 1948 election.

The key to success for the Marshall Plan was Senator Vandenberg, chairman of the Foreign Relations Committee and President pro tempore of the Senate. Truman needed all of the Michigan Senator's skill and prestige to build a bipartisan coalition behind the massive aid package. By now, Vandenberg had convinced himself, after wrestling with his conscience, that the Marshall Plan needed to be enacted. "If self-help and self-sufficiency can be made to work," he said, the Marshall Plan "may well be a bargain." From January 8 through February 5, the Foreign Relations Committee held hearings in the Senate Caucus Room, with Vandenberg presiding and calling more than 90 witnesses. Everyone from Cabinet members to church groups and women's clubs testified in favor or against the plan. Vandenberg received them all so courteously that it was said he "killed the opposition to the Marshall Plan with kindness."

Meanwhile, some 20 Republican isolationist Senators were meeting regularly at a Washington hotel to plot strategy in opposition to the plan. Vandenberg worked to split this group by incorporating some of their more reasonable objections into his committee's version of the bill. The Truman administration had proposed a 4-year, $17 billion aid program, which boggled many senatorial minds. Vandenberg weakened much of the opposition by proposing a 1-year, renewable plan of between $5 and $6 billion. Vandenberg also proposed the strengthening of sections of the bill stressing Europe's self-help obligations, and made numerous other accommodations to troubled Senators. Finally, on February 13, the Foreign Relations Committee voted unanimously for the plan. In fact, as a result of Vandenberg's consensus building, he won a unanimous committee vote on nearly every major issue of foreign policy in the 80th Congress, a truly remarkable record for this institution.

On March 1, Vandenberg delivered a defense of the plan to the Senate, with almost every Senator present and the galleries filled to capacity. The Marshall Plan, he said, was the product of more intensive study by more devoted minds than any other legislation he had seen in his 20 years in the Senate. "It is a plan for peace, stability, and freedom. . . . It can be the turning point in history for 100 years to come. If it fails, we have done our final best. If it succeeds, our children and our children's children will call us blessed." He finished to a standing ovation by his colleagues.[13]

The fight over the Marshall Plan was by no means finished. The Senate debated the bill for 2 weeks, with a critical vote coming over Senator Taft's proposal to cut $1.3 billion out of the first-year authorization. But Vandenberg, aided by Tom Connally, the ranking Democrat on the committee, fought back the attempt. At last, on March 14, 1948, the Senate enacted the Marshall Plan by a vote of 69 to 17. The House quickly followed suit. The Marshall Plan was a peaceful, positive, and exceedingly generous program—and it worked.

But, of course, the crisis was far from over. The Soviet Union, determined to block the Marshall Plan, cracked down hard on its Eastern European satellites. In February 1948, a Communist coup d'etat took over the government of Czechoslovakia, and on March 10 its pro-Western Foreign Minister, Jan Masaryk supposedly committed suicide, although he was widely believed to have been murdered. Three days after the Senate passed the Marshall Plan, President Truman addressed a joint session, calling for a restoration of the military draft—to send a signal to Moscow that America was ready to respond militarily to any act of aggression. The President also hailed the pact, announced that day in Brussels, in which Britain, France, Belgium, the Netherlands, and Luxembourg signed a 50-year collective defense treaty. The United States, however, was not a member of that pact. We had not been a party to a mutual defense treaty since our alliance with France during the American Revolution, and many Americans still cited George Washington's warning, in his Farewell Address, against entering into "entangling alliances."

Then, in April, the Soviets refused to permit allied military trains to pass through East Germany on their way to West Berlin without stopping for inspection. Americans refused to tolerate this violation of their rights and barred Soviet inspectors from their troop trains. The Soviets responded by blocking military trains. In June, the allied nations announced plans to consolidate their zones in Germany into a single federal state, creating a united West Germany. The Soviets then claimed all of Berlin and blocked all overland travel to that city. The allied nations then launched an airlift to supply Berliners with food and other necessary items. For 321 days, the Berlin airlift continued, with American and British pilots making over 270,000 flights and delivering 2.3 million tons of supplies, until at last the Soviets lifted their blockade.[14]

Another sign of American resolve was the Vandenberg Resolution, which cleared the way for United States participation in the North Atlantic Treaty Organization—NATO. The Truman Administration had determined that the United States must enter into a collective security arrangement with Western Europe, but Senate approval would be needed for such a treaty, and there was no guarantee the Senate would approve such a dramatic departure in foreign policy. Congress would soon be adjourning for the national political conventions and 1948 elections, and there was no time to negotiate and present a treaty, but a sense-of-the-Senate resolution would demonstrate congressional support for a mutual security pact. Under Secretary of State Robert Lovett began to meet regularly with Senator Vandenberg at the Senator's apartment in the Wardman Park Hotel. For three to four weeks, Lovett stopped each evening at Vandenberg's apartment on this way home from the State Department. Together they discussed methods of procedure and worked on drafts of the proposed resolution on Vandenberg's portable typewriter. Lovett provided the expertise in diplomatic and military considerations; Vandenberg, the knowledge of what would be needed to calm congressional fears. The single page resolution they produced was compared by John Foster Dulles, then a State Department advisor, to the Monroe Doctrine as a landmark in American diplomacy. The key provision of the Vandenberg resolution called on the United States Government to pursue: "Progressive development of regional and other collective arrangements for individual and collective self-defense in accordance with the purposes, principles, and provisions of the U.N. Charter."

Once again, Vandenberg shepherded the resolution through a unanimous vote of the Foreign Relations Committee, and defended it in a stirring speech on the Senate floor. With the Berlin airlift then underway, Vandenberg told the Senate:

> Facing the grim reality that peace may fail through acts of others, Congress is concurrently driven by prudence to rebuild the minimums of national armed defense in the presence of possible aggressives which might sneer at any arguments save those of force. At such a moment it is necessary that the same Congress, if faithful to the spirit of America, should simultaneously renew its relentless dedication to collective peace. . . . The pending Resolution is the responsible answer, so far as Congress can presently foresee.

The Senate responded by voting 64 to 4 in favor of the Vandenberg resolution, far more than the two-thirds margin necessary to pass a treaty. With this message sent, the Truman administration immediately began negotiations on the formation of NATO. The NATO treaty was signed in Washington in April 1949, and the Senate consented to its ratification in August. The treaty still stands as a cornerstone of our foreign policy.[15]

The 80th Congress ended its business in a filibuster over the renewal of the draft. Senator Glen Taylor, Democrat of Idaho, and William Langer, Republican of North Dakota, staged the filibuster to block the draft bill, but the Senate eventually voted 78 to 10 to restore military conscription. Historian James Patterson has vividly described the last moments of that historic session of the Senate:

> Spectators thronged the galleries and clogged Capitol corridors, and senators, sweaty and irritable, slept on makeshift cots and sofas in the cloakrooms. Still the session dragged on—through the sticky heat of Saturday morning and afternoon, then through violent electric storms which crashed outside the chambers Saturday night. Finally, after forty-four consecutive hours in session—the second longest in American history (the longest, fifty-four hours, occurred in 1915 over Woodrow Wilson's ship purchased bill)—the regular session of the Eightieth Congress ground sullenly to a halt at 7:15 a.m. Sunday.[16]

For the tired legislators, the end was not really in sight. At the Democratic convention in Philadelphia, President Truman in a brilliant political move announced he was calling Congress back into special session to enact the domestic programs that Republicans had pledged to support in their party platform. When Congress returned, and did little to pass such legislation, Truman had his campaign theme: That do-nothing Republican 80th Congress. Still, no one expected Truman to win. The pollsters had the Republican candidate, New York Governor Thomas E. Dewey, so far out in front that they stopped conducting polls early in the campaign. Senator Vandenberg looked forward to the day when a new foreign policy team of President Dewey, Secretary of State Dulles, and Foreign Relations Committee Chairman Vandenberg would take charge of America's international affairs. The morning after the election, with the stunning news of Truman's upset victory—and the Democrats recapturing the majorities in the House and Senate—Vandenberg walked into Francis Wilcox's office in the Foreign Relations Committee room, took his cigar out of his mouth, and said about Harry Truman: "You've got to give the little guy credit. There he was flat on his back. Eveyone had counted him out, but he came up fighting and won the battle."[17]

The election also removed Vandenberg as chairman of the Foreign Relations Committee. Within less than a year, Vandenberg underwent surgery for cancer of the lung. While he returned to the Senate when his health permitted, he could no longer fully participate in Senate business. On April 18, 1951, Arthur Vandenberg died of cancer, at the age of 67, at his home in Grand Rapids, MI. He had become truly one of the most significant and influential Members of the

United States Senate, one of the most memorable figures in its history. Over the years since his death, Vandenberg's image has been diminished and obscured. Others survived him to write their memoirs and treat him less kindly than they did while he held his powerful position. Former Secretary of State Dean Acheson, for example, referred to him as "a large mass of cumulonimbus cloud, often called Arthur Vandenberg, producing heavy word fall." Others recalled his theatrical oratorical style, his penchant for cliches, and his skillful courting of press attention, and have concluded that there was less there than met the eye. Very slowly, however, historians are restoring Vandenberg's image and reminding us of his important contributions to the making of a bipartisan foreign policy. As Francis Wilcox has recalled: "When Vandenberg delivered a major foreign policy speech in the Senate, a minimum of 60 Senators could be expected to hear him. That kind of attention is practically unheard of in a chamber where Senators normally address the galleries, the Senate clerks, and the country—but not their colleagues. In the Senate, votes are what count, and when the chips were down, Vandenberg could deliver them." In the Republican 80th Congress, the Democratic Truman administration owed Arthur Vandenberg a great debt of gratitude for his nonpartisan, consensus-building, statesmanlike approach to foreign policy.[18]

Vandenberg's successor as committee chairman, Tom Connally, had long chafed at the press attention given the Michigan Senator. In his own right, Connally was a valiant and effective fighter for the Truman administration's foreign policies, and he has received glowing treatment from Acheson and others in their memoirs. But symbolically, Connally could not play the same role in building a bipartisan policy, with an administration of his own party, that Vandenberg could play as an opposition party leader. Nor was Connally as interested in the substantive affairs of foreign policy as was Vandenberg. Connally's forte was political and legislative maneuvering. Where Vandenberg was smooth, Connally could be sharp, gruff, overpowering, a man to be reckoned with in debate. Over six feet tall, weighing more than two hundred pounds, Connally looked a bit like the typical editorial cartoon figure of a senator: long wavy hair, black suits, bow ties, large cigars. He was described as "the only man in the United States Senate who could wear a Roman Toga and not look like a fat man in a nightgown." [19]

At the same time Connally resumed his chairmanship of the Foreign Relations Committee—he had previously chaired the committee from 1941 through 1946—Dean Acheson replaced George Marshall as Secretary of State. The Truman administration now faced its second term and even greater foreign policy crises. World attention shifted at this time from Europe to Asia. In China, the Nationalist forces of Chiang Kai-shek were steadily losing their civil war with the Communists led by Mao Zedong. Chiang called for more American aid, but the Truman administration concluded it was more important to save Western Europe from Stalin than China from Mao. In August 1949, the State Department issued a White Paper arguing that the Nationlist Chinese' internal weakness and resistance to reform explained their collapse. By the end of the year, Chiang's forces had been driven out of Mainland China to the island of Taiwan.

There then began a loud, intense, and sometimes hysterical debate over who "lost" China. No one seemed to ask whether we ever "had" China so as to be able to lose it—much like the controversial debate over the Pamana Canal treaties more recently.

But in the Senate, voices such as those of Robert Taft, William Knowland, Styles Bridges, Kenneth Wherry, and Pat McCarran, were soon heard denouncing the administration's China policies. With the exception of McCarran, the loudest China voices belonged to Republicans, and some scholars have speculated whether the Republican party's unexpected defeat in 1948 contributed to the frenzy over China and internal subversion that surfaced in 1949. Certainly, there were inconsistencies among Chiang Kai-shek's supporters. Senator Robert Taft, for example, had consistently resisted American intervention in European affairs and had not shown much interest in Asian events before 1948. But now he said: "I believe very strongly that the Far East is ultimately even more important to our future peace than is Europe." Taft endorsed military aid to Chiang's government, and criticized Truman for not doing more—this from a senator who voted against the NATO treaty.[20]

Supporting the pro-Chiang senators was a mysterious "China Lobby," headed by an importer of Chinese textiles, Alfred Kohlberg. A staunch anti-Communist, Kohlberg founded the China Policy Association, which had strong ties with Chiang's Nationalist government. Kohlberg also subsidized a number of small magazines and newsletters supporting the China cause. He also provided sympathetic senators with voluminous documents to support their arguments. Historian Robert Griffith has explained that the "China Lobby" was not a cohesive, well-organized group, "but a coalition including representatives of the Nationalist government seeking arms and aid, true believers in the cause of Chiang Kai-shek against the Communists, and a bevy of Republican politicians." [21] The China Lobby pressed hard for American naval protection of Taiwan, but Truman insisted the United States would play no part in the Chinese civil war. Senators H. Alexander Smith, Republican of New Jersey, and William F. Knowland, Republican of California told Truman that this marked the end of a bipartisan foreign policy.[22]

It did not help matters at this juncture that Dean Acheson was then serving as Secretary of State. Although he had once handled congressional relations for the State Department, Acheson was often unable to handle them for himself. His sardonic sense of humor, and his sometimes condescending attitude did not win him great numbers of friends on Capitol Hill. It was a sign of those strange times that Secretary Acheson, one of the hardest of the hard-liners against the Soviet Union, a man who later came to be widely regarded as a "hawk," was perceived by some congressmen as "soft on Communism" and an "appeaser." At the time of his nomination, Acheson had refused to denounce his friend and one-time State Department colleague, Alger Hiss, who was then under indictment for perjury and suspected of providing State Department documents to the Soviet Union. This act of personal loyality, which took great courage in the atmosphere of the late 1940's, was interpreted as a sign of Acheson's lenience—or worse—toward supposed Communists in the State Department.[23]

The China Lobby blamed Acheson and Truman for the fall of Chiang Kai-shek and the Nationalists. They further pointed to Acheson's speech before the National Press Club in Washington in January 1950, in which he outlined the United States' defensive perimeters in the Pacific, as a cause of the Korean War. Because Acheson had defined Korea as outside the American perimeter, his critics charged, he had invited the North Korean attack in June 1950.

Regardless of any so-called defense perimeter, when North Korean troops poured across the 38th parallel and invaded South Korea, Truman and Acheson were prepared to defend South Korea. The United States called an emergency meeting of the Security Council and, because the Soviets were then boycotting Security Council meetings, was able to win a vote calling on North Korea to withdraw its troops. The United States sent troops to Korea under the banner of the United Nations but commanded by General Douglas MacArthur. Although Congress supported the war effort, or "police action" as it was called, it was never called upon to declare war. Truman did not consult with congressional leaders until three days after the invasion—and two days

after he had made the decision to intervene. Senator Taft supported that decision, but pointed out that the president had no legal authority for his actions. Although a number of Democrats and Republicans suggested that the president should ask for a congressional resolution supporting the sending of combat troops to Korea, Secretary Acheson persuaded the president not to ask for a resolution but to act under his powers as commander-in-chief. No president had ever committed so many troops to a war zone without congressional authority. Although it was certainly not clear to Truman how long and serious the "police action" would be, he nevertheless had broken precedent by his decision. Professor Arthur Schlesinger assigns this decision a major place in the building of "The Imperial Presidency." Truman, he wrote, "dramatically and dangerously enlarged the power of future presidents to take the nation into major war." [24]

Meanwhile, the Korean war seesawed back and forth, first with North Korean troops pressing UN troops almost to the tip of the Korean peninsula, then with General MacArthur's landing at Inchon that turned the tide, and then with the UN troops' crossing of the 38th parallel and taking the war into North Korea. When UN troops reached the Yalu River Valley near the Chinese border, Chinese troops entered the war on the North Korean's side, and in such massive numbers that they again turned the fortunes of the war. General MacArthur requested permission to bomb targets inside China, but was refused by President Truman, who wanted to avoid widening the war. When General MacArthur began to take his case directly to Congress, Truman fired him. Rarely has a presidential action caused such a storm of protest. MacArthur was a major military hero who had not yet returned to the United States since the victory in World War II. He was the hero of the "China Lobby." He personified the "win-at-all-costs" attitude shared by many Americans. President Truman, by contrast, believed he had done exactly what was necessary to preserve civilian control over the military. The Joint Chiefs of Staff supported the president firmly and without hesitation.

The firing of General MacArthur fell like a bombshell on Capitol Hill. That same afternoon, Senate Republican leader Kenneth Wherry of Nebraska introduced a resolution inviting General MacArthur to address a joint session of Congress, and called on Congress to investigate the administration's foreign policies and national defense program. "The United Nations forces are fighting with one arm behind their backs, meaning inability to bomb Communist supply bases across the Yalu River creates a great handicap," said Wherry. "The constitutional power of the president—as commander-in-chief of the Armed Forces—gives him no authority to consign American troops to fight under conditions in which they cannot defend themselves." [25] MacArthur returned to a thunderous personal reception, with great crowds in every city he visited. His speech before Congress, in which he justified his position, ended with that memorable refrain: "Old soldiers never die; they just fade away."

Somewhat to the general's surprise, he did indeed fade away. A Senate investigation, ably led by the chairman of the Armed Services Committee, Richard Russell of Georgia, did not support MacArthur's contentions, and made it clear that the general was aware only of the situation in Asia and not of the larger picture of American foreign policy and military strength. Many senators and Americans agreed with General Omar Bradley, who argued that an American attack on China would place the United States "in the wrong war, at the wrong place, at the wrong time, and with the wrong enemy." General MacArthur was never able to convert his jubilant welcome into a political movement to elect him president. American policies did not change, although we became locked into a hard line against the People's Republic of China. The Korean war settled into a stalemate, until it was finally resolved by a ceasefire in 1953, which left the country much as it had been before the war.

But the political atmosphere of Washington had clearly been poisoned by the Truman-MacArthur clash, the Korean war, and the fall of China. Otherwise responsible men made irresponsible charges. Senator Taft denounced the Korean war as "a Truman war . . . useless and expensive." Taft claimed that the United States abandoned Chiang Kai-shek because the State Department "absolutely wanted the Communists to win." Did he really mean that? a reporter asked. Taft replied that he thought Dean Acheson and the Far Eastern Division did indeed want a Communist victory "because in the State Department for a long time there's been a strong Communist sympathy, as far as the Chinese Communists are concerned." [26] This was an astonishing statement, coming from someone of the stature of Robert Taft, and it explains the setting in which the charges of the junior senator from Wisconsin, Joseph R. McCarthy, could obtain so much attention and credibility.

Mr. President, the suspicions and charges of the anti-Communist movement in the late 1940's and 1950's were indelibly etched in American foreign policy. But to do justice to them and to explain the remarkable career of Senator McCarthy, I intend to devote to them an entire speech in this series at a later date, perhaps in my next speech in the series.

For now, let me make a few concluding remarks on the Senate and the Cold War during the Truman years. I have cited only a few of the dramatic events of that period. One also thinks back to President Truman's recognition of the new nation of Israel in 1948, to the Soviet development of the atomic bomb, to the American decision to produce hydrogen bomb, to the granting of independence to the Philippine Islands, and to the occupation and rebuilding of Japan, which all took place during this era. As historians have noted, the wonder is not that some things went wrong in these years, but that serious mistakes were so few. President Truman, and his bipartisan allies in Congress, kept this nation from retreating back into isolationism after the war, and forced us to face up to our international responsibilities. The rebuilding of Germany and Japan, the Marshall Plan for Western Europe the defense of South Korea all were testament to American support of democracy throughout the world.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point notes to "The Senate And The Cold War."

There being no objection the material was ordered to be printed in the RECORD, as follows:

NOTES TO "THE SENATE AND THE COLD WAR"

[1] Dean Acheson, *Present at the Creation: My Years in the State Department* (New York, 1969), 97-9.

[2] Francis O. Wilcox, Chief of Staff, Foreign Relations Committee, 1947-1955, Senate Historical Office Oral History Interviews, 35.

[3] John Lewis Gaddis, *The United States and the Origins of the Cold War, 1941-1947* (New York, 1972), 253-4.

[4] Ibid., 291.

[5] Ronald Steel, *Walter Lippmann and the American Century* (Boston, 1980), 445.

[6] Alexander DeConde, "George Catlett Marshall, 1947-1949," in Norman A. Graebner, ed., *An Uncertain Tradition: American Secretaries of State in the Twentieth Century* (New York, 1961), 248.

[7] Eric F. Goldman, *The Crucial Decade—and After: America 1945-1960* (New York, 1960), 59.

[8] *Public Papers of Harry S. Truman*, 1947, pp. 178-80.

[9] Arthur H. Vandenberg, Jr., ed., *The Private Papers of Senator Vandenberg* (Boston, 1952), 341-2.

[10] James T. Patterson, *Mr. Republican: A Biography of Robert A. Taft* (Boston, 1972), 370-71.

[11] Robert J. Donovan, *Conflict and Crisis: The Presidency of Harry S Truman, 1945-1948* (New York, 1977), 285; see also Richard M. Freeland, *The Truman Doctrine and the Origins of McCarthyism: Foreign Policy, Domestic Politics, and Internal Security, 1946-1948* (New York, 1972).

[12] Susan M. Hartmann, *Truman and the 80th Congress* (Columbia, 1971), 111.

[13] Vandenberg, Arthur H., Jr., ed., *The Private Papers of Senator Vandenberg*, 384-392.

[14] See Donovan, *Conflict and Crisis*, 357-68.

[15] Vandenberg, Jr., ed., *The Private Papers of Senator Vandenberg*, 399-420.

[16] Patterson, *Mr. Republican*, 393.

[17] *Francis O. Wilcox*, Senate Historical Office Oral History, 73-4.

[18] Acheson, *Present at the Creation*, 71; James Stanford Bradshaw, "Senator Arthur H. Vandenberg and Article 51 of the United Nations Charter," *Mid-America*, 57 (July 1975), 145-56; Francis O.

Wilcox, "Arthur Vandenberg and the Nonpartisan Approach to Foreign Policy," in *Arthur H. Vandenberg: His Career and Legacy* (Ann Arbor, 1975), 5.

[19] *Dictionary of American Biography.*

[20] Patterson, *Mr. Republican*, 438-9.

[21] Robert Griffith, *The Politics of Fear: Joseph R. McCarthy and the Senate* (Lexington, 1970), 64-5.

[22] Harold F. Gosnell, *Truman's Crises: A Political Biography of Harry S Truman* (Westbrook, 1980), 438.

[23] Norman A. Graebner, "Dean G. Acheson, 1949-1953," in Graebner, ed., *An Uncertain Tradition*, 267-88.

[24] Arthur M. Schlesinger, Jr., *The Imperial Presidency* (New York, 1974), 131-9.

[25] Marvin E. Stromer, *The Making of a Political Leader: Kenneth S. Wherry and the United States Senate* (Lincoln, 1969), 57-78.

[26] Patterson, *Mr. Republican*, 489.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the following nominations on the Executive Calendar: Calendar No. 265, Thomas Morgan Roberts; Calendar No. 270, John C. Whitehead.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection.

Mr. HELMS. Mr. President, in addition to Mr. Whitehead, who was the other one?

Mr. DOLE. Thomas Morgan Roberts, which is under the Nuclear Regulatory Commission.

Mr. HELMS. Very well. No objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to the consideration of executive business.

Mr. DOLE. Mr. President, I ask unanimous consent that it be in order to move to reconsider and table en bloc the vote on the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

NUCLEAR REGULATORY COMMISSION

The legislative clerk read the nomination of Thomas Morgan Roberts, of Tennessee, to be a member of the Nuclear Regulatory Commission.

Mr. HART. Mr. President, I rise to oppose the confirmation of Mr. Thomas Roberts to a second term as Commissioner of the Nuclear Regulatory Commission.

In some respects the confirmation vote before us today is unique. Most often, we are confronted with a situation where we have to judge in advance what nominees action will be. In Mr. Roberts' case, however, he has already been Commissioner for 4 years. Since being confirmed in 1981, he has participated in a great many of the Commission's regulatory and investigatory decisions. He has participated in the proceedings of the Commission, voted, and created a public record for review.

Mr. President, the advice and consent process provides the Senate, and the authorizing committees, an opportunity to question and cross examine a nominee about their perspective, their views, and their priorities on the agency to which they are being appointed. This permits us to determine the nominees' qualifications and fitness for the position.

During the past 4 years, I believe Commissioner Roberts has compiled a record which raises questions about his fitness as Commissioner of the NRC. These decisions appear to contradict the overriding and primary responsibility of the Commission: Namely, to protect public health and safety.

Since the accident at Three Mile Island in 1979, the Commission has struggled to restore its credibility. Indeed, the entire industry has suffered years of serious criticism by a concerned and skeptical American public. The TMI incident raised serious questions about the ability of both the industry and the Commission to respond quickly and effectively in the event of a nuclear mishap. Moreover, it raised serious questions about the Commission's day-to-day efforts to prevent a recurrence of this type of mishap. Unfortunately, I am not convinced much progress has been made at the Commission since March 1979.

Commissioner Roberts' vote in support of the Commission's recent decisions to take more of their activities and discussions behind closed doors. to allow the restart of the Three Mile Island Unit 1 reactor, and to withdraw its earlier stated position on reauthorization of the Price-Anderson Act is troubling at best. Collectively, these decisions have seriously eroded what little public confidence remains in the NRC.

In response to questions on a host of different issues, Mr. Roberts said nothing to reassure this Senator that he understands the Commission's foremost duty and responsibility: ensuring the safety of the American people. After spending the last 4 years as a sitting Commissioner, Mr. Roberts would appear more concerned with the convenience of the Commission and the financial health of the industry than with the difficult and complicated job of regulating commercial nuclear power.

Mr. Roberts should be most severely critized for his response to inquiries about the importance of management competence and integrity in the licensing process. If I correctly understood his response to my questions, the honesty of an applicant or licensee should be considered only in a very limited and special circumstances. One is left with the distinct impression that Mr. Roberts believes the honesty and forthrightness of a utility should not materially affect the outcome of a licensing or relicensing decision by the Commission.

Needless to say, I find this extremely troubling. Safe regulation of commercial nuclear power demands that we impose the highest and the strictest ethical standards on those who seek to operate and generate nuclear power. The public interest requires that public servants require the highest standards of integrity of those who seek any type of pubic benefit. To set any lower standard, particularly for the nuclear industry, is nothing short or outrageous.

Mr. President, the office of Commissioner of the Nuclear Regulatory Commission is a critical one. Commissioners are called upon daily to make decisions which effect the health and safety of people in every region of this country. Their responsibilities are heavy and their judgment must be sound.

As one who remains keenly interested in and concerned about the manner in which nuclear powerplants are operated in this country, I will continue to closely watch the actions of Commissioner Roberts and his fellow Commissioners with utmost attention and interest.

In the meantime, it is impossible for me to support the confirmation of Mr. Roberts. Because I consider the regulatory position to which he has been nominated among the most critical in the Federal Government, a nominee must demonstrate the highest level of commitment to public health and safety. Because I am not sufficiently convinced of Mr. Roberts' commitment, I must oppose his confirmation to a second term at the Nuclear Regulatory Commission.

The PRESIDING OFFICER. The nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF STATE

The legislative clerk read the nomination of John C. Whitehead, of New Jersey, to be Deputy Secretary of State.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD.)

● Mr. BRADLEY. Mr. President, it is a particular pleasure for me to support the nomination of John C. Whitehead of New Jersey. Mr. Whitehead brings unusual ability and experience to the position of Deputy Secretary of State, and his inventiveness and drive will enliven the entire Department.

Mr. Whitehead's accomplishments and international experience are impressive. In addition to his leadership of one of the Nation's top investment banking firms, he is a member of the

Council on Foreign Relations and the Center for Strategic and International Studies and was the president of the International Rescue Committee, a humanitarian group concerned with refugee affairs. He developed an international advisory committee for Goldman Sachs, of which he is chairman.

Mr. Whitehead takes on his responsibilities at the State Department at a particularly sobering and troubling time. He will face squarely the challenge posed by the current Islamic fundamentalist affront to world order. A central dilemma in the conduct of our foreign relations is the balance between our desire to move toward a more civilized world and a recognition that the world is not yet civil. In the face of brutality and seemingly senseless violence, how do we as a nation—or as a community of nations—move away from such behavior? How can we enforce the rule of law in a world where so many have no respect for the law? Indeed, is it possible to abide by the rule of law and, at the same time, to protect our legitimate interests within the traditional norms of international law?

It is clear that we do not now have the answers to these questions. It is also clear that until we have some response to terrorist acts, they will continue. In our search for answers we cannot rule out any options. In Mr. Whitehead's search for answers, I am sure he will take up Members of the Senate on their offers to work with the State Department. This will be especially productive if these consultations take place as policies are considered, rather than as they are being implemented.

Mr. President, Mr. Whitehead has faced many managerial decisions in his distinguished career. It is self-evident that to date he has decided well. Today he brings that record to the public sector where it will be severely tested. I wish him continued success, for our Nation now depends on him.●

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD.)

IN SUPPORT OF THE NOMINATION OF JOHN C. WHITEHEAD FOR DEPUTY SECRETARY OF STATE

● Mr. LAUTENBERG. Mr. President, I am pleased to support the nomination of Mr. John C. Whitehead. He will be a valuable addition to the State Department in the position of Deputy Secretary of State.

Mr. Whitehead has a distinguished record in investment banking and an impressive set of accomplishments in civic service. His stewardship of Goldman Sachs & Co., the investment bank where he currently serves as cochairman of the board is much admired in the financial community. His service on the board of directors of many corporations and charitable and civic organizations, while too extensive to cite here, includes membership on the executive council of Daytop Village, trusteeship of the National Gallery of Art and the Carnegie Foundation for the Advancement of Teaching, and directorship of the American Women's Economic Development Corp. His wide and varied philanthropic, cultural and civic experience demonstrates clearly his leadership qualities, and will enable him to add a unique perspective to the formulation of our foreign policy.

Mr. Whitehead's experience in international economics and business will be invaluable as this country continues to confront the foreign policy and economic issues raised by our burgeoning trade deficit and the international debt crisis. In addition, his presidency of the International Rescue Committee, and his membership on the Council of Foreign Relations, the Center for Strategic and International Studies, and the Bretton Woods Committee have provided him with foreign policy experience of particular relevance to his new position.

Mr. Whitehead will bring his considerable financial, managerial and civic experience as well as his keen intelligence to bear on the conduct of foreign policy in the post of Deputy Secretary of State. This country will be lucky to have such a person in that position.

In sum, I recommend Mr. Whitehead to the Senate and urge his swift confirmation.●

The PRESIDING OFFICER. The nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANTI-APARTHEID ACTION ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 216, S. 995, a bill to express the opposition of the United States to the apartheid policies of South Africa.

The PRESIDING OFFICER. Is there objection.

Mr. HELMS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Mr. President, I move that the Senate now turn to the consideration of Calendar No. 216, S. 995.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending matter is the motion to proceed to the consideration of S. 995.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE SHOULD MOVE FOR STRONG SOUTH AFRICA SANCTIONS

Mr. CRANSTON. Mr. President, today the Senate begins, in a sense, consideration of a very important measure. We are not able to take it up at this moment as was hoped and intended. But sooner or later, we will get to it. We will then have a debate of historic proportions on our future policy toward South Africa. This body will then have an important opportunity. We can move forward with the strong vote to build upon the legislation adopted by the Senate Foreign Relations Committee.

We can send a clear signal to the oppressed black majority in South Africa—and to those who work for peaceful change as an alternative to violent revolution—that America stands with the oppressed and not with the oppressors. We can make clear that the American people will do their part to increase pressure for simple human justice in South Africa.

Conceivably, we could duck the issue. We could devise a multitude of excuses for not taking meaningful action, for failing to strengthen the product of the Foreign Relations Committee, for actually weakening this very moderate measure. We could send a reassuring signal to the racist regime which usurps all power in Pretoria that they need not worry—the present Senate will protect them from any strong American measures.

Or worse yet, we could refuse to take any action whatsoever using as our excuse the lame argument that the South African regime is anti-Communist. This would be a tragic mistake, for by our inaction we would be shoring up the repugnant system of apartheid.

There are some people who oppose any action critical of the South African regime because it is anti-Communist.

To them, any evil is acceptable—even the evil of apartheid—if it can be enlisted in the unholy crusade of blind, uncritical anticommunism.

It is this blindness that has put us in political, economic, and sometimes military bondage to virtually every rightwing dictator and virtually every ultraconservative, reactionary movement that appears anywhere on the globe.

And, to our misfortune and to the misfortune of millions of foreign nationals, there have been many.

This anti-Communist blindness is what has alienated us from honest, democratic reform movements by people opposing repressive government.

And—most bitter paradox of all—it is this anti-Communist blindness, when it finds expression in American foreign policy, that drives people into the arms of the Communists and brings about the very pro-Communist and anti-American governments we are all trying to prevent. Blind support of anti-Communist despots opens the door to communism.

One further, distressing point:

There seems to be, at the heart of the American ultra-rightwing movement, an undercurrent of racism that rises to the surface every now and then.

I strongly suspect, and gravely fear, that that dirty undercurrent of racism is rising to the surface again in the tolerance of apartheid, in the apparent lack of concern over the suffering of 23 million blacks.

As this debate unfolds, I will urge my colleagues to keep at the very forefront of their minds one basic thought. And that is the fact that inasmuch as the oppressed black majority in South Africa has virtually no power whatsoever to resist the tyranny of the apartheid regime, we, in the United States, are morally obligated to do our utmost to exert all the power at our disposal to influence the regime to end its tyranny.

I trust that every Senator joins in the belief that apartheid is a repugnant practice, but perhaps not all Senators believe that that repugnant practice requires any action to demonstrate our opposition to it.

I believe there is a strong consensus, represented by the overwhelming vote of the full House and the bipartisan cosponsorship in the Senate of economic sanctions provisions, that we can no longer defer action on the issue of American policy toward the despotic Pretoria regime and that the time has come for us to take meaningful action.

There is also a strong consensus, even in the Republican-controlled Senate, that the time has come for the United States to move beyond the failed policy of constructive engagment, a policy that has not yielded the results it promised. The more than 30 bills designed to change this policy—which have been introduced this congressional session by both Republicans and Democrats—are evidence of this bipartisan coalition. Further evidence is provided by the fact that the Foreign Relations Committee produced an overwhelming 16-1 vote in favor of immediate economic sanctions against the Pretoria regime.

ECONOMIC SANCTIONS ARE KEY OBJECTIVE

Our objective in moving forward with the measure before us is clear. It is to increase the pressure on the white minority regime—which monopolizes all political and economic power in South Africa—to end apartheid peacefully before violent change becomes the only alternative.

And the fact is inescapable that only economic sanctions—sanctions which hit the white oligarchy in their pocketbooks—will bring such pressures.

Barring South African airliners' landing rights or reducing consulates, or other largely symbolic measures, will not, in and of themselves, accomplish the results we seek.

And while there is merit in barring sales of nuclear parts and computer equipment to Pretoria's national security organs, these are steps which should have been taken long ago, and which affect only one or two distinct sectors of that regime.

South Africa is already a rhetorically and symbolically ostracized nation. Thus such steps, if taken alone, will be simply token measures. They may make us feel better. But they will accomplish little. That is why we must go beyond such steps to make clear our rejection of continued financing of, and profiteering from, the evil apartheid system. That is why it is so important that the Senate Foreign Relations Committee's bill has provided for an immediate termination of U.S. bank loans to the South African Government, a mandatory application of the "Sullivan Principles" for U.S. companies in South Africa, and called for stronger economic sanctions if substantial progress is not made in dismantling apartheid in the next 18 months.

Mr. President, scores of people are dying violent deaths at the hands of the South African security forces each month. We read about a few of these victims, and other victims of riots that erupt in the black townships when the fury of the black population is turned on those complicit with their oppressors.

But we do not read so much about the millions of little deaths that occur in South Africa every day, the deaths of the human spirit, the trampling of human dignity as 22 million people are denied citizenship in the land of their birth, are denied the right to vote, are denied the freedom to travel or to live with their families. It is an enormous struggle for these people simply to survive with the stigma their oppressors have placed on them merely because of the pigment of their skin.

We are dealing in South Africa with a regime that just last month sent terrorists to destroy American property—and perhaps, American lives—in Angola.

We are dealing with a regime that thwarts every international effort to end its illegal occupation of Namibia.

We are dealing with a regime that has arrested and charged with treason virtually the entire leadership of the principal democratic opposition in the black community, and has seen many of these black leaders murdered by terrorist death squads in South Africa.

We are dealing with a regime that has taken such outrageous actions that the Reagan administration has finally been forced to recall our Ambassador to Pretoria.

We are dealing in South Africa with a regime akin to the Nazis of 1939, in terms of how they treat their own people.

I ask my colleagues, if this were 1939, and we were considering action against the Nazis for their human rights abuses, would we be so casual in dismissing economic sanctions as "too strong" or "counterproductive"? Would we worry about weakening the "anti-Communist" Berlin government?

No.

Of course not.

I think we would agree with Bishop Tutu, who has reminded us that the argument that we cannot propose economic sanctions because blacks might suffer is an argument of "moral humbug." Bishop Tutu has told us "it is no good being well-to-do when you are a slave."

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALENDAR

Mr. DOLE. Mr. President, I wish to inquire of the minority leader if he is in position to pass any or all of the following calendar items: Calendar No. 191, S. 487; Calendar No. 207, Senate Joint Resolution 86; Calendar No. 208, Senate Joint Resolution 115.

Mr. BYRD. Mr. President, on this side of the aisle, these three items have been cleared, I wish to say to the distinguished majority leader.

STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

The Senate proceeded to consider the bill (S. 487) to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc., which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following:

CHARTER

SECTION 1. The Statue of Liberty-Ellis Island Foundation, Inc., organized and incorporated under the laws of the State of Delaware, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation and shall include a continuing commitment on a national basis to—

(1) encourage private gifts, receive donations, and otherwise raise the funds necessary for the restoration and preservation of the Statue of Liberty and Ellis Island (the "restoration effort");

(2) donate to the Secretary of the Interior the funds, materials, and services necessary for the restoration effort, or directly perform work necessary for the restoration effort in accordance with standards prescribed by the Secretary of the Interior;

(3) promote and assist the celebrations for the centennial anniversaries of the Statue of Liberty and Ellis Island; and

(4) promote, salute, and educate, in consultation with the Secretary of the Interior, the public regarding the patriotic and pioneering spirit which the Statue of Liberty and Ellis Island represent.

(b) The activities of the corporation shall be conducted in accordance with the terms of the Memorandum of Agreement between the Department of the Interior and the Statue of Liberty-Ellis Island Foundation dated October 14, 1983, as amended or renewed.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. (a) Subject to the provisions of subsection (b), the board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

(b) The board of directors of the corporation shall include, as voting members, at least two designees of the Department of the Interior appointed by the Secretary of the Interior.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

LIABILITY

SEC. 9. The corporation shall be liable to the full extent under the applicable laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations estalished under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(68) The Statue of Liberty-Ellis Island Foundation, Inc.,".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit for such fiscal year required by section 3 of the Act referred to in section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code.

REPRESENTATIONS OF AFFILIATIONS WITH THE RESTORATION EFFORT

SEC. 16. (a) Except as provided in subsection (b), any person who uses in commerce, without the written permission of the Secretary of the Interior (the "Secretary") or of the corporation, for advertising or for purposes of trade, to induce the sale of any goods or services, or to promote any theatrical, motion picture, or television performance or broadcast—

(1) any depiction of the Statue of Liberty or Ellis Island surrounded by scaffolding or under repair tending falsely to represent any affiliation with the corporation or the restoration effort;

(2) any trademark, tradename, sign, logo, or insignia ("symbols") tending falsely to represent any affiliation with the corporation or the restoration effort; or

(3) any other representation, by words or pictures, in a manner—

(A) tending falsely to represent that the purchase of particular goods or services, or the attendance at, or a viewing of, a performance or broadcast will benefit the restoration effort or the corporation; or

(B) tending falsely to represent an affilation with the corporation,

shall be subject to a civil action by the corporation for the remedies provided in the Act of July 5, 1946 (60 Stat. 427, popularly known as the Trademark Act of 1946), as amended.

(b)(1) Any person who, before the date of the enactment of this Act, used any of the depictions, symbols, words, or pictures described in subsection (a) for any lawful purpose in commerce, shall not be prohibited by this section from continuing such lawful use for the same purpose and for the same goods, services, performance, or broadcast.

(2) This section shall not be construed to preclude the corporation from seeking any remedy it may have under any other provision of law.

TERMINATION

SEC. 17. (a) If the corporation fails to comply with any of the restrictions or provisions of this Act, this Act shall terminate.

(b) Upon the expiration of the Memorandum of Agreement between the Statue of Liberty-Ellis Island Foundation, Inc., and the Department of the Interior entered into October 14, 1983, including any extensions of such Memorandum of Agreement by the parties, this Act shall terminate.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL DISABILITY IN ENTERTAINMENT WEEK

The joint resolution (S.J. Res. 86) to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 86

Whereas the thirty six million people with disabilities in our Nation still face attitudinal barriers that prevent the full exercise of their civil liberties;

Whereas the entertainment industry is a powerful educational tool that has a significant impact on the images the Nation perceives;

Whereas the entertainment industry has been making strides in increasing both the quantity and quality of the portrayals and employment of people with disabilities in the media;

Whereas the continued involvement of the entertainment industry is vital to changing the stereotypes of people with disabilities;

Whereas the entertainment industry, the Federal Government, and the Nation should recognize the great potential for contribution from those with disabilities; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of July 25, 1985, through July 31, 1985, is designated as "National Disability in Entertainment Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

OIL HEAT CENTENNIAL YEAR

The joint resolution (S.J. Res. 115) to designate 1985 as "Oil Heat Centennial Year," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 115

Whereas, on August 11, 1885, the United States Patent Office granted a patent to David H. Burrell of Little Falls, New York, for a furnace that could burn liquid and gaseous fuels, which patent is generally regarded by technical experts and industrial historians as the first technically sound oil burner;

Whereas at the Columbian Exposition in Chicago in 1893 oil burners, for the first time, were utilized in major public exhibit buildings, and these oil burners were hailed and recognized as a technological combustion breakthrough by most, but were condemned as "instruments of Satan that brought the fires of hell to Earth" by some;

Whereas, by World War I, the oil burner had become the premier naval source of propulsion; its technology was sought and adopted by Russia, Germany, Great Britain, France, and the United States to power large warships, especially superdreadnoughts and battle cruisers; and oil burning techniques and oilfield locations became a major source of naval espionage;

Whereas oil burner technology was adopted to the heating needs of homes, businesses, and industry in the decades that followed World War I, increasing from about twelve thousand installations in 1920 to two million in 1940 to about ten million in 1960 to more than fifteen million in the 1970's, helping to generate improved housing for all Americans and the industrial boom that powered post-World War II America;

Whereas the oil burner continues to be a major, modern heating technology used by millions of consumers in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida, Ohio, Indiana, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota, Montana, Idaho, Utah, Nevada, Oregon, Washington, and the District of Columbia;

Whereas the oil heat industry is, and always has been, developed and characterized by a large and diverse group of competitive small businesses, many of which are family owned through a second, third, and fourth generation that began in their business endeavors by supplying ice, lumber, coal, and then oil, to their communities;

Whereas many of these small businesses are in the forefront of new energy efficient technologies of the 1980's, leading the way toward higher efficiency oil heat, new conservation techniques, solar heating, and other technologies; and

Whereas the one hundredth anniversary of the development of the oil burner is an appropriate time to recognize the overall contributions of oil heating to the technological revolution of the twentieth century and the individual contributions of the many thousands of small business men and women who made this century of heating comfort progress possible: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1985 is designated as the "Oil Heat Centennial Year" thereby recognizing the contributions of the oil heat industry over the past century. The President is requested to issue a proclamation calling upon the people of the United States to observe this commemorative year, with appropriate Federal agencies to participate in the observance of such year and cooperate with persons and institutions conducting related observances, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the measures were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AWARDS OF EXPENSES OF CERTAIN AGENCY AND COURT PROCEEDINGS

The PRESIDING OFFICER. The clerk will state H.R. 2378.

The legislative clerk read as follows:

A bill (H.R. 2378) to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes.

Mr. DOLE. Mr. President, I object to further proceedings.

The PRESIDING OFFICER. The bill will be placed on the calendar.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on July 1 and July 3, 1985, received messages from the President of the United States transmitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on July 1 and July 3, 1985, are printed at the end of the Senate proceedings.)

ANNUAL REPORT ON DEVELOPMENTS UNDER THE AUTOMOTIVE PRODUCTS TRADE ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 60

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on July 3, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

In accordance with the Automotive Products Trade Act of 1965 (Public Law 89-283), I transmit herewith the eighteenth annual report relating to developments during 1983.

RONALD REAGAN.

THE WHITE HOUSE, *July 3, 1985.*

MESSAGE FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on July 1, 1985, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House has agreed to the amendment of the Senate to the amendment of the House to the bill (S. 822) to extend

the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 1699) to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 54. A concurrent resolution providing for a conditional adjournment of the Congress from June 27 or 28, 1985 to July 8, 1985.

ENROLLED BILLS SIGNED

The message also announced that the Speaker pro tempore (Mr. FOLEY) has signed the following enrolled bills:

S. 822. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986;

S. 883. An act to reauthorize the Export Administration Act of 1979, and for other purposes;

H.R. 1699. An act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes; and

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

Under the authority of the order of the Senate of January 3, 1985, the enrolled bills were signed on July 2, 1985, during the adjournment of the Senate, by the President pro tempore (Mr. THURMOND).

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes.

The Committee on the Judiciary was discharged from the further consideration of the following bill, which was placed on the calendar:

S. 259. A bill to protect the public interest in stable relationships amoung communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on July 2, 1985, she had presented to the President of the United States the following enrolled bills:

S. 822. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; and

S. 883. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1390. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to establish a food program to support developing countries making a commitment to agricultural policies based on free market principles; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1391. A communication from the Administrator of NASA transmitting, pursuant to law, notice of a reallocation of appropriations; to the Committee on Appropriations.

EC-1392. A communication from the Director of Compensation, Office of the Assistant Secretary of Defense, transmitting, pursuant to law, a report on persons filing individual reports of employment with certain defense contractors for fiscal year 1984; to the Committee on Armed Services.

EC-1393. A communication from the President and chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on certain transactions with Communist countries during May 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-1394. A communication from the Administrator of NASA transmitting, pursuant to law, a report on an increase in the planned funding level of a program for fiscal year 1985; to the Committee on Commerce, Science, and Transportation.

EC-1395. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to authorize use of public lands by Federal departments and agencies under regulations promulgated by the Secretary of the Interior; to the Committee on Energy and Natural Resources.

EC-1396. A communication from the Secretary of State transmitting, pursuant to law, the 33d annual report on the extent and disposition of U.S. contributions to international organizations; to the Committee on Foreign Relations.

EC-1397. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements, other than treaties, entered into by the United States within the 60 days previous to June 24, 1985; to the Committee on Foreign Relations.

EC-1398. A communication from the Secretary of Commerce transmitting, pursuant to law, the semiannual report of the Inspector General of the Department; to the Committee on Governmental Affairs.

EC-1399. A communication from the acting director of the Office of Personnel Management transmitting, pursuant to law, notice of a computer matching program between OPM and OWCP; to the Committee on Governmental Affairs.

EC-1400. A communication from the acting administrator of GSA transmitting a draft of proposed legislation to improve the management and disposal of Federal surplus property; to the Committee on Governmental Affairs.

EC-1401. A communication from the DC Auditor transmitting, pursuant to law, a report on a leasing agreement entered into by the District of Columbia for certain real property; to the Committee on Governmental Affairs.

EC-1402. A communication from the administrator of Juvenile Justice and Delinquency Prevention transmitting, pursuant to law, a report on the analysis and evaluation of Federal juvenile delinquency programs; to the Committee on the Judiciary.

EC-1403. A communication from the Secretary of the Treasury transmitting, pursuant to law, a report on the financial position and results of operations of the Student Loan Marketing Association; to the Committee on Labor and Human Resources.

EC-1404. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to establish methods for efficient and equitable marketing of tobacco; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1405. A communication from the general counsel of the Department of Defense transmitting a draft of proposed legislation to incorporate into the Uniform Code of Military Justice the new standard requiring an accused to prove the defense of insanity by clear and convincing evidence; to the Committee on Armed Services.

EC-1406. A communication from the general counsel of the Department of Defense transmitting a draft of proposed legislation to allow a commissary store to donate unmarketable but edible food to authorized nonprofit food banks; to the Committee on Armed Services.

EC-1407. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, notice of the determination to exclude certain records of a contract with Egypt from examination by the Comptroller General; to the Committee on Armed Services.

EC-1408. A communication from the director of the Federal Emergency Management Agency transmitting, pursuant to law, the 1984 annual report of the agency; to the Committee on Armed Services.

EC-1409. A communication from the Secretary of Transportation transmitting, pursuant to law, the 1985 second quarter report of the Urban Mass Transportation Administration; to the Committee on Banking, Housing, and Urban Affairs.

EC-1410. A communication from the Secretary of Commerce transmitting, pursuant to law, the interim plan of the National Climate Program for 1984-86; to the Committee on Commerce, Science, and Transportation.

EC-1411. A communication from the Secretary of Commerce transmitting a draft of proposed legislation relative to operating-differential subsidies for U.S.-flag vessels; to the Committee on Commerce, Science, and Transportation.

EC-1412. A communication from the Secretary of Commerce transmitting, pursuant to law, the 13th annual report of the National Advisory Committee on Oceans and Atmosphere; to the Committee on Commerce, Science, and Transportation.

EC-1413. A communication from the chairman of the board of the U.S. Synthetic Fuels Corporation transmitting, pursuant to law, the Corporation's Comprehensive Strategy Report; to the Committee on Energy and Natural Resources.

EC-1414. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service,

transmitting, pursuant to law, a report on 39 refunds of excess oil and gas royalty payments; to the Committee on Energy and Natural Resources.

EC-1415. A communication from the Acting Assistant Attorney General transmitting, pursuant to law, a report on the Voluntary Agreement and Plan of Action to Implement the International Energy Program; to the Committee on Energy and Natural Resources.

EC-1416. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on the cost-effectiveness of hot-dip galvanizing for exposed steel; to the Committee on Environment and Public Works.

EC-1417. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation entitled "Health Care Financing Fraud and Abuse Amendments of 1985"; to the Committee on Finance.

EC-1418. A communication from the chairwoman of the U.S. International Trade Commission transmitting, pursuant to law, the Commission's 42d quarterly report on trade between the United States and nonmarket economy countries; to the Committee on Finance.

EC-1419. A communication from the Secretary of Labor transmitting, pursuant to law, a report on the expenditure and need for worker adjustment assistance training funds; to the Committee on Finance.

EC-1420. A communication from the administrator of the Agency for International Development transmitting, pursuant to law, the 1984 report on Women in Development. The First Decade; to the Committee on Foreign Relations.

EC-1421. A communication from the chairman of the National Transportation Safety, Board, transmitting, pursuant to law, the annual report of the board for calendar year 1984; to the Committee on Governmental Affairs.

EC-1422. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1423. A communication from the Actuaries and Consultants to the Sacramento Farm Credit Employee's Retirement Plan, transmitting, pursuant to law, the annual audit report of the plan for 1984; to the Committee on Governmental Affairs.

EC-1424. A communication from the president of the American Council of Learned Societies, transmitting, pursuant to law, the annual report of the society for the year 1983-84; to the Committee on Judiciary.

EC-1425. A communication from the executive secretary, Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for October 1984 through March 1985; to the Committee on Small Business.

EC-1426. A communication from the President of the United States transmitting, pursuant to law, the annual report on the National Program for Soil and Water Conservation for fiscal year 1984; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1427. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's ninth special message to Congress for fiscal year 1985; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1428. A communication from the chairman of the National Transportation Safety Board, transmitting, pursuant to law, the annual report of the board for calendar year 1984; to the Committee on Commerce, Science, and Transportation.

EC-1429. A communication from the acting administrator of the Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on prime contractors qualifying additional sources; to the Committee on Governmental Affairs.

EC-1430. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the patent and trademark laws of the United States; to the Committee on the Judiciary.

EC-1431. A communication from the chief immigration judge, executive office for immigration review, Department of Justice, transmitting, pursuant to law, a report on the suspension of deportation of certain aliens under sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-1432. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to improve the management of the National Forest System through amendment of certain public laws affecting Federal land, purchase, exchange, withdrawals and disposal, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1433. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the insect and rodent control function at the Marine Corps Development and Education Command, Quantico, VA, to performance by contractor; to the Committee on Armed Services.

EC-1434. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Federal Banking Agencies Are Adequately Examining Net Worth Certificate Program Applications"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1435. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of the Federal Home Loan Bank Board's Financial Statements for the Years Ended December 31, 1984 and 1983"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1436. A communication from the Secretary of Agriculture, transmitting, a draft of proposed legislation to amend the act of May 27, 1955 (69 Stat. 66; 42 U.S.C. 1856-1856d), to permit the use of firefighting forces in foreign nations and reimbursement of such forces for costs incurred in fighting wildfires throughout the United States, and for other purposes; to the Committee on Energy and Natural Resources.

EC-1437. A communication from the Assistant Secretary of the Interior, transmitting, pursuant to law, notice of the withdrawal of certain public lands for the Fish and Wildlife Service for addition to the Arctic Circle National Wildlife Refuge; to the Committee on Energy and Natural Resources.

EC-1438. A communication from the director of the National Park Service, Department of the Interior, transmitting, pursuant to law, a study to evaluate the impacts of Kaweah No. 3 hydroelectric facility on the resources of Sequoia National Park; to the Committee on Energy and Natural Resources.

EC-1439. A communication from the chairman of the National Mediation Board, transmitting, pursuant to law, a report entitled "The National Mediation Board at 50: Its Impact on Railroad and Airline Labor Disputes"; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of June 27, 1985, the following reports of committees were submitted on June 28, 1985, during the adjournment of the Senate:

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

S. 995. A bill to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies (Rept. No. 99-99).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committeeon Veterans' Affairs, without amendment:

S. 367. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes (Rept. No. 99-100).

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

S. 876. A bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs (Rept. No. 99-101).

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs, without amendment and with a preamble:

S. Res. 198. An original resolution providing for the waiver of section 303(a) of the Congressional Budget Act of 1974 with respect to S. 876 as reported by the Senate Committee on Veterans' Affairs.

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. 1282. A bill to revise and extend provisions of the Public Health Service Act relating to primary care.

By Mr. HATCH, from the Committee on Labor and Human Resources, with amendments:

S. 1283. A bill to amend title VII of the Public Health Service Act, relating to health professions training assistance.

S. 1284. A bill to amend title VIII of the Public Health Service Act, relating to nurse education.

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. 1285. A bill to amend provisions of the Public Health Service Act relating to the National Health Service Corps.

S. 1309. A bill to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE (for himself, Mr. WEICKER, and Mr. STAFFORD):

S 1399. A bill to amend the Rehabilitation Act of 1973 to strengthen the Architectural and Transportation Barriers Compliance Board; to the Committee on Environment and Public Works.

By Mr. PACKWOOD (for himself, Mr. CHAFEE, Mr. NUNN, Mr. ROTH, Mr. WARNER, Mr. STAFFORD, Mr. COHEN, Mr. METZENBAUM, Mr. DURENBERGER, Mr. DOLE, Mr. LUGAR, Mr. BOSCHWITZ, Mr. PRYOR, Mr. GORE, Mr. WILSON, and Mr. COCHRAN):

S.J. Res. 155. Joint resolution to designate the month of November 1985 as "National Hospice Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI:

S. Res. 198. An original resolution providing for the waiver of section 303(a) of the Congressional Budget Act of 1974 with respect to S. 876 as reported by the Senate Committee on Veterans' Affairs; from the Committee on Veterans' Affairs; to the Committee on the Budget.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. WEICKER, and Mr. STAFFORD):

S. 1399. A bill to amend the Rehabilitation Act of 1973 to strengthen the Architectural and Transportation Barriers Compliance Board; to the Committee on Environment and Public Works.

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD ACT

Mr. DOLE. Mr. President, today I am introducing, along with my colleagues, Senators WEICKER and STAFFORD, a bill to amend the Rehabilitation Act of 1973 to strengthen the Architectural and Transportation Barriers Compliance Board [ATBCB].

Authorized under section 502 of the Rehabilitation Act of 1973, Public Law 93-112 amended, the ATBCB is an independent entity and has responsibility for overseeing implementation of the Architectural Barriers Act. This act, as amended, requires that Federal buildings, including those buildings which are leased, be made accessible to the physically handicapped.

The ATBCB is authorized to include 11 members appointed from among the general public, five of whom are to be handicapped. In addition, ATBCB membership also includes the heads—or designees—of the following agencies: Department of Education, Department of Health and Human Services, Department of Transportation, Department of Housing and Urban Development, Department of Labor, Department of the Interior, General Services Administration, U.S. Postal Service, Veterans' Administration, Department of Justice, and the Department of Defense. Thus currently there are 11 public members as well as 11 member agencies. This has occurred due to the separation of the Department of Education from the formerly established Department of Health, Education and Welfare and the ultimate inclusion of both Departments—The Department of Health and Human Services and the Department of Education—on the Board.

The amendments that I am introducing today would once again restore a consumer majority to the ATBCB by increasing the number of public appointees to 12. Additionally, in order to insure the maintenance of this balance at all times, the amendments would prescribe for the continuation of an existing public member's term until the member's successor has been appointed.

Mr. President, the Board has continued to exhibit its' strong commitment to making America accessible to its' disabled citizens. I know that my collegues will want to join me in restoring the public sector majority and in legislating organization continuity to this important agent of Government.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Architectural and Transportation Barriers Compliance Board Act of 1985".

SEC. 2. (a) Section 502(a)(1)(A) of the Rehabilitation Act of 1973 (hereafter in this Act referred to as the "Act") is amended by striking out "Eleven" and inserting in lieu thereof "Twelve".

(b) Section 502(a)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation,

(2) by striking out "three" the first time it appears in clause (i) and inserting in lieu thereof "four";

(3) by adding at the end thereof the following new sentence: "The term of office of the appointed member provided for by the Architectural and Transportation Barriers Compliance Board Act of 1985 first taking office shall expire at the same time as the term of office of the successors of the three members first appointed for three-year terms."; and

(4) by adding after subparagraph (A) (as redesignated by this subsection) the following new subparagraph:

"(B) Any appointed member may continue to serve as a member of the Board until the member's successor qualifies.".

By Mr. PACKWOOD (for himself, Mr. CHAFEE, Mr. NUNN, Mr. ROTH, Mr. WARNER, Mr. STAFFORD, Mr. COHEN, Mr. METZENBAUM, Mr. DURENBERGER, Mr. DOLE, Mr. LUGAR, Mr. BOSCHWITZ, Mr. PRYOR, Mr. GORE, Mr. WILSON, and Mr. COCHRAN):

S.J. Res. 155. Joint resolution to designate the month of November 1985 as "National Hospice Month"; to the Committee on the Judiciary.

NATIONAL HOSPICE MONTH

Mr. PACKWOOD. Mr. President, it gives me great pleasure to introduce today, a joint resolution to designate November 1985, as "National Hospice Month."

Hospice care provides support and care for persons in the last phase of life. It enables the terminally ill person to live as fully and comfortably as possible with a sense of dignity and provides family members with a sense of emotional support at a particularly stressful time.

Hospice care is often provided in the individual's own home because they prefer to die in a familiar place accompanied by familiar faces. Inpatient care is also available if it is necessary for respite care or crisis management.

The first U.S. hospice was established in New Haven, CT, in 1974. Since that time, the hospice movement has grown dramatically and public awareness and support for the program has grown as well. According to the Joint Commission on Accreditation of Hospitals, there are an estimated 1,400 hospice programs in the United States. In 1984, approximately 100,000 patients received some level of hospice care. On any given day, 16,000 persons are receiving hospice home care and 2,600 are receiving hospice inpatient care. Forty-five thousand volunteers contributed 315,000 hours of service to hospice programs over the last 2 years.

In my own State of Oregon, approximately 1,500 patients and families were served through hospice programs over the last year. Oregonians are aware of the valuable service provided by hospice. These individuals are focusing on the quality of life, not just on how long life lasts. These patients and families are looking for an alter-

native to spending their last days in an institution and hospice care provides that alternative.

Most importantly, however, hospice care recognizes that terminal illness can involve months of agonizing pain for the patient and a sense of helplessness and frustration for the family. The hospice philosophy addresses these critical concerns in a holistic fashion. Unlike traditional hospital care, which is committed to treating and curing diseases, hospice care seeks to control pain and support the patient and family members when the illness has moved beyond therapeutic control.

Services are provided through the use of home health aides, social workers, registered nurses, clergy, and trained volunteers. Physicians, psychiatrists, psychologists, pharmacists, physical therapists, nutritions, and others also serve on the hospice team.

Congress demonstrated its support for the hospice concept of care through the enactment in 1982 of legislation which provides for the inclusion of hospice benefits under Medicare. This provision has proven to be a viable alternative for many elderly Americans wishing to approach the end of their lives in an environment of compassion and personal individuality.

However, the need for public education about the value of this concept of care and what it offers still exists. Adoption of this resolution will reaffirm our commitment to hospice care and also recognize those who have devoted their time and resources to the advancement of hospice in this country. During the montn of November, a variety of programs and activities will be conducted across the United States in recognition of this very special form of health care.

With this in mind, and in recognition of the special meaning it holds for terminally ill individuals and their families, I propose the adoption of a joint resolution to designate November 1985, as "National Hospice Month."

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 155

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas the hospice concept of care advocates care of the patient and family by attending to their physical, emotional, and spiritual needs, and specifically the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice care is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of the medicare hospice benefit makes it possible for many more elderly Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1985 is designated "National Hospice Month".

SEC. 2. The President is requested to issue a proclamation calling upon all government agencies, the health care community, appropriate private organizations, and the people of the United States to observe such month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and a viable component of the health care system in this country.

NATIONAL HOSPICE MONTH

Mr. DOLE. Mr. President, the Senator from Kansas is pleased to join Senator PACKWOOD and others in introducing a joint resolution designating November 1985 as "National Hospice Month." This is the second resolution, the first which I sponsored passed last year, to designate a specific month during which we recognize hospice care as a humane response to the needs of the terminally ill, congressional support for the hospice concept goes back some years. The culmination of that support was, of course, the inclusion of the hospice benefit in Medicare.

THE HOSPICE CONCEPT

As the Senator from Kansas has indicated in the past, hospice is a concept of caring for the terminally ill and their families. Its purpose is to provide compassionate care enabling the patient to live comfortably and with personal dignity while also addressing the needs of individual family members. The critical component of hospice care is the delivery of services by an interdisciplinary team of physicians, registered nurses, social workers, therapists, clergy and specially trained volunteers. It is most often carried out in the patient's own home so that he or she can remain in familiar surroundings among those people and things most meaningful to the patient. Inpatient care is also available should it be necessary for symptom management or respite care.

THE PAST

The January 22, 1978, issue of the Washington Post contained a front page story in the Outlook section entitled "The Death of a Daughter." The story, written by Victor and Rosemary Zorza, described the treatment provided by a British hospice to their 25-year-old daughter who was dying of cancer. The story provided a moving portrayal of a family confronted with a catastrophic event made worse by a health care delivery system unprepared or unwilling to deal with a dying patient. Their decision to try a hospice, and the positive experience resulting from that choice, proved to be of tremendous interest to certain Members of the Senate at that time. Subsequent articles by the Zorzas in February and March of that same year urged U.S. acceptance of the hospice concept. Clearly these articles were not the first time hospice had been mentioned, but they caught the attention of three Senators in particular, myself, Senator Ribicoff and Senator KENNEDY.

Since 1978 a great many things have taken place. The hospice movement has grown by leaps and bounds—and public support has grown. By December of 1981 the time had come to begin in earnest our discussions on how best to finance hospice services. On December 15, 1981, this Senator introduced S. 1958, which provided for Medicare coverage of hospice services. It followed the introduction of H.R. 5180 in the House.

In September of 1982, the President signed into law Public Law 97-248, the Tax Equity and Fiscal Responsibility Act of 1982, which provided for the inclusion of hospice benefits under Medicare.

In recent years the hospice movement has offered critical support to the dying patient. The extraordinary contributions of this complete support system, which includes medical, spiritual, psychological, and social assistance for the patient are well known. Nevertheless, the Hospice Program is too important to allow its integrity to be jeopardized by a blind acclaim of its objective that precludes appraisal of problem areas. Clearly it is in all our best interests to continue to support this system of care while improving upon the law as currently designed.

THE PRESENT

Some 198 Medicare certified hospices, employing a great many professionals and trained volunteers are dedicated to promoting the hospice concept—meeting the physical, emotional, and social needs of terminally ill patients and their families. This number, however, is less than we had hoped for originally. There have clearly been problems with both the design of the benefit and the calculation of the rates paid for services. We have in the last 2 years attempted to address some of these concerns. More work clearly needs to be done. The enactment of the hospice Medicare benefit made hospice care a viable alternative for many more elderly Americans but

there are still those with no access to these services.

CONCLUSION

The hospice concept of care has proven to be a humanitarian way for patients and families to cope with the immeasurable stress and emotion of terminal illness. While the understanding and support for this concept has grown dramatically in the last few years, there is a need to continue to educate the public about the benefits of hospice and to encourage further development in this area. It is also important to recognize the significant contributions made by those who have devoted their time and resources in advancing hospice care in this country. With this in mind, I encourage passage of this resolution designating November 1985 as "National Hospice Month," during which time we hope appropriate programs and activities in recognition of the hospice concept of care will be conducted.

ADDITIONAL COSPONSORS

S. 46

At the request of Mr. HELMS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 46, a bill to amend the Civil Rights Act to protect the lives of unborn human beings.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 606

At the request of Mr. D'AMATO, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 606, a bill to provide for notification to a city or county of the presence of hazardous substances in or near such city or county.

S. 635

At the request of Mr. WEICKER, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 635, a bill to express the opposition of the United States to the system of apartheid in South Africa and for other purposes.

S. 810

At the request of Mr. CRANSTON, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 810, a bill to amend title XX of the Social Security Act to assist States in improving the equality of childcare services.

S. 867

At the request of Mr. ROTH, the names of the Senator from Maine [Mr. COHEN] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 867, a bill to amend title XIX of the Social Security Act to provide coverage for hospice care under the Medicaid Program.

S. 908

At the request of Mr. MCCONNELL, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 908, a bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

S. 938

At the request of Mr. CHAFEE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 938, a bill to amend title XX of the Social Security Act to provide for grants and contracts to provide services for pregnant teenagers and young parents.

S. 1052

At the request of Mr. THURMOND, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1052, a bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to carry out demonstration projects to furnish chiropractic services to certain veterans and to evaluate the cost effectiveness of furnishing such services to such veterans.

S. 1174

At the request of Mr. MCCONNELL, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1174, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 1206

At the request of Mr. ROTH, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1206, a bill to require the Director of the Office of Management and Budget to prepare and transmit to the Congress a comprehensive report and plan on the reorganization, restructuring, consolidation, or realignment of Federal field offices, and for other purposes.

S. 1233

At the request of Mr. DOLE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1323

At the request of Mr. ROTH, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1323, a bill to amend the Social Security Act to reorganize and strengthen the provisions intended to deter and sanction fraud and abuse affecting the Medicare and Medicaid Programs, and for other purposes.

S. 1326

At the request of Mr. MOYNIHAN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1326, a bill to provide air passenger security for certain air carrier flights.

S. 1327

At the request of Mr. TRIBLE, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1327, a bill to amend title 5, United States Code, to modify the authority under which higher rates of pay may be established in geographic areas where the Federal Government is experiencing significant recruitment or retention problems, and for other purposes.

S. 1393

At the request of Mr. ABDNOR, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1393, a bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes.

SENATE JOINT RESOLUTION 73

At the request of Mr. GRASSLEY, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Vermont [Mr. LEAHY], the Senator from Florida [Mrs. HAWKINS], the Senator from South Dakota [Mr. ABDNOR], and the Senator from West Virginia [Mr. BYRD] were added as cosponsors of Senate Joint Resolution 73, a joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Independent Free Papers Week."

SENATE JOINT RESOLUTION 132

At the request of Mr. DANFORTH, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Vermont [Mr. STAFFORD], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating October 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 147

At the request of Mr. HATCH, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Idaho [Mr. MCCLURE], the Senator

from Nevada [Mr. HECHT], the Senator from Florida [Mrs. HAWKINS], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 147, a joint resolution to designate a calendar week in 1985 as "National Infection Control Week."

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. GLENN, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Indiana [Mr. QUAYLE], were added as cosponsors of Senate Concurrent Resolution 49, a concurrent resolution expressing congressional approval of the plans being made to commemorate the two-hundredth anniversary of the Northwest Ordinance, and calling for a national celebration of such anniversary.

SENATE RESOLUTION 198—ORIGINAL RESOLUTION WAIVING THE BUDGET ACT WITH RESPECT TO S. 876

Mr. MURKOWSKI, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on the Budget.

S. RES. 198

Whereas the provisions of S. 876 as reported, the proposed "Veterans' Administration Health-Care Programs Improvement Act of 1985", would provide for the payment of entitlement benefits commencing during fiscal year 1986 to certain veterans by expanding the definition of "Vietnam era" in title 38 and by allowing certain veterans to participate in Veterans' Administration incentive-therapy and compensated-work-therapy programs without such veterans' earnings thereunder being counted as income for Veterans' Administration pension purposes; and

Whereas Senate consideration of S. 876 at the present time would violate section 303(a) of the Congressional Budget Act of 1974, in that the bill would provide new spending authority described in section 401(c)(2)(C) of that Act to become effective during fiscal year 1986, before the first concurrent resolution on the budget for fiscal year 1986 has been adopted, a waiver of section 303(a) of that Act is necessary to provide for the timely consideration of S. 876; Now therefore be it

Resolved by the Senate, That, pursuant to section 303(c) of the Congressional Budget Act of 1974, section 303(a) of that Act be waived with respect to S. 876 as reported.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on July 17, 1985, in Senate Russell 485, beginning at 10 a.m., on S. 1349, distribution of funds awarded to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court, and also on S. 1398, to amend title XI of the Education Amendments of 1978, relating to Indian education programs, and for other purposes. Those wishing additional information should contact Michael Mahsetky or Peter Taylor of the committee at 224-2251.

The hearing will be followed by a markup on July 24, 1985, in Senate Russell 485, beginning at 10 a.m., on S. 1106, S. 1349, and S. 1398, and for other purposes. Those wishing additional information should contact Peter Taylor of the committee at 224-2251.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Senate Energy and Natural Resources Committee will conduct a joint hearing with the Subcommittee on Energy and the Environment of the House Committee on Interior and Insular Affairs. The hearing will take place on Tuesday, July 16, 1985, at 9:45 a.m. in a House office room, yet to be announced.

Testimony will be received on legislation to provide for the financing of reclamation and other remedial action with respect to uranium mill tailings at active uranium and thorium processing sites; specifically on the following two bills: S. 1004, the "Uranium Mill Tailings Reclamation Act of 1985," and its House companion, H.R. 2236.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

For further information regarding this hearing, please contact Mr. Paul Gilman on the Senate staff at 202-224-4431 or Mr. Joe Shorin on the House staff at 202-225-8331.

SUBCOMMITTEE ON WATER POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources has scheduled a public hearing on Tuesday, July 16, 1985, at 2 p.m. in room SD-366 of the Dirksen Senate Office Building, Washington, DC. The subcommittee will receive testimony on the following bills:

S. 1131, to authorize the Secretary of the Interior to integrate the Hilltop and Gray Goose Units into the Pick-Sloan Missouri Basin Program, SD.

S. 1157, to authorize the Secretary of the Interior to perform studies relating to disposal of drain water and to construct interim corrective measures deemed necessary for San Luis interceptor drain.

S. 1171, to amend the Small Reclamation Projects Act of 1956, as amended.

S. 1192, to implement the Coordinated Operation Agreement.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, Subcommittee on Water and Power, U.S. Senate, Washington, DC.

For further information regarding this hearing, please contact Mr. Russell Brown of the subcommittee staff at 202-224-2366.

ADDITIONAL STATEMENTS

TRAGIC EVENTS IN BEIRUT

Mr. D'AMATO. Mr. President, I rise today to submit for the RECORD two articles written by my good friend, David Horowitz, a syndicated columnist. The articles were written in May but they continue to pertain to the tragic events that unfolded in Beirut.

Mr. President, I thank my colleagues for this opportunity to share with them these important articles. I ask that they be printed in the RECORD.

The articles follow:

[Behind the scenes at the United Nations.—May 9, 1985]

LAW OF RETRIBUTION STRIKES BEIRUT—"LEBANON LOSES" ITS ONLY TRUE PROTECTOR

(By David Horowitz)

UNITED NATIONS (WUP).—Having now completed the second phase of its three-stage withdrawal operation with the third and final phase set for June, the Israel Defense Force (IDF) is bound to face both praise and criticism on the home front as well as in some Jewish circles abroad.

But one thing is certain. The conflicting Lebanese factions—Christian, Shiite, Sinni and Druze—under rigid pro-Soviet-Syrian domination and faced with renewed PLO infiltration, are soon to learn that their one and only true protector and benefactor for genuine Lebanese sovereignty was its southern neighbor, Israel, whose aim was never conquest or domination but solely mutual friendship and normal trade and diplomatic relations.

As time moves on, they will learn to regret having heeded dictatorial Syria in abrogating the 17 May 1983 U.S.-approved treaty binding Lebanon and Israel as loyal allies, a treaty ratified by both parliaments.

With Israel absent from Lebanon, the battling factions will have no alternative but to seek some protection from the seemingly impotent units of UNIFIL which mandate was recently renewed here for another fleeting six months.

In entering Lebanon, Israel not only destroyed the PLO military infrastructure. They also rescued the beleaguered Christians in that war-torn country which had previously undergone a long, bloody civil war. At the same time, the Israelis sought to befriend the Druze and other moderate Moslems.

In return for this IDF aid, Israel was betrayed not only by the Gemayal Christians but also by all the other factions including the Shiites who, during the commencement of the campaign, welcomed the Israelis with flowers and hailed them as liberators from the murderous grip of the PLO terrorists.

As to the fate that may befall the Lebanese Christians, Defense Minister Yitzhak Rabin stated in an interview that it was now up to the Christian world to prevent the destruction of Lebanon's Christians. "Let the Christians enter now and save the Christians," he said on the Government radio station in Jerusalem. "I hope the local Christian forces will persist," he added. "After all, they are not being attacked by an army. If the Christians show fighting capacity to protect thier homes, they will survive."

On the Israeli home front, one hears both praise and harsh criticism—a lot of criticism—of Likud's "Peace for Galilee Operation" and now that the IDF is withdrawing, the debate is intensifying.

This writer has stated on several occasions and will now reemphasize the fact that the operation had proved a Big Plus for Israel and for the world as a whole. It had to take place, Israel had no alternative. The PLO infrastructure had to be destroyed once and for all, not partially but totally as it was. Despite some rumblings here and there, the PLO is a broken reed today, thanks to Menachem Begin and Arikl Sharon. Your correspondent was in Lebanon at the close of the 1982 war and he can testify to the dire fate that befell the murderous PLO machine in Lebanon.

Jon Kimche, the noted author and military analyst, has held similar views. In an article entitled "Lebanon: If There Had Been No War" (Midstream, February 1985), concluded his penetrating exposition thus:

"It may be hard for many politicians and critics, whether Israelis, Palestinian Arabs, Egyptians or Lebanese, to admit that had there been no war in Lebanon we would now be faced by a much greater regional situation and with far more serious local problems. The conduct of the war in Lebanon remains to be seriously assessed in both its political and military aspects, but the objectives of the war, had they been fully achieved, would have greatly improved the chances of a peace settlement. The destruction of the PLO was vital, not only for the peace of Galilee, but also for the well-being of the Palestinian Arabs themselves.

"The real test now," Kinche asserts, "is whether the Israelis will learn to understand the enormous difference the defeat in Labanon of the PLO and of its power to veto all attempts at Arab-Israeli co-existence has made to the prospect of peace . . . It was not appeasement of the PLO that brought about the change. It was Israel's recognition of the threat the PLO's progressive take-over of Lebanon posed to the security of Israel and to the future peace of the region. It was Israel's willingness to do something about it in June, 1982, come what may, that brought about the revolutionary change. And history may well show that it was necessary and worthwhile. For, if there had been no war in Lebanon. . ."

[Behind the scenes at the United Nations—May 30, 1985]

A U.S. "ULTIMATUM" TO ASSAD IMPERATIVE—KEY TO HOSTAGES' RELEASE IN DAMASCUS

(By David Horowitz)

UNITED NATIONS (WUP).—As the Security Council last week convened to renew the mandate of the UN Disengagement Observer Force (UNDOF) for another six months stabilizing the Syrian-Israeli frontier, the thoughts of the fifteen Council members were focused mainly on the continuous internecine battles in Lebanon, on terrorism, the threat to hostages and the furor in Israel over the imbalanced release of 1,150 Palestinian terrorists for three Israeli soldiers held by the pro-Syrian Popular Front for the Liberation of Palestine, a Marxist gang.

Strangely, no effort was made by the Council to condemn the Amal faction of the Shiite Moslems for their murderous attack on the Sabra and Shatila camps where they killed some 280 Palestinians and wounded about 1,400. There was no outcry here or around the world as there was when the Christian Phalangists attacked the same armed PLO camps in 1982, termed a "massacre" for which the blame was placed on Israel.

However, let it be noted that the Shiite attempt to eradicate the PLO out of Lebanon keeping them from reestablishing themselves in their former fortress-like camps, can only serve to justify Israel's "Peace for Galilee" operation, the main aim of which was the elimination of Yasir Arafat's jungle-state within a state threatening not only Israel but the sovereignty of Lebanon itself. Unfortunately, the Lebanese themselves later did not have the guts to admit to the fact that Israel had liberated them.

But the main issue for Washington now revolves around hostages and what measures to take to rescue them. While Iran may be the direct source behind the kidnapping of Americans and others by the Khomeini-indoctrinated Islamic Holy War Shiite terrorists responsible for the massacre of the U.S. Marines and currently holding Americans and French as hostages, the fact remains that the key to their release lies in President Hafez al-Assad's palace in Damascus.

According to a recent State Department note, the United States is continuing to focus its main attention on Iran which, the note warns, "is on notice" that it will suffer consequences, including possible military attack, if American hostages are executed. The note came on the heels of an Islamic Holy War threat not "to force us into doing something which will never be forgotten."

This writer holds the view that the solution to the freeing of the hostages rests with Assad and not specifically with Khomeini. That Damascus is responsible and has the power to compel the Islamic Holy War terrorists to free the hostages minus the ransom they demand—namely, without the release of the murderers convicted of bombing the U.S. and French Embassies in Kuwait—became more than clear from a late Beirut dispatch stating that "a Saudi Diplomat kidnapped in Beirut in January 1984, by the Islamic Holy War gang which had taken full responsibility for his abduction, was flown home today (May 20) after Syria intervened to gain his freedom. . ."

The dispatch further noted that when the Saudi diplomat, Hussein Abdullah Parrash, "arrived in the Saudi capital, Jidda, he thanked the Syrian President, Hafez al-Assad, for his efforts to secure his release . . ."

That the While House and the State Department are mobilizing all their forces in an effort to secure the release of the hostages goes without saying. Declared a spokesman of State:

"The United States will not allow itself to ber intimidated by terrorist threats or permit such threats to compromise our fundamental policies and values. We are determined to obtain the release of the kidnapped Americans and this is issue of the highest priority for this Administration . . ."

Since the threatened Americans are held hostage by the Islamic Holy War terrorists entrenched in the Bekaa Valley whose hiding-place is known to the Syrian controlling the region, the United States, if it really means business and instends to live up to its warning, must turn its attention to Damascus and confront Hafez al-Assad with an ultimatum—the only language he will understand:

Dear President Hafez al-Assad:

We are informed that you have arranged for the release of a Saudi diplomat who had been kidnaped and held hostage by the same Islamic Holy War group currently holding our American citizens and threatening them with dire consequences. This clearly points to the fact that your excellency not only maintains contact with these terrorists but is also aware of their hiding-place in the Bekaa under Syrian control. We will not tolerate the loss of any more American lives in territory under your control. We therefore urge you to arrange for their early release in the same manner you arranged for the release of the Saudi diplomat.

We would at the same time urge you to facilitate the release of the remaining Israeli prisoners in your hands and further request you to open your heart and gates and allow your Jewish residents to leave freely with their property and belongings, and thus fulfill the Universal Declaration of Human Rights . . .

EPA CONSTRUCTION GRANTS ALLOCATION FORMULA

● Mr. QUAYLE. Mr. President, I take this opportunity to express my support for the Clean Water Act Amendments of 1985. The Clean Water Act is one of our most successful environmental laws. Since its passage in 1972, the Clean Water Act has helped us reestablish the quality of our Nation's waters. Where we were once forced to close some areas because of health concerns, these waters are now open for recreational use.

The Clean Water Act established a national goal of making our waters safe for fishing and swimming and we have made significant progress toward that goal. This bill represents several years of diligent work by my colleagues on the Environment and Public Works Committee and I commend them for their efforts.

However, I must address the issue of the allocation formula for the distribution of EPA construction grants. The committee undertook the difficult task of revising the current formula for several reasons: the 1984 needs survey in which the individual States identified their water quality needs to the EPA; second, in 1981, the EPA revised the eligibility of certain categorical programs making some previously eligible projects outside of permissible funding activities.

The formula allocation proposed by the committee attempted to take these changes into account. However, under the committee proposal, many of the large States including all the Great Lakes States, took a precipitous drop in funding, while the smaller States, particularly those represented by members of the committee, disproportionately increased their allotments. Under the committee formula, the more heavily populated States, including those in the Great Lakes region, which represent 90.3 percent of national water quality needs, were to receive 82.5 percent of funding. In my own State of Indiana which received approximately $59 million under the current formula, the committee proposal would allocate only $46.5 million, for a single-year reduction of roughly $12.5 million.

These types of proposed reductions are unacceptable to me and unacceptable to my colleagues, who also represent large States with not only larger populations with serious water quality needs, but who recognize their responsibility in maintaining water quality standards of the Great Lakes, an irreplaceable natural resource which must be protected. The Great Lakes represent a water supply that is key to the economic development, stability and growth in the Great Lakes States. But the basin is vulnerable to the pollutants that are deposited by its inflowing rivers and streams and its ecosystems are fragile as is any finite body of water.

I think it is also important to note our national commitment to the Great Lakes Water Quality Agreement with Canada, signed in 1972 and renegotiated in 1978. At the present time, we have not met water quality standards established for the Great Lakes and our continued failure to do so is a violation of this treaty. If we are a signatory to such a bilateral agreement, we must demonstrate our commitment to live up to it.

A compromise on the construction grants allocation formula has been achieved which guarantees an 85-percent hold harmless allotment for the larger States. There is also a cap of 20 percent imposed on the increase received by the smaller States, in an attempt to construct some semblance of fairness among all States.

I am not satisfied with this compromise formula, nor do I believe it is fair. My State of Indiana will face a $10 million decrease in a single year if this proposal becomes law. As my Great Lakes colleagues have pointed out, this is not an argument based on water quality needs or equity, it is an argument based on an arbitrary formula designed to benefit those States which are represented by members of the committee.

I reluctantly accept this amendment to the Clean Water Act because of the overall benefits of the bill and the urgent need to get on with water quality improvements. I encourage my Senate colleagues who will meet with Members of the House during the conference committee to reexamine the construction grant allocation issue, recognizing the overall purpose of the program to improve water quality, not return the most Federal funding to their individual States.●

PERSECUTION OF SOVIET JEWS

● Mr. GARN. Mr. President, I am honored to be involved with the 1985 Congressional Call to Conscience for Soviet Jewry. This effort knows no partisanship in Congress. Many of my colleagues are involved in the struggle of gaining awareness and recognition for those currently suffering in the Soviet Union. As in the past, the call to conscience will focus attention on the plight of the Soviet Jews. I commend my colleague from Minnesota, Senator BOSCHWITZ, for leading the effort to aid those suffering from religious persecution. I am proud to be a part of this protest against oppression of individuals in the Soviet Union.

Patrick Henry wrote that "All men are equally entitled to the free exercise of religion, according to the dictates of conscience." The denial of one of the most basic human rights, freedom of religion, is an appalling tenet of Soviet dogma. Countless letters, speeches, and prayers have been offered in behalf of those persecuted in the Soviet Union. These people yearn for the freedom to practice religion as they please, the right to privacy and the right to emigrate.

The refusenik community consists not only of Jews, but individuals from many other religious communities that wish to be free. Congress has attempted to defend the dignity of all individuals in the Soviet Union. One example of this commitment to human rights is the resolution Congress passed in June 1984. This resolution expressed the sense of the Congress that the President should express to the Government of the Soviet Union the disapproval of the American people concerning the Soviet Union's systematic nondelivery of international mail. Unfortunately, the situation for Soviet dissidents has worsened. In May of this year, only 51 Jews were allowed to emigrate. Fewer than 1,000 Soviet Jews were allowed to emigrate in all of 1984, this is the lowest level in over a decade.

I am pleased that the Reagan administration made attempts to secure the freedom of two famed Soviet dissidents, Anatoly Shcharansky and Andrei Sakharov. Unfortunately, these efforts were not successful, however, we should continue with undying persistence to fight for the basic freedoms of these people. The United States must continue to emphasize that our overall relations with the Soviet Union suffers because of their mistreatment of religious groups. We cannot ignore the human rights abuses in the Soviet Union. They must know that we consider the respect for human rights a primary factor in our relations.

The refuseniks must know that the United States will continue to fight for their cause. It may be the only voice of freedom that they hear. It is vital for everyone in free countries to offer support and assistance to those in Eastern bloc nations. The fight for the dignity of all people must never be forgotten. Hopefully, the congressional call to conscience will help the torch of freedom burn brightly in the hearts of those persecuted in the Soviet Union.●

IN SUPPORT OF THOMAS R. PICKERING AS AMBASSADOR TO ISRAEL

● Mr. LAUTENBERG. Mr. President, I am deeply pleased to support the nomination of Mr. Thomas R. Pickering for the position of Ambassador to Israel.

I cannot imagine a better choice for this critical and extremely sensitive post. Mr. Pickering has diplomatic experience on three continents and is held in high regard in the diplomatic community. Mr. Pickering's background and performance in the Foreign Service, including his service as Ambassador to Jordan, clearly demonstrate his qualifications for the job.

Mr. Pickering's credentials are outstanding and well known. More personally, Mr. President, I want to attest to those intangible qualities that make Mr. Pickering a truly outstanding diplomat. I first met Tom Pickering as Ambassador to El Salvador when I consulted with him at length about the murder of Ita Ford, one of the four churchwomen brutally slain in El Salvador.

Ita Ford was from New Jersey and her family still lives there.

At the time I dealt with Tom Pickering on this issue, the murder of the churchwomen had not yet been resolved, and ensuring that the murderers were brought to justice in El Salvador was a matter of great concern to me and the Congress. The Congress had voted to impose conditions on aid to El Salvador pending a verdict in the case, and El Salvador was in the midst of a Presidential campaign, the outcome of which was unclear.

In these difficult circumstances, Tom Pickering was most helpful in conveying my concern and that of William Ford, Ita's brother, to the State Department and to the Salvadoran government. He went out of his way to keep me informed of developments in

the case, ever mindful of the constraints imposed by his position as Ambassador.

His insight and deep understanding of the political dynamics of El Salvador were apparent when I visited El Salvador in 1984, and he willingly shared his knowledge with me. He brought to his difficult assignment a finely tuned sense of how to balance national security concerns, domestic concerns, and the desire of the Senate to be involved in the foreign policy process. Throughout my dealings with Tom Pickering, I have been impressed with his integrity, his wisdom, and his ability to handle difficult situations with sensitivity.

I believe the intangible qualities Mr. Pickering has demonstrated as Ambassador to El Salvador will be a great asset to him as Ambassador to Israel. Our relationship with Israel is of critical importance to our country, and the situation in the Middle East presents opportunity, challenge, and risk. It will require the skills Tom Pickering has developed and honed in his years in the Foreign Service.

I take great pleasure in supporting Mr. Pickering's nomination and urge the Senate to swiftly confirm him in this post.●

POW'S-MIA'S: WE WILL NOT FORGET

● Mr. LAUTENBERG. Mr. President, I join in cosponsoring Senate Concurrent Resolution 46, which calls on the President to give the highest national priority to resolving the fate of Americans still missing in Southeast Asia. The resolution affirms this country's commitment to bring home all Americans who remain in captivity, to obtain the fullest possible accounting of the missing, and to return the remains of those who died in Indochina.

While the Vietnam war is a memory for many Americans, the war still rages for the families and friends of the 2,477 American servicemen listed as missing in action. Sixty-three of these servicemen are from New Jersey. For the families and friends of the servicemen who never came home, the war will not end until they learn the fate of their loved ones. While the rest of us can never fully share their anguish, we have a responsibility to do all we can to gain information about their sons, brothers, husbands, and friends.

The last few years have brought some progress in our efforts to learn the fate of our servicemen and the last few weeks have brought considerably more. The recent announcement that Vietnam plans to return the bodies of 26 missing American servicemen is a welcome and hopeful sign. The United States and Vietnam have also agreed this past year to increase technical meetings between the two countries from four to at least six a year. In March of this year, two Americans from a list of 37 servicemen held in captivity were returned by the Vietnamese. While these steps are encouraging, they are only a start.

Our Government must continue to pursue contacts with the governments of Vietnam and Laos, as well as attempt to gain information from Cambodia. Third party governments with ties to both the United States and the Indochinese nations must also be encouraged to use their good offices to aid our efforts to obtain a full accounting of our prisoners of war and missing in action. The help of the United Nations Secretary General and leaders of other international organizations should also be enlisted. Developments such as the recent joint Laotian/American excavation of a Laotian crash site should be encouraged to continue.

Servicemen listed as missing in action come from all 50 States. In the State of New Jersey, 63 families who sent their sons to fight in Vietnam had no one to welcome home from that war. As a way of reaffirming our commitment to determining their fate and demonstrating that Congress has not forgotten these men, I ask that the names of the New Jersey servicemen missing in action be included in the RECORD after my remarks. I hope that this message and the Senate resolution serve as a reminder to the families of these men that we will not rest until we have learned the fate of each and every serviceman listed as missing in action.

The list follows:

Lewis H. Abrams, Marine Corps.
Joseph D. Adrian, Air Force.
Arthur E. Bader, Jr., Army.
Robert E. Bennett, III, Air Force.
George P. Berg, Army.
Ronald L. Bond, Air Force.
Henry P. Braunder, Air Force.
Robert E. Brinckmann, Air Force.
Donald W. Brunch, Jr., Air Force.
Walter A. Cichon, Army.
Theothis Collins, Marine Corps.
Peter R. Cressman, Air Force.
Robert C. Davis, Air Force.
Walter E. Demsey, Army.
Davis T. Dinan, III, Air Force.
John F. Dugan, Army.
James T. Egan, Jr., Marine Corps.
Dennis M. Ehrlich, Navy.
John J. Foley, III, Marine Corps.
Bruce C. Fryer, Navy.
John T. Glanville, Jr., Navy.
Albert S. Graf, Marine Corps.
Leon F. Haas, Navy.
Ned R. Herrold, Air Force.
Donald R. Hubbs, Navy.
Donald Iandoli, Army.
Andrew Ivan, Jr., Air Force.
Richard R. Kane, Marine Corps.
James E. Kennedy, Army.
Herman L. Knapp, Air Force.
Thomas W. Knuckey, Army.
Aado Kommendant, Air Force.
William M. Konyu, Army.
Harold W. Kroske, Jr., Army.
Bruce E. Lawrence, Air Force.
John B. Martin, Navy.
Phillip L. Mascari, Air Force.
Ronald M. Mayercik, Air Force.
Larry W. Maysey, Air Force.
John R. McDonough, Navy.
Robert H. Mirrer, Air Force.
Peter Mongilardi, Jr., Navy.
Douglas L. Oneill, Army.
Anthony J. Piersanti, Jr., Navy.
George J. Pollin, Air Force.
Joseph D. Puggi, Army.
Charles J. Ramsay, Marine Corps.
Noel L. Rios, Air Force.
Stephen A. Rusch, Air Force.
William C. Ryan, Jr., Marine Corps.
Robert F. Scherdin, Army.
Eric J. Schoderer, Navy.
Mike J. Scott, Army.
Donald E. Siegwarth, Navy.
Walter S. Simpson, Army.
Dyke A. Spilman, Air Force.
Donald K. Springsteadah, Air Force.
James L. Suydam, Army.
Poert N. Vennik, Army.
Gunther H. Wald, Army.
James W. Widdis, Jr., Air Force.
Frederick W. Wright, Navy.
Walter F. Wrobleski, Army.●

CLOTURE MOTION—S. 995

Mr. DOLE. Mr. President, I send a cloture motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 995, a bill to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies.

Bob Dole, Richard G. Lugar, John H. Chafee, Thad Cochran, John Danforth, Ted Stevens, Alan Simpson, Alan Cranston, Claiborne Pell, Robert C. Byrd, Charles McC. Mathias, John Warner, Spark Matsunaga, David L. Boren, Howard Metzenbaum, John Glenn, Lowell Weicker, John F. Kerry, and Mitch McConnell.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 a.m., on Tuesday, July 9, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that following the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the Proxmire special order, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 12 noon, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS BETWEEN 12 NOON AND 2 P.M. TOMORROW

Mr. DOLE. Mr. President, following routine morning business, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon, and 2 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at 2 p.m., by the unanimous consent of June 24, the Senate will turn to S. 49, the McClure-Volkmer gun bill.

Rollcall votes can be expected throughout the day on S. 49.

It is my understanding that there is some feeling of Members on both sides of the issue that we may complete action on this bill in 4 or 5 hours.

RECESS TO 11 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 11 a.m., Tuesday, July 9, 1985.

The motion was agreed to, and at 3:25 p.m., the Senate recessed until Tuesday, July 9, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate July 1, 1985, under authority of the order of the Senate of January 3, 1985:

CONSUMER PRODUCT SAFETY COMMISSION

Terrence M. Scanlon, of the District of Columbia, to be chairman of the Consumer Product Safety Commission, vice Nancy Harvey Steorts, resigned, to which position he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985.

Anne Graham, of Virginia, to be a commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1984, vice Nancy Harvey Steorts, resigned.

DEPARTMENT OF STATE

The following-named persons of the agencies indicated for appointment or promotion as career members of the Senior Foreign Service of the classes stated, and also for any other appointments indicated:

For promotion in the Senior Foreign Service as a career member of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Thomas W. Stukel, of Virginia.

For reappointment in the Foreign Service as a career member of the Senior Foreign Service, class of Counselor, and a Consular Officer and a secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Peter Gajewski of Hawaii.

For promotion into the Senior Foreign Service as a career member of the Senior Foreign Service of the United States of America, class of counselor:

DEPARTMENT OF COMMERCE

John D. Perkins of Indiana.

For appointment into the Senior Foreign Service as a career member of the Senior Foreign Service, class of counselor, and a Consular Officer of the United States of America:

DEPARTMENT OF STATE

Richard Willis Getzinger of California.

For promotion into the Senior Foreign Service as career members of the Senior Foreign Service, class of counselor, and Consular officers and Secretaries in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

John F. Moss of Florida.
Nicholas P. Olguin of New Mexico.

The following-named persons of the agencies indicated for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For reappointment in the Foreign Service as a Foreign Service officer of class 1, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Thomas Marvin Tonkin of Delaware.

For appointment as Foreign Service officers of class 1, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

Jose J. Cao-Garcia of Maryland.
Ann L. Stanford of Washington.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Richard A. Barth of Virginia.
Willy D. Baum of Virginia.
Thomas F. Fallon of the Virgin Islands.
Douglas S. Franklin of Texas.
Harold R. Gill of Florida.
L. D. Kelly of Florida.
Bruce John Odell of Virginia.
Kurt Shafer of Illinois.
Hadley E. Smith of Maine.
James C. Suma of Nevada.

For appointment as Foreign Service officers of class 2, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Ollie Palmer Anderson, Jr., of Maryland.
Prudence Bushnell of Texas.
Frank Rey, Jr., of Florida.
Melvin Raymond Turner of California.

DEPARTMENT OF COMMERCE

August Maffry, Jr., of Virginia.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Edward H. Greeley of Maryland.
Ronald D. Harvey of Texas.
William David McKinney of Washington.
Rebecca J. Niec of California.
Vernon W. Peterson of Washington.
James Procopis of Virginia.
Eugene James Szepesy of California.
George F. Taylor II of New York.
Joseph M. Vere of California.

U.S. INFORMATION AGENCY

Samir M. Kouttab of Virginia.

For appointment as Foreign Service officers of class 3, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Dona Dailey Arnold of New York.
Gayleatha Beatrice Brown of New Jersey.
Carlos Kenneth Quinones of Virginia.
Victor Manuel Rocha of California.
Pamela Jo H. Slutz of New York.

DEPARTMENT OF COMMERCE

Stephen C. Kaminski of Maryland.

AGENCY FOR INTERNATIONAL DEVELOPMENT

James B. Ahn of Oregon.
Jane Prudoehl Nandy, of the District of Columbia.

For appointment as Foreign Service officers of class 4, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

David Egert Appleton of New Hampshire.
Edward P. Arrizabalaga of Idaho.
Diana Deverell Askman of Oregon.
Robert Northrup Bentley of New Hampshire.
Stephen J. Blake of Illinois.
Janet L. Bogue of Washington.
Betty I. Boothe of Texas.
Brenda C. Brisbon of New York.
Stuart Vaughan Brown of the District of Columbia.
William Joseph Burns of Pennsylvania.
Milton Lewis Charlton of California.
Lawrence Ellis Cohen of Pennsylvania.
Daniel David Darrach of Texas.
Gregory William Engle of Virginia.
Christopher Paul English of Louisiana.
Teresa Matthews Evans of Virginia.
Harold D. Foster of Washington.
James John Foster of the District of Columbia.
Ellen Goff of Washington.
Margaret Doranne Higgins of California.
Robert M. Holley of Florida.
Clyde I. Howard, Jr. of Arizona.
Shelley E. Johnson of Missouri.
Watt William Jordan III of the District of Columbia.
Rebecca A. Joyce of Maryland.
Ann Midori Kambara of California.
Hugo Llorens of New York.
Robert Sanford Luke of Florida.
Kevin K. Maher of Georgia.
Deborah Ruth Malac of Virginia.
Janet Robins Malkemes of Pennsylvania.
Alec Lewis Mally of Florida.
Steven Scully Maloney of Maryland.
Matthias Manz of New Mexico.
Valentino Edward Martinez of New Jersey.
Jean Baum McAlpine of New York.
James D. McGee of Indiana.
William McPherson of California.
Sarah Maxson Medvitz of Massachusetts
W. Michael Meserve of Maine.
Hugh M. Neighbour of California.
Wayne Edward Neill II of Nevada.
Winkle Williams Memeth of California.
Robert Lloyd Norman of Ohio.
Dennis J. Ortblad of Washington.
Larry Leon Palmer of Georgia.
David D. Pearce of Maine.
Maria Ifill Philip of California.
Carol Ann Rodley-Newhall of Maine.
Robin Renee Sanders of New York.
David Michael Satterfield of Texas.
Ronald Lewis Schlicher of Tennessee.
Kyle R. Scott of Arizona.

Mark A. Sigler of Virginia.
Thomas James Snead of New York.
John V. G. Spilsbury of New York.
George McDade Staples of California.
David Carter Stewart of Texas.
Lucy Tamlyn of New York.
Eric Robert Terzuolo of the District of Columbia.
Cameron S. Thompson of Maryland.
Carol Ellis Thompson of California.
Soching Tsai of Washington.
John C. Tucker of Connecticut.
Timothy Andrew Tulenko of Ohio.
Sharon English Woods Villarosa of Texas.
Jimmie Eugene Wagner of Ohio.
Jacob Walles of Delaware.
Donald Yukio Yamamoto of New York.
James P. Zumwalt of California.

U.S. INFORMATION AGENCY

William G. Crowell of Washington.
Patrick Dennis Duddy of Maine.
Steven J. Sharp of Utah.
R. Barrie Walkley of California.
James Kevin Whelan of New York.

The following-named members of the Foreign Service of the Departments of State, Agriculture, and Commerce, and the U.S. Information Agency, to be Consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular officers and secretaries in the Diplomatic Service of the United States of America:

Gina K. Abercrombie-Winstanley of Ohio.
Gregory M. Adams, of Arizona.
Paul Mullen Almeida of Pennsylvania.
Maria J. Andrews of Georgia.
Andrew Askland of Maryland.
George Walbridge Perkins Atkins III of Georgia.
David Ballard of Texas.
Janet Beik of Pennsylvania.
Thomas G. Bell II of Maryland.
Kathryn S. R. Berck of Maryland.
Sheila G. Berry of California.
Albert A. Bindie of Pennsylvania.
Leonard Everett Birdsong of the Virgin Islands.
Robert O. Blake, Jr., of the District of Columbia.
Earle Chatfield Blakeman of New Jersey.
Terrell D. Blodgett of Indiana.
William E. Boslego of Pennsylvania.
Brad Lee Braford of Maryland.
James M. Brantly of Virginia.
Jefferson T. Brown of New Jersey.
Judy Marie Buelow of Wisconsin.
Donald N. Businger of Virginia.
Elizabeth Butler of Florida.
John Eric Campbell of Texas.
Carol A. Candela of New York.
Dolores Marie Capece of New York.
Janice L. Carter of California.
William N. Center Jr., of Maryland.
Michael B. Chang of California.
Nancy K. Charles of Pennsylvania.
Karen Lise Christensen of Virginia.
Andrew Gilman Chritton of Texas.
Robert B. Clarke, Jr. of Rhode Island.
James M. Clement, Jr. of Colorado.
Daniel A. Clune of Illinois.
Melissa J. Cooper of Virginia.
Ellen Leigh Cosgrove of Pennsylvania.
Joyce Edith Currie of Virginia.
Philip Charles Cutajar of New York.
David Lee Danek of Michigan.
Christopher Richard Davis of Michigan.
Kathryn M. Delaney of Maryland.
Theresa M. DeMay of Michigan.
Eldwine Edward De Santis of California.
Richard G. Dodge of Virginia.
Alice Amelia Dress of Indiana.
David Duberman of Georgia.
Benedict J. Duffy of New York.
Stephen M. Dulock of Michigan.
John Griffin Ellis of Maryland.
Edgar LeRoy Embrey of Illinois.
Duane T. Evans of New Mexico.
Michael Alan Feldman of California.
Alcy Ruth Frelick of Delaware.
Barry I. Friedman of New York.
Dina F. Gallo of Florida.
Nancy L. Galloway of the District of Columbia.
Patricia A. Garon of Maryland.
Peggy Ann Gennatiempo of Washington.
Robert F. Girouard of Nebraska.
Gary A. Grappo of Florida.
Alan Eric Greenfield of Maine.
Oliver William Griffith of New York.
Ted William Halstead of Virginia.
Rosemary Ellen Hansen of Minnesota.
John Joseph Harrington of Maryland.
Norma F. Harris of Florida.
Scott R. Heckman of Kentucky.
Simon Henshaw of Massachusetts.
Richard L. Holm of Missouri.
Reginald D. Hyde of Alabama.
Rebecca J. Idler of the District of Columbia.
Catherine J. Jarvis of the District of Columbia.
Richard Michael Jarvis of Washington.
Karen A. Johnson of Virginia.
Henry Kaminski of Colorado.
Craig Allen Kelly of California.
Ian C. Kelly of New York.
Edward L. Kenney of New York.
Laura Jean Kirkconnell of Florida.
Della Knox-Bennett of Washington.
Matthew Robert Koch of Virginia.
William Alan Kolb of Illinois.
Aloysius F. Kracklauer of California.
Patrick Leonard Lahey of Florida.
John Cotton Lamson of New Hampshire.
Steven C. Landolt of Nevada.
Mark S. Larsen of Minnesota.
Steven J. Lebens of Minnesota.
Mary K. Levin of Washington.
Jeffrey David Levine of California.
David E. Lindwall of Louisiana.
Duncan H. MacInnes of Virginia.
Paul Joseph Mailhot of Massachusetts.
Theodore Albert Mann of New York.
Alexander H. Margulies of Virginia.
James David Marill of New Jersey.
Joyce Diane Marshall of California.
James C. Martin of the District of Columbia.
Nona K. Mathews of Florida.
Robert V. Matthews of Maryland.
Thomas A. McCluskey of New York.
Chris Richard Miller of New Jersey.
John A. Miller of the District of Columbia.
Alan Greeley Misenheimer of North Carolina.
Ruth Dorothy Moore of California.
Linda Howard Muncy of North Carolina.
Charles Neary of the District of Columbia.
Nicholas Noyes of Connecticut.
Josefina Lim Papendick of California.
Juliana Seymour Peck of Connecticut.
Claire Annette Pierangelo of California.
Edward Carl Pope of the District of Columbia.
Maura Leslie Prochazka of Virginia.
Necia L. Quast of Washington.
Harvey Frederick Ramseur of Virginia.
Thomas Dwight Reid, Jr. of Alabama.
Dwight Ray Rhoades of Illinois.
Robert Richer of Virginia.
Michael A. Ricke of Ohio.
Judith A. McClurg Roberts of Oklahoma.
Gregg A. Robinson of Connecticut.
Terri Louise Robl of Maryland.
Mark C. Rochester of Mississippi.
Peter Bongwoo Roe of Florida.
Bruce David Roberts of Virginia.
Daniel Richard Russel of New York.
Ferial Ara Saeed of California.
Peter E. Samson of Illinois.
Maria Sanchez-Carlo of Virginia.
Melissa Marie Sanderson of Ohio.
Peter Gerald Schmeelk of New Jersey.
Corinne A. Schmidt of Virginia.
Simon J. Schuchat of Massachusetts.
Paul D. Shaffer of Connecticut.
Ronald A. Shattuck of Connecticut.
James D. Sheldon of the Canal Zone, Panama.
Donald Richard Shemanski of Pennsylvania.
Daniel L. Shields of Pennsylvania.
Catherine L. Slichter of Virginia.
James A. Smith of New York.
George Smith Southern of South Carolina.
Michael R. Spak of Nevada.
Derwood Keith Staeben of Wisconsin.
Allan M. Stanton of Florida.
Cheryl L. Stephens of New Jersey.
Kathryn L. Stevens of Florida.
Mark Charles Storella of Massachusetts.
Sarah S. Sullivan of Florida.
Susan M. Sutton of Massachusetts.
Margaret L. Swift of New York.
Carla M. Sylvester of Virginia.
Robert J. Tansey of Virginia.
Martin Borys Tatuch of Michigan.
Stephen J. Thibeault of Massachusetts.
Elizabeth D. Thompson of South Carolina
David C. Tucker of New York.
Bruce Irvin Turner of Colorado.
Gerald E. Tyler of Louisiana.
Candy K. Urdahl of Maryland.
Julieta Ana Valls of Maryland.
Eugenia D. Walker of Louisiana.
William David Wallace of New Jersey.
Christopher D. Ward of Wisconsin.
Walburga F. Wehner of Ohio.
Sandra M. Wenner of Minnesota.
Daniel F. Whitman of the District of Columbia.
Stephen Bradley Wickman of Maryland.
Bradley G. Wilde of Florida.
Brian Wilson of Washington.
Shirley H. Witt of New Mexico.
Andrew Fearon Wright of Virginia.
Ksawery Wyrozemski of Florida.

Consular Officer of the United States of America:

Myron D. Fink of Florida.

Secretaries in the Diplomatic Service of the United States of America:

Thomas Arthur Johnson of Virginia.
Joseph J. Loferski of Rhode Island.
Frederick L. Montgomery of the District of Columbia.
Kyle E. Murphy of New York.
David M. Schoonover of Virginia.

The following-named person of the Department of State for appointment as a Foreign Service officer of class 3, a Consular officer, and a secretary in the Diplomatic Service of the United States of America, effective April 29, 1985:

Diane Granzow Simpson of Ohio.

IN THE AIR FORCE

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Gen. Thomas M. Ryan, Jr., xxx-xx-... [redacted]FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by

the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Duane H. Cassidy, xxx-xx-xxxx FR, U.S. Air Force.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent major general

Brig. Gen. John T. Myers, xxx-xx-xxxx U.S. Army.
Brig. Gen. James R. Hall, xxx-xx-xxxx U.S. Army.
Brig. Gen. Christian Patte, xxx-xx-xxxx U.S. Army.
Brig. Gen. Robert E. Wagner, xxx-xx-xxxx U.S. Army.
Brig. Gen. Jerome B. Hilmes, xxx-xx-xxxx U.S. Army.
Brig. Gen. William H. Gourley, xxx-xx-x... xxx-... U.S. Army.
Brig. Gen. Lynn H. Stevens, xxx-xx-xxxx, U.S. Army.
Brig. Gen. George R. Robertson, xxx-xx-... xxx-x... U.S. Army.
Brig. Gen. Donald C. Hilbert, xxx-xx-xxxx U.S. Army.
Brig. Gen. James C. Cercy, xxx-xx-xxxx U.S. Army.
Brig. Gen. Donald E. Eckelbarger, xxx-xx-... xxx-... U.S. Army.
Brig. Gen. Johnnie H. Corns, xxx-xx-xxxx U.S. Army.
Brig. Gen. Fred E. Elam, xxx-xx-xxxx, U.S. Army.
Brig. Gen. Robert L. Drudik, xxx-xx-xxxx U.S. Army.
Brig. Gen. John E. Long, xxx-xx-xxxx, U.S. Army.
Brig. Gen. James B. Allen, xxx-xx-xxxx U.S. Army.
Brig. Gen. Thomas J.P. Jones, xxx-xx-... xxx-... U.S. Army.
Brig. Gen. Dudley J. Gordon, xxx-xx-xxxx U.S. Army.
Brig. Gen. Robert J. Dacey, xxx-xx-xxxx U.S. Army.
Brig. Gen. Edwin H. Burba, xxx-xx-xxxx U.S. Army.
Brig. Gen. Donald R. Infante, xxx-xx-x... xxx-... U.S. Army.
Brig. Gen. George M. Krausz, xxx-xx-... xxx, U.S. Army.
Brig. Gen. Robert L. Gordon, xxx-xx-xxxx, U.S. Army.
Brig. Gen. William T. McLean, xxx-xx-... xxx, U.S. Army.
Brig. Gen. Alan B. Salisbury, xxx-xx-xxxx, U.S. Army.
Brig. Gen. John M. Shalikashvili, xxx-xx-... xxx, U.S. Army.
Brig. Gen. Gary E. Luck, xxx-xx-xxxx, U.S. Army.
Brig. Gen. George A. Joulwan, xxx-x... xxx-... U.S. Army.
Brig. Gen. Thomas H. Tait, xxx-xx-xxxx U.S. Army.
Brig. Gen. Thomas D. Reese, xxx-xx-xxxx U.S. Army.
Brig. Gen. Charles P. Otstott, xxx-xx-... xxx-... U.S. Army.
Brig. Gen. Edwin S. Leland, xxx-xx-x..., U.S. Army.
Brig. Gen. James R. Klugh, xxx-xx-xxxx, U.S. Army.
Brig. Gen. Augustine M. Cianciolo, xxx-... xxx-xx-x... U.S. Army.
Brig. Gen. Nicholas S.H. Krawciw, xxx-xx-... xxx, U.S. Army.
Brig. Gen. Donald W. Jones, xxx-xx-xxxx U.S. Army.

IN THE AIR FORCE

The following persons for Reserve of the Air Force appointment, in grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Anthoney W. Guidon, xxx-xx-xxxx
Sergio S. Lim, xxx-xx-xxxx
David C. Mayer, xxx-xx-xxxx
Richard K. Newman, xxx-xx-xxxx

The following officer for Reserve of the Air Force (non-EAD) promotion in the grade indicated, under the provisions of section 8366, title 10, United States Code.

LINE

To be lieutenant colonel

Allen E. Strasser, Jr., xxx-xx-xxxx

Executive nominations received by the Secretary of the Senate July 3, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF LABOR

Michael E. Baroody, of Virginia, to be an Assistant Secretary of Labor, vice John F. Cogan.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Richard F. Hohlt, of Indiana, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1987, vice William G. Simpson, term expired.

IN THE AIR FORCE

The following-named officer for promotion to the grade indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

To be colonel

Lt. Col. Steven R. Nagel, xxx-xx-xxxx.

IN THE ARMY

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Baiden, Hugh G., Jr., xxx-xx-xxxx
Becker, John B., xxx-xx-xxxx
Becker, Philip M., xxx-xx-xxxx
Beedle, Donald R., xxx-xx-xxxx
Beretta, Ronald J., xxx-xx-xx...
Bolin, Michael E., xxx-xx-xxxx
Bourassa, Jerry D., xxx-xx-xxxx
Bowman, Harold E., xxx-xx-xxxx
Carter, Richard O., xxx-xx-xxxx
Castillon, Henry, xxx-xx-xxxx
Casto, Eldridge R., Jr., xxx-xx-xxxx
Chain, Bela J., Jr., xxx-xx-xxxx
Contos, Spiro J., xxx-xx-xxxx
Cullifer, William M., xxx-xx-xxxx
Dickinson, James E., xxx-xx-xxxx
Digiulio, Daniel A., xxx-xx-xxxx
Fidler, Philip R., xxx-xx-xxxx
Foley, Gordon D., xxx-xx-xxxx
Frate, Philip Jr., xxx-xx-xxxx
Gross, Richard P., xxx-xx-xxxx
Haslam, Terry M., xxx-xx-xxxx
Haws, John K., xxx-xx-xx...
Heywood, Frederick W., xxx-xx-xxxx
Idol, Paul E., xxx-xx-xxxx
Jackson, John, xxx-xx-xxxx
Jossey, Paul H., Jr., xxx-xx-xxxx
Krase, Lloyd E., xxx-xx-xxxx
Lampe, Larry E., xxx-xx-xxxx
Langley, Joseph H., Jr., xxx-xx-xxxx
Lessesne, Joab M., Jr., xxx-xx-xxxx
Link, Gerald F., xxx-xx-xxxx
Logan, Robert C., xxx-xx-xxxx
Majors, Wayne C., xxx-xx-xxxx
Mayhew, Lawrence J., xxx-xx-xxxx
McBee, Lawrence F., xxx-xx-xxxx
Milhoan, Kenneth B., xxx-xx-xxxx
Morrison, Edgar G., xxx-xx-xxxx
Murphy, Raymond E., xxx-xx-xxxx
Neisler, Hugh L., xxx-xx-xxxx
Norris, Dwight E., xxx-xx-xxxx
Norris, Robert W., xxx-xx-xxxx
Olson, Charles E., xxx-xx-xxxx
O'Neill, Daniel J., xxx-xx-xxxx
Pierson, Verne M., xxx-xx-xxxx
Pittman, Edwin L., xxx-xx-xxxx
Pugliese, Thomas A., xxx-xx-xxxx
Rhoades, Kenneth D., xxx-xx-xxxx
Robertson, Michael S., xxx-xx-xxxx
Roe, Farrell P., xxx-xx-xxxx
Ryan, Glenn F., xxx-xx-xxxx
Sandlin, Thomas E., xxx-xx-xxxx
Schaeffer, John W., Jr., xxx-xx-xxxx
Schuler, George W., xxx-xx-xxxx
Sharp, Robert G., xxx-xx-xxxx
Sheridan, Max P., xxx-xx-xxxx
Shunatona, Baptiste B., Jr., xxx-xx-xxxx
Smith, Donald E., xxx-xx-xxxx
Smithers, Jerry C., xxx-xx-xxxx
Stewart, Ronald B., xxx-xx-xxxx
Tharpe, Loring H., xxx-xx-xxxx
Tincher, Ronald D., xxx-xx-xxxx
True, Frederick H., xxx-xx-xxxx
Warner, Clarence E., xxx-xx-xxxx
White, John H., xxx-xx-xxxx

CHAPLIN

To be colonel

Brooks, Earl M., xxx-xx-xxxx
Leisle, Charles E., xxx-xx-xxxx

DENTAL CORPS

To be colonel

Pushkin, Philip H., xxx-x...

MEDICAL CORPS

To be colonel

Berg, Maria A., xxx-xx-xxxx
Jackson, Peter E., xxx-xx-xxxx
Polk, James D., xxx-xx-xxxx
Schumacher, Guenter, xxx-xx-xxxx
Webber, Everett H., Jr., xxx-xx-xxxx
Yawn, Victor W., Jr., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Ivanoff, Michael V., xxx-xx-xxxx
Matsubu, John M., xxx-xx-xxxx
Spencer, Calvin B., Jr., xxx-xx-xxxx

To be lieutenant colonel

Aiello, Stephen A., xxx-xx-xxxx
Aydam, Mary E., xxx-xx-xxxx
Bachman, William A., xxx-xx-xxxx
Baird, Robert T., III, xxx-xx-xxxx
Banovic, Edward J., xxx-xx-xxxx
Barnes, Brice H., xxx-xx-xxxx
Boostrom, David A., xxx-xx-xxxx
Borba, Douglas C., xxx-xx-xxxx
Borders, Richard A., xxx-xx-xxxx
Bordner, Thomas N., xxx-xx-xxxx
Boroughs, William R., xxx-xx-xxxx
Bossen, Kenneth R., xxx-xx-xxxx
Bradberry, John D., xxx-xx-xxxx
Brady, William V., xxx-xx-xxxx
Braman, Eric W., xxx-xx-xxxx
Broughton, Calvin P., xxx-xx-xxxx
Brune, Glenn E., xxx-xx-xxxx
Bugg, Donald E., xxx-xx-xxxx
Carney, Dale E., xxx-xx-xxxx
Caspers, John E., xxx-xx-xxxx
Cespedes-Soto, Thomas A., xxx-xx-xxxx
Chowen, Dennis W., xxx-xx-xxxx

Cipriano, Anthony J., xxx-xx-xxxx
Colloraft, Joseph, xxx-xx-xxxx
Couch, Gary O., xxx-xx-xxxx
Croarkin, Eugene J., Jr., xxx-xx-xxxx
Croy, Michael S., xxx-xx-xxxx
Dance, Ronald L., xxx-xx-xxxx
Datema, Sally S., xxx-xx-xxxx
Dawson, Eric E., xxx-xx-xx...
Denniston, Perry F., xxx-xx-xxxx
Devoe, Richard W., xxx-xx-xxxx
Dickerson, Gerald A., xxx-xx-xxxx
Doll, Charles A., xxx-xx-xxxx
Doll, William J., xxx-xx-xxxx
Dunn, James T., xxx-xx-xxxx
Eagar, Edward R., Jr., xxx-xx-xxxx
Eggleston, Jerry J., xxx-xx-xxxx
Estrada, Francisco J., xxx-xx-xxxx
Flagg, Paluel J., II, xxx-xx-xxxx
Fong, John C., xxx-xx-xxxx
Hageman, John W., xxx-xx-xxxx
Hannan, John R., xxx-xx-xxxx
Hao, John K., xxx-xx-xxxx
Harker, William L., xxx-xx-xxxx
Harrell, Gorden A., xxx-xx-xxxx
Hinshaw, David C., xxx-xx-xxxx
Hollenbeck, Douglas B., xxx-xx-xxxx
Holmes, Forrest L., xxx-xx-xxxx
Hurwit, Ronald L., xxx-xx-xxxx
Irvin, William R., xxx-xx-xxxx
James, Dwain A., xxx-xx-xxxx
Johnson, Dennis F., xxx-xx-xxxx
Kelly, James J., xxx-xx-xxxx
Keuter, Jerald L., xxx-xx-xxxx
Kirkpatrick, Thomas K., xxx-xx-xxxx
Kline, Jerry L., xxx-xx-xxxx
Kuncz, Gerald, xxx-xx-xx...
Kurtz, Warren, Jr., xxx-xx-xxxx
Kyburz, Gene T., xxx-xx-xxxx
Lapidow, Stanley L., xxx-xx-xxxx
Leo, Louis V., xxx-xx-xxxx
Lewis, Chester, xxx-xx-xxxx
Libby, John W., xxx-xx-xxxx
Ligon, Robert S., Jr., xxx-xx-xxxx
Liska, Michael R., Jr., xxx-xx-xxxx
Logreco, John J., Jr., xxx-xx-xxxx
Luce, William H., xxx-xx-xxxx
Luthy, Garold W., xxx-xx-xxxx
Lyons, Anthony D., xxx-xx-xxxx
Lyons, Sheldon R., xxx-xx-xxxx
Maloz, Wilson L., Jr., xxx-xx-xxxx
Martinez-Rodriquez, Wilfredo, xxx-xx-xxxx
Marvin, Charles T., xxx-xx-xxxx
Miller, Jimmy A., xxx-xx-xxxx
Moore, Neil J., xxx-xx-xxxx
Nelson, Ronald A., xxx-xx-xxxx
Olsommer, Ronald F., xxx-xx-xxxx
Otto, David A., xxx-xx-xxxx
Peterson, Orlan L., Jr., xxx-xx-xxxx
Porter, James F., xxx-xx-xxxx
Potthoff, Donald J., xxx-xx-xxxx
Prillaman, Richard W., xxx-xx-xxxx
Pudlowski, Walter F., Jr., xxx-xx-xxxx
Rataczak, David P., xxx-xx-xxxx
Reid, Charles H., xxx-xx-x...
Ryan, James F., xxx-xx-xxxx
Sanders, Jerry D., xxx-xx-xxxx
Schmittendorf, James R., xxx-xx-xxxx
Siders, Walter R., xxx-xx-xx...
Sikes, John R., xxx-xx-xxxx
Silva, Manuel F., xxx-xx-xxxx
Simmerman, Ralph W., xxx-xx-xxxx
Sisneros, Gene, xxx-xx-xxxx
Skentzos, Peter J., xxx-xx-xxxx
Skillicorn, Ronald H., xxx-xx-xxxx
Small, Jonathan P., xxx-xx-xxxx
Smith, Michael A., xxx-xx-xxxx
Smith, Stewart E., xxx-xx-xxxx
Spence, Philip W., xxx-xx-xxxx
Squier, Michael J., xxx-xx-xxxx
Taluto, Joseph J., xxx-xx-xx...
Taylor, Vernon T., xxx-xx-xxxx
Terwilliger, Dirck G., xxx-xx-xxxx
Thompson, Stanley R., xxx-xx-xxxx
Trinkl, Steven J., xxx-xx-xxxx
Tripp, Robert E., xxx-xx-xxxx
Vaiculevich, Robert A., xxx-xx-xxxx
Vieira, John M., Jr., xxx-xx-xxxx
Volmert, Richard L., xxx-xx-xxxx
Voyles, Robert S., xxx-xx-xx...
Watt, William J., xxx-xx-xxxx
Webb, Cleburne L., Jr., xxx-xx-xxxx
Weiss, Lawrence L., xxx-xx-xxxx
Williams, John L., xxx-xx-xxxx
Wojtasik, Joseph T., xxx-xx-xxxx
Wood, Morris W., xxx-xx-xxxx
Wyro, Peter L., xxx-xx-xxxx
Young, Terry H., xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

Cumberland, Thomas L., xxx-xx-xxxx
Doyle, Vincent J., xxx-xx-xxxx
Malmstrom, Willard R., xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Harris, Sheila L., xxx-x...
McManus, John G., xxx-xx-xxxx
Worrell, Susan A., xxx-x...

MEDICAL CORPS

To be lieutenant colonel

Axenrod, Howard, xxx-xx-xxxx
Deal, Virgil T., xxx-x...
Douglas, Dale E., xxx-x...
Durant, Joe I., xxx-xx-xxxx
Egger, Rose L., xxx-xx-xxxx
Garner, Royal S., xxx-xx-xxxx
Hodgman, Richard E., xxx-xx-xxxx
Kellett, Boyd A., xxx-xx-xxxx
Kilpatrick, Troy E., xxx-x...
Leonard, Garnett J., xxx-x...
Montz, Sidney J., Jr., xxx-x...
Moseley, Robert F., xxx-x...
Ralph, James W., xxx-xx-xxxx
Schlosstein, Lee H., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Gidley, Jeffrey L., xxx-xx-xxxx
Lewis, Thomas D., xxx-x...
Runyan, Daniel M., xxx-xx-xxxx

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be colonel

Coddington, Robert C., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Buttram, Thomas L., xxx-xx-xxxx
Holston, Francis M., xxx-xx-xxxx
Hoye, Robert C., xxx-xx-xxxx
Hutchins, Robert G., xxx-xx-xxxx
Johnston, James P., xxx-xx-xxxx
Riggenbach, Roger D., xxx-xx-xxxx

CONFIRMATIONS

Executive nominations confirmed by the Senate July 8, 1985:

DEPARTMENT OF STATE

John C. Whitehead, of New Jersey, to be Deputy Secretary of State.

NUCLEAR REGULATORY COMMISSION

Thomas Morgan Roberts, of Tennessee, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1990.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, July 8, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 27, 1985.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Monday, July 8, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, giver of life and the hope of all who trust Your Word, we pray for Your blessing upon our Nation and all the people. When we miss the mark and cause injury grant us pardon, and when we choose the right and good causing justice to reign, give us encouragement. Grant to all those who have been given the power to govern the grace and wisdom to serve, that peace and mercy will abound in the land and good will mark our every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1714. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 46. Concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bills on Saturday, June 29, 1985:

H.R. 1699. An act to extend title I and part B of the Energy Policy and Conservation Act, and for other purposes;

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984;

S. 822. An act to extend time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; and

S. 883. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
July 8, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 11:05 a.m. on Wednesday, July 3, 1985 and said to contain a message from the President wherein he transmits the eighteenth annual report under the Automotive Products Trade Act of 1965 (PL 89-283) relating to developments during 1983.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

EIGHTEENTH ANNUAL REPORT UNDER AUTOMOTIVE PRODUCTS TRADE ACT RELATING TO DEVELOPMENTS DURING 1983—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Ways and Means.

(For message, see proceedings of the Senate of today, July 8, 1985.)

ONE MAN'S DEATH

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, the hijacking drama of TWA flight 847 is now over. Those 16 tragic days focused the Nation's attention on that distant airport in war-ravaged Lebanon.

Upon release of the hostages, our Nation experienced a collective relief reminiscent of the one we experienced after the previous incident in Iran. Those of us who had watched the drama unfold on television were glad to return once again to our ordinary routines. However, for the family of one American serviceman, Navy diver Robert Stethem, the outcome was one of grief and bitterness. A beloved son and brother was singled out to die by the terrorists who commandeered the plane. In our collective relief at the good fortune of the many, we should not forget the tragic fate that befell Robert Stethem.

We should now resolve ourselves to combat terrorism in a serious way. The vocal pronouncements against terrorism must now give way to quiet action. The worst sin now would be to do nothing. Increased intelligence efforts, greater measures to protect airports, and the reestablishment of the Sky Marshal Program are just some of the actions that we can take. One other measure is to offer a $500,000 reward for the capture of the two homicidal terrorists. Reward funds have already been approved by Congress. This crime against an American serviceman must not go unpunished.

In the days of Thomas Jefferson, we dealt with the Barbary pirates. Today, we must deal with the murdering terrorists.

WE LOVE FIREFIGHTERS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, on July 1 a fire broke out in the Los Padres National Forest near Ojai, CA, and quickly spread in all directions. It is still burning today and has consumed over 80,000 acres. The loss to date is estimated at almost $4 million; however, no one has lost their life.

Damages undoubtedly would have been much higher if not for the outstanding work and courage of firefighters from the U.S. Forest Service, California State, county, and city firemen from the local area, and firefighters from throughout the Nation who have flown in to assist.

I was on the scene last week and spoke with many of the firefighters, as well as people living in the vicinity. Many said that it is a near miracle that no lives were lost and no homes destroyed in Ojai. They wanted to thank the firemen for saving their homes.

The threat was particularly acute in Ojai, in Meiners' Oaks, and to the city of Carpinteria.

The Fourth of July parade in Ojai was canceled. The banners were replaced by ones reading, "We love firefighters."

I agree. The many firefighters, professionals and volunteers, prevented what is still a very serious problem from becoming a tragedy.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 76

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Michigan [Mr. PURSELL] be removed as a cosponsor of my joint resolution, House Joint Resolution 76.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE 92 GROUP BUDGET—A COMPROMISE

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, here we are—after the July 4 recess—and still, no conference report—no budget resolution. I suggest a compromise, the 92 group budget.

The conferees have reached a political stalemate. Neither they nor the rest of the elected persons in this body should forget how we all reached the Hill—through the will of the people. As I've indicated in past 1-minute speeches, and will continue to emphasize, that will is clear. The people of Michigan's Second District and the country are demanding deficit reduction without increasing taxes.

Fran Corridon of Jackson, MI, writes:

> We in Jackson are looking to you, Mr. Pursell, and your colleagues in Congress to enact a budget that will reflect a fair and humane use of our hard-earned tax dollars.

And Jackson residents Helen and Verne Miller write:

> We draw Social Security benefits and are willing to do our share and do not understand the big furor to a cap on the cost of living increases * * * all subsidies benefitting just any special interest that is not a benefit to the country * * * must be eliminated.

□ 1210

H.R. 1555: BAD NEWS FOR DEMOCRACY IN EL SALVADOR

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, H.R. 1555, the International Security and Development Cooperation Act of 1985, should be defeated because it plays into the hands of El Salvador's Communist guerrillas, who are now trying to overthrow the duly elected Duarte Government with terrorist tactics.

Let's look at what the bill contains, place it in the context of the guerrillas' most recent statements, and see if it is likely to facilitate either security or development in Central America.

The bill cuts the President's security assistance requests for Latin America by $250 million. For El Salvador alone, the total assistance request is cut by $55 million—12.6 percent—leaving us at a level $15 million below the 1985 continuing resolution. In short, we are going backward.

Our timing could not be worse. As reported in the Sunday Washington Post, the top guerrilla commanders held a press conference last Friday and vowed to continue their attacks on U.S. military personnel stationed in El Salvador. That means more machine gunning of noncombatants at outdoor cafes.

But beyond that, they as much as told us why we must not cut back on our assistance to the Duarte government, when they made these points:

They would have shot their way into power but for U.S. aid to President Duarte;

They have no commitment to the Salvadoran constitution and will never lay down their arms; or participate in elections;

They do not share the agenda of the more moderate rebel civilian front in either political positions or military tactics;

Mr. Speaker, I urge my colleagues to defeat H.R. 1555 and let the Committee on Foreign Affairs come back with something to defeat the terrorists.

INVITATION TO MEMBERS TO PARTICIPATE IN SPECIAL ORDER ON HOSTAGES STILL IN LEBANON

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, I wish to inform my colleagues that I have called for a special order to take place after the close of official business tomorrow, Tuesday, July 9, 1985. The seven U.S. hostages who remain in Lebanon will be the subject of discussion. I believe that it is incumbent on us as Representatives to assure the families of those individuals still held captive that their Government has not forgotten their loved ones. Moreover, I think it important that we join with our representatives in the State Department to send a message to whatever group or groups are holding the hostages. That message must be that our whole Government and our whole citizenry stand unified in our resolve to have the hostages returned safely and quickly.

I urge Members to participate in this special order. It will mean a great deal to the families of those still held hostage.

The American hostages are:

Terry Anderson, Associated Press bureau chief, Beirut.

David Jacobsen, Administrator of American University Hospital, Beirut.

William Buckley, political officer, U.S. Embassy, Beirut.

Rev. Benjamin Weir, Presbyterian minister, Beirut.

Thomas Sutherland, dean, Agricultural Department, American University in Beirut.

Peter Kilburn, librarian, American University of Beirut.

Rev. Martin Lawrence Jenco, head of Catholic Relief Services in Lebanon.

Jeremy Levin of CNN News escaped in February 1985.

TAX REFORM

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, unexpectedly my constituents during the July 4 recess did not come out strong for the President's tax reform plan. Instead they complained about it.

First, many said that it appeared to be soaking the middle class rather than the rich. Second, the special advantages given to the oil and gas industry seem to have opened the floodgates for every special interest group to ask for a break. Third, the fact that it might add to the deficit scares a lot of people.

Nonetheless, Mr. Speaker, tax reform is a priority and we should fix some of these problems.

If I can capsulize, my constituents also gave me the following messages:

One, cut the deficit and stop playing politics.

Two, get tough on terrorists.

Three, stay out of Central America.

Four, tax the tax-dodging corporations and punish the contractors who are ripping off the taxpayers.

PRESIDENT REAGAN'S STAND ON THE BUDGET RESOLUTION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, the President obviously got his cue cards shuffled last Saturday during his weekly address to the Nation when he said that the bipartisan House budget resolution would weaken our national defense. The President apparently does not understand that it is not the House budget resolution, but 5 years of Republican "borrow-and-spend" policies that pose the greatest threat to our national security.

Under Mr. Reagan's leadership the national debt has doubled in just 5 years and by the time he leaves office it will have tripled.

And, Mr. Speaker, annual interest on Mr. Reagan's debt today is exceeded only by the cost of defense and the cost of Social Security.

Mr. Speaker, I do not see how future generations will be able to afford a strong defense if Mr. Reagan's "borrow-and-spend" policies are not curtailed.

It was former President Eisenhower who said that the strength of our Nation is not only measured in guns and tanks, but the strength of our moral and our economic fiber as well.

LESLIE NELSON SHAW, SR., GENERAL MAIL FACILITY OF THE U.S. POSTAL SERVICE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H.R. 2558) designating the U.S. Post Office Building to be constructed on the property on the northwest corner of the intersection of Florence Avenue and Central Avenue in Los Angeles, California, as the "Leslie Nelson Shaw, Sr., General Mail Facility of the United States Postal Service," and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office Building to be constructed on the property on the northwest corner of the intersection of Florence Avenue and Central Avenue in Los Angeles, California, shall hereafter be known and designated as the "Leslie Nelson Shaw, Sr., General Mail Facility of the United States Postal Service". Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the Leslie Nelson Shaw, Sr., General Mail Facility of the United States Postal Service.

● Mr. McCLOSKEY. Mr. Speaker, H.R. 2558 was introduced by my distinguished colleague, the Honorable MERVYN DYMALLY of California. It is cosponsored by several other members of the California delegation, as well as by two senior members of the Post Office and Civil Service Committee, Representatives BILL CLAY and MICKEY LELAND.

H.R. 2558 would recognize and memorialize the career and achievements of Leslie Nelson Shaw, Sr. In addition to his achievements as a civic and business leader, Mr. Shaw was the first black postmaster of a large American city, having been appointed Postmaster of Los Angeles in 1963 by President Kennedy and serving in a distinguished manner in that position until 1969.

Mr. Shaw who passed away earlier this year, made numerous contributions to the city of Los Angeles, the State of California, and the Nation. Naming the new Los Angeles postal facility in his honor would be a fitting tribute to this tireless public servant and citizen.

H.R. 2558 was ordered reported by the Committee on Post Office and Civil Service on June 26, by voice vote. I urge its passage.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESLIE NELSON SHAW, SR., GENERAL MAIL FACILITY

(Without objection, Mr. DYMALLY was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. I proudly rise to speak in favor of H.R. 2558:

It is with a great sense of pride and personal privilege I support legislation today which will designate a new postal facility being built in Los Angeles as the "Leslie Nelson Shaw, Sr., General Mail Facility of the U.S. Postal Service." I am joined in the effort by my distinguished colleagues, Mr. HAWKINS, Mr. DIXON, Mr. CLAY, and Mr. LELAND.

Mr. Speaker, Leslie Nelson Shaw, Sr., who is mourned by the entire Los Angeles community having passed away on March 7, 1985, was an indomitable man of vision and leadership, who contributed way beyond his community. A highly decorated soldier, Les Shaw served in the all black 371st Regiment Combat Team of the 92nd Infantry Division which distinguished itself in the Italian Campaign, European theater during the Second World War.

In addition to serving as the first black postmaster of the city of Los Angeles, Leslie Nelson Shaw, Sr., had a distinguishing career in the savings and loan business, eventually becoming a vice president and director of community development for Great Western Financial Corp. and Great Western Savings & Loan Association, a position he held for 15 years. It was President Kennedy back in 1963 who appointed Leslie Shaw the first black postmaster of any major city in the United States, and in this capacity, Mr. Shaw provided leadership for the operations of the third largest post office in the country with a complement of 15,000 employees and 92 stations and branches. His retirement in 1969 saw the major expansion of postal operations in Los Angeles to extent that the U.S. Postal Service has planned for the needed construction of a new general mail facility which will include a vehicle maintenance facility, and a warehouse all of which will span 75 acres in south-central Los Angeles.

Mr. Shaw's contributions to the Los Angeles community went far beyond his career. He was active in numerous civic and charitable organizations in such diverse areas as education, health and equal opportunity and youth services. Mr. Shaw demonstrated great capacity to give of himself personally and we in the greater community are the better for his dedicated service. As the U.S. Postal Service prepares to face the evergrowing communications needs in the Los Angeles area, I believe that dedication of the new Los Angeles postal facility in Mr. Shaw's memory will allow us to give proper recognition to his valuable contributions and achievements to his community and Nation.

JOHN W. BYRNES POST OFFICE AND FEDERAL BUILDING

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H.R. 2694) designating the U.S. Post Office Building located at 300 Packerland Drive, Green Bay, Wisconsin, as the "John W. Byrnes Post Office and Federal Building," and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. ROTH. Mr. Speaker, reserving the right to object, I want to thank the chairman of the Committee on Post Office and Civil Service for his prompt action on this legislation.

From time to time there are individuals who serve our Nation who truly stand out, whose achievements will be honored for generations to come. Our late esteemed colleague, John Byrnes was one such individual. His intellect, his courage, and his commitment to the individual will long be remembered in this House and by the Nation.

Today this body will have the opportunity to honor John Byrnes by naming the Post Office in his hometown of Green Bay, WI, after him. John never placed particular emphasis on memorials of any type, but I know that he was pleased to have had the previous Green Bay Post Office, which has since been decommissioned, named for him.

For many years, until his retirement in 1972, John Byrnes was ranking member of the Ways and Means Committee. He left his mark on most of the important trade, Social Security and health legislation of this half century. While many remember the period as the Wilbur Mills era, it was really the Mills-Byrnes era, because the two worked very closely together. Vice President BUSH commented that John was "knowledgeable, principled, and bright—he set an example of excellence that is hard to match."

The people of the Eighth District and throughout Wisconsin held John Byrnes in high esteem. It is proper to honor him with this tribute for his three decades of dedicated service to Wisconsin and the Nation.

The memory of John Byrnes is honored by the strong bipartisan support for this legislation by the Wisconsin delegation. I urge the House to pass this bill promptly, and the other body to do likewise, as a fitting testimonial to the legacy of John Byrnes.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2694

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office Building located at 300 Packerland Drive, Green Bay, Wisconsin, shall hereafter be known and designated as the "John W. Byrnes Post Office and Federal Building". Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "John W. Byrnes Post Office and Federal Building".

● Mr. McCLOSKEY. Mr. Speaker, H.R. 2694 is a bill introduced by the gentleman from Wisconsin, the Honorable TOBY ROTH, and is cosponsored by several members of the Wisconsin delegation.

John Byrnes served this House in a distinguished manner for many years. Although he was perhaps best known for his achievements as the ranking minority member of the Ways and Means Committee, he made many contributions in other important areas of the House's work, most particularly in the fields of health care and trade legislation. Naming a postal facility in Green Bay, WI, in his honor would be a fitting tribute to the life and achievements of John Byrnes.

H.R. 2694 was ordered reported by the Committee on Post Office and Civil Service on June 26 by voice vote. On behalf of the committee, I urge its passage.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1220

NEW JERSEY INTERNATIONAL AND BULK MAIL CENTER AND MICHAEL McDERMOTT PLACE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H.R. 2672) to redesignate the New York International and Bulk Mail Center in Jersey City, NJ, as the "New Jersey International and Bulk Mail Center," and to honor the memory of a former postal employee by dedicating a portion of a street at the New York International and Bulk Mail Center in Jersey City, NJ, as "Michael McDermott Place," and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. GUARINI. Mr. Speaker, reserving the right to object, as the sponsor of H.R. 2672 I am pleased that the House is now considering this bill to correct a serious injustice to the State of New Jersey and to increase public consciousness of the great need to ensure safety in the workplace. H.R. 2672 would redesignate the New York Bulk and Foreign Mail Center, in Jersey City, NJ, as the "New Jersey International and Bulk Mail Center." It would also dedicate the street leading into the facility to the memory of Michael McDermott, a former postal employee who lost his life in a tragic industrial accident there.

I have offered this legislation in the three previous Congresses. In the 97th Congress, the House passed this measure by unanimous consent after the Public Works and Transporation Committee reported the bill favorably in a unanimous expression of bipartisan support. Unfortunately, time constraints prevented the Senate's consideration of the bill before they adjourned. In the 98th Congress, the House again passed the bill under unanimous consent and the Senate passed an amended version of the House bill. The House did not have a chance to act on the amended bill prior to adjournment. On June 26 of this year, the Committee on Post Office and Civil Service favorably reported H.R. 2672. Its language reflects extensive consultation between Members of the House and the Senate along with the guidance of the U.S. Postal Service.

As I previously mentioned, this Bulk and Foreign Mail Center is located in Jersey City, NJ. For many years it has been located there and has well served both northern New Jersey and New York. Yet oddly enough, although the center is in New Jersey, we have continued to refer to it as the New York Bulk and Foreign Mail Center.

This practice has been going on for years and I see no justifiable reason to continue to misidentify this center. For too long New Jersey has been looked upon as merely a suburb of New York. It is time for us to acknowledge the fact that this postal facility is clearly located in New Jersey and rightfully designate it as the New Jersey International and Bulk Mail Center. We must allow New Jerseyans to be proud of being home to the largest bulk mail facility in the Nation. New Jersey residents have another reason to take pride in their great State.

My bill would also designate a portion of the roadway leading to the bulk mail center as "Michael McDermott Place." For those of you who are not familiar with the story of Michael McDermott, I would like now to share with you the reasons for dedicating this street to his memory.

Michael McDermott was a 25-year-old employee at the New York Bulk and Foreign Mail Center. On December 15, 1979, he tragically lost his life when he became entangled in a faulty conveyor. Safety devices which were meant to prevent the kind of accident which caused the death of this young public servant had been removed to speed the flow of mail at Christmas.

Designating a portion of this street to the memory of Michael McDermott will provide us with a monument symbolizing the sacrifice of all working men and women who have lost their lives in public service. It will be a constant reminder to the management and the employees at the postal facility that safety in the workplace must be a top priority.

This bill to redesignate the bulk mail facility in Jersey City, NJ, the "New Jersey International and Bulk Mail Center" and dedicate a portion of the road leading into the center to the memory of Michael McDermott would help redress a grave injustice to the State of New Jersey. It would give New Jersey residents another reason to take pride in their State. Moreover, it would pay tribute to a dedicated em-

ployee who lost his life in the line of public service and provide us with a constant reminder of the importance of maintaining high safety standards in the workplace. This measure is very important to me, to the residents of the entire State of New Jersey and especially to the 4,100 postal employees who work at this facility. For all of these reasons, I ask for your support.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION OF BUILDING.

(a) REDESIGNATION.—The New York International and Bulk Mail Center in Jersey City, New Jersey, shall hereafter be known and designated as the "New Jersey International and Bulk Mail Center". Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be considered to be a reference to the New Jersey International and Bulk Mail Center.

(b) EFFECTIVE DATE.—This section shall take effect 6 months after the date of the enactment of this Act.

SEC. 2. DEDICATION OF MICHAEL McDERMOTT PLACE.

(a) ERECTION OF SIGN.—The United States Postal Service shall erect a suitable sign bearing the inscription "Michael McDermott Place", anywhere on its property adjacent to the street and parking area located immediately to the east of the New York International and Bulk Mail Center building in Jersey City, New Jersey, so as to dedicate such portion of such street in memory of former postal employee Michael McDermott.

(b) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

● Mr. McCLOSKEY. Mr. Speaker, H.R. 2672 is the culmination of several years of work by its sponsor, the distinguished gentleman from New Jersey [Mr. GUARINI] and by senior members of the Post Office and Civil Service Committee—most notably the Honorable BILL CLAY. This legislation has passed the House in one form or another in both the 97th and 98th Congress. The version we consider today is the result of a compromise among all interested parties, including the U.S. Postal Service. H.R. 2672 would redesignate the bulk and foreign mail center located in Jersey City, NJ, as the "New Jersey International and Bulk Mail Center" and would pay tribute to the memory of the late Michael McDermott by designating a roadway leading to the center as "Michael McDermott Way." Mr. McDermott was a postal employee who was killed while working at the center several years ago in a tragic accident.

H.R. 2672 was ordered reported by the Committee on Post Office and Civil Service by voice vote on June 26. I urge its passage.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken on Tuesday, July 9, 1985.

FIELD OFFICE CLOSING JUSTIFICATION ACT

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2401) to amend title 5, United States Code, to establish certain reporting requirements applicable in the case of any agency proposing to carry out removals, reductions in grade or pay, or other adverse personnel actions incident to closing, or changing the functions of, any of its field offices.

The Clerk read as follows:

H.R. 2401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Field Office Closing Justification Act".

SEC. 2. AMENDMENTS.

(a) REPORTING REQUIREMENTS.—Chapter 35 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VII—RETENTION OF EMPLOYEES PENDING AGENCY REPORT ON PROPOSED REORGANIZATIONS

"§ 3598. Definitions

"For the purpose of this subchapter—

"(1) 'agency' means an Executive agency, but does not include the General Accounting Office or the Department of Defense;

"(2) 'field office', as used with respect to an agency, means any office or other unit of such agency which is located within the United States and which is not a part of the principal office of such agency;

"(3) 'employee' means an individual employed in or under an agency, but does not include an individual serving under a temporary appointment or on a seasonal or intermittent basis;

"(4) 'furlough' means the placing of an employee, for nondisciplinary reasons, in a temporary status without duties; and

"(5) 'involuntary reassignment', as used with respect to an employee, means the involuntary reassignment of such employee to a position outside the commuting area within which such employee's former position is located.

"§ 3598a. Reporting requirement

"(a) An agency may not carry out any personnel action described in subsection (b) unless, at least 120 days before the effective date of the personnel action proposed, such agency submits a written report to Congress providing the information described in subsection (c).

"(b) This section applies with respect to any removal, reduction in grade (or pay level), involuntary reassignment, or furlough of any employee assigned to a field office of an agency if that personnel action is incident to a decision—

"(1) to change the types or the number of functions to be performed by such field office, or the manner in which such functions are to be performed; or

"(2) to terminate the performance of any function, in whole or in part, by such field office.

"(c) Any report submitted under this section with respect to a reorganization described in paragraph (1) or (2) of subsection (b) shall—

"(1) identify the field office involved and the nature of, and the reasons for, the proposed reorganization;

"(2) compare the number of employees who are assigned to such office before, and the number of employees who would be assigned to such office immediately after, the proposed reorganization;

"(3) account for any difference under paragraph (2) by including a summary of any personnel actions proposed to be taken incident to the reorganization and the number of employees who would be affected by each type of personnel action proposed;

"(4) compare the functions performed by such office before, and the functions which would be performed by such office after, the proposed reorganization;

"(5) assess the relative capability of such office to perform its assigned functions before and after the proposed reorganization, particularly with respect to any functions which involve providing services to the public;

"(6) estimate the economic impact and the other consequences of the reorganization with respect to the community within which such office is located; and

"(7) include a statement of the costs, benefits, and other effects anticipated as a result of the reorganization.

"(d) A report submitted to Congress under this section shall be transmitted to both Houses on the same day and to each House while it is in session.".

(b) CONFORMING AMENDMENT.—The anlaysis for chapter 35 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VII—RETENTION OF EMPLOYEES PENDING AGENCY REPORT ON PROPOSED REORGANIZATIONS

"3598. Definitions.

"3598a. Reporting requirement.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us, H.R. 2401, was reported by the Committee on Post Office and Civil Service on Wednesday, June 26, by voice vote.

Last year, the owners of the Colts football team surreptitiously spirited the team out of Baltimore in the middle of the night. Baltimore fans were aghast, not just at losing their team, but also at the low, sneaky, childish way that the owners did it.

This year, the administration seems to be using the same technique to close hundreds of field offices of Federal agencies throughout the country. Rather than standing up and justifying their plans, the administration seems intent on closing shop in the middle of the night and thereby depriving communities of important Federal services.

That's why I introduced H.R. 2401, the Field Office Closing Justification Act. Currently, the bill has 84 cosponsors. Many Members are frustrated over the administration's refusal to provide any information about their ambitious plans to close hundreds of regional and field offices.

In February of this year, the administration issued a booklet entitled "Management of the United States Government, Fiscal Year 1986," announcing for massive closings of regional and field offices but providing no details. Earlier that month, the Subcommittee on Civil Service sent letters to all Federal agencies with field structures asking for information on their plans for reorganization. Little information was provided, and what was provided was often confusing or contradictory to OMB statements. In the meantime, rumors run wild, agency morale sags, productivity sinks and congressional offices struggle to get some answers.

Agency field offices are the touchstones of our Federal Government system. They are our link with the public. Polls indicate that Americans feel good about those Government services with which they have direct contact, be it tax assistance, Social Security information, or soil conservation advice. Their hostility to Government comes from the billions and billions of dollars of spending which they do not see.

H.R. 2401 does not address the advisability of retaining a field structure of Government. It does not preclude the administration from streamlining the Government. It does not prevent office closings or consolidations. This bill simply requires each agency to advise Congress of its reorganization plans and to provide us with the justification and impact of such plans. It is a congressional notification bill, pure and simple.

Specifically, H.R. 2401 requires executive agencies to provide Congress with 120 days, notice prior to making any significant changes in their field office structure that will adversely affect Federal employees.

On June 4, 1985, the subcommittee held a hearing on this bill. Nineteen congressional representatives either presented testimony or submitted it for the record. Most Members were dismayed at their inability to track down rumors on major field closings and function transfers in their districts. The common theme was that, with congressional involvement stymied, the interests of citizens and employees are ignored.

Office of Management and Budget [OMB] Director David Stockman said he was unable to appear at the subcommittee hearing, but he did respond to the request of the committee for his views. In a letter dated June 14, 1985, Mr. Stockman states that his office is "strongly opposed to the enactment of H.R. 2401." Although he touches on the substantial difficulty of complying with the reporting requirement, the Director's real objection appears to be that it "intrudes upon the President's responsibility for executive branch management."

Mr. Stockman explains that "at any given time, there are hundreds of changes occurring in these offices that could trigger the reporting requirements of the bill." When questioned by my staff, OMB admitted that no analysis of any kind has been done to determine how many reports would be required under the bill or the cost of these reports. On the other hand, OMB conceded that, whenever there are field offices changes, agencies already compile information required by this bill.

Mr. Stockman also said that we in Congress are "ill-equipped" to handle the information if we were to receive it. I disagree. I think Members of Congress are quite capable of handling information about office closings in their own districts. And I think it is important that we do so.

I urge passage of this legislation.

The chairman of the Veterans' Affairs Committee has contacted me concerning the effect of H.R. 2401 on section 210(b) of title 38, requiring the Administrator of the Veterans' Administration to report, in advance, on administrative reorganizations. I see no conflict between the two provisions: H.R. 2401 does not change or repeal any existing reporting or notice requirement applicable to the Veterans' Administration or any other agency of Government.

Mr. Speaker, I reserve the balance of my time.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of H.R. 2401, the Field Office Closing Justification Act of 1985. H.R. 2401 requires any agency, except the General Accounting Office and the Department of Defense, report to the House and Senate 120 days in advance of any personnel actions incident to a change or termination of any function performed by a Federal field office. The bill specifies the particular information to be included in the report.

Persistent rumors have circulated in several areas of the country that the Federal offices in a town, city, or State will be shut down. Many of the plans to close Federal field office are based on OMB's management 1986 report which accompanied the fiscal year 1986 budget. OMB is trying the management side of its function to its budget responsibilities. The aim is threefold: increase productivity by contracting out services under Circular A-76, improve Governmentwide information technology and communications systems, and to improve delivery by changing the Federal field structure. OMB left it up to each agency to determine how it will achieve its management savings. Each agency submitted a management improvement plan in April, 1985. The improvements are to take place over the next several years.

H.R. 2401 provides only for notice of planned changes in the Federal field structure. I am concerned, however, that Congress will use appropriations riders or restrictive language in authorization bills to prevent agencies from exercising their management prerogative over Federal field structure. We must be very careful after the enactment of this legislation to see that the proper balance between management control over the efficiency of Federal Government operations and the delivery of services to taxpayers is maintained. It is not the intent of the sponsors of H.R. 2401 nor the intent of the House Post Office and Civil Service Committee that Congress use this legislation to stop agencies from reorganizing.

Thank you.

□ 1230

I would like to engage the gentlewoman from Colorado, the sponsor of this bill and chairman of the subcommittee, in a colloquy, if she will answer these questions.

The gentlewoman from Nebraska [Mrs. SMITH] has asked that we engage in the following colloquy:

Does this bill, affecting closing and consolidating of Federal field offices also cover facilities of the National Weather Service.

Mrs. SCHROEDER. If the gentleman will yield?

Mr. HORTON. I will be happy to yield.

Mrs. SCHROEDER. The bill clearly covers facilities at the National Weather Service.

Mr. HORTON. As I understand it, the only ones not covered are the General Accounting Office and the Department of Defense.

Mrs. SCHROEDER. The gentleman is absolutely correct.

Mr. HORTON. Does the bill provide for appeal and judicial review of whether the executive agencies have followed the procedures and requirements of this statute?

Mrs. SCHROEDER. If the gentleman will yield again.

Mr. HORTON. I will be glad to yield.

Mrs. SCHROEDER. The bill clearly says that an agency cannot carry out a personnel action, unless you gave 120 days' notice in advance. So an employee subject to personnel action, in other words, one who would be moved or fired because they were closing, could appeal the action based on the failure to give notice.

Mr. HORTON. What penalties does the bill provide for an agency's failure to carry out the procedures and requirements of this statute?

Mrs. SCHROEDER. The penalties for an agency's failure to comply with the reporting requirements; that is the 120 days, is that an employee could appeal and be reinstated. Frankly we expect all agencies to comply in good faith.

So it does give us some leverage.

Mr. HORTON. Aside from that, I would like to also point out that there is some objection, as I understand, by the administration, concerned that this might create some extremely detailed and onerous reporting requirements on Federal agencies, contradicting recent efforts by the Congress and the administration to eliminate unnecessary paperwork and reduce the number of reports to the Congress.

As the gentlewoman knows, I was the author of the legislation and chairman of the Paperwork Reduction Commission, and then also of the Paperwork Reduction Act of 1980, and I am very much concerned about any additional paperwork.

Does the gentlewoman feel that this would create any onerous or detailed reporting requirements which would contradict our efforts to cut back on unnecessary paperwork?

Mrs. SCHROEDER. I thank the gentleman for yielding further, and I want to say absolutely not. It is hard for me to keep a straight face when I hear these kind of things thrown up at us.

It clearly is a much more orderly way. We are not asking that they file a catalog or something the size of the Manhattan phone book. We are saying that "If you are going to move, you give 120 days' notice." That allows everyone to look at the facts and the details but it does not say you have to file 120 pounds of paper or pages of paper or anything like that.

Mr. HORTON. I would assume just a simple statement that, within 120 days, prior to 120 days, notice that they intend to close a field office would be sufficient notification, would it not?

Mrs. SCHROEDER. Well, if the gentleman will yield again, certainly.

Mr. HORTON. I will be glad to yield.

Mrs. SCHROEDER. What we are trying to do is bring order out of chaos.

Mr. HORTON. Mr. Speaker, I yield myself 2 additional minutes.

I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. What we are talking about is bringing order out of chaos and to make sure that we have justification and adequate notice so the community and individuals involved can look at it and see if there truly is the cost savings, so forth and so on. The bill sets out simple and explicit reporting requirements. We are just asking for the notice of 120 days, which I think you would find in the private sector was considered reasonable, proper, and that is certainly what they do.

Mr. HORTON. I understand also there is some concern that this may intrude upon the President's ability and responsibility for executive branch management, by delaying realignment or reorganization of Federal field offices that are needed to improve the Government's operational efficiency.

Would the gentlewoman comment on that, please?

Mrs. SCHROEDER. Absolutely not. First of all, we run fiscal year to fiscal year, and a fiscal year is not 120 days. I assume that there is planning that goes on in the future for each of these moves. So all it does is say, let everyone in on the planning.

What has really happened is, people assume, for example, that Members of Congress know about these things; and as I have pointed out, when we wrote all the agencies, they did not know about the plan; the regions did not know about the plans: OMB did not know about the plans; you know the plans have to be made in advance rather than just overnight.

We are talking about only a third of the fiscal year for notice, that certainly is within their budget and planning time frame. I think it is impossible to say that that will do anything to cut down on their efficiency. I think it is going to encourage them to be more efficient and have their act together.

Mr. HORTON. As one of the sponsors of this bill, I want to underscore that it is my intent, and I do not think the bill intends to in any way intrude upon the ability of the administration to reorganize or put into effect operational efficiencies by reorganization.

In other words, all this does is require notice, and it certainly does not affect one iota the ability of the Federal Government to reorganize to make itself more effective.

Mrs. SCHROEDER. The gentleman is absolutely correct.

Mr. HORTON. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I feel this is an important piece of legislation, to protect the rights particularly of the Federal employees involved in any proposed change of a Federal field office, and I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mrs. SCHROEDER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentlewoman from Colorado for yielding, and appreciate very much the opportunity to address this issue today, and to rise in support of this bill.

Mr. Speaker, this is an important bill, and one that does service not only to those citizens receiving Social Security benefits, but to the Federal employees who administer this program.

Recently, I was talking to my friend Lou Harris, who measures public opinion, and he advised that there is no job in America which is appreciated less than that of the Federal employee.

Federal employees as a group are not appreciated very much by the American people. Therefore, the jobs that they perform are easy prey for a President or a Cabinet member who wants an excuse for reducing the deficit or cutting down on Government expenses in order to close Federal offices. Generally people support that idea: Close all the offices; cut down on the cost of Government, and so forth and so on.

Of course, this is a disservice to the beneficiaries of these programs and it is a disservice to millions of people receiving Social Security benefits who are dependent upon that program for their income.

There are Government services that are absolutely essential to the functioning of this country. Orderly access of Social Security offices and Federal offices that administer other programs is vital. Certainly the orderly closing of those offices, if they are to be closed, is a part of that functioning.

I rise in support of this bill today; I compliment the gentlewoman from Colorado, I compliment the committee for its foresight. I am proud to be a cosponsor of this important legislation.

Mrs. SCHROEDER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I rise to speak in strong support for H.R. 2401, the Field Office Closing Justification Act, which our distinguished chairwoman, Mrs. SCHROEDER has so ably sponsored and on which the Subcommittee on Civil Service has held hearings. Approval of this bill is clearly needed and justified. When our subcommittee held hearings recently in Denver, for example, concerning the proposed removal of the Federal Executive Training School from Denver to Grand Junction, CO, the former Director of the Office of Personnel Management, Mr. Devine, could not provide credible data on cost savings accruing to OPM nor any justifiable reasons for removing this facility away from the regional center in Denver to Grand Junction.

This bill would provide for reasonable notice and information to Members of Congress when Federal agencies plan to reorganize and remove or curtail field office functions; these planned closures should be fully justified and information concerning these office changes should be conveyed not only to the employees affected, but to the public at large who depend on services provided by these offices.

In view of the overwhelming workload and delivery of programs through the States and local governments, it is critical to maintain onsite personnel and supportive services directly to all our constituents. Whether we are dealing with major Federal Block Grant Programs to all our States and jurisdictions or with the thousands of Social Security offices and contact stations which provide direct vital services to American citizens, it is essential to maintain these field offices on a continued basis. This bill will assure continuity of information to all Members of Congress as well as to the general public when field office changes are planned, and I trust that you will join me in supporting H.R. 2401.

□ 1240

Mrs. SCHROEDER. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WHEAT].

Mr. WHEAT. Mr. Speaker, I am pleased to join my colleagues today in this important debate. First I would like to commend the gentlewoman from Colorado on her leadership in expediting this important measure. The Field Office Closing Justification Act (H.R. 2401), will require executive agencies to provide Congress with at least 120 days notice prior to making any significant changes in their field office structure that will adversely affect Federal employees. I am proud to be the original cosponsor of this bill.

H.R. 2401 simply states that Federal agencies share their plans for movement of regional and field offices with the Congress so any adverse impact on our constitutents can be studied and hopefully eliminated.

The information must identify the office, functions, and employees affected and detail the justification, costs and impact of the planned reorganization. An analysis of the consequences of the changes on the immediate community must also be included.

The need for this measure has been clearly demonstrated in my own district. In just the past 4 months, I have been asked by hundreds of constituents about possible closings of many Federal agencies in Kansas City.

Unfortunately, my response to these constituents has been a stark "I don't know."

It is deeply frustrating when a constituent calls out for help with his employer and as a part of that employer, I have no way to help, nor even any official knowledge of his or her problems.

Early this year, as President Reagan once again began his efforts to complete what he calls the "streamlining" of Federal agencies, the rumor mill started working overtime.

Since that time, my staff and I have been inundated with rumors of RIF's, closings, downgradings, and a variety of other administration attempts to dismantle the current service structure of our Federal Government.

Two recent examples come readily to mind. We were informed by the USDA that the Federal Grain Inspection Center would leave the Midwest, where more grain is grown than any other single region in the world, and move its offices to Washington, DC. And only 2 months ago hundreds of families at the Department of Labor offices in Kansas City were told to pack their bags to either be uprooted or unemployed.

Fortunately, due to congressional intervention both cases have been resolved in a substantially satisfactory manner, but if H.R. 2401 had been law, my constituents would not have been subjected to the fear, frustration and concern about their jobs and the potential loss of Federal services.

Unfortunately, there are still rumors in Kansas City, and I would like to share some of them with you.

The Department of Education will shut its doors, moving its entire sphere of operations back to Washington.

The Social Security Administration will replace its regional and field offices with computers, requiring 35 million senior citizens to learn to interface.

HUD will close its Kansas City offices, eliminating hundreds of workers who have a firsthand knowledge of the problems faced by low-income citizens in the Midwest.

I'm sure, that is, I hope, that many of these rumors are untrue. I have been assured, time and time again, that the regional center structure would remain in its present form, by officials such as David Stockman of the Office of Management and Budget who said, "the issue of across-the-board, governmentwide removal of the Federal presence has not been raised."

Martha Hesse, of the Department of Energy, reassured me that "there are no specific proposals to change the regional structure." The General Services Admininstrator, Mr. Ray Kline stated, "No such plans—downgrading offices—were recommended by our panel." William Ruckelshaus, of the Environmental Protection Agency assured me that their office "had made no recommendations to influence the regional structure."

And yet, talk of closing the RIF's continues. The taxpaying citizens of this Nation will be well served if Federal employees can concentrate on their task of serving our people and not spend those energies tracking down rumors, or worse, looking for more secure employment.

While I understand the need for administrative flexibility, and above all want to see Government services provided in the most effective manner possible, it is our responsibility as legislators to ensure that we are made aware of administration policy to close, downgrade, or otherwise change the programs Congress authorizes. Without such knowledge we cannot effectively provide our citizens the services their tax dollars pay for.

H.R. 2401 will provide the knowledge we need to best assist both our constituents and the Nation at large. Support for this measure will ensure that we in Congress can continue to be responsive to the needs of our constituents.

Mr. HORTON. Mr. Speaker, I have no further requests for time.

Mrs. SCHROEDER. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. WHEAT] who has been so helpful in bringing this legislation to the floor. I really appreciate all of his effort.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. GONZALEZ], who was very active in bringing this to the floor and who was supposed to be a cosponsor but somehow his name got left off. So I thank the gentleman from Texas for being here, and I thank him for his hard work.

Mr. GONZALEZ. Mr. Speaker, I, in turn, thank the gentlewoman from Colorado for her magnificent work in this respect. I certainly rise to join her and the other members of the committee. I compliment the ranking minority member, a former fellow Texan. I

do not know if he wants me to disclose that fact.

I think it is very much needed legislation. I think, in a way, it is kind of a pathetic thing that the Congress should seek to pass a bill, finding it necessary to have a bill, to require information in advance of a very severe action in the case of some agency, administrative agency.

As chairman of the Housing Subcommittee, I find myself more closely and intimately related with the doings of HUD, and I want to tell the gentlewoman that HUD is a good example of the need for this bill because HUD never seems to know the decisions until they are made by OMB, and OMB tells us that they do not have to tell us anything.

So I again compliment the chairwoman and the subcommittee and its members for this magnificent piece of legislation.

Mrs. SCHROEDER. I thank the gentleman, and I want to thank the many Members for helping. One of the Members who has helped and who has put an awful lot of effort into this is the gentleman from Massachusetts [Mr. FRANK].

I have no further requests for time, Mr. Speaker, and I yield back the balance of my time.

Mr. HORTON. Mr. Speaker, I yield back the balance of my time.

● Mr. MONTGOMERY. Mr. Speaker, I want to compliment the gentlelady from Colorado [Mrs. SCHROEDER] and the distinguished gentleman from New York [Mr. HORTON] and all members of the Post Office and Civil Service Committee for bringing this bill to the floor.

I believe Congress must receive essential data and information from the executive branch so that we can make rational decisions relating to major consolidation and closing of regional offices and other service centers located throughout the country.

In 1981 the administration proposed to consolidate the 58 VA regional offices into three centralized locations. Such consolidation would have made it extremely difficult for veterans to receive benefits and services currently available to them through at least one regional office in each State. Our committee recommended legislation (which later became Public Law 97-66) requiring the Administrator to submit a detailed plan and justification for such action under certain circumstances. The legislation gives our committee time to review such plan before it can be implemented.

Mr. Speaker, the gentlelady from Colorado has assured me that the enactment of this bill will not be in conflict with the provision of law we enacted in 1981 (section 601 of Public Law 97-66). As I understand the bill, H.R. 2401 would simply require all agencies covered by the bill to provide Congress with 120 days notice prior to making any significant change in their field office structure that will adversely affect Federal employees. With that assurance I am in support of the bill.

I don't think Congress should interfere with executive branch reorganizations as a general rule where such reorganization can be justified; however, the Congress has a right to review any plan to consolidate functions of offfices, the closing of offices or service centers and other related activities where service to our citizens and employment of personnel are concerned. In conducting such reviews, Congress must have appropriate information from the agency involved.

We have witnessed too many occasions where in the name of reducing Federal employment unwise and costly decisions are made without proper planning and justification.

Again, I commend the distinguished gentlelady from Colorado [Mrs. SCHROEDER] and other members of the committee for bringing this bill before the House.●

● Mr. ST GERMAIN. Mr. Speaker, as a cosponsor of H.R. 2401, I highly favor the effort to require the administration to provide Congress with timely notice and justification regarding Federal field office closings.

Out of all 50 States in the Nation, Rhode Island has the third highest concentration of elderly people. Within the northeast region of the State and lying in the heart of my congressional district is a city called Woonsocket.

Woonsocket is a wonderful city. It is best characterized by its extremely high population of senior citizens.

Recently there have been rumors of a White House proposal to close Woonsocket's Social Security Administration field office. I use the term "rumors" because of the lack of hardcore information currently coming from the administration on this matter.

Lack of genuine facts and solid information in any field leads to dangerous problems. A respected doctor does not operate before questioning the patient on possible allergies and explaining the justification of surgery. A football quarterback who is not prepared with scouting reports on the opposing team's defense is destined to be rudely greeted by the turf come Sunday afternoon.

H.R. 2401 would guarantee a communications line between the administration and Congress that would adequately fill the present information void regarding office closings. The bill's timely notice and justification provisions are crucial to the futures of those depending on continued service from Woonsocket's Social Security office.

I believe that such criteria would be a deterrent in the closing of offices such as the one in Woonsocket. Consolidation does not necessarily mean saving money. If the administration is forced to provide a detailed justification for the closing, I am confident the Social Security office will remain in this Rhode Island city for a long time. The reasoning is simple—there is no justification to detail.

As a resident of Woonsocket, which is also the home of my parents, I cannot overstress the importance of keeping informed by the administration regarding its plans for office closings. An atmosphere heavy with uncertainty and light with facts is an unhealthy atmosphere to live in. I therefore urge my fellow colleagues to join in support of H.R. 2401. Its passage could mean a better future for many of our constituents.●

● Mrs. BURTON of California. Mr. Speaker, I rise in support of this much-needed legislation. I have cosponsored the bill and commend Representative SCHROEDER for taking this action to solve a problem that many Members have become all too familiar with over the past 4 years.

The city I represent, San Francisco, is one of the nine Federal regional capitals. Approximately 65,000 Federal employees work in Federal field offices located in and around San Francisco—many of them are my constituents. A large Federal office building, the Phillip Burton Federal Building and U.S. courthouse, houses the offices of many of these Federal workers. The Federal presence in San Francisco is important to a city and region 3,000 miles from the Nation's Capital.

We have had a rising number of complaints from Federal workers about the cavalier treatment of regional office employees and the crucial functions they perform for the Nation. From the outset, this administration has not only closed down important facilities and terminated talented and dedicated Federal employees, but has severely undermined employees' morale and their ability to function properly by a constant spate of rumors about office closures, RIF's, employee relocations, and various other disruptions to the lives of the thousands of individuals in Government service.

I recently had several Federal employees, members of the National Treasury Employees Union, visit my Washington office and tell their concerns about the future of Federal regional operations. One mentioned the deterioration of the ability of the U.S. Customs Service to interdict drug traffic and to efficiently and completely police the vast quantity of imports that arrive in San Francisco and other ports in the area. An IRS employee stated that a reduction in staff would not only slow response to taxpayers but, by necessitating heavier workloads and use of less-qualified person-

nel, would inevitably reduce the quality of the work and increase the number of errors in tax returns.

The recent plan to shut down many of the Social Security offices is yet another attack by this administration on the well-being of the Nation's elderly and handicapped. In San Francisco, we have approximately 120,000 Social Security recipients, about 76,000 of them retired persons and many others who are handicapped. These people must have accessible offices near to their homes.

In response to a letter I sent to the Social Security Administration to protest proposed closings, the Acting Commissioner stated that "of course, congressional representatives and community leaders will be consulted before any change is implemented." It has not been my experience that such consultation is a matter of course in this administration. Indeed, notification generally is done after the decision has been made and only the threat of appropriations cutoff reverses or delays such decisions.

I do not contend that all regional offices are absolutely necessary to the survival of the Nation or even to the efficient performance of the Federal Government's work. But I do believe that the secretive, arbitrary manner of this administration's efforts to streamline the Federal field office structure has severely undermined the work of the many excellent Federal employees outside Washington, DC.

I urge my colleagues to vote in favor of this legislation.●

● Mr. ACKERMAN. Mr. Speaker, I rise in support of H.R. 2401, the Field Office Closing Justification Act. As an original sponsor of this important legislation, I strongly believe that H.R. 2401 is essential to help ensure that vital services continue to be delivered to the citizens of this Nation.

Currently, there are approximately 22,000 Federal field and regional offices throughout the United States, providing governmental services that often cannot be met from the District of Columbia. Field offices function as an important link between our Nation's diverse communities and neighborhoods and the policymakers in Washington.

As part of the Reagan administration's attempts to slash Federal assistance programs, agencies have been forced by the Office of Management and Budget to arbitrarily slam some of their doors in the faces of those citizens who need their help the most—the aged, the impoverished, and the infirmed. White House officials would eliminate Social Security Administration offices in neighborhoods with a high concentration of senior citizens, and close Food Stamp offices in high poverty areas. This type of budget-slashing is heartless, cruel, and without justification.

H.R. 2401 does not restrain the administration from making ill-advised decisions to terminate Federal services in our neighborhoods. But it would require Federal agencies to notify us, the elected Representatives, when a decision is made to deprive our constituents of much-needed Federal assistance. One hundred and twenty days' notice is all that this bill asks.

Mr. Speaker, the Director of the Office of Management and Budget claims that H.R. 2401 would "intrude upon the President's authority for executive branch management * * *." I doubt very much that mere notification to Congress in any way impedes an ill-advised Presidential directive. The Congress is asking only to be notified of the directive, no matter how heartless, how cruel or how unjustified.

Mr. Speaker, I ask my colleagues to vote in support of H.R. 2401.●

● Mr. MOAKLEY. Mr. Speaker, I rise in support of the motion offered by the gentlelady from Colorado [Mrs. SCHROEDER] to suspend the rules and pass the bill (H.R. 2401) to amend title 5, United States Code, to establish certain reporting requirements applicable in the case of any agency proposing to carry out removals, reductions in grade or pay, or other adverse personnel actions incident to closing, or changing the functions of, any of its field offices.

The distinguished chair of the subcommittee and author of the Field Office Closing Justification Act has acted intelligently and responsibly to develop a method by which the Congress may assert its right to a party to fundamental decisions about the organization of Government.

When rumors began to circulate about the possible closing of regional offices in Boston, I was startled by the lack of responsiveness of officials in providing me with the information I needed to fulfill my representational responsibilities. My heart went out to my constituents whose entire lives and careers were thrown into doubt. My heart went out to their supervisors, who were under Office of Management and Budget injunction to plan reorganizations they knew made no sense, and to discuss these proposed reorganizations with no one.

The Department of Labor, which had become a rudderless ship under the embattled leadership of Secretary Donovan, was selected by the Office of Management and Budget to serve as the vanguard of this regional reorganization. Promptly after his confirmation, Secretary Brock took the responsible step of tabling this proposal.

Mr. Speaker, the method by which this proposal moved so far along, in secrecy, underscores a serious challenge to Congress. Under the present administration, the least accountable of all government agencies—the Office of Management and Budget—has begun to abandon its function of review and coordination to usurp policy perogatives vested by law in the accountable agencies. This trend has raised profound constitutional issues that this House has not properly addressed.

The gentlelady from Colorado should be commended for her leadership in bringing this response before the House. Mr. Speaker, I urge adoption of the motion to suspend the rules and pass the bill.●

● Mr. BIAGGI. Mr. Speaker, as a cosponsor of this bill, I rise to urge the passage today of H.R. 2401, the Field Office Closing Justification Act of 1985. I contend that passage of this legislation is essential if we are to put an end to the apprehensions caused by repeated threats by this administration to close and/or downgrade the activities of Federal regional and local offices.

I represent a portion of New York City which is 1 of the 10 Federal regional offices. For the past several years, rumors have circulated that the administration would propose a consolidation from the existing 10 regional offices to either 7 or 5. While it was never made clear which of the regional offices would be abolished there were several indications that some of the New York operations would be transferred to Philadelphia. Thus far this has not come to pass.

This year there again have been a number of rumored closings and/or consolidation of local Federal offices. The most disturbing of these have been those affecting local Social Security offices. According to a plan submitted by the Office of Management and Budget, more than 700 local Social Security offices across the Nation were targeted for either downgrading or outright closing. This included 10 in the city of New York alone. The list follows:

Bronx: Hunts Point, 953 Southern Boulevard.

Queens: Astoria, 21-77 31st Street; Long Island City, 24-16 Bridge Plaza South.

Brooklyn: Bedford Stuyvesant, 1360 Fulton Street; Bushwick, 790 Broadway; Kings Plaza, 4113 Avenue U.

Manhattan: Chinatown, 231 Grand Street; Lenox Hill, 133 E. 58th Street; Murray Hill, 475 Third Avenue.

Staten Island: New Dorp, 2626 Hylan Boulevard.

Any effort to close, downgrade, or consolidate the activities of regional and local Federal offices claims several sets of potential victims. The first, of course, are the Federal employees who work at these offices. In New York City alone it is estimated that more than 5,000 employees work at the regional offices of the Department of Health and Human Services at 26 Federal Plaza. No one would contend that

there should be ongoing efforts to promote greater productivity and efficiency in Federal employment, but there is a world of difference between this and sending employees onto unemployment rolls. The second set of victims are those citizens who utilize the services provided at regional and local Federal Government offices. Consider, for example, the case of Social Security. In recent years the Social Security Program has become a great deal more complicated. A number of new requirements have been added to the program which touch directly on millions of elderly Americans. The local Social Security offices and their trained personnel provide the frontline to these individuals. To suggest that an office be closed or consolidated can provoke great apprehension and despair among elderly persons. Even a downgrading of an office means that one service previously provided would be eliminated and the elderly person would then be forced to travel a greater distance to receive this service.

At an earlier time in my congressional career, my district office was located in Astoria, NY, and was in the same building as a local Social Security office. I can assure you that there was always activity in this office and a steady stream of people came through its doors every day.

The final "victim," if you will, of field office consolidation or elimination is the fundamental principle of our great Nation that Government is to work for the people. The services provided most directly to the people are those provided at the local level. There is enough cynicism and mistrust of the Government by citizens without exacerbating the situation by removing Government further and further away from people. I contend that if you require an elderly or disabled person to travel several miles to get services that were once available in their neighborhood, you are doing that person a disservice.

H.R. 2401 takes a very responsible approach to responding to field office reorganization plans. Let me first emphasize that the bill does not prevent needed reorganizations, nor would it create any unnecessary delays in implementing such plans.

Instead, H.R. 2401 would simply require that certain basic information be provided to Congress prior to making any substantive changes in the field office structure of Government agencies. Specifically, this act requires executive agencies to provide Congress with at least 120 days notice prior to making any significant changes in their field office structure that would adversely affect Federal employees. The measure covers the field offices of all executive agencies except the Defense Department and the General Accounting Office.

Under H.R. 2401, the agencies would be required to specify the type of personnel changes that would result from the reorganization; to compare the functions performed by a field office before and after the proposed reorganization; and to assess the economic impact and other consequences of the reorganization on the community in which the office is located.

Mr. Speaker, this bill has one simple objective—to ensure that field office reorganizations are done purposely, and with full consideration of all parties affected. Recognizing that there are about 22,000 Federal regional and field offices nationwide, this is a measure that clearly deserves our full support.●

● Mr. DICKS. Mr. Speaker, I am pleased to support this important legislation, the Field Office Closing Justification Act, which provides Congress with the oversight capability is legitimately should have regarding major reductions in Federal agency field offices around the country.

In the last few years, and particularly after the report of the Grace Commission, the Reagan administration has sought drastic reductions in Federal field offices. There has, unfortunately, not been enough attention paid to the significant reductions in services which would ensue. There has been far-too-little debated within the Office of Management and Budget about the purposes for which these offices exist—merely much debate about the money saved by consolidating and reducing field offices.

When the 10 "Standard Federal Regions" were created in 1969 by President Nixon's administration, the President clearly outlined the objective:

> That work (of government) is not finished when a law is passed, nor is it accomplished when an agency in Washington is assigned to administer new legislation. These are only preliminary steps; in the end the real work is done by the men (sic) who implement the law in the field. The performance of the men in the field is directly linked to the administrative structures and processes within which they work. It is here that the Government's effectiveness too often in undermined . . . . Each agency, for example, has its own set of regional offices and regional boundaries; if a director of one operation is to meet his counterpart in another branch of the Government, he must often make an airplane trip to see him. . . . Coordination cannot flourish under conditions like that . . . . That is why I said in the campaign last fall (1968) that "the need is not to dismantle Government but to modernize it."

With these statements, President Nixon announced his plan for creating the standard Federal regions, representing a decentralization of the Federal Government's authority, an improvement of services, and a more rational structure for the field offices of major Federal departments such as Labor, Health, Education and Welfare (now HHS), Housing and Urban Development, the SBA and others. It is a concept that made sense then, as it does now. And while I am not used to quoting President Nixon on the floor of the House of Representatives, I believe his analysis of why we needed regional authority in Federal agencies was a reasoned and accurate one. It has been said that President Reagan consults former President Nixon almost on a weekly basis, and that he takes much of his advice. I only wish he'd listen to Nixon's remarks about not "dismantling" but "modernizing" Government at this time.

At the outset of the Reagan administration we witnessed an attempt to carry out the conservatives' ideological agenda by reducing the Government workforce. The ideologues, however, targeted the field offices for reductions, largely because they were easier targets, and because Governor Reagan in California had not been particularly fond of regional Federal officials. The resulting recentralization of Government would have represented a conflict with another Reagan administration goal of deemphasizing the authority of Washington, DC, and putting more authority in the hands of people near the problems. When President Reagan campaigned against Washington and called for the decentralization of the Government, it would have been difficult to imagine that he would favor the decentralization of Federal agency authority. But that's what David Stockman and others have proposed, under the guise of saving money and reducing the deficit.

There is no doubt that adequately staffed Federal field offices cost money. But I am not convinced that reducing Federal field offices would save money—when you factor in the relocation, severance, and transportation costs.

Leaving those concerns aside for a moment, though, I am particularly disturbed about the inconvenience and inequity that would result from moving regional offices of HHS, HUD, the Labor Department, SBA and others from Seattle to San Francisco, for example. Large portions of our population would no longer have the ability to meet face to face with authoritative representatives of the Federal Government, or they would be forced to travel at great expense to Washington, DC, for assistance they previously received close to home.

Obviously this is a decision that Congress must review. Until now, David Stockman and others in the administration have viewed this as simply a budgetary decision. But it is more than that. It has a profound social implications and raises further questions of the inequitable distribution of taxpayer-paid Government services to various areas of the Nation. I am not prepared to tell my constitu-

ents who have a problem with the SBA, for example, that they must travel to San Francisco at their expense to find a solution. And when one of the local universities in my district needs help in completing Federal Department of Education forms, I would regret the day that I have to advise them to fly 800 miles for the same assistance they used to get by driving 20 minutes.

So at the very least, the Members of the House of Representatives should be informed about major reductions in personnel and services in field offices. Members should be allowed to engage in discussions with these agencies to determine the nature and scope of the actions; and, should be allowed to represent the views of their constituents who would be affected by such reorganizations. I am confident that many of the proposed reorganization plans which are now rumored to be in existence would not pass the test of scrutiny in the Congress. My opinion is that many of these plans would not be shown to be cost effective, and most would cause severe reductions in necessary services—in addition to significant hardship for Federal employees in regional offices. Even if that were not shown to be the case, the Congress should have the opportunity to review and comment upon the proposals.

So I strongly support H.R. 2401, and am pleased to be an original cosponsor of this legislation. It is critical for clarifying Congress' right and its need to know about significant changes in field office structure.●

● Mr. BONER of Tennessee. Mr. Speaker, I am proud to join my House colleagues in supporting the Field Office Closing Justification Act. This act will provide Congress with the information necessary to exercise its oversight role over the administration's plan to close and consolidate Federal agency field offices.

The bill requires executive agencies to notify Congress 120 days before making changes in the organization of their field offices. To fulfill the reporting requirement contained in the bill, an agency must identify the field office involved, the nature of, and the reasons for, the proposed reoganization. The agency must also provide an analysis of the impact of the reorganization on the employees, the functions they perform, and the effect of the reorganization both on the community the office serves and the community in which it is located.

The requirements the bill imposes on Federal agencies are the minimum necessary to substantiate agency closing and consolidation decisions. Just last week, while I was in my congressional district, I received a letter from the Social Security Administration announcing plans to close a field office. The only information provided to substantiate the closure was a cost savings of $66,000 annually. What was not provided was any assessment of the impact the closure would have on the quality of services provided to the nearly 12,000 individuals whose cases are handled from this office.

Like many of my colleagues, I believe cost savings are an important consideration in any field reorganization or closure decision. But, I do not believe cost savings should be the only consideration in such a decision. Certainly no one disputes the desirability or potential feasibility of providing high quality public services in a more efficient and possibly less costly manner. But merely asserting the possibility of greater efficiency is not a sufficient basis for making long-term projections about the size, dispersion and staffing of agency field offices. What is necessary are the kinds of analyses that this bill would require of an agency, particularly when an agency, like Social Security, touches so many people and has such a profound effect on their lives.

I have also had similar closing decisions announced for the Department of Housing and Urban Development's field office in Nashville. When I explored the announcement I discovered that the Department had not completed a full assessment of the effect of its decision. Yet, rumors of the pending closure of the office continue. If there is a rationale for closing this major field office, it has not been provided nor has any national or regional plan been described for this decision or the many other closure decisions being considered by the Department. The Field Office Closing Justification Act, however, will require the departments and agencies to complete the kind of analyses that, to date, have not been completed in the two examples I have cited.

I commend the members of the Post Office and Civil Service Committee for bringing this important bill to the floor. Requiring a full evaluation of how field office closures will affect the quality of services provided to our citizens is the minimum we can expect of the executive branch. Arbitrary or unwarranted field office closings can only underscore the poor image many individuals have of the kinds and quality of services provided by the Federal Government to its citizens.●

● Ms. SNOWE. Mr. Speaker, I would like to commend my colleagues on the Committee on Post Office and Civil Service for bringing H.R. 2401, the Field Office Closing Justification Act to the floor.

I believe that H.R. 2401 provides a responsible framework for ensuring that any closing or consolidation of a Federal regional or field office is justified. The bill requires that Congress be advised of an agency's reorganization plan at least 120 days before the proposed change in the office's status. This reorganization plan would include an analysis of the impact of the reorganization on the employees of the agency, the community it serves, and the functions the office performs.

As the representative of a largely rural district in Maine, I recognize the importance of Federal agencies' field offices to the people and communities they serve. Whether for the senior citizen needing help understanding the complex regulations guiding the administration of Social Security benefits, or the farmer requiring assistance from the Department of Agriculture Soil Conservation Service, or the first-time homebuyer gaining access to a mortgage insured by the Department of Housing and Urban Development, a field office acts as an essential bridge between a distant and complex bureaucracy and the people the bureaucracy is intended to serve.

While the Federal Government must be free to operate its offices in the most effective and efficient manner possible, Members of Congress and the people they represent are entitled to be informed of planned changes. Utmost care must be given to ensure that services are not jeopardized. While the reporting requirements of the bill are thorough, they constitute no more than the sorts of issues an agency should responsibly examine before moving ahead with the closing or consolidation of field offices.●

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 2401.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 2401, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

SCHOOLS OF TERRORISM IN THE UNITED STATES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute to revise and extend her remarks and to include extraneous material.)

Mrs. SCHROEDER. Mr. Speaker, President Reagan today is addressing the bar association on his plans to

combat terrorism. We all salute him and we plan to do everything we can to aid in this, because we never want to go through what the country went through in the last 3 weeks.

There is one important thing I hope he did not omit in his list of things to do. I hope the President of the United States acts immediately to have the FBI close schools for terrorists that are operating in this country.

The New York Times on June 27 talked about one of these schools in Alabama. It carried an extensive article crediting the school, if you would give credit, for having trained one of the two terrorists involved in the Air India incident and two of the suspects the FBI is looking for that were trying to assassinate, supposedly, Prime Minister Gandhi when he was visiting the United States.

This school is run in Alabama. It charges $350 for 2 weeks in explosives, ordnance, detonation, and demolition.

It is very clear that these students who attended there, they said, were good students. They did what they were told.

My question is why are we allowing this to go on?

So I certainly hope the President looks at that.

Mr. Speaker, I include the article from the New York Times in the RECORD at this point and I hope that that becomes one of our major agendas. We should not be training the terrorists that the rest of the world is trying to put under control.

SIKH SUSPECT TOOK EXPLOSIVES COURSE—MERCENARY SCHOOL IN ALABAMA REPORTS HIS ATTENDANCE

BIRMINGHAM, ALA. June 26.—One of two Sikhs being sought for questioning in the crash of the Air-India jumbo jet off Ireland and an airline baggage explosion in Japan took a course in explosives at a private school for mercenaries near here, according to the school's director.

The Sikh, Lal Singh, is suspected by the authorities to be the L. Singh whose name was on the passenger manifest of a CP Air flight from Vancouver to Tokyo but who did not board the plane. Baggage from the flight exploded after being unloaded, killing two people.

The second suspect, Ammand Singh, flew to Toronto before the ill-fated Bombay-bound Air-India jumbo jet left that city, according to the reports from Canada. The plane crashed into the sea, possibly because of a bomb, and all 329 aboard were killed.

Earlier, the Federal Bureau of Investigation was said to have begun a search for the two men for questioning in connection with a purported plot to assassinate Prime Minister Rajiv Gandhi of India while he was in the United States this month. Three other Sikhs who were said to have attended the mercenary school with Lal Singh in November were taken into custody for questioning by the F.B.I. in connection with the purported plot.

NEVER SEEMED BLOODTHIRSTY

"Lal Singh never seemed like a bloodthirsty person," said the school's director, Joseph Franklin Camper, Jr., a 38-year-old veteran of the Vietnam War. "He was just a good student that did what we told him to do."

He said Lal Singh had taken part in the school's explosive ordnance demolitions training, which teaches the handling of mines and grenades.

But, Mr. Camper said, "we have never taught anyone how to build a time bomb."

"We have mercenaries in Africa, the Middle East, all over the world," he said at the school. "What they do after they leave here is a different story."

Mr. Camper operates the school with his wife, Marvis Louise Camper, 38, but handles all the instruction himself.

They lease 77 acres in Dolomite, a Birmingham suburb, "in a rugged setting just like you'd find in warlike conditions," Mrs. Camper said.

"The one thing Frank hates is terrorism, and to think that someone who went through the school would be responsible for that is naturally very upsetting to the both of us," she said.

TWO-WEEK COURSE COSTS $350

The Camper's two-week course costs $350. Since they began training people in military tactics four years ago, they have had 22 classes.

Mrs. Camper said that of an average class of 15 students "only four or five will graduate."

"We've had doctors, lawyers, plumbers, painters, policemen, investigators and even reporters," she said.

While she considers most students "just average people," she said "about one in every 500 is a funny bunny."

Mr. Camper and a dozen fatigue-clad students were arrested in 1981 when they were found trespassing near the Crystal River Nuclear Plant in Citrus County, Fla. They were carrying Soviet, Israeli and Japanese-made automatic weapons at the time.

Of the people who come to the school, Mrs. Camper said, "We don't know what their intentions are if they don't tell us."

"The Sikhs that were here seemed like average people except for the fact they wore three-piece suits with turbans and tennis shoes," she said. "They didn't holler and scream and chant and weren't uptight, abrupt and edgy, like you see on television of these terrorists that took the American hostages in Beirut."

WE DON'T LIKE COMMUNISM

Mrs. Camper said she and her husband started the courses "because we don't like Communism."

"Americans are very naive when it comes to what's going on," she said. "Most have no idea Communists are moving into Mexico, and a lot don't realize what's north of Mexico."

Students sign up for the course "for many different reasons," she said. For those who last the two weeks it is a "toughening up" experience and a course in the basics of surviving and killing in jungle-like conditions.

Since Mr. Camper has Federal approval to own automatic weapons, "we fire a few rounds for the students," his wife said.

For Mr. Camper the basics include the way to kill a person with a knife. "Many people don't know that," he said.

CONGRESS IS TOO INVOLVED IN MAKING FOREIGN POLICY

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RUDD. Mr. Speaker, a 30-year veteran of the U.S. Congress, House Minority Leader John J. Rhodes, now retired, has always been known as a thoughtful and experienced statesman.

In times of true test, John Rhodes was always at his best. His cool composure, his straight-forwardness, and his skilled hand at the art of compromise would always surface and begin to take charge as if innate. Always a gentleman, ever gracious, he never mitigated his stance defending individual liberty, and constitutional Government. Above all, he has earned deep respect from both sides of the aisle for his fairness and common sense.

Mr. Speaker, I include our former colleague John Rhodes' article, "Congress Is Too Involved in Making Foreign Policy," carried in the June 24, 1985, edition of the Arizona Daily Star, be included in the RECORD for the perusal of my colleagues. The wisdom exhibited is apparent:

CONGRESS IS TOO INVOLVED IN MAKING FOREIGN POLICY

(By John J. Rhodes)

WASHINGTON.—Something very basic to America either has died or hopefully just lies dormant. It is best exemplified by Arthur Vandenburg proclaiming. "Politics ends at the water's edge." or by John McCormack's often-heard pronouncement of support for presidential foreign policy without regard to the party affiliation of the incumbent president.

It was Charlie Halleck saying of John F. Kennedy's foreign aid request. "He's the only president I have, and I'll support his foreign policy needs." It was a Republican Congress enacting legislation to implement the Marshall Plan, at Harry S Truman's request. It was Sam Rayburn and Lyndon B. Johnson in loyal support of Dwight D. Eisenhower's foreign policy. And, it was many Republicans (including this one) who refused to aid in pulling the rug from under Johnson's foreign policy, though we felt betrayed by the Gulf of Tonkin resolution.

In recent years, Congress has not only become involved in making foreign policy, but has also tried to oversee its implementation. The wisdom of the polices of Congress under Rayburn, McCormack, Halleck, et al., is best illustrated by the failures of these doings of later years. I will only name a few. Congressional involvement in the last months of Vietnam ended any possibility that our allies could survive our departure. Those involved in that debacle cannot be proud of the present bloody mess that is now Southeast Asia.

Congress literally took over American policy-making with regard to Cyprus. The result? Turks are still in Cyprus. We lost the use of many or our facilities in Turkey. And, the Greek government finds it necessary to castigate Americans regularly in order to survive politically.

The facts are that the congressional track record in foreign policy is dismal. It certainly bears out the adage. "You can't have 535 secretaries of state." Inherent in this truism is the fact that congressional meddling in foreign policy is almost always tinged with,

if not dictated by, a burning desire for domestic political advantage. When this element enters, wisdom usually flies out the window.

Only recently, Congress has taken two foreign policy actions that will weaken the ability of this administration to conduct global foreign policy. One is the earlier denial of aid to the Nicaraguan contras. The other is the unofficial but damaging communication by members of Congress to President Reagan with reference to his trip to Germany.

In a parliamentary system, the Nicaraguan action would have caused the fall of the government. Under our system, the present administration must continue to conduct foreign policy after a defeat that the rest of the world will construe as a vote of no confidence. In that world in which lurks "hate America" groups, terrorists, skeptics and fair-weather friends, our president, whomsoever he may be, needs all of the support he can get.

I have my own opinions as to the Nicaraguan situation. I shall not express them here. Suffice it to say, I am convinced that a reasonable compromise could have been had. Our country would have been well-served by statesmanship based upon the actions and beliefs of congressional guards of the past.

Many members of Congress have seen fit to advise the president with regard to his conduct during his trip to Germany. Again, I have my own opinions as to the merits of the matter. I am deeply sorry that the president found himself in such a no-win position. However, it is not for Congress or individual congressmen to be the arbiters of presidential conduct in such matters. The nuances and policy implications cannot be known by anyone better informed of the "big picture" than is the president.

I am just as horrified by the Holocaust as anyone can be. I will do everything in my power to prevent the recurrence of such genocide anywhere, to any race of people. However, I respectfully submit that the reason the Holocaust must never be forgotten is that its existence as a historical fact is central to the effort we all must make to be sure it never happens again. Its use for any other purpose, especially as a reason to perpetuate spirits of revenge and hatred, can only impair its memory's larger meaning and more sublime purpose.

I think that in this situation, each of the former leaders of the Congress whose wisdom I have invoked would have called the president, expressed his favorable or unfavorable opinion and would then have refrained from making other public utterances. They would have known that mistakes can be deplored without the appearance of the kind of divisiveness that causes the world to doubt the unity of our people and government in the conduct of foreign policy.

I am certainly not suggesting that the Congress should never question presidential policy. I am suggesting that in each instance, the Congress and its members should be aware of the effect its actions have on the effective conduct of foreign policy. I should ask "Is the course we take important enough—is the triumph of our opinion vital enough—to compensate for the probable impairment of our country's ability to conduct foreign policy." Only if the answer is in the affirmative, should the proposed action be taken, or its pronouncement made.

The militancy I saw developing in my last years in Congress seems to continue unabated. There always will be disagreements, but I pray for Congress to return to the gentle art of disagreeing without being perpetually disagreeable. Our country will be better served thereby, and those giants of the past will join in thunderous applauses for our stewardship of this country they loved so well.

KANSAS ARTISTIC AMBASSADOR SERVES FOREIGN POLICY WELL

The SPEAKER pro tempore [Mr. VENTO]. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

● Mr. GLICKMAN. Mr. Speaker, I rise today to recognize the outstanding achievement of pianist and teacher Dr. Robert Roux from the Fourth District of Wichita, KS. Earlier this year, Dr. Roux represented the U.S. Government abroad as an Artistic Ambassador.

I call this to my colleague's attention because with consideration of the foreign aid authorization bill forthcoming, we should remember that our foreign policy is multifaceted. As important as our economic and strategic aid are some of the more modest programs to further communication and understanding between people of other nations and us Americans.

One such program is the Artistic Ambassador Program, a recent initiative of the U.S. Information Agency. Its purpose is to use the wealth of often undiscovered talent in the United States to enhance USIA's mission of cultural understanding. Under this program, 11 pianists have been sent to 33 countries where they have given public concerts, worked with students and faculties of conservatories, and occasionally lived with host families.

Dr. Roux was a superb choice for the Artistic Ambassador Program, and has made many friends for America in six different countries. Through his personal example and his pianistic talent, Roux, allowed people throughout the world to see what he is about as an American and as a musician. They liked what they saw. His impact and other Artistic Ambassadors like him can never be quantified or put into any statistical report, yet it may extend for generations.

Dr. Roux spent 6 weeks abroad, traveling to cities in Egypt, Greece, Cyprus, Yugoslavia, Italy, and Turkey. His warm reception in each country shows that the splendor of music overcomes political differences. Often traveling into the provinces of these countries as a Musical Ambassador for the United States, Roux gave many people who have never seen this country perhaps the most vivid impression they will ever have of the United States.

The American Embassy in Yugoslavia reported that after 3 days in the country, Robert Roux's "superb skill as a pianist, his ability to achieve a rapport with students, and his unassuming, affable personal style made him an exceptional effective representative of the United States and the Artistic Ambassador Program."

The American Embassy in Egypt stated, "Robert Roux was an outstanding success both as a pianist of great technical ability, expression, and sensitivity and as a fine teacher. He is very gracious and understanding but at the same time thoroughly professional."

In Greece, the Embassy noted that Roux "made a strong and very positive impression during his stay in Greece." Cyprus relayed that "his visit to Cyprus was described by the Cypriot Musical Community as a complete success and they would welcome him back any time in the future." Italy reported that "Roux, an absolutely splendid pianist, was a grand success." Finally, the American Embassy in Turkey stated that "his brilliant technique and exquisite musicianship won over his audiences, while his gentle, knowledgeable teaching style earned him high praise from conservatory students and teachers alike."

I want to emphasize that Robert Roux is an outstanding citizen of Wichita as well as the United States. His willingness to serve his country as an Artistic Ambassador makes me proud. I would like to express my gratitude to Dr. Robert Roux for personally bringing the people of the world closer together through the magic of music, and my thanks also go to the U.S. Information Agency for initiating this unique and rewarding program.●

DEFEATING TERRORISM, THE ART OF WAR, AND THE LESSONS OF HISTORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, today I want to talk on defeating terrorism, the art of war, and the lessons of history.

I choose this moment to talk about this because there is a great deal of attention being paid currently to terrorism and, unfortunately, we as a country tend to focus only on the immediate. We tend to focus on this week's crisis, this week's problem, this week's hostages; but, in fact, there are certain basic rules of history, there are certain basic rules of the art of war which have to be examined if we are going to successfully defeat terrorism.

It is fascinating, for example, to go back and look at a book entitled "International Terrorism", edited by Benjamin Netanyahu, and the "Proceedings of the Jerusalem Conference on International Terrorism," pub-

lished by the Jonathan Institute, Jerusalem, 1981.

It is very sad to read day by day what was a conference held from July 2 to July 5, 1979, on terrorism, because, as you read example after example of the necessary steps to fight terrorism, the things that should be done, steps that were proposed by a wide range of people from West Germany, from Holland, from France, Great Britain, Ireland, Italy, the United States, Israel, and you then look at recent news magazines, recent reports, one thing you can conclude is that we in the West, between each crisis, between each headline, have managed to avoid learning the fundamental lessons.

□ 1250

I think it is important that the Reagan administration, the news media, and the elected Members of the legislative branch take the current energy and attention of the American people, the moment in which people are still thinking about the recent hostage crisis, the period in which the problem of terrorism is still close to the top of our agenda, and apply that energy to learning the basics, to fundamentally establishing new approaches and new systems for winning the war against terrorism.

In fact, I would suggest that the Reagan administration should not undertake single step actions whether diplomatic, economic or military. It is not vital whether or not we close the airport in Beirut. It is not vital whether we manage reprisals against the two terrorists who were on the airplane when the American sailor was killed. It is not vital that any single thing happen. What is vital is that we avoid tactical activity which gives the weight and illusion of doing something without the long, difficult process of thinking through the dangers and difficulties we face.

In other words, we Americans are often so eager for a solution that we reach out for any action which makes us feel good without having thought through the process. What is it going to achieve? Where are we going to get?

Clausewits warned of this tendency over a century ago. In "On War," the greatest modern treatise in the art of war, Clausewits warned that, and I quote:

> No one starts a war or rather no one in his sense ought to do so without first being clear in his mind what he intends to achieve by that war and how he intends to conduct it. The former is its political purpose; the latter is its operational objective. This is the governing principle which will set its course, prescribe the scale of means and effort which is required, and make its influence felt throughout, down to the smallest operational detail.

In recent years, all too often the national security bureaucracy, the State Department, the Defense Department and the National Security Council have undertaken short-term tactical actions which were too large to be elegant and effective, and too small to be massive and effective. Both Desert I and more recent activities in Lebanon; the Embassy bombings, the Marine barracks bombing and the retaliation raid with two aircraft shot down and an American pilot held as a prisoner of war in Syria, should serve as a warning that the bureaucracies have failed at small operations for the last 11 years, and are likely to fail in the current crisis.

It is vital that the President ask four tough questions of the national security bureaucracies:

First. What are the strategic goals for which we are willing to risk the lives of our sons?

Second. Assuming our opponents are tough, dedicated and competent, what steps can they take to counteract and withstand our strategies? If phase I fails, what are the costs to the United States? What would a phase II require to assure American goals are achieved despite our opponents' counterefforts? American defeats in the Bay of Pigs, Vietnam, and Lebanon in 1983 were all in large part caused by failure to answer these questions prior to committing forces.

Third. What institutional and legal changes are necessary to enable the United States to effectively wage war on terrorism? Now is the time to repeal the liberal welfare state prohibitions on intelligence agencies, on police training the Third World, et cetera.

Fourth. How can the President and his allies act systematically to develop popular and political legislative understanding of and support for a long-term strategy which can defeat terrorism? In a free society, the most important and powerful Presidential reaction to today's events is to use them to educate the country to support tomorrow's actions.

It is possible to build a pattern of firmness, preparedness, and toughness strategically without taking immediate tactical actions involving force. Eisenhower, on numerous occasions in the 1950's and Kennedy in the 1961 Berlin crisis, were successful in building a show of force without using force.

In Sun Tzu's phrase, "The greatest of all generals win bloodless victories." Our first goal should be mobilizing American power, educating the American people and passing decisive changes in our national security laws. Then, if we still have not achieved success in the Lebanon hostage situation, we will be a peak of political, military and diplomatic readiness to use overwhelming force with overwhelming public support to achieve a clearly stated strategic goal.

Rescuing the current hostages without developing public understanding and support for a long-term strategy, will lead to a short-term success and a long-term failure. Recent terrorist actions in El Salvador, Germany, and Lebanon are merely the tip of an iceberg. It is vital we not accept a tactical solution to a strategic problem. Developing and implementing a long-term solution will be the key to defeating terrorism. It is to Clauswitz being clear in his mind what he intends to achieve, and how he intends to achieve it that we must first direct ourselves.

To understand our goals and our opponents, we have to be very clear on how we think and the language we use. Sun Tzu warned 2,500 years ago, in the "Art of War," "Know the enemy and you have won half the battle; know yourself and the battle is yours."

However, to know the enemy or yourself we have to be very clear about the language we use. George Orwell warned in his essay "Politics and the English Language," and I quote:

> If thought corrupts language, language can also corrupt thought. A bad usage can spread by tradition and imitation, even among people who should and do know better.

The point that Orwell is making is that if you describe terrorists, for example, as freedom fighters, you clutter the ability to think through what is happening. If you worry about the whole process of language, you begin to understand why the news media, even when it is being sincere, is often being destructive. If you allow the terrorists to propagandize, to insert in Western thought their values, their reason, their argument, you make it difficult for us to understand how to deal with terrorism.

It is fascinating to look at the work of a French intellectual, Anne Kriegel, professor of sociology at the University of Paris at Nontarre, she studied the issue of public opinion, intellectuals and terrorism in Western Europe, and in this 1979 conference in Jerusalem on dealing with terrorism, she said that there were three reasons European intellectuals find it very difficult to deal with terrorism, and I think they are fascinating in the context of why we in America are having a hard time. She said:

> Its first source is the uncertainty about the extent of what is meant by terrorism.

She went on to say:

> The second source of the perplexity is the uncertainty regarding the degree of significance and seriousness of the terrorist scourge.

She said:

> The third source of perplexity is the uncertainty as to a remedy.

In each case, by not being able to think clearly, European intellectuals, in Kriegel's opinion, were able to figure out a way of avoiding responsi-

bility. Let me quote, I think, her most damning statement about Western intellectuals.

It is in seeking remedies that the propensity of intellectuals to play tricks with reality is revealed. As uncertain about the nature of limits of terrorism as they are about its significance, in short, about both the diagnosis and the prognosis, they are naturally uncertain about the proper remedy against terrorism.

Since they have not the slightest intention of taking real responsibility for evil, they find it comfortable to devote themselves to observation and denunciation of the possible excesses of any repression. This is a shrewd position, because in the end for these sort of people, all repression is excessive.

She goes on to say, and I quote:

All countermeasures must be accompanied by a concerted intellectual attack bearing on the totality of the issues likely to supply the terrorists with a semblance of legitimacy and rationality. But this concerted effort should be conducted not with the terrorists, but with the general public. To believe as the French Government wrongly did for some time, that the delay in the development of Corsica could be the subject of negotiation not with the Corsicans elected by universal suffrage, but with the clandestine representatives of the separatist-terrorist movement proved itself to be counterproductive.

Democracy is weakened when it is not respected, and when men who refuse to submit to the electorate, or when they do submit receive a pitiful handful of votes are dealt with as interlecutors. When, as in Corsica, electoral democracy is imperfect, it should be improved rather than pushed aside for the benefit of what is, in essence, anti-democratic.

□ 1300

What is she saying? She is saying, and I close in terms of quoting Kriegel:

It is terrorism as a criminal act and not as the expression of an opinion, which is the object of social repression.

Kriegel's point is this: The Western intelligentsia has found a very sophisticated and subtle way of avoiding responsibility for dealing with danger. In fact, the Western intelligentsia, because it is leftwing, apologizes for and explains away much of modern terrorism. This was stated succinctly by two Americans, Peter Collier and David Horowitz, in the Washington Post and reprinted recently in Reader's Digest in an article entitled "Reflections From Yesterday's Radicals." They said:

We have said goodbye to all that, to the romance with corrupt Third Worldism, to the casual indulgence of Soviet totalitarianism, to the hypocritical anti-Americanism, which is the New Left's bequest to mainstream politics.

It is fascinating in terms of what they talk about in their description of what they saw as the old leftwing radicalism of the 1960's. They describe it "as an era of bloodthirsty fantasies."

I was reminded of Collier's and Horowitz' article when someone got up here on the floor today and said as a major step toward defeating terrorism, and they then described actions inside the United States. I was fascinated because it is clear to anybody who has a reasonable view, I think, of the world that most of the terrorism on this planet is not caused by Americans, is not inside the United States, and is not a function of American behavior.

In fact, I think in order to defeat terrorism, we must start by defining it. Terrorism is not guerrilla warfare or a variation of freedom fighters. Few things have made me more angry than a recent effort in a debate I was in on television by an apologist for the terrorists who began by describing the Afghan freedom fighters as terrorists. Afghan freedom fighters tried to kill Russian invaders. They are primarily active against Russian military or the pro-Russian Afghans who are now in the Russian puppet army.

To describe Afghan freedom fighters in the same sentence as a terrorist is a deliberate effort to distort the argument and to smear the freedom fighters who are anti-Soviet, while at the same time protecting the pro-Soviet terrorists.

Terrorism is the deliberate killing of civilians in order to terrify. Terrorism asserts the right of a minority to use force randomly to kill people because of the superior claim terrorists have on history and morality. Terrorism is tied to totalitarianism in that each seeks to use force to change human behavior.

There is a very real parallel between Leninism, the use of force by the state to force you to change your behavior, and terrorism, the use of force by individuals or small groups to make you change your behavior. On the one hand, totalitarianism is the systematic terrorism of the individual by the state apparatus; on the other hand, terrorism is the use of force by the few to impose their will on the many.

It is vital that politicians, diplomats, and the news media to be precise and clear about the specific nature of terrorism. Terrorism is in many ways parallel to the Soviet KGB. It is the deliberate act by some to inflict pain on others in order to have their way. Terrorism is a political action by a determined minority seeking to psychologically brutalize the majority by physically brutalizing the innocent.

Terrorism in its modern form goes back to Russians secret societies in the late 19th century. Terrorism can be defeated. It has been suppressed in the past and can be again in the future. To defeat terrorism, we must recognize three realities:

First, modern terrorism is largely international and can be defeated only on an international level.

Second, modern terrorism is largely a political-military activity and must be defeated in a political-military context.

Third, modern terrorism is waging war against civilization and can be defeated only by accepting the reality of that war.

Let me make this point very clear, because it is at the heart of my message.

Warfare occurs at four levels in their hierarchy. The bottom level is tactical, what happens every day. The level above that is an operation or project, how do you put together your tactics to achieve something. The level above that is a strategy, what are you trying to accomplish with your operations or projects, and the top level is a vision, where are you trying to go with your activities.

It is very clear that the higher up you are in that hierarchy the better off you are. If you have two sides competing and they are both equally good tactically, the side which is operationally superior will win. If you have two sides which are competing and the side which is operationally superior is strategically inferior, it will lose. At the ultimate level, vision defeats strategy.

For example, in the American Revolutionary War, George Washington had a superior vision and a superior strategy, but the British had a better army. In the long run, the British army's better operations and tactics lost to the Americans' better vision and strategy.

Interestingly, in Harry Summers' classic work, "On Strategy: The Vietnam War In Context," Summers makes the point that it was the Americans who had the operationally and tactically superior army, but it was the North Vietnamese who were better off at the vision and strategy level. He begins his book with a conversation in Hanoi, April 15, 1975, in which Summers said:

You know, you never defeated us on the battlefield.

The North Vietnamese colonel pondered this remark a moment.

"That may be so," he replied, "but it is also irrelevant."

Summers was in North Vietnam at that point as part of a delegation and it was that comment, the North Vietnamese who said, "That may be so, but it is also irrelevant," which sent Summers back to studying Clausewitz and looking at the issue of strategy. What he concluded was that if one side has a superior strategy for fighting the war, the other side will lose even if it wins all the battles.

Let me apply this to the issue of defeating terrorism. Terrorism on a global basis, as George Will has put it, is war against the Americans. But it is more than that. It is war against the democracies. It is fascinating to note that terrorists almost never attack totalitarian states. There is very little

anti-Soviet terrorism, but there is a great deal of anti-American, anti-British, anti-Italian, anti-French, anti-German, anti-Israeli, and now anti-Salvadoran terrorism. The reason is, first of all, the terrorists hate democracies. Terrorism is, by definition, based on the right of individual fanatics or small groups of fanatics to decide what they will do. These fanatics, by definition, are contemptuous of the concept of democracy. They are contemptuous of the concept that the majority should have something to say, and they regard our activities, our efforts, as laughable. It is in their interest to destroy America.

The one thing which holds together the Irish Republican Army, the various terrorist factions in Lebanon, the terrorists in El Salvador, the terrorists who work in the Palestine Liberation Organization, is a common understanding that while they may disagree on the future they want, they agree on their enemy. Their enemy is the West, their enemy is the United States, their enemy is the concept of democratic society.

We have to recognize that they are linked together, that they are not just tactical events such as the seizing of an airplane or operations such as the 2-week horror is the hostage crisis in Lebanon. There is a bigger, broader strategy, which is to deliberately use force to terrify Western democracies, to prompt their governments into one of two habits: either impotence or the destruction of repression.

This happened, for example, in Uruguay a number of years ago. Uruguay was the best democracy in South America, the cleanest government, the freest society, the most open news media, and urban guerrillas called the Tupemoros began a deliberate, vicious campaign of urban terrorism and decided that they could destroy the democracy and in 3 years cause such destruction that in order to survive as a country, the military were given overwhelming power, the police were given overwhelming power, and what had been the best democracy in South America, in effect, gave up its democratic rights to suppress the terrorists.

So the terrorist strategy is either to scare us into being impotent, do nothing, or to force us into overreaction and repression. In either case, the terrorists win.

□ 1310

If we react only tactically, that is, each time the terrorists do something, we do something, I think we are in the long run doomed to fail. Furthermore, if our only reaction to their tactical aggravation—they steal an airplane, they seize hostages, and we then launch an operation, one raid, one activity, cutting off the Beirut airport—is doing one thing, I think we still fail, because if all we are doing is reacting to their specific action, they retain the initiative; we are on the defensive, we are in a reactive position, and furthermore they have time to study us.

The world is big and complicated. The American Secretary of State or the American President is not going to pay attention full-time to terrorists in El Salvador and terrorists in Lebanon. So if they take a step in June and we react in July, we forget what they are doing because we are busy with 25 other problems. They have 6 months to study us, and then next year their next terrorist action is more sophisticated. Look, for example, at how sophisticated this action was, with a plane seized in Athens, carried to Algiers, flown to Beirut, carried to Algiers again, moving back and forth, staying busy, with all sorts of intermediaries, and with the American press and news media being manipulated and the television networks being manipulated. It was a very sophisticated terrorist operation.

We are now dealing with people who are well trained, trained in South Yemen, trained in Libya, trained in Cuba, trained in the Soviet Union, trained in little universities of terrorism or colleges of terrorism. In order for us to respond effectively, we have to establish a vision of how we are going to act. We have to recognize certain basic principles which are going to drive our actions, and we have to recognize that our actions have to occur on several levels. They have to occur with intelligence agencies, with diplomacy, with the military, with the news media, with counteracting our own leftwing thoughts, and with educating the American people, and only by having all these layers of action are we going to be in a position to win.

The first step has to be to describe our vision of the world we want to live in. I think that should be fairly clear. We do not want to get revenge against one terrorist group for one terrorist action. We do not just want to slow down terrorism in one region. It is vital if the West is going to survive that we invent a positive system of activity which allows us to dominate and suppress terrorism before it hurts the innocent. In the long run we are going to have to build a sophisticated enough intelligence and police capability that we are able to know what the terrorists are going to try, stop them before they do it, and that we are going to be able to know where they got their support from and how to defeat that support.

Let me suggest that this leads us first to the intelligence agencies. And again I might suggest that it is fascinating if you read the Conference on International Terrorism from the Jonathan Institute, or if you read Charlie Beckwith's study, "Delta Force," on his efforts to create the counterterrorist unit in the U.S. military. In both books there is a consistent pattern of how the leftwing "ostriches" in America in the 1970's crippled the intelligence agencies, with the fact that when Iran disintegrated and began to move into a fanatic phase, we simply did not have the human intelligence capability left to know what was going on. In fact, we had to ask one man to come out of retirement to help reinfiltrate to understand what was happening in Iran.

Again and again international experts from across the planet in the conference at Jerusalem decried the cutting up of the American Central Intelligence Agency by leftwing "ostriches." It is eerie in 1985 to go back and study the 1979 conference on the things that were done to weaken the American intelligence agencies.

The first step of the Reagan administration should be to come to Congress to ask for a dramatically strengthened intelligence capability, and, second, to go to our allies to propose the establishment of international efforts to systematically coordinate an offensive against terrorism.

The second step should be to recognize that terrorism is by definition international. If all we were worried about were local ethnic groups that had a grievance or local ideological "nuts" that had a grievance, we would not be very worried. Those can be handled by the normal police powers of any average state. But when, for example, shipments of up to 5 tons of ammunition and weapons are sent from one country to another to help terrorists, when we discover that the Soviet Union has terrorist training camps in the Crimea that have 60 trainees at a time, when we learn that in Libya there are five divisions of equipment sitting there to be shipped around the Third World for terrorists to use, when we study the way in which terrorists network and help each other, when we look at the relationship between Syrian terrorists and the Soviet Union, we have to recognize that international terrorism is big business and that international terrorists are systematically allied to defeat the West and to cripple democracy and destroy the United States as an influence in the world.

In that setting I think we have to distinguish between two kinds of states: first, states which actively direct terrorism—and that would include Libya, Iran, and apparently on occasion Syria—and, second, states which actively support terrorism. These states would almost certainly include Syria and would probably include the Soviet Union and would also include South Yemen, where much of the training is carried on. I want to draw that distinction because we need to adopt very different reactions to the two sets of states. So on the one

hand we have states that are directly leading terrorism, and on the other hand we have states which are supporting terrorism.

Third, I think we have to recognize geographic areas which do not exist anymore as states. To talk about Lebanon as though it were a country is to deceive ourselves. It goes back to George Orwell's point about the importance of language. Lebanon does not exist as a country. Lebanon is a geographic area which has 17 different ethnic and religious factions fighting for control. When we pretend Lebanon exists as a country, we set up expectations which guarantee that we are going to be frustrated and have a difficult time dealing with Lebanon. Instead, what we ought to say is "Look, if you have no government, we are not going to pretend you do. If you are incapable of policing yourself and suppressing terrorism, we are not going to pretend you are." The rules of sovereignty which apply to countries that are organized do not apply to areas that are essentially battlegrounds for piracy.

So the first rule in the international agencies ought to be that we have one set of actions aimed at countries that are directing terrorism, one set of actions directed at countries that are supporting terrorism, and one set of actions for areas that really are not countries at the present time but are only geographic terms for battlegrounds between terrorist factions.

In that setting we have to look then to diplomacy in the State Department. Let me suggest that in order to combat terrorism, we are going to have to adopt new rules based on new language with a new recognition of reality. The first of the new rules is that in order to be effective against terrorism, we are going to need to establish an alliance against terrorism. We cannot expect the United Nations to be effective because by definition the United Nations as a global institution includes terrorist organizations. Libya, for example, is a member of the United Nations. Yet Libya clearly and openly says that it is committed to terrorism, it is committed to war against the West, and it feels perfectly reasonable in attacking the Americans.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding.

I appreciate very much the gentleman's well-thought-out statement. However, on his views of the United Nations, I would think that the United Nations would be preeminently the place where we would want to go and stamp out terrorism. After all, if the United Nations is not going to stamp out terrorism, what can we depend on the United Nations for?

The gentleman talks about geographic areas. I think he is absolutely correct, and that is why we have to understand that terrorism knows no boundaries, it knows no international law. That is why the United Nations has to be involved, and I would think we would work through the United Nations and expel those nations that do not live according to the dictates of the United Nations.

□ 1320

For example, when our hostages were taken into Lebanon, I do not think the United States or the President of the United States should have had the responsibility of getting the hostages out or bringing them back home. I think that should have been within the prerogative of the United Nations, precisely because it is the world court of world opinion.

So I would think the United Nations should have some obligation in this area.

The gentleman talked before about where we are going to assess blame in our intelligence agencies.

Well, I remember distinctly when the 39 hostages—the 40, pardon me—when the plane was hijacked, a Member of the other body, a very liberal Member, was on national TV and he condemned the CIA for not having the information that we needed at this time.

Also, during the Carter administration, Stansfield Turner, head of the CIA, said that we do not need on-the-ground information, that because of our satellites, et cetera, they will act as a substitute and we do not have to put people's lives in jeopardy and in danger by sending them into a country that is not friendly to us.

So I think by emasculating the FBI, which we did just a week and a half before the hijacking took place and the CIA and then turning around and pointing fingers at the intelligence agencies as though they were responsible I think is totally illogical.

I do not think that we can exonerate people who vote one way in one direction and then turn around and point fingers because the CIA or the FBI did not have the capabilities to give adequate information and proper information to the President of the United States. I think we cannot lose our historical perspective.

I apologize to the gentleman for asking him to yield some time, but I would have to say that we have to look at the importance of the United Nations, especially when it comes to the issue of terrorism, and that we cannot point fingers at the FBI and the CIA, when we in this Congress are responsible for emasculating those intelligence-gathering agencies.

I thank the gentleman for yielding to me.

Mr. GINGRICH. Well, if I may respond to my good friend and say, first of all, I agree there is something bizarre about leftwing ostriches who may well have participated in the assault on the Central Intelligence Agency in the late seventies, who now turn around and discover in amazement that the very intelligence agencies that they helped cripple are in fact now very, very necessary.

I am fascinated again in the conference in Jerusalem on terrorism. Lord Chalfont, who is a very distinguished British and journalist, and who is a member of the Labor Government, not a conservative, made the comment: "Even the CIA, damaged and demoralized as it has been by an orchestrated and systematic attempt to destroy it in recent years."

Now, this is in 1979. Every American should think about this term, "damaged and demoralized as it has been by an orchestrated and systematic attempt to destroy it in recent years."

Part of the leftwing ostrich assault on the intelligence agencies was precisely to cripple the human intelligence and covert operations capabilities which we now find against terrorism are invaluable.

Let me say to my friend from Wisconsin that there are three parallel diplomatic offensives that are necessary. Yes, we should go to the United Nations. In fact, this administration should have demanded a Security Council meeting. We should insist on an aggressive effort to get the United Nations to condemn terrorism, but we should also recognize that the forces that hate the West have a large enough block in the United Nations that they will cripple the United Nations.

I think largely for the education of the Western public and the Western news media we should always be on the offensive diplomatically at the United Nations. You and I should recognize in advance that offensive is going to fail; that in fact the United Nations has a large enough block of proterrorists, prototalitarian, pro-Soviet, anti-American, antidemocratic, and anti-Western forces, that the United Nations is helpless to provide a real arena for the development of a global strategy to defeat terrorism.

Second, I would like to suggest that the United States should move actively to develop an alliance against terrorism. We should seek those from our NATO allies in Europe, from Canada, from Japan, from any country which is willing to pledge itself to actively being involved in an effort to defeat terrorism at a vision and strategic level.

In addition, we should undertake an association to prevent terrorism, which is passive. I want to distinguish the two. There are many countries

around the world which would be willing to say up front that they will, for example, allow the United States to apply to seize a terrorist who is hiding in their country, that they will ensure that that terrorist is sent to the United States.

There are many countries that will say legally they will not accept terrorism, holding hostages at an airport. Those countries should be asked to passively help defeat terrorism and they should belong to an association.

The alliance against terrorism should be an activist force, should say very aggressively—and I will get to some of those activities in just a moment—that we are going to stamp out terrorism. We are going to take those steps which are necessary to make life very risky indeed for the terrorists, and that includes active retaliation and, indeed, preemptive strikes.

There is a big difference in the risk that is involved and in the strength of the country. A country which is poor and weak and may well be frightened of terrorism itself might join the association against terrorism and say that they will do passive things to stop terrorists, whereas a country that is confident of its strength—West Germany, Great Britain, and Italy—might want to join an alliance against terrorism dedicated to very active steps to drive terrorism out of existence.

I would suggest that we should then state explicitly, "If you don't belong to the association and you are not passively against terrorism and you don't belong to the alliance and you are not actively against terrorism, you are then not part of what we would regard as the sanctuary of Western values."

We should say very clearly that if a terrorist is on your territory and you are not willing to allow us to file to extradite them and you are not willing to seize them, that we then reserve the right to protect ourselves by going after that terrorist.

This is a fundamental shift, I think, in the American approach to international law since World War II. We have to recognize that international law, which provides Libya with a sanctuary while putting Americans at risk, is a foolish approach to international law. An international law that pretends that Lebanon is a real country, when it is a battlefield, is a foolish approach to international law.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am pleased to yield.

Mr. ROTH. Mr. Speaker, if the gentleman will yield for just a brief comment, and that is this. In theory that sounds great, but how does this work in practice?

For example, we have in El Salvador now rebels who no longer have the support of the people. We know that. The rebels themselves admit that; but we have Members from our own body who are going down there and sanctioning what some of these rebels are doing, or helping, giving them some credibility.

So if Members of this body are going to do it, how are we ever going to get to the steps that the gentleman wants to take?

I am not denying that the gentleman's steps are not appropriate. I think they are. I am just trying to analyze how we are going to get from here to there.

Mr. GINGRICH. Well, I would say to my friend that the greatest of all burdens in a free society is to win the war of public opinion. The most important message I would have for the Reagan administration is that until they have thought through the war against terrorism, until they are prepared to engage the ostriches in our body who systematically run around here and I think try to deny the reality of a dangerous world, until they are prepared to win the struggle for the minds of the American people, they are not prepared for the struggle against terrorism.

Once the American people come to the conclusion that something has to be done, we can do it.

I was frankly heartened in an unusual way. I went back and studied the war against the Barbary pirates at the time we were a brand new country. Thomas Jefferson, as Ambassador to France, began dealing with the Barbary pirates in 1785. Many Americans, many Members of the Congress when we became a country in 1789, said, "Oh, let's appease them. There are ways to appease them."

In fact, it will hearten all of us, we actually passed a bill to build four ships for the Navy, with the provision that if the Algiers pirates would negotiate, we would not finish the ships. I mean, those are shades of the debate we have nowadays. It is exactly the same pattern.

There is always an ostrich faction that says, "You know, if only you are nice enough to the terrorists, they won't terrorize you."

Ultimately, it took from 1785 to 1802, ultimately we educated ourselves. We came to believe that we had to take serious steps, and we took serious steps.

Now, I am suggesting that the State Department steps are very fundamental. We have to establish new rules for international law as it relates to terrorism. We have to establish a new alliance against terrorism. We have to establish a new association for the prevention of terrorism.

We then have to impose very, very severe sanctions at three levels. First, states direct terrorism, in my judgment, have to become battlefields. We have to say to Libya, "If you are going to direct terrorists, we are not just going to protect American hostages in Beirut. We are going to come after you."

Second, States which support terrorism have to be at risk at least economically and diplomatically. We should seriously consider cutting off all aid of any kind, including indirect aid through the United Nations, to any country which refuses to extradite terrorists.

Third, those countries that want to be able to stand to one side, they do not support terrorism and at the same time they do not direct terrorism, have to understand that they are closed out of the loop, and frankly, our allies, the French are one of the worst offenders. The French have a number of Italian terrorists who they are unwilling to extradite to Italy and they are unwilling at the present time to imprison. That is a terrible precedent.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman.

Mr. ROTH. Mr. Speaker, if the gentleman will yield for just 30 seconds, I see what the gentleman is saying. I think the gentleman is right on target.

The point that the gentleman made about the leftwing propaganda war, which is the all important war, the war for people's minds, I think is correct; but I think, my good friend from Georgia may agree or not agree, I think the reason is that many times, the left wins by default. For example, when the CIA was attacked for not having information that they were supposed to have as far as Lebanon was concerned and the Shiites and the like, the media hauled out Stansfield Turner. Now, he is one of the people who helped emasculate the CIA, and yet when the media went to the CIA, there was no comment. There was never a comment from the CIA.

□ 1330

Do you not think that we should have some sort of maybe an institutional readjustment where we do have political offices for the CIA, FBI, so when charges are made against them that they will and can respond if we are in a court of public opinion?

Mr. GINGRICH. I think you have made a suggestion which has a lot of merit.

The point I would like to make is that the intelligence agencies, whether it is the Federal Bureau of Investigation or the Central Intelligence Agency, back before the leftwing ostriches took control of the Democratic Party and politicized American foreign policy, there was a bipartisan spirit which led to a tradition that said we are not going to say anything, that the intelligence agencies and the law enforcement agencies are above politics.

Now, in the modern era, that has frankly not been true. Ever since the rise of George McGovern and the emergence of the leftwing ostrich as an ideological force in America, we have seen a greater and greater willingness to attack the intelligence agencies and attack them both ways, as the gentleman points out. First you gut them because they are too strong, and then you attack them because they are too weak. There is a certain amount of historical shortsightedness and I guess it is part of why I wanted to do this outline today, to say, look, you have got to look at the long run. There is something, as the gentleman says, bizarre about calling on Stansfield Turner, who is the man who gutted human intelligence in the Central Intelligence Agency, to talk about the Central Intelligence Agency. It is a little like going to your local bartender to discuss the problems of alcoholism.

The fact is these people were the problem. It is the ostriches who crippled the Agency which we now have to rebuild.

But I would carry it a stage further. I think the intelligence agencies ought to have every Thursday morning a briefing on Capitol Hill for every Member of Congress, of everything which is not classified which has been gathered around the planet, on the Soviet war against the West, on the terrorism so that every Thursday morning the executive branch would brief every Member of Congress who wanted to come about everything we have learned in the preceding week about terrorism everywhere on the planet and about the Soviet war against the West. And I think frankly the same day, maybe at noon or 1 o'clock they should brief all of the news media so that we begin to build a historic memory, a historic understanding of what is going on.

But for this to happen, frankly, the State Department is going to have to understand that we have got to tell the truth to the American people. We have to tell the American people the truth about Soviet involvement in subsidizing and supporting terrorism. We have to tell the American people the truth about the weakness of the United Nations, not that we need to get out of it, but that we need to be honest about what has happened to the United Nations, that it is now frankly, a battlefield. It is not a sanctuary for law. It is an arena in which forces like Libya and forces like Syria and the terrorists have as much influence or almost as much influence as the Americans.

Finally, at the diplomatic, military level, let me suggest that we should specifically make an example of Libya and Cuba, Cuba and the Western Hemisphere in Africa, Libya virtually across the planet. They have been the two primary agencies directing terrorism, and I think that rather than simply deal with the persons at the tactical end of the battlefield, that one or two terrorists out there with a grenade or rifle, if it began to be obvious to Libya and Cuba that there were great costs involved in supporting and directing terrorism, you would see a dramatic fall-off.

There are a number of military actions that are possible, but let me suggest one as an example of how far we are going to have to think this thing through. We know and monitor terrorist training camps around the world. We know there are at least two terrorist training camps, for example, in Libya.

Our current position is look, if you think you want to be a terrorist, and you go to your local terrorist recruiting office, which is very often the Palestine Liberation Organization local terrorist public affairs office, and they are all over the planet, many of the western democracies have PLO offices which are, in effect, recruiting grounds for terrorists. You drop in and you say, gosh, I would like to become a terrorist. You would not use quite that language, but you would say you would like to become an activist, and they then send you off to a training camp. You go literally, the Libyans, according to one report, literally rent their camp out for so much money. You bring your gang, you show up and they give you 30 days of training, plus food, and they also provide ammunition and weapons, and you get to take the weapons when you leave as a graduation present. It is a fairly expensive training program, but then all you do is kidnap a major businessman, hijack an airline, rob a couple of banks and you raise the money.

If you think that is an exaggeration, note, for example, that the Communist dictator in Nicaragua, Ortega, was in jail in the 1970's for being a bank robber. He was a terrorist, or as part of his training as a good Communist, he was learning how to rob banks to finance the revolution.

In that setting, what is the Western position? Do we stop you by closing up the local PLO office? Oh, no, they are allowed to be open.

Do we stop you when you get your passport and your tickets, and you get on an airplane to fly to Libya or Cuba, or the South Yemen to get training? No, we will let you go.

Do we stop when we know that there are 70 of you sitting around in a camp being trained to be terrorists? No.

Do we stop the guy who trains you? No.

When do we finally stop you?

Well, we may or may not stop you after you have committed terrorist acts, after you have had the hostages, after you have humiliated us and showed up on television around the planet. Then we may or may not get you.

Let me suggest this is incredibly stupid, that only a society that is willing to go to the ultimate extreme allows its enemies to publicly say they are your enemies, to publicly say they want to destroy you, to publicly recruit people who want to kill you, to train those people, arm them, organize them and then only after they try to kill you to react.

One of the steps we would suggest just as an example for us to think about is that at some point in the near future if we are going to be serious about winning the war against terrorism, an international force, preferably out of the Alliance Against Terrorism, or some such organization, should occupy two or three terrorist training camps, because the minute we do that, the minute Libya, or Cuba, or the South Yemen begin to realize that if you have a terrorist training camp in your territory you are potentially going to be exposed to great danger, you are going to see a dramatic change in their willingness to openly train terrorists. The minute that having terrorists in your territory becomes grounds for reprisal, for example, if we know that Libya has a number of organized terrorist groups occupying hotels in Libya right now, we can legally, legitimately, through the State Department ask for their extradition. If they refuse to extradite, we have every legal right to impose an air and sea blockade on Libya until they give up the terrorists. That begins to make it expensive.

Now we should not do this randomly. We should think through, and remember again the clause, the injunction that I began with, that we should think through every step of making Libya an example of how we in the West have decided we are not going to tolerate a war against democracy. We should take every step necessary to either eliminate Qadhafi's regime or make them behave respectably.

But for you to pretend that Qadhafi, while he supports terrorists, while his agents firing from an embassy kills a British policewoman, and Qadhafi's reaction is to threaten to hold every Britain in Libya hostage, not to apologize, not to turn over the killer, not to promise that he will clean up his government, but in fact to turn and do the opposite and say, sure, we killed your policewoman, so what. If you bother us, we are going to hold every person from Britain in our country hostage, and then the British did nothing, and nothing will happen until we recognize that we are engaged in a war.

But that also means, by the way, that the news media has an obligation. If we are going to retain freedom of the press, we have to retain a free soci-

ety. One step the President should take is invite the great magnates of the media to lunch, the owners of the major newpapers and news magazines, and leaders of the major television networks. At the luncheon, he should ask them to establish a professional review board to undertake these four steps:

First, to review the recent crisis and look at how we were manipulated, how the press and the media were manipulated by the terrorists.

Second, to look at the lessons of free countries such as Germany in dealing with hostage crises.

Third, to look at establishing a new set of professional rules for covering future crises.

This does not have to involve censorship. It could involve, for example, something as simple as every television network having before and after every hostage news program a serious discussion and explanation of the psychological problems of being a hostage. If the average American had been told in advance that there is a clear syndrome by which a hostage identifies with the captor, that we literally know with the Patty Hearst case and others that once you see somebody and hold them long enough, they identify with the people who are terrorizing them.

Once you see that you will understand and you can sympathize with whatever the hostages are saying. If it has been explained carefully, for example, "You are now about to see a press conference set up by terrorists in which people who were being terrorized will talk, knowing that the terrorists could shoot them if they say the wrong thing; please watch everything with that information in mind."

At that moment you will have stripped the terrorists of all their propaganda advantage. Simple professional rules of the game can dramatically improve the sophistication of the news media in dealing with the hostage crisis.

Finally the news media themselves should recommend legal changes to the Congress. There are three areas where we need to consider seriously changing the law and these proposals should come from the professional news media rather than from politicians.

First, what should happen if the news media endanger innocent people, the hostages? Let us say that a newsman learns something but knows that if he goes on the air the hostage will be killed; should the hostage's family have the right to sue that organization for the deliberate killing of their loved one? Should the news media be liable because they literally caused the death of that innocent individual?

Second, what about our troops? It is fairly clear that in the age of television it is literally possible that a newsman will learn that, for example, a Delta team is moving in to attempt to steal a Russian airplane. What if somebody decides they are going to break the story and five of our soldiers are killed as a consequence? Should their families have legal liability against the news organization? Should they then be able to say "My husband" or "My father died because you broke secrecy"? Should rules of secrecy apply?

Would anyone really argue that in 1944 the news media had the moral and legal right to break the Normandy invasion story before Dwight Eisenhower said it was OK? Would it really have been appropriate? Is that kind of censorship only appropriate in time of war? In which case, should the news media recommend to us, for example, that Congress should pass a declaration of war against terrorism so that those ground rules would be underway?

Finally, what if they endanger secrets?

It is fairly clear, for example, that in the news media coverage of the German actions in Somalia in the 1970's that a very powerful device which confused and upset the terrorists was revealed by the news media, that in fact, a secret device which had been invented by the Germans which was very, very effective, was revealed to every future terrorist; that in fact if you are a terrorist you do not need to have an intelligence agency, you just need to buy the news magazines. You do not have to invest in an awful lot of spies; you just have to subscribe to the daily newspapers. You do not have to have a large, elaborate network set up to report back what is going on; you just turn on your TV set.

To what extent should we be looking systematically, with the advice and guidance of the professional news media, at rearranging the rules of the game so that specifically as it relates to terrorists and to hostage situations we establish far more sophisticated rules of engagement?

Finally, let me suggest that as the executive branch looks at all this it has to recognize that the structures established under Presidents Truman and Eisenhower are now inadequate. The great bureaucracies of national security are simply not functioning very well. We are going to have to rethink how we exist in a very, very dangerous world.

I would like to suggest, in closing, that the Western democracies are not going to survive for another 50 years if we allow at the margin the Soviet Union to systematically plot our destruction and we allow at the margin every group in the world that hates democracy to get away with every cheap shot that they can think up. If it continues to be acceptable to kill four American marines in El Salvador and nothing is done, if it is acceptable to kill an American sailor in the Middle East and nothing is done, if Americans, Britains, French, Italians, Germans, Israelies, anybody who lives in a free society is a hostage to terrorists, that terrorism is accountable to no one, then nothing will be done.

In closing let me say in particular to our friends in the news media, you possibly more than anyone have a vested interest in understanding what has happened. For you must recognize that in fact, without a free society there would be no free news media; that the first people killed in a totalitarian state are the very intellectuals and reporters who thought it was exciting that leftwing tyrannies were being established.

We will only survive as a free people if we educate ourselves, if we look seriously and candidly at the dangers of terrorism and if we establish a division of strategy level, a general structure within which to wage war on terrorism.

For this administration or this Congress or this Nation to rush off to two or three activities, to close the airport at Beirut, to go out and kill one or two terrorists, to seek out one or two acts of reprisal might be satisfying in the short run; in the long run they will not defeat terrorism.

In the long run what we need is a international strategy for the defense of democracy, the destruction of terrorism, an international alliance against terrorism and a willingness to seriously commit ourselves to a 5-, 10-, or 15-year war if that is necessary to ensure that in the end it is the free people, the democracies who survive, and it is the terrorists who shall have perished.

I thank the Speaker.

DEMOCRATIC RADIO ADDRESS OF THE HONORABLE MARY ROSE OAKAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 10 minutes.

● Mr. ALEXANDER. Mr. Speaker, our colleague, MARY ROSE OAKAR of Ohio, used the Democratic radio address last Saturday to present a clear and honest account of the budget issues facing Congress and raised the issue of fairness in the President's tax reform proposals.

It was an exceilent statement which I introduce into the RECORD for the convenience of my colleagues:

DEMOCRATIC RADIO ADDRESS OF CONGRESSWOMAN MARY ROSE OAKAR, JULY 6, 1985

(Following is the prepared text of Congresswoman Oakar's remarks in response to President Reagan's radio address:)

Hello. This is Congresswoman Mary Rose Oakar. I represent Cleveland, Ohio, and am

Secretary of the Democratic Caucus of the U.S. House of Representatives.

Mr. President, on this 4th of July weekend, all Americans join with you in being grateful for the hostages' safe return and pledge to work with you to prevent a recurrence.

We celebrate the 209th birthday of our country this holiday weekend. On July 4th, 1776, the members of the Continental Congress approved the Declaration of Independence.

An eloquent document that embodied the aspirations of our forefathers for tax justice and political freedom heralded our beginning.

What makes the 4th of July such a special holiday is that these ideals have proved so enduring. They are as relevant today as they were two centuries ago as our Nation undertakes the historic effort of framing a new federal income tax system that is fair to all.

It is only fitting that we talk this weekend about you and your taxes.

We Democrats stand ready to cooperate with the President in fashioning a tax bill that meets the true test of fairness: a tax bill that gives real relief to middle-class families who have homes and children who aspire to a higher education.

How we treat the middle-class families of the Parmas, Petersburgs, Peorias, and Portlands of America will be the real measure of our success.

The President's tax package is not fair to the middle-class. It's as simple as that. It's our job as Democrats and Americans to make it fair.

When you cut through the speeches and the hoopla, you see clearly that the President's plan shifts the tax burden once again onto the middle-class.

Middle-income families who have worked to achieve success would be stuck with an even higher tax tab.

Let me give you some examples:

Middle-class families where the husband and wife work would be hit hard by the loss of the two-earner tax deduction, commonly known as the marriage penalty. The President's bill would eliminate it.

This deduction was put in the tax law to offset the higher tax married people pay on their combined income. The two-earner deduction is a matter of fairness.

Its repeal would mean that two-income families would end up paying much more in taxes than under the current law.

Two-wage earner families would also be hurt by the loss of the credit for child-care expenses. Many families today pay a great deal each month to the babysitter or day care center so that mother and father can work. They need the extra income to save for their vacation, their children's education, or just to make ends meet.

The President's plan would convert the existing credit for child care into a tax deduction. This would reduce the taxes of affluent families—those who least need another break—much more than the taxes of low and middle-income families.

In addition, middle-class taxpayers would be hurt by the loss of the deduction for state and local taxes. This deduction, which the President would eliminate, has been part of our country's basic tax law since 1913.

It ensures that you are not taxed twice on your hard-earned income.

As President Reagan said two years ago, repeal of the state and local tax deduction would mean "you'd pay tax on a tax." He was right then. Let's hold him to his word now.

To the millions of you who are homeowners, it would mean that you would not be able to deduct your local property tax.

Those of you who want to buy your first home may find it out of reach because you had planned on taking the state and local tax deduction to make your monthly payments affordable.

These changes that the President wants would put the squeeze on the middle-class taxpayer and family. He wants to eliminate those tax provisions that lower your taxes.

Finally, the President's tax plan would add to the deficit in the future. We all know that the record deficits run up by this Administration have a devastating impact on the middle-class.

The colonists threw the tea into Boston Harbor in 1773 to make the point that taxes should be fair and just. We fought for our independence to protest taxation without representation.

Today, the message must be the same. I want you to know that the Democrats hear you.

Let us, your elected representatives, know whether you want a tax bill that is in the spirit of the American Revolution—a bill that gives real relief to the middle-class and requires all Americans to pay their fair share.

Mr. President, we Democrats stand ready to work with you on tax reform. But we want it to be fair to America's majority—the middle-class.●

TERRORISM AND THIRD WORLD FREEDOM FIGHTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN], will be recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, I took a special order for the purpose of discussing a recent article by former President Richard Nixon called "The Case for Supporting Third World Freedom Fighters."

But before I do that I would like to make some comments on the previous special order of the gentleman from Georgia dealing with terrorism.

One of the things that it seems to me is absolutely clear and one thing that he made reference to is the fact that terrorism is in fact a state of War, under different terms and under different words, and unless we recognize that it is a state of war, those who engage in terrorism will take advantage of democracies of this world and they will continue to do so, much to our disadvantage

We who believe in a rule of law, because we do not recognize the nature of terrorism, find ourselves constrained by an international law that the terrorists do not recognize.

In most countries, all those democracies of the world who do believe in the rule of law, recognize exceptions to that law during times of warfare. There is conduct that is allowed during times of warfare, when warfare is recognized, that are not allowed in other times, no countenanced by those governments. And until we begin to recognize the essential difference of terrorism from random violence without an intention and from organized, state-conducted and state-recognized warfare, we will be at a disadvantage to the terrorists of the world.

One of the things that the gentleman from Georgia did not refer to specifically is one the restraints that has been placed on the CIA. There is a restraint that has been involved in several administration which does not allow the CIA to involve itself in something known as assassination. That grows out of the previous practice, well, the alleged rampant practice of assassination engaged in by the CIA when it was called a rogue elephant and when it was brought to heel by congressional committees.

I am not one who wants us to returns to those days of alleged actions but it does seem to me to be a concern of us that terrorists use the difficulty that we in determining who is involved in a particular terrorist attack against us. In other words, the very uncertaintly, the very ambiguity that terrorists have, that they involve themselves in, is a protection against the organized countries of the world retaliating against them. It just seems that perhaps some uncertainly practiced by ourselves would be to our advantage. That is, if we attempt to determine who it was who killed the American Navy man who was abroad the TWA flight and killed him only for one reason, that is he was an American servicemean, if we can determine their identity and if we can determine their location and if the governments of the countries in which they reside refuse to turn them over to us, ought that to be the end of it? I would suggest it should not and cannot be if we are to be effective in war against terrorism.

□ 1350

It seems to me we ought to allow, only when approved at the highest levels of our Government and with the consultation by the Congress, if that is deemed to be necessary, forces from this Government to attempt to retrieve those individuals and bring them to justice in any way that is appropriate.

I am fearful that the prohibition against assassination which still remains with respect to the CIA would not allow us to engage ourselves in that activity. Again, I am talking about specific individuals who we know were involved in the murder of American citizens overseas taking advantage of their supposed uncertainty, taking advantage of the protection that is allowed them in certain countries around the world.

We should not put ourselves in the position that the only response we

must have is a military response, because then we basically take out of our hands an ability to retaliate against those we know to be responsible.

In many ways, the military response is a more broad-gauge response, and is a response that many times would involve, unfortunately, innocent civilians and a more direct attack against those specifically involved, specifically responsible for the terrorism is necessary and in order.

Those are not easy words to say; it is not easy for the Congress to contemplate giving the authority for us to go after these figures to agencies that have been denied that authority in the past, but if this is a different age, or if it is in some ways a repeat of the piracy of several hundred years ago, we must respond in ways that are different than what we did last year or last month or the last decade when terrorism was not such an active force in this world aimed against the very innards of democracy and aimed specifically against American innocent civilians.

Because I fear unless we do things such as this, every American around the world, traveling to the Holy Land, traveling to Europe, traveling to South America, traveling to Africa, with no political intent in mind, with no governmental purpose, with no ideological purpose, with nothing but to visit another part of the world, will be at risk and will continue to be at risk.

So I congratulate the gentleman from Georgia for his well-thought-out position against terrorism and I would hope that we would engage the thoughts and minds of all in the Congress and in the executive branch for a unified project against terrorism, which may require us to do some things that we ordinarily would not do in a time of peace, but which is necessary when we are engaged in war by other terms, by other means, and by other words.

Now, Mr. Speaker, I would like to address the major subject of my special order today, an article by former President Richard Nixon entitled, "The Case for Supporting Third World Freedom Fighters."

Mr. Nixon posits the question before us: What is the proper response of the United States at a time when there are Third World freedom fighters, at a time when there are those who are opposing totalitarianism around the world? Ought we to act, in the eloquent terms of President Kennedy's inaugural address in 1961 where he stated that the United States should support any friend and oppose any foe in the defense of freedom.

Is this good rhetoric? But is it bad policy? Mr. Nixon answers it this way, by quoting the dictum of Frederick the Great: "He who attempts to defend everywhere defends nothing."

And so, Mr. Nixon, in attempting to elicit some sort of ground rules for determining American action finds these: He says, before the United States provides support for anti-Communist freedom fighters, three conditions must be met.

First, our assistance must be in the interests of the people of the target country. Second, support for the freedom fighters must be in our own national interest; and third and probably just as importantly for action, the freedom fighters must have some chance for some success.

He goes on in his article to give us several different examples to perhaps most articulate the differences of circumstances around the world. He suggests, for instance, that the People's Republic of China, what we used to refer to as Red China, has a Communist government, that most assuredly denies the Chinese people of many of the freedoms we cherish.

He points out, therefore, that China meets the first condition, but he then questions whether it meets the second condition or the third condition. In other words, does China at present threaten America, America's friends, or America's interests?

He answers it this way: On the contrary, it provides an indispensable counterweight to the Soviet Union, which does present a threat currently to America, America's friends, and America's interests.

He suggests that it would be both a strategic and moral mistake for the United States to support a Chinese freedom fighters movement that has no chance of success, no matter how sympathetic it might be in principle to its goals.

He then asks us to look at the country of Poland, and he says that Poland meets both condition one and condition two. In other words, Poland is governed by a government which is, at this point in time, denying the rights to those people it claims to represent.

Second, supporting the freedom fighters in Poland against the Polish Government would be in our national interest, replacing the Communist regime with a democratic government would therefore be in the interests of both the brutally repressed Polish people and in our interests; that is, in establishing a beacon of democracy in the middle of Eastern Europe.

He points out that Poland fails the third condition, because any uprising against the military regime would be put down brutally by the Soviets, and he asks whether anyone can say that we assisted the people of Hungary in 1956 when we incited them to rebellion and then watched helplessly as they were crushed.

He goes on to say that a case can be made that Angola, Afghanistan, and Cambodia meet all three conditions. It is interesting that he makes this comment, because in fact there is bipartisan support in this House for assistance to the freedom fighters in Afghanistan, for freedom fighters in Cambodia, and I would suggest that there is a developing consensus for support for the freedom fighters in Angola.

He points out that the clearest case for our support of the freedom fighters actually lies much closer in geographic proximity to the United States; the clearest case is Nicaragua.

Former President Nixon points out that supporting the Contras is in the interests of the Nicaraguan people who suffer under a repressive government that denies them any chance to bring about peaceful change for the better.

He points out further that it is in the interests of the United States, since Nicaragua poses a threat to its non-Communist neighbors and also is potentially the first Soviet base on the American mainland.

Then he takes the third condition, and suggests that because of the broad support of the freedom fighters and the widespread opposition to the Communist government among the Nicaraguan people, it also meets condition three.

In other words, the anti-Communist Contras, with our help, can succeed.

The reason I bring this article to the attention of my colleagues, and it is an article that was published in its entirety in the RECORD by the minority leader, Mr. MICHEL, several weeks ago, is that we find difficulty in articulating and then implementing a policy which suggests where we can act where we should not act.

That is, if we take President Kennedy's words at face value, we should support every freedom fighter in the world no matter what the consequences. We should support the freedom fighters, or should have supported the freedom fighters in Hungary in 1956, incited them to rebellion, even though we knew that they would not succeed.

We should incite the freedom fighters, or potential freedom fighters in Poland to rebellion even though we do not believe that they have an opportunity to succeed.

In many ways I believe that would be a self-defeating proposition, so the question then becomes: How do you differentiate between freedom fighters in one area of the world and freedom fighters in another area of the world?

□ 1400

And that is where I find Mr. Nixon's words so insightful. He suggests to us that not only should we be committed to freedom fighters who in fact attempt to throw off the yoke of oppression in many cases, in most cases that yoke held down on them by Commu-

nist regimes, but that we must act when that is in the national interest of the United States and when in fact those freedom fighters have some chance of success.

Using the three-pronged approach, it seems to me very evident that support for the Contras in Nicaragua is essential.

Many people do not understand that Nicaragua and El Salvador are closer to many parts of the United States—to parts of California and to parts of Texas, to many parts of the United States—than is Washington, DC. Many people fail to understand that as we deal with the tremendous problem of immigration, illegal immigration from South and Central America, there is a tremendous land bridge that goes from the very tip of South America up into the innards of the United States, that it is a direct route, that it is fairly easy for people to cross the Rio Grande, that it is fairly easy for someone who really intends to do so to come into these United States if he or she wants to come back a second, a third, or a fourth time after getting caught.

People should understand that the number of people from countries other than Mexico has increased substantially in the last decade, that we have people coming from Central and South America, and that unless the United States assists in establishing stability in that region of the world, and unless the United States assists in establishing governments to give some opportunity for expression of political decisionmaking, expression of economic rights, expression of religious rights in those countries, we will continue to have even larger numbers of people coming to the United States day after day, month after month, year after year.

So it is very much in the interest of the United States that we assist in that region of the world; it is very much in the interest of the United States that we recognize the threat that communism poses in that area of the world.

Go back 25 or 30 years and suggest that someone named Fidel Castro would take over the country of Cuba and then not only communize it but then be the basis for support for Communist excursions into other parts of Central and South America, and you would have been laughed at. No one took it seriously. Others said, "Let him take care of his own country. It is unfortunate that he has imposed communism there. Batista was not a good ruler. Things will improve down there. We have nothing to fear." And yet we have seen the cancer that started in Cuba grow and metastasize in other parts of Central and South America.

Others today say, "Don't worry about Nicaragua. They overthrew the evil Somoza regime." And we will recognize, all of us, I think, that in fact it was evil in many respects. But was the Nicaraguan Sandinista Communist government the only alternative, and should it be the only alternative when there are freedom fighters willing to fight and die for the chance to obtain some democratic principles in action in their own country?

We have a heavy burden here in the House of Representatives that we share with our colleagues in the other body and that is not only to look out for the parochial interests of the constituency in our own particular districts but to look out for the overall national interests which affect every individual in this country, no matter whether he or she is represented by us in our particular district or not. And we have an obligation to look at the long-range questions of Central and South America that are in the overall national interest of the United States.

I would suggest, Mr. Speaker, that it would behoove us to look very carefully at the words of Richard Nixon in the article, "The Case for Supporting Third World Freedom Fighters," because I believe it gives us an outline, it establishes criteria, that we might be able to utilize, so that we can determine where in fact it is of benefit for us to aid freedom fighters and where it is not only not in our interest but not in the interest of the freedom fighters themselves to take part in a battle that they cannot win.

So, Mr. Speaker, I would invite my colleagues to look at this article in its entirety as it appeared in the RECORD several weeks ago when placed there by the minority leader.

Mr. WRIGHT. Mr. Speaker, will my distinguished friend yield?

Mr. LUNGREN. I will be happy to yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, I just want to compliment my friend, the gentleman from California, on a significant contribution that he is making to the public dialog. He is discussing a matter that I think is core central to one of the problems which besets us internally. He has pointed up very wisely, in my personal opinion, the truly significant fact that the solution to our problem of illegal aliens lies not here in the United States so much as south of our borders and Central and even South America and that the biggest challenge confronting us in this Hemisphere is to try to find the right ways in which we may assist at their request those nations which are trying to preserve political freedoms while at the same time demonstrating that they can come to grips with the legitimate social and economic problems that beset their people without sacrificing their political liberties.

I just wanted to congratulate my friend, the gentleman from California, for his leadership in pointing up this very important problem.

Mr. LUNGREN. I thank the gentleman for his remarks.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, again I rise to address the privileged order of not only this country but the privileged orders, in the words of the originator of this phrase and this type of address, Joel Barlow, the American Revolutionary hero, chaplain for Washington's army, a pamphleteer and a great Libertarian, in the sense that he was one of those in the forefront of the struggle for independence, and realizing that the struggle transcended the United States' newly born nationhood and the British Kingdom or the English King, but also what ruled the day throughout the world, monarchy, with special reference to the West, what we call Europe today.

And I do so because I see the great commotion, the travail, the gnashing of teeth that has been raging more recently on the occasion of the taking of the hostages aboard the Trans World airliner, and I want to point out to my colleagues that this subject matter was of great concern and interest to me on the occasion of the first such action on the part of Iran in 1979 in which the Embassy of the United States and its inhabitants and workers were held hostage by the Government of Iran, and the fact that nobody seemed to be aware, any more then than they are today, of the foresight of the men who wrote the Constitution, the contemporaries of Joel Barlow, in which they clearly foresaw the kind of international piracy that beset their world as much as it is now ours, except in that day and time there was no such thing as air travel, of course, and the piracy was on the high seas.

One month after the hostages had been taken, that is, the month of December 1979 I addressed a letter to President Carter and also addressed the House, pointing out that the Constitution provided very specifically in article I, section 8, clause 10, all the needed powers which my colleagues, especially those who spoke on the subject matter generally today, and, more specifically, an editorial in the Wall Street Journal for today on its editorial page, entitled, "Review and Outlook," why we will not act. And after a lengthy, verbose gnashing of teeth, they come to the conclusion that the whole trouble is that the War Powers Limitation Act of 1974 restrains a President in some way not determined,

blaming the Congress, a Congress that I have lashed at for the last 2 years for not invoking the War Powers Act and one which the President has not only thumbed his nose at but has completely disregarded, with the apparent consent of the Congress.

□ 1410

As I have said repeatedly, though I have taken the floor on many occasions since I first came to the Congress 24 years ago, if I have criticized, I have also made suggestions. One month after the taking of the hostages when it was apparent to me in 1979 that they were not going to be released through the normal channels, I wrote a letter to President Carter, I addressed my colleagues, and I made three suggestions.

Since it was a sovereign nation, Iran, involved in the matter, I felt that such outrageous actions had not happened since the Crusades; since the Middle Ages, and that, therefore, the only established world forum would be the United Nations, and that the United States, through its representatives, should address the matter, both in the General Council as well as in the Security Council.

This, President Carter did, and the United Nations unanimously, near best as I can recall, maybe one or two minor nations, no, but even Russia joined in labeling the hostage taking of Iran as an act against international law. Against the law of nations as the Constitution of the United States calls it.

The other thing I suggested was that we go to the World Court, that is the International Tribunal for the Settlement of Disputes. We did that. The Court unanimously held in favor of the United States. I asked for a third thing, merely suggesting it as a possibility, in the absence of concrete, congressional direction. But I also referred to article I, section 8, clause 10, which clearly places the responsibility and the power in the Congress to act in such matters.

I suggest that in the absence of that, one of the most effective ways to bring about an Iranian release was freezing all of the financial assets within the reach of the U.S. Government, which, I knew were very considerable. The reason I knew that is the same reason I know what I have been talking about ad infinitum on international finance since I served as chairman, for 10 years, of the International Subcommittee of the Banking Committee.

I suggested that the freezing of the assets would be the quickest way because we must never forget that at the bottom of all of these political deals and actions there is a financial, there is a financial mechanism which is viable, and in this case could have been reached as it was except that no action was undertaken in that respect until many months later. The first two actions were taken, I thought, with fairly reasonable dispatch and restraint, and I complimented the President later, not only in a letter, but also in addressing my colleagues then, for his restraint, which I felt was necessary under the circumstances. And until such elements were invoked as freezing these financial resources of Iran. Because once you hit the Iranian bankers, then they would go to Khomeini and yell "uncle" and compel him because the bankers still control things.

In fact, they control as much there as they do in our country, as I have pointed out time after time with the negligence of the Congress, we have let our central banker, for roughly that is what it amounts to, the Federal Reserve Board, act in such a way that ultimately, through the ownership of the Federal Reserve Bank by the leading commercial private banks, and being unaccountable either to the Congress or the President, now has the power of such things as not only the standard of living, which is directly involved when you control interest rates, but also the more serious matter of war or peace.

So, today, I rise for the record, and I would like to include in the RECORD my column that I write weekly for the San Antonio Light in my hometown of San Antonio, entitled, "International Criminals Must Pay a Price; the United States Should Be Prepared To Make Them Pay." I base that on a resolution I have reintroduced in specific form to take care of the occasion that now confronts us in which I appeal to article I and section 8 and clause 10. I am going to read it; it is very simple. It is one of the many panoplied powers that the Constitution grants specifically and exclusively to the Congress, and I am quoting now:

> The Congress shall have power to define and punish piracies and felonies committed on the high seas and offenses against the law of nations.

So I felt that in order for the President to have the full power vested in him through delegation by the Congress, that we should so define it under this congressional mandate of power. Yet, I find that I am the only person in the whole Congress even making reference to this section in the Constitution of the United States. I see everybody around here and even in the pages of this august, conservative journal, the Wall Street Journal, saying, well, the remedy ought to be something, but maybe if we turn loose the President. Well, the President is loose, but why did he not retaliate as he said after all, he was the one that, in Carter's case, flagellated President Carter unmercifully, day after day, among other things, he said, "Carter's handling of the Iranian issue is a humiliation and a disgrace."

Later, on the release of the hostages right on the eve of his taking office on January 20, 1981, he said, "Let terrorists be aware that when the rules of international behavior are violated, our policy will be one of swift and effective retribution.

"We hear it said that we live in an era of limits to our powers. Well, let it also be understood there are limits to our patience."

At that time, that is, January 22, 1981, to be exact, I addressed my first letter to the newly installed President, Ronald Reagan, in which I pointed out again that unless the United States did something and followed through, even though the hostages had been released, that we would have this happen again and again and again.

□ 1420

Those are my quotes from an address I made here to the House on January 22, 1981. To my dismay, I found that with the passage of time, and it is today, the moment I am speaking today, our memory span is very short, it is infantile, and who has that sense of outrage and indignation today that we seemed to have a week ago today, including the President. I saw it happen then.

To my utter dismay, months after that, that is, within the first year of his Presidency, we reestablished commercial intercourse with Iran, which we still continue to this day. So unless we realize what it is that is at the bottom, more than humiliation, is it dishonor? Of course, it is both, but what do you do about it, and how should it be defined?

If we do not make reference to the very basis and predicate of the power specifically spelled out in the Constitution but, rather, must depend on an unconstitutional Presidential unilateral act, then we should not complain that we are, thereby in the twilight of our liberties, for indeed that is where we are. What I hear today and heard this afternoon and what I read in the newspapers is advocacy of more social control through our so-called intelligence agencies who already are rampant enough. I hardly think that that is a rational, positive and effective reaction.

I again submit that I introduced a resolution known as House Concurrent Resolution 25 in 1981 in which the resolution defined under article I, section 8, clause 10, the act on the part of the Government of Iran as having been a violation of the law of nations. That particular clause follows the previous clause in which the exclusive power to declare war is inherent in the Congress.

What more do we want as to what was foreseen by the men who wrote the basic and fundamental law of our land?

I feel the same way today, so I have reintroduced a resolution, except worded and couched in such a way that it applies to the present situation affecting us immediately. The difference, of course, is that in Lebanon—now I notice my colleagues in the other party are saying that Lebanon is not really Lebanon. Well, this is what I was saying for 13 months and trying to get the President to define the mission of the marines in Beirut, and to which he answered that they were there for two purposes, peacekeeping. He did not answer me, because this is the first President of six that I have worked with who does not answer a Congressman's letter, but he answered a newspaperman's question and said it is twofold. One, they are there to shore up the Gemayel regime, but the Gemayel was one of four factions. So if you are taking part in a civil war by taking sides for one of four factions, how can you be a peacekeeper? And then how can marines, who are warriors, not diplomats, not politicians, be cast in the role of such?

The President for 14 months, even in total disregard of the solid military opinion, the uniform, absolute solid opinion and advice of the Joint Chiefs of Staff, until 241 marines were murdered in their sleep. Now we are trying to equate that barbarism with the death of the four marines in El Salvador.

I took to the floor 3 years ago and brought out the information provided me by constituents serving with the armed services in the first so-called advisory group that went to El Salvador, and I predicted that unless the President defined, and why has he not done such, why would unarmed marines be murdered at will? This could have happened before. What this tells me now is that we are more apt to have more of it than less, but 3 years ago when I reported the anomalous situation in which we were placing our servicemen, unarmed, defenseless, because the President does not want to define the situation. He still says El Salvador is not a hostile place for our servicemen to be, because once he defines it as such, and once he allows a serviceman to defend himself and have the right of self-preservation, which all during Vietnam, in the beginning years we would not do, we did the same thing with our so-called military advisers, and at that time it was President Kennedy who I raised the issue with at first, in 1963, in May.

So I get tired, when I raise these issues, point to the specific provisions, and then am castigated and criticized for what some say is being partisan, or some insinuate demagoguing. What I am saying is that we have to go to the root cause and we have to go to our fundamentals, and that the only time we are in trouble is when we stray from those fundamentals. If we try to act unconstitutionally, we cannot end up in anything but serious trouble. That is all I am saying.

But I come back to the basic thing, and I am not at all insinuating that I am the equal of such a mind as Jowell Barlow, but very much in similar circumstances. His advice to the privileged orders then was that they should take cognizance of the revolutionary changes that the ruling classes, refusing to see coming over the horizon, must prepare themselves for. It is the same thing here today.

I have gotten up since 1982 to point out, in fact, earlier than that. The first speech I ever made with respect to Latin America, even though I had been selected by the OAS as an American observer for the elections in Santo Domingo on July 1, 1965, I never considered myself an expert, but I speak after I have been privileged to have absolute, faithful information that is not being addressed, or refused to be addressed by the powers that be, the privileged orders, the Presidents in power then.

On April 1, 1980, I took this floor, after 6 months of fruitless and unsuccessful attempts to reach President Carter, to advise him that the policy initiated and beginning to be in El Salvador was a mistaken one; that we should at least try first to act collectively to utilize the last remaining few vestiges of leverage that we still had for leadership in a collective sense, in company with our fellow countries that share our destiny in the New World. That went unheeded. At that time, April 1, 1980, it was not President Reagan, it was President Carter, a Democrat, and I was just as critical then as I am now, because I have always felt, like William Garrison, that I shall be as harsh as truth and as uncompromising as justice.

□ 1430

As we say in Spanish, if that makes anybody uncomfortable, it is too bad. The truth does make people uncomfortable on many, many occasions.

So that today it seems to me that it would be only fair that I receive some consideration on the part of the committee that has jurisdiction, and that my resolution—this one known as House Concurrent Resolution 164—be considered by the proper committee. That is all I have ever asked. All I ask is to give me the forum that I am entitled to as a Member of this House. If I am wrong, I am open for conviction to be shown wherein and how I am wrong. If I am right, then is it not to your profit to consider it? This is the only reason I get up and speak.

When I introduced the resolution of impeachment of Paul Volcker, I was snickered at and I was ridiculed, but I had specifics. I was being very specific. I brought out on the House floor documents and specific acts of malfeasance and misfeasance under the tradition of impeachment, also provided for in the Constitution, which I have researched vigorously, even going back to the time the matter was discussed at the Constitutional Convention hall in Philadelphia to get to the roots.

What was it that the men who drafted this were thinking of? It was very, very easy to see. Their words were plain and coherent and clear and eloquent, and it was the only means by which the people, through their representatives, could control an unrestrained runaway in the usurpation of power by an appointed official, unelected, though elected officials are subject to impeachement as well.

So at this point for the RECORD, Mr. Speaker, I include first the column that appeared in the San Antonio Light yesterday, Sunday, July 7; and following that, an article in the Washington Post of yesterday entitled "What Happened to Reagan the Gunslinger?" And following that, the Wall Street Journal editorial, "Why We Won't Act," on page 12, the editorial page.

[From the San Antonio Light, July 7, 1985]

INTERNATIONAL CRIMINALS MUST PAY A PRICE; U.S. SHOULD BE PREPARED TO MAKE THEM PAY

(By Henry B. Gonzalez)

The recent release of the hostages taken when the TWA plane they were riding in was hijacked has given rise to a varied assortment of reactions among the American people and their leaders.

It is reported that President Reagan, Secretary of State George Shultz and the president's national security adviser, Robert MacFarlane, are tending to favor some form of reprisal and retaliation; Secretary of Defense Caspar Weinberger is cautioning against such a move. Obviously, Weinberger is reminding the president that he has five different fires started throughout the world but only one fire engine to deal with them.

The American people are grateful for the safe return of the hostages but they want more. International criminals cannot get off scot free. They must pay a price and the world needs to know that the United States is prepared to make them pay that price.

As for me, all during the crisis during the Iranian hostages taken in 1979 and since then I have long pondered and studied the situation in an attempt to find a congressional or constitutional definition of the problem and the responsibility placed by the Constitution on the Congress, not the president alone, to act.

I found that Article I, Section 8, Clause 10 fully anticipated such actions and crimes. Its exact wording is "The Congress shall have power to define and punish Piracies and Felonies committed on the high seas and Offenses against the Law of Nations."

So I introduced on Jan. 9, 1981, H. Con. Res. 25 before the Iranian hostages were released but after I had failed to persuade my colleagues on the Foreign Affairs Committee to consider some form of action under this grant of power to the Congress. After their release and on Jan. 22, 1981, I spoke to the House on the need for Congress to discharge its responsibility under this Constitutional grant, not withstanding the release

of the hostages. I stated then and I quote. "I urge that it be given attention because while the hostages may be free, the issue with Iran is far from settled and the threat to international order is greater than ever. This dastardly act will surely be confronting us again and again and again."

I reminded Reagan at the time that he had said time and again he wanted America to be strong and not dishonored. I stated then that here was his first opportunity to back up those words with action. Instead, to my great surprise in subsequent months, Reagan authorized renewal of some commercial intercourse between the United States and Iran, some of which persists to this day. To my great disappointment, the subsequent months erased from the president's and the American people's memories, this atrocious act. I pointed out time and again that the Iranian crime was new and novel, that such hostage-taking had not taken place since the Crusades but today's political memory span is very short and our presidents are more interested in image than in substance.

So that in the case of the TWA hostages, I introduced H. Con. Res. 168 on June 20, 1985, in which I defined these actions on the part of the criminals perpetrating as offenses against the Law of Nations.

I believe that future generations will conclude that there is a fundamental difference between national pride and national honor and that while America's pride was severely damaged, our honor was not.

I believe they may also recognize a crucial distinction between humility and humiliation. We can learn from humility to be strong and righteous; humiliation, however, is a brother to fear and to hatred—something we as individuals and great nations must avoid. The president, who is a very prideful man feels humiliated, but I believe that it is precisely at these junctures that we in the Congress must rise to the occasion.

[From the Washington Post, July 7, 1985]

WHAT HAPPENED TO REAGAN THE GUNSLINGER?

(By Lou Cannon)

President Reagan, caricatured through much of his political career as a reckless gunslinger who would shoot first and ask questions later, succeeded in the Lebanese hostage crisis by doing exactly the opposite of what his most bellicose rhetoric suggested he would do.

Soon after the capture of the passengers on TWA Flight 847 confronted him with the potentially most damaging crisis of his presidency, Reagan learned the practical difficulty of making good on his 1981 vow to take "swift and effective retribution" against terrorist acts.

Yet by doing the right thing—negotiating instead of attacking—Reagan also did well politically. A Washington Post-ABC News poll shows that 72 percent of Americans approved of Reagan's handling of the hostage crisis; the kind of support one usually finds for motherhood resolutions. His approval rating also soared, and 66 percent now favor the way he is handling the presidency.

These high ratings do not sit well with the president's most conservative supporters, who would prefer a president who has more than talk in his antiterrorist arsenal. The hard right is deeply disappointed that their hero has abstained from retaliatory action against either the Mideast hijackers who killed a Navy diver or the terrorists who shot to death four Marines and nine civilians in an El Salvador restaurant on June 19.

Some conservatives have learned that their favorite slogan, "Let Reagan be Reagan," has different meanings than they imagined. The learners may have included White House communications director Patrick J. Buchanan, who, as a conservative columnist during Reagan's first term often blamed pragmatic White House aides when the president's actions conflicted with his advocates.

After Reagan rejected a proposal of Buchanan and political adviser Edward J. Rollins to retaliate against the Salvardoran killers of the Marines on the grounds that innocent civilians might be harmed, Buchanan reportedly told friends that Reagan was far more reluctant to use force than he had realized before he joined the White House team.

The president had lots of pragmatic company last week when the lives of 39 American hostages were on the line. Secretary of State George P. Shultz cooled his fiery rhetoric about the need to retaliate against terrorists even at the possible cost of civilian lives. National security adviser Robert C. McFarlane, who had backed Shultz and supported retaliation after the October 1983 Beirut bombing that killed 241 Marines, stressed diplomatic negotiation and opposed military options.

Even White House Chief of Staff Donald T. Regan, whose tough talk has sometimes matched the president's, favored a restrained response to the terrorists. Regan opposed the retaliatory advocacies of Buchanan and Rollins, and genially referred to them as "the mad bombers."

In 1980 Reagan used the "mad bomber" phrase to characterize the campaign portrayal of him by President Jimmy Carter. Most of this depiction was directed at Reagan's views of the Soviet Union, but it also spilled over to the Iranian hostage issue. One of the gallows humor jokes of that campaign was, "What's a foot high and glows in the dark?" The answer was, "Iran after Reagan becomes president."

Reagan's strategists had a dualistic view of such sallies, which simultaneously suggested that he was decisive and dangerous. They tried to downplay the menance in this equation while reinforcing the idea that Reagan would be a stronger leader than Carter.

Reagan himself appeared to have no doubts and even less understanding. He called Carter's handling of the Iranian issue "a humiliation and a disgrace," and in the ready aftermath of his landslide victory appeared certain that such humiliations were a thing of the past.

Welcoming home the Iranian hostages on Jan. 27, 1981, six days after his inauguration, Reagan declared: "Let terrorists be aware that when the rules of international behavior are violated our policy will be one of swift and effective retribution. We hear it said that we live in an era of limits to our powers. Well, let it also be understood, there are limits to our patience."

In 4½ years of the Reagan presidency, there has never been agreement within the administration on the definition of these limits or what should be done when they are exceeded. Debating thorny questions of retaliation and reprisal, Reagan has learned by mistakes and experience that the view is different from the Oval Office than from the stump, and that campaign simplicities have little relevance to the actual decision making of a president.

It is not a new lesson. John F. Kennedy became president and discovered that the "missile gap" which he had campaigned on did not exist. Richard M. Nixon became president and proved to have no plan, secret or otherwise, for speedily ending the Vietnam War. Jimmy Carter became president and found that the Soviets were a lot more difficult than he had anticipated.

After the Soviets invaded Afghanistan, Carter said that the move "has made a more dramatic change in my opinion of what the Soviets' ultimate goals are than anything they've done in the previous time that I've been in office."

If Afghanistan was an instant eye-opener for Carter, Lebanon was a gradual learning experience for Reagan—who was always more pragmatic and balanced than either his supporters or detractors acknowledged. Reagan's deeply held pro-Israeli views prevented him from discouraging the Israeli invasion of Lebanon in 1981, when Secretary of State Alexander M. Haig Jr., was calling the tune. After the invasion soured and the Israelis pulled back from Beirut, Reagan did not know enough about the situation in Lebanon to realize that the Americans had replaced the Israelis as the principal target of terrorism.

The learning period was a costly one for a president who in 1976 had vowed "no more Vietnams." In 1983, the president ignored the warnings of the Joint Chiefs of Staff and Secretary of Defense Caspar W. Weinberger, who worried that Marines would become sitting ducks if employed in static positions around the Beirut airport. Reagan instead accepted the counsel of Shultz and McFarlane that a U.S. presence in Lebanon could help stabilize the country.

The lesson that proved otherwise came when a suicide truck bomber struck Marine headquarters on Oct. 23, 1983, and killed 241 U.S. servicemen. This was the kind of attack that historically has caused U.S. forces to stay put to justify the sacrifices of the dead, and Reagan's rhetoric in the aftermath of the bombing was unyielding.

The actual U.S. response was, as always, more measured than the presidential speeches. But it also was unsuccessful. A raid against Syrian antiaircraft batteries in December 1983 cost the U.S. two planes, one pilot dead and another flier left captive for a month. A bombardment by the USS New Jersey proved similarly ineffective and deepened anti-American feelings in Lebanon as the U.S. hostages from TWA Flight 847 discovered when they were shown pictures of the shelling.

But Reagan had learned from the failures of his predecessors in Vietnam, partly because military leaders and Congress also had benefited from the Vietnam experience. What he had learned most of all was that if you can't use the military force necessary to win a conflict, the best thing to do is get out. Prodded by Republican senators who didn't want to defend Lebanese intervention, Reagan withdrew U.S. forces from the country while proclaiming everlasting support for the government of Amin Gemayel.

Reagan's ability to make sensible decisions that contradicted emotionally satisfying speeches was catching. Shultz led the administration in retreat before terrorism while at the same time denouncing the evils of "state-supported terrorism."

"The public must understand before the fact that there is potential for loss of life of some of our fighting men and the loss of life of some innocent people," Shultz said in a speech Oct. 25 at the Park Avenue Syna-

gogue in New York. "The public must understand before the fact that some will seek to cast any preemptive or retaliatory action by us in the worst possible light and will attempt to make our military and our policy makers—rather than the terrorists—appear to be the culprits."

But it was the ghost of successful terrorism in Lebanon rather than this vivid warning that framed the debate within the administration after the hijacking of TWA Flight 847.

Everyone, it seemed, had learned something about the reality of dealing with armed terrorists. Even while pledging not to negotiate with the hijackers, Reagan and McFarlane quickly decided that military force was not an effective option.

The military had learned lessons of its own, ever since Vietnam. One important lesson was that options were limited under a policy that required "no collateral damage"—the current military jargon for a strike that does not kill civilians. This ruled out a lot of responses in a hurry, particularly an attack in Beirut.

Even while U.S. ships were taking position off the coast of Lebanon, Adm. James D. Watkins, the U.S. chief of naval operations, was saying that he would subject any U.S. plan for attacking terrorists to a "moral checkoff list." Watkins and the other members of the Joint Chiefs of Staff are emphatic reminders that the United States has indeed drawn lessons from Vietnam, lessons that include the futility of waging a type of war that the American public no longer supports.

Both Reagan and the chiefs were guided by practical considerations. They recognized that thousands of American servicemen and civilians around the globe are vulnerable to acts of terrorism. They recognized also that the way to minimize casualties is to use overwhelming force, an alternative that had few supporters in the White House.

McFarlane, a Marine combat veteran of Vietnam who strongly favored the deployment of Marines in Lebanon and opposed their disengagement in 1983, had also learned some lessons. Directing the diplomatic efforts to free the hostages through the good offices of Syria—officially listed by the State Department as one of the nations supporting terrorism—McFarlane quickly ruled out military options to rescue the hostages or retaliate against the hijackers.

After the hostages were freed, McFarlane sounded even more dovish. Declaring that "vengeance is not a policy," he pointed out that the militant Shiite sect Hezbollah, which the United States holds responsible for the hijacking, was protected from direct reprisal because it takes refuge in the urban population of Beirut.

The fact that terrorists swim in a civilian sea would have given neither them nor the civilians much protection in Vietnam. But Reagan, always more tender-hearted when dealing with real people than with abstract ideas, decided that retaliation in which innocent civilians are killed is "itself a terrorist act"—a view he expressed at his June 18 news conference. Rollins and McFarlane tested this view two days later when the Marines were killed in El Salvador and they proposed a retaliatory strike in response.

Reagan's response showed how much he had learned—and how little he conforms to the gunslinger caricature. He asked McFarlane whether an attack could be carried out without killing civilians—a yardstick that surprised Buchanan. When McFarlane said no, Reagan ruled out retaliation and settled for a tough-sounding statement read next day in the briefing room by White House spokesman Larry Speakes.

Reagan did much the same when the Lebanese hostages were freed. He made a speech from the Oval Office promising to "fight back" against terrorism but did nothing more than offer a bounty for capture of the hijackers.

Warming up for that speech, Reagan quipped over an open microphone, "After seeing 'Rambo' last night, I know what to do the next time this happens." Those who have seen Reagan in action are not so sure. An administration official who discussed possible options for reprisal last week seemed to be saying that Reagan wouldn't approve most of them. Beirut was out because of the civilians. Syria was out because President Hafez Assad had freed the hostages. Iran was out because the Iranians, too, showed some sign of helping and attacking Iran would encourage the most radical elements in the regime. Even the Shiite military complex of Baalbek in eastern Lebanon, the favorite target when the Israelis want to retaliate, was doubtful because some or all of the seven kidnaped Americans in Lebanon may be held hostage there.

Reagan's more firebreathing supporters welcome his rhetoric about reprisals but are troubled by the practical lessons he has learned about retaliation. The Wall Street Journal used "Jimmy Reagan" as a headline on one critical editorial and concluded a black-bordered editorial about the murdered Navy diver Robert D. Stethem with the suggestion that the Reagan administration had given the hijackers amnesty for the crime.

New-right activist Richard Viguerie, who does not hesitate to criticize Reagan, maintains that the president has sacrificed his credibility.

"It's one thing to rank high in the polls with the American people and another to have the respect of world leaders," Viguerie said. "With each new crisis, Reagan has less and less credibility with both friends and foes."

Maybe so. But there are those who make the opposite argument from the same set of facts. They contend that "the next time" Reagan will be in position to retaliate just because he has proved so prudent in the recent hijacking crisis and has freed himself from the suspicion that he is potentially trigger-happy.

"It is very clear to people now that Ronald Reagan is not a gung-ho cowboy whose goal is to drop bombs on people," said a senior administration official last week. "He's restrained. He would have great credibility if he were in a situation where he had to take forceful action. People would believe he had tried other alternatives first."

What this amounts to is that the same people who used to reassure skeptics that Ronald Reagan wouldn't start World War III are now telling anyone who will listen that he's not the pussycat he seems.

(Washington Post staff writer George C. Wilson and researcher James Schwartz contributed to this report.)

[From the Washington Post, July 8, 1985]

WHY WE WON'T ACT

With emotions already cooling in the wake of the Beirut kidnapping, it is time to move the retaliation issue off the question of whether we should have taken military action during or immediately after the seizure. It's now evident that this is largely an academic debate. All the available evidence from the past two U.S. administrations leads to the conclusion that short of total war, the departments of the executive branch responsible for foreign policy—the White House, State and Defense—are highly averse to military action outside the American continent.

In retrospect, Grenada appears to have been an anomaly, a unique event precipitated in large part by the forceful will of Dominica's remarkable prime minister, Eugenia Charles (who, by the way, has just won a big popular vote). The defense buildup of the past four years is intended to fight World War III, an event many senior military officers doubt will occur in their lifetime. Public statements by Defense Secretary Weinberger and senior uniformed officers make it clear that the Pentagon has little interest in deploying its assets in any contingency falling between Grenada and World War III.

The danger in this posture is that it significantly reduces the deterrent function that our, or anyone's, military capability is supposed to serve. And that in turn provides our adversaries with an unacceptably large margin in which to maneuver freely. The world's terrorists are actively operating in that margin. So are the Warsaw Pact nations and Libyas that train, finance and promote such insurgencies. This sort of activity puts tremendous pressure on U.S. friends, such as the ASEAN nations, Persian Gulf moderates or even NATO.

The return of the 39 hostages is gratifying, but nothing in the release process at all ensures against another such incident. There will be a next time. As the Free World's leading nation, the U.S. either has to take the responsibility of demonstrating its willingness to push back against this pressure or watch it eventually escalate into something requiring a much larger, bloodier military response.

The real question we should be addressing is: What set of circumstances now exists in Washington that has caused the U.S. military establishment to beg off on so many real-world contingencies?

Discussions we've had with military officers on this matter tend to focus on engagement strategy. Among their misgivings is the belief that currently popular proposals for "surgical" strikes and Delta-Force-type missions mean they are expected to fight with inadequate force ratios. Others worry that the apparent need to give each service a piece of these initially small actions may supersede effective operations strategies. There is a good, wide debate to be had on this subject, but at bottom we are convinced that the Pentagon's reluctance to involve itself in mid-level operations is a rational response to the recent behavior of Congress.

To a man and woman, Congress will deny that it is damaging our military capability. But we do in fact have a War Powers Resolution that is constantly invoked and debated in these circumstances. And as to the inadequacy of our intelligence-gathering capability that is so talked about on occasions like this or the recent Walker spy case, we have had Mr. Reagan's Executive Order 12333 revising Jimmy Carter's Executive Order 12036, both forged amid a congressional tumult over CIA activities. Last week the State Department was reduced to saying it had asked the CIA's lawyers to provide an interpretation of these regulations before the administration made any decisions about pursuing Robert Stethem's murderers. The paramount operations consideration in this country today isn't whether it will work, but whether some congressional

staffer will be able to say it's illegal. Will a week's worth of front pages and evening news shows lead with arguments over whether the president has "broken the law"? The commander in chief has become the lawyer in chief.

The series of House votes just prior to the congressional recess attempting to detail the conditions under which the president may take military action in Nicaragua displays how the congressional system naturally tends toward a tangle of legalisms, resolutions and amendments. It is certainly possible to break down each of the items we've mentioned into a discrete policy argument. But with everyone's mind focused by the Beirut kidnapping, we wish the members of Congress would stand back and take a look at the total system of political disincentives they've created for any Pentagon operations planner.

Bold anti-terrorist statements by returning members of Congress this week won't remove this disincentive. The legislation circumscribing U.S. military and intelligence operations is real. Now is the appropriate time for Congress's responsible members to explicitly raise the issue of modifying or repealing this legislation. If they do not, we are left with the status quo, and the status quo has obviously emboldened this country's enemies. At some point in the future, that continuing danger may threaten not merely 39 of us, but all of us.

But, Mr. Speaker, we should never forget the fundamental dilemma confronting this country because it is all tied in. It is all one ball of wax. We will continue to be agitated by these actions. As I said in January 1981, it will happen again and again and again until we define here in the Congress exactly what it is we are driving at and until we define these specific acts as acts against the law of nations, as acts of piracy that have to be punished, that must be punished, that have to be gone after. They have to be, and how that can be done is a matter of time and circumstances, that is all.

But it can only be with wise leadership and cooperation between this branch of Government that has this tremendous grant of power from the Constitution and the executive branch, the President, who will have new respect for the fact that he is not superior under the system. He is the first among equals, but the executive branch is only article II, not article I, and the other two, the representative branch, the Congress, and the courts are coequal, separate and independent, but which require some semblance of cooperative movement.

We are like the old two-horse buggies that I remember when I was a child. If one horse wanted to go one way and the other the other way, that buggy would never move. We have just got to get them moving in the same direction. A lot of that depends, of course, on the personality, the mind, the mentality, and the character of a President and the will and the wit of a collected assemblage such as the Congress of the United States—535 individuals—which is easier said than done.

But what is at the basis of this? Why is it that when the President and some of his advisers suggested action—I understand his National Security Adviser, McFarlane, and the Secretary of State, George Shultz, first advised retaliation by such things as military means of some kind, not defined; the ships were moved in close to the shore, then they were removed; and also other actions such as perhaps the destruction, if not the closing down, of the Beirut Airport—the one man who cautioned counsel was the Secretary of Defense, Weinberger? At least that is the way the newspapers reported it. I am sure the reason was, as I said in my article—and I want to remind my colleagues that I do not interpose here and impose on anybody to speak one way here and not do it in my own home district; as a matter of fact, I speak first in my home district and then here—in that article I pointed out that obviously it was because Secretary Weinberger was trying to tell the President that he has five fires set throughout the world but only has one fire engine, because he has been conducting war in Central America; and also we have walked out of the World Court.

Now, this is the World Court that we went to in the first case of the hostages in Iran, and the World Court unanimously declared in favor of the United States, of course, there being no supranational or world power to enforce its actions. Naturally, it is just a verdict, it is just a judgment. But we say we are a people of laws, yet we walked out of the World Court when Nicaragua accused us of acts of war when we were mining and continued to mine their harbors and shores, when we have killed and attempted to kill some of their leaders in government through the CIA, which last September 18, 1984, received untold amounts of weaponry, including warplanes, from our Defense Department which declared them a surplus, while, on the other hand, the Defense Department is telling us they are shorthanded, they need more budget, and they need more money.

But nobody has asked the salient question, the real question: Since when is the CIA a paramilitary organization? It is just simply acting ultra vires. Under the National Security Act of 1947, the CIA has no such grant of authority.

So that question goes unanswered. Nobody wants to pose it. We cannot ask that we have world opinion behind us if our own hands are not clean themselves. There is an old saying in equity in law that one must come to equity and seek equity with clean hands, or he who seeks equity must do equity. We have been the terrorists and continue to be the terrorists in all of Central America, not just around Nicaragua, and even in some parts of South America. We have not wanted to resolve and insist on the resolution of the murder of Archbishop Romero, in El Salvador. How can we come now and say we demand to know and we are willing to pay a premium to find out who killed the Marines? Why not? Because the CIA was involved. That is why.

□ 1440

Nobody wants to face that. All in the name of what—unity? Unity for what? Are we seeking democracy for these countries? Then why have we used over $2 billion in just military efforts to try to impose a regime we think the people want, but we are not willing to accept the people's verdict as we have not in the case of the Nicaraguan elections last November.

I know that makes it look as if you are giving aid and comfort to communism, but what about the aid and comfort and the selling of the American people that has already been perpetrated by the leading bankers of our country in the most significant way of all?

You have a fellow like David Rockefeller—Chase Manhattan, the big power. When he goes abroad, they treat him as if he is the President. He comes back after visiting one of the Communist countries in Europe, and says, "You know, not all Communist governments are bad," meaning we can do business with them, meaning that particular government was not reneging on the payment of its loans that these banks had foolishly enough entered into.

What about the fact that Europe, when it was suggested that maybe a boycott of the airport at Beirut, our European allies would not buy it. Why not? If they are against terrorism, why would they not do it?

This is a question I wish my colleagues on the left would address, because where are we than? Why is not world opinion on our side?

Even now there has to be some reason. It just is not willy-nilly.

What about the fact that the real issue is not even being addressed, the issue of German reunification, the real issue the President was confronted with, or at least his advisers, and not a word in the United States press on his trip to Germany. All we heard about was his outrageous visit to this Nazi soldiers camp. I never thought I would see that, a man that saw many of his classmates killed in the Battle of the Bulge and before by those same Nazi troops buried there. I never thought I would see a President of the United States go lay a wreath there. It is so hideous to think of, it just makes me churn inside. Yet he did, and those were the headlines.

But the real news was, and ought to be of consequence to us, that the Eu-

ropean governments meeting with him for the purpose he went there, which was the European, or the so-called economic summit meeting, was to tell the United States that finally Europe, or the group of 6 or the group of 10, whichever you want to take, were saying, "Look, we are now prepared to compete with you and displace the dollar as a unit of international exchange."

Now, that may sound like gobbledygook, but what that means is that the very financial and economic underpinning of our country, if it has not already gone and eroded completely, is on its way. We are ending up with the most massive international trade deficit and accounts deficit—current accounts, they call it. All of that is financed, because hegemony, that is power and our world power has been eroding for the last 10 years, 15 years, and it should have been plain that all these things put together, such as the Bretton Woods arrangement, 41 years ago this month these 26 nations and 700 representatives met in New Hampshire and finally on July 22, 41 years ago, they got together in what was known as Bretton Woods.

All these people that are so ideologically tuned, like the racists back home when we were debating the race bills, the moment you mentioned "Negro," why their minds would black out, brilliant minds otherwise.

It is the same thing here the word "communism." All is said and everybody is gasping and knee-jerking and everything else.

Well, I think we had better start getting a real perception of the real world before we commit our Nation to the endless sacrifice of blood and treasure, as we did in Vietnam and Korea.

Let us look at this. What is that basic issue? The basic issue is that the American hegemony is eroding. Our ability to keep it has eroded. But wherein is the national sovereignty and interest pertinent to be defended and at what point should our commitment, if such we have, to be honored? Nobody wants to discuss that. Our national leaders, for whatever reason, have not wanted to shape the issues so that the American people could know what the issue was.

Are they afraid the people would not understand? Some Presidents have said so. I do not think so. I think this is a terrible underestimation of a great people.

I find that the people are way ahead of us wherever I have gone, so I have great respect and abiding respect for them. I would not be here if it had not been for them, among all people, at a time when it was considered that I would be headed for loss because people bearing certain names would vote one way and people bearing other names would vote another way.

I know the people better than that. I have come up from the people. I do come up from the people. I do not come from the upper echelons of society. I come from the poorest sector that one can think of, at least for a time.

Now, I can think of my ancestry in the mother country that my parents came from and maybe their position then, but that had nothing to do with what America is all about. Thank goodness.

Therefore, I have faith that the American people would be far wiser and therefore a lot better able to help in the type of emergency we have, to understand the sacrifices that must be forthcoming, the issues that must be addressed.

If a people do not understand the leadership, as I have said time and time again, "If the trumpet giveth an uncertain sound, who then shall be prepared to battle?"

Who has understood the issues?

Do the American people understand why 241 Marines died in Beirut unnecessarily? Did they ever understand what it was we were asking our boys to fight and die for in Vietnam clearly? Communism? Communism—well, then, why were we not invading Cuba? Why were we not starting closer at hand? These are questions that people ask all the time and they are puzzled. So was I and so am I still.

I think one reason is that our misperceptions have been tragic. Our misperceptions have caused us to see an unreal world. The real world out there is different. It is not going to be guided by the domestic myths and the domestic image-makers that get our Presidents elected, or at least help in the process.

The world keeps turning on its axis and that turn is not geared to the American domestic mediamakers and kingmakers today. The real world out there has to be reckoned with because it has shrunk. It is too interconnected.

I can say this to you, my colleagues. Four marines were murdered in El Salvador. Just as surely as we are here today, if we fail to address the basic issue in the smallest country in the Western Hemisphere, how can we succeed when it comes to more difficult areas? I do not see how. Yet I see no grasp of the dimensions of what is churning and boiling south of the border—none at all. I really do not.

We get lost in one wild pendulum swing, from xenophobia, which is hatred and distrust of what is foreign, and specifically south of us, to the other swing where you have to prove that you are a good neighbor by giving away the family jewels. Both extremes I think are unwise and silly.

I have taken this forum through the years. For instance, I am the author of what they call in international finance the Gonzalez amendment. It is the only mechanism we have in law as congressional policy to take care and provide avenues of access for a small businessman who happens to have his property illegally or for political reasons expropriated in another country. Now, that amendment is not for Anaconda. They are powerful. They can take care of themselves, but it is for the little businessman who has put all his savings in some venture south of the border, and yet I have had to talk here to defend it against those who say that this will offend those countries.

I said that if protecting legitimate rights of Americans in their property is insulting anybody, so be it. So what? Let them be insulted.

They will not respect us anyway if we do not really respect ourselves.

Fortunately, we had the amendment passed and it became part of our law. It has been referred to more often in international financial journals than it has in the United States, meaning that it has had some effect.

□ 1450

But the truth of the matter is that for the future, the question, the $64 question, is how we develop policies, for example, to differentiate between a native, indigenous civil war, even if the leaders of it mouthed a lot of rhetoric that is defined as Marxist/Leninist. I have never understood any of that rhetoric, probably never will.

But I do understand movements, and I do understand causes that impel the most humble of people to want to take on and fight to death for a cause. And I think it behooves us to differentiate between that which is indigenous and native to the country and that which has been imposed by external force. I think we also have to differentiate between our own faith in our institutions and our history. We cannot commit acts of terrorism, no matter how they are defined, no matter how we try to rationalize them and expect to have world respect or support if we become the victims of terrorism.

One wrong does not justify another. Two wrongs do not make a right.

So I say that we have got to do something to punish for reprisal. As a matter of fact, the Congress is authorized to legalize acts of reprisal known as letters of marque. We could do that if our President was interested enough and he could get that if we could get serious consideration for this resolution. That would be one way.

But at the same time, he must himself desist from the temptation of resorting to gross acts of terrorism where frankly they are counterproductive. They are not going to succeed. But they will set a precedent for an act of international illegality which the World Court, when we walked out—we walked out because the World

Court said it was illegal for you to place mines in the bays and harbors of Nicaragua. Do you not have an Ambassador there now? When you have an Ambassador, that means that you have a friendly country, you recognize that government as legitimately set up, and you have your legal emissary there. We have an Ambassador in Managua.

But all during that time we have raised money to give to the CIA to buy contractors in order to go and assassinate these people or try to do it, kill peasants. If we think it was horrible what we have seen done in Lebanon, not only to ourselves but to others, let me remind my colleagues that even now, as I am speaking, American arms—not Communist, not Bulgarian—Americans arms in Guatemala are being used to rip open the bellies of 7-, 8-month-old babies all in the name of anticommunism, supplied by us, financed by us. We have to accept some responsibility. It is happening.

The fact that it is not reported much in this country does not change the situation and the moral obligation. We have provided Huey attack helicopters as of 3 months in El Salvador to do the same thing the Russians are doing in Afghanistan, hovering over peasants, men, women, children, grandparents, children, killing them. They are dying even as I am speaking now. Those are American-made Huey attack helicopters. They are not Russian, they are not Cuban, they are not Bulgarian.

So we have to see things in the perspective that only out of a sense of justice and social justice will afford us the key to unlock this enigma, this dilemma of atrocities, international crimes, illegal crimes. But we also have to be aware that our leaders in the public as well as the private sector have actually abdicated serious responsibilities.

As I started to say in the case of the bankers in Poland, we were about to go to take some kind of action. The President wanted an embargo. The Russians came in and built a pipeline. They finished it and they are supplying Middle Europe, France, Germany, the Luxembourg nations with gas, natural gas from Siberia. When the President asked those so-called allies to embargo the Russians, they said, "To the devil with you. Why should we do it? We cannot forever be beholden to the Middle Eastern oil. We will continue to be, but in the meanwhile we are going to seek methods in order to produce cheaper and provide our citizens. We are not going to join you."

But what was the involved nature of the financial mechanism? The pipeline company known as Rhur Gas is really owned, has the principal stock owners as Exxon, Mobil. And they, in turn, now through interlocking directorships are controlled by the Chase National Bank, First City National. They are the ones that are saying, you little businessmen of the United States, you will have to continue to pay even for $1,000 or $3,000 in bank loans to sort of get your counters with wares to sell. You will have to pay no less than 16-percent interest.

There is a big article in the papers about the prime—that is what they call the published prime rate having gone down. Well, even that is the laughing stock in the financial world. No matter if the published prime rate was 18 or 20, those far white, big mastodons never borrow at anywhere near that amount. But they transcend now, they are multinational in their power. They transcend the power of any individual government to control or regulate. These are the men that are saying what the American standard of living should be.

The Federal Reserve Board, if a little business organization has the same problems as Continental Illinois, they are not going to pay any attention to them. But if you are big enough and you have enough power, you are going to be bailed out by the taxpayer, in the case of Continental Illinois to the tune of $5 billion-plus of taxpayer money.

We nationalized that bank, but we did not call it that. Maybe it should have been. Maybe a lot was involved. But I do not think it is right that the men who headed that bank are now retired and getting $1 million a year in retirement. I think that is wrong. I think that is sinful because it is really coming out of the taxpayers' pocketbook.

Who says anything about that? We have converted our country's economy into a vast jungle of interests feeding on other interests, one swallowing the other.

The Farm Belt, our producers, they are going under in record numbers, 163,000 farms in just a matter of a couple of years. Who wants to worry about that? Is that not as great an issue as any? What is greater? Is that a greater issue that we should be focusing on, less than the hostages? And if we cannot resolve and get together on how to define the basic causes of one from the other, then how can we find the method to approach, to confront, and to overcome the problem?

I have offered these resolutions. I certainly would not do it because I thought that I was going to get any publicity or any political mileage out of it. I do it because I have been very privileged to serve in this body for 20 years and every one of those years I have served on the Committee on Banking, Finance and Urban Affairs, and as such I feel that I am particularly charged with knowledge, that it does no good to the people I represent, either locally in the case of the geographical district I have the honor to represent, or nationally on those issues that have national import and which I must participate and seek to participate and do participate.

□ 1500

My record of attendance here in 24 years has been 99.9 percent. I think that means that I consider this my prime, fundamental duty. It is the reason that impels me to get up to speak. I know that among some, my colleagues and elsewhere, my words are disturbing and in fact sorely condemned. There has not been one time that I can remember that I have not been, not only severely criticized, but calumnized and cursed, but the fact is, I am still here and I am here to remind all of what I was trying to point out in the light of what has happended, not as I was saying then and then nothing happened.

Mr. Speaker, we talk about communism. Lenin, according to John Maynard Keynes, was once reported to say that the way to destroy capitalism was to defraud, what he called, debauch its currencies.

Well, the Communists cannot be given credit for doing it; our own capitalists have done it for us.

I am going to address this issue in more detail as the days come along.

Mr. Speaker, I yield back whatever time I have left.

COMMUNICATION FROM HON. TOBY ROTH

The SPEAKER pro tempore laid before the House the following communication from Hon. TOBY ROTH:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 3, 1985.

The SPEAKER,
House of Representative,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that I have received a deposition subpoena from the United States District Court for the Eastern District of Wisconsin. After consultation with the General Counsel to the Clerk, I will notify you of my determinations as required by the House rule.

Sincerely,

TOBY ROTH,
Member of Congress.

LEAVE OF ABSENCE

Mr. HEFNER (at request of Mr. WRIGHT), for the week of July 8, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LUNGREN) to revise and

extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.

Mr. LUNGREN, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, July 11.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 10 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GAYDOS, for 30 minutes, July 9.

Mr. GAYDOS, for 30 minutes, July 10.

Mr. DYMALLY, for 60 minutes, July 9.

Mr. GONZALEZ, for 60 minutes, July 9.

Mr. GONZALEZ, for 60 minutes, July 10.

Mr. GONZALEZ, for 60 minutes, July 11.

Mr. BEDELL, for 60 minutes, July 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. LUNGREN) and to include extraneous matter:)

Mr. CRANE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. YATRON.

Mr. COELHO in two instances.

Mr. ASPIN.

Ms. KAPTUR.

Mr. MARKEY.

Mr. ROSTENKOWSKI.

Mr. PEASE.

Mr. RANGEL in two instances.

SENATE CONCURRENT RESOLUTION

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 46. Concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore.

H.R. 1699. An act to extend title I and part B of the Energy Policy and Conservation Act, and for other purposes, and

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 822. An act to extend time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

S. 883. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on July 2 present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 47. An act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins;

H.J. Res. 159. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America;

H.R. 1699, An act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes; and

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 9, 1985, at noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1605. A communication from the President of the United States, transmitting a report on the effectiveness of soil and water conservation programs, pursuant to 16 U.S.C. 2006(c); to the Committee on Agriculture.

1606. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Tobacco Inspection Act to consolidate, and provide additional authority for the Secretary of Agriculture to establish methods for efficient and equitable marketing of tobacco; to the Committee on Agriculture.

1607. A letter from the Comptroller General of the United States, transmitting a review of the two rescissions, two deferrals, and the revised deferral submitted by the President on May 16, 1985 (H. Doc. No. 98-68), pursuant to 2 U.S.C. 685 (H. Doc. No. 99-82); to the Committee on Appropriations and ordered to be printed.

1608. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the decision to convert to private contractors the insect and rodent control at the Marine Corps development and education command, Quantico, VA, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

1609. A letter from the Deputy Secretary of Defense, transmitting a report that the A-6E/F Program is needed, reasonably inflationary, and controlled, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

1610. A letter from the Deputy Secretary of Defense, transmitting the results of a test program on limited use of commissary stores by members of the Selected Reserve, pursuant to Public Law 98-94, section 1013(b); to the Committee on Armed Services.

1611. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter of offer to Singapore for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1612. A letter from the General Counsel of the Department of Defense, transmitting a bill to amend chapter 47 of title 10, United States Code, (Uniform Code of Military Justice) to establish procedures concerning the defense of lack of mental responsibility; to the Committee on Armed Services.

1613. A letter from the Secretary of Education, transmitting a copy of final regulations for the student assistance general provision—selective service registration requirement, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1614. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of Defense's proposed lease of defense articles to Turkey, pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1615. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification that Bolivia will participate in our Anti-Terrorism Assistance Program, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

1616. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter of offer to Singapore for defense articles and services estimated to cost $282 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1617. A letter from the Administrator, Agency for International Development, transmitting a report concerning the U.S. contribution to meeting the needs of the African famine victims, pursuant to Public Law 99-08; to the Committee on Foreign Affairs.

1618. A letter from the Administrator, Agency for International Development, transmitting a report entitled: "Women in

Development, The First Decade"; to the Committee on Foreign Affairs.

1619. A letter from the Deputy Assistant Secretary of Defense (Military Personnel and Force Management); transmitting a report on the actuarial status of the military retirement system for fiscal year 1984, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1620. A letter from the Employee Benefits and Risk Manager, Farm Credit Banks of Louisville, transmitting the annual report from the Farm Credit Banks of Louisville about the amended retirement plan of the fourth district, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1621. A letter from the Executive Secretary, Federal Reserve Employee Benefits System, transmitting a report on the retirement plan for the Federal Reserve System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1622. A letter from the Secretary of Agriculture, transmitting notice of a new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1623. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1624. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1625. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report on suspension of deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a), Immigration and Nationality Act, pursuant to INA, section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

1626. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the patent and trademark laws of the United States; to the Committee on the Judiciary.

1627. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend section 605 of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

1628. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to modify the fees charged for the guarantee of obligations authorized by title XI of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

1629. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend title 39, United States Code, to repeal the authorization for funding postal rate subsidies from general revenues, to require permanent funding for certain free or reduced postage from the Postal Service fund; to the Committee on Post Office and Civil Service.

1630. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on the Pembina River, ND, pursuant to Public Law 89-789, section 209; Public Law 90-483, section 219; Public Law 91-611, section 216 and 217; Public Law 93-251, section 76; Public Law 94-587, section 150(b); to the Committee on Public Works and Transportation.

1631. A letter from the Secretary of Transportation, transmitting the Urban Mass Transportation Administration quarterly report for the second quarter of fiscal year 1985, pursuant to Public 88-365, section 4(h)(1) (92 Stat. 2738); to the Committee on Public Works and Transportation.

1632. A letter from the Secretary of Transportation, transmitting a report on potential benefits and costs anticipated from the establishment of a national intercity truck route network, pursuant to Public Law 97-424, section 138(a); to the Committee on Public Works and Transportation.

1633. A letter from the Secretary of Transportation, transmitting a report entitled, "Cost-Effectiveness of Hot-Dip Galvanizing for Exposed Steel," pursuant to Public Law 97-424, section 110(b); to the Committee on Public Works and Transportation.

1634. A letter from the Secretary of Commerce, transmitting the interim plan for the National Climate Program for fiscal years 1984-86, pursuant to Public Law 95-367, section 5(d)(9); to the Committee on Science and Technology.

1635. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of proposed construction of NASA research and development facilities exceeding $500,000, pursuant to Public Law 98-361, section 101(e); to the Committee on Science and Technology.

1636. A letter from the Executive Secretary, Office of the Secretary of Defense, transmitting a report on defense procurement from small and other business firms from October 1984 through March 1985, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

1637. A letter from the Chairman, U.S. International Trade Commission, transmitting the 42d quarterly report on trade between the United States and nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

1638. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Tariff Schedules of the United States to permit the importation of furskins from the Union of Soviet Socialist Republics, and for other purposes; to the Committee on Ways and Means.

1639. A letter from the Chairman of the Board, U.S. Synthetic Fuels Corporation, transmitting a comprehensive strategy to achieve the national synthetic fuel production goal, pursuant to Public Law 96-294, section 126(b)(2) or (d)(2); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

1640. A letter from the Comptroller General of the United States, transmitting a report entitled, "Federal Banking Agencies Are Adequately Examining Net Worth Certificate Program Applications," (GAO/GGD-85-33), pursuant to Public Law 97-320, section 205; jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

1641. A letter from the Comptroller General of the United States, transmitting examination of the Federal Home Loan Bank Board's financial statements for the years ended December 31, 1984 and 1983, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted July 8, 1985]

Mr. RODINO: Committee on the Judiciary. H.R. 2092. A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; with an amendment (Rept. No. 99-121, Pt III). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 1, 1985]

Mr. SOLARZ: Committee on Foreign Affairs. House Joint Resolution 187. Resolution to approve the "Compact of Free Association," and for other purposes; with amendments (Rept. No. 99-188, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on June 27, 1985 the following report was filed on July 2, 1985]

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 8. A bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes; with an amendment (Rept. No. 99-189). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 8, 1985]

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2340. A bill to designate the Granite Reef Aqueduct of the Central Arizona Project as the "Hayden Rhodes Aqueduct" (Rept. No. 99-190). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUJAN:

H.R. 2931. A bill to amend the Immigration and Nationality Act to modify the requirement for naturalization of an understanding of the English language; to the Committee on the Judiciary.

By Mrs. ROUKEMA:

H. Con. Res. 174. A concurrent resolution expressing the sense of the Congress with respect to the hijacking of Trans World Airlines flight 847, the release of the hostages taken from the flight, other Americans still held capitve in Lebanon, and terrorist acts in general; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

194. By the SPEAKER: Memorial of the Legislature of the State of Oregon, relative to student financial aid; to the Committee on Education and Labor.

195. Also, memorial of the Legislature of the State of New York, relative to Terry A.

Anderson; to the Committee on Foreign Affairs.

196. Also, memorial of the Senate of the State of Illinois, relative to Greece; to the Committee on Foreign Affairs.

197. Also, memorial of the Senate of the State of Pennsylvania, relative to the Federal General Revenue Sharing Program; to the Committee on Government Operations.

198. Also, memorial of the Senate of the State of New Hampshire relative to the Internal Revenue Service; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WRIGHT introduced a bill (H.R. 2932), for the relief of Mohammad Reza Rowghani; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. CROCKETT, Mr. VENTO, and Mr. MARTINEZ.

H.R. 76: Mr. DENNY SMITH.

H.R. 97: Mr. DENNY SMITH.

H.R. 526: Mr. MOLINARI, Mr. ST GERMAIN, Mr. FOGLIETTA, Mr. JEFFORDS, Mr. HOWARD, Mr. CLINGER, Mr. HAWKINS, Mrs. BOGGS, and Mr. SWIFT.

H.R. 711: Mr. DORNAN of California.

H.R. 712: Mr. CARNEY and Mr. VALENTINE.

H.R. 976: Mr. VANDER JAGT.

H.R. 1141: Mr. GEJDENSON, Mr. ADDABBO, Mr. HENDON, Mr. MARTINEZ, Mr. MOLLOHAN, Mr. BOEHLERT, Mr. CONTE, Mr. LEWIS of Florida, Mr. MATSUI, Mr. MCCOLLUM, Mr. EVANS of Illinois, Mr. NEAL, Mr. BERMAN, Mr. SYNAR, Mr. SAVAGE, Mr. SKELTON, Mr. CONYERS, Mr. MONSON, and Mr. BARTLETT.

H.R. 1207: Mr. MORRISON of Connecticut, Mr. GAYDOS, Mr. COYNE, Mr. RUSSO, Mr. FLIPPO, Mr. DURBIN, Mr. PENNY, Mrs. BURTON of California, Mr. COLEMAN of Texas, Mr. DAUB, Mr. COELHO, and Mr. JACOBS.

H.R. 1453: Mr. CLAY, Mrs. BOXER, Mr. MATSUI, Mr. TORRES, Mr. WEISS, Mr. TOWNS, and Mr. FOGLIETTA.

H.R. 1454: Mr. CLAY, Mrs. BOXER, Mr. MATSUI, Mr. TORRES, and Mr. TOWNS.

H.R. 1550: Mr. PETRI, Mr. BORSKI, and Mrs. SMITH of Nebraska.

H.R. 1682: Mr. VOLKMER and Mr. EMERSON.

H.R. 1785: Mr. SENSENBRENNER.

H.R. 1973: Mr. MURPHY and Mr. COOPER.

H.R. 1977: Mr. SHARP.

H.R. 2013: Mr. SENSENBRENNER, Mr. OXLEY, and Mr. TOWNS.

H.R. 2135: Mr. DE LUGO, Mr. ROE, Mr. BILIRAKIS, Mr. LAGOMARSINO, Mr. HORTON, Mr. MURPHY, Mr. MITCHELL, Mr. BATEMAN, Ms. KAPTUR, Mr. GRAY of Illinois, Mr. COBEY, Mr. LEWIS of Florida, Mr. MRAZEK, Mr. SIKORSKI, Mr. ENGLISH, Mr. FUSTER, Mr. DOWNEY of New York, Mr. SAVAGE, Mr. BUSTAMANTE, Mr. EVANS of Illinois, and Mr. MARTINEZ.

H.R. 2205: Mr. ADDABBO, Mr. BEILENSON, Mr. BORSKI, Mr. BROOKS, Mr. ENGLISH, Mr. FOWLER, Mr. GUARINI, Mr. HOYER, Mr. HUGHES, Mr. NELSON of Florida, Mr. OWENS, Mr. PANETTA, Mr. SHAW, Mr. SUNIA, Mr. VALENTINE, Mr. WORTLEY, and Mr. YATRON.

H.R. 2320: Mr. ROYBAL.

H.R. 2339: Mr. SEIBERLING and Mr. VENTO.

H.R. 2628: Mr. CLINGER.

H.J. Res. 135: Mr. WALKER.

H.J. Res. 175: Mr. COELHO, Mr. DARDEN, Mr. DELLUMS, Mr. DOWDY of Mississippi, Mr. GROTBERG, Mr. VANDER JAGT, Mr. MURTHA, Mr. KRAMER, Mr. LANTOS, Mr. AKAKA, Mr. COATS, Mr. HANSEN, Mr. MONTGOMERY, Mr. BORSKI, Mr. CARPER, Mr. PEPPER, and Mr. PERKINS.

H.J. Res. 205: Mr. SWEENEY.

H.J. Res. 261: Mr. MICA.

H.J. Res. 280: Mr. LEVIN of Michigan.

H.J. Res. 296: Mr. ADDABBO, Mr. RUSSO, Mr. MARTINEZ, Mr. STUDDS, Mr. BEVILL, Mr. GORDON, Mr. MOORE, Mr. DICKINSON, Mr. DICKS, Mr. COOPER, Mr. FLIPPO, Mr. FOLEY, Mr. FUQUA, Mr. GEJDENSON, Mr. GILMAN, Mr. GRAY of Illinois, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HAMMERSCHMIDT, Mr. HORTON, Mr. HOWARD, Mr. ERDREICH, Mr. DIOGUARDI, Mr. KOSTMAYER, Mr. MANTON, Mr. MARTIN of New York, Mr. MONSON, Mr. MONTGOMERY, Mr. JONES of North Carolina, Mr. MACK, Mr. NOWAK, Mr. OBERSTAR, Mr. NEAL, Mr. OWENS, Mr. PACKARD, Mr. SKELTON, Mr. STALLINGS, Mr. SUNIA, Mr. TOWNS, Mr. VANDER JAGT, Mr. WILSON, Mr. SUNDQUIST, Ms. OAKAR, Mr. VALENTINE, Mr. TAUKE, Mr. BRYANT, Mrs. BURTON of California, Mr. CLINGER, Mr. KRAMER, Mr. CONYERS, Mr. CAMPBELL, Mr. DYMALLY, Mr. WYDEN, Mr. ST GERMAIN, Mr. TAUZIN, Mr. ENGLISH, Mr. FLORIO, Mr. RICHARDSON, Mr. FRENZEL, Mr. HEFNER, Mr. JENKINS, Mr. KASICH, Mr. LANTOS, Mr. LEWIS of Florida, Mr. LUNGREN, Mr. LOWERY of California, Mr. MCDADE, Mr. O'BRIEN, Mr. PASHAYAN, Mr. SCHEUER, Mr. SILJANDER, Mr. SMITH of New Jersey, Mr. LOWRY of Washington, Mr. WEISS, Mr. IRELAND, Mr. BONIOR of Michigan, Mr. COELHO, and Mr. GREGG.

H.J. Res. 320: Mr. WOLF, Mr. WEISS, Mr. MAZZOLI, Mr. SCHUMER, Mr. BATEMAN, Mr. SUNIA, Mr. HALL of Ohio, Mr. BEREUTER, Mr. JACOBS, Mr. ROE, Mr. MARTINEZ, Ms. KAPTUR, Mr. RICHARDSON, Mr. LAGOMARSINO, Mr. HENRY, Mr. COBEY, Mr. MCGRATH, Mr. WORTLEY, Mr. FROST, Mr. BROOKS, Mr. BLILEY, Mr. NIELSON of Utah, Mr. DE LA GARZA, Mr. CHANDLER, Mr. RINALDO, Mr. HUGHES, Mr. OWENS, and Mr. DASCHLE.

H. Con. Res. 26: Mr. TAUKE.

H. Con. Res. 69: Mr. BREAUX, Mr. MURTHA, Mr. BROWN of Colorado, Mr. FRANKLIN, Mr. GINGRICH, and Mr. WEAVER.

H. Con. Res. 148: Mr. WEISS and Mr. TOWNS.

H. Con. Res. 169: Mr. SMITH of Florida, Mr. MORRISON of Connecticut, and Mr. VENTO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 76: Mr. PURSELL.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

156. By the SPEAKER: Petition of the Evrytanian Association of America, "Velouchi", Charlotte, NC, relative to Greece; to the Committee on Foreign Affairs.

157. Also, petition of the Massachusetts Conference of the United Church of Christ, Framingham, MA, relative to sanctuary; to the Committee on the Judiciary.

158. Also, petition of the City Council, Jacksonville, FL, relative to fish; to the Committee on Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555

By Mr. CONYERS:

—Page 125, after line 15, insert the following new section:

SEC. 810. PROHIBITION ON ASSISTANCE TO COUNTRIES PROVIDING NUCLEAR ASSISTANCE TO SOUTH AFRICA.

(a) PROHIBITION.—United States foreign assistance may not be provided to any country having a nuclear relationship with South Africa.

(b) DEFINITIONS.—As used in this section—

(1) the term "nuclear relationship" means any relationship between countries which is subject to the Treaty on the Non-Proliferation of Nuclear Weapons (without regard to whether the countries in question are parties to that Treaty); and

(2) the term "United States foreign assistance" means any assistance under the Foreign Assistance Act of 1961, the Arms Export Control Act (including cash sales under that Act), the Agricultural Trade Development and Assistance Act of 1954, the African Development Foundation Act, section 401 of the Foreign Assistance Act of 1969 (relating to the Inter-American Development Foundation), or the Peace Corps Act.

—Page 4, line 7, strike out the period and insert in lieu thereof the following: ", except that the release of Israel from its obligation to repay the United States with respect to such credits shall be contingent upon Israel's termination of its policy of expanding settlements in the occupied territories. If at any time after the extension of such credits the President determines that Israel has expanded its settlements in any of the occupied territories, Israel shall be required to repay the United States with respect to those credits within 90 days after that determination is made.".

—Page 30, line 17, strike out "$3,900,400,000" both places it appears and insert in lieu thereof "$3,914,400,000".

Page 37, after line 20, insert the following new section:

SEC. 209. ASSISTANCE FOR THE AFRICAN NATIONAL CONGRESS.

Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $14,000,000 for fiscal year 1986 and $14,000,000 for fiscal year 1987 shall be used for assistance for the African National Congress.

By Mr. MCCOLLUM:

—Page 89, after line 6, insert the following:

(i) WAIVER OF PROHIBITION ON ASSISTANCE FOR POLICE TRAINING.—Section 660 of the Foreign Assistance Act of 1961 shall not apply with respect to El Salvador.

—Page 115, after line 17, insert the following new section:

SEC. 722. WAIVER OF PROHIBITION ON ASSISTANCE FOR POLICE TRAINING FOR CERTAIN COUNTRIES.

Section 660 of the Foreign Assistance Act of 1961 shall not apply with respect to Mexico, Belize, Guatemala, Honduras, El Salvador, Costa Rica, or Panama.

By Mr. RAHALL

—Page 154, after line 24, insert the following new section:

SEC. 1208. FEDERAL COAL EXPORT COMMISSION.

(a) ESTABLISHMENT.—The Secretary of Commerce shall establish, within ninety days after the date of enactment of this Act, a Federal Coal Export Commission (hereafter in this section referred to as the "Commission").

(b) MEMBERSHIP.—The Commission shall be composed of thirty members appointed by the Secretary of Commerce, as follows:

(1) FEDERAL GOVERNMENT REPRESENTATIVES.—Ten members shall be representatives of the International Trade Administration, the Department of Energy, the Department of State, the Department of Transportation, the Office of the United States Trade Representative, and a Federal institution involved in export financing.

(2) PRIVATE SECTOR REPRESENTATIVES.—

(A) Five members shall be representatives of export coal producers, including traders and brokers.

(B) Five members shall be representatives of coal labor.

(C) Five members shall be representatives of transporters of export coal, including representatives of rail and barge carriers and port authorities.

(D) Five members shall be representatives of institutions having a substantial interest in United States export coal financing.

(c) EXPENSES.—Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government services are allowed expenses under section 5703 of title 5 of the United States Code.

(d) COOPERATION.—All Federal departments and agencies are authorized to cooperate with the Commission and to furnish information, appropriate personnel, and such assistance as may be agreed upon by the Commission and the Federal department or agency involved.

(e) ACTIVITIES.—The Commission shall convene not less than four times a year for consultation on activities leading to increased cooperation among entities involved in United States coal exports, with the goal of expanding the United States share of the international coal market. Activities of the Commission shall include, but are not limited to, the identification of—

(1) diplomatic channels to facilitate the exportation of United States coal and methods to increase the coordination of diplomatic efforts relating to such exports;

(2) domestic and international impediments to coal exports;

(3) foreign markets for United States export coal, with emphasis on increasing United States coal sales to developing nations and expanding the participation of the United States International Development Cooperation Agency in such an effort;

(4) availability of, and methods of, financing United States coal exports, including the feasibility of increasing Federal export financial and economic assistance; and

(5) methods to promote, market, and coordinate United States coal on the international market.

The Commission shall also examine the potential for small- and medium-sized coal companies to enter the export coal trade through export trading companies with respect to the marketing, transportation, and financial services which such trading companies may provide pursuant to the Export Trading Company Act of 1982 (Public Law 97-290).

(f) REPORT.—The Commission shall submit to the President and the Congress, within two years after its first meeting, a report which details its findings pursuant to subsection (e) and, based upon such findings, makes recommendations which would lead to the expansion of the United States share of the international metallurgical and steam coal market.

(g) TERMINATION.—The Commission shall cease to exist upon submission of its report pursuant to subsection (f).

By Mr. SCHUMER:

—Page 143, strike out lines 15 through 22 and insert in lieu thereof the following:

(3) DISTRIBUTION OF ASSISTANCE THROUGH PVO's, COOPERATIVES, AND OTHER NONGOVERNMENTAL ENTITIES.—The reports pursuant to this subsection shall include an analysis of the effectiveness of the private distribution of United States food and development assistance to the Philippines and of efforts to increase the use of private distribution pursuant to subsection (d).

Page 144, after line 2, insert the following:

(d) DISTRIBUTION OF DEVELOPMENT AND PUBLIC LAW 480 ASSISTANCE THROUGH PVO's COOPERATIVES, AND OTHER NONGOVERNMENTAL ENTITIES.—

(1) MINIMUM DISTRIBUTION REQUIREMENTS.—Except as provided in paragraph (2), for each of the fiscal years 1986 and 1987—

(A) not less than one-fourth of the assistance provided for the Philippines under chapter 1 of part I of the Foreign Assistance Act of 1961, and

(B) not less then one-fourth of the total amount of assistance provided for the Philippines under title I (including title III) and title II of the Agricultural Trade Development and Assistance Act of 1954,

shall be provided through private and voluntary organizations, cooperatives, and other nongovernmental entities.

(2) DISTRIBUTION OF LESSER AMOUNTS.—The amount of assistance distributed through private and voluntary organizations, cooperatives, and other nongovernmental entities for fiscal year 1986 or for fiscal year 1987 may be an amount which is less than the amount specified in subparagraph (A) or (B) of paragraph (1) if the Administrator of the Agency for International Development reports to the Congress, during the first 60 days of that fiscal year, that such lesser amount is the maximum amount which those entities can distribute effectively in that fiscal year.

(e) CONGRESSIONAL OVERSIGHT.—The Congress—

(1) shall monitor the implementation of the objectives indentified in subsection (b); and

(2) if there is not significant progress with respect to those objectives, shall strongly consider enacting an amendment to subsection (d) that would increase the percentage of fiscal year 1987 food and development assistance for the Philippines which is required to be provided through private and voluntary organizations, cooperatives, and other nongovernmental entities.

EXTENSIONS OF REMARKS

NATION'S POVERTY INCREASINGLY WEARS A CHILD'S FACE

HON. MARCY KAPTUR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Ms. KAPTUR. Mr. Speaker, statistics from unemployment and private organizations project that unemployment will continue in the 7-percent range until 1987. Unemployment has a devastating effect on many heads of households, trying to raise their families out of the grips of poverty. Children between the ages of 0–6 will suffer more from poverty than any other age group in our country. Children who grew up in an environment of poverty carry this tragic legacy throughout their life. I commend to my colleagues an article by Juan Williams of the Washington Post that articulates certain aspects of this problem plaguing our country, which is presented as follows:

[From the Washington Post, June 9, 1985]

NATION'S POVERTY INCREASINGLY WEARS A CHILD'S FACE

(By Juan Williams)

COLUMBUS, Ohio.—Two-year-old Lance Hosmer and his 4-year-old brother Absalom were sleeping in the back of the old blue Chevy Malibu with the dingy stuffed duck hanging from the rear-view mirror when the policeman rapped on the window.

Lance started crying.

His mother and father quickly woke up, startled in the dark by the noise. They asked what was wrong. The policeman told them they couldn't sleep in the park.

Lance and Absalom's daddy told the policeman that the family didn't have anywhere else to sleep—they didn't have any money. The policeman told their daddy that he would have to take the boys and their mother out of the park.

That night the family slept uneasily on a side street in a strange neighborhood.

A few days later, after their money for food had run out, Lance wanted milk. Absalom watched as his father gave blood to get $8. Other times, 25-year-old John Hosmer had panhandled for change.

"John has a good heart," said the children's mother, Victoria, 26. "He don't like to see the children wanting."

But when the 2-year-old threw up one night from eating bad meat from a food line, his mother could only hold him. There was no money to pay a doctor.

Ab, as his mother calls him, and Lance are two of America's children living in poverty. Their hungry, sometimes confused faces are the sad reality behind statistics from Washington that show a dramatic increase in the number of American children who are poor—statistics that many comfortable Americans find difficult to believe.

One of every five American children under 18 and one of every four under six live in poverty. There are more poor children in the United States than at any time since 1965, before the Great Society programs began.

The statistics come from the Census Bureau, the Congressional Research Service and the Children's Defense Fund. The most dramatic rise in the poverty rate among children between 1979 and 1983 was the 63 percent increase in poverty among white children in two-parent families, like Ab and Lance. About one-sixth—16.9 percent—of all white children are in poverty.

And like Ab and Lance, who in the past month have slept in a car, in shelters and now in a temporary church home, one of every five American children, excluding runaways, is homeless.

With most of the elderly buoyed above the poverty line by Social Security cost-of-living adjustments, children are now the largest age group in poverty; 37.8 percent of all the poor are children.

"In 1985 affluent America, poverty is the greatest child killer," said a report released by the Children's Defense Fund last week. "More American children die each year from poverty than from traffic fatalities and suicide combined. Twice as many children die from poverty than from cancer and heart disease combined."

According to the statistics, this latest surge in childhood poverty is unlike the poverty that came before it. It is not due solely to an increase in the number of single-parent, female-headed households.

Instead, the major problem is the economy. The recession, according to poverty specialists, has not ended for children or for the young adults who are the parents of children.

If Ab and Lance had been born to a two-parent family during the 1960s or 1970s, the statistical odds are that they would not have lived in poverty.

Ab and Lance's father, John Hosmer, has not been able to find a steady job for three years. The mechanical skills Hosmer learned in the Army, where he put together nuclear devices, got him a job in Texas after he left the service, but he wanted to move back to his home town, Bolivar, N.Y., near Buffalo.

Hosmer got a job there doing mechanical work at an ice cream company. Later, around the time Ab was born, he found a slightly better paying job as a forklift operator. In early 1982 he was laid off that job, knocked around for a few months and got work as a groundskeeper on an estate. That job ended in late 1982, three years ago.

So Lance, now 2½, was born to an unemployed father. His mother, a high school graduate, had worked as a cook and a waitress. But she quit her job after Absalom was born in April 1981.

"They just weren't hiring up there," Hosmer said of New York. "So, I said, 'Babe, there's nothing I can do but go out here and let them know I want to work'—but we didn't see no work. Nobody's hiring."

This May, John and Victoria Hosmer said they were "tired of feeling sorry for ourselves" and decided there might be jobs elsewhere. They took their food stamps and cash—about $300 in all—and decided to drive until John could find work.

The money ran out about a week later, after four stops and no work. They were in Columbus, where they had heard the economy was good.

Although the boys have been in Ohio less than a month, they fit a pattern here, too. Ohio has had a 321 percent increase in the number of two-parent families on welfare during the 1979–83 period. Single-parent families on welfare increased by 15 percent during the same time. Currently, two of three welfare recipients in the state are children and 85 percent of those children are in elementary school, according to state records.

So far, Charles Dickens-like tales of children roaming the streets begging for food, working illegally or becoming involved in rampant prostitution and drugs have not been widely seen in America, despite the upswing of childhood poverty.

"I cut their hair myself," said Ab and Lance's mother. "I keep them clean as I can. Just because we're going through hard times don't mean they're going be looking torn up and dirty."

According to child sociology specialists, many parents keep alive the hope of education and a better life for their children. But the poverty facing children is deepening. Federal and local funds to house homeless families in Columbus ran out more than two months early in the first half of this year.

"The Reagan recession has not ended for children and the young adults who are in the child-bearing years," said Marian Wright Elderman, president of the Children's Defense Fund. "The young adults who lost jobs when plants were closed or there were layoffs are the last to be rehired. And when they are rehired, they are getting jobs that do not pay as much, they may be part time, they do not have the benefits that provide medical coverage for the children."

The Hosmers had been living on money from New York state welfare and food stamps. Their parents had helped a little but, John Hosmer said, "They ain't rich—they can't take care of me and my family."

Ab, Lance and their parents slept in the car, eating in food lines. Their mother remembers the boys asking when they would go home.

"I would tell them we would get to a TV tomorrow so they could see cartoons to calm them down," said their mother.

Economists note that the nation has never had such a prolonged period of high unemployment as in the last five years.

In the 1960s a "natural" unemployment rate, according to government officials, was about 4 percent. But unemployment has not been under 7 percent since 1980. And both government and private organizations project that unemployment will continue in the 7 percent range until 1987.

Young adults—often the parents of children—have suffered most from this chronically high unemployment rate, according to many economists.

Even a new job does not always guarantee an end to poverty for the children.

For example, after two weeks of looking, John Hosmer got a job through an employ-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

ment agency in a pipe company putting duct work together.

He is paid daily through the employment agency, but he is earning only the minimum wage—not enough to pay for a motel room, not enough to lift his family above the poverty line.

The congressional report said more than 2.5 million of the 13.8 million children below the poverty line live in families where at least one person has a full-time job.

This belies the widespread view," the congressional report said, "that a full-time job throughout the year is near-insurance against poverty."

The damaging effects of unemployed parents has been compounded, according to the Children's Defense Fund and the congressional study, by cuts in federal programs since 1971. Sen. Daniel Patrick Moynihan (D-N.Y.) agrees.

"In the 1970s we allowed the benefits for children under the AFDC program to decline by one-third," Moynihan said. "We cut the childrens' allowance by one-third while we indexed benefits for everyone else. Only the children got left out. If you are under six years old in the U.S. you are six times more likely to be poor than if you are over 65. We are the first industrialized nation in the world in which children are the poorest age group."

In their short lives, Ab and Lance have not been hungry. They received food stamps and their parents got welfare in New York state.

"It's no kind of life to live depending on a little bit of welfare" said Victoria Hosmer. "It's no life for my children. That's why I said I'd come with John. We got to find work."

The Hosmers have not been in Ohio long enough to qualify for food stamps and welfare. They say they hope that John will hold his job at the pipe-fitting company or find a better job.

However, the prospect of a better job coming through economic recovery is not good, according to the congressional report.

"Unless recent trends are reversed," the report said, "it might take as long as 12 years . . . for the poverty rates of male-headed families with children to drop back to the levels of 1979."

Last week, Hosmer hurt his foot while doing an errand to earn some money. The injury kept him off the job for most of the week.

The pipe company provides no sick leave or benefits, so Hosmer and his family have no income at the moment although he has been promised that he can keep the job if he returns by Monday.

Asked if they are embarrassed by their poverty, the Hosmers looked away.

After a pause Victoria said, "It ain't nobody's fault. We pray, and it ain't like we're not trying. It's hard on the children, I know, but we do the best for them we can."

"It's a matter of your attitude," said John Hosmer. "We keep going. Nobody likes being down, right? But I say, "Babe, we got a lot to be thankful for. People have been nice to us when we didn't know what we were going to do.' So you got to keep on pushing."

"One day," he said, "we're going to get a job and then a place, maybe even one day a house. Man, we're going to hold on to that."

The family did have one lucky moment. Another poor family was evicted from a row of houses owned by Catholic Social Services, and the Hosmers' social worker, Mary Beth Buynak, arranged for the Hosmers to get the house for three months.

"We're concerned about the children in a situation like this," Buynak said. "These children are doing well by comparison with most. . . . The parents' optimism comes through.

"But children are very sensitive to what is happening," she added. "They are often disturbed by the whole thing. Being uprooted as a child is hard and the couples don't cope well with it. . . . The men are shamed. The children pick up the parents' fears and anxieties and reflect it in their behavior insecurity. It is a very sad thing to see."

Lance and Ab don't talk much. While their parents were interviewed, they fought over two toys.

Their mother said she brought a bag of toys with them from New York and sometimes she buys a 99-cent toy for them, but "the boys like toys—they want more, you know."

"You have any toys at home?" Ab asked.●

SPEECH OF DIANE SPIELMANN

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. SCHEUER. Mr. Speaker, events as recent as President Reagan's visit to Bitburg have reminded us of the crimes against humanity witnessed and experienced by the survivors of the Holocaust. Though the numbers of these survivors must dwindle through time, our duty—not only to remember, but to remind and record—passes on to the next generation.

A presentation recently given by Diane Spielmann, daughter of two survivors of Auschwitz and Riga effectively reflects the devotion to the preservation and growth of a culture that survived the inhumane Nazi persecution.

I urge my colleagues to read this statement and reflect on the necessity of remembrance as so aptly and eloquently put forth by Ms. Spielmann.

PRESENTATION DELIVERED YOM HASHOAH, APRIL 18, 1985, BY DIANE R. SPIELMANN, SECOND GENERATION, HILLCREST JEWISH CENTER FLUSHING, NY

Tonight, I speak on responsibility of Remembrance, as a member of the Hillcrest Jewish Center as well as a member of the Second Generation. Both of my parents, originally European, experienced the horrors of the death camps. My mother, German born, is a survivor of Auschwitz and Ravensbrueck, my father, Galician born and former resident of Berlin, survived Riga and Stutthof. This year on January 13th we mourned his passing. So on this night of Remembrance, Yom HaShoah, I dedicate these words to the memory of my beloved father, Elias Spielmann, as well as to all of those who perished under the yoke of Nazism.

It is now 1985—forty-three years after the official Nazi implementation of the Final Solution, a program which called for the complete annihilation of European Jewry. And as we all know too well, six million of our people, over one million children included in that mind-boggling figure, were brutally murdered. One of those children was an uncle of mine, whom I have never known—a boy of fifteen who was transferred from Theresienstadt Concentration Camp to Auschwitz to be included in the last gassing there in November 1944 just before the closing of that installation. And sadly, as I look around I know that so many of you can relate a similar incident.

On this night we gather here to Remember. With each passing year our responsibility to remember and observe Yom Hashana becomes an ever-increasing obligation, for with the inevitable passage of time we note two separate phenomena working hand in hand. Firstly, with each passing year the world becomes more willing to forget, most recently confirmed by President Reagan's actions, and secondly . . .

Something which my family and I so painfully experienced with the loss of my father, each year inexorably sees a marked decrease in the number of survivors, those who were living witnesses to the Nazi barbarism. Now let us examine these two points more closely:

In recent weeks we have read about the Canadian trial of a notorious disseminator of antiSemitic literature, who suggested that the systematic killing of six million Jews by the Nazis was a fabrication. Sadly such remarks are nothing new to us; for this is reminiscent of a similar court case in California only a few years earlier, or reminiscent of the statements by "revisionist historians" as they like to call themselves. Through their statements they try to lend legitimacy to AntiSemitic and neo-Nazi movements world wide. In the U.S. they attempt to gain strength by forming lobby groups.

A few weeks ago in a mass-mailing I happened to receive a "Newsbrief" published by the German American Political Action Committee. In reference to the Holocaust the brief stated and I quote:

"40 years after the defeat of the German Reich the time has come to draw a line underneath all this nonsense . . ."

"Nonesense" Is that what the most tragic chapter of human history will be reduced to with the passage of time?

In order to keep and sanctify the memory of our murdered brethren it becomes imperative for us in the Jewish community to not only remember, but to remind the world of the Nazi atrocities. I emphasize again, our survivors, an ever-decreasing population are witnesses to the truth. The death of each survivor is a tragedy for the entire House of Israel. It represents yet another loss of a link to a people and past which were so ruthlessly destroyed by the Nazi inferno while the world stood idly by. Therefore, each heinous event recollected and recorded becomes important documentation for posterity so that we may counter the world's desire to forget.

Within our own community of Hillcrest we have among us survivors of that sad chapter in our history. It becomes the responsibility of those first generation Americans, as well as the Second Generation and the entire community to chronicle and help chronicle these experiences, lest the world forget.

Memoirs—written or oral—in any language—must be deposited in repositories dedicated to the preservation of our history. If the first generation, the survivors, whose ranks grow thinner each year be unable to do so, then we the second generation must do so in the name of our parents, for—as it is incumbent upon us, the Jewish people, to teach succeeding generations the precepts of the Torah, then surely we have an equally solemn obligation to pass on the history

of the most savage tragedy which ever befell a people.

We must fulfill this responsibility (from generation to generation)●

PROJECT OF JOHN L. MUMM AMERICAN LEGION POST NO. 457

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. EVANS of Iowa. Mr. Speaker, it is my pleasure today to bring to the attention of the House of Representatives a project of the John L. Mumm American Legion Post No. 457 of Lone Tree, IA. The post recently donated $2,492 worth of video equipment to the Johnson County Sheriff's Department, for the purpose of video-taping testimony of victims in child abuse cases. The donation was the result of a request by sheriff deputies during a post sponsored "Identi-Kid" Program where area children's fingerprints and vital statistics were recorded by American Legion members and local volunteers.

Reports of child abuse continue to increase dramatically in Iowa as in the entire United States. The passage of a bill in the Iowa Legislature this past session allows taped interviews of the abused child to be used in the trial. The video tape will be shown in court, in place of the live testimony, to help decrease the children's trauma brought about by the trial. The use of video equipment in sexual abuse cases will cut down on interviewing the victim over and over as well as make easier talking about the alleged abuse they have suffered. In the end the law enforcement officials hope that this will help the children.

Prior to the donation of the equipment, the sheriff's department had to borrow the video-taping equipment from the University of Iowa and the local Iowa City Police Department. The donation will save a great deal of time and help to bring about the prosecutions of the accused. The child is often a victim of a crime he/she has very little way of stopping. The Legion and the sheriff's department hope that the equipment will help the victim get a little bit of an edge when it comes to prosecuting the person accused of committing the crime against them.

I applaud the American Legion Post No. 457 of Lone Tree, IA, for their interest in the welfare of the children of their community.

JOHN L. MUMM
POST NO. 457,
Lone Tree, IA, May 7, 1985.

COOPER EVANS,
U.S. Representative,
Cannon House Office Building,
Washington, DC.

DEAR SIR: I have enclosed an article from the Lone Tree Reporter. This was written by the Editor, Bill Crawford and gives an account of a project of the Lone Tree Legion Post.

I have been told that such things can be entered in the Congressional Record by our Congressmen. If this is true, I would hope that you would do so for the Lone Tree Post.

We feel that we have struck a real blow for the welfare of children in Johnson County with this donation.

Thank you for your cooperation.

Sincerely,

TERRY KRUSE,
Past Post Commander.

LONE TREE LEGION DONATES EQUIPMENT AIMED AGAINST CHILD ABUSE CRIMES

(By Bill Crawford)

John L. Mumm Post 457 of Lone Tree recently donated $2,492 worth of video equipment to the Johnson County Sheriff's Department.

The equipment's main purpose is aimed at video-taping testimony of victims in child abuse cases.

The donation developed through a request by sheriff deputies during a post-sponsored "Identi-Kid" program where area children's fingerprints and vital statistics were recorded by Legion members and local volunteers.

"While volunteers were receiving training in fingerprinting from the deputies discussion came up about the purchase of video equipment in connection with a bill that was being considered by the Iowa legislature," said Terry Kruse, Department Vice-Commander, Region XI general member of the National Children and Youth Committee and member of the Department Children and Youth Committee in Iowa.

The Children Protection Bill (House file 462) would permit the use of video-taped testimony in the court on crimes against children. The bill, which originally passed the Iowa House, was sent to a Senate subcommittee for review. Some changes are expected in other areas of the bill but not in the child protection section. The bill will be resubmitted to the Iowa House and Senate and isn't expected to meet much opposition.

Johnson County Sheriff Gary Hughes said child abuse crimes have continued to climb.

"Reports of child abuse have increased dramatically," Hughes said. "In 1984, my detectives investigated about 12 cases of serious child abuse and this year, in just two and a half months, we have already had six such investigations."

Hughes said passage of the bill will allow video taped interviews of children to be used as evidence in court "so they won't have to endure the trauma and intimidation of a typical courtroom situation."

"The use of video equipment in sexual abuse cases also cuts down on having to interview the victim over and over again," explained Attorney Mary McCullom, Johnson County assistant attorney.

McCullom, who handles many of the county's abuse cases, explained in order to investigate a child abuse report, the child must be interviewed.

"Prior to the use of video equipment, four or five people would end up interviewing the child," said McCullom. "When you see children talk about these things, it's pretty clear they've had a difficult time talking about them."

A video-taped interview, explained McCullom, actually shows the child describing what has happened to them, "something a tape recorder or written record can't illustrate." Also, children are given anatomically correct dolls to show where they might have been touched.

"A lot of times children can't correctly say what happened, so they show the interviewer," stated McCullom.

In some cases, explained McCullom, the video-taped interview of the victim is shown to the defendant. She said a strictly verbal recollection of the crime would have less effect on the defendant than when the perpetrator can actually see the child recall the crime.

"A lot of times the defendant will confess to the crime because he can see the victim talking about the situation and how upsetting and difficult it is for the victim," she stated. She added that since often the victim and defendant are close to each other, either family, babysitter or close friend, it's likely she'll get some type of confession.

"They see that person and realize that this little child will have to go on the stand if they don't confess," she stated.

Video-taped interviews are not only used to alleviate pressure from the child having to repeatedly talk about the incident.

"The taped interview also helps in trying to develop some type of treatment program for the perpetrator," said McCullom.

Although currently aimed at use in child abuse cases, the equipment donated by the Lone Tree post will have a multitude of uses within the sheriff's department.

"We hope to not only use the equipment in child and sexual abuse cases but also in human accident and death investigations, surveilance and narcotic cases," stated Detective Dick Edwards, Johnson County Sherriff's Department. Edwards is the chief operator of the equipment and is responsible for training other department personnel in the use of the equipment.

Prior to the donation equipment had to be borrowed from the University of Iowa or Iowa City Police Department. Edwards said there has been past problems in checking out borrowed equipment.

"It's really going to save a lot of time and will help us get convictions," he stated.

Hopefully, according to Kruse, those convictions will be in connection with crimes against children.

"The child is often a victim of a crime she/he has very little way of stopping," he said. "We hope this is going to help that victim get a little bit of an edge when it comes to prosecuting the person who committed the crime against them."

"We've donated thousands of dollars in the past few years for children and youth projects from scholarships to computers for schools," stated Kruse. "However, I think this particular piece of equipment and what it's going to be used for has to rank as the number one project we've done in assuring a square deal for every child."●

DEMAGOGUERY OVER A REDUCTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring the attention of my colleagues to an article in the Washington Post of June 18, 1985. The article, a column

by Mr. Edwin M. Yoder, Jr., discusses the issue of the deductibility of State and local taxes against Federal income taxes. The author stresses the need to maintain the deductible status of State and local taxes, pointing out, "the need to guard the vitality of State and local government."

The text of the article follows:

In a remarkable burst of candor, Treasury Secretary James Baker has admitted that if state and local taxes continue to be deductible against federal income taxes (as they've been since 1913) the Reagan "tax simplification" plan, as now written, won't fly. It would lose too much revenue.

Without the $35 billion to $40 billion a year the Treasury would garner from ending this "loophole," concessions extended elsewhere in the tax reform package—chiefly in the form of lower rates for upper-bracket taxpayers—would dangerously inflate the already huge federal deficit.

This fact may explain the fervor with which the president has embraced the misguided and misleading campaign against state and local tax deductibility. In his stagey appearances for "tax reform," Reagan has repeatedly appealed to "low-tax states" against "high-tax states," and to taxpayers who don't itemize deductions against those who do. His message: You're "subsidizing" the others.

The argument, Mr. President, is a crock.

Leave aside, if you like, a central philosophical issue that one would expect Ronald Reagan to be sympathetic to—that never in the history of the modern income tax (nor of the old Civil War-era one, either) has an administration proposed "double taxation" of the dollars a citizen pays to support his state, county or local government.

Leave aside also, if you like, a powerful point about fiscal burdens and benefits. In most fiscal years a "high-tax state" such as New York actually "subsidizes" other states and regions. It sends to Washington millions of dollars more than are returned to it in federal payments.

By compiling arbitrary lists of winners and losers among states, or taxpayers, you could soon make nonsense and even wreckage of federalism.

The United States has flourished for two centuries as a great confederation, allocating a shifting array of burdens and benefits as seemed best for the common good of all. Now, for temporary political reasons, the Reagan administration is trying to spark an interpecine quarrel which in the end can yield no winners, only losers.

Apart from that—and here we get to the heart of the matter—the sheep/goats, winners/losers division recently featured in the president's speeches is utterly without substance.

For most citizens—especially if they live, as most of us do, in cities, towns and suburbs—the largest state or local tax burden lies in property taxes. And these are locally authorized, levied, collected and spent—usually by a democratic process most of us are closer to, and have far more control over, than the remote and baffling process by which Congress and the federal agencies levy and distribute taxes and revenues. Moreover, they go for vital services (chiefly education) and capital plant.

Often the size of local property tax bills suffices to justify the use of the long tax form, especially when the taxpayer is also a homeowner and mortgage payer. If taxpayers who itemize are indeed only a third of those who file, they're the third who pay most of all taxes to all jurisdictions—the beasts of burden of the tax system. They're being subsidized, Mr. President? Who're you kidding?

Should Congress eliminate the deductibility of these taxes (and of state income and sales taxes, which are usually more modest) the tax bills of millions of taxpayers will go up; rate flattening won't offset the loss.

Moreover—to resort for a moment to the Reagan administration's shameless style of argument—you could say that what's at stake is a proposed transfer of tax benefits from local services to oil drillers and high-tech defense contractors, who would be big winners in the Reagan tax bill.

Let us not, however, fight fire with fire.

The principled point is the need to guard the vitality of state and local government, not to impair it by hogging still more traditionally local tax sources for the federal Treasury. In a better hour can you imagine Ronald Reagan who sometimes poses as a federalist, voting these sentiments. They would be made in character than the demagoguery has speechwriters have been concocting for him lately.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. CRANE. Mr. Speaker, today I am including another segment of a series of discussions on the concept of expanded capital ownership. Today's material was written by Louis Kelso, the leading proponent and ideological founder of the idea of expanded capital ownership. In his remarkable essay, entitled "Karl Marx: The Almost Capitalist," he outlines some of the flaws in Marx's thinking, and describes how certain fundamental errors in Marxist theory have led to such disastrous results throughout the world. I trust my colleagues will find his essay interesting reading.

AN IDEOLOGICAL CRITIQUE OF DAS KAPITAL

(By Louis O. Kelso)

The root of all of the evil Marx surveyed was, he concluded, the private ownership of the means of production. The emotional case which he built in favor of a revolution to improve the position of the industrial worker was mountainous. The method of carrying out the revolution, he advocated, was for the workers to seize the government by force and then to use the state to expropriate the ownership of capital. Unfortunately, the moral truth of the massive case which Marx marshaled for improvement of the lot of the industrial worker was dwarfed by the magnitude of his error in assigning as the cause of the maldistribution of wealth, the private ownership of capital.

In the course of his investigation, Marx actually saw, but was prevented by this error from comprehending, the underlying principles of capitalism. Since there can be no doubt about Marx's honest effort and fierce desire to find the key to a workable industrial economy, we are justified in venturing the speculation that had Marx understood the implications of the principles of capitalistic distribution which presented themselves to him as "appearances" only, he might have become a revolutionary capitalist instead of a revolutionary socialist.

Karl Marx, as he reflected upon the causes of economic injustice in the first century of capitalism, came to a conclusion as momentous as it was mistaken. The world was to suffer as much from the critical error of the decision as it had suffered to provoke Marx to make it. Had he not been blinded by a borrowed myth, Marx might well have proclaimed "People of the world, unite! Extend the benefits of capitalism to all mankind." Instead, he exhorted the workers of the world to unite and "throw off the chains" of capitalism.

Had Marx chosen the capitalistic alternative rather than the socialistic one, the world would be a vastly different place in which to live today. Without the false and seductive promises of socialism, Russia, the nation built on Marxism, would be without the principal rhetorical weapon which is uses to seduce the minds of men.

Yet it is a fact that Marx actually considered the problems which should have led him to discover capitalism. But for three basic errors in reasoning, Marx might have been looked upon today as the apostle of capitalism rather than its detractor and tormentor.

The three mistakes the turned Marx away from capitalism rather than towards it, have made Marx the false prophet of the industrial worker. Together with the socialist writers who have followed in his footsteps, Marx deprived generations of workers from realizing that in capitalism—not in socialism—lies their hope of economic well-being the good life, and political freedom. The three errors which Marx made were these:

(1) His adoption of the labor theory of value which had previously been advanced by David Ricardo.

(2) His failure to understand that the private ownership of property, including capital instruments, is indispensable to political freedom; in short, his failure to understand the menace to human freedom of the ownership of the means of production by the state.

(3) His mistaking the wealth produced by capital for "surplus value", i.e., value which he thought was created by labor and stolen from the laborer by the capitalist.

Let us examine each of these mistakes. In the course of doing this, we shall see in each case how closely Marx came to acknowledging the actual principles of capitalism. Yet in every case, having grasped the principles, he also rejected them because of his fundamental errors.

ERROR NO. 1: THE LABOR THEORY OF VALUE

Except for the few wants which man can satisfy directly by things adequately supplied by nature, human labor, for untold ages, had been the primary source of the creation of wealth. Man, with this hands and his brain, has given value to raw materials found in nature by imparting to them qualities which render them able to satisfy his wants. Similarly, man has performed personal services for himself or for others which have also satisfied needs. Nothing is more obvious than that man must wrest his living from nature through the cleverness of his mind, the strength of his muscles and the skill of his body. Since, at the outset, then, man was the only acting force, the idea that all changes in nature's raw materials were wrought by man alone was both ob-

vious and indisputable. The labor theory of value—the idea that labor is the only agency capable of creating wealth, i.e., adding "value" to raw materials and performing services—must have been approximately correct in primitive times and, to a lesser degree, in pre-industrial economies.

But once men applied their intelligence to constructing tools and machines which were able to produce wealth, or at least to co-operate with human labor in the production of wealth, a basic change occurred, the significance of which was not at once fully appreciated. The fact that all economic value was not created by labor, but rather by labor and capital together, was obscured by the fact that, in the early stages of machine production, machines were usually "operated" by their owners. As a result, the services of the machine were indistinguishably commingled with those of the machine-owner and so there was yet no occasion for recognizing the separate economic functions of each.

The significance of the labor theory of value is more than academic. If labor is the source of all value created in the productive process, then labor has a valid moral claim to all wealth created through production. Then the only moral claim of the owner of capital is to have his capital restored to him, i.e., to get back the value of his capital with compensation for the effects of wear, tear and obsolescence. Honestly to reach his conclusion that the capitalist was thieving from the laborer, Marx had only to believe that labor did in fact create all economic value (i.e., the values added to raw materials found in nature).

But confronted with the fact that capital instruments were actually performing more and more of the functions which added value to raw materials and were even beginning to compete with labor in the performance of purely service activities, Marx could not prove the proposition that labor was the sole creator of value and he did not try. He merely asserted, again and again, that the proposition was historically true and that its truth was of very recent discovery. All commodities, including capital instruments, said Marx, "are only definite masses of congealed labour time" (Capital, Modern Library Edition, page 46, New York.)

"The recent scientific discovery that the products of labour, so far as they are values, are but material expressions of the human labour spent in their production, marks, indeed, an epoch in the history of the development of the human race, but by no means dissipates the mist through which the social character of labour appears to us to be an objective character of the products themselves." (Ibid. page 85) Marx is here saying flatly what he elsewhere elaborates—that although capital instruments appear to create wealth, this is merely an illusion, and that there is some sort of mysterious "congealed labor" hidden in the capital instrument which enables it to give value to its products.

At this point Marx actually saw one of the basic principles of capitalism: that capital instruments do create wealth, just as labor does. But he rejected the idea as an "appearance" only and held doggedly to his belief that only labor could create wealth. By denying the obvious, that in an ever-increasing number of instances, the performance of particular production tasks may be carried out alternatively either by labor or capital instruments; and by asserting that regardless which method was used, the capital instruments owned by a "capitalist", were in fact, "labour instruments"; and by concluding that whichever method was used, labor in fact created all the value, Marx put the capitalist in the unethical role of getting something for nothing.

Today we are not merely familiar with the phenomenon of machines to make machines, we are also acquainted with the trend to make automated machines with automated machines. Nevertheless, tracing the process backwards through several technological generations sooner or later brings one to the point where the predecessor of a particular machine was made by hand labor. Since Marx regarded human labor not only as an ingredient in an economic product, but as the only ingredient other than raw materials provided by nature, the problem of machines made largely by machines was a disconcerting one for him.

The value of a product, he said, is determined by the amount of labor time it contains. After a few technological generations of producing machines primarily by machines, what could be said of the machine which, although it contained almost no "value" in terms of man-hours and required very little assistance from labor in the form of an operator's man-hours, turned out a vast quantity of products, all of which sold for very good prices?

Marx actually considered this problem. How could he square the labor theory of value with a machine containing very little "value" (in terms of man-hours of labor) which at the same time is operated with very few man-hours of labor, yet which produces a great amount of wealth? Confronted with this problem. Marx might have announced another of the basic principles of captitalism: that the productiveness, the "productivity", of capital instruments, in comparison with that of labor (other than the top echelon of labor consisting of management and technical workers) is steadily rising. But here again Marx rejected the clearly discernible truth and supplanted it with a corollary to the labor theory of value.

In this case, he said, the machine, after yielding up what little "value" it contains, works gratuitiously, just as the sun works ripening the corn in the field. Marx here came within a hair's breadth of recognizing the increasing productivity of capital instruments in comparison with that of labor. Had he allowed himself to see the point, it is safe to assume that a man of Marx's sincerity would have cried. "If capital instruments are the source of the increasing production of wealth in an industrial economy, the owners of capital instruments are rightly the persons who should receive the proceeds of the wealth so produced. Let us then set as our goal the greatest possible accumulation and perfection of capital instruments for the greater production of wealth. And let us so regulate our economy as to extend the opportunity of engaging in production through the ownership of capital instruments to an ever increasing proportion of the population."

Marx missed this critical point. Faced with the spectacle of the production of vast wealth through a large contributory effort by capital instruments and a negligible contribution by labor. Marx could merely say: "In modern industry man succeeded for the first time in making the product of his past labour work on a large scale gratuitously, like the forces of nature." (Ibid. page 121) Thus did Marx substitute for objective analysis the dogma he had borrowed from Ricardo.

ERROR NO. 2: MARX'S FAILURE TO UNDERSTAND THE POLITICAL SIGNIFICANCE OF PROPERTY

Before examining Marx's second critical error, it may be helpful to take note of what the concept "property" means in law and economics. It is an aggregate of the rights, powers and privileges, recognized by the laws of the nation, which an individual may possess with respect to various objects. Property is not the object owned, but the sum total of the "rights" which an individual may "own" in such an object. These in general include the rights of (1) possessing. (2) excluding others, (3) disposing or transferring, (4) using, (5) enjoying the fruits, profits, product or increase, and (6) of destroying or injuring, if the owner so desires. In a civilized society, these rights are only as effective as the laws which provide for their enforcement. The English common law, adopted into the fabric of American law, recognizes that the rights of property are subject to the limitations that (1) things owned may not be so used as to injure others or the property of others, and (2) that they may not be used in ways contrary to the general welfare of the people as a whole. From this definition of private property, a purely functional and practical understanding of the nature of property becomes clear. Property in everyday life, is the right of control.

Property in Land. With respect to property in land, we need merely note that the acquisition of an original title to land from a sovereign is a political act, and not the result of operations of the economy. If the original distribution of land unduly favors any group or type of persons, it is a political defect and not a defect in the operation of the economy as such. A capitalistic economy assumes and recognizes the private ownership of land. It may, as under the federal and state mining laws and federal homestead acts, encourage private ownership of land by facilitating private purchasing of mining, timber, agricultural, residential or recreational lands.

Property in Capital. In a capitalistic economy, private ownership in all other articles of wealth is equal in importance to property in land. From the standpoint of the distributive aspects of a capitalistic economy, property in capital—the tools, machinery, equipment, plants, power systems, railroads, trucks, tractors, factories, financial working capital, and the like—is of special significance. This is true because of the growing dependence of production upon capital instruments.

Of the three components of production land is the passive source of almost all material things except those which come from the air and the sea, while labor and capital are the active factors of production. Labor and capital produce the goods and services of the economy, using raw materials obtained, for the most part, from land. Just as private property in land includes the right to all rents, the proceeds of sale of minerals and other elements or substances contained in land, private property in capital includes the right to the wealth produced by capital. The value added to iron ore by the capital instruments of a steel mill becomes the property of the owners of the steel mill. So in the case of all other capital instruments.

Property in Labor. What is the relationship of the worker to the value which he creates through his work? It has been said that no one has ever questioned the right of a worker to the fruits of his labor. Actually, as was long ago recognized by John Locke

and Jean Jacques Rousseau, the right of the worker to the value he creates is nothing more than the particular type of private property applicable to labor. Each worker, they said, has a right of private property in his capacity to produce wealth through his labor and in the value which he creates.

Marx and Property. Marx did not err in his understanding of the dependence of capitalism upon private property. In fact, the Communists, following Marx, appreciate this absolute dependence more than do non-Communists, many of whom, influenced by the conviction that Marx is full of errors, have falsely entertained the idea that this is one of them.

Marx, however mistaken he was in his program for achieving the economic changes he thought were needed, cannot be charged with having intended to worsen the economic and political condition of modern man. The facts of his life and character permit us little doubt that his intention was to eliminate suffering by substituting a fairer distribution of economic goods and services, and through this, a more equitable distribution of leisure and the opportunity to lead a good life. Marx was rightly, if also vehemently, critical of the exploitation of the many by the few.

Had Marx seen that the socialization of capital (i.e., its ownership by the state) would of necessity place the control of capital in the hands of those currently wielding political power, thereby unifying economic and political power, the two basic sources of social power, we can assume that Marx would not have advocated the destruction of private property in capital instruments. If the factory owners of the nineteenth century, having political influence but not unlimited political power, were in a position to exploit the workers, the bureaucrats of the twentieth century in a socialized state, possessing not only unlimited political power, but also unlimited economic power through ownership (i.e. control) of the instruments of production, are infinitely better equipped to exploit workers and other non-bureaucrats. What better proof of this than Russia and the Russian satellites?

It is the Communist politician who sees in Marxism the opportunity for personal power and wealth which Marx, if we may take him at his word, failed to perceive. The Communist politician perceives in Communism the personal advantage to himself which comes with the transfer of property (working control) in the means of production to the state, and the elevation of himself to a place in the management of the state. The Communist politician is thus able to epitomize in himself the kind of tyrannical capitalist Marx declaimed against, with the further opportunity for unlimited despotism that is inherent in the fusion of political power and economic power in the same hands.

Marx's failure to perceive the political significance of private property has allowed his doctrine to furnish the most perfectly designed ruse for potential tyrants that has ever been devised. In the name of benefitting society as a whole, the actual control of the capital instruments and land is place in the hands of those wielding political power.

Marx's second great error prevented him from seeing that the ideal "classless society", of which he dreamed, is not one in which a political group in power has the function of distributing wealth. It is rather the political economy in which the individual ownership of property—particularly capital instruments—is spread over the entire population. Only such a broad distribution of private economic power can guarantee individual freedom and the power of the people as a whole to limit or turn out at will a political group in power.

Marx was actually on the verge of recognizing that so long as men are what they are, capitalism is the only possible classless society. His failure to do so derives from his failure to understand the political significance of private property. He consequently also failed to understand the political significance of state ownership in a socialist state. To concentrate control over the means of production in a political group is to establish that administration as a class—an all powerful class—and to remove all possibility, so long as such a group exercises its power fully and ruthlessly, to overthrow such despotism by means other than force.

Marx recognized that the men who were the owners of productive property also enjoyed "individuality", leisure and opportunities for culture and education. (Ibid., page 581). This being so, it is nothing short of fantastic that he brought himself to these illogical conclusions: (1) Destroy private ownership of productive property. (2) Make all men workers. (3) Appropriate all wealth produced in excess of that required to sustain workers, and let it be distributed by the state as its political leaders see fit.

The political commissars, however, who employ Marx's ideas for their own purposes—the exploitation of power and wealth which socialism offers to a ruling bureaucracy—are not so illogical. The destruction of private property in the means of production is their guarantee of self-perpetuation.

There is a Marxian tenet that the nature of a society is determined by the mode of production (whether agricultural or industrial), and the ownership of the means of production. It is sound. The conclusions here reached are within and consistent with this fundamental insight.

Thus the second great Marxian error caused Marx to seek in socialism what he could have found only in capitalism.●

PREACHING TO CHINA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. SCHEUER. Mr. Speaker, the House is scheduled to begin consideration of the foreign assistance authorization tomorrow. Because of the controversy surrounding U.S. assistance for international family planning programs, I commend to the attention of my colleagues an excellent article which appeared in today's Washington Post.

[From the Wasington Post, July 8, 1985]

PREACHING TO CHINA

(By Marshali Green)

Today there is a basic convergence of U.S. and Chinese strategic interests in Asia, but our current good relations cannot be taken for granted. The American debate over China's population policy touches on a very sensitive issue of national sovereignty and could undermine relations between our two nations.

In China, home of one-quarter of the world's people, population stresses are everywhere evident, especially in terms of overcrowding and pollution. China's per capita cropland is one-third the world's average, its fresh water one-fourth, its grassland one-half and its forested land one-eighth. If China were to maintain a fertility rate as low as 2.3 children per family, its poplution would stabilize in the year 2080 at 2.13 billion—double its current size. Even if the country had an average of only two children per family, its population would not stabilize until the year 2050, and then at over 1.5 billion. These alarming projections explain the great urgency of China's efforts to slow its population growth, and why the government in 1979 announced the goal of a one-child family.

Dr. Liang Jimin of the State Family Planning Commission explained it to me this way: "If we publicly advocated a two-child family [or total fertility rate of 2], we would end up with norms closer to three; and thus, when we advocate a one-child norm, we hope at best to end up with a total fertility rate of 1.7. However, we do not talk about a 1.7 total fertility rate goal for this would likewise be self-defeating." Even with the achievement of a 1.7 fertility rate by the year 2000, China's popoulation would peak at 1.34 billion by 2025, according to demographers in China's State Statistics Bureau.

Economic incentives have been part of the government's efforts. Couples who pledge that they will have no more than one child receive a series of benefits including a small monthly financial grant from the government. Upon the birth of a second child these privileges are withdrawn, and for each succeeding birth escalating penalty taxes must be paid.

Officials at all levels affirm that the government resolutely condemns infanticide and mistreatment of women, including coercive abortion and sterilization: these are termed "intolerable crimes." On the other hand, officials freely admit that government laws and policies on these matters are sometimes violated, as indeed, they point out, laws are sometimes violated in all countries. Violations are intentionally publicized by the government, according to Chinese sources, in order to stress their illegality. In fact, reports by Western critics have relied heavily on incidents widely reported by the government-controlled press.

As to reports that there is frequent physical pressure on women to undergo abortion or sterilization, my latest trip to China uncovered nothing that would substantiate these charges. On the other hand, I am in no position to deny their veracity. But I met no one, American or Chinese, who believe that there were more than isolated cases of physical force applied to women to undergo abortion or sterilization.

It was my general impression, based on many conversations, that there are certainly psychological pressures on women with children to be sterilized, but the same pressures apparently are not applied regarding abortions. Evidence in support of this distinction is the fact that the Chinese abortion rate of 25 per 100 live births is 40 percent lower than the U.S. rate of 42 abortions per 100 live births.

It must be re-emphasized that the coercive actions and incidents of infanticide opposed by the United States are also opposed by China. China is seeking to deal with the problems of excessive preference for sons not only through law but by instituting various long-term social and economic measures that will raise the status of women in their families and communities.

In developing countries, one of the strongest motivations for having many children is to ensure support for elderly parents in the absence of any other form of old-age security. The Chinese government has initiated care for its older citizens, and now has a network of old people's homes at the village level.

Public education efforts in support of both smaller families and equality of sexes are substantial; the model family depicted on posters and in the media is increasingly father, mother and daughter. China is also stressing better education and literacy for all. That, together with rising standards of living and higher income potential of women, will probably, in the long run, be the most effective step in coping with the mistreatment of women, girls and female infants so widely prevalent in traditional societies throughout the world.

It is unfortunate that the American press has provided little coverage of these broader social and economic measures, for they are important elements of China's total effort to stabilize population growth. It is doubly unfortunate because press reports of China's population program have been seized upon by certain U.S. congressional and other groups opposed to family planning as an excuse to begin dismantling U.S. population assistance programs, including U.S. support for the United Nations Fund for Population Activities.

It was made clear to me by officials in Peking that these U.S. moves are regarded by China as a national affront. This turn of events should be of concern to anyone interested in U.S.-China relations as well as in the effects of rampant population growth in the developing world. China, far more than any other developing country, is earnestly seeking to solve a population problem that threatens the stability of China and the interests of generations to come.●

INFLATION BUDGETING: ON AND UNDER THE ROCKS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. ASPIN. Mr. Speaker, on May 20, I wrote to Defense Secretary Weinberger and delivered a speech in the House outlining my concern that the Defense Department was blessed over the last 4 years by an unplanned inflation dividend totaling somewhere between $18 billion and $50 billion.

Subsequently, I received a reply from the Pentagon, though it is not the reply I had hoped to get. It supplies some additional information to help us track down the whereabouts of the inflation dividend, but nowhere near enough data to get to the bottom of this issue.

Most importantly, as I said in May, I am looking for a whole new budgeting concept for accommodating inflation. The Pentagon's reply says, in effect, everything is hunky-dory, and there's no need to change current practices. The premise that the Pentagon's current budgetary practices are wholly adequate to the task is a premise I cannot accept.

If we are going to get to the bottom of this matter, it is clear we will need some additional help. I have, therefore, asked the General Accounting Office [GAO] and the Congressional Budget Office [CBO] to join the committee in a search for a better way to do business. I certainly do not want to slam the door on Pentagon participation in this process. I again invite the Department to participate in the search.

THE PROBLEM

Mr. Speaker, in my May 20 speech, I said the Pentagon had received appropriations over the last 4 years that exceeded the sums required to cover inflation by $18 billion to $50 billion. I said the excess was the result of two factors.

First inflation in the 1982–85 period was consistently far less than estimated when the budgets were put together. In other words, the annual process of packaging the budget pumped far more money into the budget than was eventually needed to cover inflation.

Second, for major weapons, the Defense Department tossed in an extra dollop of 30 percent over and above the estimated economywide inflation rate on the assumption that learning curves and low production rates would add uniquely to inflation in the defense industry. But, as I showed, the Pentagon planning process already included funds to cover learning curves and low production rates—so the extra 30-percent dollop was simply double counting.

I said that I could not get a precise handle on the amount of excess funds appropriated. I concluded that the mere existense of excess funds on a multibillion-dollar scale warranted a whole new system for accommodating inflation in the defense budget.

THE MONEY THAT NEVER WAS

The Defense Department response is really not responsive to my argument. I want to know what happened to the money the Pentagon got. Secretary Weinberger still wants to talk about the money the Pentagon didn't get.

The Pentagon's response mixes oranges with apples. I was arguing apples. I said that defense appropriations for the past 4 years have consistently contained more money for inflation that was needed. This happened because each year we believed inflation was going to be higher than it turned out to be, as shown in table 1.

Secretary Weinberger has answered with oranges. Yes, inflation has not been as high as assumed, but neither have defense appropriations been as high as the Reagan administration wished in March 1981. And it is in the gap between the Reagan plan and the appropriated funds that we should begin to look for the inflation dividend.

Much of the response is really a rehash of the points this administration has long made decrying congressional reductions. In fact, the data the Secretary presents should put to rest once and for all the administration's contention that Congress has butchered the Reagan defense buildup. The administration has frequently compared what Congress has appropriated for defense with its March 1981 published defense program, which was drafted when everyone assumed inflation would be very high.

TABLE 1.—PROJECTED AND ACTUAL BUDGET INFLATION (GNP DEFLATOR)

	Percent			
	1982	1983	1984	1985
March 1981 projection	8.7	7.3	6.2	5.5
President's budget projection for each year	8.7	6.5	5.3	4.9
Actual	7.2	3.9	3.8	[1] 3.4

[1] Latest projection for fiscal year 1985, which is now more than half over.

Enclosure 1 of the backup documents supplied by the Secretary is the first presentation from the Pentagon I have seen that explains the origins of the cuts from the March 1981 defense program. This shows that the administration wanted $1,091.4 billion for defense in fiscal years 1982 through 1985, and that it received $996.2 billion—with only $26.7 billion of the difference being ascribed to program reductions. The rest is attributed to pay adjustments, lower inflation, and better management. In other words, these Pentagon figures show that the Pentagon received 97.6 percent of everything the administration wanted for defense programs for fiscal years 1982 through 1985.

There is a real irony here. The Defense Department says it didn't get $26.7 billion it wanted for programs in the 1982–85 timeframe. My figures indicate it got somewhere from $18 billion to $50 billion that it didn't need to cover inflation in those years. In other words, the inflation dividend likely makes up—entirely—for all the program cuts made in the President's defense buildup. It looks like the Pentagon has received even more than the administration said it needed on unveiling its defense buildup in March 1981.

THE SUGGESTED SOLUTION

Unfortunately, virtually all the responses to come out of the Pentagon since my May 20 speech have been exceedingly defensive; there seems to be the impression that I am attacking the Pentagon for committing untold evils—or at least considerable sneakiness—in bringing about the inflation dividend of $18 billion to $50 billion. Let me refer back to my May 20 speech in which I said, "I am not suggesting there has been any wrongdoing on the part of the Pentagon. I am not launching any vendetta against Secretary Weinberger." I am not out

to hang anyone. I am not suggesting that the current method for accommodating inflation was devised as a sly plot to allow the Pentagon to accumulate a huge slush fund. I am, however, stating flatly that I believe the current system for accommodating inflation is lousy. That's where I am coming from. But that fact seems not to have penetrated the impenetratable Pentagon bureaucracy.

Furthermore, the Pentagon response to my suggestion for other ways to handle inflation reeks of the classic NIH syndrome—not invented here.

For example, one alternative I suggested was that we could establish a revolving fund for inflation. We would not appropriate for inflation in the weapons programs currently, but instead provide a revolving fund of a substantial amount to cover future inflation. At the end of a fixed time period, and utilizing an established formula for calculating inflation, the Defense Department would draw on that fund to make payments to contractors to cover inflation after the fact. The Pentagon has raised two objections to this concept.

First, we are told that "such funding would be quite late, and certainly difficult to administer." I grant that this might well be true, but mere statement of the assertion does not make it so. Recourse to the complaint of complexity and administrative difficulty is, after all, a common response by bureaucracies that prefer inaction to change.

Second, the Pentagon argues that it is unlikely that "others in the decision process"—for which you may read Congress—"would want to add subsequently adequate amounts for inflation, or resist the temptation toward optimism about future inflation that has plagued us in the past." I was stunned by that assertion since for many years we have operated with stock funds and the currency conversion fund, all of which get topped off by Congress when inflation or currency exchange rates require that that be done. The revolving fund approach is hardly a new or untested concept.

THE FOUR ROCKS

In my May 20 speech, I outlined four possible "rocks" under which I thought one could locate the missing inflation dividend of $18 billion to $50 billion. The Pentagon response cites four sources of its own.

First, $33.3 billion that was "never appropriated" because it was deleted by the administration before budgets were submitted to Congress. This is a lament over battles lost within the administration, a complaint of moneys never provided to the Pentagon. It is totally irrelevant to my point, which deals solely with funds actually appropriated to the Defense Department.

Second, $7.1 billion in lapsed appropriations. These are funds that are never used and that are, in effect, sent back to the Treasury.

Third, $13.1 billion in "savings from inflation and management improvements" that were reprogrammed—that is, shifted—to other defense projects.

Fourth, $8.2 billion by which "Congress has reduced our fiscal year 1982-85 requests * * * as a result of lower-than-projected inflation."

This is not quite the formulation I used. Let me line up the Pentagon response against the four rocks that I cited in May.

UNEXPENDED FUNDS

I said the first rock is what the green-eyshade types call "unexpended balances." This is money Congress has appropriated for the Defense Department that the Defense Department has not actually spent. Similarly, "unobligated balances" are funds the Pentagon has not ony not spent, but not yet put under contract.

The Defense Department reply confirms that unobligated balances doubled between 1981 and 1984, but it is unwilling to concede that this has anything to do with overcompensation for inflation. The Pentagon reply states simply that such growth is an entirely expectable concomitant of the growth in appropriations that occurred form 1981 to 1984. I did not and do not contest that unobligated balances will grow in some degree as a natural result of climbing appropriations.

I have suggested, however, that some portion of the unobligated balance growth stems from our overcompensation for inflation. That is an assertion admittedly based on logic, rather than data. The Pentagon response simply makes the revere assertion, but supplies neither logic nor data in support of its assertion.

On the other hand, the Defense Department response lists the $7.1 billion in "expiring authority" during fiscal years 1982-84 as resulting from excess inflation. This is money the Defense Department never spent, and which simply expired, or, in more popular terms, was returned to the Treasury.

I find it startling that the Defense Department can claim today that this 47.1 billion is part of the inflation dividend, when very recently it told Congress that inflation estimates had nothing to do with the $7.1 billion.

A recent report from the Defense Department to the House Appropriations Committee on expiring funds over the 5-year period, 1980-84, never mentioned overcompensation for inflation as a cause for expirations. Instead, the report attributes expirations to excess managerial reserves retained by program managers—that is, funds that a program manager keeps in his hip pocket to bail his program out in a crunch.

DEFENSE INDUSTRY

The second rock I pointed to was defense industry. Defense industry may benefit because more money than is needed to cover inflation is available for programs. The additional funds could be glommed onto by labor, in the form of higher wage contracts. They could be consumed simply by wasteful management practices, since more funds would be available. And they could show up in higher profits. As I related in my May 20 speech, major defense contractors have been enjoying a profit bonanza. Of the top 10 defense contractors, only 1 has seen its profit margin decline since 1981, while 6 of the 10 recorded their highest profit margins in 15 years during 1984.

Needless to say, this is a very sensitive rock to go digging under in the hunt for the inflation dividend, which may explain why the Pentagon has not dug under it. The written response that I have received from the Pentagon simply skips over this rock entirely.

That only increases my interest in digging under this rock.

REPROGRAMMING

The third rock I cited was reprogramming—that is, the transfers of money between Pentagon programs. If a service enjoys an excess of cash, it is reasonable that it would shift those funds from the programs that don't need the money to other programs; for example, to develop new concepts now in the research stage, or to fund more field operations.

The Pentagon response takes a very defensive tenor. It emphasizes that, first, reprogrammings are a necessary management tool to respond to unforeseen developments and, second, reprogrammings are carried out under rules established by Congress, and often only after advance approval by four congressional committees.

I am not arguing over the suitability of reprogrammings, nor am I alleging any wrongdoing by those who carry out reprogrammings. My point is simply to try to establish what portions of funds that become available for reprogramming become so because they were originally appropriated to cover inflation that did not occur. That's all I really want to know. Again, the Pentagon response does not help us pinpoint those reprogramming funds that stem from excess inflation estimates.

No doubt some of the $13.1 billion in reprogrammings does amount to the use of surplus inflation funds for programs with shortfalls. But in other cases, the purpose was to transfer funds to programs of higher priority. Inflation had nothing to do with it. We can't know what happened without a careful examination of the paperwork documenting each reprogramming and transfer.

CONGRESS

The fourth rock I identified is right here on Capitol Hill. Part of the money requested by the Pentagon to cover inflation was later discovered by Congress to be excess and deleted. Each year, we look for funds no longer needed because inflation has come down since the request was submitted, and grab onto any of those moneys we can find.

As many in the Pentagon have pointed out, the Defense Department often cites unneeded funds to the congressional committees. I might note that while that is done, it is also true that it is often a tooth-pulling exercise for the congressional committees to locate excess funds.

The Pentagon reply estimates that $8.2 billion in funds denied by Congress is traceable to falling inflation. No breakdown or further identification of this figure is provided, however. Of the $8.2 billion in congressional denials attributed to inflation, I can confirm at most $5.7 billion, most of that from fuel and foreign currency adjustments, and Navy cost growth reestimates.

PROVING THE POINT

A key point of my original contention was that no one really knows the amount of excess inflation funding or where it has gone.

The Defense Department response makes crystal clear its contention that that is not so. "These savings have certainly not been concealed from Congress," the response says. "The system we have in place enabled us to account for the different parts of the inflation savings * * *. The past decline in the credibility of Defense inflation estimates led to our commitment to combat inflation and advise you regularly of the results of this battle."

But, as I have shown, the statistics are a jumble of numbers related to many causes, not just inflation.

A careful reading of the Pentagon response shows that the drafters themselves recognize the trackless tangle of statistics they are stumbling through:

> As with lapses, reprogramming changes due to lower inflation *cannot be separated* from other variables * * * Delayed inflation savings, *probably* account for *Some* increases in balances lapsing within DoD * * *. is *difficult to measure* their adjustments (referring to congressional cuts) precisely, because such repricing involves both programmatic and nonprogrammatic cuts which are inextricably linked to other adjustments * * * (emphasis added).

In sum, the Pentagon cannot pinpoint the funds appropriated in excess of those needed for inflation. This simply bears out my point: Contrary to the Pentagon claim that "the system we have in place enabled us to account for the different parts of the inflation savings," the "system" doesn't work at all. The Pentagon response makes my case better than I did in May. The current "system" doesn't warrant the term. We need a new way to account for and to accommodate inflation, one that neither overcompensates nor undercompensates Pentagon programs and defense contractors.

TOTAL UNDER THE ROCKS

It is still too early to say for sure what's under the four rocks. Looking at the Secretary's letter carefully, I'd say he's found at most $21.7 billion. Table 2 lines up the Pentagon's formulation, my review of the Pentagon data, and my original formulation.

TABLE 2.—COMPARISON OF DOD AND ASPIN INFLATION DIVIDEND FORMULATIONS

[In billions of dollars]

DOD categories	Amount	Aspin restatement of DOD calculations	Aspin categories
Never appropriated	$33.3		
Lapsed appropriations	7.1	$6.0	Unexpended balances.
Reprogrammings	13.1	10.0	Reprogrammings.
Congressional cuts	8.2	5.7	Congressional cuts.
		?	Contractors.
Totals	61.7	21.7	$18 to $50

My guess is that the $21.7 billion total will, on further analysis, end up considerably reduced. The only relatively solid figure is the $5.7 billion in denials of requests. A dollar of expired funds or reprogrammings is probably as likely to represnt overcompensdated inflation as not.

The $7.1 billion in expired funds claimed in the Secretary's letter to represent overcompensated inflation is certainly an overstatement. As pointed out in the Defense Department's letter to the House Appropriations Committee mentioned earlier, about $1.1 billion of the $7.1 billion, although technically lapsed, is still available for obligations associated with shipbuilding. Shipbuilding funds expire in 5 years, but special provisions in appropriation bills allow them to be obligated for 2 more years. Therefore, even with a careful exploration of the reasons for each expiration, no nore than $6.0 billion could be attributable to excess inflation.

A similar point can be made about reprogrammings. Even without looking at the stated purpose of each reprogramming, a fair chunk of them are unlikely to involve overcompensated inflation. It probably takes longer than the budget year to identify funds becoming surplus for this reason, so most of the $3.1 billion of reprogrammings approved by Congress in the fiscal year for which the funds were requested should not be counted. For that reason, table 2 records only $10 billion of the $13.1 billion in reprogrammings as attributable to inflation.

Whatever the total turns out to be, it will be considerably shy of my upper estimate of $50 billion for the total inflation dividend. Does the remainder exist?

The two rocks that remain relatively unexcavated are unexpended funds and contractor profits. Sooner or later, unexpended funds will end up expended, expired, or reprogrammed for other purposes. At that point, assuming we have a better handle on funds that expired or were reprogrammed over the past 4 years, we should know better what has gone into the coffers of the contractors.

The question is, do we want to wait the 4 or 5 years this may take. One thing is sure, if we do more than wait, we'll give up our best chance to affect how the dividend should be spent—or whether it should be spent.

I don't think we should wait. If we expect people to regain their confidence in the management of the Nation's defense spending, we need to do something about inflation problems now.

I hope that the Defense Department will lend its support and resources to this effort. I am also requesting the assistance of the General Accounting Office and the Congressional Budget Office. GAO should be able to track funds more effectively than I've been able, or the Pentagon is willing. CBO can give us a better handle on withdrawals and denials of Pentagon funding requests because inflation came down after submission of the requests, and on the viability of some different systems for making inflation allowances.

With GAO and CBO reports in hand, I would expect to have some hearings on the subject. We'll get the Department's response to the reports and see if we can't come up with some solid estimates of where past inflation overfunding has gone and what we can do to deal with the problem in the future. I would expect to have those hearings at the end of the summer.●

PROMOTING OUR STATE ABROAD

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. COURTER. Mr. Speaker, I would like to share the following comments from the Sunday, June 9, 1985, edition of the New York Times with my fellow legislators. I believe the author of these comments, New Jersey State Senator Leanna Brown, has insights concerning the problems of international trade that go well beyond the particular situation of New Jersey. Senator Brown's ideas for promoting international trade at the State level are worthy of careful study, and I commend this discussion to the attention of my colleagues.

[From the New York Times, June 9, 1985]

PROMOTING OUR STATE ABROAD

(By Leanna Brown)

For the first time in 71 years, the United States has become a debtor nation. Our record foreign-trade deficit has endangered the future economic health of the country.

The future economic prosperity of the United States hinges on our ability to broaden our horizons in the business world. For many reasons, including technological advances in communications and travel, we cannot isolate ourselves within our borders. We must be ready, willing and able to compete in the international trade market.

New Jersey is a leader in the drive to restore America's competitive edge. The slogan of the state's Division of International Trade, an arm of the Department of Commerce and Economic Development, is:

"New Jersey: Where the World Does Business."

Some 1,000 companies representing 28 nations now have operations in the state, employing more than 150,000 New Jerseyans. The state ranks fourth nationally in terms of employment by foreign businesses.

In 1981, the latest year for which figures are available, New Jersey was 12th in exports, with the leading industries being chemicals, machinery and electronic equipment. The state is also the home of the first multibank export trading company in the country. Last year, it financed the first shipment of grain out of the newly opened Port of Salem.

The future growth of international trade in our state holds great promise, and New Jersey has many assets that make it attractive to foreign concerns, including:

Major port facilities in both the northern and southern parts of the state.

The largest containership port of the country.

Newark International Airport, the fastest-growing international airport in the nation.

An excellent railroad network.

New Jersey also continues to be an innovator in the world of high technology, and efforts are now under way to expand the state's role in this advancing field.

A $90 million bond issue approved by the voters last November will provide funds for developing four advanced research centers in the areas of food technology, biotechnology, ceramics and hazardous-waste management, all of which will be based at New Jersey institutions of higher learning. This emphasis on high technology gives us a competitive edge in the export trade market.

Through their overseas offices and other activities, the Port Authority of New York and New Jersey and the Delaware River Port Authority also play key roles in encouraging international trade. They help small companies to band together to promote sales of their products abroad.

Recognizing the growing importance of international trade to the New York/New Jersey region, the Port Authority is currently examining how to increase its effectiveness.

New Jersey has a skilled work force and can offer foreign concerns workers fluent in other languages and customs. Liberty State Park in Jersey City, in full view of the Statue of Liberty, symbolizes New Jersey's historic outreach to people of other lands.

About 60 million people, a quarter of the nation's population, live within 250 miles of New Jersey, providing a huge market for the products of foreign investment.

The state's Division of International Trade, directed by Ming Hsu of Westfield, really has its act together. It is aggressively promoting New Jersey as an ideal place for foreign companies to locate and is furthering the export of New Jersey products.

Last year, 120 new manufacturing jobs were created in the Morris County community of Roxbury when Samsung Electronics, a South Korean company, opened. At a seafood exposition in Paris, the division, in conjunction with the state's Department of Agriculture, pushed the export of squid (while not popular here, it is considered a delicacy in Paris and Tokyo).

In 1984, the Legislature's Joint Appropriations Committee increased the budget of the Division of International Trade by $500,000 to further enhance its efforts. Its promotional material is now translated into other languages, and trade shows, missions and seminars have developed business contacts in Korea, Singapore, Japan, the Caribbean, London, China and West Germany.

Recently, Governor Kean signed a bill I sponsored, with strong bipartisan support, that is designed to strengthen the division's efforts to provide information and assistance to small and medium-size companies.

In addition, my bill establishes the Governor's Commission on International Trade. Among its other responsibilities, the 16-member commission will publicize and promote the importance of international trade among New Jersey's business and labor communities and the general public. Maryland, Pennsylvania, Texas and Washington are considering establishing similar councils this year.

At the state level, there is little we can do to change the problems created by the strong dollar and strained relations with Japan. However, we can take initiatives such as increasing funds for trade efforts, interacting and coordinating efforts with Federal agencies concerned with trade and working closely with the private sector.

Informally, we can encourage corporations to become export-oriented. Historically, many American businesses have not made the sustained effort to cultivate foreign markets, and there has not been the public constituency for necessary government initiatives. The pitfalls of protectionism need constant exposure.

In New Jersey, our county colleges, together with the United States Department of Commerce, have taken the lead in promoting informative seminars to increase awareness of the benefits of international trade. We need the help of large corporations that know how it is done to assist our colleges and universities in preparing students to participate effectively in the competitive international marketplace.

China, Japan and West Germany are in the business of promoting international trade. It is high time that all 50 states in the United States did their share.

Every $1 billion of international trade affects 25,000 jobs. We want to make that trade balance favorable so that jobs are created and not eliminated.

Here in New Jersey we are helping to lead the way.●

TRIBUTE TO SID YUDAIN AND THE STAFF OF ROLL CALL ON THE OCCASION OF ROLL CALL'S 30TH ANNIVERSARY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. HORTON. Mr. Speaker, I would like to join my colleagues in saluting the literary and journalistic talents of Sid Yudain and the staff of Roll Call. For 30 years, Roll Call has been the "insider's paper"; providing insight and injecting humor into the goings on of Capitol Hill.

Sid Yudain, then a "Hill staffer," established Roll Call on June 16, 1955, with the hope of creating a "paper of such concentrated congressional coverage that it will be read from cover to cover." As one of Roll Call's greatest fans over the past 23 years, I would like to assure Sid that he has succeeded.●

NICARAGUA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for June 1985 into the CONGRESSIONAL RECORD:

NICARAGUA

Details remain to be worked out, but recent votes make clear that the Congress will renew funding for the Contras fighting the Sandinista government of Nicaragua. These votes represent a stamp of approval for the President's policy of keeping unilateral pressure on Nicaragua. I oppose this assistance because it is direct funding for a military force whose only stated purpose is the overthrow of the Sandinista government.

Funding the Contras continues a policy toward Nicaragua which has failed over the past four years. We are no closer to achieving our goals in Nicaragua. The situation has gotten worse, not better. The Soviet-Cuban presence has increased. Repression in Nicaragua is more widespread. The Nicaraguan military has grown, and regional tensions have escalated. Over $80 million of U.S. support for the Contras has not produced a popular insurgency or caused the Sandinistas to change their policies.

Our objectives in Nicaragua remain unclear. The President has been unable to say if it is U.S. policy to seek the overthrow of the Sandinista government. Even former Secretary of State Kissinger has criticized the lack of clarity in policy toward Nicaragua, saying that "there is no precise relationship between the rhetoric we put forward and the steps we are taking."

Military pressure on the Sandinista government is deepening U.S. involvement, narrowing our options, and increasing the chances of U.S. military intervention in Central America. In 1982, the United States

supported 500 Contras. Today the number is 15,000. The President told Congress in a recent report that he wants to increase the force to 35,000. But the retiring U.S. Commander in Central America has told Congress that the Contras cannot do the job, that overthrow of the Sandinistas is not "feasible in the near future."

For this reason, funding the Contras is not, as the Administration states, an alternative to intervention; it is an avenue to intervention. The President's same report states: "Direct application of U.S. military force . . . must realistically be recognized as an eventual option, given our stakes in the region, if other policy alternatives fail." In May, when he applied a trade embargo, the President called Nicaragua an "unusual and extraordinary threat to the national security and foreign policy of the United States." Given the way the President perceives the threat from Nicaragua, humanitarian assistance to the Contras is only the next of several steps toward deeper U.S. Involvement.

"Humanitarian aid" rings less harshly on the ears than does "military aid," which was the President's original request. But every dollar the Congress provides for food and medicine is a dollar the Contras do not have to raise from other sources. Dollars from those sources can be spent directly on weapons. Napoleon said an army marches on its stomach. We will now be helping the Contra army to march. As the Contras grow in strength, so will our commitment to them and to their goal of overthrow.

The Administration has been unable to explain how its Nicaraguan strategy will work. Past performance does not lead us to believe that the Sandinistas will say "uncle" under pressure. The Sandinistas will endure any level of pressure from the United States rather than commit suicide, which is what they believe the United States demands.

The Administration has also not taken into account the dangers of escalation. Providing direct assistance to the Contras will encourage the Sandinistas to turn to the Soviet Union and Cuba for more support. We are starting down a dangerous road and we do not know where it leads. If there are Soviet and Cuban countermoves, what will the Administration do? It has not addressed this question.

I believe our policy should be placed in the larger context of Latin America. Any short-term U.S. gains from unilateral moves to intimidate Nicaragua will be offset by anti-Americanism in reaction to "big stick" Yankee intervention.

This is where the Contadora process initiated by the Governments of Mexico, Venezuela, Colombia and Panama fits in. All of Latin America and Western Europe strongly support this diplomatic effort which has made substantial progress. The Contadora process is addressing the issues that most concern the United States: the export of revolution, the Sandinista military buildup, ties with Cuba and the Soviet Union, and political pluralism and internal reconciliation and Nicaragua.

Contadora has been meeting regularly. Responsible and respected Latin American presidents who are friends of the U.S. are leading the negotiations. Three of five proposed treaties and three of five proposed protocols have been agreed to. Important work still needs to be done by Contadora on the verification and implementation of security agreements. However, it is the view of the Contadora countries that a regional peace settlement is possible if the U.S. puts itself unequivocally behind this diplomatic process. The Contadora countries also believe that aid to the Contras sets back their efforts.

I do not believe that the Administration has made an energetic, good faith effort in support of the Contadora political option. This process has not been fully explored or exhausted. The U.S. cannot fund the Contras, whose purpose it is to overthrow the Sandinistas, and claim to support, and persuade others to support, a negotiated settlement. Before we pursue a path of military escalation, we should give negotiations a chance to work.

The question before the United States is not whether we like the Sandinistas and their policies. We abhor their drift toward Marxism and their efforts to export revolution. The question is what we should do about it. Four years of unilateral policies have produced meager results. Now is the time to work with our friends and allies to address the Nicaragua problem.●

TRIBUTE TO DR. JAMES A. VAN ALLEN

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. EVANS of Iowa. Mr. Speaker, as an engineer and former Director of Advanced Manned Missions Program's lunar division, involved in the design of equipment at the National Aeronautics and Space Administration [NASA], I had the distinguished opportunity to work with many experiments for use in the Space Program of the United States. A number of those experiments were developed by Dr. James A. Van Allen, professor and head of the Department of Physics and Astronomy at the University of Iowa. Clearly in my experience at NASA I found that Dr. Van Allen's projects were of exceptional quality and very functional.

During his many years of teaching and service to students at the university, he had a profound influence on many lives. His students always speak of great honor and privilege of being in his classes and of the inspiration, as well as the learning, that they received from Dr. Van Allen. His contributions have been massive to his profession, students, the university, the State of Iowa, and the Nation. I wish Dr. Van Allen continued success and personal satisfaction in the years ahead in his retirement from the University of Iowa.

It is in this high regard for a fine scholar and teacher that I today wish to bring to the attention of the House of Representatives and submit into the CONGRESSIONAL RECORD a proclamation by the Governor of Iowa, Terry E. Branstad on the occasion of declaring Friday, June 28, 1985 James A. Van Allen Day in Iowa. I, too, join the State of Iowa in recognizing June 28 as James A. Van Allen Day.

STATE OF IOWA, EXECUTIVE DEPARTMENT, IN THE NAME AND BY THE AUTHORITY OF THE STATE OF IOWA

PROCLAMATION

Whereas, James Van Allen is recognized worldwide as a founding father of the U.S. Space Program, having discovered in 1958 the radiation belts encircling the Earth, a natural phenomenon that has since been known as the Van Allen radiation belts; and

Whereas, Van Allen has continued to further mankind's knowledge of space physics by conducting the first explorations of the magnetospheres of Saturn and Jupiter, by building scientific instruments carried into space aboard dozens of U.S. spacecraft, and by interpreting scientific data from spacecraft—including Pioneer 10, presently the most distant manmade object from earth; and

Whereas, Van Allen during his illustrious 34-year career as Professor and head of the Univesity of Iowa Department of Physics and Astronomy has been revered as an exemplary teacher by his students—undergraduates and graduates alike—and by the University at which he holds a Distinguished Carver Professorship, the highest teaching post the University may bestow upon one of its faculty members; and

Whereas, Van Allen, a native Iowan, honors all Iowans by his lifelong dedication to excellence in teaching and research and will officially retire from full-time teaching effective June 30, 1985: Now therefore,

I, Terry E. Branstad, governor of the State of Iowa, do hereby declare Friday, June 28, 1985 as James A. Van Allen day in Iowa, and urge all educators, organizations, businesses and citizens to pay tribute to the spirit of industrious research and distinguished teaching as embodied in the work of James A. Van Allen.

In testimony whereof, I have hereunto subscribed my name and caused the Great Seal of the State of Iowa to be affixed. Done at Des Moines this Seventeenth day of June in the year of our Lord One Thousand Nine Hundred Eighty-Five.●

CONSOLIDATED INDUSTRIES OF GREATER SYRACUSE, INC., OBSERVES 20 YEARS OF SERVICE TO THE DISABLED

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. WORTLEY. Mr. Speaker, last week, we celebrated the 209th observance of America's independence.

The annual Fourth of July celebration is a singular occasion to reflect upon the blessings of freedom in this Nation and to rededicate ourselves to the principles which have sustained the oldest existing form of democratic government on Earth.

Independence of a nation is precious and priceless. Equally priceless is the independence of each individual within a nation.

Nowhere, in my judgment, is the need to provide opportunities for individual independence more recognized than here in this United States, especially by those nonprofit organizations

which nurture the independence of our disabled fellow citizens.

In the 27th Congressional District of New York State, Consolidated Industries of Greater Syracuse, Inc., has transformed this recognition into a multifaceted program that has not only made opportunities for the severely disabled a reality but has also substantially bettered the social and economic quality of our community as a whole.

This year marks the 20th anniversary of service by Consolidated Industries of Greater Syracuse to our central New York community. Now under the leadership of Executive Director Dr. Allen Speiser, this nonprofit organization is continuing to set new records by merging human potential with economc reality. Last year alone, the disabled served by Consolidated earned a total of $660,000 including fringe benefits. The vocational training, job placement, and sheltered employment provided by Consolidated Industries has, in two decades, enabled our disabled citizens to utilize skill capabilities that would otherwise have been untapped. Consolidated Industries has, with voluntary and professional guidance, been able to help the disabled to lead productive lives, to feel better about themselves and to provide quality services and products in the competitive marketplace.

Mr. Speaker, I am privileged to commend the endeavors and successes of the men and women of Consolidated Industries of Syracuse, NY, to the attention of our colleagues in the Congress. And during this 20th anniversary year, I wish to extend my personal best wishes, and the best wishes of the people I represent, to everyone who contributes to the day-in and day-out praiseworthy activities of this outstanding organization.●

ZENITH OPENS TELEVISION MARKET IN CHINA

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, it is with pleasure and pride that I report to the House that Zenith Electronics Corp. of Illinois, has just reached a breakthrough agreement with the city of Shanghai to export American television products to the Chinese. It is the first such agreement of which I am aware and, given our difficulties in finding Eastern markets for our electronic goods, I think it is very significant.

The agreement calls for the purchase of 8-foot-diagonal wall-projector television units, in both semicompleted and kit form. These units are manufactured in the United States, using tubes made in Cook County, IL. They are already being marketed domestically; the exported version will be modified to meet China's unique transmission standards. The agreement calls for the purchase of approximately 3 million dollars' worth of the units, with shipments beginning in December of this year.

This welcome development in the highly competitive Eastern market was made possible through the good offices of the U.S. Department of Commerce. Zenith made its initial contacts with the Chinese with the diligent help of the department's Chicago office, an office which I have always found to be responsive to the needs of Chicago businesses, and innovative in the pursuit of its mission.

I congratulate Zenith on its accomplishment, and I commend this agreement to American business as evidence that vision, aggressive marketing, and perseverance can yield results previously thought to be unlikely. Faced as we are with a disastrous trade deficit, we need to attack the problem on all fronts, and this is one very promising way to go about it.●

NEW IMMIGRATION LEGISLATION

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. LUJAN. Mr. Speaker, after many years of waiting, thousands of permanent resident aliens achieve their goal of U.S. citizenship. But for all those that are accepted, there are many more who are denied entrance into this country.

One of the requirements for becoming a U.S. citizen is to have a knowledge of the English language. However, some of the elderly people who desire citizenship have difficulty mastering the English language, even though they meet all other citizenship requirements.

Today, I am introducing a bill to correct this situation. Under the legislation, the Immigration and Nationality Act would be amended to modify the requirement for naturalization of an understanding of the English language.

Under current law, we allow an English language exemption for those who are physically unable to learn English and for those who are over 50 years old and have been permanent resident aliens living in this country for 20 years. My bill would amend the law with three new provisions. First, people must make a diligent effort to learn English. In addition, they must be over 65 years of age and they must have been lawful permanent resident aliens living in this country for at least 5 years.

The INS estimates that this change could not affect roughly 3,200 of the 166,000 persons who become naturalized citizens each year. This bill will help older people, who are citizens in all but name, to achieve their goal. It is the only fair and compassionate thing to do.●

AN ENVIRONMENTAL AGENDA FOR THE FUTURE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. MARKEY. Mr. Speaker, in 1983, the chief executive officers of 10 major environmental and conservation organizations launched a joint venture to examine what goals the environmental movement should pursue into the 21st century. This unprecedented effort resulted in "An Environmental Agenda for the Future," a book which I would recommend to all my colleagues who are concerned with the preservation of the resources of the planet. I applaud these leaders of the environmental movement for their spirit of cooperation in trying to meet the challenges of preserving the environment for future generations. Their recognition of the newest and most perilous threats to society and their willingness to actively seek solutions places them in a leadership position on many of these issues. In commending their efforts, I would like to insert in the RECORD a segment from an article in the Washington Post which defines the new goals of the movement as well as an excerpt from the book dealing with the ultimate threat to our environment, nuclear weapons. The segment from the Post article follows:

ENVIRONMENTAL LEADERS JOIN ANTINUCLEAR CAUSE—GROUP DRAWS BLUEPRINT FOR BROADER ACTIVISM

(By Cass Peterson)

When the nuclear freeze movement was sweeping the nation less than three years ago, most of the major environmental groups elected to watch the fray from the sidelines.

Embroiled in battles over pollution and natural resources, many conservationists saw the issue as a political and moral crusade outside the scope of environmental protection.

But last month, a group of the nation's foremost environmental leaders briskly hopped aboard the antinuclear movement, calling nuclear war "the ultimate environmental threat" and urging an immediate moratorium on the production, testing and deployment of nuclear weapons.

The recommendation is at the top of an unusual manifesto by the chief officers of 10 of the nation's oldest and largest conservation groups, who dubbed themselves the "Gang of 10" and held informal meetings for more than two years to draw a blueprint for environmental activism.

The result, a book-length document called "An Environmental Agenda for the Future," urges conservationists to add a host of global issues—from population growth and trade policy to international industrial development—to their traditional slate of causes.

"Its purpose is to make a contribution toward getting the environmental movement to face up to global issues and to the interconnectedness of all life," said National Audubon Society President Russell W. Peterson, who spearheaded the effort. "The word we use frequently is 'holistic,' bringing a more holistic approach to bear."

Louise C. Dunlap, head of the Environmental Policy Institute, called the groups' report "a historic document" that will have a strong impact on how environmentalists resources are allocated.

"Without abandoning their primary agenda, this will enable groups to participate on a broader range of issues," she said, "This is an agenda that goes beyond Ronald Reagan."

Below is an excerpt from the book, "An Environmental Agenda for the Future:"

Mankind has the power to destroy all life on earth. That power may be released at any time, for it is harnessed only by fallible humans, and, increasingly, by fallible machines. As knowledge and anxiety about nuclear risks increase, however, the situation becomes impossible to ignore and difficult to tolerate. Recent scientific study has revealed that our planet is even more fragile and our "security" systems much more deadly than previously thought. Scientific findings indicate that the detonation of even a small fraction of the weapons in the world's nuclear arsenals could send enough dust and soot into the atmosphere to trigger major climatic disruptions and create a deadly, global "nuclear winter." The consequent disruptions of ecosystems could cause the extinction of many forms of life, and, some scientists believe, the extinction of the human species.

The nuclear winter studies have underscored the catastrophic consequences of nuclear war to all forms of life on earth, and have confirmed in a compelling and unavoidable way that nuclear war is the ultimate environmental threat. The President, relevant executive agencies, and the Congress should rigorously re-evaluate nuclear weapons, arms control, and civil defense policies and programs in light of the nuclear winter findings, and encourage full public review and debate of nuclear winter policy implications.

Environmental and economic costs of constructing and maintaining nuclear weapons arsenals are increasingly severe for the United States, the Soviet Union, and all nuclear nations. Proliferation of nuclear weapons greatly multiples the environmental dangers associated with weapons production, especially for millions of people living near weapons plants. Conscience requires that action on nuclear issues be elevated to high urgency on the environmental agenda.

Education efforts in the United States should be expanded to explain the findings on nuclear winter and its implications for nuclear strategy and arms control policy. Citizens throughout the country are beginning to understand that nuclear weapons production is a threat to the health of workers in the plants, people in nearby communities, and the environment. The nuclear weapons industry should be required to internalize all the costs of nuclear weapons production and testing and comply with the same strong human health and safety regulations that govern the nuclear power industry.

To reduce the threat of nuclear war, cut down on the damages to the environment and to health from nuclear weapons production, and eventually halt the arms race, Congress should call for a mutual and verifiable moratorium, to be negotiated by the United States, the Soviet Union, and other nuclear nations, on the testing, production, and deployment of nuclear weapons, which public opinion polls show is advocated by a majority of U.S. citizens.●

DEMOCRATIC POSTURE OVERSEAS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. COELHO. Mr. Speaker, last month, I had the honor of visiting the Republic of China. During my week-long visit to the island of Taiwan, I was most impressed not only with the high rate of economic growth and development that I saw, but also with the friendly and decidedly democratic posture of the many Taiwanese citizens and businessmen that I had the opportunity of talking with. Given the actions of our Government toward Taiwan during the last decade, this positive attitude seems rather surprising.

Since 1948, when the Nationalist Chinese fled from the victorious Communists on the Chinese mainland and took refuge on the island of Taiwan, the Government and people of the Republic have stood as staunch and dedicated friends of the United States, and growing adherents to the principles of liberty and democracy. Over the years, as our two nations' political bonds grew stronger, so did our economic bonds. The value of the trade between our two countries tripled on the average of every 5 years from the 1950's to the mid-1970's. Most impressively, this trade increased fourfold between 1975 and 1980. And then, in early 1979, in this period of rapidly expanding trade combined with a constantly increasing Taiwanese commitment to greater personal freedoms for its citizens, the United States suddenly announced its intentions to end diplomatic relations with Taiwan in favor of relations with the People's Republic of China. The United States ended its longstanding special relationship with Taiwan by recognizing the PRC as the "sole legal government of China," thus terminating all diplomatic and defense agreements between the United States and Taiwan.

Since that time, Taiwan has repeatedly reaffirmed its commitment to the peaceful and democratic resolution of the main dispute between the two Chinas—the reunification of their country. Unfortunately, the People's Republic has not exhibited this same positive spirit toward the issues that separate the two countries both politically and geographically. Just last month, Mr. Hu Yaobang, the secretary-general of the PRC's Communist Party, warned in an interview with a Hong Kong newspaper that his country may eventually "have to use some force on them" to bring the Taiwanese under their control. Such a dangerous plan, if carried, out, would violate every principle of international law and would specifically violate the U.S. Taiwan Relations Act of 1979, which placed the following limitations upon U.S. recognition of the PRC:

• • • The U.S. decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means, and (the U.S.) consider(s) any effort to determine the future of Taiwan by other than peaceful means • • • a threat to the peace and security of the Western Pacific area and of grave concern to the United States.

The people and Government of Taiwan have exhibited their continued goodwill and desire for friendship with the United States by allowing our economic relationship to further prosper in the period since our Government turned its back on them in 1979. Now it is our turn to reciprocate this goodwill by reaffirming our commitment to the security of the Republic of China on Taiwan. The United States cannot allow our good friend of over 30 years to be annexed militarily by the PRC, and we must move quickly and decisively to impress this upon the leaders of the People's Republic.

I therefore feel that it is vital for the United States to move towards closer relations with Taiwan. Such a move would reaffirm our commitment to the security of the Republic, and help to prevent aggression by the PRC. I am not in any way advocating an end to U.S. relations with the People's Republic; the PRC is a major actor in the international arena and as such cannot be ignored. But just as the PRC cannot be ignored, neither can Taiwan—even though the U.S. Government has attempted to do so for the past 6 years.

Mr. Speaker, no one will gain by a continuation of our present policy toward Taiwan. Through closer relations with the island republic, not only will our economic interests be served, but also Asian security and stability will be greatly enhanced. I wholeheartedly urge the President and my colleagues in Congress to work for closer relations with our friends on the island of Taiwan, in hopes of rebuilding the firm alliance that previously existed between our two democratic nations.●

PERSONAL STATEMENT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. SYNAR. Mr. Speaker, I was unable to vote on the rule on the defense authorization of H.R. 169. I would like to note that I had been able to vote, I would have supported the resolution.●

CONGRESSIONAL ETHICS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 3, 1985, into the CONGRESSIONAL RECORD:

CONGRESSIONAL ETHICS

After a series of disciplinary actions in the late 1970s by the Congress against its Members, and after a reworking of the House and Senate codes of official conduct, Congress has been relatively scandal-free. Few official proceedings have been undertaken against Members, and there is little clamoring for further reform. One might even get the impression that congressional ethics need no more attention. Not so, according to a recent report on legislative ethics issued by the Hastings Center. The report argues that the ethical standards in our congressional codes of conduct, while important, are too narrow, and capture only a small part of what is involved in legislative ethics. After reading the report, I concluded that congressional ethics still have a long way to go.

The report blames several sources for the shortcomings in congressional ethics.

First, congressional decisions are becoming more complex, and the complexity of the ethical choices for Members are not generally appreciated by the public. Members must often take positions that are from ideal because the alternatives are worse.

Second, elections have become very expensive, requiring Members to be more responsive to special interest groups. Members who depend on campaign funds from political groups may be less free to respond to the needs of their constituents.

Third, as party structure declines and constituent mobility increases, Members receive less help on legislative ethics from legislative leaders, party organizations, and local ties.

Fourth, several of the recent congressional ethics reforms are not working as planned. For example, Members' financial disclosure reports are used by the press more to show who are the richest legislators than to inform people about potential conflicts of interest.

Fifth, the news media often emphasize misdeeds of Members instead of pointing out cases of Members who resist improper influences and make the proper ethical choices on tough questions.

Sixth, some interest groups may use simplistic ratings systems or provide their members inaccurate and unbalanced information about the voting records of Members or about legislation, making the right decision by a Member appear wrong to them.

Seventh, constituents may pay lip service to the notion of having their Members live up to the highest standards, but fail to endorse that view with their votes.

Finally, the congressional codes of conduct too narrowly limit the range of "legislative ethics" to financial matters and misuse of the office for personal advantage.

It is time for a review of congressional ethics, focusing on the fundamental ethical principles of our representative government, rather than on particular abuses or scandals. As the study suggests, a proper understanding of three principles of legislative ethics leads to a broader view of congressional ethics.

AUTONOMY

Members have an obligation to represent their constituents and to act in the public interest, free from improper influences. Congressional restrictions on gifts and payments from interested parties reflect this obligation. There is more to the obligation, however. For example, Members who endorse uncritically the narrow objectives of favored groups violate the principle of autonomy as surely as those who grant favors in return for bribes. Under this principle, Members have a duty to search for the common good, rather than to please as many groups as possible. This principle demands that Members seek the good of all, not the private interest of a few.

ACCOUNTABILITY

Members are obliged to provide constituents with the knowledge they require to exercise responsible democratic citizenship. This principle is the basis of various public disclosure measures enacted in recent years, such as disclosure of the Member's personal finances or campaign contributions. But accountability also requires that Members disclose more openly their voting records on tough issues and exercise educational leadership in helping constituents to understand the issues. Members must ask themselves if they could publicly justify their actions if their constituents were fully informed.

RESPONSIBILITY

Members ought to contribute to making the democratic process work better in the Congress. Our current code of conduct addresses this in various provisions against corruption and actions that damage the integrity of Congress as a whole. However, Members who run for Congress by running against Congress—finding it politically advantageous to exploit anti-Congress sentiment to boost their own political reputations—also may not be acting in an ethically responsible way.

In short, there is more to congressional ethics than narrow compliance with specific prohibitions. A Member who berates Congress back in his District, who is captive to special interests, who does not explain to constituents when they are wrong on a particular tough issue, who claims credit for projects he had no direct involvement in, and the like, fails to act in an ethically responsible way, and damages the institution of Congress. Members can undermine the ethical foundations of Congress by actions more subtle than the front-page scandals.

Thus, a renewed public debate on congressional ethics is needed. The idea that many small, routine acts by Members can undermine the ethical integrity of Congress is important. Besides precise rules of conduct, Congress can enlarge the code of official conduct to include idealism, for example, enjoining each Member to help the American people achieve their best, or to be open and honest, or to lead by personal character and example. The code can encourage Members to avoid false and misleading promises, and to act for the common good. Improving recognition of the fundamental ethical principles of democratic representation will not be easy, but making the effort will elevate the performance of Members of Congress and the institution they serve.●

AN ARTISTIC DISCOVERY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. DOWNEY of New York. Mr. Speaker, on Wednesday, June 26, more than 80 talented young artists gathered with Members in our Cannon tunnel to officially open An Artistic Discovery—the national exhibition of winning artwork by high school students from across the country.

Sponsored by the congressional arts caucus, with the opening reception hosted this year by General Motors Corp., An Artistic Discovery is a unique expression of bipartisan congressional support for the arts. This year the exhibit generated more participation by Members than ever before.

The outstanding collection of paintings, drawings, and prints will be on display in the Cannon tunnel through May 1986. The exhibit brings together the activities of 230 House Members who conducted local art competitions which involved thousands of high school students. In fact, over the 4 years of An Artistic Discovery, Members have conducted more than 800 individual competitions involving more than 45,000 students.

The success of An Artistic Discovery has demonstrated the wonderful opportunity we have, as Members of Congress, to encourage the artistic talents of today's youth. The national exhibition of winning artworks is a tribute to the great creative spirit of young people throughout the country.

The exhibit, however, is more than a collection of outstanding artwork. Each individual picture captures the mood of a young artist. In its entirety, An Artistic Discovery can help each of us gain an insight into the thoughts and concerns, hopes and fears of today's youth.●

NEW FRONTIER DEMOCRATIC CLUB HONORS HON. JULIAN DIXON

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. DYMALLY. Mr. Speaker, recently, one of California's and one of this Congress' outstanding, veteran legislators was honored in Los Angeles. I am proud to serve in the Congress with Representative Julian Dixon, and I am equally proud to count JULIAN among my closest friends. The Congressman is an able and modest man who might well be a bit embarrassed to have so much attention directed at him. Nevertheless, I think the accomplishments of one who has accomplished much are deserving of acknowledgment. For that reason, Mr. Speaker, I would like to enter into our official record the proclamation issued by the New Frontier Democratic Club to honor our fellow Member of Congress:

CONGRESSMAN JULIAN DIXON

New Frontier Democratic Club proudly salutes its own member and past president, Congressman Julian Dixon for his dedication and leadership not only to our local community but to our nation as well.

Since election to the United States Congress in 1978, he has consistently represented and supported in the highest order the goals, ideals and concerns of his constituency and the New Frontier Democratic Club.

We commend him for his contributions, achievement, and personal leadership as the Chairman of the Ethics Committee, Chairman of the Congressional Black Caucus, principle author of the Congressional Black Caucus Budget Alternative, and Chairman of the Democratic National Convention Rules Committee.

In Recognition of his dedication to local, national and international concerns, and because his efforts best exemplify the spirit and philosophy of the late Dr. Martin Luther King, Jr., the Southern Christian Leadership Conference selected him for the "1985 Drum Major Award".

Mr. Dixon demonstrated his concern for the people of the world by authoring legislation that enacts economical sanctions against South Africa's practice of Apartheid. A bill he introduced, and that was passed by the House of Representatives, became the foundation for legislation passed by Congress that requires the U.S. representative to the International Monetary Fund (IMF) to oppose loans to South Africa.

The Los Angeles Board of Education responded with enthusiasm to Mr. Dixon's suggestion to organize and sponsor an Ethiopian famine relief program. With his active support, the "Make a Miracle Drive" was successful and raised more than $400,000.

His efforts on behalf of the passage of the Equal Rights Amendment, the Emergency Jobs Bill, and his resolution declaring September as "Sickle Cell Anemia Awareness Month" all contribute to the betterment of human life. On both the political and economic fronts, he continues the pursuit of equal opportunity for all human beings.

New Frontier Democratic Club proudly salutes Julian C. Dixon, Representative to Congress for the 28th Congressional District, for his commitment, dedication, and outstanding leadership not only to our local community, but to the nation as well, and extends best wishes for continued success and happiness.●

PROFILE OF SPEAKER THOMAS P. O'NEILL, JR.

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. COELHO. Mr. Speaker, all Americans should read a new Boston Globe profile of Speaker THOMAS P. O'NEILL, JR., which I am pleased to insert in the RECORD.

The article is almost entirely in the words of TIP and is an enlightening personal look at a remarkable political career spanning almost 50 years.

No one ever had to ask where TIP stood on important issues. His candor and concern for all our citizens comes through crystal clear in this interview. Whether they agree with all his positions or not, the American people know that he is a strong leader who stands firmly behind his beliefs.

The Boston Globe profile, June 23, 1985, follows:

TIP O'NEILL'S CREDO: PRAYER, POWER, PEOPLE

WASHINGTON.—House Speaker Thomas P. (Tip) O'Neill, Jr., considered the nation's most powerful Democrat, has a mass of snow-white hair, a potbelly and a merry laugh. Affectionately known as "Tip," this political giant built a career on the premise that government should care about "all the people."

O'Neill, who won't seek another term in 1986, is a regular guy who often works through friendships and favors. In the noon conversation in his elegant office in the Capitol, he admits that his "back door" tactic is one way to cut through legendary governmental bureaucracy.

He is also an opinionated and independent thinker, the man who broke with Lyndon Johnson on the Vietnam War and the first Member of the House to call for the resignation of Richard Nixon over Watergate. O'Neill, a 1936 graduate of Boston College and recipient of honorary degrees, has been instrumental in two congressional reforms: an increase in roll call accountability in 1970 and an ethics code established in 1979.

O'Neill began his political career in 1937 as a Massachusetts State representative. He married the former Mildred Miller in 1941, and they have five children, including Thomas P. O'Neill III, a former Massachusetts lieutenant governor. O'Neill says his son is out of politics because there isn't enough money in it. "Me? I just got caught up in it," he retorts, shrugging large shoulders, Irish eyes smiling.

"I'm used to pressure. I handle pressure well. I've been in a position of responsibility for a long time. With responsibility, comes pressure.

"I'm a God-fearing man. I never miss Mass. There's all this talk about voluntary prayer in schools. Well, the other day, I was nearly in an automobile accident. in a split second, I said, "Mother of God, help us.' It was natural, automatic. I always pray in the course of the day. I'm a habitual prayer. Prayer was drilled into me by the nuns. As a boy, I went to parochial school.

"I never explode. But I get upset. I've overheard young plotters actually plotting behind my back. They talk about 'the oldster,' me. That makes me mad. I tell them where I'm coming from, no question about it. When people see my schedule, when they see how I move, they're amazed at my vitality. I can go all day. All night, too. I'm fueled by my ambition, which has always been to do a good job. My ambition is to keep my party alive and vibrant.

"The president whipped the Democratic Party last time around. He got about 19 million more votes than Mondale. I'm the watchdog, the person watching Reagan. I speak up. Sure, I'm a thorn in his side. I like him. His wife is beautiful. But still, I have disagreements with him. I am the opposition. "We have a standard joke. If I meet the President at a party, he says: 'It's after 6 o'clock.' He's delightful company. But, in the political sense, before 6 o'clock, I speak my piece. The Reagan people get upset. They say I'm flip with the President of the United States. That's my obligation. Underneath it all, I think people appreciate candor.

"Power is having people think you've got power. I can draw crowds. I'm a voice. That lures people. If you are a conservative, you say: 'The speaker is the biggest spender in Washington.' If you're a senior citizen, you say: 'Thank you, Mr. Speaker.' I'm controversial. I disagree with certain people's philosophy. People have said mean things about me. Does it upset me? No. It's not that I'm callous. Honest, in my heart and in my head, I feel I'm doing the right things.

"Some smart-ass in an audience will get up and say: What's wrong with the Government is that there's too much Government.' So I tell that person that 80 percent of the current leaders in America got their education under the GI bill of rights or under a Federal Government loan. I say: 'Why do you want to pull the ladder up on a person behind you?'

"There's an attitude of meanness in America, especially among the Yuppies. They take the attitude: 'I've got mine. The hell with everybody else.' The grand ethic on which America was built is caring about the people, all the people.

"When I retire, I'll lecture at Boston College. And I recently contracted to write a book, my autobiography. It will be out in 1987. I don't want to hurt anybody. But I'm going to tell it like it is. When I retire, I know I'm still going to have a voice. Already, the advertising people have offered me commercials. I won't endorse products. But the offer means I do have a voice. So I'll voice my judgments on the issues.

"But I'm not going to get involved with the 20 people on the list who want my job. Hell, I'm not going to play favorites. Many people on the list are my friends. When I retire, I don't intend to get involved with local politics.

"I never gave the idea of being President or Vice President a thought. Right from the beginning, I wanted to be speaker of the House. That was my burning ambition. So I kept my eye on the ball. It took me 24 years to get here. But now I know it's time for me to move aside.

"I suppose I'm what America is all about. I came from a simple neighborhood of blue-collar workers. I started out in middle-class America. When I was a kid, I mowed the lawns at Harvard for 17 cents an hour [1931]. I saw who the laws were for, people in tents who drank fine champagne and wore Palm Beach clothes.

"That, I thought, was the other half of the world, the rich half. Standing there, studying these people, I made myself a promise. I said: 'Some day I'm going to play a part in making it better for all the people, not just some of the people.' Even then, I thought the system was wrong I had the notion I could change the system.

"I did. But it took time. Lots of time. Sometimes I had to push projects through the back door. I always seem to know how to get things done. I suppose it is called know-how. Well, I used that know-how.

"I love my wife more and more every day, if that's possible. People say we've been together so long we look alike. When I traipsed across the world, when I was building my political career, she was both mother and father to our children. I lived 24 years in Washington before she moved down here with me. For 24 years, I went home to an empty apartment. My heart was empty. I had a tear in my eye.

"Now, when I talk to freshmen members of Congress, I tell them: 'There's a lot of family life that I've missed. The first thing you have to do is keep your family close to you.' When I started out, there was hardly any money, to say nothing of time.

"My wife says that I show more love to my grandchildren than I ever did to my children. True. It's true. My public life those years was so demanding, so consuming, that I concentrated just on that. My wife has been in Washington for a few years, now, and she loves it. And I love having her here.

"My family is closely bound. If one member has adversity, it's a mutual adversity. We all feel it. I always tell my wife the things that happened to me during the day. When the people in your personal life are concerned about you, when they show their love for you, you can take pressure. That's how I really handle pressure."●

TRIBUTE TO MR. WELLER HUNSINGER

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. YATRON. Mr. Speaker, it is with great pleasure that I have an opportunity today to honor Mr. Weller Hunsinger and recognize his many years of outstanding service to his hometown of Ringtown Valley, PA, and the surrounding area of Schuykill County.

Mr. Hunsinger is being honored by the people of his community for his many years of dedicated service. Mr. Hunsinger has lived in Ringtown Valley for 37 years, and is retired after 46 years of service with Huss Brothers, a local mining contractor. He is married to the former Margaret Markle and they have two children, Scott Hunsinger and Gail Christmann. He has been an active and moving factor in nearly every community endeavor. He helped to establish the local medical center, and is a member of the Ringtown and North Schuykill school boards. He is also a member of the local library board and the advisory board of Pennsylvania National Bank. Further, Mr. Hunsinger holds a number of leading posts in community groups, including posts as corresponding secretary in the Lion's Club, charter member of the Rotary Club, past commander of his American Legion post, as well as membership in the local fire company, senior citizen's club, and the Methodist Church.

Few people have contributed as much to the betterment of his community as Mr. Hunsinger over the past several decades. Even now he continues to strive to aid his fellow citizens. Without doubt, Mr. Hunsinger's efforts have truly played a major role in the development of his community. I would like to ask by colleagues to join me in saluting his life's work and in wishing him continued future success. I am indeed grateful for this opportunity to bring some of Mr. Hunsinger's accomplishments to your attention.●

TERRORISM AND TWA FLIGHT 847: FURTHER INTO THE LEBANESE QUAGMIRE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. RANGEL. Mr. Speaker, recent events in Beirut have shocked the world. Innocent passengers on a commercial airliner were seized by terrorists and swept into the anarchistic politics of Lebanon. They became pawns in a war that few of them understood, and none of them had a personal stake in.

The once-prosperous country of Lebanon has been bled white, and its once-beautiful capital has been reduced to rubble. Although the Lebanese people have suffered horribly, they have retained a sense of normalcy in their daily lives. And yet, Lebanon has become the world's focal point for terrorism and foreign intervention.

The Amal Shiites who seized our citizens have sought to link their release to Israel's release of their fellow Lebanese. This shows the convoluted logic of international terrorism. Israel interned Lebanese in violation of international law, and so Amal threatened to murder innocent Americans if they were not freed. This makes no sense at all.

And so what are our options, Mr. Speaker? How should we approach similar situations in the future?

President Reagan, despite his bellicose criticisms of how the Iranian hostage crisis was managed, did exactly what Jimmy Carter did. He negotiated for their release through intermediaries, and refrained from a reflexive use of force. This is a prudent policy, and I hope he continues on this path.

Terrorism is a terrible thing, Mr. Speaker. Let us hope that it can be stopped in our lifetime. This can only be done if we assume the responsibility as superpower to lead others to the negotiating table to work out their historic religious, political, and economic grievances.●

A TRIBUTE TO DICK A. BEAN OF THE KNIGHTS OF COLUMBUS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1985

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to one of my constituents, Dick A. Bean. For so many years, Dick's devotion to his family, friends, and fellowman has been a source of great pride and inspiration for the community of Lexington Park, MD.

Dick is as capable as he is compassionate. A man dedicated to country through service at the Patuxent River Naval Air Station, Dick finds time to selflessly assist the less fortunate among us. Committed to action over words, Dick's indomitable spirit of good will and brotherhood has provided the impetus for many a praiseworthy project.

I speak today of a very special occasion: the commemoration on June 30 of Dick's 25 years of faithful service as financial secretary for the Knights of Columbus, St. Michaels Council, No. 2065. Over the past quarter century, Dick has won the heartfelt respect of his peers, and for this they so honor him.

I am proud to be friend and brother knight of Dick Bean. And as Dick shares this joyous event with his wife and three children, I congratulate him and wish him well in his future efforts in that fine fraternal order, the Knights of Columbus.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, July 9, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 10

* 9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold oversight hearings on proposals to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.
SD-342

Select on Intelligence
Closed briefing on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Environment and Public Works
Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-266

Labor and Human Resources
To resume oversight hearings to examine certain barriers to adoption.
SD-430

Select on Indian Affairs
To hold hearings on S. 1106, to provide for the use and distribution of judgment funds awarded to the Saginaw Chippewa Tribe of Michigan.
SR-485

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

JULY 11

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Dennis R. Patrick, of the District of Columbia, to be a Member of the Federal Communications Commission.
EF-100, Capitol

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1017, to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority, and S. 1110, to provide for the award of grants to the Washington Metropolitan Airports for certain capital expenditures.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To resume oversight hearings to review the current state of and factors affecting the natural gas market.
SD-366

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Select on Indian Affairs
To hold hearings on S. 954, to provide for additional protection of steelhead trout as a game fish.
SR-485

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Environment and Public Works
Transportation Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Select on Intelligence
Closed briefing on intelligence matters.
SH-219

Conferees
Closed, on S. 1160, authorizing funds for fiscal year 1986 for the Department of Defense.
S-407, Capitol

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine, and S. 1208, to convey certain land in the State of Maryland to the Maryland National Capital Park and Planning Commission.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of the Asbestos School Hazard Abatement Act (Title V of Public Law 98-377).
SD-406

2:30 p.m.
Finance
Health Subcommittee
To hold hearings on S. 1323, S. 837, and H.R. 1868, bills to provide protection against fraud and abuse in the nation's health care programs.
SD-215

JULY 15

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills, including S. 205 and S. 376.
SD-215

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-562

Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

*2:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries.
SD-215

JULY 16

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215
Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

9:45 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold joint hearings with the House Committee on Interior and Insular Affairs' Subcommittee on Energy and the Environment on S. 1004 and H.R. 2236, bills to establish a program to provide for reclamation and other remedial actions with respect to mill tailings at active uranium and thorium processing sites.
Room to be announced

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume oversight hearings on ground-water level and use and on ground-water quality and flow in the United States.
SR-485

2:00 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1131, to integrate the Hilltop and Gray Goose Irrigation districts, South Dakota into the Pick-Sloan Missouri Basin Program, S. 1157, to provide for a study and to take interim corrective measures for the distribution, drainage, and disposal of drainage water in the San Joaquin Valley of the Central Valley Project, S. 1171, to authorize additional funds for assistance to non-Federal organizations for developing reclamation projects, and S. 1192, to implement the "Agreement Between the United States and the Department of Water Resources of the State of California for Coordinated Operation of the Central Valley Project and the State Water Project."
SD-366
Environment and Public Works
Business meeting, to mark up S. 366, to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States.
SD-406

JULY 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. Res. 178, to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standards, and S. 1097, to provide for the appropriate treatment of methanol powered automobiles.
SR-253
Finance
To continue hearings on the President's tax reform proposal.
SD-215
Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406
Select on Indian Affairs
To hold hearings on S. 1398 to revise certain provisions of Title XI of the Education Amendments of 1978, relating to Indian education programs, and S. 1349, to provide for the use and distribution of certain judgment funds awarded to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux Tribes.
SR-485

2:00 p.m.
Environment and Public Works
To hold hearings to evaluate alternatives for developing land adjacent to Union Station in Washington, D.C. for use of the Administrative Offices of the U.S. Courts.
SD-406

JULY 18

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215
Rules and Administration
To hold hearings on the equities of "pooling" public events of news interest in the Senate, including cost allocation of the pool for the 1985 Presidential Inaugural Ceremonies in the U.S. Capitol.
SR-301

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on present activities and future of the National Park Service.
SD-366
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406
Labor and Human Resources
To hold hearings to review childhood vaccination programs.
SD-430

2:00 p.m.
Environment and Public Works
Business meeting, to mark up S. 366, to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States.
SD-406

JULY 19

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Atlantic Striped Bass Conservation Act (P.L. 98-613).
SD-406
Finance
To continue hearings on the President's tax reform proposal.
SD-215

JULY 23

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to examine problems facing the Nation's electric utility industry, focusing on the prospect of serious shortages of electric power by the early 1990's.
SD-366
Labor and Human Resources
Business meeting, on pending calendar business.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on the continuation of most-favored-nation (MFN) treatment for Hungary, Romania, China, and Afghanistan, and S. 925, to deny MFN status to Afghanistan.
SD-215

JULY 24

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1310, to improve the effectiveness of the political broadcasting laws.
SR-253
Finance
To resume hearings on the President's tax reform proposal.
SD-215
Rules and Administration
To hold hearings on S. 581, S. 582, S. 583, and S. 1311, bills authorizing funds for certain activities of the Smithsonian Institution.
SR-301

10:00 a.m.
Select on Indian Affairs
Business meeting, to mark up S. 1398, to revise certain provisions of Title XI of the Education Amendments of 1978, relating to Indian education programs, S. 1349, to provide for the use and distribution of certain judgment funds awarded to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux Tribes, and S. 1106, to provide for the use and distribution of judgment funds awarded to the Saginaw Chippewa Tribe of Michigan.
SR-485

JULY 25

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Energy and Natural Resources
To continue oversight hearings to examine problems facing the Nation's electric utility industry, focusing on the prospect of serious shortages of electric power by the early 1990's.
SD-366

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the manufacture of designer drugs.
SD-562

JULY 29

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on competitiveness in the long-distance telephone markets.
SD-106

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings to examine the role of tax-exempt bonds in intergovernmental finance and the implications of the Department of Treasury's tax reform proposal to eliminate the tax-exempt status of "private purpose" bonds.
SD-342

2:00 p.m.
Environment and Public Works
Environment Pollution Subcommittee
To hold hearings on S. 824, authorizing funds for programs of title I of the Marine Protection, Research, and Sanctuaries Act of 1972, and related measures.
SD-406

JULY 30

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on competitiveness in the long-distance telephone markets.
SR-253

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings to examine the role of tax-exempt bonds in intergovernmental finance and the implications of the Department of Treasury's tax reform proposal to eliminate the tax-exempt status of "private purpose" bonds.
SD-342

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

AUGUST 1

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 177, American Defense Education Act.
SD-430

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

HOUSE OF REPRESENTATIVES—*July 9, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Then justice will dwell in the wilderness, and righteousness abide in the fruitful field. And the effect of righteousness will be peace, and the result of righteousness, quietness and trust forever.—Isaiah 32:16,17.

We pray, O God, that the vision of Isaiah will be our vision, and our faithfulness to justice will bring the gifts of peace and quietness and trust forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

GOOD NEWS ON MIA'S

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, the news that Vietnam plans to return the remains of 26 American servicemen listed as missing in action could be an important step toward a final resolution of this chapter of the Vietnam war.

The MIA issue must be resolved on a Government to Government basis and not by outsiders. The 2-year time frame suggested by the Vietnamese to resolve the matter could be achieved, but only if our technical teams are allowed into Vietnam to investigate all reports and information which has come to the attention of our intelligence agencies.

Mr. Speaker, in war it is just not possible to get a complete accounting of all our MIA's. The jungle terrain in Southeast Asia and the passage of time make it even more difficult.

But the families of the MIA's and the American people deserve the fullest accounting possible. I hope this news out of Vietnam means they realize that even after 10 years, the MIA issue is still a top priority in this country.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2121, COASTAL ZONE MANAGEMENT REAUTHORIZATION ACT OF 1985

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-191) on the resolution (H. Res. 214) providing for the consideration of the bill (H.R. 2121) to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2348, DEPARTMENT OF JUSTICE APPROPRIATIONS AUTHORIZATION ACT, FISCAL YEAR 1986

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-192) on the resolution (H. Res. 215) providing for the consideration of the bill (H.R. 2348) to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

DEFICIT REDUCTION WITHOUT CUTTING SOCIAL SECURITY

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Mr. Speaker, these massive Federal deficits of the past 4 years simply must be reduced. This year's deficit will be in the neighborhood of $225 billion.

If nothing is done, the deficit will be $230 billion next year and $248 billion in 1988.

This is totally unacceptable and can bring ruin to our country.

I send this message to President Reagan, the key player.

Mr. President, the House of Representatives has passed a budget resolution that would reduce the deficit by $56 billion without touching Social Security.

The other body has passed a budget resolution that would reduce the deficit by about the same, but it would cut Social Security.

Your commitment to the American people is that Social Security won't be cut to reduce the deficit, yet the other body, controlled by your Republican Party, wants to do just that.

Mr. President, it's up to you to offer leadership, to say clearly that you too want deficit reduction without cutting Social Security.

Please, Mr. President, turn your attention to this vital issue.

INVITATION TO COSPONSOR H.R. 1932, MINORITY OPPORTUNITY RESTORATION ACT

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, I rise in the hope of persuading my colleagues to cosponsor H.R. 1932, the Minority Opportunity Restoration Act of 1985. This measure is an innovative way of creating new jobs and opportunities for disadvantaged Americans, including many unemployed black Americans.

The bill would establish enterprise zones in economically depressed areas.

It provides for an urban homesteading plan. Under this plan, public housing tenants would be allowed to buy their own units at below market rates.

The Minority Opportunity Restoration Act also establishes a 3-year test project to evaluate the effect of a youth opportunity wage. Businesses would be allowed to pay teenagers at 75 percent of the prevailing minimum wage.

Unemployment among black teenagers today is 39 percent. That's twice the average rate of 17.7 percent for all teenagers. The youth opportunity wage can help bring those figures down.

H.R. 1932 represents a new way to expand economic opportunities. I urge my colleagues to cosponsor the Minority Opportunity Restoration Act.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, the EEOC—the Equal Employment Opportunity Commission—was established more than 20 years ago to sustain and maintain in part the Civil Rights Act. Yet today, under the leadership of Clarence Thomas, appointed by President Reagan, EEOC stands for the opposite of fairness.

Recently, Mr. Thomas was quoted as saying that he hoped that his attorneys lost the case filed by women for

sex-based wage discrimination against Sears Corp.

Mr. Speaker, that is like hiring an attorney and hoping that he loses his case. Is it any wonder that women and minorities are absolutely demoralized by the manner in which EEOC is conducted? They do not represent the civil rights of Americans, but ironically, I believe they represent an attempt to thwart the spirit of the Civil Rights Act.

UNITED STATES SHOULD EMBARGO GREEK SHIP "CONSTELLATION FARROS"

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARTNETT. Mr. Speaker, even at this very hour as I stand here before you and my colleagues in the House, the Greek flagship, *Constellation Farros,* is being loaded at the port of Charleston, SC, with what is termed to be humanitarian assistance for the people of Lebanon.

Mr. Speaker, I find it inexcusable that our State Department would permit a ship to be leaving the shores of the United States and going to Lebanon under the guise of humanitarian assistance at this time. Why do we not hold that ship hostage until they release the other seven Americans who are being held against their will?

Was it in the guise of humanitarianism that our young naval officer was brutally beaten and killed by hijackers who were Lebanese and who held 39 Americans against their will for over 17 days?

I urge all my colleagues here on the floor today and those who may be watching in their offices to please pick up their telephones and call the State Department and ask them to embargo the Greek flagship the *Constellation Farros,* and have them hold that ship until the murderers of our young naval officer are at least arrested and brought to trial.

The President has said he wants justice done, he wants these killers brought to justice. Why do we not, we the American people, hold hostage this humanitarian support for the country of Lebanon until those killers of our American citizens abroad are brought to justice.

I urge my colleagues to please call the State Department and ask them to have that ship embargoed.

THE NATIONAL DEBT: WE CAN'T GO BACK TO THE FUTURE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, in response to the President's Saturday comments on the deficit, I must say to the President that unfortunately life is not a movie.

Mr. Speaker, if we don't take immediate steps to lower the national debt, we will be holding hostage future Americans. Today's national debt will become the terrorist of the 1990's.

Unlike the movie "Back to the Future," there is no time machine that our children and grandchildren will be able to use to free themselves from our irresponsible debt.

Dr. Emmett Brown is not in charge of the Federal Reserve. Budget resolutions are not fusion-powered DeLoreans. This is Congress, not a movie. We are legislators. The President is no longer an actor.

There are real consequences for our actions. We can't go back to the future after altering our actions. We must take responsible action now. The President must get the Republican Senate back to work. If he doesn't, the consequences of not dealing with the debt in 1985 will be crippling for the citizens of 1995.

WHAT TAXPAYERS OF MICHIGAN ARE SAYING ABOUT THE BUDGET

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, today I will continue my series of 1-minute speeches on what the taxpayers are saying about the budget.

Many of my constituents in Michigan's Second District have written me demanding that we reduce the deficit. Robert W. Young of Hillsdale, MI, writes:

> Unless Government spending is curbed, we will become an example of what Marx called "decadent capitalism," a Nation that collapsed as a result of reckless spending, self interests, and poor planning.

Mr. Young continues:

> The Founding Fathers intended a Congress which could think and act in the interest of these United States, not a Congress of special interests.

Thank you, Mr. Young.

We need a budget resolution that's fair, that will provide for real savings. Might I suggest in closing that, if you don't believe either the House or Senate position is either fair or contains real savings, take a look at the 92 Group budget. There are real savings. And, above all, the 92 Group budget strikes that all-important balance of fairness and equity—and spreads evenly the sacrifices necessary to reduce the deficit, what the American people are demanding.

DEFICIT REDUCTION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, yesterday the President declared war on terrorism, delivering a swift, immediate, rhetorical attack on evil. He even went so far as to identify specific nations, calling them terrible, terrible names.

Mr. Speaker, this is the same kind of swift, immediate, and deliberate excuses that the President has employed in responding to the Iranian hostage crisis, in responding to each terrorist attack against innocent Americans in Lebanon.

Admittedly the President's hands may be tied when American lives are at stake in dealing with hostages, but Mr. Reagan's hands are not tied in dealing with the deficit. The House has, by its budget resolution, cut the President's deficit by $56 billion. The President need not make excuses. He can take swift, deliberate action and support reducing his deficit by supporting the House budget resolution.

SEVEN AMERICANS STILL HELD HOSTAGE IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, last Sunday morning, a special Mass was said at St. Raymond's Cathedral in Joliet, IL, to mark the sixth month of Father Lawrence Martin Jenco's being held hostage in Lebanon.

Mr. Speaker, the TWA hostage crisis has come and gone and Father Jenco and six other Americans are still held hostage in Lebanon.

The International Committee of the Red Cross has come and gone to visit the TWA hostages. The Red Cross has never been permitted to visit Father Jenco and the six other Americans still held hostage in Lebanon.

The American television news crews have come and gone to cover the TWA hostages. No television news crews have been permitted to interview Father Jenco and the six other Americans still held hostage in Lebanon.

Sunday marked the 180th day of captivity for Father Lawrence Martin Jenco.

Sunday was the 478th day of captivity for William Buckley.

Sunday was the 425th day of captivity for Rev. Benjamin Weir.

Sunday was the 113th day of captivity for Terry Anderson.

Sunday was the 41st day of captivity for David P. Jacobsen.

Sunday was the 27th day of captivity for Thomas Sutherland.

Sunday marked the 215th day of the disappearance of Peter Kilburn.

Mr. Speaker, seven Americans are still being held hostage in Lebanon.

The Lebanon hostage crisis is far from over.

□ 1220

FATHER MARTIN JENCO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, while this Nation rejoices over the release of the 39 hostages who were held on TWA flight 847, it is important that we do not forget the seven Americans still held captive in Lebanon. Each life contains a universe; if only one American remained, we ought to be as attentive and vigilant as though there were 100. It appears that, prior to the TWA hijacking, there was not much public attention concerning those seven who were abducted prior to this event. Then, for a few days, these seven were included in the hopes and anxiety of millions of Americans. Let us not permit their image to fade once again.

The absence of these seven is most strongly felt by family and friends. I know this from the case of Father Martin Jenco, head of Catholic Relief Services in Lebanon, who was pastor of Our Lady of Belen Church at Belen, NM, for 2 years. The letters I have been receiving since January show concern that sufficient attention be given to his case by the U.S. Government. These letters also show that Father Jenco has left a lasting spirit of faith and love with the Belen community. The people of Belen understand that Father Jenco had to go to Lebanon to fulfill his mission. He did not abandon us. He has shown us an example of one who strives to make faith concrete and bring the spirit of caring for others to realization.

Father Jenco was in charge of Catholic Relief Services in Lebanon when he was abducted on January 8, 1985. His devotion to serving those in need, even under very dangerous circumstances, was not diminished by anxiety. Those who abducted Father Jenco clearly gave no heed whatsoever to Father Jenco as an individual; this shows something about the way terrorists value human beings. Whatever purpose they had in mind, they have already sacrificed the principle of respect for human dignity. Father Jenco was not partisan; he offered help to whoever was in immediate need. It is difficult to imagine the sort of consciousness for whom such goodness means nothing.

The family members and others in the Belen community have been doing there best to focus congressional and national attention on the plight of the remaining seven hostages. Mr. Speaker, we, in the Congress, can join their efforts by urging that all avenues and resources be used to gain the release of our fellow-citizens. It is time to negotiate for their release. This does not mean we give in to terrorism. No; we are on morally higher ground than terrorists when we show how much individual lives mean in our system of values.

BROWARD COUNTY HAS THE BEST YOUNG REPUBLICAN CLUB IN THE UNITED STATES

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, my home district located in Broward County, FL, is, like most congressional districts, made up of Democrats and Republicans. And nobody really cares who's a Republican or a Democrat until election time, unless they're involved in local party politics.

There is a group of politically active young men and women in Broward County, FL, who know who they are today, Mr. Speaker, and I wish to congratulate them.

They are the Broward County Young Republicans, and last month in Chicago, they were selected as the Best Young Republican Club in the United States. They were awarded the best club in the State of Florida for 2 consecutive years, 1983 and 1984, and are 1 of 800 other Young Republican organizations in this country.

I know many of the Young Republicans in Broward County, and I know they have worked hard on many campaigns throughout my district. I was a Young Republican myself in Broward County, and I congratulate the club and its leaders and encourage them to keep up the good work.

THE TIME FOR ACTION ON THE TRADE DEFICIT IS NOW

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, last week, six of us from the House formed a bipartisan delegation to Japan for some urgent discussions about our trade deficit with that country.

While in Japan, there was some further disquieting news. First, the May trade figures were released showing the second worst U.S. trade deficit during any month but one since World War II.

Second, automobile sales figures were released for the last 10 days of June showing U.S. automobile production went down 12 percent while foreign imports were up 18 percent. Third, the June unemployment figures were released, showing that 45,000 more manufacturing jobs were lost, bringing the total to 222,000 this year.

These developments, Mr. Speaker, show the need for action now and we said just that to Japanese Government officials, including the Prime Minister and their business sector.

Now I repeat it back home: The time for action on the trade deficit is now.

DEMOCRATIC BASEBALL TEAM TO JOIN BRITISH SOCCER LEAGUE

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, last March, when the Baltimore Colts deserted the city of Baltimore in the middle of the night in a blinding snowstorm, there was renewed pressure on Congress to pass legislation to protect communities with professional sports teams.

It is my solemn duty today, Mr. Speaker, to report that I have learned that the Democratic baseball team is planning to leave Washington to join the British Soccer League. It is with a heavy heart that I report this news of sudden departure to my colleagues.

This is not to say that I think the Democratic ball team will do poorly in the British Soccer League. Their pitcher's tosses are so low that the batters would be better off kicking the balls anyway. But the fact is that the people of this country deserve to know why the Democrats are planning to sneak away under cover of night. As the coach of the Republican team, I feel that it is my duty to report this news.

The Democratic team has evidently realized that they have no hope in this year's game after their humiliating defeat at our hands last year. I can only hope that the proper committees send the community sports team protection bill to the floor before July 23, the date of this year's game at Four Mile Run Park in Alexandria.

□ 1230

DONATIONS BY THE TEXAS SUGAR BEET ASSOCIATION AND HOLLY SUGAR CORP. FOR AFRICAN FAMINE RELIEF

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, once every 10 seconds, somewhere in the developing world, a child dies of an illness that could be stopped by using a simple home remedy. The treatment is called oral rehydration therapy and involves giving victims a solution of sugar, salts, and water. I am proud to say that one of my constituents, the

Texas Sugar Beet Association of Wildarado, TX, in conjunction with Holly Sugar Corp., has participated in donating 250 tons of refined sugar to the American Red Cross to be delivered to African famine victims. The donation will contribute to three Red Cross programs to supply vital nutritional needs to citizens of Ethiopia, Sudan, Niger, and other countries that are in the midst of one of the most horrifying calamities that mankind has known. The loss of body fluids is the single biggest killer of infants and children in the world today. It will be used as a vital ingredient in oral rehydration therapy.

I think it is important to recognize the efforts and generosity of this industry, especially in a time when it is not all together certain as to how bright the future is for the sugar industry. This is yet another example of the compassion that exists in our free enterprise system. The willingness of this industry to throw themselves at a human crisis so far away and remote from the sugar beet fields of the Texas Panhandle exemplifies the spirit of rural America.

FIGHTING TERRORISM—SPECIAL INTEREST STYLE

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, for the last 2 weeks, we have been searching the floor of the Atlantic Ocean for evidence in the killing of over 300 recent victims of terrorism. Hundreds of investigators on three continents are attempting to track down the vicious bombers who smuggled high explosives aboard an Air India plane. We are trying to figure out what happened, who planned this crime, and how they carried it out.

Mr. Speaker, back in 1980, we were on the verge of implementing a new technology of tagging explosives that could have helped law enforcement find the answers. The research was 95 percent complete. That technology would have placed inert, microscopic coded bits of plastic in high explosives to enable investigators to find the perpetrators by tracing the explosives used in the crime. The staff of the Office of Technology Assessment found this technology to "be an extremely useful weapon against terrorists and other criminal bombers."

We can't use this weapon against terrorists today because, a rider was attached to a continuing appropriation that prohibits BATF from spending a nickel on "explosive identification or detection tagging research, development or implementation."

We obviously need research to develop the best techniques to fight terrorists. Fortunately, the Federal Aviation Administration is moving ahead with research to develop devices to detect explosives on the bodies and in the baggage of terrorists. Mr. Speaker, when we kill research that is almost complete, at the behest of special interest groups, we are the laughingstock of the terrorists. There is no clearer sign of irresolution in the face of terrorism than to keep this monument to the power of special interest lobbying in Treasury's appropriation.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

The SPEAKER. Pursuant to House Resolution 140 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1555.

□ 1233

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes, with Mr. AUCOIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, May 16, 1985, all time for general debate had expired.

Pursuant to House Resolution 140, the substitute committee amendment now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment and each title shall be considered as having been read.

Debate under the 5-minute rule on the bill and on the committee substitute, except for the consideration of the amendment offered by Representative BROOMFIELD printed in the CONGRESSIONAL RECORD of April 24, 1985, shall be limited to a total of 10 hours of debate.

After the bill has been considered for amendment in its entirety, it shall be in order to consider an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of April 24, 1985, by, and if offered by, Representative BROOMFIELD which shall not be subject to amendment, shall be considered as having been read, and shall be debatable for not to exceed 2 hours, to be equally divided and controlled by Representative BROOMFIELD and the chairman of the Committee on Foreign Affairs, or his designee.

The CHAIRMAN. The Clerk will designate section 1.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Security and Development Corporation Act of 1985".

The CHAIRMAN. Are there any amendments to section 1?

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this brief time, as we enter into consideration of H.R. 1555 under the 5-minute rule, to review some major points made during general debate May 16.

First, Members should know that this bill serves important national interests of the United States abroad. It authorizes programs bolstering the security of our allies and therefore of the United States, including base rights for our forces in a number of countries. It promotes the peace process in the Middle East. It helps the economies of developing countries, who are increasing markets for American goods and services. It continues this great American tradition of humanitarian assistance for those truly in need. In the face of rising trade deficits and still high unemployment in the United States there is one other key point regarding this bill. The great bulk of this so-called foreign aid is really for goods and services purchased right here in the United States. Thus, it provides jobs for millions of U.S. citizens.

So this is not a throwaway bill. It involves serious and important U.S. interests around the world. It is our responsibility as legislators to debate and pass it as such.

Second, it has been noted that H.R. 1555 already essentially is a freeze bill. I am serving notice now that at the appropriate time, I intend to offer a cutting amendment as chairman which will reduce the amounts even further.

My amendment will reduce the bill to below the enacted appropriations for fiscal year 1985. It will be substantially below the President's request for this bill, and it will be under what is provide in the Broomfield amendment.

This amendment has bipartisan support from budget watchers on both sides of the aisle. It is a true freeze from the continuing resolution, it extends for 2 years, and doesn't allow a penny for our enacted supplementals or future inflation.

Also, Members should note that the rule on this bill provides for 10 hours of floor time on amendments, plus 2 hours on the Broomfield substitute, which is unamendable. At the end of the 10 hours, amendments can be offered and voted on but there will be no time to debate them.

I urge Members therefore to keep their remarks as much to the points as possible. If we are spending too much time on a particular title or amend-

ment, I may seek a unanimous-consent agreement to speed things along. We want everybody to have an equal opportunity to offer and speak to amendments.

Last, I want to stress again the need for an "aye" vote on final passage. Some Members may want some things in this bill, and others may want other things, and obviously not everybody is going to get everything they want.

What is urgent and necessary is to pass this bill in order to keep the legislative process alive in this important foreign affairs area. H.R. 1555 is the principal bill by which the House can express its foreign affairs policies and carry out its foreign affairs role. A continuing resolution is not the answer.

The Senate has passed its aid bill by a vote of 75 to 19. The House needs to do its job and pass a bill, so we can go to conference with the Senate and come up with a piece of legislation that will serve U.S. interests around the world.

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Mr. BROOMFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me begin by saying that the administration opposes the foreign aid bill before us and has not endorsed my substitute.

Basically, the administration's opposition is based on their desire for more money for military aid than I believe Congress and the American people will support at this time.

The chairman of the Foreign Affairs Committee did a good job in shepherding the committee through markup of this complex legislation.

Regrettably, he was unable to persuade enough of the members of the committee to keep a sense of proportion on the total price tag.

A breakdown of the committee bill to which cutting amendments will be offered, shows that Israel and Egypt will receive more than 40 percent of the total—over $10 billion for fiscal year 1986 and fiscal year 1987, plus the fiscal year 1985 supplemental of $1.5 billion for Israel.

My substitute maintains the same levels and earmarks as the committee bill for Israel and Egypt.

Forty-four sub-Saharan countries in Africa are expected to receive about $1 billion.

Worldwide, more than 80 countries would share in the remaining funds.

In these times when we are forced to employ spartan measures across a wide range of important domestic programs, the committee's bill, as reported, would exceed the fiscal year 1985 enacted appropriations levels by over $275 million for fiscal year 1986 and by the same amount for fiscal year 1987 as well.

To address the serious shortcomings of the committee bill, I will be offering a substitute.

My substitute is a workable compromise.

It will reduce the total foreign aid authorization for fiscal year 1986 by $50 million below the enacted fiscal year 1985 appropriations and also freezes that level for fiscal year 1987.

My substitute will reduce total authorizations for each of the fiscal years 1986 and 1987 by more than $325 million below the committee's reported level, and by more than $516 million below the administration's request.

The committee decided that about the only area in which it would reduce funds was in military aid. Despite the administration's strong opposition, the committee made a dangerously deep total cut of more than $425 million below the President's request in order to partly offset its hefty increase in favored economic aid accounts.

There is no doubt that so-called longer term economic development aid is an important and necessary part of a foreign aid program.

However, there are equally important international programs requiring military assistance as well.

My amendment would restore a modest amount to the FMS and MAP accounts.

It would bring the total for all military aid accounts to within about $1 million of the fiscal year 1985 levels, not including the $525 million increase in forgiven FMS for Israel and Egypt.

While my approach has held security assistance somewhat below last year's appropriations levels, this lower amount is still adequate to meet the minimum security requirements of our friends around the world.

I strongly believe that foreign aid cannot be overlooked when significant cuts must be made in our Nation's budget.

We must be fair in seeing that our foreign aid programs bear a reasonable share of the burden of helping to reduce the budget deficit.

My colleagues, we are faced with a difficult choice. America has a huge deficit. It must be cut. Foreign aid cannot be exempt from the ax. Let's bite the bullet and make a command decision on this bill.

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—MILITARY SALES AND RELATED PROGRAMS

SEC. 101. FOREIGN MILITARY SALES CREDIT AUTHORIZATIONS AND AGGREGATE CEILINGS.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—The first sentence of section 31(a) of the Arms Export Control Act is amended to read as follows: "There are authorized to be appropriated to the President to carry out this Act $5,427,050,000 for fiscal year 1986 and $5,427,050,000 for fiscal year 1987.".

(b) FISCAL YEAR 1986 AND FISCAL YEAR 1987 FMS PROGRAMS.—Sections 31(b) and (c) of such Act are amended to read as follows:

"(b) AGGREGATE CEILING AND TERMS FOR FMS CREDITS.—

"(1) ANNUAL AGGREGATE CEILING.—The total amount of credits extended under section 23 of this Act shall not exceed $5,427,050,000 for fiscal year 1986 and $5,427,050,000 for fiscal year 1987.

"(2) AGGREGATE CEILING ON CONCESSIONAL FINANCING.—Of the aggregate amount of financing provided under this section, not more than $553,900,000 for fiscal year 1986 and not more than $553,900,000 for fiscal year 1987 may be made available at concessional rates of interest. If a country is released from its contractual liability to repay the United States Government with respect to financing provided under this section, such financing shall not be considered to be financing provided at concessional rates of interest for purposes of the limitation established by this paragraph.

"(3) AUTHORIZATIONS FOR EXTENDED REPAYMENT TERMS.—For fiscal year 1986 and fiscal year 1987, the principal amount of credits provided under this section at market rates of interest with respect to Greece, the Republic of Korea, Portugal, Spain, Thailand, and Turkey shall (if and to the extent each country so desires) be repaid in not more than twenty years, following a grace period of ten years on repayment of principal.

"(c) COUNTRY-SPECIFIC PROVISIONS.—

"(1) ISRAEL.—

"(A) EARMARKING.—Of the aggregate total of credits extended under section 23 of this Act, not less than $1,800,000,000 for fiscal year 1986 and not less than $1,800,000,000 for fiscal year 1987 shall be available only for Israel.

"(B) FORGIVENESS.—Israel shall be released from its contractual liability to repay the United States Government with respect to the credits provided pursuant to subparagraph (A).

"(C) LAVI PROGRAM.—Of the amounts made available for Israel under section 23 of this Act—

"(i) up to $150,000,000 for fiscal year 1986 and up to $150,000,000 for fiscal year 1987 shall be for research and development in the United States for the Lavi program, and

"(ii) not less than $250,000,000 for fiscal year 1986 and not less than $250,000,000 for fiscal year 1987 shall be made available for the procurement in Israel of defense articles and defense services (including research and development) for the Lavi program, if Israel wishes to use those funds for that purpose.

"(2) EGYPT.—

"(A) EARMARKING.—Of the total amount of credits extended under section 23 of this Act, not less than $1,300,000,000 for fiscal year 1986 and not less than $1,300,000,000 for fiscal year 1987 shall be available only for Egypt.

"(B) FORGIVENESS.—Egypt shall be released from its contractual liability to repay the United States Government with respect to the credits extended pursuant to subparagraph (A).

"(3) GREECE.—

"(A) TERMS OF CONCESSIONAL CREDITS.—For each of the fiscal years 1986 and 1987, of the total amount of credits extended for Greece under section 23 of this Act, Greece shall receive the same proportion of credits extended at concessional rates of interest as the proportion of credits extended at concessional rates of interest which Turkey receives from the total amount of credits extended for Turkey under section 23 of this Act, and the average annual rate of interest on the credits extended for Greece at concessional rates of interest shall be comparable

to the average annual rate of interest on the credits extended for Turkey at concessional rates of interests.

"(B) INAPPLICABILITY OF CEILING ON CONCESSIONAL CREDITS.—Credits extended for Greece for each of the fiscal years 1986 and 1987 at concessional rates of interest shall not be counted toward any ceiling established by law on concessional financing under this Act.

"(4) THE PHILIPPINES.—Financing may not be provided under this Act for the Philippines for the fiscal years 1986 and 1987.".

SEC. 102. TERMS OF FOREIGN MILITARY SALES CREDITS.

Section 23 of the Arms Export Control Act is amended to read as follows:

"SEC. 23. FOREIGN MILITARY SALES CREDITS.

"(a) AUTHORITY TO FINANCE PROCUREMENT.—The President is authorized to finance the procurement of defense articles, defense services, and design and construction services by friendly foreign countries and international organizations, on such terms and conditions as he may determine consistent with the requirements of this section.

"(b) REPAYMENT PERIOD.—The President shall require repayment in United States dollars within a period not to exceed twelve years after the loan agreement with the country or international organization is signed on behalf of the United States Government, unless a longer period is specifically authorized by statute for that country or international organization.

"(c) INTEREST RATES.—

"(1) GENERAL AUTHORITY.—The President shall charge interest under this section at such rate as he may determine, subject to the limitations contained in paragraph (2) and other provisions of law.

"(2) MINIMUM INTEREST RATES.—The interest rate charged under this section may not be less than—

"(A) 5 percent per year, or

"(B) the rate which is 7 percentage points less than the current average interest rate (as of the last day of the month preceding the financing of the procurement) that the United States Government pays on outstanding marketable obligations of comparable maturity,

whichever is greater.

"(3) DEFINITIONS OF CONCESSIONAL AND MARKET RATES.—For purposes of financing provided under this section—

"(A) the term 'concessional rate of interest' means any rate of interest which is less than market rates of interest; and

"(B) the term 'market rate of interest' means any rate of interest which is equal to or greater than the current average interest rate (as of the last day of the month preceding the financing of the procurement under this section) that the United States Government pays on outstanding marketable obligations of comparable maturity.

"(d) PARTICIPATIONS IN CREDITS.—References in any law to credits extended under this section shall be deemed to include reference to participations in credits.".

SEC. 103. MILITARY ASSISTANCE.

(a) AUTHORIZATIONS—Section 504(a)(1) of the Foreign Assistance Act of 1961 is amended to read as follows: "(a)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter $761,000,000 for fiscal year 1986 and $761,000,000 for fiscal year 1987.".

(b) THE PHILIPPINES.—Of the amounts available to carry out chapter 2 of part II of such Act, not to exceed $25,000,000 for fiscal year 1986 and not to exceed $25,000,000 for fiscal year 1987 shall be used for assistance for the Philippines.

SEC. 104. INTERNATIONAL MILITARY EDUCATION AND TRAINING.

Section 542 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 542. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out the purposes of this chapter $56,221,000 for fiscal year 1986 and $56,221,000 for fiscal year 1987.".

SEC. 105. PEACEKEEPING OPERATIONS.

Section 552(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to amounts otherwise available for such purposes, $37,000,000 for fiscal year 1986 and $37,000,000 for fiscal year 1987.".

SEC. 106. GUARANTEE RESERVE.

The second sentence of section 24(c) of the Arms Export Control Act is amended to read as follows: "Funds authorized to be appropriated by section 31(a) to carry out this Act, which are allocated for credits at market rates of interest, may be used to pay claims under such guarantees to the extent funds in the single reserve are inadequate for that purpose.".

SEC. 107. FULL COSTING OF FMS SALES OF TRAINING AND IMET PROGRAMS.

(a) FMS SALES.—Section 21(a)(3) of the Arms Export Control Act is amended to read as follows:

"(3) in the case of the sale of a defense service, the full cost to the United States Government of furnishing such service.".

(b) IMET.—Section 644(m) of the Foreign Assistance Act of 1961 is amended—

(1) by amending paragraph (4) to read as follows:

"(4) with respect to a defense service or military education and training, the full cost to the United States Government of furnishing such assistance; and"; and

(2) in paragraph (5) by striking out "military education and training or" and by striking out "assistance" and inserting in lieu thereof "services".

SEC. 108. ADMINISTRATIVE SURCHARGE.

Subparagraph (A) of section 21(e)(1) of the Arms Export Control Act is amended by inserting "(excluding a pro rata share of fixed base operation costs)" immediately after "full estimated costs".

SEC. 109. CONTRACT ADMINISTRATION SERVICES.

Section 21(h) of the Arms Export Control Act is amended by inserting "contract administration services," immediately after "inspection," in the text preceding paragraph (1).

SEC. 110. CATALOG DATA AND SERVICES.

Section 21(h) of the Arms Export Control Act is further amended—

(1) by inserting "(1)" immediately after "(h)";

(2) by striking out "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) by adding at the end thereof the following:

"(2) In carrying out the objectives of this section, the President is authorized to provide cataloging data and cataloging services, without charge, to the North Atlantic Treaty Organization or to any member government of that Organization if that Organization or member government provides such data and services in accordance with an agreement on a reciprocal basis, without charge, to the United States Government.".

SEC. 111. REPORT ON INTERNATIONAL VOLUME OF ARMS TRAFFIC.

Section 25 of the Arms Export Control Act is amended—

(1) in subsection (a) by striking out "No later than February 1" and inserting in lieu thereof "Except as provided in subsection (d) of this section, no later than February 1"; and

(2) by adding at the end thereof the following new subsection:

"(d) The information required by subsection (a)(4) of this section shall be transmitted to the Congress no later than April 1 of each year.".

SEC. 112. SECURITY ASSISTANCE SURVEYS.

(a) SURVEYS SUBJECT TO REQUIREMENTS.—Section 26 of the Arms Export Control Act is amended—

(1) in the section caption, by striking out "DEFENSE REQUIREMENT" and inserting in lieu thereof "SECURITY ASSISTANCE";

(2) by striking out "defense requirement" each place it appears in the section and inserting in lieu thereof "security assistance"; and

(3) by adding at the end of the section the following new subsection:

"(d) As used in this section, the term 'security assistance surveys' means any survey or study conducted in a foreign country by United States Government personnel for the purpose of assessing the needs of that country for security assistance, and includes defense requirement surveys, site surveys, general surveys or studies, and engineering assessment surveys.".

(b) SUBMISSION OF SURVEYS TO CONGRESS.—Section 26(c) of such Act is amended by striking out "grant that committee access to" and inserting in lieu thereof "submit to that committee copies of".

SEC. 113. QUARTERLY REPORTS ON UNITED STATES MILITARY ADVISORS ABROAD.

Section 36(a)(7) of the Arms Export Control Act is amended to read as follows:

"(7) an estimate of—

"(A) the number of United States military personnel, the number of United States Government civilian personnel, and the number of United States civilian contract personnel, who were in each foreign country at the end of that quarter, and

"(B) the number of members of each such category of personnel who were in each foreign country at any time during that quarter,

in implementation of sales and commercial exports under this Act or of assistance under chapter 2, 5, 6, or 8 of part II of the Foreign Assistance Act of 1961, including both personnel assigned to the country and personnel temporarily in the country by detail or otherwise;".

SEC. 114. INCREASE IN CRIMINAL PENALTIES FOR CERTAIN VIOLATIONS OF THE ARMS EXPORT CONTROL ACT.

(a) CRIMINAL PENALTIES.—Section 38(c) of the Arms Export Control Act is amended by striking out "not more than $100,000 or imprisoned not more than two years, or both" and inserting in lieu thereof "for each violation not more than $1,000,000 or imprisoned not more than ten years, or both".

(b) CIVIL PENALTIES.—Section 38(e) of such Act is amended by adding at the end thereof the following: "Notwithstanding section 11(c) of the Export Administration Act of 1979, the civil penalty for each violation involving controls imposed on the export of defense articles and defense services under this section may not exceed $500,000.".

(c) EFFECTIVE DATE.—This section shall take effect upon the date of enactment of this Act or October 1, 1985, whichever date is later. The amendments made by this section apply with respect to violations occurring after the effective date of this section.

SEC. 115. OFFICIAL RECEPTION AND REPRESENTATION EXPENSES.

Section 43 of the Arms Export Control Act is amended—

(1) in subsection (b) by inserting "and official reception and representation expenses" immediately after "administrative expenses"; and

(2) by adding at the end thereof the following new subsection:

"(c) Not more than $72,500 of the funds derived from charges for administrative services pursuant to section 21(e)(1)(A) of this Act may be used each fiscal year for official reception and representation expenses.".

SEC. 116. SPECIAL DEFENSE ACQUISITION FUND.

(a) CONTINUOUS ORDERS FOR CERTAIN ARTICLES AND SERVICES.—Section 51(a) of the Arms Export Control Act is amended by adding at the end thereof the following new paragraph:

"(3) The Fund may be used to keep on continuous order such defense articles and defense services as are assigned by the Department of Defense for integrated management by a single agency thereof for the common use of all military departments in anticipation of the transfer of similar defense articles and defense services to foreign countries and international organizations pursuant to this Act, the Foreign Assistance Act of 1961, or other law.".

(b) LIMITATIONS ON DEPOSITS IN THE FUND.—Section 51(b) of such Act is amended to read as follows:

"(b)(1) Subject to paragraph (2) of this subsection, the Fund shall consist of collections from sales made under letters of offer, or transfers made under the Foreign Assistance Act of 1961, of defense articles and defense services acquired under this chapter (representing the value of such items calculated in accordance with paragraph (2) or (3) of section 21(a) or section 22 of this Act or section 644(m) of the Foreign Assistance Act of 1961, as appropriate), together with such funds as may be authorized and appropriated or otherwise made available for the purposes of the Fund.

"(2) Whenever—

"(A) the value (in terms of acquisition cost) of the defense articles and defense services acquired under this chapter which have not been transferred from the Fund in accordance with this chapter, plus

"(B) the amount of contracts to acquire defense articles and defense services under this chapter,

exceeds $500,000,000, the collections described in paragraph (1) shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 117. WAIVER OF NET PROCEEDS FOR SALE OF MAP ITEMS.

Section 505(f) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following: "In the case of items which were delivered prior to 1975, the President may waive the requirement that such net proceeds be paid to the United States Government if he determines that to do so is in the national interest of the United States.".

SEC. 118. STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.

Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(2) The value of such additions to stockpiles in foreign countries shall not exceed $360,000,000 for fiscal year 1986 and shall not exceed $125,000,000 for fiscal year 1987.".

SEC. 119. SECURITY ASSISTANCE ORGANIZATIONS.

Section 515(c)(1) of the Foreign Assistance Act of 1961 is amended in the last sentence by striking out "For the fiscal year 1982 and the fiscal year 1983" and inserting in lieu thereof "Pakistan, Tunisia, El Salvador, Honduras, Venezuela".

SEC. 120. EXCHANGE TRAINING.

Chapter 5 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 544. EXCHANGE TRAINING.

"In carrying out this chapter, the President is authorized to provide for attendance of foreign military personnel at professional military education institutions in the United States (other than service academies) without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d) of this Act), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one, reciprocal basis each fiscal year between those United States professional military education institutions and comparable institutions of foreign countries and international organizations.".

SEC. 121. TRAINING IN MARITIME SKILLS.

(a) AUTHORIZATION.—Chapter 5 of part II of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new section:

"SEC. 545. TRAINING IN MARITIME SKILLS.

"The President is encouraged to allocate a portion of the funds made available each fiscal year to carry out this chapter for use in providing education and training in maritime search and rescue, operation and maintenance of aids to navigation, port security, at-sea law enforcement, international maritime law, and general maritime skills.".

(b) EXEMPTION.—Section 660(b) of such Act is amended—

(1) by striking out "or" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof "; or"; and

(3) by adding the following new clause after clause (2):

"(3) with respect to assistance, including training, in maritime law enforcement and other maritime skills.".

SEC. 122. SPECIAL WAIVER AUTHORITY.

Section 614(a)(4) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(4)(A) The authority of this subsection may not be used in any fiscal year to authorize—

"(i) more than $750,000,000 in sales to be made under the Arms Export Control Act;

"(ii) the use of more than $250,000,000 of funds made available for use under this Act or the Arms Export Control Act; and

"(iii) the use of more than $100,000,000 of foreign currencies accruing under this Act or any other law.

"(B) If the authority of this subsection is used both to authorize a sale under the Arms Export Control Act and to authorize funds to be used under the Arms Export Control Act or under this Act with respect to the financing of that sale, then the use of the funds shall be counted against the limitation in subparagraph (A)(ii) and the portion, if any, of the sale which is not so financed shall be counted against the limitation in subparagraph (A)(i).

"(C) Not more than $50,000,000 of the $250,000,000 limitation provided in subparagraph (A)(ii) may be allocated to any one country in any fiscal year unless that country is a victim of active Communist or Communist-supported aggression, and not more than $500,000,000 of the aggregate limitation of $1,000,000,000 provided in subparagraphs (A)(i) and (A)(ii) may be allocated to any one country in any fiscal year.".

SEC. 123. REPROGRAMMING REQUIREMENTS.

(a) REPROGRAMING NOTIFICATIONS.—Section 634A of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(a)" immediately before "None";

(2) by inserting "or the Arms Export Control Act" immediately after "disaster relief and rehabilitation)" and immediately after "this Act" the second place it appears; and

(3) by adding at the end of the section the following new subsection:

"(b) The notification requirement of this section does not apply to the reprogramming of less than $25,000 for use under chapter 8 of part I, or for use under chapter 5 of part II, for a country for which a program under that chapter for that fiscal year was justified to the Congress.".

(b) ALLOCATION REPORTS.—Section 653 of such Act is amended—

(1) by inserting in subsection (a) "or the Arms Export Control Act" immediately after "sections 451 or 637)";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

(c) QUARTERLY REPORTS.—Section 36(a) of the Arms Export Control Act is amended—

(1) in paragraph (5) by striking out "cash" and by striking out ", credits to be extended under section 23, and guaranty agreements to be made under section 24"; and

(2) in paragraph (6) by striking out "cash" and by striking out "and credits expected to be extended".

SEC. 124. CONVENTIONAL ARMS TRANSFERS.

The President shall submit to the Congress a report which examines and analyzes United States policies concerning the export of conventional arms, especially sophisticated weapons, and possible approaches to developing multilateral limitations on conventional arms sales. This report shall examine and analyze—

(1) the lessons of earlier efforts to negotiate restraints on the export of conventional arms;

(2) the evolution of recipient country attitudes regarding conventional arms transfers;

(3) the prospects for engaging the Soviet Union in serious discussions concerning arms transfers, both globally and as they relate to regional security problems;

(4) possible measures by the United States and Western European suppliers to control levels of sophisticated weapons sales, both regionally and globally;

(5) the relationship between arms exports by Western European countries and the needs of those countries to support their domestic military procurement programs; and

(6) the timing and phasing of international conventional arms control negotiations.

This report should be unclassified to the extent possible, with classified addenda if necessary.

SEC. 125. FOREIGN MILITARY SALES FOR JORDAN.

(a) MIDDLE EAST PEACE.—The foreign military sales financing authorized by this Act for Jordan is provided and increased in the recognition of progress Jordan has made in the search for a just and lasting peace in the Middle East, to encourage further progress,

in recognition of the continuing defense needs of Jordan, and in the expectation that Jordan will enter into direct negotiations with Israel based on United Nations Security Council Resolutions 242 and 338 and the Camp David Accords in order to resolve the state of war between those two countries.

(b) CERTIFICATION.—No foreign military sales financing authorized by this Act may be used to finance the procurement by Jordan of United States advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems, and no certification may be made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advance aircraft, new air defense systems, or other new advanced military weapons systems, unless the President has certified to the Congress that Jordan is publicly committed to the recognition of Israel and to prompt entry into direct peace negotiations with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338 and the Camp David Accords.

SEC. 126. CERTIFICATION CONCERNING AWACS SOLD TO SAUDI ARABIA.

(a) THE PRESIDENT'S 1981 AWACS COMMUNICATION TO THE SENATE.—(1) The Congress finds that in his October 28, 1981, communication to the Senate concerning the proposed sale of AWACS aircraft and F-15 enhancement items to Saudi Arabia which was then being reviewed by the Congress (hereafter in this section referred to as the "1981 AWACS communication"), the President stated the following:

"Transfer of the AWACS will take place . . . only after the Congress has received in writing a Presidential certification, containing agreements with Saudi Arabia, that the following conditions have been met:

"1. Security of Technology

"A. That a detailed plan for the security of equipment, technology, information, and supporting documentation has been agreed to by the United States and Saudi Arabia and is in place; and

"B. The security provisions are no less stringent than measures employed by the U.S. for protection and control of its equipment of like kind outside the continental U.S.; and

"C. The U.S. has the right of continual on-site inspection and surveillance by U.S. personnel of security arrangements for all operations during the useful life of the AWACS. It is further provided that security arrangements will be supplemented by additional U.S. personnel if it is deemed necessary by the two parties; and

"D. Saudi Arabia will not permit citizens of third nations either to perform maintenance on the AWACS or to modify any such equipment without prior, explicit mutual consent of the two governments; and

"E. Computer software, as designated by the U.S. Government, will remain the property of the USG.

"2. Access to Information

"That Saudi Arabia has agreed to share with the United States continuously and completely the information that it acquires from use of the AWACS.

"3. Control Over Third-Country Participation

"A. That Saudi Arabia has agreed not to share access to AWACS equipment, technology, documentation, or any information developed from such equipment or technology with any nation other than the U.S. without the prior, explicit mutual consent of both governments; and

"B. There are in place adequate and effective procedures requiring the screening and security clearance of citizens of Saudi Arabia and that only cleared Saudi citizens and cleared U.S. nationals will have access to AWACS equipment, technology, or documentation, or information derived therefrom, without the prior, explicit mutual consent of the two governments.

"4. AWACS Flight Operations

"That the Saudi AWACS will be operated solely within the boundaries of Saudi Arabia, except with the prior, explicit mutual consent of the two governments, and solely for defensive purposes as defined by the United States, in order to maintain security and regional stability.

"5. Command Structure

"That agreements as they concern organizational command and control structure for the operation of AWACS are of such a nature to guarantee that the commitments above will be honored.

"6. Regional Peace and Security

"That the sale contributes directly to the stability and security of the area, enhances the atmosphere and prospects for progress toward peace, and that initiatives toward the peaceful resolution of disputes in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia.".

(2) The Congress finds that the President also stated in the 1981 AWACS communication that should circumstances arise that might require changes in the arrangements described in that communication, "they would be made only with Congressional participation".

(b) REQUIREMENT FOR PRESIDENTIAL CERTIFICATION.—As provided in the 1981 AWACS communication, before the E-3A airborne warning and control system (AWACS) aircraft which were the subject of that communication are transferred to Saudi Arabia, the President shall submit to the Congress a written Presidential certification, containing agreements with Saudi Arabia, that the conditions set forth in that communication have been met.

(c) CONGRESSIONAL PARTICIPATION IN CHANGES IN AWACS ARRANGEMENTS.—In order to facilitate the congressional participation provided for in the 1981 AWACS communication, the President shall notify the Congress promptly of any changes being considered by the United States in the arrangements described in that communication.

SEC. 127. COOPERATIVE AGREEMENTS ON AIR DEFENSE IN CENTRAL EUROPE.

(a) GENERAL AUTHORITIES.—The Secretary of Defense may carry out the European air defense agreements. In carrying out those agreements, the Secretary—

(1) may provide without monetary charge to the Federal Republic of Germany articles and services as specified in the agreements; and

(2) may accept from the Federal Republic of Germany (in return for the articles and services provided under paragraph (1)) articles and services as specified in the agreements.

(b) SPECIAL AUTHORITIES.—In connection with the administration of the European air defense agreements, the Secretary of Defense may—

(1) waive any surcharge for administrative services otherwise chargeable under section 21(e)(1)(A) of the Arms Export Control Act;

(2) waive any charge not otherwise waived for services associated with contract administration for the sale under the Arms Export Control Act of Patriot air defense missile fire units to the Federal Republic of Germany contemplated in the agreements;

(3) use, to the extent contemplated in the agreements, the NATO Maintenance and Supply Agency—

(A) for the supply of logistical support in Europe for the Patriot missile system, and

(B) for the acquisition of such logistical support,

to the extent that the Secretary determines that the procedures of that Agency governing such supply and acquisition are appropriate;

(4) share, to the extent contemplated in the agreements, the costs of setup charges of facilities for use by that Agency to perform depot-level support of Patriot missile fire units in Europe; and

(5) deliver to the Federal Republic of Germany one Patriot missile fire unit configured for training, to be purchased by the Federal Republic of Germany under the Arms Export Control Act as contemplated in the agreements, without regard to the requirement in section 22 of that Act for payment in advance of delivery for any purchase under that Act.

(c) RATE CHARGED FOR CERTAIN SERVICES.—Notwithstanding the rate required to be charged under section 21 of the Arms Export Control Act for services furnished by the United States, in the case of 14 Patriot missile fire units which the Federal Republic of Germany purchases from the United States under the Arms Export Control Act as contemplated in the European air defense agreements, the rate charged by the Secretary of Defense for packing, crating, handling, and transportation services associated with that purchase may not exceed the established Department of Defense rate for such services.

(d) LIMITATION ON CONTRACT AUTHORITY.—The authority of the Secretary of Defense to enter into contracts under the European air defense agreements is available only to the extent that appropriated funds, other than those made available under section 31 of the Arms Export Control Act, are available for that purpose.

(e) RELATION TO FISCAL YEAR 1985 AUTHORIZATION.—The authorities provided by this section are an extension of, and not in addition to, the authorities provided by section 1007 of the Department of Defense Authorization Act, 1985 (98 Stat. 2579), relating to the authority of the Secretary of Defense to carry out the European air defense agreements during fiscal year 1985.

(f) DEFINITION OF EUROPEAN AIR DEFENSE AGREEMENTS.—For the purposes of this section, the term "European air defense agreements" means—

(1) the agreement entitled "Agreement between the Secretary of Defense of the United States of America and the Minister of Defense of the Federal Republic of Germany on Cooperative Measures for Enhancing Air Defense for Central Europe", signed on December 6, 1983; and

(2) the agreement entitled "Agreement between the Secretary of Defense of the United States of America and the Minister of Defense of the Federal Republic of Germany in implementation of the 6 December 1983 Agreement on Cooperative Measures for Enhancing Air Defense for Central Europe", signed on July 12, 1984.

AMENDMENTS OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer amendments and ask unanimous

consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. FASCELL: Page 2, lines 14, 23, and 24, strike out "$5,427,050,000" each place it appears and insert in lieu thereof $5,253,384,400".

Page 8, lines 13 and 14, strike out "$761,000,000" and insert in lieu thereof "$736,648,000".

Page 9, lines 3 and 4, strike out "$56,221,000" and insert in lieu thereof "$54,421,900".

Page 9, line 11, strike out "$37,000,000" both places it appears and insert in lieu thereof "$35,816,000".

Page 30, line 17, strike out "$3,900,400,000" both places it appears and insert in lieu thereof "$3,775,587,200".

Page 39, line 4, strike out "$792,352,000" both places it appears and insert in lieu thereof "$766,996,700".

Page 39, lines 15 and 16, strike out "$320,000,000" and insert in lieu thereof "$309,760,000".

Page 39, lines 18 and 19, strike out "$223,138,000" and insert in lieu thereof "$215,997,600".

Page 42, lines 4 and 5, strike out "$50,000,000" and insert in lieu thereof "$48,400,000".

Page 42, lines 11 and 12, strike out "$188,833,000" and insert in lieu thereof "$182,790,300".

Page 42, lines 20 and 21, strike out "$223,071,000" and insert in lieu thereof "$215,932,700".

Page 48, line 1, strike out "$40,000,000" and insert in lieu thereof "$38,720,000".

Page 48, lines 9 and 10, strike out "$284,904,000" and insert in lieu thereof "$275,787,572".

Page 48, lines 14 and 15, strike out "$170,000,000" and insert in lieu thereof "$164,560,000".

Page 48, lines 17 and 18, strike out "$55,000,000" and insert in lieu thereof "$53,240,000".

Page 48, lines 20 and 21, strike out "$20,500,000" and insert in lieu thereof "$19,844,000".

Page 49, lines 3 and 4, strike out "$15,500,000" and insert in lieu thereof "$15,004,000".

Page 49, lines 7 and 8, strike out "$10,000,000" and insert in lieu thereof "$9,680,000".

Page 49, lines 10 and 11, strike out "$2,000,000" and insert in lieu thereof "$1,936,000".

Page 49, lines 13 and 14, strike out "$2,000,000" and insert in lieu thereof "$1,936,000".

Page 49, lines 16 and 17, strike out "$1,000,000" and insert in lieu thereof "$968,000".

Page 49, line 20, strike out "$500,000" both places it appears and insert in lieu thereof "$484,000".

Page 49, line 23, strike out "$200,000" both places it appears and insert in lieu thereof "$193,600".

Page 50, lines 1 and 2, strike out "$2,000,000" and insert in lieu thereof "$1,936,000".

Page 50, line 4, strike out "$500,000" both places it appears and insert in lieu thereof "$484,000".

Page 50, lines 7 and 8, strike out "$343,000" and insert in lieu thereof "$332,024".

Page 50, lines 10 and 11, strike out "$100,000" and insert in lieu thereof "$96,800".

Page 50, lines 13 and 14, strike out "$200,000" and insert in lieu thereof "$193,600".

Page 50, lines 16 and 17, strike out "$1,561,000" and insert in lieu thereof "$1,511,048".

Page 50, lines 20 and 21, strike out "$2,750,000" and insert in lieu thereof "$2,662,000".

Page 51, lines 1 and 2, strike out "$500,000" and insert in lieu thereof "$484,000".

Page 51, line 4, strike out "$250,000" both places it appears and insert in lieu thereof "$242,000".

Page 53, lines 5 and 6, strike out "$25,000,000" and insert in lieu thereof "$24,200,000".

Page 53, line 13, strike out "$5,000,000" both places it appears and insert in lieu thereof "$4,840,000".

Page 55, lines 23 and 24, strike out "$21,000,000" and insert in lieu thereof "$20,328,000".

Page 56, lines 4 and 5, strike out "$391,533,200" and insert in lieu thereof "$379,004,100".

Page 56, line 16, strike out "$57,529,000" both places it appears and insert in lieu thereof "$55,688,100".

Page 98, line 25, and page 99, line 1, strike out "$12,000,000" and insert in lieu thereof "$11,616,000".

Page 124, line 17, strike out "$94,500,000" both places it appears and insert thereof "$91,476,000".

Page 125, line 10, strike out "$4,000,000" both places it appears and insert in lieu thereof "$3,872,000".

Page 131, lines 20, strike out "$136,100,000" and insert in lieu thereof "$131,744,800".

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Chairman, first, let me congratulate my ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], for his leadership and determination with respect to the amount of moneys that should be made available in this bill.

Mr. Chairman, this is a bipartisan freeze amendment, to bring the authorization levels in the bill down to the $12.6 billion contained in the continuing resolution for fiscal year 1985. I offer this along with the gentleman from New York [Mr. SOLOMON] and several other Members on both sides of the aisle.

H.R. 1555, as reported by the Foreign Affairs Committee, is almost $200 million below the executive branch request for fiscal year 1986. Nonetheless, we recognize the need to freeze all bills at current levels. The amendment I am offering is a true freeze, an across-the-board cut of 3.2 percent, except for those accounts which are earmarked, such as Israel and Egypt. It brings the bottom line of the bill down to $12.6 billion, the aggregate amount appropriated in the continuing resolution for these programs.

Furthermore, this freeze applies not only to fiscal year 1986, but to fiscal year 1987 as well. There is no allowance for inflation in either fiscal year. I don't know of any other bill which has passed the House that has frozen the authorization level for 2 years.

I know that there are some Members who want to cut more from the bill. There are others who want to cut less, given the drastic cuts we have already made. However, after consulting with a number of interested Members, we came up with this amendment which has support on both sides of the aisle. It is very similar to the amendment proposed by the gentleman from North Dakota [Mr. DORGAN], and to that originally proposed by the gentleman from New York [Mr. SOLOMON]. Both Members support this version. Mr. MORRISON and Mr. PURSELL, who have led the fight to keep the budget down, have expressed their support for this amendment. The gentleman from Colorado [Mr. BROWN], and the gentleman from Arizona [Mr. KOLBE], have also agreed to support this freeze. So I think we have achieved a broad consensus on what a reasonable compromise is in this case.

In short, this amendment represents a total cut of more than $600 million from the executive branch request. It freezes foreign aid at fiscal year 1985 levels until fiscal year 1988. Any further cuts, in my opinion, would threaten the national security interests of this country. I urge the adoption of the amendment.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to my colleague, the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I merely want to rise in support of the amendments being offered by the chairman of our committee and congratulate him on recognizing the importance of reducing the levels of foreign aid at this particular time, with the problems that we have with the budget. I also agree with him that cuts any deeper than this would cause serious damage to our national security. I am very happy to join the chairman of the committee in support of these amendments.

Mr. FASCELL. I thank the gentleman from Michigan very much for that statement. I know how deeply the gentleman feels about this matter.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I also rise in support of this amendment and I want to commend the chairman and the members of the committee who have worked hard to conform the original bill in the very difficult, but necessary process of freezing spending in this authorization at the 1985 appropriation level.

I also want to commend the chairman of the full committee for proposing an amendment that retains the level of support for Israel that had been adopted by the full committee.

I was prepared to offer an amendment to accomplish those two goals but I am gratified that the committee itself has gone through the necessary negotiations and made the decisions in presenting to the House the overall priorities that are appropriate with respect to getting this bill within the 1985 appropriation levels.

I think that the House has repeatedly expressed its desire not only to hold down spending to 1985 levels through a freeze but to do so through the authorization process in order to make clear that the authorizing committees ought to be the ones to take the lead and to present to the House the priorities that need to be accommodated when we freeze spending.

So I think the chairman's leadership in that regard is appreciated by all of us who have been trying to make clear those two things, first, that a freeze is important, and second, that the role of the authorizing committees in leading us through the priorities we would need to meet would be recognized.

I commend the gentleman, and I support his amendment.

Mr. SOLOMON. Mr. Chairman, I rise in strong support of this amendment, which I am very pleased to cosponsor with our colleague from Florida, the very distinguished and able chairman of the Foreign Affairs Committee. This amendment represents a good-faith, bipartisan effort by members of the committee as well as other interested members to implement a freeze on foreign aid authorizations over the next 2 years.

For the last 4 years, the American people have been asked to accept reductions in a large number of domestic services and programs that are funded by the Federal budget. During this time of sacrifice on the home front, the foreign aid budget has continued to grow.

The time has now come for the foreign aid budget to begin its fair share of the spending reductions that must be part of our ongoing efforts to control the Federal budget deficit and maintain economic growth.

The freeze that would be imposed by this amendment is responsible and necessary. And as Chairman FASCELL has indicated, foreign aid levels would be frozen at a level in which the national security interests of our country will be protected.

I cannot escape the observation that it isn't often that a congressional initiative actually comes in at a lower spending level than what the administration has asked for, but this amendment does precisely that—and I am very reluctant to let such an opportunity slip by.

This amendment is a true freeze; it will extend throughout the 2-year life of this bill, without taking into account an adjustment for inflation.

□ 1250

Mr. Chairman, I have an amendment filed at the desk which would have cut the aggregate total of this foreign aid bill by 5 percent and would have been across the board, including every country that is a recipient of this aid. Like myself, there are other Members on this side of the aisle who would have had other cutting amendments that might have gone deeper.

There were Members on that side of the aisle, the Democratic Party, that would have offered other further cutting amendments that would have cut deeply into our military obligations to countries like the Philippines, Korea, and other nations. That is why people like myself who would like to cut this foreign aid budget further have compromised, and along with the leadership of DANTE FASCELL and with the ranking member, BILL BROOMFIELD, we have come up with this compromise.

Now, I do not like the idea that this amendment would actually cut $201 million in military aid from our friends. But I also would not like other amendments that would be offered that would go even deeper than that. So, it is with that compromise in mind that I stand on this side of the aisle and ask every Member, every Republican Member on this side, as well as the Members on that side, to support the Fascell amendment because it is badly needed if we are going to have our bases protected and our strategic military installations around this world capable of protecting Americans and all of those people in the free world.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman.

Mr. FASCELL. I thank the gentleman for yielding to me.

Mr. Chairman, I want to thank the gentleman for his leadership on this and for his analysis. He is absolutely, eminently correct about why this is so essential and I really appreciate his support.

I also want to thank and complement the gentleman from Connecticut for his leadership and working together with us to achieve a bipartisan amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Florida [Mr. FASCELL].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. MORRISON of Connecticut. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Chair announces that pursuant to clause 2, rule XXIII, he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 209]

ANSWERED "PRESENT"—382

Addabbo	Crane	Gray (IL)
Akaka	Daniel	Gray (PA)
Anderson	Dannemeyer	Green
Andrews	Darden	Gregg
Annunzio	Daschle	Grotberg
Applegate	Daub	Guarini
Armey	Davis	Gunderson
Atkins	de la Garza	Hall (OH)
AuCoin	DeLay	Hall, Ralph
Badham	Dellums	Hamilton
Barnard	Derrick	Hammerschmidt
Barnes	DeWine	Hansen
Bartlett	Dickinson	Hartnett
Barton	Dicks	Hatcher
Bates	Dingell	Hawkins
Bedell	DioGuardi	Hayes
Bennett	Dixon	Hendon
Bentley	Donnelly	Henry
Bereuter	Dorgan (ND)	Hertel
Bevill	Dornan (CA)	Hiler
Biaggi	Downey	Holt
Bilirakis	Dreier	Hopkins
Bliley	Duncan	Howard
Boehlert	Durbin	Hoyer
Boggs	Dwyer	Hubbard
Boner (TN)	Dymally	Huckaby
Bonior (MI)	Dyson	Hughes
Borski	Early	Hunter
Boucher	Eckart (OH)	Jacobs
Boulter	Eckert (NY)	Jeffords
Boxer	Edgar	Johnson
Breaux	Edwards (CA)	Jones (NC)
Brooks	Edwards (OK)	Jones (OK)
Broomfield	Emerson	Jones (TN)
Brown (CO)	English	Kanjorski
Broyhill	Erdreich	Kasich
Bruce	Evans (IA)	Kastenmeier
Bryant	Evans (IL)	Kemp
Burton (CA)	Fascell	Kennelly
Burton (IN)	Fawell	Kildee
Bustamante	Fazio	Kindness
Byron	Fiedler	Kleczka
Callahan	Fields	Kolbe
Carney	Fish	Kolter
Carper	Florio	Kostmayer
Carr	Ford (MI)	Kramer
Chappie	Fowler	LaFalce
Cheney	Frank	Lagomarsino
Clay	Frenzel	Lantos
Clinger	Frost	Latta
Coats	Fuqua	Leach (IA)
Cobey	Gallo	Leath (TX)
Coble	Gaydos	Lehman (CA)
Coelho	Gejdenson	Lehman (FL)
Coleman (MO)	Gekas	Leland
Coleman (TX)	Gephardt	Lent
Collins	Gibbons	Levin (MI)
Combest	Gilman	Levine (CA)
Conte	Gingrich	Lewis (FL)
Cooper	Glickman	Lightfoot
Coughlin	Gonzalez	Lipinski
Courter	Goodling	Livingston
Coyne	Gordon	Lloyd
Craig	Gradison	Loeffler

Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Porter
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

□ 1310

The CHAIRMAN. Three hundred eighty-two Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Connecticut [Mr. MORRISON] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair announces that this vote is reducd to a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 386, noes 2, answered "present" 2, not voting 43, as follows:

[Roll No. 210]

AYES—386

Addabbo
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Armey
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bates
Bedell
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Boucher
Boulter
Boxer
Brooks
Broomfield
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Byron
Callahan
Carney
Carper
Carr
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Fiedler
Fields
Fish
Flippo
Florio
Ford (MI)
Fowler
Frank
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hendon
Henry
Hertel
Hiler
Holt
Hopkins
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—2

Eckert (NY)
Rahall

ANSWERED "PRESENT"—2

Early
Gonzalez

NOT VOTING—43

Ackerman
Alexander
Archer
Aspin
Bateman
Beilenson
Berman
Bonker
Bosco
Breaux
Brown (CA)
Bustamante
Campbell
Chandler
Chappell
Conyers
Crockett
Dowdy
Feighan
Foglietta
Foley
Ford (TN)
Franklin
Garcia
Hefner
Heftel
Hillis
Horton
Hutto
Hyde
Ireland
Jenkins
Kaptur
Lewis (CA)
Miller (CA)
Owens
Ritter
Solarz
Studds
Tallon
Tauzin
Towns
Whittaker

So the amendments were agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. HUTTO. Mr. Chairman, I was unable to be here when the Fascell amendment was voted on earlier.

Had I been present I would have voted "aye."

□ 1320

AMENDMENT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD: Page 30, after line 10 insert the following new section:

SEC. 128. CEILING ON MILITARY ASSISTANCE FOR TURKEY.

For each of the fiscal years 1986 and 1987, the aggregate total of assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 and financing under the Arms Export Control Act provided for Turkey may not exceed $711,428,570.

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be

considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, if the southern flank of NATO is to be truly strengthened, it is imperative that the United States place a high priority on resolving the Cyprus dispute, as well as an evenhanded policy toward Turkey and Greece.

In this regard, I am offering an amendment today which would provide for the maintenance of an exact 7-to-10 ratio for Greece and Turkey in total U.S. foreign military sales financing under the Arms Export Control Act, as well as the total amount of any related assistance under the grant Military Assistance Program. In short, my amendment would ensure that Greece receives at least an equivalent of 70 percent of the proposed FMS and grant assistance to Turkey for fiscal years 1985 and 1986.

My colleagues should note that the Congress has been particularly aware of maintaining a balanced perspective regarding foreign military sales financing for Greece and Turkey. Ultimately, it was decided that the 7-to-10 ratio of military assistance for both Greece and Turkey can best contribute to a more evenhanded approach to Eastern Mediterranean matters.

All of us in Congress want to have peace and stability in the vital Eastern Mediterranean region. In order to attain that objective, we must continue to maintain a balanced approach based upon the 7-to-10 ratio for both Greece and Turkey. I believe that a more evenhanded American approach to both Greece and Turkey will result in a stronger NATO southern flank which can better contribute to peace and security, and as a result, I urge my colleagues to support the amendment before them.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I am very happy to yield to the chairman of the European Subcommittee.

Mr. HAMILTON. Mr. Chairman, we have had an opportunity to examine the gentleman's amendment on this side. We think it is a good amendment. We commend him for offering it, and we urge its approval.

Mr. DYMALLY. Mr. Chairman, I would like to commend the Congressman from Michigan [Mr. BROOMFIELD] for his amendment which will maintain the ratio of 10 to 7 giving military assistance from the United States to the nations of Turkey and Greece. The Congress has shown great wisdom in recent years by assuring that the military balance in the Eastern Mediterranean remains intact. This policy has served America's long-term security interests very well.

The traditional congressional imposition of the 10-to-7 ratio has provided a valuable balance to the executive branch's focus of foreign aid to the nation of Turkey while often overlooking the legitimate needs of our allies, the people of Greece and the people of Cyprus. The Congress has understood that it is in the best interests of America's security to adopt policies in the Eastern Mediterranean which seek to keep our allies and friends within our tent, rather than policies which would push them out. Let me remind my colleagues of the fact that in all world wars and actions the people of Greece have been at our side, notably in World War II when they were the first country to stop the Axis drive and ultimately gave the lives of 1 out of 9 of their men, women and children in the Allied cause.

Our reliance on the Greek-speaking people of the Eastern Mediterranean continues. When American soldiers were recently stationed in Lebanon, you will recall that our billion dollar aid recipient, Turkey, refused to let us use our bases in that country to support our boys in Lebanon. Cyprus, you will recall, was willing to provide assistance to our soldiers. When the explosive-laden truck killed and maimed so many of our marines they had to be taken to Cyprus to be helped. Again, just recently, as our TWA plane sat at the Lebanese airport and our hostages were being held at gunpoint throughout Lebanon, the island of Cyprus came to the rescue of the United States. It was Cyprus which provided the staging for our Delta Force. It was Cyprus which opened its doors to our hostages as they were retrieved from the hijackers.

This amendment sends a clear message to the people of Greece. That message is that the people of the United States want to assure our friends in the Eastern Mediterranean that they will have the military wherewithal to protect themselves against outside aggression. The 10-to-7 ratio will again this year serve to maintain the military balance in the Eastern Mediterranean so crucial to American interests.

Mr. WOLPE. Mr. Chairman, I rise in support of the amendment offered by my colleague from Michigan [Mr. BROOMFIELD]. I think this is both a sensible and very important amendment that seeks to bring the level of military assistance to Turkey in line with the 10-to-7 ratio traditionally mandated by Congress. This traditional formula, which sets the relative levels of assistance for Turkey and Greece, allows the United States to pursue a consistent and evenhanded policy in the Eastern Mediterranean.

This amendment would cap military assistance for Turkey at $711 million. I believe that such a cap makes sense for a number of reasons. First, it has been over 10 years since Turkish troops invaded the Republic of Cyprus. Despite the passage of 11 years, Turkey has taken no positive actions to end its armed occupation of that country. It would send quite the wrong message if Congress were to back away from the 10-to-7 formula at this point and approve even more military aid to Turkey, in the absence of any concrete efforts by the Turkish Government to work for a peaceful settlement in Cyprus.

Second, Turkey's most serious problems continue to be economic. Infusing an even higher level of military assistance will not help solve Turkey's economic woes and may only complicate Turkey's internal problems. Third, in order for the United States to maintain credibility in the region, it is critical that we preserve the aid balance that has been the law for many years. These are very delicate and demanding times for our diplomatic relations with both Greece and Turkey. It certainly yields no benefits and could actually undermine U.S. interests for us to alter the military aid ratio at this point. I urge my colleagues to support the Broomfield amendment.

● Mr. FLORIO. Mr. Chairman, I rise in support of the amendment offered by my colleague from Michigan [Mr. BROOMFIELD], that maintains the traditional 7-to-10 ratio of military aid to Greece and Turkey.

Traditionally, our Nation has accorded military assistance to these two NATO allies on ratio basis in order to ensure that the security of Greece not be jeopardized by an infusion of U.S. aid to Turkey. Because of serious difficulties between Greece and Turkey that have repeatedly challenged the stability of the Eastern Mediterranean, it is vital that our policy toward Greece and Turkey be evenhanded and judicious.

An absolute requirement to an evenhanded policy in the Eastern Mediterranean is the maintenance of the balance of power in the Aegean. The administration requested for fiscal year 1986 a total of $785 million in military aid for Turkey and $500 million for Greece. This unbalanced ratio would disrupt the delicate balance of power in the Eastern Mediterranean and would have a detrimental effect on efforts to maintain stability and peace between Greece and Turkey. I am pleased to see that the Broomfield amendment cuts the request for aid to Turkey to $711 million and thus maintains the historic 7-to-10 ratio.

In 1974, Turkey invaded the island of Cyprus and violated the sovereignty of this independent state while also disturbing the stability in the region.

To this day, the Turkish Government continues to maintain 18,000 troops on Cyprus and to support the partition of the island into two separate states. This state of affairs had led to the perpetuation of the Cyprus conflict and the intransigence shown by the Turkish Government in dealing with this conflict must be condemned by our Government at every opportunity. For this reason, we should continue to send a message to the Government of Turkey that a solution to this conflict is of the utmost importance.

Mr. Chairman, I am also pleased to see that the Foreign Affairs Committee included a provision establishing a $250 million fund to foster intercommunal understanding between the Greek and Turkish Cypriots in an effort to help resolve the divisions on Cyprus and once again bring peace to the island. As the sponsor of House Concurrent Resolution 56, which called for the establishment of a Cyprus Cooperative Development Fund, I am indeed gratified that this concept was incorporated in the foreign aid authorization bill.

I hope that our Nation can continue to play an important role in fostering peace in the Eastern Mediterranean and we can indeed achieve this goal by promoting an evenhanded and judicious foreign assistance policy.●

● Mr. MAVROULES. Mr. Chairman, I want to thank the gentleman from Florida for giving me the opportunity to speak on this very important amendment to the foreign aid bill.

The gentleman from Michigan should be applauded for his efforts to maintain the delicate balance of aid levels to our allies that compromise NATO's strategic southeastern flank.

As we all know; Turkey, Greece, and Cyprus are all critically important U.S. allies. Their strategic locations and proximity to some of our allies and adversaries alike, further underscores our need to continue our equitable commitment to each.

All of my colleagues are well aware of the delicate and sometimes confrontational relationship that exists between our Greek and Turkish allies. Clearly, one of our best tools in promoting stability in the region has been the maintenance of the 7-to-10 ratio in aid levels to Greece and Turkey.

Let me remind my colleagues that this ratio has been in effect for over 8 years and its effectiveness is apparent. Our southeastern flank allies have avoided many of the conflicts and skirmishes that have marred their past.

I urge my colleagues, in the strongest terms, to support the maintenance of the 7-to-10 ratio. Your support for the Broomfield amendment will ensure a continued balance between our Mediterranean allies. Please support the amendment offered by the gentleman from Michigan.●

● Mr. MANTON. Mr. Chairman, I urge my colleagues to adopt the Broomfield amendment. This amendment, which would cut more than $30 million in foreign aid to Turkey, is important because it would send a message that the United States continues to oppose the Turkish occupation of Cyprus.

Last year, Congress sent a strong message to Turkey when a number of congressional forums cut military aid to that nation by nearly a quarter of a billion dollars. At that time, Turkey began to take the first serious steps toward United Nations' settlement talks since the invasion of Cyprus more than 10 years ago. However, once public scrutiny of this issue began to wane, the Turkish Government refused to discuss the troop withdrawal issue and again became intransigent on this critical question.

Therefore, Mr. Chairman, I think it is important for the House to adopt this amendment and again send a message to Turkey that the United States remains unhappy about the continued occupation of Cyprus by the Turkish military personnel who are armed by the American taxpayer. I again urge my colleagues to support the Broomfield amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BROOMFIELD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON: Page 30, after line 10, add the following new section:

SEC. 128. EXCHANGE OF TRAINING AND RELATED SUPPORT.

The Arms Export Control Act is amended by inserting the following new chapter after chapter 2B:

"CHAPTER 2C—EXCHANGE OF TRAINING AND RELATED SUPPORT

"SEC. 30A. EXCHANGE OF TRAINING AND RELATED SUPPORT.

"(a) AUTHORITY TO PROVIDE TRAINING AND RELATED SUPPORT.—Subject to subsection (b), the President may provide training and related support to military and civilian defense personnel of a friendly foreign country or an international organization. Such training and related support shall be provided by a Secretary of a military department and may include the provision of transportation, food services, health services, and logistics and the use of facilities and equipment.

"(b) REQUIREMENT FOR RECIPROCITY.—Training and related support may be provided under this section only pursuant to an agreement or other arrangement providing for the provision by the recipient foreign country or international organization, on a reciprocal basis, of comparable training and related support to military and civilian personnel under the jurisdiction of the Secretary of the military department providing the training and related support under this section. Such reciprocal training and related support must be provided within a reasonable period of time (which may not be more than one year) of the provision of training and related support by the United States. To the extent that a foreign country or international organization to which training and related support is provided under this section does not provide such comparable training and related support to the United States within a reasonable period of time, that country or international organization shall be required to reimburse the United States for the full costs of the training and related support provided by the United States.

"(c) REGULATIONS.—Training and related support under this section shall be provided under regulations prescribed by the President.

"(d) REPORTS.—Not later than February 1 of each year, the President shall submit to the Congress a report on the activities conducted pursuant to this section during the preceding fiscal year, including the estimated full costs of the training and related support provided by the United States to each country and international organization and the estimated value of the training and related support provided to the United States by that country or international organization.".

Mr. SKELTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SKELTON. Mr. Chairman, the amendment that is at the desk that would authorize reciprocal training of United States and friendly foreign country military and civilian personnel. Although such small unit exchanges between U.S. Army Active and Reserve components and similar units from friendly foreign countries have been taking place for years on a reciprocal, no-cost basis, a recent DOD legal decision—which said that current authority for reciprocal training only applies to training that takes place in NATO Europe and its contiguous waters—brought the program to a grinding halt.

My amendment, Mr. Chairman, would merely allow for the ongoing operation of this successful program by giving DOD the explicit authority to continue the program. Specifically, the United States would agree to provide such things as transportation, logistics, food services, health services, and the use of equipment for the purpose of training military and civilian personnel of friendly foreign countries or international organizations in the United States in exchange for the foreign country or international organization providing U.S. personnel with the same kind of training and support of their territory within 1 year. If the foreign country should fail to reciprocate within this time period—a situation that has never occurred to date—

my amendment provides that the United States shall be reimbursed for the cost of the training and support provided. My amendment also requires an annual report on how the authority is used, the cost of the training provided to foreign countries by the United States and the cost of the reciprocal training provided by foreign countries to the United States.

To my knowledge, Mr. Chairman, there is no disagreement about the positive benefits and utility of this program to the United States. Reciprocal training enhances the readiness of U.S. forces by providing a realistic training environment for our military personnel. The small units that have trained overseas in the past have developed an appreciation for tactics, techniques, weapons, and equipment of other nations. They have also gained valuable operational experience under varying climatic and terrain conditions. Moreover, reciprocal training enhances the interoperability of United States and allied forces as well as improves the potential for cooperation with allied and friendly armies.

This amendment is clearly in everyone's best interest, Mr. Chairman, and I ask that it be favorably considered.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I am glad to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I will say to the gentleman that we have examined the amendment on this side. We think it is a good amendment. The administration requests it, and we support it.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, on this side we have also examined the amendment. We think it is a good amendment, and we urge adoption of the amendment.

Mr. SKELTON. Mr. Chairman, I appreciate that. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. SKELTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BADHAM

Mr. BADHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BADHAM: Page 6, after line 9, insert the following new subsection:

(c) REPORT ON ECONOMIC AND SECURITY IMPLICATIONS OF THE LAVI PROGRAM.—Not later than 180 days after the date of enactment of this Act, the President shall submit a report to the Committee on Foreign Affairs and the Committee on Armed Services of the House of Representatives, and to the Committee on Foreign Relations and the Committee on Armed Services of the Senate, on the economic and security implications for the United States and Israel of the development and production of the Lavi aircraft. The report shall include—

(1) estimates of the likely overall impact of the Lavi program on United States and Israeli employment and trade flows, as contrasted to the impact of the purchase by Israel of comparable United States-produced aircraft; and

(2) comparisons of the probable performance, unit cost, and delivery schedules of the Lavi and comparable United States-produced aircraft.

Mr. BADHAM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BADHAM. Mr. Chairman, I have submitted an amendment concerning a study on the Lavi Fighter Aircraft Program. This amendment requests a study by the administration of the economic and security implications of the Lavi Program. I should stress that my amendment does not reduce funding for Israel's security needs, nor even for the Lavi Program. I strongly support our commitment to Israel's security and am opposed to any reductions in aid which would put at risk the security of Israel.

Mr. Chairman, with the earmarkings for fiscal year 1986 and 1987, Congress will have committed $1.75 billion to the Lavi Program, all in the form of grants that come from the FMS credits. There have been various opinions expressed in floor debate with respect to the financial, employment, trade, and security implications of the Lavi Program both as concerns the United States and as concerns Israel. But in 2 years, no House or Senate committee has ever held any indepth hearings to address any of these issues, even though we are now to commit at least another $800 million in U.S. funds to this program. The question must be raised, and I hope that the Armed Services or Foreign Affairs Committees in the future as a result of my offering this amendment might study what this program is going to do, not to America, but for America, and not for Israel but to Israel.

At a minimum, it would seem appropriate for Congress to have knowledge of the possible implications of the Lavi Program, especially as to the impact on jobs and trade for both countries of the Lavi Program versus procurement of U.S. aircraft, and of the probable unit cost, delivery schedule, and performance characteristics of the Lavi and comparable U.S. aircraft. According to the Congressional Research Service, if the entire fiscal year 1986 and fiscal year 1987 proposed authorizaton for the Lavi were spent in the United States, as many as 12,000 jobs could be created.

This program is a major commitment by both Israel and the United States, and it must be examined as to whether we are funding an effective and appropriate weapon system to fulfill Israel's defense requirements, or if we are funding a gold-plated and delay-plagued system reminiscent of DOD procurement horror stories as portrayed by the media. It is ironic that a Congress, which 2 weeks ago added language to the fiscal year 1986 DOD authorization bill to require American industry and the U.S. DOD to come up with facts, figures and statistics, on the efficiency and the efficacy of our own defense industry, should nevertheless insist on the expenditure of $1.7 billion for a program on which there have been no hearings, and no definitive explanation as to how capable a plane the Lavi will be.

U.S. taxpayers have in recent years paid for, and are continuing to pay for the development of five high performance fighter aircraft—the F-14, F-15, F-16, F-17, and F-18—and two new attack aircraft—the A-10 and A-18—as well as the privately developed F-20. It is not clear to me why the U.S. taxpayers should be asked to pay for the 10-year development and procurement of yet another costly high performance aircraft without the necessary information to justify the total program expenditure of over $10 billion.

As I noted, we also will have to pay for the procurement of the Lavi once it is developed, just as we have paid for the F-15's and F-16's already in the Israeli inventory. Hence the $1.7 billion already committed is by no means the end of our financial involvement. The Congressional Research Service estimates that each plane will cost at least $21 million in 1984 dollars—more than the F-16. Inflation will drive that cost up as production will not begin before 1989. Originally, the Lavi was to be a low cost replacement for the Israeli's aging A-4 Skyhawks, not, as it has become, a close equivalent of the F-16. Even in Israel the Lavi Program is a topic of debate with a number of Israelis, including Israeli Air Force officers, believing that it would be preferable to have U.S.-produced aircraft on the runway now, available for any emergency, rather than waiting for the Lavi Program to begin delivering aircraft in the 1990's.

As one Israeli opponent of the Lavi pointed out, "The Air Force has worked its way into getting a Cadillac air force when this country can't even afford a Volkswagen one." In fact, I think it is the hard truth that must be pointed out in that the person who might be called the father of the Lavi Program, a man for whom I have the utmost respect. Ezer Weizman, now opposes the Lavi Program as being crippling to the Israeli economy. I think that the U.S. Congress should do no less than examine the program that each of the last four Defense

Ministers of Israel have at one point or another stopped.

Consequently, it seems to me that we might want to know a bit more about this program. I would hope that the study requested by my amendment would provide us with some of the information which, quite frankly, we should have had 2 years ago when we started down this path. I ask that you endorse this objective and support my amendment.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I will be happy to yield to my friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding and I thank the gentleman for raising the issue and for his agreement to withdraw the amendment at this time.

I would like to point out to the gentleman that the Committee on Foreign Affairs did review the proposal as part of the foreign aid measure in the subcommittee and while there was not an extensive hearing on this issue, there was a review by the subcommittee.

But what I would like to point out is that it is estimated that over $2 billion in this program will be spent with American firms in helping to develop and do the research and make the parts for this aircraft. Over $700 million have already been let in contracts, and incidentally over $1 million in the gentleman's own district have been devoted to this aircraft. It is anticipated that there will be over $2 billion of this program spent here in the United States.

I thank the gentleman for yielding.

Mr. BADHAM. I thank the gentleman for his contribution and I think such a study, if held, would definitely point out if and whether, and whether or not this would be beneficial to our economy, as well as beneficial to the Armed Forces of the State of Israel.

I yield back the balance of my time.

● Mr. RAHALL. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California. I feel that we need to study the effect of allowing FMS credits to be spent outside the United States, a practice which has only recently begun. At a time when unemployment in my home State of West Virginia is the highest in the country, and has been for over 2 years now, I find it hard to vote to send U.S. tax dollars to any foreign country to build up their aerospace industry when this would come into direct competition with our own aerospace industry. Many American companies would be affected by the continuation of this practice and I feel that it is time the President undertook a study into the exact effects of this new policy concerning our Foreign Military Sales Program.

Even though we are dealing with foreign aid legislation, the issue at stake here is American jobs, and I want to stress that to the fullest extent; it is a question of whether we as a nation can afford to export jobs while so many Americans, particularly West Virginians, are out of work. I have spoken out on this floor against the exporting of our jobs overseas and I feel strongly that the practice of allowing our FMS credits to be spent outside the United States only further serves to put more Americans out of work. I am not advocating scrapping any existing programs; I am simply saying that these credits should be spent on developing these programs right here at home to the benefit of those who are paying the bill—the American taxpayer.

I commend the gentleman from California on his proposal for a study so that we can see just how many Americans will be put out of work by this new practice. I urge adoption of this amendment.●

PARLIAMENTARY INQUIRY

Mr. LEVINE of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LEVINE of California. Mr. Chairman, has the gentleman from California [Mr. BADHAM] now withdrawn his amendment?

The CHAIRMAN. The Chair will state that the gentleman has not yet withdrawn his amendment.

Mr. BADHAM. Mr. Chairman, I just heard the comments made, and if Members were not listening, I did withdraw the amendment.

I now ask unanimous consent again to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEVINE of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I commend the gentleman for raising the issue that he has, and specifically for withdrawing this amendment in this fashion. I think that he has raised issues which he believes are significant, and I think the manner in which he has elected to bring this matter to the House's attention, specifically by raising it and then immediately withdrawing it, is helpful and is particularly helpful within the time constraints of this debate.

In order not to expand significantly the time constraints of this debate, I, as the author of the Lavi amendment in the subcommittee, both this session and the last session, would simply like to make a couple of brief points.

First, last year, as the Members will recall, this general issue was debated on the House floor. That amendment was different in that it would have stricken the use of these funds for these purposes.

But I think that most of the issues that have been raised in the context of the Lavi discussion were raised at that time. And the fact that that amendment was defeated by a vote of 379 against the amendment to 40 in favor of the amendment provides a very good sense of the view of the House on an extensive bipartisan basis with regard to this issue.

I also think it is important, as the gentleman from New York [Mr. GILMAN] indicated, to emphasize the fact that this issue now has been heard in the Europe and Middle East Subcommittee twice. Both the gentleman from New York and I serve on that subcommittee. This was approved by the Subcommittee on Europe and the Middle East in the prior Congress unanimously, on a bipartisan basis, and approved again this year by that subcommittee.

Furthermore, with regard to the issue of reporting, and with regard to the issue of making available to all relevant and interested parties the important information that does go to the heart of this question, I think we should emphasize that ongoing consultations have been occurring continuously on this matter between our Government and the Government of Israel. It is my understanding, in fact, from a telephone conversation I had just today with the Pentagon that the Israeli Government has provided our own Defense Department with extensive information, most of which I understand is classified, but extensive information that is in the Pentagon and which reports on the consultations between the Government of Israel and our Government in Washington, DC, just last month. These conversations followed conversations that took place in Israel between our Government and the Government of Israel in April. I understand that the Israeli Government provided to our Defense Department answers to a series of detailed questions with regard to the Lavi.

So I think that with regard to the issue of cost, with regard to the issue of performance, with regard to the key issues that are at hand pertaining to the use of FMS dollars for the development for the Lavi jet fighter, we have had ample study, we have had ample information available to our Government. We have had information on an ongoing basis between the two governments.

Therefore, I think that pursuing this amendment further, bringing it to a vote would not have been necessary and I do commend the gentleman for having withdrawn the amendment.

Let me add several other relevant points for the RECORD.

It is common knowledge that the Lavi Program has created jobs in the

United States. U.S. industrial involvement in the Israel Aircraft Industries Lavi Fighter Program to build 300 aircraft for the Israeli Air Force now totals some 110 contracts worth $700,887,000. This is spread over 80 U.S. companies in some 55 congressional districts in a minimum of 20 States. Through this joint venture, some $1.5 billion will be spent in the United States which will provide from 20,000 to 37,000 jobs, according to estimates. These are pretty concrete examples of the impact on employment in the United States that this program will have.

I know that concern has been expressed that the Lavi Program will help Israel develop an aircraft that will compete with U.S. aircraft, especially the Northrop F-20 fighter.

I would like to point out that Israel is building the Lavi to replace existing aircraft that will become obsolete in the 1990's. Until the requirements of the Israeli Air Force are met, Israel cannot even think of exporting the Lavi. Since the Lavi will not enter production until 1990, and then only at an annual production rate of no more than 30 planes, it would not be until 1995 at the earliest that Israel could think about exporting the Lavi. It will take a decade or more of production for Israel to take care of its own needs for 300 Lavi.

In addition, if and when the Lavi does become available for export in the mid-1990's, it will be at least one generation behind firstline aircraft being produced in the United States. The Lavi uses mainly existing technologies that will almost certainly not be state of the art 10 or more years from now.

In addition, the Lavi is not the potential competitor for the Northrop F-20 that some fear. I would point out that four of the principal countries to which Northrop is talking about selling its F-20 are Egypt, Jordan, Turkey, and Bahrain. I'm sure you will agree it is highly unlikely that any of these countries would consider purchasing the Lavi from Israel even if Israel did at some time seek an export license to do so. The United States will retain the right to veto proposed sales of Lavi to third countries, anyway.

I want to point out that the Israeli Government has reviewed the Lavi Program in each of five successive administrations. In every case, the program's figures have been checked and rechecked by independent study groups, and in every case the Israeli Government has decided to proceed with the program.

Mr. Chairman there is one last point I want to make. It is that we must understand the context in which Israel is developing the Lavi. Maintaining a qualitative edge is imperative to Israel's security—absolutely imperative. We all know the particularly difficult circumstances under which Israel is trying to survive. It exists in a sometimes brutally hostile environment and has unique security and defense needs. The Lavi is not designed to compete in the international marketplace, but to fulfill Israel's security needs and important U.S. security interests. Israel needs the Lavi to upgrade its aging airfleet and to counter the military balance in the Middle East. Let us not forget that Israel is the only democracy and our strongest, most reliable ally in the Middle East. It is an oasis of stability in a turbulent region of the world.

So the issue of the Lavi is also a security issue—our own security as well as Israel's, for we clearly have an interest in a stable Middle East.

Again, I commend my colleague from California for withdrawing his amendment.

Thank you.

AMENDMENT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD: Page 2, line 14, strike out "$5,253,384,400" in both places it appears and in lieu thereof insert "$5,228,384,400" in each such place;

Page 2, line 23, strike out "$5,253,384,400" and in lieu thereof insert "$5,228,384,400";

Page 2, line 24, strike out "$5,253,384,400" and in lieu thereof insert "$5,228,384,400";

Page 8, line 13, strike out "$736,648,000" and in lieu thereof insert "$761,648,000"; and

Page 8, line 14, strike out "$736,648,000" and in lieu thereof insert "$761,648,000".

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, my amendment is a simple yet vital one. It is designed to relieve Tunisia's present loan burden. The amendment proposes shifting funds from the foreign military sales [FMS] treasury rate program to the Military Assistance Program [MAP] account. While this effort would greatly aid Tunisia, it would not result in an overall increase in the bill amounts. The amendment is sound and to the point. It deserves your support.

Over the years, the United States and Tunisia have maintained a special relationship. We have supported the political stability, the economic development and the security of that moderate nation. U.S. security assistance to Tunisia continues to be important given the Libyan military threat to that small nation.

Today, however, the Tunisian Government is now facing a difficult economic situation with serious balance of payments problems, a critical budget deficit, and the social hardships which economic downturns create for the people of that small nation.

In recent weeks, President Bourguiba visited Washington and appealed for U.S. help in providing his country with more grant assistance and more concessional terms.

My amendment would focus on this important area. It would shift $25 million from foreign military sales [FMS] treasury rate programs to the Military Assistance Program [MAP] account. In essence, the amendment before us would increase the MAP account in title I by $25 million, and decrease the FMS account by $25 million resulting in no overall increase in the bill amounts.

In summary, the amendment would ease Tunisia's serious loan burden by providing that small country with greater grant assistance. Although the amendment does not increase the overall levels of the bill, it provides the administration with greater flexibility in providing further grant assistance to Tunisia.

I call upon my colleagues to support the Broomfield amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I am happy to yield to the chairman of the committee, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I want to compliment the gentleman from Michigan on this amendment. We have examined it and we agree with the gentleman from Michigan that there is desperate need to accomplish this for the benefit of the Government of Tunisia, and we are very happy to support the amendment.

Mr. BROOMFIELD. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BROOMFIELD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FASCELL: Page 30, after line 10, insert the following new section:

SEC. 128. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS.

(a) REVISION OF AUTHORITY.—Section 27 of the Arms Export Control Act is amended to read as follows:

"SEC. 27. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS.

"(a) GENERAL AUTHORITY.—The President may enter into a cooperative project agreement with the North Atlantic Treaty Organization or with one or more member countries of that Organization.

"(b) DEFINITIONS.—As used in this section—

"(1) the term 'cooperative project' means a jointly managed arrangement, described

in a written agreement among the parties, which is undertaken in order to further the objectives of standardization, rationalization, and interoperability of the armed forces of North Atlantic Treaty Organization member countries and which provides—

"(A) for one or more of the other participants to share with the United States the costs of research on and development, testing, evaluation, or joint production (including follow-on support) of certain defense articles;

"(B) for concurrent production in the United States and in another member country of a defense article jointly developed in accordance with subparagraph (A); or

"(C) for procurement by the United States of a defense article or defense service from another member country; and

"(2) the term 'other participant' means a participant in a cooperative project other than the United States.

"(c) TERMS OF AGREEMENTS.—Each agreement for a cooperative project shall provide that the United States and each of the other participants will contribute to the cooperative project its equitable share of the full cost of such cooperative project and will receive an equitable share of the results of such cooperative project. The full costs of such cooperative project shall include overhead and administrative costs. The United States and the other participants may contribute their equitable shares of the full cost of such cooperative project in funds or in defense articles or defense services needed for such cooperative project. Military assistance and financing received from the United States Government may not be used by any other participant to provide its share of the cost of such cooperative project. Such agreements shall provide that no requirement shall be imposed by a participant for work-sharing or other industrial or commercial compensation in connection with such agreement that is not in accordance with such agreement.

"(d) AUTHORITY TO INCUR OBLIGATIONS.—The President may (to such extent as is provided in advance in appropriations Acts) enter into contracts or incur other obligations for a cooperative project on behalf of the other participants, without charge to any appropriation or contract authorization, if each of the other participants in the cooperative project agrees (1) to pay its equitable share of the contract or other obligation, and (2) to make such funds available in such amounts and at such times as may be required by the contract or other obligation and to pay any damages and costs that may accrue from the performance of or cancellation of the contract or other obligation in advance of the time such payments, damages, or costs are due.

"(e) ADMINISTRATIVE SURCHARGES.—

"(1) AUTHORITY TO WAIVE OR REDUCE.—For those cooperative projects entered into on or after the effective date of the International Security and Development Cooperation Act of 1985, the President may reduce or waive the charge or charges which would otherwise be considered appropriate under section 21(e) of this Act in connection with sales under sections 21 and 22 of this Act when such sales are made as part of such cooperative project. However, the President may reduce or waive such charge or charges only if the other participants agree to reduce or waive corresponding charges.

"(2) IMPACT ON OTHER SURCHARGES.—Notwithstanding provisions of section 21(e)(1)(A) and section 43(b) of this Act, administrative surcharges shall not be increased on other sales made under this Act in order to compensate for reductions or waivers of such surcharges under this section. Funds received pursuant to such other sales shall not be available to reimburse the costs incurred by the United States Government for which reduction or waiver is approved by the President under this section.

"(f) NOTICE TO CONGRESS.—Not less than 30 days before a cooperative project agreement is signed on behalf of the United States, the President shall transmit to the Speaker of the House of Representatives, the Chairman of the Committee on Foreign Relations of the Senate, and the chairman of the Committee on Armed Services of the Senate, a numbered certification with respect to such proposed agreement, setting forth—

"(1) a detailed description of the cooperative project with respect to which the certification is made;

"(2) an estimate of the quantity of the defense articles expected to be produced in furtherance of such cooperative project;

"(3) an estimate of the full cost of the cooperative project, with an estimate of the part of the full cost to be incurred by the United States Government for its participation in such cooperative project and an estimate of that part of the full costs to be incurred by the other participants;

"(4) an estimate of the dollar value of the funds to be contributed by the United States and each of the other participants on behalf of such cooperative project;

"(5) a description of the defense articles and defense services expected to be contributed by the United States and each of the other participants on behalf of such cooperative project;

"(6) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative projects; and

"(7) to the extent known, whether it is likely that prime contracts will be awarded to particular prime contractors or that subcontracts will be awarded to particular subcontractors to comply with proposed agreement.

"(g) OTHER NOTICE REQUIREMENTS.—Section 36(b) of this Act shall not apply to sales made under section 21 or 22 of this Act and to production and exports made pursuant to cooperative projects under this section, and section 36(b) of this Act shall not apply to the issuance of licenses or other approvals under section 38 of this Act, if such sales are made, such production and exports ensue, or such licenses or approvals are issued, as part of a cooperative project.

"(h) ADDITIONALITY OF AUTHORITY.—The authority under this section is in addition to the authority under sections 21 and 22 of this Act and under any other provisions of law.

"(i) EXISTING COOPERATIVE PROJECT AGREEMENTS.—

"(1) APPLICATION OF NEW AUTHORITIES.—With the approval of the Secretary of State and the Secretary of Defense, a cooperative agreement which was entered into by the United States before the effective date of the amendment to this section made by the International Security and Development Cooperation Act of 1985 and which meets the requirements of this section as so amended may be treated on and after such date as having been made under this section as so amended.

"(2) USE OF OLD AUTHORITIES.—Notwithstanding the amendment made to this section made by the International Security and Development Cooperation Act of 1985, projects entered into under the authority of this section before the effective date of that amendment may be carried through to conclusion in accordance with the terms of this section as in effect immediately before the effective date of that amendment.".

(b) CONFORMING AMENDMENTS.—

(1) COORDINATION WITH FOREIGN POLICY.—Section 2(b) of such Act is amended to read as follows:

"(b) Under the direction of the President, the Secretary of State (taking into account other United States activities abroad, such as military assistance, economic assistance, and the food for peace program) shall be responsible for the continuous supervision and general direction of sales, leases, financing, cooperative projects, and exports under this Act, including but not limited to determining—

"(1) whether there will be a sale to or financing for a country and the amount thereof,

"(2) whether there will be a lease to a country,

"(3) whether there will be a cooperative project and the scope thereof, and

"(4) whether there will be delivery or other performance under such sale, lease, cooperative project, or export,

to the end that sales, financing leases, cooperative projects, and exports will be integrated with other United States activities and to the end that the foreign policy of the United States would be best served thereby.".

(2) CONDITIONS OF ELIGIBILITY.—Section 3(a) of such Act is amended—

(A) in the text preceding paragraph (1), by inserting ", and no agreement shall be entered into for a cooperative project (as defined in section 27 of this Act)," after "international organization,";

(B) in paragraph (2)—

(i) by inserting ", or produced in a cooperative project (as defined in section 27 of this Act)," after "so furnished to it"; and

(ii) by inserting "(or the North Atlantic Treaty Organization or the specified member countries (other than the United States) in the case of a cooperative project)" after "international organization" the second place it appears; and

(C) in paragraph (3) by inserting "or service" after "such article" both places it appears.

(3) CANCELLATION OF CONTRACTS,—Section 42(e) of such Act is amended—

(A) in paragraph (1) by inserting ", and each contract entered into under section 27(d) of this Act," after "of this Act"; and

(B) in paragraph (3) by inserting ", or under contracts entered into under section 27(d) of this Act," after "of this Act".

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Chairman, this amendment is fully supported by the administration. It amends section 27 of the Arms Export Control Act to expand opportunities for NATO allies to participate jointly with the United States in research, development, testing, evaluation or joint production on

weapons systems which both sides would eventually procure.

□ 1340

And I would ask the gentleman from Michigan [Mr. BROOMFIELD] if he is familiar with this amendment and concurs in its purpose?

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield to me?

Mr. FASCELL. I yield to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, I do agree with the chairman of the Committee on Foreign Affairs and I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. FASCELL].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer two amendments, and I ask unanimous consent they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. SOLOMON: Page 2, lines 14, 23, and 24, strike out "$5,427,050,000" each place it appears and insert in lieu thereof "$5,462,050,000"; page 3, lines 4 and 5, strike out "$553,900,000" and insert in lieu thereof "$588,900,000"; and page 6, strike out lines 7 through 9 and insert in lieu thereof the following:

"(4) THE PHILIPPINES.—Of the total amount of credits extended under section 23 of this Act, not less than $35,000,000 for fiscal year 1986 and not less than $35,000,000 for fiscal year 1987 shall be available only for the Philippines.".

Page 8, lines 13 and 14, strike out "$761,000,000" and insert in lieu thereof "$786,000,000"; and beginning in line 17, strike out "not to exceed $25,000,000 for fiscal year 1986 and not to exceed $25,000,000 for fiscal year 1987" and insert in lieu thereof "not less than $50,000,000 for fiscal year 1986 and not less than $50,000,000 for fiscal year 1987".

Page 30, line 17, strike out "$3,900,400,000" both places it appears and insert in lieu thereof "$3,840,400,000".

Page 37, line 4, strike out "$155,000,000" both places it appears and insert in lieu thereof "$95,000,000".

Mr. SOLOMON (during the reading). Mr. Chairman, I ask unanimous consent that both amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Chairman, first of all, I ask unanimous consent that my two amendments be considered in bloc, as each one has a direct bearing on the other. And, second, I ask unanimous consent to correct a misprint in the second of my two amendments. The figure of $90 million should be corrected to read $95 million.

Mr. Chairman, these two amendments restore the proper balance of economic and security assistance to the Philippines that was proposed by the administration. These amendments would provide $95 million in economic support funds for the Philippines in each of the 2 years under this bill. They would provide the full $50 million per year in grant military aid that the administration requested and that the committee cut in half. Finally, these amendments would restore $35 million per year in military sales that the committee eliminated altogether.

In short, these amendments restore the proper mix of economic and military assistance in a $180 million annual package that is consistent with the terms of the military bases access agreement that enables our Armed Forces to use Clark Air Force Base and the Subic Bay Naval Base in the Philippines. I need not belabor the fact that these two bases are the largest military installations in the world used by American forces outside our own country. The strategic importance of these bases has increased immeasurably in recent years because of the massive Soviet military buildup at DaNang and Cam Ranh Bay in the former South Vietnam. These bases are dramatic and tangible symbols of American strategic interests in the Far East, as well as indispensable links in our chain of defense in East Asia and the western Pacific.

And so I offer these amendments in the hope that this Congress will make good on the promise given by our Government to the Philippines when the bases agreement was signed in 1983. I also want to take this opportunity to address the political situation in the Philippines at the present moment.

Mr. Chairman, we hear a lot of discussion in Congress and throughout the country about the so-called Vietnam syndrome, the need to avoid making again the mistakes that were made in Vietnam. I would suggest that we also have something today that I think can best be called the Iran syndrome, a cut and run policy that we want to take anytime an ally of our is in need. Originating in comfortable and cloistered settings thousands of miles away from the people who will actually have to live with the results of our timidity, the Iran syndrome undercuts our allies and our own strategic interests by focusing self-righteous indignation and moral outrage against whomever is the fashionable and vulnerable target of the moment. The ironic effect of the Iran syndrome is to foreclose or preclude any possibility of achieving the very reforms and changes that it professes to seek.

There is no one in this House more committed than I am in desiring to help our Filipino allies build democratic institutions and realize political reform. What I object to—and the reason why I cannot support the committee bill in its present form—is the purely vindicative approach that is taken toward President Marcos. And that is the heart of the issue: the committee bill focuses exclusively on punishing President Marcos, refusing all the while to recognize that our friendship and alliance with the Filipino people far transcend one man. Moreover, the problems in the Philippines today are political, economic, and military. We must address all three simultaneously if we are to address them at all. We cannot pursue a one-dimensional policy in the wishful hope that somehow the other areas will take care of themselves. The administration's proposals, which my amendment seek to reinstate, reflect the multifaceted dimensions of the problems in the Philippines. The committee bill simply does not.

We are being dangerously shortsighted if we continue to play a numbers game with the foreign aid bill and keep on reducing security assistance for the Philippines. We are already confronted with the need to make up for the security reductions made by Congress last year.

I am greatly concerned that a continuation of diminished and inadequate security assistance for the Philippines will result in a foreclosure of any future options we may have to pursue in the Philippines. Just suppose 2 years from now when the next Presidential election will be held in the Philippines—do we want a new President there to inherit a deteriorating security position within the country? That is exactly what will happen if the aid package in the committee bill is enacted. Moreover, the committee bill is telling the Philippines right now—in 1985—that the efforts of dedicated and professional officers in the Philippines Armed Forces to reform their organization and root out corruption are not important. The committee bill is telling the soldiers in the Philippines that an armed force doesn't need spare parts or maintenance. Finally, the committee bill is telling the Philippines Armed Forces that their civic action projects like road and school construction, medical and dental services in rural areas, are not worthy of American support.

Let me just conclude, Mr. Chairman, by returning to my opening point. This aid package—$180 million per year—is something our Government has agreed to provide the Philippines in return for their allowing our access to the military bases at Clark Field and Subic Bay. This aid package is part and parcel of our own national defense. If the foreign aid bills coming before this House continue to reflect an irresponsible approach to the Philippines, then it may just be that this

annual aid package should be made a part of the defense bill—where it belongs anyway. The rationale behind the administration's security assistance package for the Philippines must be understood, first and foremost, within the context of our own national defense.

In summary what we are doing is last year we cut military aid to the Philippines by more than 50 percent and again this year we are cutting military aid by more than one-third. The results are that the Communist guerrillas have doubled in size in the Philippines. That means that our strategic link in the Philippines which supports the freedom of the world is in jeopardy today because this Congress wants to fool around and play games with the foreign aid bill.

I do not want to put one more nickel into this budget, I do not want to spend 5 cents more; I want to put an aid package in the way it was, the way we have our legal contractual agreement with the Philippines.

Mr. Chairman, I would just say to the chairman of this committee and the subcommittee chairman for whom I have deep respect, if you want a foreign aid bill, if you want it today or tomorrow or if you want to go back to a continuing resolution like we have had for the last several years, then defeat this amendment; there will be no foreign aid bill if this House continues to defeat amendments such as this one which support our friends throughout the world.

□ 1350

Mr. SOLARZ. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me first of all make it clear that there is a broad area of agreement in the concerns which have just been expressed by my very good friend from New York [Mr. SOLOMON] and the members of the Committee on Foreign Affairs, whose language his amendment is attempting to alter.

I fully agree with my friend from New York with respect to the strategic importance of the Philippines. Our bases at Clark Field and Subic Bay are among our more important military facilities in the entire world, and I fully agree with the gentleman that our continued access to those facilities is extremely important in terms of our ability to preserve the peace and maintain a balance of power in Asia.

If the time were ever to come when we were deprived of access to those facilities, it would send shock waves throughout Asia, and our friends and allies throughout the region in Japan and South Korea, in the countries of Southeast Asia and elsewhere in Asia, would be deeply concerned about the ability of the United States to fulfill the defense commitments which we have undertaken to them.

Second, I think that we are in agreement with respect to the seriousness of the problem in the Philippines. I think both of us recognize that over the course of the last few years the Communist-dominated insurgency in that country has been transformed from a regionally based insurrection on the island of Luzon into a nationwide revolutionary movement, which may not be in a position to effectively challenge the Government of the Philippines for power today, but which if present trends continue, could very well pose a significant challenge to the Government of the Philippines sometime over the course of the next few years.

Where we differ, however, is over how our own country can best respond to this growing challenge. Put in specific and concrete terms, both the provision in the committee bill and the amendment offered by the gentleman from New York would provide a level of military and economic aid pursuant to our base agreement with the Philippines for next year of $180 million.

The difference between the committee bill and the gentleman's amendment, however, is that the gentleman's amendment would provide $60 million more in military assistance, and $60 million less in economic assistance than the provision contained in the committee bill.

The reason, I think, that the provision of the committee bill is far more desirable than the provision contained in the gentleman's amendment, in terms of our capacity to counter the growing Communist threat in that country, is as follows:

First, as serious as the military problem is in the Philippines, the economic crisis in that country at the present time is even worse. Every one of the other countries in Southeast Asia is experiencing dynamic economic growth. Yet the Philippines is the only nation in ASEAN which in 1984 had a negative rate of economic growth and a decline in their GNP of 5.5 percent.

To a very large extent it is the decline in the economy of the Philippines, and the growing inpoverishment of the people of the Philippines, which is a significant source of strength for the Communist-dominated challenge to the government of that country, and to the extent we are interested in countering that threat, I believe, as does a 2-to-1 majority in the Committee on Foreign Affairs, that we will be in a better position to counter that threat by providing additional economic aid rather than additional military aid to the government of that country.

There is a second reason why I think that the language of the committee bill, which provides $60 million more in economic aid and $60 million less in military aid than the amendment offered by the gentleman from New York, is desirable.

That is that while nobody seriously contests the fact that there is a military problem, the insurgency is growing, and that the Philippine military does require additional assistance virtually everyone agrees that military assistance by itself will not be sufficient to turn the tide.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 3 additional minutes.)

Mr. SOLARZ. The fact of the matter is that we could double, we could triple, we could quadruple the amount of military assistance provided for in the amendment of the gentleman from New York and it would do absolutely no good whatsoever in the absence of fundamental military reforms which would enable the Filipino military to effectively utilize those resources.

I regret to say it, but the fact is that the Filipino military at the present time is shot through with corruption and with indiscipline, and the fact of the matter is that the Filipino Armed Forces are contributing far more to the growth of the insurgency through its persistent abuse of human rights than it does to the effort to control the insurgency.

It is to the credit of the Reagan administration that it recognizes the need for fundamental military reforms in the Philippines, and I would be the first to acknowledge that the administration has vigorously pressed the Government of the Philippines to make precisely the kind of military reforms which everyone recognizes, except perhaps for the temporarily removed chief of staff of the Philippines, Mr. Fabian Ver, are necessary if the insurgency is going to be effectively countered.

Yet the fact of the matter is that in spite of our urging so far these reforms have not yet been made. Incompetent generals who have been appointed to their positions more by virtue of their loyalty to the President then by virtue of their military professionalism remain in positions of power. Indiscipline, rather than discipline, is characteristic of the operation of the Filipino security forces, and human rights abuses are unfortunately more the rule than the exception.

Now the administration itself, in urging the Government of the Philippines to make the necessary reforms, without which no military assistance could effectively be utilized, said to President Marcos and to the other leaders of that government, that unless they make these reforms, the Congress of the United States will probably not be willing to provide the additional resources that are necessary.

If we provide a substantial increase in military aid, and the gentleman's amendment would provide for a more than 100-percent increase in the level of military assistance we would be providing in the Philippines next year compared to what we are giving them this year, without the reforms having been made, then what incentive will the Government of the Philippines have to make the reforms which our own administration has told them will be necessary, if the Congress is going to view with sympathy the administration's request for additional military assistance.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. So I would say, Mr. Chairman, in conclusion, that I agree with the gentleman from New York, my very good friend, that additional military assistance to the Government of the Philippines is needed. But if we provide it now, before the reforms are made, our chances of getting the reforms which are necessary for the effective utilization of these resources will be virtually nil.

Lastly, let me say that if we are really concerned about maintaining access to our military facilities at Clark Field and Subic Bay, our ability to do so will depend in the final analysis on the willingness of the Filipino people to have us there.

□ 1400

If we provide a more than 100-percent increase in military assistance prior to the implementation of meaningful military, political and economic reforms, this increase will inevitably be viewed by the people of the Philippines as an effort to prop up what is unfortunately and tragically a discredited regime, rather than being seen as an effort by the United States to help the people of the Philippines deal with their pressing economic and military problems. Should such an impression, which unfortunately to some extent already exists, be reinforced and solidified, it will only compromise our long-term access to these facilities.

And so I say to my colleagues in the committee that I hope we can reject the amendment of my very good friend from New York. We can stick with the provisions contained in the bill which were supported by a more than 2-to-1 majority in the Foreign Affairs Committee. That provides for some military assistance for the Philippines, $25 million, but, unlike the amendment offered by the gentleman from New York, it does not provide a more than 100-percent increase in military assistance at a time when no significant military reforms have been made and when President Marcos has even said that if Mr. Fabian Ver, the chief of staff, who was recently temporarily suspended——

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 1 additional minute.)

Mr. SOLARZ. I appreciate the indulgence of my colleagues, and I really will wind up now.

But at a time when President Marcos has said that he intends to reinstate Fabian Ver, as chief of staff, if he should be acquitted by the court, which is now conducting the proceedings to determine who is responsible for the Aquino assassination, I say it would be a tragic mistake for us to approve this amendment, because everyone in the Philippines, everyone in Washington, everyone who knows anything about the Philippines knows, that if Fabian Ver is in fact reinstated as chief of staff in the Philippines, the prospects of these military reforms actually being implemented will be somewhere between nil and nonexistent.

Therefore, I think we should reject the amendment which my very good friend from New York, with all sincerity, has offered, and let us stick with the language and the provisions contained in the committee bill.

Mr. SILJANDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, I would like to make a few points, because I have already had my say, but it is one thing to pass legislation on this floor and put us in a position to bargain with the Senate, but when it comes to the national defense of this country, I do not think we ought to be doing that, I think we ought to be voting on the issue.

The truth of the matter is, because of the pressure that was put on the Philippines by the Reagan administration, the Philippine Government itself has reduced its military spending for its own defense purposes, which are a part and parcel of our defense purposes as well, by more than one-third in order to strengthen their economy. The Philippines today spend less money on military aid for their own country than any other ASEAN country, than any other country in Southeast Asia.

Let me also point out my worthy colleague from New York seems to indicate that the Reagan administration is opposed to my amendment. The Reagan administration has asked me to offer this amendment in order that we live up to the treaty obligations that we have for the Philippines access to Subic Bay and Clark Air Force Base.

And, finally, I think just to show the ridiculousness of passing this bill in its present form, the Philippines have not asked for double the economic aid, and that is what we are giving them. My good friend from New York has taken 50 percent of the military aid and just arbitrarily put it over into economic aid. The Philippines do not need it. They do not know what to do with it. So if you are going to do anything, maybe you just ought to be cutting the military aid. But certainly do not be wasteful when the Reagan administration and the Congress or anyone else has not asked for all this economic aid. Let us not stand here and throw away $60 million. That is why we should be supporting my amendment.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I yield to the gentleman from Iowa.

Mr. LEACH of Iowa. Mr. Chairman, there is one point, I think, that should be addressed, and that is that the bill as now constituted does obligate the same amount of money as would the Solomon approach, so it does meet our treaty commitments. The question is how those commitments are going to be dealt with in money, whether it should be preponderantly military or preponderantly economic. My own view is that it ought to be preponderantly economic, but I think the gentleman from New York—and I share the gentleman's concern—feels that we are going to have to also deal with the military situation, and my guess is that in conference you are going to see a very flexible response from the House side.

But the point is, I think the House ought to go on record as indicating at this time we are never going to solve the Philippine situation until we get an honest, careful accounting of the economic circumstances in this country. That is what the House ought to go on record for. And then at the same time there will be some flexibility and more support, I am sure, on the military side as the final bill comes back to this body.

Mr. YATRON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the committee's recommendation, $155 million in economic aid and $25 million in military assistance, strikes a more meaningful balance in our assistance program for the Philippines by placing a greater emphasis on economic and political reforms.

If our security interests in the Philippines are to be preserved, the Marcos government must undertake several concrete steps to eliminate crony capitalism, move toward a demo-

cratic form of government, and to bring an end to the abuses inflicted on the Filipino people by the military. Unfortunately, there seems to be no progress in any of these areas.

The Filipino people are nearing the crossroads of their political and economic future but are not in a position to choose which path to take. On the one hand, there is a growing Communist insurgency which, at the present rate, could take over the Philippines in the not-to-distant future. If this were to come to pass, the Filipino people would be subjected to a life of misery with no hope for establishing stable democratic institutions. In addition, the United States would lose vitally important military bases.

On the other hand, the present government offers the Filippino people nothing more than further repression, and economic deprivation. While the Marcos government touts the important security relationship it has with the United States, its internal policies are inviting anti-Americanism and violent dissent.

President Marcos would have us believe that he is in control and that he is the only alternative to the Communist NPA. Nothing could be farther from the truth. There is democratic opposition which possesses the potential to institute the military, economic, and political reforms necessary to combat the NPA and restore democracy to this strife-torn nation.

Mr. Chairman, I fully believe that the administration is seeking to encourage the Marcos government to move toward democracy and end abuses committed by the military. But the administration's overtures are being rejected by a government which neither agrees with our assessment of the military's performance nor shares our commitment to human rights and democracy.

In conclusion, the committee's recommendation represents a responsible shift in policy in two key areas. First, ir provides more assistance to the economy which is nearing the verge of collapse. Second, it provides an adequate amount of military assistance but sends a clear signal to President Marcos and the security forces that unless human rights violations, and corruption are brought to an end, higher levels of security assistance will not be forthcoming.

I urge my colleagues to defeat the amendment.

Mr. DYMALLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the amendment offered by the gentleman from New York [Mr. SOLOMON].

There is no disagreement between any of us that there is a serious and worsening Communist insurgency in the Philippines. Nor is there any dispute that the Philippine Armed Forces are seriously short of certain types of equipment that they need to combat the insurgency.

Before adopting its bipartisan amendment, the committee very carefully considered the question of aid to the Philippines.

The subcommittee decided to change the mix of economic and military aid for several reasons:

First, the Philippines is still in the midst of a major economic crisis. The Philippines' GNP declined by 5.5 percent in real terms in 1984, and at best is expected to achieve zero growth in 1985. As a result, the number of Filipinos living below the poverty line has been increasing, and unemployment and underemployment have become significant problems.

Second, unless the dismal economic picture can be reversed, the possibility of an economic collapse cannot be precluded. Under such circumstance, the ensuing chaos would certainly lead to political instability, and play directly into the hands of the NPA, whose ranks would be appreciably swelled by the victims of the collapse.

Third, in the absence of any serious external military threat to the Philippines, it is obvious that additional assistance to revive the economy will be of far greater importance to protecting the security of the Philippines than will be higher levels of military assistance.

Fourth, there are serious concerns about the utility of military assistance to the Philippines under present circumstances.

Therefore, the issue before the House is whether the Philippine military is in a position to effectively utilize $85 million in military assistance.

In conclusion, there is a very real question as to whether $85 million in military aid will make any difference at all in the counterinsurgency effort in the absence of fundamental reforms in the Philippine military.

□ 1410

Mr. LEVINE of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that both the gentleman from New York who has offered this amendment and the gentleman from New York who initially spoke in opposition to this amendment, the distinguished chairman of the subcommittee, have each outlined very well the arguments on both sides of this issue. As a member of the committee who appreciates the opportunity to serve with each of these gentlemen, both of whom make very significant contributions to the work of the committee in this and in other areas, I think that we are witnessing in the course of this debate an important example of, on the one hand, philosophical consensus with regard to some very serious problems that exist in this region of the world, but on the other hand, I think we are witnessing a case study of some of the deep disagreements that do exist with regard to how best to ameliorate these concerns and how best to approach these problems.

I will not go over in detail the arguments that have already very effectively been raised on both sides of this issue by each of the gentlemen from New York, but I do think that this debate helps to spell out a critically important difference with regard to how best to deal with the delicate problems in the Philippines.

Everybody on this floor understands that we are potentially facing very severe problems in the Philippines. Everybody on this floor understands that we are facing in the Philippines a serious Communist threat, which I do not believe any Member on this floor wants to see grow or succeed in any fashion whatsoever.

The question is how best to deal with stemming the tide of that insurgency. The question is how best can we as policymakers in this critical area provide assistance to our friends in the Philippines to stem the tide of the insurgency that nobody wishes to see succeed. Toward that end, Mr. Chairman, I believe that the subcommittee and the full committee have crafted a very thoughtful and very careful document. They have crafted a document which focuses on dealing with the urgent economic problems in the region, which focuses on assuring that there will not be an economic collapse in this area, which provides the needed military assistance with regard to essentials, but which refuses to provide more military assistance than is necessary and more military assistance than can productively be used at a time that there are other more urgent economic considerations.

The message I think that the distinguished subcommittee chairman provided is a very important message to our friends in the Philippines. That is, if we are to succeed and if our friends in the Philippines are to succeed in stemming the tide of insurgency, the reforms that our administration, the reforms that the Congress, the reforms of the Committee on Foreign Affairs have so urgently pressed upon our friends in the Philippines must be undertaken.

In the absence of those reforms, simply to pour additional dollars into this military direction and reject the mix of economic and military assistance that the Subcommittee on Asian and Pacific Affairs has fashioned, would not only be a severe mistake, but it would be the type of mistake that can only make matters worse, unfortunately, rather than better.

So while I agree that the amendment is a very sincere and well-inten-

tioned amendment, I too, would join with my other colleagues in urging that the amendment be rejected, and that the bipartisan work of the full committee and the subcommittee, as articulated by the chairman of the subcommittee, be approved by the full House.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had the good fortune of traveling with Mr. SOLARZ and Mr. SOLOMON to the Philippines recently, and while I respect the views of my colleague from New York because he has been very serious and substantive about this issue, I think accepting his amendment at this time would be unfortunate.

The provisions in the bipartisan provision that has passed the Foreign Affairs Committee are important because they use a friendly stick policy to the Government of the Philippines. When we were there, it was very clear that the shift, the balancing shift between military and economic assistance contained in the amendment had had a positive impact. It was noticed by everyone, including the Philippine Government and the military. Regrettably, there has been little progress by the Philippine military when it comes to military reforms. We had a chance to meet with Colonel Ramos who is a very constructive and positive force in the Philippines. It is clear that he needs to enact some reforms. He needs to root out corrupt and ineffective officers. But in order to undertake the kind of military reforms that are necessary, he needs to be buttressed. At present he lacks the flexibility to enact significant reforms. He may even be replaced, once again by General Ver who is a negative influence. The committee amendment provides a friendly stick to our friends. There is no question that the Communist insurgency is advancing, and it is getting worse. There is no question that we do need those bases in the Philippines.

The administration itself has testified that unless these military and internal reforms take place that the $110 million shift in funds in the Solomon amendment will make no difference at all.

So I think adopting this amendment of my colleague from New York at this time would be the wrong signal. The kind of signal that we want to send is that comes down on behalf of human rights, on behalf of free elections and reforms in the Philippines, on behalf of more attention to an economy that is in desperate shape to the millions of impoverished Filipinos, but also on behalf of the kind of military reforms that are needed to uproot this insurgency, to bring forth some stability and democracy in the Philippines.

So while I respect my colleague's intent, and his intent is a good one because he cares deeply about this issue, I think adopting this amendment at this time would be the wrong signal.

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, few things today may be as clear as we would like. The field of foreign affairs is far from a science. But one thing is certain, and upon one thing we can agree: Change is coming to the Philippines. Not the change of new faces or new political parties or even the platforms of new people in parliamentary debates, but a change, a change of generations at every level of Philippine society.

Ours is not to control the coming of change; the forces are too great. In fact, change is inevitable. But there is one thing we can do: Change the context of the debate and recognize that in that process of change there are two great forces. The rising Marxist insurgency; the promises of new totalitarianism. Or a new democracy, rooted in the great traditions of liberal democracy.

What we debate today is how much we have learned in this historic choice. Whether we finally understand in this fourth decade of the cold war that in the struggle between democracy and communism, they can promise economic progress, but it is our obligation to perform.

□ 1420

We must prove that our system can provide. We must finally understand that human rights and free expression, are our most effective weapons. And, too, we must finally understand that in the fight between dictatorship and communism, no matter how much military aid we might provide, we are unarmed.

The committee's position is designed to enhance our chances in this struggle, to aid the process of reform so that we might ultimately succeed.

I ask support for the committee's position. The Philippine people are watching. Allow them, when inevitable change comes, when the final word is written on this process of change, to understand our position. The American people were there in their time of need for a new democracy in the Philippines. Our bases remind them every day of the American commitment to our democracy. Indeed, the Philippines is littered with the bodies and the sacrifices of people who have died for our democracy. Today, let them understand that we understood their needs for economic progress, for human rights, for fundamental reform on the front line of the fight for their democracy.

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is a wrongheaded amendment. Those of us who are concerned about the Philippines realize that to continue to present course will lead to just the thing the gentleman from New York seeks to avoid.

Already, large segments of the Philippine community have turned against the Marcos government. These segment include not only poor peasants, outside insurgents, the middle class, and the business class.

I would remind the gentleman from New York that almost every time that the middle class and the business class has turned against a totalitarian or authoritarian government, that government has fallen.

We must send some shots across the bow. We must tell the President of the Philippines, Mr. Marcos, that he cannot continue along the road which he is moving along today and expect our country's support.

In title XI, I will be offering an amendment that tries to seek a middle way. The amendment does not eliminate all aid to the Philippines because they are vital to our interest, not only militarily but economically. But it does not channel all the aid through Marcos. It channels a percentage of the aid through the church group and AID, because we must show the Philippine people that we support them, that we are concerned about them, but we do not necessarily have to do it through Ferdinand Marcos, who they have turned against by and large.

But this gentleman's amendment, again, is wrongheaded because what it will do, I say to you people in the House, Mr. Chairman, will simply reaffirm to the Philippine people that the United States and Marcos are allied, that there is no alternative, and what has happened in Nicaragua will happen in the Philippines.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I will be happy to yield to the gentleman from New York. I have concluded my remarks.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, I deeply respect the gentleman, certainly, he comes from New York, as I do, but I would just propose a rhetorical question.

Does the gentleman have any idea at all what has happened to the Catholic Church when any Communist country has fallen under communism? They have obliterated the Catholic Church. If we withdraw all of the military aid, we take the guns away from the Philippines, sure, we can funnel all the aid we want, but there will not be any Catholic Church there to disburse it.

Mr. SCHUMER. Mr. Chairman, if I might just retort briefly, the very thing I am afraid about is that the gentleman's policy will lead to the obliteration of the Catholic Church because there will be no alternative but

Marcos or the Communist insurgency in that country.

Mr. WOLPE. Mr. Chairman, I rise in strong opposition to the amendment by my colleague from New York [Mr. SOLOMON]. The aid package for the Philippines contained in H.R. 1555 is the product of extensive deliberation and careful thought. The two most important characteristics of our package are an overall freeze for the entire package at the fiscal year 1985 level of $180 million and an alteration in the mix of economic and military aid from what the administration had initially requested.

If one believes that the purpose of our Foreign Aid Program should be to further American objectives in the world and to help nations promote economic and social stability, the package as drafted by the committee deserves our support. First, it is abundantly clear that the overriding crisis confronting the Philippines is economic and political rather than military in nature. The political turmoil that results from economic chaos directly benefits the cause of the Communist insurgents as citizens become disillusioned and dissatisfied with the present system. The long-term stability and security of the Philippines depends far more on their ability to get their economic and political house in order than on receiving a few more military aid dollars from us.

Second, pumping higher levels of military assistance into the Philippines may actually work against U.S. interests in the region. In the absence of substantial military reform in the Philippines, we could increase our military aid 300 percent and not see any commensurate improvement in the ability of the Philippine Armed Forces to combat the Communists. Furthermore, tightening our links to the the Philippine Armed Forces before sufficient military and political reforms have been implemented could diminish U.S. influence in the region. If we provide an increase in our military aid without insisting on the implementation of reforms, what incentive does the Philippine Government have to carry out such reforms? If the military knows in advance that U.S. largesse will continue regardless of progress on reforms, what possible leverage can we wield in pressing for the serious reforms that will be required if the Philippine Government hopes to insure the popular support necessary for stability and a lasting peace? I urge my colleagues to defeat this dangerous and counterproductive amendment.

● Mr. JEFFORDS. Mr. Chairman, I rise to urge my colleagues to support the language of H.R. 1555 in its designation of aid for the Philippines.

As my colleagues are aware, the President initially requested $195 million in economic and military aid for the Philippines. The Foreign Affairs Committee has wisely moderated this request slightly, in view of concern over the reluctance of President Marcos to allow a democratic opening in the political system, reform of the military, and respect for human rights.

The committee has also realigned our aid priorities by providing a greater portion of the $180 million aid in economic assistance and eliminating the foreign military sales funding. This aid package is well within our commitment to the Philippines following on our military base agreement. This package also provides much needed economic support for the Philippine Government, while still serving notice to President Marcos that some of his authoritarian policies must be moderated.

I would also support any linkage of future aid to democratic progress in the Philippines. Maintaining strong support for our vital allies sometimes means providing the necessary impetus for reform, especially if such reform is imperative to prevent a disintegration of representative government and the rise of Communist influence. I urge my colleagues to support democracy in the Philippines and oppose the Solomon amendment.●

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 125, noes 279, not voting 29, as follows:

[Roll No. 211]

AYES—125

Archer	Emerson	Lujan
Armey	Fawell	Lungren
Badham	Fiedler	Mack
Barnard	Fields	Martin (NY)
Bartlett	Gallo	McCain
Barton	Gaydos	McCandless
Bilirakis	Gilman	McCollum
Bliley	Gingrich	McEwen
Boulter	Grotberg	McGrath
Broomfield	Hammerschmidt	McMillan
Brown (CO)	Hansen	Mica
Burton (IN)	Hartnett	Michel
Callahan	Hendon	Miller (OH)
Carney	Hiler	Molinari
Chappell	Hopkins	Monson
Cheney	Hubbard	Montgomery
Coleman (MO)	Hunter	Moore
Combest	Hutto	Moorhead
Courter	Hyde	Murtha
Craig	Kasich	Nielson
Crane	Kemp	Oxley
Daniel	Kindness	Packard
Dannemeyer	Kramer	Parris
Darden	Lagomarsino	Pashayan
Daub	Latta	Quillen
DeLay	Lent	Ray
DeWine	Lewis (FL)	Ridge
Dornan (CA)	Lightfoot	Robinson
Dreier	Livingston	Rogers
Duncan	Loeffler	Roth
Dyson	Lott	Rowland (CT)
Eckert (NY)	Lowery (CA)	Rudd
Schaefer	Smith, Denny	Swindall
Schulze	Snyder	Taylor
Sensenbrenner	Solomon	Thomas (CA)
Shaw	Spence	Vucanovich
Shuster	Stenholm	Weber
Siljander	Strang	Whitehurst
Skeen	Stratton	Wortley
Slaughter	Stump	Young (FL)
Smith (NE)	Sundquist	Zschau
Smith (NH)	Sweeney	

NOES—279

Ackerman	Ford (MI)	Mitchell
Addabbo	Fowler	Moakley
Akaka	Frank	Mollohan
Alexander	Frenzel	Moody
Anderson	Frost	Morrison (WA)
Andrews	Fuqua	Mrazek
Annunzio	Gejdenson	Murphy
Anthony	Gekas	Natcher
Applegate	Gephardt	Neal
Atkins	Gibbons	Nelson
AuCoin	Glickman	Nichols
Barnes	Gonzalez	Nowak
Bateman	Goodling	O'Brien
Bates	Gordon	Oakar
Bedell	Gradison	Oberstar
Bennett	Gray (IL)	Obey
Bentley	Green	Olin
Bereuter	Gregg	Ortiz
Bevill	Guarini	Panetta
Biaggi	Gunderson	Pease
Boehlert	Hall (OH)	Penny
Boggs	Hall, Ralph	Pepper
Boland	Hamilton	Perkins
Boner (TN)	Hatcher	Petri
Bonior (MI)	Hawkins	Pickle
Borski	Hayes	Porter
Bosco	Henry	Price
Boucher	Hertel	Pursell
Boxer	Holt	Rahall
Breaux	Horton	Rangel
Brooks	Howard	Regula
Bruce	Hoyer	Reid
Bryant	Huckaby	Richardson
Burton (CA)	Hughes	Rinaldo
Bustamante	Jacobs	Roberts
Byron	Jeffords	Rodino
Carper	Johnson	Roe
Carr	Jones (NC)	Roemer
Chappie	Jones (OK)	Rose
Clay	Jones (TN)	Rostenkowski
Clinger	Kanjorski	Roukema
Coats	Kaptur	Rowland (GA)
Cobey	Kastenmeier	Roybal
Coble	Kennelly	Russo
Coelho	Kildee	Sabo
Coleman (TX)	Kleczka	Savage
Collins	Kolbe	Saxton
Conte	Kolter	Scheuer
Coughlin	Kostmayer	Schneider
Coyne	LaFalce	Schroeder
Daschle	Lantos	Schuette
Davis	Leach (IA)	Schumer
de la Garza	Leath (TX)	Seiberling
Dellums	Lehman (CA)	Sharp
Derrick	Lehman (FL)	Shelby
Dickinson	Leland	Shumway
Dicks	Levin (MI)	Sikorski
Dingell	Levine (CA)	Sisisky
DioGuardi	Lipinski	Skelton
Dixon	Lloyd	Slattery
Donnelly	Long	Smith (FL)
Dorgan (ND)	Lowry (WA)	Smith (IA)
Dowdy	Luken	Smith (NJ)
Downey	MacKay	Smith, Robert
Durbin	Madigan	Snowe
Dwyer	Manton	Solarz
Dymally	Markey	Spratt
Early	Marlenee	St Germain
Eckart (OH)	Martin (IL)	Staggers
Edgar	Martinez	Stallings
Edwards (CA)	Matsui	Stangeland
Edwards (OK)	Mavroules	Stokes
English	Mazzoli	Studds
Erdreich	McCloskey	Swift
Evans (IA)	McCurdy	Synar
Evans (IL)	McDade	Tallon
Fascell	McHugh	Tauke
Fazio	McKernan	Tauzin
Feighan	McKinney	Thomas (GA)
Fish	Meyers	Torres
Flippo	Mikulski	Torricelli
Florio	Miller (WA)	Towns
Foley	Mineta	Traficant

Traxler	Waxman	Wise
Udall	Weaver	Wolf
Valentine	Weiss	Wolpe
Vander Jagt	Wheat	Wright
Vento	Whitley	Wyden
Visclosky	Whittaker	Wylie
Volkmer	Whitten	Yates
Walgren	Williams	Yatron
Walker	Wilson	Young (AK)
Watkins	Wirth	Young (MO)

NOT VOTING—29

Aspin	Crockett	Jenkins
Beilenson	Foglietta	Lewis (CA)
Berman	Ford (TN)	Lundine
Bonker	Franklin	Miller (CA)
Brown (CA)	Garcia	Morrison (CT)
Broyhill	Gray (PA)	Myers
Campbell	Hefner	Owens
Chandler	Heftel	Ritter
Conyers	Hillis	Stark
Cooper	Ireland	

□ 1440

The Clerk announced the following pairs:

On this vote:

Mr. Franklin for, with Mr. Miller of California against.

Mr. Ireland for, with Mr. Berman against.

Mr. STANGELAND changed his vote from "aye" to "no."

Mr. MOORHEAD changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. GRAY of Illinois) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

□ 1443

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. SILJANDER

Mr. SILJANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SILJANDER: Page 30, after line 10, insert the following new section:

SEC. 128. PROHIBITION ON MILITARY ASSISTANCE FOR MOZAMBIQUE.

None of the funds authorized to be appropriated by this title may be used for assistance for Mozambique.

Mr. FASCELL. Mr. Chairman, will the gentleman yield for a brief announcement?

Mr. SILJANDER. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I thank the gentleman.

I just simply wanted to state that it is the intention of the committee to go until 6 o'clock tonight.

Mr. SILJANDER. Mr. Chairman, my amendment is very simple and straight forward. The administration is proposing a $3 million military aid package which includes $150,000 IMET to the Republic of Mozambique.

As the ranking Republican member on the Africa Subcommittee and having recently visited southern Africa, I stand in opposition to that proposal.

Why? Mozambique, is a Marxist-Leninist dictatorship. Today there are thousands of Cuban, East German, Tanzanian, North Korean, Zimbabwean, and Soviet troops in that country. It is clear that they are solidly in the Soviet bloc.

Mozambique and their admitted Communist rulers maintain control, according to Amnesty International and other human rights reports, by tactics of fear and brutality. All the human rights reports certify that Mozambique is definitely not a free country. So why are we so seriously considering funding a totalitarian nation.

There are 200,000 to 300,000 Mozambiqueans now in prison in so-called reeducation camps in Mozambique. Our assistance could well help pay for the foreign prison guards, since Mozambique will have more free money; but this time from the good old America.

The Washington Times recently reported that Mozambique has sent up to 12,000 children to work in slave labor camps and mines and factories in East Germany. This they claim is repayment to East Germany for the troops and advisers.

Now, I posed this question to several in the State Department and others and the response was, "Oh, they are not there in slave labor camps. They are there on paid scholarships"—which I seriously doubt.

There are over 200,000 Mozambiquean men, women, and children that are now starving, thanks to the Bulgarian fertilizer that burned most of the soil and, of course, the Soviets are raping the waters of the best fish and selling back the worst fish to the Mozambiqueans themselves.

□ 1450

They have an effective secret police network that is trained and organized by East Germany. They have long-term detention without trial. It continues. And they severely torture and beat many of their prisoners.

Mr. Chairman, I went to Mozambique, as I said earlier, and as I was flying into Maputo, the capital of that country, I saw beautiful skyscrapers, I saw construction cranes that looked as though they were poised for continued construction. I landed in the airport and was stunned to realize that most of these beautiful buildings, were empty. Those construction cranes were poised and indeed they have been poised for well over a decade. There is no new construction in Mozambique. Mozambique is an economic catastrophe.

However, Mozambique does seem to have enough money to buy Soviet M124 assault helicopters, the same helicopters that are used in the skies of Afghanistan. And they claim, well, Mozambique is coming our way, we can rely on Mozambique. They are yielding to us a bit and they use their UN voting record as an example.

In fact, Mozambique has a zero percent voting record on issues important to the United States. Although the contention is that they are coming our way because recently on a few U.N. votes they have abstained rather than voting against us as they have consistently in the past.

Do we want to support a country who 10 days after our President signed a memorandum stating that the Mozambican country should receive military aid from the United States, met with Mongolian officials, with glowing praises for the Palestine Liberation Organization, glowing praises for the Soviet domination of Afghanistan and for the Sandinista behavior in Nicaragua. Is this the type of regime that we should be sending military aid to?

Providing this kind of assistance very clearly will allow Mozambique to divert their resources to more lethal weaponry. Our Government should be doing all we can to assist freedom fighters in that region, not assisting clearly Marxist governments in Mozambique.

For example, the other argument is well, they are participating in the IMF and World Bank. Does that not make them part of the West? Does that mean that they are leaning our way?

Well logically, if I were Mr. Machel, the President of that country, and I had such a nation in total economic and political distress, people that were starving, and freedom fighters dominating all the country, I would be thrilled to obtain these funds.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. SILJANDER] has expired.

(On request of Mr. HYDE, and by unanimous consent, Mr. SILJANDER was allowed to proceed for 3 additional minutes.)

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I will be happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I thank my friend for yielding. I just wanted to parenthetically state that the gentleman is a relatively new Member of this body and I am not an old Member, but I have been here 11 years, and I have learned something that I would like to share with my friend.

The rule around here on foreign aid is if you want to send a signal on human rights to a rightwing country, one that is pro-West and pro-American, such as Marcos or even a country like South Africa, the way you send that signal to them is to take assets away from them, deprive them of our largesse. But where you have a leftwing dictatorship or a Communist country, the way to send a signal to them is to send assets to them.

Now I have never understood the rationale, but that is the way it works around here and I thank my friend for listening.

Mr. SILJANDER. I thank the gentleman for his comments. They are right on target.

So the argument goes they are participating in IMF and the World Bank. As I was saying previously, if my country is under economic siege, as well as siege from a pro-democratic, pro-Western insurgency, I would be more than thrilled to obtain funds, especially from the West. And the Soviet Union certainly, would not mind one bit if the West contributes financially through the IMF and the World Bank. It is a logical and practical approach.

Another argument is, well, military aid is very limited and very symbolic. The proposal for 1985 was $1 million. The proposal for 1986 is $3 million. Indeed, it is minor, but think for a minute, ladies and gentlemen, the precedent this sets, that we in the United States will begin an accelerating military buildup of a pro-East, pro-Soviet, pro-PLO, anti-Israeli Government in Africa. It is not consistent with the goals and the precepts that I believe we have in the United States.

The other argument is that, well, Machel really is not a Communist, he only says that to get help from the Eastern Bloc countries and the Soviet Union. He is a Maoist. He studied in China.

He studied in Algeria. The New York Times called him an avowed Marxist/Leninist. He referred to Cuba as liberated American territory and described Pol Pot's Kampuchea as one of mankind's liberated zones.

This is the man we are sending $3 million of military aid to, in addition to the $150,000 in military training aid? I think it is nonsense. We in America should not be in a position to subsidize the Soviet Union and subsidize, especially in a military fashion, a Marxist/Leninist dictatorship, with human rights violations from A to Z such as Mozambique.

I yield back the balance of my time.

Mr. SOLOMON. Mr. Chairman, I move to strike the last word and I rise in support of the amendment.

As the gentleman from Michigan [Mr. SILJANDER] may also be aware, I also have an amendment at the desk dealing with this very same subject. However, I will not offer my amendment because the gentleman from Michigan's amendment addresses very directly and concisely the concerns that I have.

Suffice to say that my amendment would have established certain conditions on the Government of Mozambique without which our military assistance would not have been permitted. Those conditions, ladies and gentlemen, include, and it may sound familiar to you because you have all voted for these same conditions a number of times for another country, but those conditions would have included a concerted and significant effort by the Government of Mozambique to comply with internationally recognized human rights. Sound familiar?

Implementation of essential economic reforms, including restoration of private property. Sound familiar?

A reduction in foreign military personnel to no more than 55 by September 30, 1986. That sounds familiar.

The holding of free elections by September 30, 1986, including good-faith efforts to negotiate with all major political factions in Mozambique that desire a political solution to the internal conflicts in that country. That sounds familiar, too.

And the elimination of all restrictions on the formation and activities of opposition political parties.

If all that sounds familiar to you, that is exactly the conditions we laid down on El Salvador, and I guess it works. We have a democracy there.

My point is obvious. Under my amendment, military assistance for Mozambique would have been prohibited because we all know that a Marxist/Leninist dictatorship can never set such conditions. The gentleman from Michigan realized that, and his amendment gets right to the point, prohibiting unconditionally any and all military aid for Mozambique. That to me makes a lot of sense.

The Government of Mozambique has never made any pretense about relying on any other method of staying in power other than bullets, certainly not with ballots.

So I certainly strongly support the gentleman's amendment. History has yet to record a single example of any dictatorship like that in Mozambique ever voluntarily adopting democratic principles. We should not be providing military assistance to that Government here today, and I support the gentleman's amendment.

Mr. WOLPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the first point that needs to be understood, with respect to this amendment, is that the funding for this legislation is at the request of the administration, hardly an administration that is either insensitive to or unconcerned about the nature of Marxism and Leninism or the Soviet threat in Africa or elsewhere in the world. The administration requested this modest amount of military assistance, which would go for nonlethal equipment and for a very modest program to train officers in the United States, out of a recognition that Mozambique is undergoing a very dramatic reapprisal of both its domestic and foreign policies.

This amendment, which has been offered by my distinguished colleague from Michigan [Mr. SILJANDER], must be opposed because the prohibitions against military assistance that the amendment would insert would have the perverse effect of increasing Mozambican dependence upon the Soviets at the very moment the Mozambican Government, through both word and deed, is showing its intention to move toward a policy of genuine nonalignment, and to move closer to the United States and to the Western World, both economically and politically.

Passage of this amendment would, in effect, tie the hands of the administration in its diplomacy within the region and would directly harm American interests.

□ 1500

This amendment is contrary to the policy of the administration, which is designed to prevent the spread of Soviet influence in Mozambique and southern Africa.

Let me cite for my colleagues some of the specific changes in economic and political policies that have been undertaken by the Mozambican Government in recent years and that have led to improved relations with the West, and particularly with the United States. In addition to encouraging private-sector investment, both within its own country and from Western nations, Mozambique recently took the important step of joining the International Monetary Fund and the World Bank.

The Government of Mozambique is now in discussion with the Paris Club of Western donors on debt rescheduling, fiscal and monetary policy reforms, and potential economic development activities. American business representatives and others have been accorded warm welcomes within Mozambique. It is as a result of these changes the new foreign aid program has been crafted by this administration to further encourage that change of direction with respect to both do-

mestic and foreign policies of the Government.

The Mozambican Government recently entered into an agreement with the South African Government. The United States helped to facilitate the discussions between Mozambique and South Africa. The result of those discussions was an agreement called the Nkomati accord whereby the Mozambican Government undertook to ban the African National Congress from military operations on Mozambican soil. In exchange for that agreement by the Mozambican Government, the South African Government undertook to stop support for the insurgency that continues to take very destructive actions in the Mozambican countryside. That insurgency, rather than the embodiment of Western values representing some kind of strong anti-Communist force was, to the contrary, established in the course of the struggle for Zimbabwean independence. It was the creation originally of the white minority regime in Rhodesia, it was later taken over by the South Africans who continued training and logistical support, it has made the task of providing relief to the victims of famine in Mozambique very difficult, as well as and severely impeding economic development in Mozambique.

I want to emphasize that the people of Mozambique have suffered dearly in the past couple of years when some 100,000 people died within one 6-month period as a consequence of the famine. When I and others of my colleagues visited Mozambique in January 1985 we were informed by our own Embassy in Maputo that the insurgency, which continues to receive support from inside South Africa, has been a major impediment to providing relief in the famine situation there.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLPE] has expired.

(By unanimous consent Mr. WOLPE was allowed to proceed for 5 additional minutes.)

Mr. WOLPE. It is that insurgency that hindered the relief efforts and severely restricted the economic development aspirations of the country. Very dramatically, in September of 1984, Mozambique signed the private-sector rehabilitation project agreement with the United States. Monitored by the Agency for International Development, this project aims to revive Mozambique's private-sector economy through technical and training assistance and commodity import mechanisms.

Mozambicans are moving away from the kind of heavy state control of the economy to encourage private-plot agriculture and to develop the private sector within Mozambique. They have in fact responded to virtually every one of the initiatives that the United States has put forward in recognition that their dependence upon the Soviets has yielded them very little that is economically substantial and that what they really do need and want and desire is much improved relations with the West. They have even gone to the Portuguese and received some military assistance from their former colonial power, Portugal.

Let me close by quoting from Melvin Laird, who within the past couple of weeks had an article appear in the Washington Post. Mr. Laird of course is a former Republican Representative in this body from Wisconsin and former Republican Secretary of Defense.

Let me quote from Mr. Laird's article:

> Over the past two decades we have seen numerous African nations turn away from the Soviet models and political alliances, Egypt, Somalia, Guinea, Mali, Cape Verde, Guinea-Bissau, and Madagascar. Now the United States has the opportunity to reverse Soviet influence in the self-styled Marxist nation of Mozambique.

Mr. Laird goes through some of the history which I have just described and concludes:

> I recognize there are those who argue that the United States should have nothing to do with a self-styled Marxist state. I disagree. The only way we can advance United States strategic goals in the Third World is if we compete in relevant ways, on the ground, through our programs, our presence, and our diplomacy. The United States should be ready to respond constructively to openings that advance our interests whenever they occur.

That is precisely the situation that is taking place right now in Mozambique.

That is why the administration has correctly responded to that opportunity. For this body, at this point, to essentially turn its back on the administration's policy which really represents a rebuff to the Soviets, and an opportunity for the United States, I think would be folly.

I would urge a "no" vote on the amendment of my colleague from Michigan.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I would be pleased to yield to the gentleman from Michigan.

Mr. SILJANDER. I thank the gentleman for yielding.

Mr. Chairman, I think one element is important to respond to. Yes, the administration supports military aid to Mozambique in the context of its entire regional policy. So of course I imagine that following through on that you support constructive engagement in South Africa, their policy in Namibia Zaire, Sudan, Morocco, western Sahara, Liberia. Obviously it seems that when it suits you, you want to support the administration.

Mr. WOLPE. Reclaiming my time, when the administration is right I am always pleased to lend my support as I do at this point.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Michigan.

Mr. SILJANDER. I thank the gentleman for yielding.

Mr. Chairman, I still fail to see any reason, any practical reason why this country should support militarily the Marxist regime in Mozambique. We have not heard one constructive reason.

The reasons are, "Well, the administration supports it." The second reason is: "Well, businesses are being welcomed in Mozambique."

Well, there is Pepsi being sold in China and the Soviet Union.

The South African Government signed the Nkomati accords. Of course they signed the accords. This is of obvious benefit to both countries to sign those accords because in signing those accords South Africa agreed no longer to support RENAMO, the insurgency force some of us call the freedom fighters in that country. So of course they signed the Nkomati accords. That does not mean they are yielding our way. That is not a reason for American taxpayer dollars to go to the Marxist Government of Mozambique.

So I have failed to see a practical reason why we should get involved.

Then of course the contention is we need to send military aid because RENAMO is causing starvation. That was the implication made by the gentleman from Michigan [Mr. WOLPE].

Floods cause starvation, cyclones, and droughts; but also the economic bondage placed by the Marxist-Leninist Socialist system.

The Bulgarian fertilizer, as I stated earlier, is also a cause. Mozambique invited the Bulgarians to come in, and the Bulgarians offered new contemporary ideas of state farming. They used Bulgarian fertilizer, and essentially it burnt their soil and made it useless for years to come.

The state-controlled communal farms have not produced food.

Their reforestry settlements have helped engage in a depression economically. The Soviet exploitation of their copper, their coal, their fish, and their other natural resources have also contributed to the economic plight of that country.

So when one gets down to the bottom line there is not one reasonable logical reason for us to send our money there.

□ 1510

The gentleman from Michigan did allude to the IMF and World Bank, and I repeat what I said in the well: If

I were the president of a country in such desperate situation, I would be more than thrilled to take money from anywhere; the East, where they are taking it, and the West, where they are receiving it as well.

They are the best of both worlds. Yield a little bit to the West, let them know we might offer some business opportunities—and by the way, give us several billion from IMF and World Bank to shore up a failing Socialist economy, and by the way over here, it is the Soviet Union, and east bloc countries, and Cuba, and they are willing to take your money as well.

Machel is a very brilliant tactician. He has successfully convinced many on both sides, the East and the West, that their money is as green on either side.

Mr. GILMAN. I thank the gentleman for his remarks, and would be pleased to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding. I was just looking at some figures here, some statistics, and I cannot for the life of me understand how anybody in their right mind could want to send military assistance to a Marxist-Leninist-Communist government that is perpetrating the kinds of atrocities that Mozambique is perpetrating upon its citizens. Especially the United States, a free country, who fights for freedom and believes in freedom throughout the world.

Here are some facts: At present, Mozambique is kept in power through the help of 18,000 Cubans, East Germans, Tanzanians, North Koreans, Zimbabweans, and Soviet troops and advisers.

Mozambique has been one of the United States' most vocal critics in the United Nations. Why are we helping them? They fight us every step of the way.

It is believed right now that they have between 200,000 and 300,000 Mozambiquans imprisoned in so-called reeducation camps, and at least 200,000 Mozambiquans are starving while Mozambique lets the Soviet Union take all it can out of Mozambique's economy and waters.

I think it is a tragic mistake for this body to even consider giving military aid and assistance to this country, let alone actually do it.

I urge all of my colleagues to vote for this amendment.

Mr. LEVIN of Michigan. Will the gentleman yield?

Mr. GILMAN. I yield to the gentleman.

Mr. LEVIN of Michigan. I have been listening to the debate, and I came here with an open mind and I have heard the gentleman from Michigan and now the gentleman from Indiana saying there is not any single, logical reason to support the proposal.

So I would like to ask, why has the administration proposed it?

Mr. BURTON of Indiana. If the gentleman will yield to me, I think you will have to ask them that. I have been in the past one of the most vocal supporters of the administration, and I think my voting record will attest to that fact, but that does not mean I agree with them on everything; and this is one of the areas where I strongly disagree with them.

(By unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Will the gentleman continue to yield to me?

Mr. GILMAN. I yield to the gentleman.

Mr. BURTON of Indiana. Last week, you will recall, on this floor I quoted the Foreign Minister of China, who said that within 8 to 10 years, if their military and economic conditions will allow it, they plan to invade Taiwan, the seventh largest trading partner of the United States.

I disagree with this administration requesting aid, military or economic, to the Communist Chinese if they plan to invade one of our strongest and most proven allies and our seventh largest trading partner. Taiwan is a free country; one of our best friends and we are supporting economically and militarily Communist China who plans to invade them in 8 to 10 years. I don't understand this.

Likewise, I don't understand and I violently oppose giving military aid or assistance to any Communist country that represses its people like Mozambique does.

Mr. SILJANDER. Will the gentleman yield?

Mr. GILMAN. I will yield to the gentleman.

Mr. SILJANDER. Mr. Chairman, I think in further response to the gentleman from Michigan's valid question, as I said to the other gentleman from Michigan [Mr. WOLPE], one of the reasons it is my impression the administration does support this is in the context of its entire South African hemispheric regional policy.

I do not support the constructive engagement policy of the administration, as I said in and out of 22 hours of debate on South Africa on the floor. So therefore, because the administration supports something, it does not mean necessarily that this gentleman, who happens to be the ranking Republican on the subcommittee, will run right after the administration and support it.

It is in the context of an entire hemisphere policy. Some of those policies; two of them I have identified in the last 3 weeks, I personally do not agree with.

Why does the administration support it? I told you: I think it is a regional policy; and part of that policy which the gentleman from Michigan does not support the entirety of that policy, as this gentleman does not.

Mr. LEVIN of Michigan. Would the gentleman from New York yield?

Mr. GILMAN. I yield to the gentleman.

Mr. LEVIN of Michigan. I think this is an important issue, and we ought to spend a few more minutes on it.

I would then ask the gentleman from New York if the gentleman from Indiana cannot explain, the following. Maybe the gentleman can; maybe the ranking Republican on the committee can.

(By unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. I yield further to the gentleman.

Mr. LEVIN of Michigan. Is the position of the gentleman from Michigan that the administration is supporting this only if tied to other assistance, or is the administration's position, as far as the gentleman understands it, that it supports this specific provision regardless of what we do relative to South Africa?

I do not see any evidence anywhere that the administration is conditioning its request on assistance anywhere else. I think with due respect to my friend from Michigan that is not a good explanation, and the gentleman does not support it; maybe that is why you give a bad explanation for the administration's position.

Does the administration want this money, in simple English, or does it not want this money?

Mr. GILMAN. If I might respond to the gentleman, the administration has set forth its justification as its provision for security to Mozambique will materially assist the accomplishment of U.S. goals in the vital southern African region.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. GILMAN. I yield to the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, I think that the administration obviously has reasons for this assistance, but that does not mean that we should be automatons and vote in favor of it because they asked us to, even though we are loyal Republicans or supporters of the President.

The fact of the matter is, it is a mistake for the United States to do this. Mozambique is Communist—repressive and antifreedom.

I would like to add one more thing, and that is one of the largest labor leaders in my district replied to an editorial I wrote in the Indianapolis Star regarding Nicaragua, and he indicated he could not see why we would support, freedom fighters in Central America and at the same time oppose like freedom fighters in Mozambique.

(By unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. Mr. Chairman, I will be pleased to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, we have a very similar situation in Mozambique; we have a very repressive Marxist-Leninist government, who is repressing its people and trying to expand its sphere of influence, and we have freedom fighters over there who want to have free elections and free institutions, like our friends in Central America would like to have. I think it is inconsistent for us to support the freedom fighters in Central America and to oppose the freedom fighters in Mozambique. I think that this labor leader in the UAW in Anderson, IN, was right on target when he asked Why?

Mr. SILJANDER. Will the gentleman yield?

Mr. GILMAN. I yield to the gentleman.

Mr. SILJANDER. I thank the gentleman from New York for yielding.

Mr. Chairman, it is interesting, the sudden rise of interest in why the administration does what it wants to do and why it supports various policies in the southern Africa region, but I think there is another subtle reason.

It is because South Africa itself supports U.S. military and economic aid to Mozambique. I talked with Mr. Botha, the Foreign Minister of South Africa, and he himself was very encouraging to me, as a congressman visiting his country, that we should in fact support Mozambique, because from South Africa's point of view, the Government of South Africa, stabilizing Mozambique helps South Africa's security.

A secondary reason: The administration is supporting repeal of the Clark amendment. I wonder if the gentleman would also support the repeal of the Clark amendment.

I mentioned constructive engagement. Neither of us support constructive engagement.

So it seems like some of us support some of the policies some of the time but neither of us all of the policies all the time, and we are not here debating, necessarily, the administration's policy; that is not the amendment. The amendment is whether or not this country, the taxpayers of this Nation, will give taxpayers dollars to support a Marxist-Leninist regime that has given no reason for us to give military aid, let alone any other type of aid excluding emergency food aid; there is not one solid reason to do so, and I have not yet heard a respectable, logical reason.

Mr. GILMAN. I thank the gentleman for his remarks, and I urge my colleagues to support the gentleman's amendment.

□ 1520

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, it seems to me that implicit in the arguments for the amendment of the gentleman from Michigan is the premise that once a country or a government describes itself as Marxist-Leninist, no matter how it changes its foreign policy directions or alliances or tendencies, we—the United States of America—are bound in by that country's prior labeling of itself, and even if it is in the best interest of the Government of the United States of America, we will not change our position to reflect that other government's new position.

A number of us had occasion as members of the Subcommittee on Africa to visit Mozambique in 1983 and again in 1985. The changed attitudes by the Governments of Mozambique and of the United States toward each other were diametric, a 180-degree turn. The reason that the Reagan administration is asking for this kind of help is because they have found that by action, not just rhetoric, the Government of Mozambique has been helpful in attempting to resolve the major problems in the southern area of Africa. They have used their best efforts in an attempt to achieve a resolution of outstanding problems concerning Angola, Namibia, and South Africa.

Now, it seems to me that if the Reagan administration feels that it is helpful to provide the Mozambique Government some breathing room at this point in order to allow it to continue to move in our direction, we ought to be applauding and supporting the administration for doing that. For those who may be familiar with the situation, Mozambique is rent by not just the drought and the famine and the starvation that is going on, but by a civil war with no ideological convictions. It is not a matter of "freedom fighters" against the Government of Mozambique. It is, rather a number of disparate groups, some of whom are outright bandits, some of whom were set up by the Rhodesian Government, some of whom are now being supported by some elements from South Africa, not necessarily the Government of South Africa, and some of whom are funded by factions of the Portuguese colonialists who lost their economic power when the revolution occurred.

Our own people in the Government of the United States, tell us that if the Government of Mozambique fell, those groups overturning it, would be incapable of governing and there would be absolute chaos. It is to the interest of the Government of the United States to help to stabilize the situation in Mozambique. It seems to me that a $3.5 million military, nonlethal assistance program, as well as some training for their officers, is a small price to pay on the road toward weaning a Marxist-Leninist government away from the direction in which they were headed. So I would hope that in following the good sense of the Reagan administration, in recognizing the realities of that situation, that we would defeat the amendment offered by the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding, and I wish to simply commend the gentleman on his statement. The administration has recognized, in the case of Mozambique, in direct response to my colleague, the gentleman from Michigan, that we do have an interest in encouraging this very dramatic movement by Mozambique toward a nonaligned posture, toward a closer political, economic, and military relationship with the West.

The reason for allowing the very modest amount of military assistance to go forward is very simple. It is a signal to the Mozambicans that they do not have to be dependent upon the Soviets to protect their legitimate security interests. It is also a signal to the South Africans that we take seriously the Nkomati accord and expect the South Africans to do whatever is necessary to make certain that logistical support does not continue to flow to that dissident movement.

I noticed that some of my colleagues have referred to the MNR as freedom fighters. Let it be very clearly understood that this is a movement that was started by people committed to the preservation of white minority rule in South Africa and indeed earlier in Rhodesia. And it continues to be supported logistically and financially by people committed to the preservation of apartheid and white minority rule in South Africa.

I submit that that is hardly the kind of freedom fighter with whom Americans want to be identified.

The CHAIRMAN. The time of the gentleman from New York [Mr. WEISS] has expired.

(On request of Mr. SILJANDER and by unanimous consent, Mr. WEISS was allowed to proceed for 2 additional minutes.)

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair wishes to state, for the benefit of all Members, that the Committee has now consumed out of the allotted 10 hours of debate 2 hours and 3 minutes.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield briefly to the gentleman from Michigan.

Mr. SILJANDER. Just in response to the other gentleman from Michigan, I met with the leadership, the Portuguese, the white Portuguese and the Indian leadership of Mozambique, most of whom are white or Portuguese or Indian of Mozambique. I did not call Renamo freedom fighters. I said some refer to Renamo as freedom fighters. It is Renamo versus the Marxist-Leninist government. And isn't it interesting, you are claiming that Renamo is all backed by the South African Government. The South African Government themselves support military aid by the United States and economic aid to the country of Mozambique. In doing so, we are complying with the policies of the South African white government.

Mr. MOODY. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to my good friend, the gentleman from Wisconsin.

Mr. MOODY. I commend the gentleman for his statement. There are two things that are very important. One is that it can be in our interest to support a regime regardless of the labeling, and the administration has very carefully considered this matter. As someone who traveled to Mozambique last year with the gentleman from New York [Mr. WEISS] and Chairman WOLPE, I can agree with the analysis that you offer. Mozambique has made tremendous strides away from the Soviet Union, whose position has been substantially eroded in Mozambique. That was clear on our visit earlier this year.

Second, to call the terrorists in Mozambique freedom fighters is obviously a misnomer. People from both the left and from the right agree that there would be total chaos that these groups that the Mozambicans are attempting to contain were to topple the government. So they are in no sense freedom fighters.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SILJANDER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SILJANDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So, the amendment was rejected.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—ECONOMIC SUPPORT FUND

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS.—Section 531(b)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(b)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter $3,900,400,000 for fiscal year 1986 and $3,900,400,000 for fiscal year 1987. In addition to the amount appropriated by Public Law 98-473, there are authorized to be appropriated to the President to carry out this chapter $1,500,000,000 for fiscal year 1985, which shall be available only for Israel.".

(b) REPEAL OF PRIOR YEAR PROVISIONS.—Chapter 4 of part II of such Act is amended by repealing existing sections 532, 533, 534, 536, 537, 538, 539, and 540.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 202. EMERGENCY ASSISTANCE.

Section 535 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "1982" and "1983" inserting in lieu thereof "1986" and "1987", respectively; and

(2) by redesignating that section as section 532.

SEC. 203. TIED AID CREDIT PROGRAM.

Chapter 4 of part II of the Foreign Assistance Act of 1961, as amended by the preceding sections of this title, is further amended by adding at the end thereof the following new section:

"SEC. 533. TIED AID CREDIT PROGRAM.

"(a) REQUIREMENT FOR ALLOCATION OF FUNDS.—The amounts specified in subsection (b) of this section shall be deposited in the fund authorized by subsection (c)(2) of section 645 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635r) and shall be used by the Agency for International Development in carrying out the program of tied aid credits for United States exports which is provided for in that section.

"(b) AMOUNTS TO BE ALLOCATED.—Of the amounts authorized to be appropriated to carry out this chapter which are allocated for Commodity Import Programs—

"(1) not less than $50,000,000 for fiscal year 1986, and

"(2) an aggregate of not less than $100,000,000 for both fiscal years 1986 and 1987,

shall be deposited pursuant to subsection (a) of this section. Amounts deposited pursuant to paragraph (1) of this subsection in the fund authorized by section 645(c)(2) of the Trade and Development Enhancement Act of 1983 shall remain available for obligation through September 30, 1987.".

SEC. 204. ASSISTANCE FOR THE MIDDLE EAST.

(a) ISRAEL.—

(1) EARMARKINGS FOR ISRAEL.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $1,200,000,000 for fiscal year 1986 and not less than $1,200,000,000 for fiscal year 1987 shall be available only for Israel.

(2) CASH TRANSFERS TO ISRAEL.—The total amounts of funds allocated for Israel under chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 and fiscal year 1987 shall be made available as a cash transfer on a grant basis. Such transfer shall be made on an expedited basis in the first 30 days of the respective fiscal year. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfer made to Israel does not cause an adverse impact on the total level of nonmilitary exports from the United States to Israel.

(b) EGYPT.—

(1) EARMARKINGS FOR EGYPT.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $815,000,000 for fiscal year 1986 and not less than $815,000,000 for fiscal year 1987 shall be available only for Egypt.

(2) CASH TRANSFERS TO EGYPT.—Amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated for assistance for Egypt for fiscal year 1986 and fiscal year 1987 may be provided as a cash transfer only if—

(A) the President determines that Egypt will undertake economic reforms or development activities which are additional to those which would be undertaken in the absence of the cash transfer, and

(B) at least 15 days before the cash transfer occurs, the President notifies the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate in accordance with the procedures applicable to reprograming notifications pursuant to section 634A of the Foreign Assistance Act of 1961, such notification to include a description of the additional economic reforms or development activities Egypt will undertake.

(c) COOPERATIVE SCIENTIFIC AND TECHNOLOGICAL PROJECTS.—It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should finance, and where appropriate participate in, cooperative projects of a scientific and technological nature involving Israel and Egypt and other Middle East countries wishing to participate. These cooperative projects should include projects in the fields of agriculture, health, energy, the environment, education, water resources, and the social sciences.

(d) LEBANON.—

(1) EARMARKINGS FOR LEBANON.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $2,500,000 for fiscal year 1986 and $2,500,000 for fiscal year 1987 shall be available only for Lebanon.

(2) REVERSION OF FUNDS TO TREASURY.—To the extent that these funds cannot be used to provide assistance to Lebanon because of conditions in that country, they shall revert to the Treasury as miscellaneous receipts.

SEC. 205. ASSISTANCE FOR CYPRUS.

(a) FISCAL YEARS 1986 AND 1987.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $15,000,000 for fiscal year 1986 and not less than $15,000,000 for fiscal year 1987 shall be available only for Cyprus.

(b) CYPRUS PEACE AND RECONSTRUCTION FUND.—

(1) AUTHORIZATION.—In addition to amounts otherwise available for assistance for Cyprus under chapter 4 of part II of the Foreign Assistance Act of 1961, there is authorized to be appropriated $250,000,000 for fiscal year 1985 to provide assistance for Cyprus, subject to paragraph (2).

(2) CERTIFICATION REQUIRED.—The additional assistance for Cyprus authorized by paragraph (1) may be provided only if the President certifies to the Congress that an agreement has been concluded by the Greek and Turkish Cypriots which is supported by Greece and Turkey and which achieves substantial progress toward settlement of the Cyprus dispute. Such an agreement should include an agreement on Varosha/Famagusta, foreign troop levels in the Republic of Cyprus, the disposition of the international airport on Cyprus, or other significant steps which are evidence of substantial progress toward an overall settlement of the Cyprus dispute.

(3) EXTENDED AVAILABILITY OF FUNDS.—Funds authorized to be appropriated by paragraph (1) may be appropriated in subsequent fiscal years if not appropriated for

fiscal year 1985, and when appropriated shall remain available until expended.

SEC. 206. ASSISTANCE FOR THAILAND.

Of the funds authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated for Thailand, up to $5,000,000 for fiscal year 1986 and up to $5,000,000 for fiscal year 1987 may be used by Thailand for appropriate assistance (which may include military assistance) to the noncommunist resistance forces in Cambodia, notwithstanding any other provision of law.

SEC. 207. ASSISTANCE FOR THE PHILIPPINES.

Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $155,000,000 for fiscal year 1986 and $155,000,000 for fiscal year 1987 shall be available only for the Philippines.

SEC. 208. RESTRICTION ON USE OF FUNDS FOR NUCLEAR FACILITIES.

Funds authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 or fiscal year 1987 may not be used to finance the construction of, the operation or maintenance of, or the supplying of fuel for, any nuclear facility in a foreign country unless the President certifies to the Congress that such country is a party to the Treaty on the Non-Proliferation of Nuclear Weapons or the Treaty for the Prohibition of Nuclear Weapons in Latin America (the "Treaty of Tlatelolco"), cooperates fully with the International Atomic Energy Agency, and pursues nonproliferation policies consistent with those of the United States.

AMENDMENT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOLBE: Page 35, after line 2, insert the following new paragraph (2):

(2) ASSISTANCE CONDITIONED ON RELEASE OF AMERICAN HOSTAGES.—These funds may be used for assistance for Lebanon only if all United States citizens held involuntarily by terrorists in that country have been released before the enactment of this Act.

Page 35, line 3, strike out "(2)" and insert in lieu thereof "(3)"; and line 5, after "because" insert "the condition specified in paragraph (2) is not met or because".

Mr. KOLBE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. KOLBE. Mr. Chairman, we have all been appalled by the outbreak of terrorism which now numbers its victims in the thousands. Fifty-two Americans were held hostage in Tehran for 444 days. Kidnapings of Americans to finance revolution in Latin America have become a commonplace occurrence. Thirty-nine Americans just returned from an ordeal in Lebanon. One American, Robert Stethem, did return, but now lies—a hero—in Arlington Cemetery. Seven other Americans are still being held by extremist groups in Lebanon. We cannot let our joy from seeing those 39 safely return home temper our outrage about, or allow us to forget the families of those 7 Americans who remain captive.

Fundamentally, we cannot and must not tolerate a condition in the world where it becomes the norm to kidnap Americans whenever an extremist faction needs publicity for its cause. We must take decisive action to safeguard American lives. I applaud the President's attempts to close down the Beirut airport, which operates only for the benefit of the Shiites who currently control it. He has made a step in the right direction. With this amendment we would suggest a further action to make the Lebanese aware that we will not tolerate attacks against our citizens. If adopted, my amendment would preclude releasing any funds authorized by this bill until and unless the seven Americans who are still being held captive are released. An exception would be made only for emergency aid and funds which support the American University of Beirut. We must send a strong signal that American support for Lebanon will depend on Lebanese respect for America.

Our intention should not be to lash out in anger against all Lebanese people. We must support institutions such as the American University of Beirut, which struggles to instill the principles of democracy in a land suffering from anarchy. We must continue to encourage organizations which provide emergency relief for the innocent victims of war.

Yet we should choke off aid to rebuild Lebanon on Syrian foundations. We should strike at the patrons of terrorism, those who have struck at us. We must do everything in our power to end the reign of terror which has claimed the lives of thousands of innocent Lebanese, hundreds of Israelis, and—since the bombing of our marine barracks 2 years ago—268 American servicemen as well. Robert Stethem was the 269th.

The problems in the Middle East are manifold and complex. The United States should do everything possible to bring peace to a region where continual warfare has raged for decades. Yet we will have no tolerance for criminals who want nothing more than the end of all democracy and all justice in the region. They should be aware that the United States is prepared to fight them in the cause of peace.

President Reagan said it best yesterday:

> The American people are not—I repeat, not—going to tolerate intimidation, terror and outright acts of war against this nation and its people * * *. We are Americans. We love this country. We love what she stands for, and we will always defend her.

□ 1530

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, we have examined the gentleman's amendment on this side; we think it is a good amendment, and we accept it.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, we, too, have examined the gentleman's amendment. I think it is a very important addition to this bill. We certainly accept it on this side of the aisle.

Mr. KOLBE. I thank the gentleman for that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. KOLBE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LEACH OF IOWA

Mr. LEACH of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEACH of Iowa: Page 30, line 17, strike out "$3,900,400,000" both places it appears and insert in lieu thereof "$3,895,400,000".

Page 36, strike out lines 15 through 23 and insert in lieu thereof the following new section:

SEC. 206. HUMANITARIAN ASSISTANCE FOR THE NONCOMMUNIST CAMBODIAN PEOPLE.

(a) AUTHORIZATION.—The President may make available funds authorized to be appropriated to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 for the provision of food, medicine, or other humanitarian assistance to the noncommunist Cambodian people, notwithstanding any other provision of law.

(b) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act and shall remain in effect until October 1, 1987.

Mr. LEACH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LEACH of Iowa. Mr. Chairman, the amendment I am offering on behalf of myself, Mr. GEJDENSON, Mr. JEFFORDS, Mr. KASTENMEIER, Mr. PANETTA, and Mr. BONIOR, strikes the provision contained in this bill which authorizes $5 million in potential military assistance to be channeled in fiscal years 1986 and 1987 through the government of Thailand to the non-Communist Cambodian resistance forces. In its place, the amendment will substitute new language authorizing the President to draw from ESF and development assistance funds to provide food, medicine, and other humanitarian assistance to the non-Communist Cambodians.

Clearly, the Congress and the American public are broadly sympathetic to the goals of the non-Communist resistance movement in Cambodia. There is no justification for the continued Vietnamese occupation of Cambodia. The Cambodian people have suffered enough. Yet it is not enough to conclude that a cause is just. An assessment must also be made that U.S. involvement advances just goals. I believe the first premise in the case of the Cambodian resistance has been met; the second has not.

It is telling that the administration has submitted no finding to Congress that U.S. military aid is needed by the non-Communist resistance. A recent letter to the House Foreign Affairs Committee from the Department of State reads in part:

> It is our understanding that the non-Communist resistance is being provided with all the military equipment it can effectively absorb at this time. We do not believe, therefore, that it is necessary or appropriate for the United States to give weapons to the resistance now.

The administration's judgment that such assistance is not needed at this juncture must be taken seriously, particularly since it has not been reluctant in other cases to ask for military assistance whenever it believes it is needed. In the absence of such a clear finding, I believe it would be premature for this body to authorize military aid. The requirements of the non-Communist resistance for weapons are fairly modest and well within the means of the ASEAN nations and China. The United States need not always play the role of the world's policeman nor should we take any steps which might tempt those now supporting the Cambodians to slacken their efforts and defer to U.S. leadership.

Moreover, it is difficult to believe that $5 million in military-oriented aid will really make a difference in the ability of the resistance to counter the world's third largest army. While such publicly committed American assistance is nowhere near enough to make much of a dent in the struggle, it is clearly more than enough to invest the national reputation and military prestige of the United States in an operation over which we have virtually no control.

U.S. military aid, no matter how small its authors will argue it is, will inevitably alter the character of the struggle of the non-Communist resistance and potentially transform it into a United States-Vietnamese struggle. The end result may well be that U.S. military aid might damage—rather than enhance—the prospects for a negotiated settlement and withdrawal of Vietnamese forces from Cambodia. In this regard, the Washington Post on April 2, 1985, quoted State Department spokesman Bernard Kalb as saying:

> U.S. supply of weapons to the resistance could create difficulties in reaching a negotiated settlement and in sustaining international support for the Cambodian cause by highlighting Cambodia as a United States-Vietnam conflict.

The United States does not need to give Vietnam an even greater rationalization to fight in Cambodia nor should we happily welcome even the remotest possibility of associating ourselves once again with a failed venture against the Vietnamese Communists.

U.S. assistance could also prove deadly to those Cambodians we seek to help. The injection of a U.S. military component into the Cambodian struggle might identify the non-Communist resistance as U.S. "clients" and provoke an unprecedented backlash by the Vietnamese forces against them. Human carnage—not a negotiated settlement—could be the end result and U.S. aid could in effect become an invitation to a genocide of the very people with whom we sympathize most. Reckless U.S. involvement in the struggle in Cambodia could endanger the lives of many, despite our intention to the contrary, and the United States would very likely be unable to stop the bloodshed.

Might not, for instance, Americanizing the conflict give the Vietnamese an added incentive to simply raise the sights by a few degrees of their border cannon and in 1 hour decimate the refugee villages in Thailand where the non-Communist resistance is centered? To give impetus in any way to such an atrocious act defies explication. And, if under such circumstances, the world came to perceive America as the defeated party because of a military identification with this struggle, an added unnatural incentive would be given for a direct U.S. military response. Unintended consequences are not infrequently attendant to implicit military alliances.

In this regard it should be stressed that the United States has a defense agreement with Thailand. To the degree that Americanizing the conflict incites border incursions, the prospect for direct U.S. involvement increases substantially. It may not be the desire of those who seek a reinvolved military relationship in Cambodia to introduce American troops into the region. But the fact is that escalating our involvement escalates by a quantum magnitude the possibility that American troops in one way or another may become re-enmeshed in Southeast Asia.

Furthermore, while many of those who support the Solarz initiative feel comfortable doing so because it represents only $5 million—a mere pittance by U.S. military assistance standards—it will only raise unrealistic expectations of a firm U.S. commitment to provide aid indefinitely into the future and to do so at increasing levels. It is exceedingly doubtful that such American resoluteness exists.

I cannot believe that the American taxpayer is prepared at this time to underwrite a new military venture in Indochina without a well-defined national interest carrying the broadest support of executive, the Congress, and the American people. If we are not in it for the long haul, and at a funding level that will make a real difference, we ought not to even begin to hold out false promise to the courageous people whose lives we are risking. Such action would be morally reprehensible. It makes pawns of innocents and assures the orphaning of thousands of children. Our friends will be put in the worst of all worlds: the conflict will be Americanized without serious American resources being committed.

It is also fantasy to believe that the non-Communist Cambodian resistance will not be dominated by the stronger military forces of Pol Pot's Khmer Rouge. Yesterday's war criminals are alive and well in Southeast Asia and despite high-minded desires to the contrary, there is no way at this time for the democratic resistance to avoid indirect complicity with the atrocities of Pol Pot's forces when they are engaged in a common cause to oust the Vietnamese from Cambodia. As abhorrent as the Vietnamese occupation is, the gruesome horrors of the Khmer Rouge genocide are even worse. This Congress must do nothing to bring the bloody forces of Pol Pot back to power.

Another point that is often overlooked in military assistance relationships of this nature is the impetus it might give to the flow of refugees, especially given perceived American responsibility for the struggle. Our distinguished colleague in the other body, Senator ALAN SIMPSON, chairman of the Senate Subcommittee on Immigration and Refugee Policy, warned recently in an op-ed piece in the Washington Post that he opposed U.S. military aid to the Cambodian resistance because among other things it would provide those who would be the recipients of U.S. military assistance with a powerful claim to refugee status.

It is an irony that this country just a couple of months ago commemorated the ending of its involvement 10 years ago in Indochina. One of the key lessons of Vietnam is the difficulty of reversing a course of action when a policy is not working and the pride of politicians becomes at stake. The classic political "slippery slope" is not simply one which is not recognized along the way but one which, despite failed results, causes a domino decisionmaking effect whereby a small public commitment leads to a larger commitment which may, in final meas-

ure, produce an unintended course of action. Pride is the foible of politicians. It should be kept in check whenever possible, the earlier in the decisionmaking process the better.

Another lesson of our Vietnam experience is the failure of Congress to act as an effective buffer of restraint on the executive. Oddly, again, in the case before us today, the tables have been turned. We have seen a rash decision to press for military aid, even with the knowledge that the administration did not originally request it, in order to force the administration and this body into a corner where anything less than support for military aid would make it appear as if the American Government was unsympathetic to the Cambodian resistance. The administration, for those who care to examine the record, has been supportive of ASEAN's policy toward Cambodia. The President has met with the leaders of the non-Communist Cambodian resistance and the United States has been generous in providing humanitarian assistance for displaced Cambodians along the border. In addition, the United States provides security assistance to various ASEAN member states for their own national defense and has been particularly responsive to the security needs of the Thais who are threatened with Vietnamese aggression along the border. The administration has been supportive and responsive in appropriate ways and has nothing to prove to those who glibly challenge the United States to put its money where its mouth is.

Nevertheless, the House-sparked initiative to begin a new military aid program for the Cambodians appears to have put the administration in a catch-22. If the administration failed to give a sympathetic response to this initiative it might appear that it was undercutting the non-Communist forces. If it accedes fully, it risks being pushed into a military reinvolvement in Indochina in ways that neither it nor the public may deem wise. Hence the administration chose language welcoming the Solarz initiative without abandoning its stated concerns about providing military assistance at this time. It was an understandable response, but one that neither side in this debate should take as a vindication for its policy approach.

While supporters of military assistance would argue that we cannot forever be paralyzed by our experiences in Indochina, skeptics can rightfully suggest that neither should we attempt to assuage our national guilt over our past involvement in Vietnam by embarking on a new military venture without a clear definition of the national interest involved and an equally clear consensus among the executive branch, the legislative branch, and the American public that the proposed course of action is in that interest.

Mr. Chairman, the amendment we are offering seeks not only to strike the language authorizing military aid, it proposes to provide the President with the authority to draw on economic support funds and development assistance funds to provide food, medicine, and other humanitarian aid to the non-Communist Cambodians. I believe the humanitarian approach has several advantages over the military approach. First, humanitarian aid is more consistent with—not a radical departure from—current administration policy. Second, the humanitarian language in my amendment was modeled after the humanitarian aid language proposed by the administration for the Afghans who have an equally just cause. Third, the amendment would more appropriately vest authority to aid the Cambodians in the President of the United States rather than in the Thai Government. And finally, the amendment would not only permit the President to draw on ESF and DA funds in this bill but also any remaining funds from previous years which have not been obligated for other purposes.

Mr. Chairman, to sum up, I believe the military aid proposal is fatally flawed. There has been no showing by the administration that the Cambodian resistance needs our weapons. There are too many risks that U.S. aid will harm the cause of the resistance and may cause great bloodshed, create more refugees, and make a diplomatically negotiated settlement more remote. I would urge my colleagues to oppose the military aid proposal and support this amendment to provide humanitarian aid to the Cambodians.

AMENDMENT OFFERED BY MR. SOLARZ AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. LEACH OF IOWA.

Mr. SOLARZ. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ as a substitute for the amendment offered by Mr. LEACH of Iowa:

Page 36, strike out lines 15 through 23 (section 206) and insert in lieu thereof the following new sections 206 and 207 and redesignate existing sections 207 and 208 accordingly:

SEC. 206. ASSISTANCE FOR THE CAMBODIAN PEOPLE.

The President may make available to the noncommunist resistance forces in Cambodia up to $5,000,000 for fiscal year 1986, and up to $5,000,000 for fiscal year 1987, of the funds authorized to be appropriated to carry out chapter 2, (relating to grant military assistance) or chapter 4 (relating to the economic support fund) of part II of the Foreign Assistance Act of 1961, notwithstanding any other provision of law.

SEC. 207. PROHIBITION ON CERTAIN ASSISTANCE TO THE KHMER ROUGE.

(a) PROHIBITION.—Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this Act may be obligated or expended for the purpose or with the effect of promoting, sustaining, or augmenting, directly or indirectly, the capacity of the Khmer Rouge or any of its members to conduct military or paramilitary operations in Cambodia or elsewhere in Indochina.

(b) DEOBLIGATION OF CERTAIN FUNDS.—All funds appropriated before the date of enactment of this section which are obligated but not expended for activities having the purpose or effect described in subsection (a) shall be deobligated and shall be deposited in the Treasury of the United States as miscellaneous receipts.

(c) EXCEPTION FOR HUMANITARIAN ASSISTANCE.—This section shall not be construed as limiting the provision of food, medicine, or other humanitarian assistance to the Cambodian people.

Mr. SOLARZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from Indiana.

Mr. HAMILTON. I thank the gentleman for yielding.

Mr. Chairman, I simply want to call the attention of the Members to the fact that on June 3, 1985, pursuant to the direction of the Permanent Select Committee on Intelligence, I announce that the classified annex to the report accompanying H.R. 2119, the Intelligence Authorization Act for fiscal year 1986, is available in the committee's offices to be reviewed by any Member of the House.

Pursuant to the direction of the Intelligence Committee, I want to note that the annex has information in it which bears upon the question of assistance to the anti-Communist groups in Cambodia.

Mr. SOLARZ. I thank the gentleman for his statement.

Mr. Chairman, I would like to point out, first of all, that the substitute which I just offered I offered on behalf of myself and my very good friend and our distinguished colleague, the ranking minority member of the Foreign Affairs Committee, the gentleman from Michigan [Mr. BROOMFIELD].

I also want to say that I have great respect, not to mention affection, for my very good friend and very distinguished ranking minority member on the Subcommittee on Asian and Pacific Affairs, Mr. LEACH, who has offered the amendment to which Mr. BROOMFIELD and I have offered our substitute. While I share many of the concerns which he has expressed, I truly believe that the substitute that Mr. BROOMFIELD and I are putting before

the House more adequately addresses the full range of concerns of our country in terms of the problem in Cambodia.

What are the fundamental differences between the Leach amendment and the Solarz-Broomfield substitute? In essence, under the Leach amendment we would be limited in the assistance we provide to the non-Communist resistance forces in Cambodia to economic and humanitarian assistance alone. Under the term of the Solarz-Broomfield substitute, which, by the way, was offered by Senator DOLE, the very distinguished majority leader in the Senate, and which was adopted by a voice vote in the other body, we would not only authorize the administration to provide, as does the Leach amendment, economic and humanitarian assistance to the non-Communist resistance forces in Cambodia, but we would also authorize the administration to provide military assistance to the non-Communist resistance forces, if it feels such assistance is appropriate. I might point out also that whereas in the Leach amendment there is no reference whatsoever to the amount of aid that might be provided to the non-Communist resistance forces, in the Solarz-Broomfield substitute we specifically say that up to $5 million could be provided by the administration.

□ 1540

Now, when the Committee on Foreign Affairs first adopted my amendment to provide $5 million to the non-Communist resistance forces, the argument was made in opposition to the amendment that the aid was to be funneled to the non-Communist resistance groups through Thailand and the objection was raised that this would deprive the United States of any meaningful control over the aid and, therefore, it should be opposed.

I am pleased to say that in the substitute being offered by the gentleman from Michigan and myself, we have taken account of these concerns, and in our substitute the aid is provided not by Thailand but by the administration, thereby enabling the United States to maintain adequate control over its distribution.

At the time that my amendment was first offered in the Committee on Foreign Affairs, another objection was advanced on the grounds that the $5 million was to be taken from the ESF account, although we also provided that it could be used, if necessary, for military purposes. The argument was advanced that this would contradict a time-honored tradition in the Congress of not authorizing the use of economic aid for military purposes.

I am pleased to say once again that in the substitute offered by the gentleman from Michigan [Mr. BROOMFIELD] and myself, we have taken account of these concerns and we now provide, in the language of the substitute which has already been adopted in the other body, that to the extent that we do provide economic aid to the non-Communist resistance, it should come from the ESF or the DA account, and to the extent that we decide to provide military assistance, it should come from the MAP account.

Finally, the argument was advanced against my amendment when it was first offered in the Committee on Foreign Affairs that we were, in effect, out-Reaganing Mr. Reagan.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. SOLARZ was allowed to proceed for 5 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

(Mr. LAGOMARSINO asked and was given permission to revise and extend his remarks.)

Mr. LAGOMARSINO. I thank the gentleman for yielding to me.

Mr. Chairman, I supported the gentleman's amendment in the full committee, but I think that the substitute that is being offered by the gentleman from New York today does take care of some problems that have at least been discussed. I do not think that they are that serious, but this should lay to rest any arguments about that.

I strongly support the amendment offered by the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for his support in the committee and I thank him even more for his support now.

Mr. Chairman, I wanted to say that at the time the amendment was originally offered, the objection was advanced that it did not have the support of the administration, which had not requested this authorization. I am pleased to say that the substitute being offered by the gentleman from Michigan [Mr. BROOMFIELD] and myself now does have the support of the administration. Secretary Shultz, with whom I discussed this matter a few weeks ago, has authorized me to indicate that the administration would very much appreciate the flexibility provided by this amendment.

I want to point out to my colleagues in the committee that this does not require us to provide military assistance to the non-Communist resistance forces, but it does leave open the option. I think that this substitute provides the basis not only for a broad, bipartisan consensus in the House, which would be very much in our national interest, but it also provides the basis for a consensus between the Congress and the executive branch on this very important issue, because we can now say not only to our colleagues but to the country that this does have the support of the administration.

Why are we attempting to provide the administration with up to $5 million to use as it sees fit to strengthen the non-Communist resistance forces in Cambodia? We are doing so because we have 2 overriding objectives in Cambodia. The first is to secure the withdrawal of the 170,000 Vietnamese forces which continue to occupy that country, and the second is to prevent the return of Pol Pot to power in Pnom Penh.

I would submit that both of these objectives, the withdrawal of Vietnam and preventing the return of the Khmer Rouge, require us to strengthen the effectiveness and viability of the non-Communist resistance forces. Ten years after the end of the war in Indochina there are still 50,000 Vietnamese troops in Laos, in spite of the fact that there is no effective or meaningful resistance movement in that country. That indicates that any notions that the Vietnamese army of occupation can be induced to withdraw from Cambodia on the basis of appeals to their conscience or to their compassion alone are the height of naivete.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I would be happy to yield to my friend, the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, just a brief question. Does the gentleman make the argument that a $5 million grant of assistance from the United States is going to turn the Vietnamese and have them turn tail and run out of Cambodia; that that is going to stop Pol Pot from taking over?

Mr. SOLARZ. No, I do not, but I will tell the gentleman what it will do. It will, first of all, send a very strong signal to the Vietnamese that the indigenous resistance movement in that country has the support of the United States and that it, therefore, might be more difficult for them to achieve their objectives through military means than they had previously thought possible.

Second, it will significantly enhance the morale of the non-Communist resistance forces in that country by indicating to them that the United States, which has voted over and over again for resolutions in the United Nations calling for the withdrawal of Vietnam from Cambodia, is prepared to put its money where its mouth is.

Third, it will, over time, enhance the prospects for a political settlement in Cambodia, pursuant to which the Vietnamese may be induced to withdraw their forces, because the only way that Vietnam will ever agree to withdraw from Cambodia is if they conclude that the costs of their occupation are

becoming sufficiently great to require a political settlement.

I do not expect that $5 million is going to force the Vietnamese out of Cambodia—$50 million would not force the Vietnamese out of Cambodia.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(On request of Mr. TORRICELLI and by unanimous consent, Mr. SOLARZ was allowed to proceed for 3 additional minutes.)

Mr. SOLARZ. I thank the gentleman for asking for that additional time.

Mr. Chairman, there is no way, under any circumstances, that the Cambodians can militarily drive Vietnam out of Cambodia. But they can sufficiently increase the cost of the occupation to make possible a political settlement. A few years ago, the non-Communist resistance forces, the KPLNF, the Kampuchean People's National Liberation Front, and the ANS, the National Army of Sihanoukists, numbered several hundred men. In the last few years, they have increased their numbers to where they now field a force of over 20,000. If additional resources are made available to them, there is every reason to believe they can increase their numbers even more in the future.

As William Branigan, the Southeast Asian correspondent of the Washington Post, pointed out a month or two ago in a long article in that paper, Cambodia is becoming Vietnam's Vietnam, and that is why I think this assistance will contribute to an eventual political settlement of the conflict in Cambodia.

Mr. GEJDENSON. Mr. Chairman, if I could just engage the gentleman for one more moment, it seems that the country that had sufficient resolve to withstand the French and the Americans is not going to be moved by a $5 million commitment of the United States to the democratic forces in Cambodia. To the contrary, Americanizing the conflict may stiffen their resolve and make it more difficult to resolve the problem.

Mr. SOLARZ. Mr. Chairman, I would say to my very good friend, the gentleman from Connecticut, for whose sincerity I have the greatest respect and for whose views on this issue I have great respect as well, that the countries that are most concerned about the Vietnamese occupation of Cambodia, our friends in ASEAN, have publicly called upon the United States and other nations to provide assistance to the indigenous resistance forces in that country.

□ 1550

And they have done so because they know that the only way there will ever be a political settlement is if the effectiveness of the resistance movement is increased.

Now, it may well be that history has doomed Cambodia to forfeit its existence as an independent nation. It may well be that Cambodia is doomed to becoming in effect a province of Vietnam. But the only hope for Cambodia is for us, together with other countries, to strengthen the non-Communist resistance forces.

Now, why did we pick $5 million? Why not $50 million? The reason was that the estimates we were given indicated that this was necessary in order for the non-Communist forces to substantially increase the number of troops they have in the field over the next 2 years.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

(On request of Mr. GEJDENSON, and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. Mr. Chairman, this figure was not picked out of thin air. We were told that they needed somewhere in the vicinity of $15 to $20 million, above and beyond what they already had in their budget for the next 2 years, for them to be able to substantially increase the size of their forces. Our feeling in the committee was that while this was primarily an ASEAN responsibility, it was also secondarily an American responsibility, and the $5 million figure was picked because it comes to somewhere between 20 and 30 percent of the overall requirements of the non-Communist resistance movement. If that movement should pick up strength, if the number of men it has under arms should increase, we can increase the amount of aid we provide in the future, but for the time being this is what is required and this is what is needed to do the job.

Mr. Chairman, let me just say that there are some who have argued that if we provide this money, the next thing we know we will end up with American troops back in Vietnam. It seems to me that precisely because of our searing experience in Indochina, the chances that this will one day lead to the introduction of American troops into that country are virtually nonexistent. Furthermore, I would also suggest that whatever we may be doing for Afghanistan, according to what I read in the newspapers, it clearly has not led to any suggestion that we introduce American troops there, and I do not believe this will lead to any suggestion that we will introduce troops into Southeast Asia either.

Mr. GEJDENSON. Mr. Chairman, if the gentleman will yield, if what we read in the papers is true—and I am not willing to judge that at the moment—let me say that the same newspapers carry stories about things that we are doing in this region that would make the gentleman's amendment not necessary.

Mr. SOLARZ. Mr. Chairman, I would say to my friend, the gentleman from Connecticut, that the difference between what the press says we are doing and what our amendment would make possible, is that under the substitute I have offered with the gentleman from Michigan [Mr. BROOMFIELD], unlike what the press has reported about our existing program in Cambodia, the administration would have the authority to provide military assistance to the non-Communist resistance.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(On request of Mr. GEJDENSON, and by unanimous consent, Mr. SOLARZ was allowed to proceed for 1 additional minute.)

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for his charity in getting this time for me.

Under this substitute the administration would be authorized to provide military assistance for the non-Communist resistance forces if it felt that was the most effective way to strengthen them.

The question the House has to ask itself is this: Do we want Vietnam out of Cambodia, and do we want to prevent Pol Pot from coming back in? And, if so, how do we do it? The only way to do it, I would submit, is to help the non-Communist resistance forces.

Let me say in conclusion to my friend, the gentleman from Connecticut, that if Vietnam does withdraw, who is going to keep Pol Pot from returning if not the non-Communist resistance forces? I will say to the gentleman very clearly that if I felt that by a Vietnamese withdrawal the Khmer Rouge would return, I would not want the Vietnamese to withdraw. But if Vietnam does agree to withdraw, we are not going to send the Marines in to keep the Khmer Rouge out. China is not going to do it and ASEAN is not going to do it. The only ones that can do it and will do it are the non-Communist resistance forces, and if we are going to prevent Pol Pot from returning to power in Phnom Penh, we had better start doing more for the only people, the only non-Communists in that part of the world, who are prepared to resist him.

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Leach amendment and in opposition to the Solarz amendment.

Mr. Chairman, I do not question the intentions of my good friend, the gentleman from New York [Mr. SOLARZ], and I do not believe for a minute that this country will repeat the mistakes

we made in Vietnam in this Cambodia conflict. But I think the lessons that we need to learn are that the Americanization of a conflict may not help our friends.

Picture a local YMCA that is holding a boxing match and Muhammad Ali shows up. He does not play a significant role, he does not even enter the combat. He sits in the third or fourth row simply watching some local boxers go through their fight. The story in the next day's press is not that two local kids had a fight and one won. The story in the following day's paper is that Muhammad Ali was present in the third row, and what was he doing there?

Our history in that region of the world, in Southeast Asia, necessitates that when we take action in that region, that we are particularly careful, and that every step we take is measured through a microscope, more so than in any other regions of the world.

For this Congress and for the American people to provide $5 million of assistance to the non-Communist forces in Cambodia is a simple act. It helps us feel braver in our resolve to fight communism. It makes us feel that we are really doing something around the globe. It has relatively little impact on our budget or on our deficit debates or on the lifestyle of the average American. But this year's $5 million provides a commitment of American presence that will to some degree test the resolve of the Vietnamese.

Administration after administration in this country tested Vietnam's resolve with far greater resources than $5 million. In no instance did that seem to have a serious impact, not when it was an American administration nor when the French were there. To the contrary, I think the well-intentioned efforts of my friend, the gentleman from New York, will stiffen the Vietnamese resolve and will make this an Americanized conflict.

If we take $5 million this year, an easy act for the U.S. Congress and this administration, what will we need to do next year? After all, the argument on the floor will be: How can we now pull back from our friends that we have supported? Once publicly engaged, will the American people and the Congress support $50 million? Will we support $500 million? Will we support $1 billion?

I believe that we need to do whatever we can to try to prevent the continuation of Vietnamese occupation or the return of Pol Pot. I share those goals with my friend, the gentleman from New York. But what I am fearful of is that we are acting without consulting the American people, and if there is anything that the Reagan administration or this Congress and Congresses before ought to have learned, it is that if we want this democracy to make a serious commitment and not simply put people out on the limb, we need to have some national debate. The debate on this issue has yet to begin, and for that reason the Leach amendment substantially accomplishes the goals that my good friend, the gentleman from New York [Mr. SOLARZ], seeks to attain, but it does it without putting "Made in America" on the conflict.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, I thank my friend for yielding.

I think the gentleman has made a brilliant statement, and I think he has really summed up the case against the thoughtful but, I think, untimely amendment of the gentleman from New York and in favor of the solution of the gentleman from Iowa.

As chairman of the House Immigration Subcommittee, I can attest to the gentleman and to this Chamber that we have over a period of years as a Nation had a very generous and compassionate immigration program, with a great bulk of them coming from Southeast Asia. I hope that we will always remain generous in this acceptance of people who are seeking relief. But let me just tell the gentleman from Connecticut, who has so kindly extended time to me today, that once we get our fingerprints back on those conflicts, I will guarantee that this year, next year, and the year after, at some point there will be another inflow, a larger inflow of people than ever before.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

(On request of Mr. MAZZOLI, and by unanimous consent, Mr. GEJDENSON was allowed to proceed for 5 additional minutes.)

□ 1600

Mr. MAZZOLI. Mr. Chairman, will the gentleman continue to yield?

Mr. GEJDENSON. I am happy to yield.

Mr. MAZZOLI. Mr. Chairman, I thank the gentleman for yielding.

I will guarantee that we as a Chamber and as a Nation will see an influx by the thousands of people from that very area. I will tell the gentleman a couple other things. We will then have before us, as we had in this Chamber 2 weeks ago, an opportunity to pay for our errors, an opportunity to pay for our mischief and meddling, and you know what this Chamber might well do, as we did 2 weeks ago, say, "No, we are not going to pay. We are not going to pay an adequate sum to resettle these refugees. We are not going to pay the States that have high influxes of people. We will be frugal and we will be careful and we will hit a blow for fiscal responsibility, but we will not show that same kind of financial compassion to the people."

Let me just tell my friends in the Chamber, it is one thing to be against communism. It is one thing to say we would like the forces of good to prevail over the forces of evil; but the moment that we go in here with $5 million or $2 million or 10 cents, we put American's fingerprints back in that conflict, never ever to extricate ourselves and I think forever we will have to pay that bill. I am just not prepared to think this Chamber is willing to go that far.

Mr. GEJDENSON. Mr. Chairman, as I yield to my friend, the gentleman from New York, I would say that we can accomplish the same goal in the Leach amendment by supporting with much greater strength, democratic governments in the region. Quadrupled assistance in some instances I think will lead to military assistance to Thailand and other countries in the region could be far more productive.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to my good friend, the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

I wanted to make a point in response to the gentleman's observation that we need to have a national debate on this issue. That is, of course, precisely what is taking place now. It is what took place in the Subcommittee on Asia and Pacific Affairs when the gentleman very forcefully raised the same concerns that he has just raised on the floor. It is also what took place in the full Foreign Affairs Committee when the gentleman once again raised all these issues.

Mr. GEJDENSON. And lost on every occasion.

Mr. SOLARZ. As the gentleman points out, on both occasions, by overwhelming margins on a bipartisan basis, his position was rejected.

Mr. GEJDENSON. Mr. Chairman, if I could for just a moment reclaim my time, I might say rather than reflect on the positions, it might reflect on the great respect that the gentleman from New York is held in; with his seniority here, understandably our colleagues look to him for leadership and I most often do.

Mr. SOLARZ. Well, I thank the gentleman for that observation.

I want to say, and I mean this really with all sincerity, I think the gentleman from Connecticut and the gentleman from Iowa are performing a profound national service by raising this issue. I do not think we ought to be involved in this without full and open consideration and without a fairly substantial consensus in the Congress and

in the country, precisely because of our previous involvement.

So far when it was taken up in the Senate, every Member of the Senate who spoke, spoke in favor of it. When it was taken up in the Foreign Affairs Committee, by more than a 2-to-1 margin the members voted for it. So far we have demonstrated that consensus. Maybe the consensus will collapse today, in which case we will not proceed.

I want to ask the gentleman two questions about some of the observations he made in his remarks, because this does give us an opportunity I think to air these issues.

The gentleman pointed out with absolute accuracy that the resolve of the Vietnamese was tested by the French in Vietnam and it was not found wanting. It was then tested by the United States and once again it was not found wanting; but surely the gentleman would agree that one fundamental difference between the situation which faced the French and then the United States and the situation that exists today is that then we were testing the resolve of the North Vietnamese in Vietnam.

Now we are talking not about the Vietnamese fighting for the liberation or independence of their own country as they define those terms, but whether they are going to be in a position to permanently occupy a foreign country where they do not belong.

I would like to ask the gentleman whether he does not therefore see at least in principle a difference between the situation that confronted us previously in Vietnam and the situation that potentially confronts us in Cambodia today.

Mr. GEJDENSON. I guess I would answer my good friend in this way, that when we examine the nature of this conflict and our reinvolvement into the region.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

(At the request of Mr. SOLARZ, and by unanimous consent, Mr. GEJDENSON was allowed to proceed for 2 additional minutes.)

Mr. GEJDENSON. As I said, what the Vietnamese will see is not a confrontation now with the American enemy on some other country's soil, but rather they will see it as the beginning of a reintroduction of American influence in Southeast Asia that they want to stop. If we can maintain some distance and we can strengthen the democratic countries of the region, we may be in a stronger position to negotiate the Vietnamese removal from Cambodia in that they do desire better relations with the United States, than if it appears that we are reintroducing ourselves in a military sense by proxy.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield further?

Mr. GEJDENSON. Yes; I am happy to yield.

Mr. SOLARZ. Who should know better what will influence the Vietnamese than the democratic nations of Southeast Asia whom the gentleman thinks we should be helping and who have publicly called upon us to provide this assistance to the non-Communist resistance?

Let me ask the gentleman one final question.

Mr. GEJDENSON. If I could just answer that, reclaiming my time, saying that you cannot always see the clearest when you are in the midst of a forest fire.

As to the gentleman's point about a public debate, while there has been debate in the Congress and the committee, there have not been hearings.

I would venture to say that if we went out to the gentleman's district or to my district, that it would not be but a single digit percent of the population that has even heard about the potential reinvolvement of the United States into Southeast Asia; there has hardly been the kind of debate that we can say the American public because the Congress has acted is solidly behind this position.

I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

Finally, I would like to ask this question. As I understand the fundamental thrust of the gentleman's argument, it is that if we provide $5 million today, God knows what we might end up providing tomorrow and this will only result in a deepening American involvement in Southeast Asia.

I would like to ask the gentleman this question.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. GEJDENSON] has again expired.

Mr. SOLARZ. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut may proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SOLOMON. Mr. Chairman, reserving the right to object, and with all due respect to the gentleman, I will not object; but I will propose a question to the good chairman of the committee.

We have a 10-hour debate. We are all being patient and some of us have limited our time so that we can have decent debate on all the amendments throughout the titles of the bill. We are not going to do it at this rate. I think we all have to take into consideration the rest of the membership.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. SOLARZ] that the gentleman from Connecticut [Mr. GEJDENSON] may proceed for an additional 2 minutes?

There was no objection.

Mr. GEJDENSON. Mr. Chairman, I yield to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, I take the gentleman's very legitimate point and this will be my last question.

I would like to ask the gentleman, in all sincerity, how do we distinguish the situation that confronts us in Cambodia, where a foreign Communist army from Vietnam is occupying what should be a sovereign and independent nation, Cambodia, from the situation in Afghanistan where the Soviet Union has sent in over 110,000 troops to occupy that country?

Now, so far as I can determine on both sides of the aisle, Democrats and Republicans, liberals and conservatives, virtually everybody thinks we should provide assistance to the freedom fighters in Afghanistan. If we should help them, why should we not help those in Cambodia?

Mr. GEJDENSON. Mr. Chairman, if I can reclaim my time, unless I missed something in the last several weeks, we are not providing assistance directly through the foreign assistance bill to the Afghan resistance. There has not been before this Congress a public participation of America in that sense. If the gentleman listened to my statement, let us help the countries in the region. Let us provide the economic assistance that will allow the democratic nations in the region to have more resources to take on this battle; but before we put the American flag on this fight in a very public way, we ought to have a discussion with the American people so that if next year the gentleman and I return to this Chamber and ask for additional assistance because it is necessary, that there be support for this in the United States and not a surprise to the citizens that we have dragged them into yet another conflict.

Mr. LEACH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to revise and extend the comments I am about to make, as well as in the earlier intervention on the floor.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LEACH of Iowa. Mr. Chairman, I rise in opposition to the amendment. There are several points that should be made and understood.

First, the gentleman from New York is entirely correct in asserting that several objections to the earlier approach have been erased. One of the objections was that the earlier ap-

proach of the gentleman from New York had in effect given away U.S. sovereignty by channelling assistance through a third country, rather than keeping strict control and strict accountability within our own hands of the money at stake.

The second objection, which has been partially met, was that the original position of the gentleman from New York was profoundly opposed by the administration.

This particular position that the gentleman is now putting forth is supported by the Secretary of State, although there is some irony that it is Congress that is pushing the administration to give military assistance in about the only area in the world where we are not now.

But the question I think we ought to ask ourselves is why is there a substantial change in position? Here I think we have to recognize that the administration has been put in a catch-22 situation. If they starkly oppose the Solarz approach, it would appear that somehow we did not support our friends in the region. If they do support the Solarz approach, they may be coerced into doing what they do not want to do.

Let me just mention how strongly they do not want to do what the Solarz approach suggests that they may have to.

□ 1610

I am quoting the Department of State:

It is our understanding that the non-Communist resistance is being provided with all the military equipment it can effectively absorb at this time. We do not believe, therefore, that it is necessary or appropriate for the United States to give weapons to the resistance now.

The administration is also on firm record as asserting that it will jeopardize, not assist, the efforts to reach a peaceful compromise in the region, Let me quote again the U.S. State Department:

U.S. supply of weapons to the resistance could create difficulties in reaching a negotiated settlement and in sustaining international support for the Cambodian cause by highlighting Cambodia as a United States/Vietnamese conflict.

What I would like to raise is a new issue that has not as yet been broached, and was not broached as an issue at the time the Solarz initiative was first presented to Congress. And that is that the administration will be presented a new catch-22. Some in the administration have recently suggested that American foreign policy should be driven by a commitment to engage any and all anti-Communist movements around the world, whatever the consequences.

On the other hand, the administration is on firm record suggesting it would be a mistake diplomatically and strategically to support this particular involvement. So what we have done is present the administration a dilemma of consistency. How is it likely to be resolved?

My own guess is that what the Solarz amendment in final measure does is give license to the forces in American society that want to ideologize our foreign policy. Pat Buchanan, and not George Shultz, will be given license to run our policy in Southeast Asia.

The issue of Cambodia is so subtle and so sophisticated that we have an obligation to leave it up to professionals to run our foreign policy and for the constitutional process to work its will in the most careful way. The unintended consequence of the Solarz approach is, in essence, to set up the professionals as targets for the ideologues.

My own sense at this time, given the events of the last month, is that it will be very difficult for them to sustain the type of attack that will be launched, and that what we are doing is pushing the administration toward a reentry into a conflict in Southeast Asia. The only way we can maintain a decent and pragmatic foreign policy is for Congress to do the prudent thing, which is to say "stop." When the administration comes to us and requests support, let us give it consideration. But until they do, let us not involve ourselves in an intervention that they do not support.

I yield back the balance of my time.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to support the Solarz amendment. But I think some things ought to be said about it and about some of the implications that flow from this initiative by the gentleman from New York.

It is my opinion that this is not a well-thought-out amendment, that we will now have an overt program of military/humanitarian aid to the non-Communist resistance inside Cambodia.

Now that is fine. I believe the United States, as leader of the free world, ought to help people seeking freedom anywhere in the world, if we can help them. But there are ways to do that, and I am not convinced that an overt program of this small magnitude is the best way to go.

But nonetheless, it is on the table. We must deal with it, and I am certainly not going to vote against it, however small an amount of money this is to assist the people in Cambodia resisting the greatest assault on the human spirit in history: Communism.

So I am supporting this. But I wish that the gentleman from New York, whose initiative this is, had put it in context with other committees in this Congress, and within a framework of the best way to accomplish his goal, and I do not think that has been done.

There are those of a more cynical nature than mine who refer to this as guilt money—I do not—but there are those that say that 10 years ago in April, April 25, to be exact, as our helicopters flew away from the roof of the Embassy in Saigon, that no blood bath would occur, that we were the problem, the United States. Give peace a chance. Get America out of there and let the good times roll.

Well, the blood bath that some of us right-wing, reactionary, rednecks predicted happened, and so now 10 years later, we divert our eyes from the Middle East and from Europe and we look at Cambodia, bleeding Cambodia and 3 million dead, as far as we know, and we now decide to give them $5 million for humanitarian/military aid, maybe.

OK. It is better than nothing. It has symbolic value. But I hope there is some followup through on this.

I remember $5 million to stop the pirates in the gulf there. I do not know if we have stopped the pirates. I have never seen a report. The boat people that tried to escape from the Communist paradise that is now Vietnam, that are raped, and murdered, and brutalized, and thrown overboard, we came up with $5 million to stop that, and I guess it has been stopped in its tracks but I have not seen a report on it.

But I think it is important to understand the nuances and the implications of what this initiative does. The gentleman from New York justifies it by saying there is an invasion of this sovereign country by Vietnamese and, therefore, we are justified in aiding the non-Communist resistance. And I ask the hypothetical question; let us say there was no invasion by the Vietnamese, let us say Pol Pot and the Khmer Rouge were still dominant in that country and still engaged in genocide of everybody that wore glasses, that might be able to read or have an education, let us say that this great mass murderer was still in power, would you not, then, sir, think it helpful, advisable, decent and appropriate to give some money to the few non-Communists in that country who are organized as a resistance? I would say yes, and the gentleman is shaking his head yes, and I agree with him and I am delighted to hear him say that, because then we can move into Central America and perhaps make some progress.

I am going to support this, and I thank the House for listening to me.

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the Solarz amendment and in opposition to the Leach amendment.

Mr. Chairman, there is something significant and understated about this day and this debate. The United States is again opening its eyes to the problems of Southeast Asia.

For 10 years, because of the pain of our Vietnam experience, we have made believe that the region did not exist. But the pain has continued. A human flood of refugees, the slaughter of untold millions of people in Cambodia and then a brutal invasion by the Vietnamese, not an invasion, you understand, of merely crossing borders, occupying villages, but the assimilation of a people and the destruction of the Cambodian culture.

Today each of us will look at this debate and the question of the future of Cambodia in very personal terms, for it has touched all of us personally in our careers, either as Members of this institution or as those who sought to come here. First, from the perspective of those of us who opposed the war in Vietnam in all of its phases, we opposed it because America stood alone, because some of us believed that it was a domestic conflict. This year again, we rose to our feet in opposition to the Contra invasion, because we saw it as a domestic conflict, because we did not want America to be allied with dictators in opposition to Communists.

Well, let one thing be remembered about this debate with regard to Cambodia: Whatever side of the war in Vietnam, or whatever side of the conflict in Nicaragua you may have chosen, none of those arguments have anything to do with Cambodia. This is a clear and unmistakable foreign invasion of Cambodia by the army of Vietnam. It cannot be debated. This is an unmistakable act of one nation against another. This is unquestionably a democratic force that wants a democratic future for their own nation.

This is not America acting alone. These are the nations of Southeast Asia bearing this burden themselves, merely asking that America make a symbolic contribution.

Admit one thing, if the Members of this institution are not prepared to help the people of Cambodia in this, their own effort, in a democratic struggle against a clear foreign invasion, then as in the case of Afghanistan, let us be honest with ourselves.

□ 1620

You are not prepared to help anybody in their domocratic struggle.

Mr. Chairman, I have risen here time and again arguing against the excesses of a reliance on a purely military option for the United States. And our country has suffered from this, believing that for all problems there is always a military option. But I would warn my colleagues, particularly of my own party, do not fall victim to the same simplistic approach merely because there have been military excesses; because we have tended to choose the military option to excess does not mean that there is not a military option that is often appropriate. And here it is. Not because we believe, and let us be clear about this, that this militarily, alone, will yield success. We have no illusions. Twenty-five thousand non-Communist guerrillas are not going to militarily defeat a Vietnamese Army of 170,000. But there still is an obtainable goal. At some point in the not too distant future, the Vietnamese will tire of this struggle. They complain of the lack of Soviet military support for their endeavor. Their economy is in a shambles. Ask yourselves this: When they seek to negotiate, when they want to leave Cambodia, who will remain to renegotiate with, if not the non-Communist forces? Those who would oppose keeping those forces alive today, giving military support to these democratic guerrilas, will ensure that in the day of the Vietnamese withdrawal, only the Khmer Rouge will remain to assume power.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. TORRICELLI] has expired.

(On request of Mr. SOLARZ and by unanimous consent, Mr. TORRICELLI was allowed to proceed for 3 additional minutes.)

Mr. TORRICELLI. Mr. Chairman, thousands of Cambodians are joining the Khmer Rouge, not because they are Communists or because they want a Communist future for their country, but because democratic nations have not met their responsibility to provide the resources for a democratic alternative.

Vietnam understands the power of these non-Communist forces. In their spring offensive they did not oppose, they did not enter the camps of the Khmer Rouge who are militarily stronger, but they opposed the democratic forces because they understand the power potential of the people of a non-Communist alternative.

I know your fears, the fears that there is a new American responsibility, a new American involvement. My friends, this is the residue of a very old American involvement. This is not a new responsibility. This is our responsibility. The Khmer Rouge rose to power in the wake of our involvement. This is the beginning of an answer, a possible answer to end that nightmare for the Cambodian people and to end America's blind eye toward Southeast Asia, a world where America is afraid to act in any region, where we are blind to the problems of any country or combination of countries is a dangerous world. We can end it today, not with an American effort, but with a world effort, a world effort of which America will play only a small but important part.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. TORRICELLI. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, my good friend from New Jersey [Mr. TORRICELLI] sets up a straw man when he asks if this is not the right cause. There is no argument over the rightness of this cause. The question is what is the most effective way to help these people? When the Israelis ran Operation Moses to get the Ethiopian Jews out of Ethiopia, it ran well until there was a public statement by the Israelis that they were involved in Operation Moses. Then it was shutdown temporarily.

I would say that public involvement is the problem here, not being helpful.

And why does the gentleman, if I could ask him a question, oppose the strengthening of the democratic countries in the region and let them lead this battle instead of making it a democratic American battle?

Mr. TORRICELLI. If I may reclaim my time, in fact, the democratic nations of the region are leading this fight.

What America has sought all along is that we not stand alone in opposing communism around the world; let others take their responsibility. This is a classic example of how they have. The question is not their willingness to stop communism, it is whether America is willing now to play any role at all in helping them in that fight.

Mr. GEJDENSON. We can play a role. It need not be the kind of public, overt involvement as the gentleman from New York's amendment calls for. The Leach amendment provides for assistance, it strengthens the democratic countries in their region and expresses our support.

Mr. TORRICELLI. If I may reclaim my time, the important point is that few alternatives will stop the Khymer Rouge in the final analysis.

Mr. BONIOR of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for America, the war in Indochina ended on April 30, 1975, when the last U.S. troops were airlifted from Saigon. But for the people of Cambodia, the horror of war was entering a new stage.

Thirteen days before the American evacuation of Saigon, the Khmer Rouge marched into Phnom Pehn, and the same day began the forced relocation that emptied the Cambodian capital. In the next 4 years, the Khmer Rouge presided over the genocide of the Cambodian population, killing as many as 3 million people.

The end of this reign of terror did not bring peace to Cambodia. The country is now occupied by 170,000 Vietnamese troops who are supporting

the Hanoi-sponsored regime. Their offensive earlier this year overran camps along the Thai-Cambodian border and forced 250,000 Cambodian civilians to flee into Thailand. Across that border today, struggling forces are waging a war of resistance against the Vietnamese occupation.

Every American, every member of this body would like to see the democratic elements of this resistance triumph, to see a government that truly represents the Cambodian people, and—above all else—to see an end to the bloodshed. These are our goals. And this is the policy, I believe, the administration has been pursuing until now with the caution that is appropriate to the complexity of this conflict.

But today, we are debating a proposal, originating from this body, that would dramatically escalate U.S. involvement in Cambodia. It would alter what has until now been primarily a humanitarian commitment, based on close cooperation with our Asean allies, to a military role that can only lend to the perception that this war is once again made in America.

We are being asked to approve these funds in spite of the fact that the administration did not ask for them and says that military aid is not needed at this time. We are asked for these funds in spite of the fact that there has never been full congressional hearings on the matter.

What will be gained by raising the American flag over this conflict? By announcing with a bullhorn that America is about to stake its national prestige on another war in Southeast Asia?

We must be realistic about it, there is little hope for victory by the democratic resistance forces. They number no more than 25,000 soldiers, and are vastly outnumbered by the 35,000 soldiers of the brutal Khmer Rouge who are now fighting along side them but would certainly overrun them if victory over Vietnam were ever attained.

Our $5 million will not change the balance of forces in this conflict. Either this aid is a cynical symbol that will raise unrealistic expectations of a binding U.S. commitment to the democratic forces in Cambodia; or it is a foolhardy sign of our willingness to be pulled once again into the spiral of violence in Southeast Asia.

We have been down this road before. Over two decades ago, America began a modest effort to influence the course of events in Southeast Asia. This swelled, almost uncontrollably, into a massive military involvement that cost over 58,000 American lives, and ended in the greatest foreign policy defeat this Nation has ever suffered.

There are some in this country today who would like to return to Vietnam, Rambo style, to remove this blot on American history; to say to the Vietnamese: "Let's make it the best two out of three." It is tempting to some Members of this body to be swept up in this tide of emotion, without pausing for hardheaded reflection.

But if we pause, if we stand fast against the emotions that are raging around us, we will see that now is not the time for the United States to revisit the war against Vietnam. Now is not the time. We have just begun to see some glimmer of hope that relations with Vietnam will thaw enough for us to resolve the questions lingering about thousands of Americans we left behind, unaccounted for in Southeast Asia. Military aid, which will remake the Cambodian resistance struggle into a war between the United States and Vietnam, will only show how little we have understood our own past, and how ignorant we are of present realities in Southeast Asia. Now is not the time to reopen our still unhealed wounds of war.

□ 1630

Mr. REID. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute and against the amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. REID. I will be happy to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, could I get some idea of how many speakers we have on this subject here on the floor?

The CHAIRMAN. The Chair counts eight.

The gentleman from Nevada [Mr. REID] is recognized for 5 minutes.

Mr. REID. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa concerning aid to the non-Communist Cambodian rebels and in support of the substitute offered by the gentleman from New York.

It is fashionable—and too easy—to speak of the aftereffects of Vietnam on the United States, but in the debate on this issue can be seen some of those vaunted aftereffects.

A commitment of $5 million in assistance to non-Communist forces fighting a clearly Communist force occupying a separate, and I repeat, a separate, sovereign nation, would in any other area of the world but Southeast Asia win the quick and easy support of the Congress.

We are providing aid to the Afghan rebels in far more substantial numbers, and with, if anything, less chance of achieving our strategic goals.

Nicaragua has been mentioned by some to be a case in point. The Nicaragua case is not relevant, because they are not occupying another country, and whether or not they are Communist and what is their direction is the whole question we have been debating these past few months and even years.

Under the substitute offered today, the administration would have the discretion to distribute the funds, rather than Thailand, giving us greater control over their use. It would strengthen the non-Communist resistance in relation to Khmer Rouge; it is of modest means, without a promise of wider involvement.

Further help will be contingent on performance, not ideology. The administration, which once opposed any assistance, has come over to our side and now supports the measure. Our strategic goals are not great. The approach has the support of the administration; it will establish a broad consensus between Congress and the executive branch, and between Democrats and Republicans on the issue of aid to the Cambodian resistance.

It will give the administration flexibility in administering the program, to provide whatever type of assistance will best strengthen the non-Communist resistance; and it will maintain the integrity of the economic, nonmilitary objectives of the ESF Program.

We seek the opening of negotiations, not military victory. It is a modest bill with modest goals, and it deserves our support. I solicit your support.

Mr. YATRON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment and in support of the substitute.

The purpose of the Cambodia aid proposal, as reported out by the Foreign Affairs Committee is clear: it is designed to pressure Vietnam to negotiate a political settlement with the non-Communist resistance forces in Cambodia. Humanitarian assistance alone will not contribute to the realization of that objective.

Mr. Chairman, Cambodia has developed into one of the saddest commentaries in modern civilization. Since 1975, first under the genocidal Pol Pot and now under Hanoi's puppet regime, Cambodia's human rights record has become the most deplorable in the world. The emergence of the non-Communist KPNLF as a political force gives the Cambodian people the hope of realizing an end to their misery. As it now stands, these people are faced with two options: a continuation of Vietnamese aggression or, even worse, the return of the dreaded Pol Pot and his Communist Khmer Rouge forces.

To make matters worse, Vietnam's strength is rapidly threatening the political and strategic stability of our friends in Asia. U.S. policy in the last decade has not in any way deterred Vietnam or the Soviet Union from achieving their short-term goals.

Mr. Chairman, I believe there is room for a political settlement in Cambodia. But all the U.N.-sponsored initiatives or U.S. diplomatic efforts will not compel the Vietnamese to do any-

thing, unless there is pressure from within Cambodia to do so.

The modest $5 million program as outlined by the Solar z-Broomfield substitute is not going to lead us into another war in Vietnam. This initiative precludes direct U.S. involvement by allowing our friends in ASEAN to take the lead in what is already an existing program.

Mr. Chairman, this substitute represents a responsible approach to U.S. policy is Southeast Asia. It signals America's commitment to promoting a political settlement in the region by strengthening those forces seeking to end the brutalities inflicted upon the Cambodian people by Vietnam. I urge my colleagues to defeat any amendment designed to weaken this initiative.

Mr. FISH. Mr. Chairman, I rise in support of the substitute.

Mr. Chairman, I think the gentleman from New York [Mr. SOLARZ] has stated the case very, very well: The United States has two fundamental objectives that warrant the support of the non-Communist forces in Cambodia.

One is to encourage the departure, in fact to work toward securing the departure from Cambodia of the occupying Vietnamese forces. The second is to ensure that following the departure of Vietnamese troops, the murderous Khmer Ruge Communist regime does not return to power.

I have not heard anybody really criticize those as goals today; rather, I have heard the criticism that $5 million is not going to accomplish this. I think that argument is really quite weak. If you turn it around and ask yourself what the consequences are of doing nothing. I think they are much more severe.

The United States should support these objectives. To do otherwise is to ignore our country's long history in support of international human rights. How can we, on the one hand, support the freedom fighters in Afghanistan against the Soviet aggressors and not support the anti-Communist Cambodian forces attempting to expel the Soviet-dominated Vietnamese?

Mr. Chairman, the Solarz-Broomfield substitute I think also has been unfairly criticized and characterized as mandating a military role for the United States.

I certainly do not read this in the language of the substitute. Instead, I find a great deal of flexibility; humanitarian aid with the option granted to the administration for military aid which is not mandated.

I would also like to comment on a statement made by a dear friend and gentleman for whom I have the greatest respect and admiration, the gentleman from Kentucky, a member of the Committee on the Judiciary, and its Immigration subcommittee, as I am.

As I gather, the thrust of his remarks was that any American aid at this point will generate further Cambodian refugees. So I asked myself, why are there Cambodian refugees?

□ 1640

Well, certainly, if you look back in history, it is, first of all, the years of brutality under the Khmer Rouge which started the movement westward across the country, and second, it has been the Vietnam military invasion that has forced people overland into Thailand that constitutes the refugees that we currently and other Western nations are accepting.

So that is, I think, the genesis of where those refugees come from, and certainly if we can do anything possible to meet these two problems, No. 1, the lack of authority in the years to come under the Khmer Rouge and, second, a lack of the presence of the Vietnamese, if anything, you are going to see a total drying up of Cambodian refugees.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. I thank my friend for yielding, and if the gentleman needs more time, I will yield when I have the time.

Let me just say that the gentleman understood my remarks, in part, and perhaps the gentleman from Kentucky was not lucid enough in the other part to make his point clearly, and that is that it is not so much that the presence of any kind of economic or military assistance will create refugee status. What the gentleman from Kentucky has been wrestling with for now 6 years is the fact that when you change the texture of the conflict from one in which some people might be leaving random violence or where some people might be leaving specific acts of persecution, you change whether they are economic migrants moving for a better life or whether they are actually refugees seeking asylum.

And I believe that when our fingerprints—and I use that term again—go into that conflict, it suggest, to me, that from henceforth those who evaluate the status of the individual person seeking relief from living in that area, they are going to say, "Look, I am now seeking relief from persecution; I am entitled to refugee status." And, of course, the gentleman, who has been my ally in these many struggles, knows we have in the United States some 800,000 refugees from Indochina settled in the last 10 years, and it seems to me that we should be very careful, very circumspect, in taking any action, particularly one that everyone admits did not have hearings, has not been subject to national debate, before we make this very fundamental step, before we put an American character on this activity. I think that is the difference in our positions.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield on that point?

Mr. FISH. I yield to the gentleman from Iowa.

Mr. LEACH of Iowa. The point the gentleman from Kentucky is making is precisely the same point that the distinguished chairman of the Senate committee, Mr. SIMPSON, has made on this issue, that once we put our fingerprints on the conflict, we will not only cause the potential of greater refugees, but they will have an immigration claim on the United States as military allies of the United States.

The most cynical thing that has been said today is the acknowledgement of supporters of this amendment that they do not believe that the non-Communist Cambodians can win.

The CHAIRMAN. The time of the gentleman from New York [Mr. FISH] has expired.

(On request of Mr. LEACH of Iowa and by unanimous consent, Mr. FISH was allowed to proceed for 3 additional minutes.)

Mr. LEACH of Iowa. The question then is: If they cannot win, why do we want to make pawns of these innocent people?

One conclusion is that it makes a negotiated settlement more possible. That conclusion is a conjectural one, and I think it is important in this regard that this body recognize that the only testimony of the administration on this point is that U.S. military assistance will make a negotiated settlement more difficult, not less difficult.

So what the people who support this approach are suggesting is that we will cynically take individual lives, risk them for no cause; we will create greater numbers of refugees; we will create greater death; and we will not get the Vietnamese out.

The only thing we can ask from our own history is: Do we really think the Vietnamese are more likely to get out based upon the United States reengaging in a perceived public way, having taken the United States of America on for over a decade, with the expense of billions and billions of dollars, or do we think there is a greater chance for negotiated settlement if we keep the situation as it now is, with ASEAN (the Association of Southeast Asian Nations) leading the way, seeking a negotiated settlement with the United States playing exclusively a humanitarian role?

That is what is at issue today: Humanitarian assistance versus military, treating people as human beings, not as pawns in an East-West conflict.

Mr. FISH. I thank the gentleman for his comments.

Mr. Chairman, let me just say, in response, I think we are asking a lot more out of a few simple words in this substitute than it merits. Certainly, if it is clear to the administration—and I hope the negotiations are proceeding and I hope that the Vietnamese are thinking seriously of the merits of pulling back—I think we could take it for granted the administration would not proceed with the military option. We are simply here providing the machinery, the flexibility, and we do not have to anticipate every single force.

I think when you look around and see the Prime Ministers of all the ASEAN nations collectively issue a statement in Bangkok in February of this year diplomatically calling for the United States to provide humanitarian and military support for the Cambodian people, and I quote, "in their political and military struggle to liberate their homeland," I think we see that we do have the support of the democratic forces in the area.

I think this amendment, Mr. Chairman, has good balance. I just respond to my friend from Kentucky in that there are refugees at present. The only way of stemming this is to achieve our twin goals of the exodus of the Vietnamese and the lack of Khmer Rouge power.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Solarz-Broomfield substitute and in opposition to the Leach amendment.

The United States has a keen interest in the situation in Cambodia, Mr. Chairman. On the one hand, we have a moral responsibility to assist in efforts to bring about the removal of the Vietnamese forces from that war torn battered nation. On the other hand, we have a responsibility to insure that should the Vietnamese forces currently strangling freedom in Cambodia be expelled or agree to a negotiated settlement which eliminates or reduces their presence, that the murderous Pol Pot forces, whose genocidal wave of terror simply boggles the mind, do not return to power.

At present, the non-Communist forces are fighting an uphill struggle. They are inadequately equipped, especially in the face of a massive Vietnamese military presence along the Thai-Cambodian border. But certainly these courageous freedom fighters are not short on determination to rid their country of the Vietnamese oppressors. The Congress can and should be enthusiastic about assisting these non-Communist forces in their struggle.

Let me just briefly review what the administration has to say about this provision.

[We] welcome * * * the provision as an important signal to Hanoi regarding congressional and public attitudes toward Vietnam's illegal occupation of Cambodia and the threat it poses to its other neighbors.

The ASEAN foreign ministers have strongly expressed their support for the provision, in addition, and have urged its passage. The United States, which has thus far followed ASEAN's lead on the Cambodian issue, should continue this policy, as Vietnam's illicit invasion and occupation most directly affects their security. Thailand, for example, has weathered and repelled numerous Vietnamese incursions into Thai territory. We must stand by our Thai friends, whose courage also deserves our praise.

Mr. Chairman, I am pleased to support the substitute. I also understand and appreciate the comments and concerns of my colleague from Iowa, Mr. LEACH. Yet, this is one issue were the United States cannot and should not stand idly by while forces for freedom are in need of and are requesting our assistance. Make no mistake—$5 million is not going to force the Vietnamese out of Cambodia; it will, however, send a very clear and strong signal to our non-Communist friends struggling in Southeast Asia that their cause is also our own, and that their fight for freedom is ours as well. The non-Communist freedom fighters of Cambodia are worthy of U.S. support, and I urge my colleagues to oppose the Leach amendment and vote for the substitute.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I would just like to point out for my friend and others who are in support of the Solarz amendment that the Leach amendment deals with assistance to the non-Communist forces in Cambodia precisely in the way that we provide assistance to the Afghan rebels in humanitarian assistance. It is not the Solarz language but the Leach language that mirrors how we deal with the two situations.

Mr. LAGOMARSINO. I thank the gentleman.

I might point out I am going to be offering an amendment later that will make that support for the Afghan rebels even stronger than it is in the bill.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to raise some questions, to clarify in my own mind some of the questions of fact involved in these issues between the two proposed amendments, that is the amendment and the substitute thereto.

As I understand it, this amendment does not arise from any particular administration request for legislation. I would yield to any member of the committee.

Mr. SOLARZ. Mr. Chairman, the gentleman's point is well taken. It does not respond to a specific administration request, although the adminstration has indicated its support for the amendment on the grounds that it believes that it would serve a useful purpose for the Congress to provide the administration with the flexibility and the authority the amendment does give them to give the non-Communist resistance forces either economic and humanitarian aid or military assistance or some combination of both, depending on the circumstance.

□ 1650

Mr. GONZALEZ. I assume from that that the administration took no initiative to seek this kind of legislation at this time. But, on a interrogatory request on the part of the committee, they were asked to give an opinion on what it was, if they had their druthers, they would prefer.

Mr. SOLARZ. If the gentleman would yield further, some of the other Members have said during the course of debate that we never had any hearings on this, the truth is we did have an exhaustive hearing in executive session with representatives of several different agencies of the Government that provided a record which any Member of the House is free to inspect at their leisure at this issue.

Now, it is my judgment that the main reason the administration did not publicly or privately request this kind of authority when the foreign aid bill was sent up to the Congress was largely because they believed that there would not be sufficient support for it on the Hill. That is why, when the amendment was originally offered in the committee, the administration indicated that it was not in favor of it.

When the Subcommittee on Asian and Pacific Affairs where the amendment originated supported it by a margin of more than 2 to 1; when the Foreign Affairs Committee as a whole supported it by more than a margin of 2 to 1; when the Senate voted for it on a voice vote with every Senator in the debate speaking in favor of the bill, the administration came to the conclusion that there was indeed a broad basis for bipartisan support for this kind of initiative and now they have publicly endorsed it.

Mr. GONZALEZ. But what puzzles me is that if the administration took no initiative, but on the other hand, at the outset of the debate today on these amendments, the gentleman from Indiana said that there was a highly confidential source of information, I presume CIA, and that that would presumably be the basis for such things as $5 million instead of some other figure, and it seems to me that that is administration source information. That information is avail-

able to the administration; yet, they never thought that it was worthy of action on the basis of that clear information.

Mr. SOLARZ. If the gentleman would yield further, my friend from Texas is one of the most distinguished Members of the House.

Mr. GONZALEZ. Well, I thank the gentleman. I will take that with a grain of salt, but I always take bouquets.

Mr. SOLARZ. The gentleman has served here for many years with great distinction. He is one of the most experienced Members of the body, and he knows that from time to time ideas originate in the Congress. It is even, on occasion, been the case that they originate in the House of Representatives. There are even occasions when ideas that have originated in the House of Representatives, not in the other body and not in the executive branch, win the eventual support of the other body, and of the executive branch itself. That is precisely what has happened here.

Mr. GONZALEZ. I am not talking about ideas or who proposed the thing. I am saying that whatever proposition has arisen here has been based on very confidential information.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. Even if not, $5 million must have been the figure based on this confidential information or a compromise thereof. Well, $5 million for the other thing is that some have said that this is military, some have said it is nonlethal military, whatever that may mean, but, it took three times that much to get the Senator from North Carolina reelected, Mr. HELMS, and that is a lot friendlier territory to operate in North Carolina.

I cannot answer that question; it bothers the devil out of me.

Mr. SOLARZ. What is the gentleman's question?

Mr. GONZALEZ. The question is: Then is there not a greater issue involved here which involves the imprimatur of approval on the part of Congress for a doctrine of diplomacy with respect to Southeast Asia, specifically Cambodia?

Mr. SOLARZ. What I would say in response is that this initiative was a response to a very public initiative taken by our friends.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(On request of Mr. SOLARZ and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 30 additional seconds.)

Mr. GONZALEZ. I continue to yield to the gentleman.

Mr. SOLARZ. It was taken in response to a public request by the Association of Southeast Asian Nations the democracies of that part of the world, that on February 11 publicly called on us and other nations to provide assistance to the indigenous resistance movement in Cambodia. Subsequent to the approval of this initiative in the Foreign Affairs Committee, the foreign ministers of virtually all those countries have publicly hailed the action that we have taken so far because they believe that it will contribute to an eventual solution of the problem.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to make the statement that we have consumed a considerable amount of time and I am not about to shut off debate on this amendment, but I just want to say that since we are going to rise at 6 o'clock for a variety of reasons, and we start tomorrow, I want to remind my colleagues that I am trying to be fair and give everybody an opportunity to be heard, but there are only 10 hours, and this is the second title, and we have got five or six or seven more titles to try to finish up.

I would say this business of yielding time between two Members who are engaged in a debate and forcing other Members who want to talk on this subject to have to wait and wait and wait is something I do not want to countenance much longer. I would hope that everybody would cooperate.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair wishes to state that 3 hours and 23 minutes have now been consumed out of the allotted 10 hours.

The Chair also wants to note and wants Members to note that it is a breach of the rules of the House in debate in the House to refer to actions in the other body, majority votes or actions by the other body, or to name individual Members of the other body.

Mr. MAZZOLI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me thank the gentleman from Florida, the distinguished chairman, for what he has said. As the gentleman knows, I very seldom speak on bills that do not come out of our committee, but this particular segment of this particular bill does deal with a matter that I am somewhat familiar with.

I would like to start off by saluting may friend from Michigan on the statement he made earlier, and I perhaps take a little issue with him on one thing. I believe the gentleman said for America the war ended 10 years ago. I think it is fair to say that the war, if you will, continues to this day in America because we are paying the bills for that conflict and that struggle to the tune of many billions of dollars every year in refugee assistance, both domestically for the resettlement in the United States, and internationally to support those agencies which are housing, feeding, clothing, transporting the remains of that struggle.

I join the gentleman in his thesis though, and that is if we somehow, and I believe he used the term "raise the American flag over this struggle again," we will have made a very serious and profound error, and despite my considerable fealty and support of the gentleman from New York and respect for him, I think that this is not the best amendment for this time.

Let me just suggest to the Members of the House that roughly speaking we have about $1 billion a year that we spend for settling refugees domestically and for international assistance to refugees, and that has gone on for 10 years, so we can say roughly in the range of $10 to $12 billion that we have paid. That is a considerable sum of money, but very affordable when you think that you are trying to help human beings.

Two weeks ago, I had the opportunity to stand before this body and be rebuffed in an effort to succeed in obtaining money to help settle these people, but the House in a fit of unfortunate zeal to economic and fiscal responsibility decided not to pay the bill.

□ 1700

Let me just say, as the gentleman from Iowa has said, there may be something of cynicism here. The most cynical thing that we could ever do as a Congress is to say "yes" to an anti-Communist struggle, give our imprimatur and blessing to this activity, and say, "Oops, I am sorry, but I will not be able to pay for it, so you, the pawns my friend has used, we will use you to the extent that we feel it is suitable or appropriate. But on the other hand, if you come out looking for some sort of solace and relief and succor, we may not be there to give it to you." I think that would be the height of cynicism.

My friend, the gentleman from New York [Mr. FISH], has said that he supports the gentleman's initiative, and he is a very thoughtful gentleman. He suggested somehow that if we did not do this, we would, in a sense, be doing nothing, but I again cite the figure of $1 billion a year that we are doing to help the problems in Southeast Asia. I do cite the support for the ASEAN activities, which is something, so that I do not believe that, for example, if the House were to reject the substitute offered by the gentleman from New York and support the amendment offered by the gentleman from Iowa, that we would be saying to the country that we will be doing nothing in Southeast Asia to help succeed in the

struggle against overwhelming communism. We will be doing plenty, let me tell my friends.

Let me just say that I have had the opportunity, and it has been an honor, to work with the subject of immigration for the last, I said earlier 6 years, but it was actually 5, and I am in the late part of the fifth year. It has been an eye-opening experience for me, coming from the State that I come from, and I know that there are many subtleties at play here. The difference between an economic migrant, one who is seeking a better life, who comes from areas in which there is violence, as one who might be coming from the very same area who pleads a special kind of targeted persecution, is very little. The difference is very subtle. It sometimes almost escapes the naked eye.

I will tell my colleagues, having studied this thing carefully, that sometimes the tipping factor to cross over this near-invisible line between an economic migrant who is not entitled to refugee status and, therefore, not entitled to come into this country, and a persecuted person who is, is something like is our Government involved with somehow causing this issue to ferment. Is our Government somehow sponsoring one side or the other in this struggle? Is our Government overtly or covertly involved? And as I have said before, are somehow our fingerprints into this struggle?

If they are, if there is an overt-covert activity, if there are our fingerprints there, then often the adjudicators of this status of economic migrant or persecuted refugee will decide upon the refugee status, which then puts these people into the stream, about three-quarters to 80 percent of whom come to the United States.

So, I would just respectfully urge support of the amendment offered by the gentleman from Iowa and rejection of the substitute offered by the gentleman from New York.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute amendment offered by the gentleman from New York [Mr. SOLARZ].

Mr. Chairman, I rise in support of the substitute offered by the distinguished gentleman from New York and Michigan, and in support of help from the Cambodian democratic resistance.

Before getting into my remarks, I just want to comment briefly on the preceding remarks by the distinguished gentleman from Kentucky. I think we all share his concern about an increased number of refugees, but I think we also have to recognize that recent history tells us that where a Communist regime takes power and where a North Vietnamese regime takes power, that is where we are mostly likely to have a flood of refugees.

So, we have tough choices here, but I do not look on the substitute sponsored by the gentleman from New York and Michigan as increasing the risk of refugees.

I believe, Mr. Chairman, that economic and military aid to the non-Communist Cambodian resistance is morally right and strategically right. We should give this aid first because it is morally right to do so.

What are the forces that are present in Cambodia? First, we have the invading Vietnamese forces, clients of the Soviet Union, bent on subjugating the culture and the people of Cambodia. Then we have the Khmer Rouge, whose earlier murderous, Communist regime in Cambodia killed millions and left them rotting in the killing fields and other places. And then there are the indigenous democratic Cambodia resistance forces. They are the only alternative to the North Vietnamese and the Khmer Rouge.

These people have asked for our help. How can we say "no"? How can we tell them that America does not support their struggle for freedom and self-determination? The answer is: We cannot say "no". America has traditionally been a place where those who enjoy the free exercise of rights seek to openly promote those rights elsewhere in the world, and this should not change.

Second, we should give this aid because it is strategically important that we do so. The ASEAN countries, our foremost allies in that region, have asked for our help. The nations of ASEAN recognize, as we must, that there is a distinct turnabout occurring in the developing world. The forces of democracy and free enterprise are on the rise. Nation after nation is turning, or at least trying to, from the East toward the West. We must encourage and support this realinement. Our own survival depends on it.

Let's face it. The greatest obstacle to passing this aid is the specter of the Vietnam war, which clouds this debate as it does many others. Vietnam was an extremely costly lesson, but I believe we have learned the lesson of Vietnam. We will not send American combat troops to Indochina. We are not going to drain the American Treasury. The Cambodians do not want this, ASEAN does not want this, and most important, the American people do not want this.

But to learn from the lesson of Vietnam is not to let that lesson paralyze our foreign policy. To show our support for the democratic resistance forces in Cambodia, we do not have to send American troops or send American billions. There are more meaningful and effective ways to show support.

This $5 million in military and economic aid to the democratic resistance is such a way. We are helping the Cambodian democrats to help themselves. I urge my colleagues to support this substitute and send a clear signal of support for the Cambodian people's struggle for freedom.

Mrs. BOXER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose injecting America's military assistance into the Cambodian conflict, and I want to stress to my colleagues that I do so precisely because I support the Cambodian people, who have suffered so much during and after the Vietnam war, and I do not want this Congress to do anything to worsen their situation, nor do I want to see a rerun of the Vietnam war.

I oppose military aid because it is not a deliberate, well-thought-out policy of our country, because it is a woefully inadequate military solution, and, perhaps more important, because it can wind up being a cruel trick on the Cambodian people, having the opposite effect to that which the authors intended.

I think it is important to take a minute to recount the history of this area, the recent history, in order to put this debate into perspective.

□ 1710

Mr. Chairman, Vietnam, a Communist regime, invaded Cambodia in 1978 and installed a puppet regime in Phnom Penh while maintaining a 200,000-strong army of occupation in that country. Prior to the Vietnamese invasion, from 1975 to 1979, another Cambodian Communist regime, under the command of the infamous Pol Pot, reigned in terror over Cambodia. Pol Pot and his Khmer Rouge troops conducted wholesale massacres of the Cambodian people. It was, in every sense of the word, a genocide comparable to Hitler's holocaust during World War II.

Nearly all the intellectuals, civil servants, religious people, and virtually all ethnic minorities in Cambodia were killed by the Pol Pot regime. Hundreds of thousands of others died of starvation, diseases, and forced labor. In all, out of the 1975 population of about 7 million, nearly 3 million were killed during the 5 years that Pol Pot was in control of Cambodia.

Today that same Pol Pot, called—and I am quoting—by the Cambodian people in my district "that Asian Hitler," is in control of the largest force fighting the Vietnamese occupation. Also fighting in a most strained alliance against the Vietnamese are two other much smaller non-Communist forces. One non-Communist fac-

tion is led by Prince Sihanouk, the other by Sonn San.

In a nutshell, the composition of the alliance of Cambodian forces fighting the Vietnamese includes, therefore, two small and divided non-Communist groups and the much larger and much more disciplined Communist Khmer Rouge.

On a larger scale—and I say to my colleagues that I think this is important—we should bear in mind that while the Soviet Union is backing Vietnam in its expedition in Cambodia, it is the People's Republic of China that supports and equips the Pol Pot forces.

In this historical context of an internal genocide committed by the Pol Pot forces and an external "war by proxy" between the Soviet Union and China, the amendment offered by the gentleman from New York will propel us militarily into a dangerous and confusing conflict. I believe this Congress needs to think out the options and implications of our involvement in this particular conflict.

The Cambodian conflict is not a clear-cut, black-and-white situation. We should deplore the Vietnamese occupation, but we should also abhor the genocide perpetrated by Pol Pot and the Khmer Rouge on the Cambodian people before the Vietnamese invasion, and we should do nothing to help restore Pol Pot to power.

From the reports that have filtered out of the region, the non-Communist forces, already very small and ill-equipped to start with, have suffered great setbacks during the recent Vietnamese offensive. This situation makes them even less likely or capable of resisting the Khmer Rouge predominance.

Do we really want to indirectly send military aid which will assist Pol Pot?

We must have learned something from Vietnam. Many of my colleagues have referred to this. I hope we have learned something. I hope this Congress has learned that we should never again back ourselves into another war without considering all of its implications, both on the people we are trying to help and on our own people. And I think the gentleman from Connecticut [Mr. GEJDENSON] said it right when he said that the American people do not even know what we are talking about here today.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BOXER] has expired.

(By unanimous consent, Mrs. BOXER was allowed to proceed for 1 additional minute.)

Mrs. BOXER. Mr. Chairman, by authorizing $5 million in military aid, we are proclaiming that America is an active, albeit indirect, participant in this murky conflict. So although not intending that, this military involvement can be a cruel trick on the Cambodian people.

Most of the refugees I have spoken with do not like this approach. They fear this approach. Many Cambodians are trying to get out of this area right now, and they are afraid to see any situation which will strengthen Pol Pot.

As for inside the "killing fields" of Cambodia itself, we know the story. I say the Solarz-Broomfield approach will give false hope to some and will raise fear in others because they see its only impact as the return to power of "Mr. Killing Fields" himself, Pol Pot.

Mr. Chairman, I urge that we vote this amendment down.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BOXER] has again expired.

(On request of Mr. WEISS, and by unanimous consent, Mrs. BOXER was allowed to proceed for 1 additional minute.)

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mrs. BOXER. I am pleased to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I simply want to compliment the gentlewoman from California [Mrs. BOXER] for her magnificent statement, a statement that is clear cut and very understandable. The last thing in the world we ought to do is get reinvolved by providing military support to any group in Cambodia. In the kind of complexity that exists there, we do not want anybody in that situation to win, either Pol Pot or the Vietnamese. It is just asking for more trouble to provide military support to the democratic resistance groups which have insufficient numbers or strength to provide meaningful resistance without much heavier commitment by the United States than is provided for in the Solarz-Broomfield substitute. I commend the gentlewomen for her statement.

Mrs. BOXER. Mr. Chairman, I thank the gentleman.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Solarz substitute and against the Leach amendment.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank my very good friend and chairman for yielding.

I had not intended to say anything more in this debate. I have spoken enough on it, but I did feel compelled, after the final observations of my very good friend, the gentlewoman from California, to make these closing remarks.

One of the primary purposes of this amendment is precisely to prevent the return of Pol Pot to power in Phnom Penh.

The gentlewoman was not a Member of the House back in 1977, but I would take the liberty of pointing out to her that at that time, in my sophomore term in the Congress—which I think she is now serving herself—I introduced a resolution on which I ultimately secured the approval of the House calling the attention of our country and the international community to the horrors which were being perpetrated by the Khmer Rouge in Cambodia. If the gentlewoman will bother to read the text of the amendment, she will notice that our Solarz-Broomfield substitute, unlike the amendment offered by the gentleman from Iowa [Mr. LEACH], contains very specific language prohibiting the use of any funds in this bill directly or indirectly to assist the Khmer Rouge. We are trying to move in the exact opposite direction from what the gentlewoman suggested.

Mrs. BOXER. Mr. Chairman, will the gentleman yield at that point?

Mr. SOLARZ. It is not my time to yield. It is the time of the gentleman from Florida [Mr. FASCELL].

Mr. Chairman, I say to the gentlewoman that if I thought any of this aid would end up in the hands of Pol Pot, I would be against it myself. If I thought the withdrawal of Vietnam could result in the return of Pol Pot, I would want Vietnam to stay. But it is precisely because I hope the day will come that Vietnam does withdraw that I want to make sure that there is an indigenous force present in Cambodia to keep Pol Pot from returning.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentlewoman from California.

Mrs. BOXER. Mr. Chairman, I greatly appreciate the gentleman's comments.

I would say to the gentleman from New York that I certainly did bother to read his words, and if the gentleman bothered to listen to my statement, I opened it up with the very clear statement that the effect of this could be quite the opposite of what the authors intended.

I would point out that in putting together my statement, I talked at great length with the Cambodian refugees who are in my district, and that is their great fear.

Mr. Chairman, I thank the gentleman for giving me this opportunity to reply.

Mr. FASCELL. Mr. Chairman, I just want to say that I rise in support of the substitute and against the amendment.

The issue here is not whether or not there will be assistance. Both amendments provide that. The issue seems to be what kind of assistance. The substi-

tute provides flexibility. It gives the President that opportunity.

It also does not limit the kind of assistance, and I think it is very important for us in this day and age not to be afraid of our shadow. We do have a problem in Southeast Asia. We do have a problem in Cambodia. I think it is very important for the United States, and it is obviously very important for the ASEAN countries and the Communist resistence, wherever it may be, but particularly in Cambodia, that they have the psychological impact of what this amendment will do. That is why it is not a question of $5 million or $50 million or $500 million.

Thailand is under pressure. That is what the issue is. The fact is that the democratic resistance in Cambodia will not have any chance at all if democratic countries outside the area do not indicate at least nominal political and financial support of their efforts. That is the very least we can do, and that is why it is so important to adopt this substitute.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I want to join with the chairman of our committee in support of the substitute and compliment the gentleman from New York [Mr. SOLARZ] for preparing this amendment and providing the debate that took place today. I urge a favorable vote for the substitute.

● Mr. JEFFORDS. Mr. Chairman, I rise in support of the Gejdenson-Leach amendment to title II. This amendment strikes section 206, which designates $5 million in military aid for the Cambodian resistance. This amendment then gives the President the authority to provide $5 million in humanitarian assistance to the non-Communist movement.

There are a number of important motivations for this amendment. First, we have little reason to believe that the contribution of $5 million would be sufficient to impower the non-Communist resistance to repulse the Vietnamese. However, it would link our political and military image in the region to the fortunes of these Cambodians. Even military success by the resistance could put us in a very unpleasant position, as it is quite possible that Pol Pot's Khmer Rouge would dominate any Cambodian military resurgence.

The Association of Southeast Asian Nations [ASEAN], with U.S. encouragement, has been taking the lead in this crisis. ASEAN has been assisting the Cambodians economically and militarily, and just recently has approached Vietnam in an effort to institute a dialog on the continuing Vietnamese occupation of Cambodia. Recent U.S. policy has relied heavily upon regional solutions to the area's problems, and ASEAN has risen to this task with commendable success.

While visiting Thailand yesterday, Secretary of State Shultz gave his assurance of continued U.S. support for the non-Communist resistance, however, he has refused to commit the United States to any direct military support. The Secretary previously stated that ASEAN is currently providing the resistance with all the military assistance that it can effectively use. I think that we must follow Secretary Shultz' lead and demonstrate our support for the resistance, but not take the drastic step at this time of becoming militarily involved in this conflict.

Therefore, I strongly urge my colleagues to support the Gejdenson-Leach amendment to provide continued humanitarian support for the non-Communist Cambodian resistance, and to resist the military aid impulse at this time.●

● Mr. DENNY SMITH. Mr. Chairman, I rise in support of the Solarz substitute to the Leach amendment. I favor providing effective U.S. aid to the non-Communist freedom fighters in Cambodia, and I commend my colleague from New York on his leadership in this area.

As I'm sure my colleagues know, the history of Cambodia is a tragic one. The Cambodian people have suffered from hunger and repression, war and genocide. Their struggle continues today.

As the Vietnamese occupation of Cambodia enters its seventh year, the Cambodian people at last have hope. They finally have an alternative to the Vietnamese and Khmer Rouge. There is a growing non-Communist force to which the people of Cambodia are turning.

In 1979, the non-Communists had less than 1,000 men. Now they have 28,000 troops. This aid will help these men fight for the freedom of their country.

There are a few who say that we should not aid the Cambodians, that we should allow the Vietnamese to continue their slow genocide. I would like to remind them of the words of Abraham Lincoln:

> Those who would deny freedom to others, deserve it not for themselves . . .

Thank you.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLARZ] as a substitute for the amendment offered by the gentleman from Iowa [Mr. LEACH].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEACH of Iowa. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 288, noes 122, not voting 23, as follows:

[Roll No. 212]

AYES—288

Ackerman	Emerson	Manton
Akaka	English	Marlenee
Alexander	Erdreich	Martin (NY)
Andrews	Fascell	Martinez
Annunzio	Fawell	Matsui
Anthony	Fazio	Mavroules
Applegate	Feighan	McCain
Archer	Fields	McCandless
Armey	Fish	McCollum
Badham	Flippo	McCurdy
Barnard	Foley	McDade
Bartlett	Fowler	McEwen
Barton	Frank	McGrath
Bateman	Frenzel	McKernan
Bennett	Frost	McMillan
Bentley	Fuqua	Meyers
Bereuter	Gallo	Mica
Bevill	Gaydos	Mikulski
Biaggi	Gekas	Miller (OH)
Bilirakis	Gephardt	Miller (WA)
Bliley	Gilman	Molinari
Boehlert	Gingrich	Mollohan
Boggs	Glickman	Monson
Boland	Goodling	Montgomery
Boner (TN)	Gordon	Moore
Borski	Gradison	Moorhead
Bosco	Gray (IL)	Morrison (WA)
Boucher	Gregg	Myers
Boulter	Grotberg	Natcher
Breaux	Hall, Ralph	Neal
Broomfield	Hammerschmidt	Nelson
Brown (CO)	Hansen	Nichols
Broyhill	Hartnett	Nielson
Bruce	Hatcher	Nowak
Bryant	Hendon	O'Brien
Burton (IN)	Hiler	Olin
Bustamante	Holt	Ortiz
Byron	Hopkins	Oxley
Callahan	Horton	Packard
Carney	Hoyer	Parris
Carper	Hubbard	Pashayan
Carr	Huckaby	Penny
Chappell	Hughes	Pepper
Chappie	Hunter	Petri
Cheney	Hutto	Pickle
Coats	Hyde	Porter
Cobey	Jones (OK)	Price
Coble	Kanjorski	Pursell
Coelho	Kasich	Quillen
Coleman (MO)	Kemp	Rahall
Coleman (TX)	Kindness	Ray
Combest	Kolbe	Regula
Coughlin	Kostmayer	Reid
Courter	Kramer	Richardson
Craig	LaFalce	Ridge
Crane	Lagomarsino	Rinaldo
Dannemeyer	Lantos	Roberts
Darden	Latta	Robinson
Daschle	Leath (TX)	Roe
Daub	Lehman (CA)	Roemer
Davis	Lehman (FL)	Rogers
de la Garza	Lent	Rose
DeLay	Levin (MI)	Roth
DeWine	Lewis (CA)	Rowland (CT)
Dickinson	Lewis (FL)	Rowland (GA)
Dicks	Lipinski	Saxton
DioGuardi	Livingston	Schaefer
Donnelly	Lloyd	Scheuer
Dornan (CA)	Loeffler	Schuette
Dowdy	Long	Schulze
Dreier	Lott	Sensenbrenner
Duncan	Lowery (CA)	Shaw
Durbin	Lujan	Shelby
Dyson	Lungren	Shumway
Eckart (OH)	Mack	Shuster
Eckert (NY)	MacKay	Sikorski
Edwards (OK)	Madigan	Siljander

Sisisky	Stangeland	Walker
Skeen	Stenholm	Watkins
Skelton	Strang	Waxman
Slattery	Stratton	Weber
Slaughter	Sweeney	Whitehurst
Smith (FL)	Swift	Whitley
Smith (NE)	Swindall	Whittaker
Smith (NH)	Synar	Whitten
Smith (NJ)	Tallon	Wilson
Smith, Denny	Tauzin	Wise
Smith, Robert	Taylor	Wolf
Snowe	Thomas (CA)	Wortley
Snyder	Thomas (GA)	Wyden
Solarz	Torricelli	Wylie
Solomon	Udall	Yatron
Spence	Valentine	Young (AK)
Spratt	Vander Jagt	Young (FL)
Staggers	Volkmer	Young (MO)
Stallings	Vucanovich	Zschau

NOES—122

Addabbo	Gunderson	Obey
Anderson	Hall (OH)	Panetta
Atkins	Hamilton	Pease
AuCoin	Hawkins	Perkins
Barnes	Hayes	Rangel
Bates	Henry	Rodino
Bedell	Hertel	Rostenkowski
Bonior (MI)	Howard	Roukema
Boxer	Jacobs	Roybal
Brooks	Jeffords	Rudd
Burton (CA)	Johnson	Russo
Clay	Jones (NC)	Sabo
Clinger	Jones (TN)	Savage
Collins	Kaptur	Schneider
Conte	Kastenmeier	Schroeder
Conyers	Kennelly	Schumer
Cooper	Kildee	Seiberling
Coyne	Kleczka	Sharp
Dellums	Kolter	Smith (IA)
Derrick	Leach (IA)	St Germain
Dingell	Leland	Stark
Dixon	Levine (CA)	Stokes
Dorgan (ND)	Lightfoot	Studds
Downey	Lowry (WA)	Stump
Dwyer	Luken	Sundquist
Dymally	Lundine	Tauke
Early	Markey	Torres
Edgar	Martin (IL)	Towns
Edwards (CA)	Mazzoli	Traficant
Evans (IA)	McCloskey	Traxler
Evans (IL)	McHugh	Vento
Florio	McKinney	Visclosky
Ford (MI)	Mineta	Walgren
Ford (TN)	Mitchell	Weaver
Garcia	Moakley	Weiss
Gejdenson	Moody	Wheat
Gibbons	Morrison (CT)	Williams
Gonzalez	Mrazek	Wirth
Gray (PA)	Murphy	Wolpe
Green	Oakar	Yates
Guarini	Oberstar	

NOT VOTING—23

Aspin	Daniel	Jenkins
Beilenson	Fiedler	Michel
Berman	Foglietta	Miller (CA)
Bonker	Franklin	Murtha
Brown (CA)	Hefner	Owens
Campbell	Heftel	Ritter
Chandler	Hillis	Wright
Crockett	Ireland	

□ 1720

The CLERK announced the following pairs:

On this vote:

Mr. Franklin for, with Mr. Berman against.

Mr. Ireland for, with Mr. Miller of California against.

Mr. LELAND and Mr. ST GERMAIN changed their votes from "aye" to "no."

Messrs. PRICE, McCURDY, RAHALL, and WAXMAN changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. LEACH], as amended.

The amendment, as amended, was agreed to.

□ 1740

AMENDMENT OFFERED BY MR. LIVINGSTON

Mr. LIVINGSTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIVINGSTON: On page 30, line 18, replace the period with a colon and add the following: *"Provided,* That of the amounts available under this paragraph, not less than $210,000,000 for fiscal year 1986 and not less than $210,000,000 for fiscal year 1987 shall be available only for El Salvador.".

Mr. LIVINGSTON. Mr. Chairman, my amendment simply adds to and earmarks economic support funds for El Salvador at the level requested by the administration, $210 million. The committee report recommends only $195 million for fiscal year 1986 and fiscal year 1987, an amount which is some $95 million below the current ESF levels for El Salvador under the 1985 continuing resolution and the 1984 supplemental appropriations bill.

The committee's recommendation plays into the hands of El Salvador's Communist guerrillas, who are now trying to overthrow the duly elected Duarte government with terrorist tactics. Although I have the greatest respect for the chairman and the ranking minority member, I am concerned that the committee is sending the wrong signal at the wrong time, and thereby undercutting President Duarte, who has done an outstanding job against formidable odds.

As I pointed out in this well yesterday, the top Communist guerrilla commanders in El Salvador held a press conference last Friday, during which they made some of the most outrageous and frightening statements imaginable. At the top of their list was the promise that they would continue their attacks on U.S. military personnel stationed in El Salvador. In plain English, that means we can expect more terrorist attacks like the recent one in the outdoor cafe, where off-duty embassy guards were mowed down by machineguns.

Another key point, which I consider to be an admission by them that President Reagan's policy has been absolutely correct, was that they would have already overthrown Duarte by force of arms if it had not been for U.S. assistance to the Salvadoran Government. That is why it is critical for us at this juncture to restore the full administration ESF request. As the committee points out on page 27 of its report, "* * * the use of ESF is, in the first instance, determined by special situations involving political, economic, or security stability in a country * * *"

My colleagues, that description fits El Salvador like a glove. It is a special situation indeed when the totalitarian opposition to a duly elected government vows to kill American noncombatants and literally admits that it would have already shot its way into power but for U.S. assistance.

Amazingly, the Salvadoran guerrilla leaders went beyond these damning statements to make other significant points which we must not ignore. In essence they have told us with their own words why we cannot afford to cut ESF to President Duarte.

I refer specifically to their statements that they have no commitment to the Salvadoran constitution and will never under any circumstances participate in free elections. They boasted also that they would never lay down their arms, and that they are not bound in any way by the civilian political front which they are ostensibly aligned. They don't share their politics, and they don't share their moral scruples about the conduct of war. What this means is that there is a hardcore Communist insurgency, not a socialist-democrat opposition, at war against democracy in El Salvador. It also means that because the thugs are the ones in control of the revolution, we will continue to see terrorist tactics as the main weapon used to topple President Duarte.

Mr. Speaker, our policy in El Salvador has been successful, and if that success is to continue, if President Duarte is to be allowed to move forward, we must maintain our assistance levels as President Reagan has requested. Can you imagine how these guerrilla leaders will think their remarks were received if we cut ESF 4 days after their press conference.

I regret that their statements have not received more attention in the Congress, so I would like to briefly quote from the Washington Post article last Sunday. What they say is shocking. It is a warning, too.

□ 1750

Keep in mind that the speakers are Joaquin Villalobos, the top commander in the general command of the FMLN front, and Jorge Shafik Handal, commander of the Armed Forces of Liberation and an official of the Salvadoran Communist Party.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 2 additional minutes.)

Mr. LIVINGSTON. The Sunday, July 7, 1985, Washington Post contains the following article:

SALVADORAN REBEL LEADERS VOW TO EXTEND WAR

(By Robert J. McCartney)

PERQUIN, EL SALVADOR.—Top-ranking Salvadoran guerrilla commanders have vowed to extend their fight throughout this small country and denied that the U.S.-backed government was winning the five-year-old civil war.

In a rare news conference with U.S. reporters Friday, in guerrilla-controlled territory the commanders reaffirmed their intention to attack U.S. military personnel stationed in El Salvador following the slaying of four Marine embassy guards June 19 at a sidewalk restaurant in San Salvador, the capital. Attacks such as the one on the marines "raise morale for our people, without doubt, and demoralize our enemy," said Joaquin Villalobos, considered "first among equals" in the five-man General Command of the Farabundo Marti National Liberation Front. The guerrillas claimed responsibility for killing the marines shortly after the attack.

Another senior commander, Jorge Shafik Handal, said, "We consider as military objectives all those who are engaged in this war of counterinsurgency against us."

The commanders tended to steer away from discussing the restaurant attack, but they said they planned to step up activities, including killings in the capital, and directly challenged the United States.

"What does the administration think it will do when it only has a year [of its term] left and El Salvador is not resolved? What idea is it going to propose? Send the troops?" Villalobos asked.

The guerrilla officials held the news conference for six correspondents who were invited to this bombed-out mountain village in northeastern El Salvador that serves as the informal capital of rebel-held territory.

Villalobos, leader of the People's Revolutionary Army, which is one of the two main guerrilla groups in the five-faction FMLN, rarely grants interviews, and no U.S. journalist is known to have seen him before.

Handal, 56, is commander of the Armed Forces of Liberation, a smaller guerrilla force, and an official of the Salvadoran Communist Party who has links to countries such as Cuba and the Soviet Union. High-ranking leaders, but not the top commanders, also were present representing the other three guerrilla forces.

The FMLN staged the news conference to try to show the world, and particularly the U.S. public, that it is determined to continue its struggle despite the Salvadoran armed forces' improved military performance in the last 18 months, and despite the recent electoral triumphs of President Jose Napoleon Duarte and his Christian Democratic Party, rebel officials said.

The commanders held out little hope for a negotiated settlement, saying that time was on their side in what they called a "war of attrition." They blamed Duarte for lack of progress in peace talks, and categorically rejected the president's demand that they stop fighting and compete for power in elections as provided for by the country's new constitution.

"There is no condition under which we would lay down our arms, because we are not willing ever to lay them down," Villalobos said. Handal added: "How could it occur to anybody that, in a country at war, it's necessary to wage the war constitutionally? We really have no commitment to this constitution."

The commanders blamed the United States for their failure to achieve victory, saying the Salvadoran armed forces recovered from setbacks in 1982 and 1983 only because of U.S. aid.

"We believe that, except for the escalated process of [U.S.] intervention, we would have won the war," Villalobos said. He said that halting U.S. support for the government was the guerrilla front's "fundamental" condition for reaching a negotiated settlement.

The Salvadoran armed forces, backed by hundreds of millions of dollars of U.S. assistance, have regained the military initiative since the rebels' last sustained offensive in late 1983. The Army has pushed the guerrillas back into county-sized enclaves here and in the southeastern and northern parts of the country. It has forced the rebels to travel and fight in small units of several dozen, while in 1983 they moved in groups of hundreds, according to rebel, Salvadoran Army and U.S. officials.

But the commanders argued yesterday that the war merely had entered a new state, and said that they were stepping up small-scale infiltration around the capital and in southern and western parts of the country where they have not been very active in the past. Rather than seeking to expand their territory as before, the guerrillas are concentrating on killing Army soldiers and sabotaging the economy to wear down the government, they said.

"Our thinking is that in one year, we will be waging the war in all the country's territory, in all the highways, in all the cities," Villalobos said. "The Reagan administration can send all the rifles it wants, but it cannot replace the Army's casualties."

The commanders asserted that they could continue their war indefinitely because the Army was unable to catch them despite regular sweeps through the mountainous and swampy terrain where they have their bases.

The press conference was conducted here just 11 days after a helicopter-borne Army battalion had left the area following a 10-day operation. At the time of the news conference, Army troops were stationed as close as nine miles south of here on the southern banks of the Torola River, which has served for three years as the border between guerrilla-dominated and Army-dominated territory in this region.

In the 90-minute news conference, held on the covered patio of a house on Perquin's main square, the commanders also made the following points:

Without admitting that the guerrilla front received arms from Nicaragua, they strongly defended their right to seek assistance wherever they wished. They ridiculed the U.S. administration's position that the Salvadoran insurgency was part of a Soviet-designed plan to export revolution, saying instead that the front had sprung from opposition to the unequal distribution of wealth in this country and from the armed forces' brutality in repressing popular movements.

"The first arms to enter [from abroad] were from the United States," Handal said, referring to the sending of $5 million of military assistance here by the Carter administration in 1980. "If we receive arms, the proportion would have to be something like 1,000 to 1" between arms supplied by Washington to the government and those supplied by Nicaragua and other leftwing countries to the FMLN, he said.

The commanders seemed to be defensive about several recent guerrilla actions against civilians.

They admitted, for instance, that they had made an "error" last year when Villalobos' force kidnaped several hundred youths in the eastern part of the country and tried to force them to join their ranks. The press-ganging, which began in April and lasted about three months, hurt the guerrillas' relations with the civilian population and drew criticism abroad. Most of the youths were released later.

In addition, Villalobos defended his force's kidnaping of 17 mayors this spring, and the killing of one or two of them. He added that the kidnapings had ended "because there aren't any more mayors to kidnap."

On another issue involving treatment of civilians in the war, the commanders denied that the urban commando unit that killed the four U.S. marines last month was responsible for slaying nine civilians, including two U.S. businessmen, who died in the attack. Handal endorsed the position, taken by the unit that staged the assault, that unidentified persons at the restaurant had fired back at the attackers and killed the civilians.

"It's not true that this way an operation to massacre, to kill. It was an operation directed against military objectives," Handal said. The consensus of witnesses and investigators, however, is that the guerrillas killed the civilians even though there were reports that one or two diners may have fired back.

On a related point, Handal said that the guerrilla front was not concerned about criticisms of the restaurant attack by members of the Democratic Revolutionary Front, a group of exiled, leftist politicians who are allied with the FMLN.

"We don't have an absolute identity [with the civilian front], either in our form of fighting or in our political positions," Handal said. "We don't consider this [criticism] a rupture or anything serious."

The other guerrilla leaders at the conference were Facundo Guardado of the Popular Liberation Forces, Leo Cabral of the Armed Forces of National Resistance and Miguel Mendoza of the Central American Revolutionary Workers Party.

The youthful-looking Villalobos was a founder of the People's Revolutionary Army and is considered the FMLN's most prominent hardline leader and its chief military strategist. He was an urban guerrilla leader in the late 1970s and a U.S. Embassy document has suggested that he may have planned attacks on the embassy in San Salvador during 1980. He moved to the countryside later and claimed, with other commanders, to have established control of the area around Perquin in August 1981.

The journalist—five from U.S. media and one from a Mexican television network—drove here Thursday with a seven-member delegation of representatives of liberal Hispanic-American organizations from California. The delegation arranged the reporters' visit.

Rep. George Brown (D-Calif.) has accompanied the delegation on several of its stops, and he contacted senior Army officers here to tell them that the delegation and journalists were making the trip and should not be attacked, according to members of the delegation. Brown did not visit Perquin after being advised against it by the State Department, they said. The group, traveling in four vehicles, was waved through a series of Army roadblocks without incident.

Mr. Chairman, it is very simple. The guerrillas have threatened continued guerrilla warfare, terrorist tactics in El

Salvador. Just days after they have warned us that they are going forward with these continued efforts to undermine a duly elected, constitutionally elected government in El Salvador, we are in the process of cutting back the funds, the economic support funds, for the government which we have been supporting over the years.

It seems to me that we have bolstered, fostered, brought up a constitutional democracy in El Salvador, that the last thing we should be doing is falling back on the efforts and the achievements that we have brought forth so far over these last few years.

I would urge the adoption of my amendment.

Mr. BARNES. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, the committee, as the gentleman knows, is very sympathetic to his amendment; and the committee struggled mightily to come out with a level of assistance to Salvador that is consistent with our interest there.

The difference between what the gentleman is proposing and what the committee proposes is $15 million; the committee is at $195 million, and the gentleman is proposing $210 million in economic support funds.

The problem, quite honestly, that we have, is the problem we had in committee; and that is that if we earmark Salvador and set Salvador at a higher level, we obviously have to take the money away from somebody else. It has got to come away from other friends of the United States that we also want to help. It has got to come away from Costa Rica or the Dominican Republic or the Andean democracies.

This is the problem that we struggled with in the subcommittee and in the full committee, and all these countries had to take reductions from the administration's request in order to get us to a freeze level.

We understood that the committee was going to be held to a freeze; other bills have been held to a freeze, and we knew that foreign aid was going to be no exception to that rule, so we tried to package a bill that recognized that the administration was not going to get everything it wanted; this bill is way below the administration's request in many respects.

For example, the committee had to cut the administration's request for Panama for economic support funds in half. We cut the administration's request for Salvador from $210 million to $195 million, a relatively small cut compared, for example, to the cut we made for Panama or the cut we made for the Dominican Republic or other countries, percentagewise.

So, Salvador actually came out quite well in our process in terms of holding as close as we could to what the administration had requested.

I do not know if the gentleman is amenable to discussion here on the floor of a compromise. We have already got a real problem with Salvador being a big balloon. It is by far the largest recipient of U.S. aid in the Western Hemisphere; by far; nobody else comes close, and anything we add onto Salvador has got to be taken away from the other countries.

The next highest would be Costa Rica; I do not think the gentleman wants to take aid away from Costa Rica.

Mr. LIVINGSTON. Will the gentleman yield?

Mr. BARNES. I yield to the gentleman.

Mr. LIVINGSTON. I appreciate the gentleman yielding, and I share his dilemma. I am very sympathetic, and I have no intention of desiring to cut funds that have been allocated to these other countries that I think are very deserving of our assistance.

The problem is, of course as the gentleman well knows, that invariably, year after year, we come before the House and we chop the outer levels, the upper levels of the economic support funds and the military funds there, and the foreign assistance bill, but there are two countries that always survive.

While I am supportive of the assistance for Israel and Egypt, when you stop chopping overall levels bringing the level of support for the total foreign aid package of the United States down and yet leave the support packages for Israel and Egypt intact, what that means is that, exactly what the gentleman has pointed out, the proportion of money available for all of the rest of the countries in the world, let alone the Middle East, in the world is smaller and smaller and smaller.

My point is simply this: We have helped the Salvadoran Government pull themselves up by their bootstraps. They have withstood the terroristic threats of the Communist armed guerrillas in El Salvador for the last 6 years, and all of a sudden, when they start to realize success, here we are in the position of saying, "Well, you did a good job, now we're going to pull the rug out from under you."

Mr. BARNES. Reclaiming my time, I appreciate the gentleman's comments, particularly his recognition of the problem that we on the committee have in dealing with this issue.

Let me say two things. One, the committee's recommended level is the same amount that the full House and the Congress approved in the continuing resolution for this year; the $195 million. It is a reduction from the administration's request of $210 million; there is no dispute over that.

I wonder, if we could deal with this in conference with our colleagues in the other body; we are not disagreeing with the gentleman's basic concern.

(On request of Mr. LIVINGSTON and by unanimous consent, Mr. BARNES was allowed to proceed for 2 additional minutes.)

Mr. BARNES. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I would be amenable to working this matter out in conference, if the gentleman could guarantee me that despite various amendments which have already been passed before this committee today and others which might come later tomorrow and on Thursday, that the allotment for El Salvador will not be diminished, under any circumstances, below the $195 million mark that the committee has reported out.

Mr. BARNES. Let me say to the gentleman that I would be prepared, as an individual Member, to join him tomorrow in an amendment to that effect. The earmarked $195 million.

Mr. LIVINGSTON. I appreciate the gentleman's offer. I would like to ask the distinguished chairman of the committee if he might have any ideas on that subject.

Mr. FASCELL. If the gentleman would seek unanimous consent to do it right now, now is the time to do it.

Mr. LIVINGSTON. I appreciate the gentleman's offer, and I would at this time ask unanimous consent to change the figure in my amendment from $210 million to read $195 million, which will be earmarked, and will not be reduced under any circumstances.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BARNES. Mr. Chairman, I think I will have a few seconds left. I would like to commend my friend from Louisiana for his cooperative spirit. We have had a real problem in the committee on trying to get appropriate levels for all of our friends around the world, and I think we have worked this out in a good manner, and I thank my friend.

Mr. LIVINGSTON. I thank both of the gentlemen for their assistance.

Mr. FASCELL. Thank you very much.

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The CHAIRMAN. The Chair would like to ask the gentleman from Louisiana [Mr. LIVINGSTON] whether his modification applied in the two instances in which the figure was cited.

Mr. LIVINGSTON. Yes.

The CHAIRMAN. It does?

Mr. LIVINGSTON. Yes, Mr. Chairman.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. LIVINGSTON, as modified: On page 30, line 18, replace the period with a colon and add the following: *"Provided,* That of the amounts available under this paragraph, not less than $195,000,000 for fiscal year 1986 and not less

than $195,000,000 for fiscal year 1987 shall be available only for El Salvador.".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. LIVINGSTON], as modified.

The amendment, as modified, was agreed to.

Mr. FASCELL. Mr. Chairman, I will just take a minute here to make an announcement.

It is our intention to designate title III and then to consider an amendment over which there is no dispute, and then to rise.

The CHAIRMAN. Are there further amendments to title II? If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—DEVELOPMENT ASSISTANCE

SEC. 301. DEVELOPMENT ASSISTANCE POLICY.

Section 102(b) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraphs:

"(13) United States encouragement of policy reforms is necessary if developing countries are to achieve economic growth with equity.

"(14) Development assistance should, as a fundamental objective, promote private sector activity in open and competitive markets in developing countries, recognizing such activity to be a productive and efficient means of achieving equitable and long term economic growth.

"(15) United States cooperation in development should recognize as essential the need of developing countries to have access to appropriate technology in order to improve food and water, health and housing, education and employment, and agriculture and industry.

"(16) United States assistance should focus on establishing and upgrading the institutional capacities of developing countries in order to promote long term development. An important component of institution building involves training to expand the human resource potential of people in developing countries.".

SEC. 302. AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION.

Section 103(a)(2) of the Foreign Assistance Act of 1961 is amended by striking out the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $792,352,000 for fiscal year 1986 and $792,352,000 for fiscal year 1987. Of these amounts, the President may use such amounts as he deems appropriate to carry out the provisions of section 316 of the International Security and Development Cooperation Act of 1980.".

SEC. 303. POPULATION AND HEALTH.

Section 104(g) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(g) AUTHORIZATIONS OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

"(A) $320,000,000 for fiscal year 1986 and $320,000,000 for fiscal year 1987 to carry out subsection (b) of this section; and

"(B) $223,138,000 for fiscal year 1986 and $223,138,000 for fiscal year 1987 to carry out subsection (c) of this section.

"(2)(A) Not less than 16 percent of the funds appropriated for each of the fiscal years 1986 and 1987 pursuant to the authorizations contained in paragraph (1)(A) shall be used for the United Nations Fund for Population Activities.

"(B) Not less than 50 percent of the amount by which the funds appropriated for each of the fiscal years 1986 and 1987 pursuant to the authorizations contained in paragraph (1)(A) exceed $250,000,000 shall be administered by the Office of Population in the Agency for International Development.

"(3) Funds appropriated under this subsection are authorized to remain available until expended.".

SEC. 304. LIMITATIONS ON USE OF POPULATION PLANNING FUNDS.

(a) LIMITATIONS.—Section 104(f) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

"(4) The President—

"(A) shall not deny funds for population planning purposes under this part to a foreign country, an international organization, or a nongovernmental organization, and

"(B) shall not deny or require denial of funds (or goods or services financed with such funds) to any direct or indirect recipient of funds, goods, or services from a foreign country, an international organization, or a nongovernmental organization which receives those funds under this part for population planning purposes,

because of the types of voluntary and noncoercive family planning programs which it carries out or promotes, or for which it provides funds, goods, or services (directly or through another entity), so long as it does so entirely with funds other than the funds made available by the United States under this part.

"(5)(A) In view of reports of infanticide and coerced abortion, none of the funds made available to carry out this part may be used to carry out population planning programs in the People's Republic of China, including through contribution to any international organization or any private and voluntary organization which would use those funds for population planning programs in that country.

"(B) The President shall instruct the United States representative to any international organization which receives population planning funds under subsection (b) to oppose the extension of assistance by that organization for population planning purposes to the People's Republic of China, so long as the President determines that there are valid reports of infanticide and coerced abortion in that country's population planning programs.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

SEC. 305. CHILD SURVIVAL FUND.

Section 104(c)(2)(B) of the Foreign Assistance Act of 1961 is amended by striking out "$25,000,000" and inserting in lieu thereof "$50,000,000 for fiscal year 1986 and $50,000,000 for fiscal year 1987".

SEC. 306. EDUCATION AND HUMAN RESOURCES DEVELOPMENT.

The second sentence of section 105(a) of the Foreign Assistance Act of 1961 is amended to read as follows: "There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $188,833,000 for fiscal year 1986 and $188,833,000 for fiscal year 1987, which are authorized to remain available until expended.".

SEC. 307. ENERGY, PRIVATE VOLUNTARY ORGANIZATIONS, AND SELECTED DEVELOPMENT ACTIVITIES.

(a) AUTHORIZATIONS.—Section 106(e)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(e)(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $223,071,000 for fiscal year 1986 and $223,071,000 for fiscal year 1987.".

(b) COOPERATIVE DEVELOPMENT PROGRAM.—Section 106 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Of the amounts authorized to be appropriated to carry out this chapter, $5,000,000 for fiscal year 1986 and $5,000,000 for fiscal year 1987 shall be used to finance cooperative projects among the United States, Israel, and developing countries.".

SEC. 308. PRIVATE SECTOR REVOLVING FUND.

Section 108(b) of the Foreign Assistance Act of 1961 is amended by striking out "fiscal year 1984" in the first sentence and inserting in lieu thereof "each of the fiscal years 1986 and 1987".

SEC. 309. PRIVATE AND VOLUNTARY ORGANIZATIONS AND COOPERATIVES IN OVERSEAS DEVELOPMENT.

(a) NOTIFICATION DATE.—Section 123(e) of the Foreign Assistance Act of 1961 is amended by striking out "thirty" in the third sentence and inserting in lieu thereof "ninety".

(b) EARMARKING FOR PVO's.—Section 123(f) of such Act is amended by striking out "and 1984" and inserting in lieu thereof "1984, 1986, and 1987".

SEC. 310. PROMOTION OF DEMOCRATIC COOPERATIVES.

Section 123 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(h) The Congress recognizes that, in addition to their role in social and economic development, cooperatives provide an opportunity for people to participate directly in democratic decisionmaking. Therefore, assistance under this chapter shall be provided to rural and urban cooperatives which offer large numbers of low- and middle-income people in developing countries an opportunity to participate directly in democratic decisionmaking. Such assistance shall be designed to encourage the adoption of self-help, private sector cooperative techniques and practices which have been successful in the United States.".

SEC. 311. TARGETED ASSISTANCE.

(a) REQUIREMENTS.—Section 128 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 128. TARGETED ASSISTANCE.

"(a) DIRECTLY IMPROVING LIVES OF THE POOR MAJORITY.—The President shall use poverty measurement standards, such as those developed by the International Bank for Reconstruction and Development, and other appropriate measurements in determining target populations for United States development assistance, and shall strengthen United States efforts to assure that a substantial percentage of development assistance under this chapter directly improves the lives of the poor majority, with special emphasis on those individuals living in absolute poverty.

"(b) ENSURING THAT THE POOR MAJORITY BENEFIT.—To the maximum extent possible, activities under this chapter that attempt to increase the institutional capabilities of pri-

vate organizations or governments, or that attempt to stimulate scientific and technological research, shall be designed and monitored to ensure that the ultimate beneficiaries of these activities are the poor majority.".

(b) ANNUAL REPORTS.—Section 634(a)(1)(B) of such Act is amended by inserting immediately before the semicolon the following: ", such assessment to include an evaluation of the extent to which programs under chapter 1 of part I directly benefit the poor majority".

SEC. 312. HOUSING AND OTHER GUARANTY PROGRAMS.

(a) INCREASING AUTHORIZED HIG PROGRAM LEVEL.—Section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "$1,958,000,000" in the second sentence and inserting in lieu thereof "$2,278,000,000".

(b) EXTENDING HIG PROGRAM AUTHORITY.—Such section is further amended by striking out "1986" in the third sentence and inserting in lieu thereof "1988".

(c) MINIMUM ANNUAL HIG PROGRAM LEVELS.—Section 222 of such Act is amended by adding at the end thereof the following:

"(k) The total principal amount of guaranties issued under this section for each of the fiscal years 1986 and 1987 shall be comparable to the total principal amount of such guaranties issued for fiscal year 1984.".

(d) AGRICULTURAL AND PRODUCTIVE CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROGRAMS.—Section 222A(h) of such Act is amended by striking out "1986" and inserting in lieu thereof "1988".

SEC. 313. TRADE CREDIT INSURANCE PROGRAM.

Section 224(e) of the Foreign Assistance Act of 1961 is amended by striking out "not to exceed $300,000,000 in the fiscal year 1985" and inserting in lieu therof "except that the aggregate amount of outstanding commitments under subsection (a) may not exceed $500,000,000 of contingent liability for loan principal during fiscal years 1986 and 1987".

SEC. 314. DISADVANTAGED CHILDREN IN ASIA.

(a) AUTHORIZATION OF ADDITIONAL ASSISTANCE.—Section 241(b) of the Foreign Assistance Act of 1961 is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,000,000".

(b) ADDITIONAL STEPS TO HELP AMERASIAN CHILDREN.—The Congress finds that Amerasian children are currently the object of discrimination in the countries in Asia where they now reside. Therefore the President shall report to the Congress on the quality of life of these children and on what additional steps, such as facilitating adoptions, the United States could take to enhance the lives of these children.

SEC. 315. MINORITY SET-ASIDE.

Except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 percent of the aggregate of the funds made available for each of the fiscal year 1986 and 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically black colleges and universities, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5) (B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GILMAN: Page 47, after line 18, insert the following new section:

SEC. 316. USE OF PRIVATE AND VOLUNTARY ORGANIZATIONS, COOPERATIVES, AND THE PRIVATE SECTOR.

(a) STUDY.—The Administrator of the Agency for International Development shall undertake a comprehensive study of additional ways to provide development assistance through nongovernmental organizations, including United States and indigenous private and voluntary organizations, cooperatives, the business community, and other private entities. Such study shall include—

(1) an analysis of the percentage of development assistance allocated to governmental and nongovernmental programs;

(2) an analysis of structural impediments, within both the United States and foreign governments, to additional use of nongovernmental programs; and

(3) an analysis of the comparative economic benefits of governmental and nongovernmental programs.

(b) REPORT.—The Administrator shall report the results of this study to the Congress no later than September 30, 1986.

Mr. GILMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, the purpose of my amendment is to direct AID to undertake a comprehensive study on how best it could shift development programs away from governments and more toward private and voluntary organizations [PVO's], cooperatives, and the private sector. I offer it because it is well known that the most successful development initiatives are designed and carried out by the PVO's, cooperatives, and the private sector.

Our Nation has been a world leader in providing direct humanitarian aid to areas in crisis around the world. We have financed many self-help projects that respond to the need for long-term solutions to the poverty that plagues so many countries. In addition, we are doing a great deal to bring to the attention of the leaders of the many countries that are suffering from the current famine action that they themselves can undertake to help their own people. These actions include reforming State-Controlled Agricultural Programs, adopting market oriented strategies and reducing some of the disincentives that hinder corporate investment in their nations.

However, the success of our efforts hinges upon overcoming our focus on bilateral, government-to-government assistance. By increasing the role that nongovernmental organizations, including United States and indigenous private and voluntary organizations, cooperatives, the business community, and other private entities pay in development assistance we will give the green light to cost-effectiveness and efficiency: More self-help projects will be emphasized and we will see a return to a people-to-people to the problems that plague long-term development.

Accordingly, I urge my colleagues to accept this amendment.

Mr. Chairman, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment on this side. We have no objection to it. We are ready to accept it.

Mr. GILMAN. Mr. Chairman, I yield to the distinguished gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, I also accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The amendment was agreed to.

● Mr. DORGAN of North Dakota. Mr. Chairman, foreign aid can play a key role in advancing the foreign policy interests of the United States. But the success of our foreign assistance turns on whether it enjoys the enthusiastic support of the American people and on whether it strengthens our ties with the recipient nations.

Moving in those directions means freezing future foreign aid at this year's level and keeping the right balance between security aid on the one hand and economic and food aid on the other. By contrast, the public support for foreign aid is now threatened by the rapid rise in overseas assistance. While the administration proposed to cut farm programs by 38 percent, higher education by 25 percent and Child Nutrition-Food Programs by $726 million, it also planned to boost foreign aid in 1986. Had Congress approved this budget request, the foreign aid bill would have grown by 64 percent since 1981.

But I know that my colleagues oppose the enormous overall rise of foreign aid—fueled in large part by the unbridled growth in security aid. For my part, I cannot support big spending on foreign aid when we face a budget crisis in this country. With annual deficits of $200 billion—that force us out of export markets due to an overvalued dollar and that drive our farmers into bankruptcy due to burden-

some interest rates—we simply must draw the line against red ink in the Foreign Aid Program.

In particular, we must restrain security aid, which would grow by 100 percent in just 5 years under the Reagan budget. The Military Assistance Program [MAP] alone would skyrocket by 762 percent under 5 years of administration foreign aid plans. MAP was created by Congress to aid countries with pressing national security threats and inadequate funds to pay for needed military equipment. By 1975, Congress had decided to terminate the MAP Program. But now the administration would ask the American people to finance free military aid worth nearly $1 billion to over 20 nations around the globe. In times of a deficit crisis, we simply must put the brakes on the fastest growing part of Federal spending: The MAP Program and other military aid.

Further the foreign aid we do provide should really work to building bridges to developing nations. Food for Peace is one such program, which has helped many nations fight the scourge of hunger and also build lasting trade ties with the United States. Yet funding for this important foreign policy tool has actually declined in real terms under the Reagan administration. This is a valuable program which serves American interest while peacefully advancing development and feeding many of the millions of hungry people in the world.

Consequently, I rise in support of the Fascell amendment to H.R. 1555, the foreign assistance bill for 1986. The amendment achieves the same basic goals of the amendment I had intended to offer. It first freezes foreign aid for 1986 and 1987 at this year's level. And it does so by preserving needed humanitarian aid and stopping the runaway growth in security aid. The freeze amendment makes budget and policy sense and merits the support of the House.●

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COLEMAN of Texas] having assumed the chair, Mr. AUCOIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes; had come to no resolution thereon.

PERMISSION FOR SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS AND HUMAN RESOURCES OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Intergovernmental Relations and Human Resources of the Committee on Government Operations be permitted to meet tomorrow during the 5-minute rule.

Mr. Speaker, I have cleared the matter with the ranking minority Member, the gentleman from Pennsylvania [Mr. WALKER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. SCHAEFER. Mr. Speaker, reserving the right to object, has this been cleared with the minority leader?

Mr. WEISS. If the gentleman will yield, the ranking minority member on the subcommittee is the gentleman from Pennsylvania [Mr. WALKER], and he has agreed to it.

Mr. SCHAEFER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CLASSIFIED REPORT ON U.S. COUNTERFORCE CAPABILITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of Section 1105 of the Department of Defense Authorization Act, 1985 (Public Law 98-525), I herewith transmit a classified report on United States Counterforce Capability.

RONALD REAGAN.

THE WHITE HOUSE, *July 9, 1985.*

GETTING THE NUTRI-FACTS ABOUT MEAT

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SMITH of Nebraska. Mr. Speaker, the impact of diet on our health has drawn greater attention than almost any other consumer issue over the past several years. Red meat has frequently been the center of attention, as various factions have debated its nutritive attributes.

Mr. Speaker, for the first time, American consumers are now able to obtain nutriton information on a cut-by-cut basis at their supermarket meat case. In fact, through a new program called Meat Nutri-Facts, the U.S. red meat industry will offer even more nutrition information than other food industries. For example, information on cholesterol, sodium, and fat as well as calories, protein, vitamins, and minerals will be included.

I commend the red meat industry for making this effort to aid conscientious shoppers to make informed selections of meat in the marketplace. I can think of no greater service to our food consumers than to provide them with the most up to date, accurate information available on the items that they purchase.

For the benefit of my colleagues, I ask that a copy of an article from the Omaha World-Herald, the highest, circulation newspaper in the State of Nebraska, regarding this program be inserted in the CONGRESSIONAL RECORD.

[From the Omaha World-Herald, June 14, 1985]

"MEAT NUTRI-FACTS LONG OVERDUE"

(By Merle Ellis)

There is nothing new about this nation's concern with nutrition.

There is much more talk about it than there ever was before, but the basic concern hasn't changed much.

As a child, I can remember such parental comments at the dinner table as: "Drink your milk." "If you don't eat your spinach, you don't get dessert." "No, you can't have a cookie. You can have an orange, but no more cookies." "Eat your cereal before it gets soggy."

Things were a whole lot simpler then. We learned as early as kindergarten about the four basic food groups, about a balanced diet and moderation.

Sometimes knowledge had to be enforced with a little loving discipline, like "eat your spinach or else," but the basics of nutrition were really rather simple.

They still are, but you wouldn't know it to witness the flood of nutritional information that has descended upon us in the past decade.

INFORMATION OVERLOAD

Today every food producer wants to tell us how "good it is," how "natural," how "low in this or high in that" it is.

We have been barraged with bits and pieces of information in television and radio commercials, and on the labels of nearly every packaged food we pick up in the supermarket.

The side of every cereal box tells us how "nutritious" the contents are, how "natural" and "whole grained." We are given the "percentage of U.S. RDA" of a whole long list-of nutrients from vitamin A to zinc.

The calories are counted; the protein, carbohydrates and fat are listed in grams; the cholesterol, sodium and potassium in milligrams. It's all there on the label—everything you need to know to make you feel good about eating the food.

In this food of information, meat has not fared too well. Perhaps because there never has been a label on a package of pork chops or a T-bone steak to testify in black and white that meat is a good, wholesome, nutritious food.

That is no longer the case.

"NUTRI-FACTS"

In a comprehensive program called "Nutri-Facts," the U.S. red meat industry will offer even more nutrition information than other food industries—so there!

For example, information on cholesterol, sodium and fat (including saturated, monounsaturated and polyunsaturated fats) will be included on meat labels.

For years we have been told that saturated fat is a "no-no." It may be surprising, when you read the Meat Nutri-Pact label on a package of beef sirloin steak, that there are only 185 calories and a total fat content of 8.3 grams in a three-ounce serving of broiled steak.

This accounts for only 9 percent of the calories and 12 percent of the fat recommended in a 2,000-calorie-per-day diet.

Even more amazing is that of the total fat, only 3.3 grams is that awful saturated fat, while 3.6 grams is the not-so-awful monunsaturated fat and four-tenths of a gram is that good-guy, polyunsaturated fat.

That leaves only one tiny gram of fat unaccounted for, and that's hardly worth worrying about. It's probably poly-unaccounted-for fat, at that.

COMMON SENSE

The "Meat Nutri-Facts" program is long overdue.

Consumers in America, in survey after survey, have indicated that they want and need this kind of nutritional information in order to make informed decisions when it comes to feeding their families.

During the test period of the Nutri-Facts program, it was found that the No. 1 benefit shoppers identified was receiving direct information on calories.

Using a package sticker, the program highlights those cuts of meat with fewer than 200 calories per three-ounce cooked serving.

Now, before you buy one of those "under 300-calorie" cook-in-a-pouch packages in the frozen food case, check the Nutri-Fact labels at the meat counter.

You may be able to make the same dish from fresh ingredients, without a lot of things that you can't pronounce, for a lot less money and fewer calories.

One of these days, thanks to programs like Meat Nutri-Facts, perhaps we'll all become super-saturated with nutritional information.

Perhaps one day, when we know all there is to know—and much more than any of us ever wanted to know—we can get back to some common sense, a little moderation and the four basic food groups.

They're still valid. They probably always will be. And they're much easier to deal with. You don't even need a label.

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THE BUDGET

(Mr. GRAY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GRAY of Pennsylvania. Mr. Speaker, we all know that the President of the United States is a speaker of great skill. This past Saturday he used those skills to tell us that he has discovered that the deficits created by his own policies are a grave threat to the well-being of the American people.

It is with genuine sadness that I note that our President confuses fiction and fact. He mixes tall tale with hard truth. For example:

He attacks the House because Republican Senate conferees, with bipartisan Senate support, propose a tax increase.

He attacks the House over a proposal on oil revenues which has been agreed to by the Republican Senate and warmly endorsed by Budget Director Stockman in a letter to our colleague HENSON MOORE.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 20, 1985.

Hon. HENSON MOORE,
House of Representatives, Washington, DC.

DEAR HENSON: This is to clarify the Administration position with regard to the 8(g) settlement proposal now pending before the Budget Conference Committee. I also want to express my personal appreciation for your effective and tireless efforts in promoting a fair and balanced compromise solution to this long-standing problem.

Until the present time, the Administration has felt that a legislative solution would not be appropriate. However, based on your strong advocacy and the proposed 27/73 percent split of the contested escrowed funds, we have now concluded that both the Federal and States' interests would be best served by enactment of legislation consistent with the House Budget Resolution assumption. Therefore, we support the Senate's receding to the House on this provision and would support subsequent legislation to implement this proposal.

As you know, Secretary of the Interior Hodel has made intensive good faith efforts to resolve this issue with the affected States based on the Administration's proposal of last fall. However, he fully endorses our decision to support a legislative solution, and believes this should now clear the way for forward movement on the Department's proposed five-year OCS leasing plan.

Once again, we deeply appreciate your forceful and effective role in bringing the 8(g) issue to a satisfactory conslusion.

Sincerely,

DAVID A. STOCKMAN.

"We have now concluded that both the Federal and States' interests would be best served by enactment of legislation consistent with the House budget resolution assumption. Therefore, we support the Senate's receding to the House on this provision and would support subsequent legislation to implement this proposal."

And, the President accuses the House of endangering security when we have offered the Senate a higher level of defense spending than the Senate proposed in its latest offer to the House.

Mr. Speaker, we do need the President's active involvement in solving the deficit crisis, just as we need the leadership of the Senate and the House.

But we need honest leadership which will attempt to solve the existing deadlock over the key issues in the latest budget offer—Social Security COLA's and revenues.

Mr. Speaker, I welcome the fact that the President appears ready to come down from the skybox to reenter the playing field in the effort to produce a budget.

NORTHEAST ASIAN SECURITY

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BADHAM. Mr. Speaker, over the recent Fourth of July recess Georgetown University Center for Strategic and International Studies held a forum in Korea on the subject of Northeast Asian security. Several of the Members of this body and a Member of the other body did attend and take part in that important symposium.

During the course of the symposium our colleague from New Jersey, the Honorable JIM COURTER, delivered a paper which I thought was extremely good and worthwhile reading for all of the Members of this body and any of those who partake in the perusual of the RECORDS of this House.

I submit for printing at this time the paper delivered by our friend and colleague, the Honorable JIM COURTER.

KOREAN SECURITY AND THE UNITED STATES: MUTUAL NEEDS AND INTERESTS—AN AMERICAN PERSPECTIVE

(By Congressman Jim Courter)

In a book titled "The Problem of Asia," published in 1900, a U.S. Navy Captain named Alfred Thayer Mahan described his countrymen as "distinctly averse to studying political problems (until they were) pressed home upon our consciousness by an immediate emergency." War with Spain, which pulled the U.S. into involvement in the Philippines, provided just such an exigency. At last, Mahan said, America was taking "a longer view." America's vision rose "gradually above the Antilles and the Isthmus, (and) saw beyond them the Pacific, Hawaii, and the beginning of momentous issues in China and Japan."

More than eight decades later, in 1982, United States trade with Asia surpassed in volume our trade with Europe. This is but a small, silent statistic in technical books, but it is the key to a geopolitical change of immense importance. American ties to Europe have always been the strongest, by reasons of patrimony, sentiment, commerce, and alliance in war. While this instinctive American allegiance will endure, it seems certain that our ties to Asia will be strengthened in the next decades by immigration, trade, and political and cultural contacts, as well as by the harsh necessity of increasing danger in the Pacific. In Mahan's day, men talked of a dream—a great canal through the Isthmus to open the Pacific. Today men talk of another parallel canal.

UNITED STATES SECURITY AND THE PACIFIC

The gifted French observer of American democracy, Alexis de Tocqueville, observed as early as the 1840's that America and Russia were two powers moving rapidly toward mutual domination of the world stage. He wrote that each would become so large that only the other would be a rival. Perhaps no more than a few Americans took

note of that fascinating prediction. But in 1904 the American historian Albert Beveridge published "The Russian Advance", and it's first sentence reflected a geopolitical movement begun by Peter the Great and fully achieved at last: "The Russian has arrived on the Pacific." The apparition of that "gray-clad militant figure standing on the frozen shores," Beveridge continued, has claimed "the acute attentions of every cabinet in Europe and of every thoughtful American citizen."

As World War Two ended, the U.S.S.R.'s armies advanced into the rimlands of Eastern Asia, and reached far enough into Europe to occupy half its heartland. They were never to retire. Thus the Soviet Union became, and so it remains, the central security concern of the American people, and is such on both American shores.

Soviet power and Soviet designs will remain the chief American defense concern over the next decades. This is an undeniable fact of geopolitics. One could say that today America faces Russia as Britain did in the nineteenth century: as an "island" power which faces a much larger land power. Certainly America is a much larger island than Britain. But then, Russia has grown enormously as a land power; it now extends across twelve time zones from the Sea of Japan to the Elbe River. And the invasion of Afghanistan carried Soviet armies to within 300 miles of the Persian Gulf, threatening to split the continent in half. Just as British security in the nineteenth century required that no continental European power come to dominate, and have the power to close, the European coastline and its centers of maritime trade, America would find it impossible to survive in the Pacific should all of Eurasia fall under the domination of a single government.

Yet what has happened of late? The loss of the Vietnam war has left the Soviet Union with numerous ports and airfields in Indochina, particularly Cam Ranh Bay which, the Detroit News observes, controls the strategic juncture between Northeast and Southeast Asia. America closed several bases in the Philippines. We surrendered formal control of the Panama Canal. We have pledged ourselves not to increase aid to Taiwan, and even discussed a gradual decrease of arms sales.

There have been reasons for some of these actions. But it is certain that most represent strategic losses which must be offset. Since the United States can do very little about the mass of Soviet power within Asia, it can and must do more to guarantee the freedom and strength of those countries on the Asian rim.

IMPORTANCE OF KOREA TO U.S. SECURITY

Our Mutual Defense Treaty, which officials of the Republic of Korea and the United States signed in 1953, affirms our mutual desire to strengthen peace in the Pacific region. The signatories desired—and here let me quote exactly—"to declare publicly and formally their common determination to defend themselves against external armed attack so that no potential aggressor could be under the illusion that either of them stands alone."

These were fine words. But they were not only words. They expressed a brotherhood born in terrible battles a very few months before. Koreans were to fight alongside Americans again in Vietnam. Our military relations have continued to develop: The R.O.K. and the U.S. have established a joint military command for better coordination in Korea, and our annual "Team Spirit" exercises are the largest the Americans carry out anywhere in the world. 40,000 U.S. troops remain on the ground in Korea. Some Americans say that is too many; some say it is too few. The point is that they remain, as they have for three decades. The Department of Defense has regularly declared that "American forces will remain on the peninsula as long as the Korean people want them there."

Defense Secretary Weinberger has stated that "the defense efforts of Japan, China and Korea have the potential to affect the global balance of power more profoundly perhaps than those of any other countries in the world, outside the U.S. and the Soviet Union." Let us look for a moment at Japan and China. Each has immense potential to help in protecting the Pacific countries. But each has its limitations. Japan's defense budget has increased by 7 percent each year for the last decade and a half, but it multiplies from a very small base. Japan's self defense is still unassured. The November 1976 Cabinet reaffirmation of the policy of holding military spending to one percent of the GNP paid dignified respects to the constitution Americans helped design so many years ago, but it is a policy which the Japanese must and are now considering amending. Ours is a world in which the Soviet Union routinely spends 14 percent of its enormous GNP on armed forces. North Korea spends 24 percent.

China fascinates Americans, who have a traditional habit of overestimating the part China plays, or will play, on the world stage. Its defenses are many men deep, but it still lacks the power to project force. China was in no position to interdict the Soviet-backed conquest of Indochina, or Soviet annexation of Afganistan, even though Laos and Afghanistan's Wakhan Corridor both border on China. The celebrated border war with Vietnam was indecisive. It was most noteworthy, in fact, that Vietnam never felt compelled to withdraw its troops from Laos and Cambodia and redeploy them northward against China. That indicated much about Hanoi's expectations about the extent of the Chinese designs. There is something else which many Americans have overlooked: There are signs, especially since about 1981, that China's political and economic relations with the Soviet Union are much improved. Chinese contacts and exchanges with the Eastern European satellites are now commonplace.

SOVIET POWER, SOVIET PLANS

The alliance of states opposed to further Soviet geopolitical gains in Asia in thus a very loose one, and includes an uncertain member. We can hardly avoid pondering this, since Soviet ground forces in Eastern Asia have tripled in size since the mid-1960's. Tactical air forces have been doubled since 1970, and systematically modernized. Backfire bombers by the dozen have been deployed. SS 20 deployments blanket Korea, China, Japan, portions of Alaska, the Philippines, and southern Asia. The Soviet Pacific fleet is the largest of their four. The Merchant Marine, the incomparable ally of a Navy in war or peace, surpassed in size that of the U.S. many years ago, and is easily the world's largest. And 13,000 men, 260 tanks, and 300 armored personnel carriers have been deployed on the southern Kurile Islands.

What are these new forces for? First, they can dominate the sea lanes of the Asian Pacific, and exclude other interested countries' ships. Second, Soviet power has been brought to bear to consolidate the newly-created Indochinese Federation of Laos, Cambodia, and Vietnam. Vietnam is already a full member of the communist economic bloc. The same future awaits the two other countries. Soviet plans, Soviet money, and Soviet military advisors are behind this integration. Third, augmented Soviet power is intended to neutralize Korea and Japan, the economic giants to whom freedom of the seas is everything. Militarization of the Kuriles, repeated violations of Japanese airspace by fighters and bombers, frequent usage of the Japanese and Korean straits, and harassment of fishermen off Hokaido are all linked to this design. Fourth, the U.S.S.R. is serving notice to China that it is in no position to oppose Soviet grand strategy during peacetime.

A fifth Soviet foreign policy goal in Asia, of course, is support of the Government of North Korea. The two countries signed a defense accord in May of last year. The celebrations during this past month of the first anniversary of Kim IL-Sung's 50-day tour of the Soviet and Eastern European bloc were enthusiastic, marked by militant rhetoric, and full of promises of further integration and further enterprises for "the international communist movement." So were press releases accompanying recent state visits to Pyongyang of a Czech Vice Premier and the Bulgarian dictator Todor Zhivkov. Regular North Korean involvement with Soviet allies from Syria and the P.L.O. to Cuba, Nicaragua and the last Government of Grenada have served notice to Americans that North Korea is a global problem, not just a South Korean problem. Americans also tended to see the attack on the President and Cabinet in Rangoon in 1983 as indicative of the character of the North Korean regime, rather than as an excess of particular elements within its Army.

THE NORTH KOREAN THREAT TO THE SOUTHERN REPUBLIC

When my friend Ambassador Sherman spoke on Korea to a distinguished audience at the Hoover Institution at Stanford University last year, he made the point that on a 120 mile front, North Korea possesses three-quarters as many artillery pieces as the U.S. Army has world-wide. North Korea has a 2 to 1 advantage in offensive weapons generally. Practically every able-bodied male is enrolled in the army, or its reserves, or some kind of militia. The country has less than half of the South's population, but maintains 150,000 more new standing to arms.

What are these capabilities for? Defense? Perhaps. But a state-sponsored act of mass assassination—and that was what the Rangoon bombing was—should tell us something of the North's intentions. So too should the simple fact that military analysts recognize North Korea's force configurations as offensive in character. The army is increasingly deployed forward along the demilitarized zone, and American officials believe there are some 100 new forward basing areas. Forward redeployment of what had been rear echelon forces continued even during delivery of the celebrated flood relief assistance of last autumn. One must consider too the tripling of the North's amphibious landing capabilities since 1971, and the tunnels, shocking in their size and potential efficiency as means of troop transport. These are not defensive assets.

PROJECTIONS FOR THE IMMEDIATE FUTURE

It seems likely that the dangers will remain on the Korean peninsula, and that

the Republic of Korea, due to no fault of its own, will find it necessary to continue speaking of managing tensions rather than of ending them. First, there is no indication that Soviet military growth will abate. Second, there is every reason to believe that the economic gap between the two countries' economies will widen, and remain a continuing reproof to Northern pretensions about the superiority of communism. South Korean prestige will also be enhanced by the international economic talks scheduled for this autumn, the Asian Games slated for Seoul in 1986, and of course the Olympics in 1988. Third, if President Chun does step down from office when his term ends in 1988, he will have crowned a great period in the Republic's history with the nation's first peaceable transfer of power since the war. This will even further enhance the country's sense of well-being and its position in international forums as an exponent of democracy, and what is an advantage to the South will prove an irritant to the North. Lastly, if the Sino-Soviet rapprochement continues, the reservations both those powers now seem to hold about any conflict on the Korean peninsula could diminish.

It appears that there is little likelihood of Korean reunification in the near future. Certainly the Koreans want it. Most of the world wants it. But the operative question is and will remain: "Reunification on whose terms?" We see the same dilemma in Germany. The experience of South Vietnam should be sufficient to suggest that reunification on any terms can be a bad proposition.

North Korean politics are not expected to change. It seems unlikely that anything will break the present slow passage of power from Kim to his son. The latter already appears to be in charge of many day-to-day activities, and the extent of his father's enormous personality cult will protect him against many likely enemies. If there *is* a succession struggle, it is not easy to project what effect it will have on the R.O.K.'s security. Most nations turn in upon themselves in times of internal crisis, but others hurl themselves outward as an alternative to, or as a means of dealing with, insoluable internal difficulties.

Were I to name, in one word or a few, those things which would benefit us most during these next years, they would be: Regional Cooperation, especially between Korea and Japan and China. Vigilance. And Democratization. The last would strengthen Korea, not weaken it. Democratization would also undercut American critics of the R.O.K., as surely as several sets of elections in El Salvador have silenced those who wished to end American economic and military aid to that once troubled and now startlingly successful country.

CONCLUSION

I noted de Tocqueville's prediction that, one day, the U.S. and Russia would each "hold in its hands the destinies of half the world." But his characterization of how each would hold its half is of equal interest. The American "combats the wilderness and barbarism," said this Frenchman, while the Russian "combats civilization itself." "America's conquests are made with the plowshare, Russia's with the sword. To attain their aims, the former releases personal interest and gives free scope of the unguided strength of common sense of individuals. The latter in a sense concentrates the whole power of society in one man. One has freedom as the principle means of action; the other has servitude."

This distinction, made more than a century ago, recalls that between Athens and Sparta. It comes to mind in respect to the South and the North in Korea, too, and not only because of the upcoming Olympic Games. The power of the South, the national excellence of the South, is commercial. The R.O.K., like Athens, is outward-looking, maritime, ever bent on redoubling its contacts and its commerce abroad, and open and adaptive of the differing ways of the world. The power of the North is military, and its national character is marked by the militarization of the society, the pervasiveness of political organization and the refusal to permit anything to remain in the private realm, and some national xenophobia.

North Korea therefore suits the Soviet Union and its patterns of alliances, in which the tendency is always towards central control and discipline. And the South's independence suits as well the American pattern, best represented by NATO, whose divergences and disagreements are freely voiced and bare to the world. America believes that Korean self-interest will maintain and strengthen the present alliance with the U.S. without undue pressure from either party. Each comes freely to the agreement, which can be broken off by either at its pleasure, but which instead grows stronger year by year.

Soviet power can and must be confronted in Asia as surely as on the European continent. The R.O.K.-U.S. alliance will be an increasingly important dimension of this containment. America can no more afford to see Europe kept free while Korea and Japan are lost than it can hope to survive by fighting for Korea and Japan while Europe is overrun.

Let such necessities for mutual security remain the hard and fast underlayer of the pleasures of Korean-American friendship, trade, and cultural exchange.

AFRICAN WIVES STILL EXPLOITED, MEN DEMAND PREGNANCIES AS PROOF OF THEIR VIRILITY

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, as we commence debate today on the very important foreign aid bill let us consider for a moment an article in last Saturday's Washington Post, and I read: "As U.N. Women's Decade Ends African Wives Still Exploited, Men Demand Pregnancies as Proof of Their Virility."

As we begin debate on this measure, Mr. Speaker, there are thousands of women in sub-Saharan Africa leading lives of quiet desperation. Whatever family planning services are available to them sometimes are miles away. They cannot afford the cost of transport and, in any event, their husbands tend to oppose family planning because from a traditional standpoint they believe that large families are eloquent testimony to their virility.

So when we talk about UNFPA, IPPF, the World Bank, the regional development banks and our own AID program, we have to remember that the decisionmaking that goes on in each of these African countries is an absolutely indispensable precondition to making all the money, all the caring and all the resources that the world donor community is lavishing on sub-Saharan Africa work successfully.

The African countries have to make some hard decisions on improving the status of women. They have got to make decisions to offer women equal access to education, to jobs, to credit, to increasing the age of marriage, liberating their women, and making women equal partners in life.

The international family planning organizations must work together and use all of their powers of persuasion to encourage African chiefs of state to make fundamental changes in society. Family planning alone is not enough.

Tunisian President Habib Bourguiba was a pioneer in the movement to improve the status of women. In the late 1950's, Bourguiba used his office and the media to educate his country on the need to reduce population growth.

Bourguiba told his people that Tunisia was a small, resource-poor country. He also pointed out that men confused virility with the number of children they had and he sought to change male viewpoints on family life.

He urged men to reduce the number of children they fathered and "Put education in the head, love in the heart, food in the stomach, and shoes on the feet." Only then, he said, would someone be a real man.

When other African nations follow Bourguiba's lead then the contraceptive technology and the family planning clinics which the developed world is offering to them will have some impact and will be of assistance in improving the quality of life in sub-Saharan Africa, that most beleaguered of all continents on Earth.

FOR THE ESTABLISHMENT OF THE POCONO MOUNTAIN CENTER OF THE ARTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. McDADE] is recognized for 5 minutes.

● Mr. McDADE. Mr. Speaker, today I am introducing legislation that will directly benefit over 10 million people living in the Pennsylvania, New York, and New Jersey corridor—and this benefit will be at no cost to the Federal taxpayer.

The bill I am introducing today authorizes the transfer, at the request of the Governor of the Commonwealth of Pennsylvania, of 110 acres of the Delaware Water Gap National Park to the Commonwealth for the purpose of establishing the Pocono Mountain Center of the Arts. This project, similar to the Wolf Trap Center for the Performing Arts in concept, will be

built by the Commonwealth. The center is projected to be self-financing. My legislation specifically prohibits any form of Federal funding for the project, including the use of funds for for routine maintenance, security, utilities, site construction, planning, or parking areas. This project must compete on its own substantial merits.

There are several reasons why the Pocono Mountain Center of the Arts should be established:

The facility would be a direct benefit to over 10 million people living within a 90-minute drive of the center, providing unmatched cultural and educational opportunities for both performing artists and art patrons;

The economic benefit of the project is substantial. The Delaware Water Gap National Park relies heavily on tourism. It has been estimated by the Commonwealth of Pennsylvania that for every $1 invested in the facility, $1.80 will be returned to the local economy.

Because of the nature of the arts center, it will dramatically round out the recreational, educational, and cultural attractions of the region. In addition, more people would be drawn to the other fine facilities of the Delaware Water Gap National Park which is currently defined by the National Park Service as being underutilized;

This project is in demand. Already, the mere mention of this arts center has sparked the interest of four symphonies and an opera company who would like to make the Pocono Mountain Center of the Arts their summer home. Nearby East Stroudsburg University has expressed interest in establishing a curriculum program in performing arts education at the center;

One of the most telling arguments for this legislation, is the fact that the Commonwealth of Pennsylvania is eager to build the arts center. The State is standing by with $6 million ready to invest in the construction of the Pocono Mountain Center of the Arts. In addition, the State has established a private, nonprofit organization to operate and manage the facility.

Finally, I do not need to remind many of my colleagues that the Commonwealth of Pennsylvania has provided vast tracts of land to the Federal Government for many of our national parks projects. These tracts of land have become part of the Federal lands at no cost to the taxpayer.

Only one thing is asked by the Federal Government. Can we transfer unused land in an existing national park to enhance the use and beauty of the entire region? Can we contribute as much to the region as the Commonwealth of Pennsylvania has contributed to the National Park System? I think we can. I urge my colleagues to support me in this effort.●

LEGISLATIVE ISSUES FOR THE BANKING COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. ST GERMAIN] is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, on January 3 I promised the House that the Banking, Finance and Urban Affairs Committee would move expeditiously to close the loophole which has allowed some financial institutions to escape regulation under the Bank Holding Company Act through the use of a device which has become popularly known as the nonbank bank.

By a voice vote, the committee on June 12 adopted legislation which would close this loophole. We are hopeful that the Rules Committee will clear this bill, H.R. 20, for floor action in the very near future.

At the same time, the committee adopted H.R. 2707 which will establish ground rules under which bank holding companies could operate interstate in the future. While separate, it is the intention of the committee that this bill move in tandem with the nonbank bank legislation. Like its companion, the interstate bill needs early and favorable action by the Rules Committee.

As these bills move through the Congress, the Banking Committee will begin to broaden its agenda. High on the agenda are the issues of bank deposit insurance, money laundering, consumer protections, and closing the South Dakota loophole. I have introduced legislation on these issues and plan to begin holding hearings on each.

It seems seldom a week goes by without some mention of a federally insured bank or thrift being merged or liquidated. Worse yet, this year's failure rate looks as if it will rival last year's record 79 banks and 26 thrifts. The FDIC, concerned about the potential drain on its $17 billion fund, and the FSLIC, facing the reality of a shrinking $6 billion insurance fund, have asked Congress for the authority to vary deposit insurance premiums or rebates according to risk, and to spell out just what investments their members can make.

Risk taking among some federally insured institutions, coupled with recent problems facing some privately insured financial institutions, makes consideration of requested changes in the insurance funds even more pressing. For this reason, I believe it is crucial that hearings be scheduled on H.R. 1680, the Insured Institution Improvements Act of 1985, H.R. 1833, the Federal Deposit Insurance Improvements Act of 1985, and H.R. 2444, the Federal Savings and Loan Insurance Corporation Protection Act.

Despite highly publicized hearings by the Banking Committee on the Bank of Boston's failure to comply with the Bank Secrecy Act, I am concerned that some in the financial community are doing little to prevent money from being laundered through their institutions. For this reason, I plan to hold hearings on the administration's comprehensive money laundering bills, which I am cosponsoring by request with my colleague from Ohio, CHALMERS P. WYLIE.

The administration's bills will make money laundering a crime for the first time, will directly prohibit individuals and institutions from participating in this crime, and will bring wire and electronic funds transfers under their provisions. I believe the bills' stiff civil and criminal penalties will make financial institutions less attractive to those hoping to launder the proceeds of drug trafficking, income tax evasion, bribery, investment fraud, illegal tax shelter programs, securities fraud, and gambling.

The administration's bill, of course, is one of several approaches to improving the Bank Secrecy Act and halting the flow of money for illegal purposes. This is a complex area which walks a tight line between effective law enforcement and the rights of individual customers. The committee has a big job in working out a bill that gives law enforcement the necessary tools without tossing out all the privacy considerations.

I have repeatedly emphasized that any banking legislation adopted by the Congress this year must include consumer protections. As such, I have given my full support to the community investment and consumer benefit test included in the interstate banking bill passed by the full banking committee on June 12. This test requires financial institutions wanting to expand across State borders to first assure that communities and consumers will have access to essential bank services.

My commitment to consumer issues doesn't end here, however. I plan to hold hearings on the Expedited Funds Availability Act I introduced on May 8, and on a host of other consumer issues. I am hopeful that my checkhold bill, which last year was cosponsored by 129 of my House colleagues, will soon reach the floor. I cannot imagine that there would be widespread opposition to a bill which gives customers access to their deposited funds within 1 to 8 days, which requires that interest accrue on the business day on which a deposit is made to an interest-bearing account, and which requires full disclosure of check-hold policies.

The bill also requires that the Federal Reserve come up with new check clearing procedures that will provide for 1-day clearance for most checks; 3 days at the outside. This new procedure, mandated by H.R. 2443 must be in place within 5 years.

There are a number of other consumer issues which demand consideration including Truth in Savings, lifeline accounts, encouragement of local consumer watchdog units, improvements in community investments efforts of federally-insured institutions, and efforts to upgrade Federal enforcement of consumer laws.

Reiterating my concern that States and financial institutions not use loopholes in the law to bypass the intent of Congress, I will conduct hearings on the so-called South Dakota loophole. In 1983, South Dakota passed a law allowing State-chartered depository institutions to underwrite insurance—as long as they do so outside the State. Were it not for the Federal Reserve's forebearance, Citicorp might today be marketing insurance nationwide, using as its mailing address the Rapid City American State Bank.

Because of concerns about the effect of the South Dakota and other such State laws on the safety and soundness of the financial system, I have introduced the Financial Authorities Equity Act which will prevent State chartered banks from engaging in unauthorized activities outside their borders. It is my hope that this issue, and the others I have outlined, will be the subject of serious debate before the Banking Committee.

Mr. Speaker, these are some of the issues which are on the agenda for early consideration in the committee. The list is obviously not all inclusive. There are many other issues on the agenda and, as I assured my colleagues on January 3, we will be moving to these as soon as the legislative schedule allows.●

BUCHWALD ON DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, today one of Washington's most talented newspaper columnists treated his audience to an unusually perceptive commentary on Federal procurement as practiced by the Department of Defense. Art Buchwald is well renowned for his broad range of interests and his superb judgment. Today he may have hit a new high. I include in the RECORD his column entitled "Checking Out the Defense" for the pleasure and enlightenment of my colleagues in the House:

CHECKING OUT THE DEFENSE

(By Art Buchwald)

"It says here in the Wall Street Journal that *nearly all* the nation's top defense contractors are under criminal investigation by the Pentagon."

My wife was aghast. "*Nearly all* of them?"

"Yup, according to the inspector general *nearly all* of them are being checked out for making false claims on costs and labor, kickbacks and bribing government officials. Of course we have to use caution here. Just because they're accused of wrongdoing doesn't necessarily mean they did it."

"I could see one company, possibly two, but nearly all of them? That's a lot of companies."

"Not really. When it comes to the big boys we're only talking about possibly two dozen or so contractors that were involved."

"Why did it take so long to catch them?"

"They haven't caught them yet," I told her. "And with any luck they never will. But in answer to your question, the Pentagon has gone soft on whistle-blowers. There was a time when, if anyone blew the whistle on a defense contractor, the country would hang him from the flagpole in front of the secretary of defense's office. Now we coddle them, play up to them and even let them talk to congressmen. Is it any wonder there is a scandal in the military establishment when they can't even keep a lid on their accountants?"

"I don't get it. You sound as though you don't mind if they overcharged us and engaged in kickbacks, bribes and wrongdoing."

"Most of the companies are guilty of nothing more than sloppy bookkeeping. When you're building billion-dollar weapons some money has to fall through the cracks."

"Whose cracks?"

"The ones caused by using cheap cement," I said. "It easy for the two of us to sit in this comfortable living room criticizing people who make submarines. It's another thing to actually build them."

"I don't see what building a submarine has to do with whether someone is honest or not. If those people can't make money the old-fashioned way like Smith Barney does, they shouldn't be in business."

"They were making it the old-fashioned way. That's why they're being investigated. It was par in the old days to pile on extra costs for defense work, and everyone accepted kickbacks and bribes as part of dong business.

"The reason it's a big deal now is a few guys overdid it and Weinberger is boiling mad because he can't get the money he asked for. We're making far too much of illegitimate overruns. Whatever the gumshoes come up with will be peanuts compared to what the weapons cost us. Besides, there's always one bad apple in every barrel."

"Suppose nearly all the apples are bad?"

"Would you rather have lots of weapons and a little hanky-panky—or no weapons and honest bookkeeping?"

"Are those my only choices?"

"If the top defense contractors can't have a little fun while they're building weapons systems, they just might go out of the business."

"I think you're putting me in an impossible position. You're saying just because they make things that kill people they should get away with murder."

"I'm not saying anything until all the facts are in. It wouldn't surprise me if when the inspector general gets finished nearly all of them will have a very good reason for doing what they did."

"Nearly all of them?"●

THE LATE HONORABLE CHARLES A. CLASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, I want to take this time to inform my colleagues of the death on July 7 of a former Member of the House of Representatives, Charles R. Clason of Massachusetts.

Mr. Clason represented the Second District of Massachusetts from 1936 to 1948. During his tenure in the House, he served with distinction on the Armed Services and Public Works Committees.

Among his many accomplishments in Congress was his authorship of legislation that authorized the construction of a series of dikes, flood walls, and pumping stations along the Connecticut River in western Massachusetts. This system reduced the threat of floods in the area, and greatly contributed to the protection of lives and property in the riverfront communities, including my hometown of Springfield.

Mr. Clason's career in public service had begun long before his election to the House. After his graduation from Georgetown University Law School in 1914, he served on the Hoover Commission for Relief in Belgium. He was a member of the U.S. Army in World War I and after the end of the war he began the practice of law in Massachusetts. In 1922 he began 4 years of service as the assistant district attorney for western Massachusetts and in 1926 he was elected district attorney, a post he held until 1930. After his career in the House, he continued his teaching at the Western New England College School of Law, and was later named dean of that institution.

During his undergraduate days at Bates College, Mr. Clason was an accomplished athlete as well as a scholar. That combination of talents resulted in his winning a Rhodes scholarship for study at Oxford University. Mr. Clason was the first Rhodes Scholar to serve in the Congress of the United States.

Mr. Speaker, Charles Clason had a long and productive life. He used his 94 years, and the good health with which they were blessed, to the fullest. He was highly respected for his intelligence, his dedication to public affairs, and his love of the law. The many contributions he made to the people of western Massachusetts and the zest with which they were done, will never be forgotten.

I want to extend my sympathies to Mr. Clason's wife, Emma, and his brother Dr. Freeman P. Clason.

ORDER OF BUSINESS

Mr. BATEMAN. Mr. Speaker, I ask unanimous consent to proceed with a special order out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

□ 1810

HAMPTON'S 375TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BATEMAN] is recognized for 5 minutes.

Mr. BATEMAN. Mr. Speaker, it is with great pride that I rise today to share with my colleagues in the House the news of a significant event that is occurring in my district as I speak. Today, July 9, 1985, the proud city of Hampton, VA, celebrates its 375th anniversary. It is the oldest continuously existing English-speaking settlement in the United States. Hampton is located in the First District of Virginia, and is part of the reason that I refer to the district I am honored to represent in Congress as "America's First District."

I have recently returned from the ceremonies that will continue for the next week. The celebration began this morning with all of the local churches ringing their bells for 10 minutes, and a recognition ceremony at St. John's Episcopal Church, which marks its own 375th anniversary. It is the oldest Anglican parish in the United States.

Hampton was founded in 1610 by those who had settled some 30 miles up the James River at Jamestown. It was in Hampton that the first English settlers of a permanent colony in America first landed. Centuries later, it was in Hampton at the Langley Research Center of NASA that we took the first steps toward manned exploration of space. You can, therefore, understand why the citizens of Hampton declare with pride that this great American city was "First from the Sea and First to the Stars."

Join with me in honoring those that laid the foundation of this great city, its long legacy and rightful place in America's history, and those who lead and guide its continuing contributions to the Commonwealth of Virginia and the Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RITTER (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHAEFER) to revise and extend their remarks and include extraneous material:)

Mr. SWINDALL, for 60 minutes, today.
Mr. MCDADE, for 5 minutes, today.
Mr. ROTH, for 60 minutes, July 17.
Mr. BATEMAN, for 5 minutes, today.

(The following Members (at the request of Mr. MOODY) to revise and extend their remarks and include extraneous material:)

Mr. ST GERMAIN, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. BROOKS, for 5 minutes, today.
Mr. BOLAND, for 5 minutes, today.
Mr. ALEXANDER, for 10 minutes, today.
Mr. PANETTA, for 60 minutes, July 10.
Mr. WILLIAMS, for 60 minutes, July 16.
Mr. GEPHARDT, for 60 minutes, July 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DYMALLY, prior to the vote on the Broomfield amendment to H.R. 1555, in the Committee of the Whole, today.

Mr. WOLPE, prior to the vote on the Broomfield amendment to H.R. 1555, in the Committee of the Whole today.

Mr. WOLPE, to the vote on the Solomon amendment to H.R. 1555, in the Committee of the Whole today.

(The following Members (at the request of Mr. SCHAEFER) and to include extraneous matter:)

Mr. LEWIS of California.
Ms. FIEDLER.
Mr. SHUMWAY.
Mr. LAGOMARSINO in two instances.
Mr. RUDD.
Mr. SNYDER.
Mr. GEKAS.
Mr. GREEN.
Mr. MICHEL in three instances.
Mr. CRANE.
Mr. GILMAN.
Mr. SOLOMON.
Mr. COURTER in two instances.
Mr. MYERS of Indiana.
Mr. SUNDQUIST.
Mr. MOORHEAD.
Mr. KEMP.

(The following Members (at the request of Mr. MOODY) and to include extraneous matter:)

Mr. DE LA GARZA.
Mr. RANGEL.
Mr. MURTHA.
Mr. EDWARDS of California.
Mr. FASCELL in two instances.
Ms. OAKAR.
Ms. SCHROEDER.
Mr. PEASE.
Mr. FLORIO in two instances.
Mr. MARKEY.
Mr. MILLER of California.
Mr. SHARP.
Mr. DOWNEY of New York.
Mr. DYSON.
Mr. ST GERMAIN.
Mr. WAXMAN.
Mr. KOLTER.
Mr. CONYERS.
Mr. HUBBARD in two instances.
Mr. SHELBY in two instances.
Mr. BEDELL.
Mr. FORD of Michigan.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1141. An act relating to certain telephone services for Senators.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 10, 1985, at 10 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 214. Resolution providing for the consideration of H.R. 2121, a bill to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes (Rept. No. 99-191). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 215. Resolution providing for the consideration of H.R. 2348, a bill to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1986, and for other purposes (Rept. No. 99-192). Referred to the House Calendar.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. House Joint Resolution 192. Resolution to designate April 24, 1985, as "National Day of Remembrance of Man's Inhumanity to Man"; with amendments (Rept. No. 99-193). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 2933. A bill to raise the overtime compensation requirements of the Fair Labor Standards Act of 1938 from one and one-half times to two times the regular rate; to reduce for overtime purposes the number of hours in a workweek from 40 hours to 32 hours in six steps over 8 years; to prohibit the scheduling of overtime with the consent of the worker; and for other purposes; to the Committee on Education and Labor.

By Mr. BEDELL:

H.R. 2934. A bill to ameliorate the adverse economic effects resulting from the overvaluation of the U.S. dollar; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. BREAUX (for himself, Mr. JONES of North Carolina, Mr. LENT, and Mr. YOUNG of Alaska):

H.R. 2935. A bill to promote the consumption of fish and fish products in the United States through the establishment of seafood marketing councils, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. BYRON:

H.R. 2936. A bill to amend the Fair Labor Standards Act of 1938 to exempt from overtime coverage employees of public agencies who are engaged in fire protection activities or law enforcement activities; to the Committee on Education and Labor.

By Mr. DASCHLE:

H.R. 2937. A bill to amend the Federal Meat Inspection Act to prohibit the importation of any live animal or meat or meat food product that has been produced using agricultural chemicals or drugs prohibited from use in the United States; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. GREEN:

H.R. 2938. A bill to amend the Hazardous Materials Transportation Act to restrict the transportation of radioactive materials through high-density metropolitan areas; to the Committee on Public Works and Transportation.

By Mr. KOLTER:

H.R. 2939. A bill to provide that certain individuals temporarily employed by reason of a major disaster shall not lose their eligibility under the phaseout of Federal supplemental compensation; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 2940. A bill for the establishment of the Pocono Mountain Center of the Arts; to the Committee on Interior and Insular Affairs.

By Mr. MURPHY (for himself, Mr. MARKEY, Mr. OBERSTAR, Mr. HUNTER, Mr. HEFNER, Mr. DERRICK, Mr. DONNELLY, Mr. HAMMERSCHMIDT, Mr. TORRICELLI, Mr. COBLE, Mr. PERKINS, Mr. TALLON, Mr. NIELSON of Utah, Mr. KOLTER, Mr. REID, Mr. HAYES, Mr. BURTON of Indiana, Mr. WALGREN, Mr. HENDON, Mr. MURTHA, Mr. QUILLEN, Mr. KOSTMAYER, Mr. KANJORSKI, Mr. ROE, Mr. TRAFICANT, Mr. BOUCHER, Mr. DE LA GARZA, Mr. CONTE, Mr. WILSON, Ms. MIKULSKI, Mr. HENRY, Mr. YATRON, Mr. LIPINSKI, Mr. RAHALL, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FROST, Mr. BORSKI, Ms. KAPTUR, Mr. SAXTON, Mr. MILLER of Ohio, Mr. TRAXLER, Mr. MCMILLAN, Mr. BIAGGI, Mr. EMERSON, Mr. TOWNS, Mr. SCHULZE, Mr. SMITH of New Jersey, Mr. DANIEL, Mr. MCDADE, Mr. LEVIN of Michigan, Mr. COYNE, Mr. VENTO, Mr. WORTLEY, Ms. OAKAR, Mr. STAGGERS, Mr. BROYHILL, Mr. HUGHES, Mr. STRATTON, Mr. REGULA, Mr. GAYDOS, Mr. WEAVER, Mr. BONER of Tennessee, Mr. OWENS, Mr. MOLLOHAN, and Mr. YOUNG of Missouri):

H.J. Res. 334. Joint resolution to designate the week beginning September 1, 1985, as "National Buy American Week"; to the Committee on Post Office and Civil Service.

By Mr. DORNAN of California:

H. Res. 216. Resolution expressing the sense of the House of Representatives that, when reforming the individual income tax, any revenue increase resulting from the elimination of important individual income tax deductions should be accompanied by individual income tax rate reductions with the same effective date as the revenue increase; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. CLINGER, Mr. MCGRATH, Mr. REID, Mr. PENNY, and Mr. MORRISON of Washington.

H.R. 36: Mr. MATSUI.

H.R. 44: Mr. MRAZEK.

H.R. 147: Mr. ENGLISH.

H.R. 281: Mr. GUARINI and Mr. TRAFICANT.

H.R. 362: Mr. TORRICELLI and Mr. TRAFICANT.

H.R. 385: Mr. MONTGOMERY, Mr. SHELBY, and Mr. BOEHLERT.

H.R. 400: Mr. LUNDINE.

H.R. 479: Mr. ROWLAND of Connecticut.

H.R. 481: Mr. DARDEN, Mr. DORNAN of California, and Mr. ORTIZ.

H.R. 585: Mr. SWIFT.

H.R. 604: Mr. DE LUGO, Mrs. BURTON of California, and Mr. WORTLEY.

H.R. 641: Mr. MONTGOMERY.

H.R. 669: Mr. SILJANDER, Mr. BONIOR of Michigan, Mr. MORRISON of Connecticut, and Mr. WISE.

H.R. 704: Mrs. LLOYD, Mr. CRAIG, Mr. VALENTINE, Mr. DORNAN of California, and Mr. COMBEST.

H.R. 712: Mr. DORNAN of California, and Mr. DAUB.

H.R. 732: Mr. SAXTON.

H.R. 822: Mr. LANTOS.

H.R. 864: Mr. DIOGUARDI, Mr. BOUCHER, Mr. HENDON, Mr. ADDABBO, Mr. MRAZEK, and Mr. BONER of Tennessee.

H.R. 994: Mr. DELAY.

H.R. 1021: Mr. RINALDO.

H.R. 1059: Mr. BATEMAN.

H.R. 1090: Mr. TORRICELLI.

H.R. 1156: Mr. ROE, Mr. EDWARDS of California, Mr. MITCHELL, and Mrs. BENTLEY.

H.R. 1161: Mr. STUDDS and Mr. KOLBE.

H.R. 1197: Mr. MATSUI.

H.R. 1284: Mr. BILIRAKIS, Mr. WEAVER, Mr. CARPER, Mr. FOGLIETTA, Mr. WEISS, and Mr. SIKORSKI.

H.R. 1294: Mr. GALLO.

H.R. 1326: Mr. BUSTAMANTE, Mr. BERMAN, Mr. VENTO, Mr. LEVINE of California, Mr. FAZIO, Mr. WILSON, and Mr. BOEHLERT.

H.R. 1395: Mr. CLINGER.

H.R. 1416: Mr. CONYERS, Mr. BERMAN, Mrs. COLLINS, Mr. WEAVER, Mr. EDWARDS of California, Mr. LEVINE of California, Ms. KAPTUR, Mr. SEIBERLING, Mr. HUGHES, Mr. WOLPE, Mr. MARTINEZ, Mr. DURBIN, Mr. FAZIO, Ms. MIKULSKI, Mr. VENTO, Mr. WEISS, Mr. RANGEL, Mr. MRAZEK, Mr. HORTON, and Mr. TOWNS.

H.R. 1524: Mr. SYNAR, Mr. SCHEUER, Mr. TORRICELLI, and Mr. SCHUMER.

H.R. 1535: Mr. HAYES.

H.R. 1689: Mr. HARTNETT.

H.R. 1769: Mr. SHUMWAY.

H.R. 1776: Mrs. BENTLEY and Mr. GUARINI.

H.R. 1790: Mr. STUMP.

H.R. 1809: Mr. BROWN of California.

H.R. 1811: Mr. SENSENBRENNER.

H.R. 1875: Mr. DORNAN of California.

H.R. 1877: Mr. MANTON, Mr. MARKEY, and Mr. EDGAR.

H.R. 1917: Mr. BUSTAMANTE, Mr. MANTON, Mr. GONZALEZ, Mr. BOEHLERT, Mr. WEISS, Mr. ATKINS, and Mr. BROWN of California.

H.R. 1940: Mr. MRAZEK, Mr. RUSSO, Mr. HENRY, Mr. BRYANT, and Mr. CLAY.

H.R. 1994: Mr. TAUKE, Mr. NEAL, and Mr. MONTGOMERY.

H.R. 2001: Mr. DARDEN, Mrs. VUCANOVICH, Mr. GARCIA, Mr. DERRICK, Mr. BIAGGI, Mr. CHANDLER, Mr. SUNIA, Mr. OWENS, Mr. HAYES, Mr. BONIOR of Michigan, Mr. FUSTER, Mr. SKEEN, Mr. NOWAK, Mr. WHITEHURST, Mrs. SCHROEDER, Mr. TORRICELLI, Mr. SCHEUER, Mr. ADDABBO, Mrs. BENTLEY, Mr. BOEHLERT, Mr. ROYBAL, Mr. CROCKETT, Mr. SWIFT, Mr. RICHARDSON, Mr. MARTIN of New York, Mr. KANJORSKI, Mr. TAUKE, Mr. HENRY, Mr. MURPHY, Mrs. COLLINS, Mr. SOLOMON, Mr. GINGRICH, Mr. HUGHES, Mr. WHEAT, Mr. WORTLEY, Mr. BADHAM, Mr. TORRES, Mr. LEHMAN of California, and Ms. FIEDLER.

H.R. 2080: Mr. EVANS of Illinois, Mr. FOGLIETTA, Mr. HAWKINS, Mr. LAFALCE, Mr. ROE, Mr. ST GERMAIN, Mrs. SCHROEDER, Mr. SOLARZ, Mr. TALLON, Mr. WISE, and Mr. BROWN of California.

H.R. 2119: Mr. SWEENEY, Mr. RINALDO, Mr. WYDEN, Mr. MINETA, Mr. SEIBERLING, Mr. CHAPPIE, and Mr. KEMP.

H.R. 2205: Mrs. BURTON of California, Mr. ECKART of Ohio, Mr. MINETA, Mr. KANJORSKI, Mr. OLIN, and Mr. ROWLAND of Connecticut.

H.R. 2263: Mr. GILMAN and Mr. OWENS.

H.R. 2357: Mr. BARNARD and Mr. WEBER.

H.R. 2371: Mr. MURPHY.

H.R. 2382: Mr. LIGHTFOOT, Mr. MCCURDY, Mr. LEWIS of Florida, and Ms. SNOWE.

H.R. 2406: Mr. JEFFORDS, Mr. FROST, Mr. CROCKETT, Mr. PENNY, and Mr. DELLUMS.

H.R. 2443: Mr. SOLARZ, Mr. UDALL, Mr. SUNIA, Mr. DREIER of California, Mr. DYMALLY, Mr. NEAL, Mr. HEFNER, Mr. BOEHLERT, Mr. GIBBONS, Mr. DONNELLY, Mr. BATES, Mr. SCHUMER, Mrs. COLLINS, Mr. SMITH of Florida, Mr. GREEN, Mr. RODINO, Mr. DINGELL, Mrs. SCHROEDER, Mr. GORDON, Mr. RUDD, Mr. EDGAR, Mr. LEVINE of California, Mr. RICHARDSON, Mr. LEVIN of Michigan, Mr. DORNAN of California, Mr. GILMAN, Mr. LELAND, and Mr. KOLTER.

H.R. 2471: Mr. CROCKETT.

H.R. 2489: Mr. SIKORSKI and Mr. STUDDS.

H.R. 2520: Mr. KOLBE, Mr. LEVINE of California, Mr. SHUMWAY, Mr. FRANK, Mr. BATEMAN, Mr. MCCOLLUM, Mr. SILJANDER, Mr. PACKARD, Mr. BRYANT, and Mr. SENSENBRENNER.

H.R. 2557: Mr. OWENS, Mr. CONYERS, Mr. MITCHELL, Mr. CROCKETT, Mr. DIXON, Mr. TOWNS, Mr. DELLUMS, Mr. WEISS, Mrs. COLLINS, Mr. HAYES, Mr. PEPPER, Mr. MARTINEZ, and Mr. RANGEL.

H.R. 2588: Mr. EDWARDS of Oklahoma, Mr. STANGELAND, Mr. GILMAN, Mr. BILIRAKIS,

Mr. LUNDINE, Mr. UDALL, Mr. WALGREN, Mr. SILJANDER, Mr. BARNES, Mr. DE LUGO, Mr. DOWDY of Mississippi, Mr. EVANS of Iowa, Mr. ROBERTS, Mr. BROWN of California, Mr. GROTBERG, Mr. ANTHONY, Mr. SOLOMON, Ms. FIEDLER, Mr. HENRY, Mr. TALLON, Mr. SWINDALL, Mr. THOMAS of Georgia, Mr. RANGEL, Mr. ADDABBO, Mr. STOKES, Mr. BORSKI, Mr. TAUKE, Mr. FAZIO, Mr. COOPER, Mr. FUSTER, Mr. WHITLEY, Mr. STUMP, Mr. BROYHILL, Mr. TOWNS, Mr. LUNGREN, and Mr. MCGRATH.

H.R. 2602: Mr. MITCHELL.

H.R. 2626: Mr. LEWIS of Florida and Mr. BEILENSON.

H.R. 2660: Mr. CROCKETT, Mr. HUGHES, Mr. SEIBERLING, and Mr. SMITH of Florida.

H.R. 2674: Mr. MOODY, Mr. KASTENMEIER, Mr. SENSENBRENNER, Mr. ASPIN, Mr. OBEY, and Mr. PETRI.

H.R. 2695: Mr. CROCKETT, Mr. FORD of Tennessee, Mr. BONIOR of Michigan, Mr. TOWNS, Mr. FAZIO, and Mr. DE LUGO.

H.R. 2696: Mr. CROCKETT, Mr. TOWNS, Mr. FAZIO and Mr. DE LUGO.

H.R. 2768: Mr. VALENTINE, Mr. ORTIZ, and Mr. LAGOMARSINO.

H.R. 2779: Mr. HENRY.

H.R. 2781: Mr. BOUCHER, Mr. NELSON of Florida, Mr. MOLLOHAN, Mr. PORTER, Mr. TALLON, and Mr. ROBINSON.

H.R. 2802: Mr. GLICKMAN, and Mr. ANDREWS.

H.R. 2811: Mr. KILDEE, and Mr. MARTINEZ.

H.R. 2812: Mr. KILDEE, and Mr. MARTINEZ.

H.R. 2813: Mr. KILDEE, and Mr. MARTINEZ.

H.R. 2814: Mr. VALENTINE, Mr. LAGOMARSINO, and Mr. DORNAN of California.

H.R. 2839: Mrs. COLLINS, Mr. DIXON, Mr. HAWKINS, and Mr. HUTTO.

H.R. 2840: Mr. RODINO.

H.R. 2866: Mr. MATSUI, Mrs. BENTLEY, Mr. HAMMERSCHMIDT, Mr. SUNDQUIST, Mr. LAGOMARSINO, and Mr. SABO.

H.R. 2868: Mr. FRANK, and Mr. ATKINS.

H.J. Res. 3: Mr. MANTON, Mr. STRANG, and Mr. GUNDERSON.

H.J. Res. 6: Mr. WHITLEY.

H.J. Res. 106: Mr. STRATTON.

H.J. Res. 133: Mr. KASICH and Mr. COOPER.

H.J. Res. 135: Mr. GRAY of Pennsylvania.

H.J. Res. 179: Mr. ACKERMAN, Mr. CARPER, Mr. CHANDLER, Mr. CLAY, Mr. COATS, Mr. COBEY, Mr. DORNAN of California, Mr. FOLEY, Mr. GILMAN, Mr. HARTNETT, Mr. JONES of Tennessee, Mr. KASTENMEIER, Mr. MOODY, Mr. PORTER, Mr. SAVAGE, Mr. SCHUMER, Mr. SISISKY, Mr. SKEEN, Mr. DENNY SMITH, and Mr. WYDEN.

H.J. Res. 221: Mr. DURBIN, Mr. EMERSON, Mr. FRANKLIN, Mr. HARTNETT, Mr. MURPHY, Mr. O'BRIEN, Mr. UDALL, and Mrs. VUCANOVICH.

H.J. Res. 222: Mr. DWYER of New Jersey, Mr. DOWDY of Mississippi, Mr. FLIPPO, Mr. FUQUA, Mr. GREEN, Ms. KAPTUR, Mr. KASICH, Mr. LUKEN, Mr. MURPHY, Mr. ROBERT F. SMITH, Mr. TAUZIN, Mr. TORRICELLI, Mr. VOLKMER, Mr. WAXMAN, Mr. WORTLEY, and Mr. WYDEN.

H.J. Res. 231: Mr. LEHMAN of Florida, Mrs. HOLT, Mr. MURPHY, Mr. VENTO, Mr. YOUNG of Missouri, Mr. FAZIO, Mr. DE LUGO, Mrs. JOHNSON, Mr. WOLF, Mr. MARTINEZ, Mr. ROE, Mr. RAHALL, Mr. HUGHES, and Mr. HAYES.

H.J. Res. 266: Mr. CONTE, Mrs. MEYERS of Kansas, Mrs. LLOYD, Mr. BEREUTER, Mr. FRANKLIN, Mr. BONER of Tennessee, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. DAUB, Mrs. HOLT, Mr. BOUCHER, Mr. TORRES, Mr. COBEY, Mr. TAUKE, and Mr. CRAIG.

H.J. Res. 282: Mr. MCHUGH, Mr. GROTBERG, Mr. FLIPPO, Mr. MANTON, Mr. WIRTH, Mr. BROOMFIELD, Mr. BARNARD, Mr. HEFTEL of Hawaii, Mr. ROBERT F. SMITH, Mr. BEDELL, Mr. GINGRICH, Mr. CLAY, Mr. PURSELL, Mr. TAUZIN, Mr. KOLTER, Mr. PETRI, Mr. SAXTON, Mr. WYDEN, Mr. VOLKMER, Mr. AKAKA, Mr. BORSKI, Mr. DARDEN, Mr. BATEMAN, Mr. OWENS, Mr. LOWRY of Washington, Mr. TOWNS, Mr. KRAMER, Mr. VANDER JAGT, Mr. HEFNER, Mr. COBEY, Mr. DAUB, Mr. YATRON, Mr. GILMAN, Mr. DENNY SMITH, Mr. ROWLAND of Georgia, Mr. JONES of North Carolina, and Mr. FASCELL.

H.J. Res. 290: Mr. LELAND and Mr. VOLKMER.

H.J. Res. 296: Mr. JEFFORDS, Mr. WAXMAN, Mr. ROSTENKOWSKI, Mr. SCHUMER, Mr. LIVINGSTON, Mr. BROWN of Colorado, Mr. DYSON, Mr. STOKES, Mr. SABO, Mr. QUILLEN, and Mr. RAY.

H.J. Res. 298: Mr. BARTON of Texas, Mr. BRYANT, Mr. CHAPPIE, Mr. COATS, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONTE, Mr. CROCKETT, Mr. DEWINE, Mr. DYMALLY, Mr. ECKERT of New York, Mr. EMERSON, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. GARCIA, Mr. GRAY of Pennsylvania, Mrs. HOLT, Mr. JENKINS, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LELAND, Mr. LEWIS of Florida, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MILLER of Ohio, Mr. MINETA, Mr. MURPHY, Mr. NIELSON of Utah, Mr. OBERSTAR, , Mr. OWENS, Mr. PEPPER, Mr. SHUMWAY, Mr. SIKORSKI, Mr. SWINDALL, Mrs. VUCANOVICH, Mr. WAXMAN, Mr. WEISS and Mr. DE LA GARZA.

H.J. Res. 305: Mr. FEIGHAN, Mr. DEWINE, Mr. MARTINEZ, Mr. FUSTER, Mr. DASCHLE, Mr. MURPHY, Mr. LEHMAN of Florida, Mr. GONZALEZ, Mr. BOLAND, Mr. ADDABBO, Mr. BEILENSON, Mrs. BURTON of California, Mr. DIXON, Mr. DE LUGO, Mr. NELSON of Florida, Mr. GEJDENSON, Mr. TAUKE, Mr. REID, Mr. MRAZEK, Mr. JACOBS, Mr. DOWDY of Mississippi, Mr. GREEN, Mr. HUGHES, Mr. OWENS, Mr. DWYER of New Jersey, Mr. GILMAN, Mr. LAGOMARSINO, Mr. GREGG, Mr. PANETTA, Mr. AKAKA, Mr. CHAPPIE, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. HAMMERSCHMIDT, Mr. HUTTO, Mr. KOSTMAYER, Mr. LANTOS, Mr. MACKAY, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. DELLUMS, Mr. PEPPER, Mr. PERKINS, Mr. PRICE, Mr. YOUNG of Missouri, Mr. LUNGREN, Mr. BENNETT, Mr. MCGRATH, Mr. MINETA, Mr. SAXTON, and Mr. MONSON.

H.J. Res. 306: Mr. MORRISON of Connecticut, Mr. LANTOS, Mr. DAUB, Mr. DORNAN of California, Mr. MINETA, and Mr. ECKERT of New York.

H.J. Res. 323: Mr. HUGHES.

H.J. Res. 327: Mr. DAUB, Mr. DE LA GARZA and Mr. MCDADE.

H. Con. Res. 7: Mr. FLORIO.

H. Con. Res. 101: Mr. LELAND and Mr. FAZIO.

H. Con. Res. 150: Mr. MONTGOMERY, Mr. DANIEL, Mr. KEMP, Mr. LOWRY of Washington, Mr. SHUMWAY, Mrs. BENTLEY, Mr. SHUSTER, Mr. BARTLETT, Mr. BADHAM, Mr. MACK, and Mr. SLAUGHTER.

H. Con. Res. 158: Mr. WEISS, Mr. SEIBERLING, Mr. BROWN of California, Mr. VENTO, Mr. BERMAN, and Mr. RANGEL.

H. Res. 31: Mrs. LLOYD, Mrs. BENTLEY, Mr. OWENS, Mr. SWINDALL, and Mr. SUNIA.

H. Res. 60: Mr. SENSENBRENNER.

H. Res. 165: Mr. EVANS of Illinois, Mr. WHITLEY, Mr. ROBINSON, Mr. JACOBS, Mr. DICKS, Mr. MORRISON of Washington, Mr. ROWLAND of Connecticut, Mr. RICHARDSON, Mr. EMERSON, Mr. ADDABBO, Mr. MINETA, and Mr. STOKES.

H. Res. 188: Mr. HEFNER, Mr. MCCLOSKEY, Mr. NELSON of Florida, Mr. DANIEL, Mr. DYSON, Mr. HEFTEL of Hawaii, Mr. SKELTON, Mr. DOWDY of Mississippi, Mr. OWENS, Mr. WEAVER, Mr. FOWLER, Mr. WORTLEY, Mr. VENTO, Mr. HOYER, Mr. RALPH M. HALL, Mrs. SMITH of Nebraska, Mr. RICHARDSON, Mr. LIGHTFOOT, Mr. SYNAR, Mr. DICKINSON, Mr. LAGOMARSINO, Mr. MONTGOMERY, Mr. ROSE, Mr. REGULA, Mrs. HOLT, Mr. MARTINEZ, and Mr. ANTHONY.

H. Res. 206: Mr. STARK, Mr. FUSTER, Ms. KAPTUR, Mr. GARCIA, Mr. WEAVER, and Mr. BATES.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1383

By Mr. WEBER:

—Page 11, after line 14, insert the following new section:

STUDY

SEC. 11. (a)(1) The Secretary, in consultation with the Secretary of the Treasury, is authorized and directed to conduct a study of certain policies to meet credit needs in agriculture.

(2) The study referred to in paragraph (1) shall:

(A) Assess credit demands in fiscal years 1986 through 1989, based upon present trends in farm income, farm prices, projected interest rates, and changes in farm land values.

(B) Assess the cost of direct and guaranteed loans under the Farmers Home Administration for these four fiscal years, based upon projected credit demands and farm income.

(C) Include an examination of a broader-based program of credit relief that would offer cheaper capital to the farm economy and reduce the number of farmers ultimately requiring assistance from the Farmers Home Administration and should include an analysis of proposals to (i) have the Farm Credit System sell government guaranteed bonds bearing interest exempt from Federal income taxation and (ii) allow funds deposited in legally authorized lending institutions designated by depositors for loans to farmers and ranchers bearing interest exempt from Federal income taxation. Caps of $1,000, $2,000, $5,000, and $10,000 on tax-free interest for individuals with such accounts should be analyzed. The study should be predicated upon the assumption that funds acquired under either of these proposals would be loaned for agricultural purposes to farmers and ranchers with loan limitations of $200,000 for operating expenses and $400,000 for farm ownership loans for each single farming operation.

(D) Take into account any loss in tax revenue resulting from either proposal together with gains in net income for farmers and farm-related businesses and the resulting increase in tax revenues.

(E) Take into account potential savings to the Farmers Home Administration resulting from either proposal.

(b) The Secretary shall transmit a report of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than December 1, 1985. The report shall contain a detailed statement of the results of the study.

Redesignate the succeeding sections accordingly.

H.R. 1555

By Mr. ATKINS:

—Page 89, line 24, strike out "and" the second place it appears; and page 90, line 2, immediately after "rights" and before the period insert ", and (C) in respecting the internationally recognized human rights of its indigenous Indian population".

Page 92, line 7, immediately after "country" and before the comma insert "and to report on human rights abuses in that country".

By Mr. BEREUTER:

—Page 115, after line 17, insert the following new section:

SEC. 722. ECONOMIC ASSISTANCE FOR URUGUAY.

Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), $15,000,000 for fiscal year 1986 and $15,000,000 for fiscal year 1987 shall be available only for Uruguay.

By Mrs. BOXER:

—Page 92, after line 15, insert the following new subsection:

(i) HUMAN RIGHTS GROUPS IN GUATEMALA.—

(1) THE MUTUAL SUPPORT GROUP.—The Congress finds that—

(A) the Group for Mutual Support was formed in 1984 to protest the disappearances of Guatemalan civilians;

(B) the Group of Mutual Support has carried out its work in a peaceful, non-ideological manner, and is the only indigenous human rights group operating in Guatemala; and

(C) two of the Group's six steering committee members, Hector Gomez and Maria Rosario Godyo de Cuevas, were recently killed.

(2) SUPPORT FOR ACTIVITIES OF HUMAN RIGHTS GROUPS.—It is the sense of the Congress that—

(A) human rights groups in Guatemala, particularly the Group for Mutual Support, should be allowed to carry out their work against human rights abuses with the full cooperation, protection, and support of the Government of Guatemala; and

(B) whether the Government of Guatemala allows human rights groups, including the Group for Mutual Support, to carry out their work should be taken into account by the United States in determining whether there is human rights progress in Guatemala.

By Mr. CONYERS:

—Page 83, strike out line 6 and all that follows through line 20 on page 85 and insert in lieu thereof the following:

(a) PROHIBITION ON MILITARY ASSISTANCE.—All military assistance for El Salvador shall be suspended until the President determines and reports to the Congress, and the Congress enacts a joint resolution agreeing, that—

(1) the Government of El Salvador has made sufficient progress in prosecuting those responsible for the more than 45,000 murders that have occurred during the five years preceding the enactment of this Act;

(2) the Government of El Salvador has made sufficient progress in carrying out all titles of the land reform program; and

(3) the Government of El Salvador, and the Salvadoran military, have agreed to pursue a negotiated settlement with the armed opposition based on safe and free elections.

Page 85, line 21, strike out "(e)" and insert in lieu thereof "(b)"; page 86, line 13, strike out "(f)" and insert in lieu thereof "(c)"; page 88, line 9, strike out "(g)" and insert in lieu thereof "(d)"; and page 88, line 14, strike out "(h)" and insert in lieu thereof "(e)".

By Mr. DELLUMS:

—Page 146, insert the following after line 4:

SEC. 1112. PROHIBITION ON ASSISTANCE TO COUNTRIES NOT IMPOSING SANCTIONS AGAINST SOUTH AFRICA.

No assistance authorized by this Act may be provided to any country which does not prohibit—

(1) its nationals from making any loan or other extension of credit, directly or indirectly, to the Government of South Africa or any corporation, partnership, or other organization which is owned or controlled by the Government of South Africa;

(2) its nationals from making, directly or indirectly, any investment (including bank loans) in South Africa;

(3) the importation into that country of any South African krugerrand or any other gold coin minted in South Africa or offered for sale by the Government of South Africa;

(4) the exportation, directly or indirectly, of computers, computer software, or goods or technology intended to service computers, to or for use by the Government of South Africa or any corporation, partnership, or other organization which is owned or controlled by the Government of South Africa; and

(5) the exportation, distribution, or other transfer, directly or indirectly, to South Africa of—

(A) any nuclear material, nuclear equipment, nuclear facility, or nuclear technology, or

(B) any other goods or technology which—

(i) are intended for a nuclear related end use or end user;

(ii) could, if used for purposes other than those for which the export, distribution, or transfer is intended, be of significance for nuclear explosive purposes; or

(iii) could, if made available to South Africa, increase the ability of that country to design, develop, fabricate, test, operate, or maintain nuclear materials, nuclear facilities, or nuclear explosive devices.

By Mr. DYMALLY:

—Page 70, line 13, strike out "and"; line 24, strike out the period and insert in lieu thereof "; and"; and after line 24, insert the following:

(9) it is also in the interest of the United States, as well as peaceful cooperation in the Western Hemisphere, that particular attention be given to the students of the Caribbean region.

—Page 111, line 12, strike out "is requested to" and insert in lieu thereof "shall"; and line 19, strike out "is also requested to" and insert in lieu thereof "shall also".

—Page 112, strike out lines 9 through 20, and insert in lieu thereof the following new subsections:

(d) FUNDING FOR ORGANIZATIONAL MEETING OF COMMISSION.—Of the funds authorized to be appropriated to carry out section 106 of the Foreign Assistance Act of 1961 (relating to development assistance for energy, private and voluntary organizations, and selected development activities), up to a total of $100,000 for fiscal years 1986 and 1987 shall be available to—

(1) pay reasonable administrative expenses associated with the organizational meeting of the Commission; and

(2) pay reasonable travel and lodging expenses incurred by commissioners from other participant governments incident to their attendance at the organizational meeting of the Commission.

(e) REQUEST TO CONGRESS RELATING TO UNITED STATES PARTICIPATION IN THE COMMISSION.—The President should provide cost estimates and request authorization from the Congress in order to provide for the participation of the United States in the Commission (other than United States participation associated with the organizational meeting).

Page 112, line 21, strike out "(e)" and insert in lieu thereof "(f)".

By Mr. GEJDENSON:

—Page 154, after line 24, insert the following new section:

SEC. 1208. EFFORTS BY JAPAN TO FULFILL SELF-DEFENSE RESPONSIBILITIES.

(a) FINDINGS.—The Congress finds—

(1) the Japan-United States security relationship is the foundation of the peace and security of Japan and the Far East, as well as a major contributor to the protection of the United States and to the democratic freedoms and economic prosperity enjoyed by both the United States and Japan;

(2) the threats to our two democracies have increased significantly since 1976, principally through the Soviet invasion of Afghanistan, the expansion of Soviet armed forces in the Far East, the invasion of Cambodia by Vietnam, and the instability in the Persian Gulf region as signified by the continuing Iran-Iraq conflict;

(3) in recognition of these threats, the United States has greatly increased its annual defense spending through sustained real growth averaging 8.8 percent yearly between fiscal years 1981 and 1985, and cumulative real growth of 50 percent in that period;

(4) in May 1981, the Prime Minister of Japan stated that, pursuant to the Treaty of Mutual Cooperation and Security between his country and the United States, and pursuant to Japan's own "Peace" Constitution, it was national policy for his country to acquire and maintain the armed forces adequate for the defense of its land area and surrounding airspace and sea lanes, out to a distance of 1,000 miles;

(5) the United States Government applauds the policy of Japan to obtain the capabilities to defend its sea and air lanes out to 1,000 miles and expects that these capabilities should be acquired by the end of the decade, and recognizes that achieving those capabilities would significantly improve the national security of both Japan and the United States;

(6) Japan, however, has failed to provide sufficient funding and resources to meet Japan's basic self-defense needs and these alliance responsibilities under the Treaty of Mutual Cooperation and Security between Japan and the United States, signed January 19, 1960;

(7) every year since 1981, the Department of Defense has reported to Congress that Japan "ranks last or close to last" on most measures surveyed and thus quite clearly "appears to be contributing far less than its fair share" of the common defense burden; and

(8) in 1985, the commander of all United States Armed Forces in the Pacific region, Admiral William J. Crowe, Jr. testified to the Congress that Japan's decision to increase its defense budget in 1985 "is still inadequate to meet the defense capabilities the Japanese government has pledged itself to meet.".

(b) SENSE OF CONGRESS.—It is the sense of the Congress that Japan, in order to fulfill the self-defense responsibility agreed to pursuant to the Treaty of Mutual Cooperation and Security with the United States and in accordance with the national policy declaration made by the Prime Minister of Japan in May 1981 to develop a 1,000 mile airspace and sea lanes defense capability, should—

(1) formally reexamine its 1976 National Defense Program Outline with the objective of revising it to reflect these agreed-upon responsibilities and today's increased mutual security requirements; and

(2) develop and implement a 1986-1990 Mid-Term Defense Plan containing sufficient funding, program acquisition, and force development resources to obtain the agreed-upon 1,000 mile self-defense capabilities by the end of the decade, including the allocation of sufficient budgetary resources annually to reduce the ammunition, logistics, and sustainability shortfalls of Japan's forces by 20 percent year.

(c) REPORTS.—To permit the Congress to assess Japan's progress toward actually fulfilling its common defense commitments, the President shall, not later than February 1, 1986, and on an annual basis thereafter, submit to the Congress a report, in both classified and unclassified form, containing—

(1) a detailed estimate by the United States Government of the level of funding resources, specific procurement programs, and other defense improvement actions required annually between 1986 and 1990 for Japan to achieve the capabilities to defend her homeland and airspace and sea lanes out to 1,000 miles, by the end of this decade; and

(2) an account of what actions the United States Government has taken in the preceding year to encourage Japan to attain by 1990 the 1,000 mile self-defense capabilities.

By Mr. KOLBE:

—Page 71, strike out lines 10 through 17 and insert in lieu thereof the following:

(b) FORM OF SCHOLARSHIP; FORGIVENESS OF LOAN REPAYMENT.—To encourage students to use their training in their countries of origin, each scholarship pursuant to this section shall be in the form of a loan with all repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States. If the student is granted asylum in the United States pursuant to section 208 of the Immigration and Nationality Act or is admitted to the United States as a refugee pursuant to section 207 of that Act, half of the repayment shall be forgiven.

—Page 35, line 2, immediately after "Lebanon" and before the period insert ", subject to paragraph (2)"; and after line 2, insert the following new paragraph (2):

(2) RELEASE OF AMERICAN HOSTAGES.—None of these funds may be used for assistance for Lebanon unless all United States citizens taken hostage in that country have been released, except that this condition does not apply with respect to humanitarian assistance provided for institutional support or for emergency purposes.

Page 35, line 3, strike out "(2)" and insert in lieu thereof "(3)"; and line 5, after "because" insert "the condition specified in paragraph (2) is not met or because".

By Mr. LOTT:

—Page 154, after line 24, insert the following new section:

SEC. 1208. DAMAGES RESULTING FROM DELAYS IN CONSTRUCTION OF THE UNITED STATES EMBASSY IN MOSCOW

(a) PROHIBITION ON USE OF NEW SOVIET CHANCERY BUILDING.—The Secretary of State shall not permit the Soviet Union to occupy the chancery building at its new Embassy complex in Washington, D.C. (or to occupy any other new facilities in the Washington, D.C., metropolitan area), until the Soviet Union reimburses the United States for damages incurred by the United States as a result of delays in the construction of the new United States Embassy in Moscow. The amount of such reimbursement shall be the amount determined—

(1) by agreement between the United States and the Soviet Union, or

(2) in the event of disagreement, by the decision of an international arbitral tribunal created pursuant to the contract for construction between the United States and the Soviet Union,

except that such amount may not be less than the amount of funds expended from the "Acquisition, Operation, and Maintenance of Buildings Abroad" account of the Department of State for damages arising from delays at the site of the new United States Embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the Soviet Union.

(b) LIMITATION ON TRAVEL WITHIN THE UNITED STATES BY SOVIET DIPLOMATS.—Until the United States is reimbursed by the Soviet Union in accordance with subsection (a), the Secretary of State shall deny to all members of all Soviet missions in the United States, the right to travel to any area in the United States—

(1) in which there is a substantial concentration of high technology industry (as determined by the Secretary of Commerce); or

(2) in which there is any industry relating to militarily critical technologies (as determined by the Secretary of Defense).

—Page 154, after line 24, insert the following new section:

SEC. 1208. DAMAGES RESULTING FROM DELAYS IN CONSTRUCTION OF THE UNITED STATES EMBASSY IN MOSCOW.

The Secretary of State shall not permit the Soviet Union to occupy the chancery building at its new Embassy complex in Washington, D.C. (or to occupy any other new facilities in the Washington, D.C., metropolitan area), until the Soviet Union reimburses the United States for damages incurred by the United States as a result of delays in the construction of the new United States Embassy in Moscow. The amount of such reimbursement shall be the amount determined—

(1) by agreement between the United States and the Soviet Union, or

(2) in the event of disagreement, by the decision of an international arbitral tribunal created pursuant to the contract for construction between the United States and the Soviet Union,

except that such amount may not be less than the amount of funds expended from the "Acquisition, Operation, and Maintenance of Buildings Abroad" account of the Department of State for damages arising from delays at the site of the new United States Embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the Soviet Union.

By Mr. McCOLLUM:

—Page 100, strike out line 23 and all that follows through line 2 on page 101 and insert in lieu thereof the following:

"(c) Subsection (a) shall not apply with respect to Honduras, El Salvador, and Costa Rica.".

By Mr. PEPPER:

—Page 125, after line 15, insert the following new section:

SEC. 810. REPEAL OF CLARK AMENDMENT.

Section 118 of the International Security and Development Cooperation Act of 1980 (prohibiting assistance for military or paramilitary operations in Angola) is repealed.

By Mr. RICHARDSON:

—Page 115, after line 17, insert the following new section:

SEC. 722. CONDITIONS ON HUMANITARIAN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE.

(a) PREVENTING DIVERSION OF ASSISTANCE.—The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for military purposes.

(b) RESPECT FOR HUMAN RIGHTS.—If the President determines that Nicaraguan democratic resistance forces are engaging in a consistent pattern of human rights violations, the President shall suspend all United States humanitarian assistance to those forces. The Secretary of State shall report to the Congress every six months on the human rights practices of the Nicaraguan democratic resistance forces.

By Mrs. ROUKEMA:

—At the end of proposed new title XIII, add the following:

SEC. 1311. HIJACKING OF TWA FLIGHT 847 AND OTHER ACTS OF TERRORISM.

The Congress joins with all Americans in celebrating the release of the hostages taken from Trans World Airlines flight 847. It is the sense of the Congress that—

(1) Uli Derickson, among others, displayed extraordinary valor and heroism during the hostages' ordeal and therefore should be commended;

(2) the hijackers who murdered United States Navy Petty Officer Stethem should be immediately brought to justice;

(3) all diplomatic means should continue to be employed to obtain the release of the 7 United States citizens previously kidnapped and still held in Lebanon;

(4) acts of international terrorism should be universally condemned; and

(5) The Secretary of State should be supported in his efforts to gain international cooperation to prevent future acts of terrorism.

By Mr. SILJANDER:

—Page 30, after line 10, insert the following new section:

SEC. 128. PROHIBITION ON MILITARY ASSISTANCE FOR MOZAMBIQUE.

None of the funds authorized to be appropriated by this title may be used for assistance for Mozambique.

—Page 125, after line 15, insert the following new section:

SEC. 810. PROHIBITION ON ECONOMIC ASSISTANCE FOR MOZAMBIQUE.

(a) IN GENERAL.—None of the funds authorized to be appropriated by this Act may be used for assistance for Mozambique under chapter 1 of part I (relating to development assistance) or chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961, including assistance provided through regional

programs for projects or activities in Mozambique.

(b) TERMINATION OF PROHIBITION.—The prohibition contained in subsection (a) shall cease to be effective if the President certifies to the Congress, not later than September 30, 1986, that the number of foreign military advisers and troops in Mozambique does not exceed 55.

—Page 154, after line 24, insert the following new section:

SEC. 1208. EMPLOYERS OF THE UNITED NATIONS.

Title II of the State Department Basic Authorities Act of 1956 is amended by adding at the end thereof the following new section:

"SEC. 214. EMPLOYERS OF THE UNITED NATIONS.

"(a) FINDINGS.—The Congress finds that—

"(1) pursuant to the Agreement between the United States and the United Nations Regarding the Headquarters of the United Nations (authorized by the United Nations Headquarters Agreement Act), the United States has an obligation—

"(A) to permit and to facilitate the right of individuals, who are employed by or are authorized by the United Nations to conduct official business in connection with that organization or its agencies, to enter into and exit from the United States for purposes of conducting official activities within the United Nations Headquarters District, subject to regulation as to points of entry and departure; and

"(B) to permit and to facilitate the acquisition of facilities in order to conduct such activities within or in proximity to the United Nations Headquarters District, subject to reasonable regulation including regulation of the location and size of such facilities; and

"(2) taking into account paragraph (1) and consistent with the obligation of the United States to facilitate the functioning of the United Nations, the United States has no additional obligation to permit the conduct of any other activities, including nonofficial activities, by such individuals outside of the United Nations Headquarters District.

"(b) ACTIVITIES OF THE UNITED NATIONS EMPLOYEES.—

"(1) ACTIVITIES OUTSIDE THE HEADQUARTERS DISTRICT.—The conduct of any activities, or the acquisition of any benefits, outside the United Nations Headquarters District by any individual employed by or authorized by the United Nations to conduct official business in connection with that organization or its agencies, or by any person or agency acting on behalf of such an individual, may be permitted or denied or subject to reasonable regulation, as determined to be in the best interests of the United States and pursuant to the United Nations Headquarters Agreement Act.

"(2) ACTIVITIES OF EMPLOYEES OF THE SECRETARIAT.—The Secretary shall apply to those employees of the United Nations Secretariat who are nationals of a foreign country all terms, limitations, restrictions, and conditions which are applicable pursuant to this title to the members of that country's mission to the United Nations.

"(c) REPORTS.—The Secretary shall report to the Congress—

"(1) not later than 30 days after the date of enactment of this section on his plans for implementing this section, and

"(2) not later than 6 months thereafter on the actions taken pursuant to those plans.

"(d) UNITED STATES NATIONALS.—This section does not apply with respect to any United States national.

"(e) DEFINITIONS.—For purposes of this section—

"(1) the term 'United Nations Headquarters District' means the area within the United States which is agreed to by the United Nations and the United States to constitute such a district, together with such other areas as the Secretary of State may approve from time to time in order to permit effective functioning of that organization or missions to that organization; and

"(2) the term 'United Nations Headquarters Agreement Act' means the joint resolution of August 4, 1947 (Public Law 80-357), authorizing the President to bring into effect the Agreement Regarding the Headquarters of the United Nations.".

—Page 125, after line 15, insert the following new section:

SEC. 810. ASSISTANCE FOR SOUTH AFRICAN PROJECTS.

(a) ELIGIBILITY OF CERTAIN PROJECTS IN SOUTH AFRICA.—Section 237(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(a)) is amended—

(1) by striking out "(a) Insurance" and inserting in lieu thereof "(a)(1) Except as provided in paragraph (2), insurance"; and

(2) by adding at the end thereof the following:

"(2) Insurance, reinsurance, and guaranties of loans may be issued to cover an investment made in connection with a project in South Africa, notwithstanding the absense of an agreement with the Government of South Africa, except that—

"(A) the issuance of any such insurance, reinsurance, or guaranty may only be made to joint ventures between business enterprises controlled or owned by South African blacks or other nonwhite South Africans and business enterprises controlled or owned by United States nationals; and

"(B) with respect to such a joint venture, the national or nationals of the United States hold a minority interest or agree to relinquish its majority interest during the course of the joint venture.".

(b) NATIONAL OF THE UNITED STATES DEFINED.—Section 238 of the Foreign Assistance Act of 1961 (22 U.S.C. 2198) is amended—

(1) in subsection (c) by striking out "and" at the end thereof;

(2) in subsection (d) by striking out the period at the end thereof and inserting in lieu thereof"; and"; and

(3) by adding at the end thereof the following:

"(e) the term "national of the United States" means—

"(1) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States; or

"(2) a corporation, partnership, or other enterprise if—

"(A) natural persons who are nationals of the United States own or control, directly or indirectly, more than 50 percent of the outstanding voting securities;

"(B) natural persons who are nationals of the United States own or control, directly or indirectly, 25 percent or more of the voting securities, and natural persons of another nationality do not own or control an equal or larger percentage;

"(C) any natural person who is a national of the United States operates the corporation, partnership, or enterprise pursuant to the provisions of an exclusive managment contract;

"(D) a majority of the members of the board of directors are also members of the comparable governing body of a corporation or legal entity organized under the laws of the United States, any State or territory thereof, or the District of Columbia; or

"(E) natural persons who are nationals of the United States have authority to appoint the chief operating officer.".

By Mr. ROBERT F. SMITH

—Page 146, after line 4, add the following:

SEC. 1112. PROHIBITION ON ASSISTANCE TO COUNTRIES WHICH OPPOSE THE UNITED STATES POSITION IN THE UNITED NATIONS GENERAL ASSEMBLY MORE OFTEN THEN THE SOVIET UNION

Assistance may not be provided under the Foreign Assistance Act of 1961 or the Arms Export Control Act to the government of any country whose votes in the most recent session of the United Nations General Assembly coincided with the United States position less frequently on a percentage basis than the votes of the Soviet Union coincided with the United States position, using for this purpose the percentage-of-voting-coincidences compiled by the Permanent Representative of the United States to the United Nations and set forth in the annual report to Congress on the degree of support being provided by each foreign country for the foreign policy of the United States.

By Mr. SOLOMON:

—Page 154, after line 24, insert the following new section:

SEC. 1208. LIMITATION ON PAYMENTS TO THE UNITED NATIONS AND ITS AFFILIATED AGENCIES.

(a) LIMITATION ON ASSESSED CONTRIBUTIONS.—After December 31, 1985, no appropriation is authorized for payment of an assessed contribution, and no payment of an assessed contribution shall be made, to the United Nations or any of its affiliated agencies in excess of 20 percent of the total annual budget of such organization unless the Secretary of State certifies to the Congress that—

(1) such organization has adopted procedures that grant to each member state voting rights on matters of budgetary consequence proportionate to the member state's contribution to such organization's budget; and

(2) such organization has adopted a plan to reduce the salaries and pensions of the organization's employees to a level no higher than that paid United States civil service employees for performing comparable duties, adjusted as appropriate for differences in the cost of living in the United States and the duty post of the employee.

(b) UNICEF.—If the governing body of the United Nations Children's Fund does not adopt the voting procedures and employees' compensation plan required by subsection (a), funds appropriated for fiscal year 1986 for payment of the United States assessed contribution to the United Nations Children's Fund shall remain available until expended and shall be available only for the President to make grants to private and voluntary organizations to carry out development and humanitarian projects overseas of particular benefit to children.

By Mr. WALKER:

—Page 68, after line 9, insert the following new section:

SEC. 518. PROHIBITION ON ASSISTANCE TO COUNTRIES WHICH DO NOT TAKE ADEQUATE STEPS TO HALT DRUG TRAFFICKING.

(a) PROHIBITION.—Section 481(h) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(4)(A) In addition to the requirements applicable to major illicit drug producing countries pursuant to paragraph (1), the President shall not provide any assistance

under this Act or the Arms Export Control Act to any other country which the President determines has not taken adequate steps to prevent—

"(i) the processing (in whole or in part) in such country of narcotic and psychotropic drugs or other controlled substances,

"(ii) the transportation through such country of narcotic and psychotropic drugs or other controlled substances, and

"(ii) the use of such country as a refuge for illegal drug traffickers.

"(B) The President may waive the application of this paragraph to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and shall submit each waiver and the justification for the waiver to the Congress.".

(b) ANNUAL REPORTS.—Section 481(e) of such Act, as amended by section 505 of this Act, is further amended by adding at the end thereof the following new paragraph:

"(7) Each report pursuant to this subsection shall also identify the steps being taken by countries, which are not major illicit drug producing countries, to prevent—

"(A) the processing (in whole or in part) in such country of narcotic and psychotropic drugs or other controlled substances,

"(B) the transportation through such country of narcotic and psychotropic drugs or other controlled substances, and

"(C) the use of such country as a refuge for illegal drug traffickers.".

SENATE—*Tuesday, July 9, 1985*

(Legislative day of Monday, July 8, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God, our Father, we thank You for the presence of Father McDonnell in the Senate yesterday and for his prayer which reminded us of that which is fundamental to our national life. We regret the ease with which we forget these fundamentals until tragedy brings us back to reality. Forgive us for weak connections with our roots. Renew in us the vital convictions which guarantee our future as they have for 200 years.

Thank You, Father, for the recess, for the work accomplished, the renewed relationships with constituents, time with family and safe travel. We have 19 working days until the August recess and a staggering load of legislation. Save the Senate from futile battles which are mere shadow boxing—from victories in which there are no winners—and prevent the Senators from being their own worst enemies as they struggle to make the democratic process work. Make them aware of Your availability, Your wisdom, Your strength, Your direction at all times and in every situation. In the name of the Lord, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by a special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes, and routine morning business until noon, with statements limited therein to 5 minutes each. At noon, we have the policy luncheons on both sides from 12 to 2 p.m.

Then, at 2 p.m., the Senate, by unanimous consent obtained on June 24, will begin consideration of S. 49, the McClure-Volkmer Gun Control Act. Rollcall votes can be expected throughout today's session in regard to that bill. It is my hope we can complete action on that bill fairly early this evening, by 7 or 8 o'clock. I think we should be able to do that unless there is something that occurs the leader is not aware of.

On tomorrow, I believe we will convene at 11 o'clock and begin a live quorum at noon, under the provisions of rule XXII. Following the live quorum, the Senate will proceed to vote on the cloture motion relating to S. 995, the South Africa bill. If cloture is invoked, it is the majority leader's intention to continue the debate on the motion to proceed, and votes are expected throughout the day.

We also hope to dispose of that bill on Wednesday or sometime on Thursday.

Then, on Friday, we will turn to the consideration of other Legislative or Executive Calendar items.

I might indicate that I have just had a leadership meeting with the President. He is very concerned about the fact that a number of his nominees that are on the calendar have not been cleared by the Senate. He would hope very much that we could—I do want to very quickly point out that they are not being held up by anyone on the other side of the aisle. The distinguished minority leader has been most cooperative. I think, without exception, they are prepared to clear nearly every nominee.

But the President is very hopeful we can clear these nominees. Some are Ambassadors to very sensitive and important countries and other positions of importance. It is my hope that sometime this week we can dispose of those nominees. It is the President's hope we can do it today.

The President feels rather strongly that they are his nominees.

They have been thoroughly examined. He feels rather strongly that, being the President, that should be his right. I guess that is mentioned in the Constitution somewhere.

But, in any event, the President is very hopeful we can do that this week.

Mr. President, I reserve the balance of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. NICKLES). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

THE ATHENS-BEIRUT AIRCRAFT HIJACKING AND INTERNATIONAL TERRORISM: LESSONS TO REMEMBER 8 DAYS LATER

Mr. BYRD. Mr. President, 8 days ago, America was gladdened by the release of the 39 hostages seized during the terrorist hijacking of TWA flight 847.

In various ways, all Americans shared with the hostages and their families the harrowing ordeal of their 17 days in captivity. The safe return of these hostages permits our Nation a measure of collective relief.

Yet as we give thanks for the safe return of these 39 individuals, we should remember that 7 more fellow Americans, and 4 citizens of our NATO ally, France, remain terrorist hostages in Lebanon.

As important, we should never forget that one American, a young man who served proudly in the U.S. Navy, was brutally beaten and murdered in cold blood during this terrorist crime.

There is only tragedy for the family of Navy Petty Officer Second Class Robert Dean Stethem, and we can only hope that our condolences and sympathy provide some consolation during its time of grief.

This terrible murder, and the continued captivity of the seven Americans and four Frenchmen, are a sober reality which should place in proper perspective the understandable aura of relief surrounding the release of the 39 other hostages.

This initial relief must be replaced by a somber determination that this Nation, in concert with many other nations, now must do much more to combat international terrorism and to guard aganist repetitions of these crimes against all civilized peoples.

Our Nation also must redouble its efforts to obtain the freedom of the remaining hostages and to try to find some way to punish the hijackers and murderers who seized TWA flight 847.

In the past several weeks, there has been much public debate about how we should fight international terrorism. Such debate is the hallmark of our democracy.

However, as this debate continues, it is time that we turn our efforts away from unspecified verbal gauntlets and toward more aggressive and specific actions to give those challenges to terrorism more weight and meaning.

That is why I proposed—in Senate Joint Resolution 153—that the United

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

States initiate a multilateral negotiation aimed at drafting international treaties or agreements containing more effective defenses against terrorism, including more widespread prosecution and extradiction of terrorists and more certain sanctions against nations supporting terrorism.

As the President considers my proposal, I hope that the executive branch also is evaluating a full range of other diplomatic, economic, and, if appropriate, military responses to terrorism.

When Vice President BUSH convenes the administration's special Terrorism Task Force, the American people and their elected representatives in Congress will expect to hear what further, specific actions the administration intends to propose.

The administration should tell us, within the boundaries of appropriate classification of information, what specific actions it is proposing to other nations to carry out the President's most recent antiterrorism decisions, to free the remaining hostages and to punish those responsible for the TWA hijacking and murder.

In a letter to the President today, I have asked him to provide us with this information as well as to take three further actions to guard against future terrorism and to assist Congress in cooperating effectively with the executive branch in this endeavor.

First, the administration should conduct a comprehensive review of all the bilateral and multilateral air transport agreements the United States has signed, to determine whether they should be renegotiated to emphasize increased airport and in-flight security.

Second, the executive branch should provide a special report to Congress identifying, at least on a classified basis, those nations whose major airports represent security risks to American travelers and airlines, any specific actions our Government has recommended to those nations to improve their airport security, the responses to those recommendations, and any options available to the U.S. Government to encourage implementation of these recommendations, including any appropriate sanctions. If sanctions are an available option with respect to any particular country, and the administration thinks they should not be implemented, it should explain its reasons in this special report.

Third, the President should consider still further improvements to U.S. intelligence capabilities targeted against terrorism and should ask Congress to consider them as soon as possible, in special authorizing and funding legislation, if necessary.

The special report I am requesting from the President would help Congress and the American people to know who are our allies, and who are our enemies, in this battle against international terrorism.

Terrorism possesses no one nationality, Mr. President, as the murder of our marines in El Salvador and the bombings of airports in Japan and the Federal Republic of Germany have demonstrated recently. While the Middle East has become the principal source of international terrorism, no nation is safe from this threat, and all civilized nations should cooperate against it.

Those nations who have supported terrorism directly, such as Syria and Iran, and those whose policy interests have been promoted indirectly by it, such as the Soviet Union, should recognize that they, too, are vulnerable to attack by terrorists. Some of these nations already have been attacked, and they should realize that their safety rests ultimately in joining the fight against such crimes.

Unfortunately, it is uncertain whether this realization was Syria's motivation for helping to free the hostages from TWA flight 847. Our thanks for this assistance should be tempered by the memory that Syrian complicity, reportedly, at least played an indirect role in the terrorist bombing which killed 241 American marines at Beirut Airport in 1983.

Mr. President, there are two other aspects of this latest terrorist event which the Congress and the American people should think about in the days ahead.

This latest hijacking underscores not only our need to increase our antiterrorist actions, but also the requirement for redoubled efforts to help resolve the underlying problems preventing peace in the Middle East. Until peace is achieved, this troubled region will continue to be the source of international terrorism.

Finally, we should reflect upon the role of the press in this affair and what that role might be in covering future terrorist acts.

The first amendment protecting freedom of the press is a foundation of our democracy, and that is as it should be. A free press safeguards our basic liberties.

Yet the press coverage of the TWA hijacking raises troubling questions about how the media covers such news and whether it becomes so much a part of the event being covered that it unduly influences the event, instead of reporting on the outcome.

The press, in part, is aware of these concerns, and two of its most respected reporters, David S. Broder and Lou Cannon, have presented alternative interpretations of the coverage of the hijacking.

Mr. Broder wrote in the Washington Post, among other thoughts, that:

> At some point, many of us watching felt television crossed the line between covering the story and hyping it. The incessant interviews . . . implicitly collapsed all questions to the imperative of a quick release.

He continued:

> We cannot reduce international relations to the close-up pictures on which television thrives. The problems are more complex. We cannot think straight about foreign policy if our emotions are being jerked up and down by the zoom lenses.

What we saw in this hostage-taking was a President and an America whose policy options might have been constrained or unduly influenced by the coverage of the event. Indeed, Mr. Broder seems to be saying that the almost-daily, emotion-filled interviews with the hostages and their families could have imposed undue pressure on the administration to act precipitously or make concessions to the hijackers simply to obtain the release of the hostages.

Safe release of the hostages was, properly, the first priority of our Government in this incident, but Mr. Broder's point is a valid one to ponder.

Mr. Broder also states that:

> Shiite and Syrian critics of the United States were able to use the American television networks to make their propaganda points.

His comments reflect another concern being raised about the coverage—that the terrorists' negotiating positions may have been reinforced by the headlines and the omni-present cameras and microphones.

Lou Cannon, on the other hand, provides a different viewpoint. He defends the press' performances by writing:

> Several freed hostages thanked reporters for keeping the public focus on their plight. And it is also worth noting that the media refrained from publishing or airing information that could have been damaging to the hostages.

Mr. Cannon continued:

> Beyond the necessary suppression of certain information, television also distinguished itself, in some positive ways. (Nabih) Berri's frequent appearances on television may have exposed Americans to some self-serving propaganda, but they also gave the Amal leader a highly publicized stake in solving the crisis.

Mr. President, we all know that U.S. Government officials often try to use the press as a means to reach a policy objective, sometimes in a most self-serving manner. Mr. Cannon refers to this in his column, as well. The press also should resist this type of official exploitation.

In addition, we all understand the natural competitiveness which impels news organizations to obtain scoops in the quest for more information, better ratings, more readers or more viewers. True journalistic coups earn our respect and are a public service when they increase our citizens' awareness.

Furthermore, I am not calling for press self-censorship, or for Congress to legislate any controls on the news media.

I am calling on the news media, however, to reflect more on its behavior in these cases, as Mr. Broder and Mr. Cannon have done, and to be more introspective, so it might consider how best to serve the interests we all share and to protect the safety of any victims of terrorism in the future.

It is clear that the networks and the broadcast media, in general, are as aware as the print media of the need for this type of "soul-searching," as Ron Powers of CBS News called it. In a commentary on "CBS Sunday Morning," Mr. Powers called for a summit meeting of network and broadcast industry executives to ask questions and come up with answers as to their proper role in reporting the news on acts of terrorism in the future. I wholeheartedly support Mr. Powers' suggestion.

Mr. President, I look forward to receiving the President's reports on the latest efforts to combat international terrorism, and I pray that the efforts to seek release of the seven Americans and four Frenchmen still hostage in Lebanon soon meet with success.

I hope also, Mr. President, that we will never let fade from our view the senseless murder of an American military man by the two hijackers in the TWA event.

I ask unanimous consent that my letter to President Reagan be printed in the RECORD, as well as a transcript of the "CBS Sunday Morning" commentary by Ron Powers on July 7, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, July 9, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: The hijacking of TWA Flight 847, the seizure of its passengers and their subsequent release, and the continued captivity by terrorists in Lebanon of seven Americans and four Frenchmen, all underscore the necessity for our nation to redouble its efforts to fight international terrorism.

That is why I proposed—in Senate Joint Resolution 153—that the United States initiate a multilateral negotiation aimed at drafting international treaties or agreements containing more effective defenses against terrorism, including more widespread prosecution and extradition of terrorists and more certain sanctions against nations supporting terrorism.

As your special Terrorism Task Force begins its work, the American people and their elected representatives in Congress will look forward to learning what further, specific actions the Administration intends to propose against international terrorism.

In this regard, and also to assist Congress in cooperating effectively with the Executive branch in the fight against terrorism, I would like to request that your Administration inform us, within the boundaries of appropriate classification of information, what specific anti-terrorist actions are being proposed to other nations to implement your June 18 decisions, to free the remaining hostages and to punish those responsible for the TWA hijacking and murder.

Also, I would ask that you take three other actions which could strengthen significantly our anti-terrorist activities. These are:

(1) conducting a comprehensive review of all the bilateral and multilateral air transport agreements signed by the U.S., to determine whether any should be renegotiated to emphasize increased airport and in-flight security;

(2) providing a special report to Congress identifying, at least on a classified basis, those nations whose major airports represent security risks to American travelers and airlines, any specific actions our government has recommended to those nations to improve their airport security, the responses to those recommendations, any options available to the U.S. government to encourage implementation of these recommendations, including any appropriate sanctions, and if sanctions are an available option toward any country but are not being implemented, the Administration's reasons for not doing so;

(3) considering still further improvements to U.S. intelligence capabilities targeted against terrorism, and proposing them to Congress as soon as possible in special authorizing and funding legislation, if necessary.

These reports and other initiatives I am requesting should contribute to our battle against international terrorism.

My thanks in advance for your consideration and cooperation.

Sincerely,

ROBERT C. BYRD.

CBS SUNDAY MORNING, JULY 7, 1985,
COMMENTARY BY RON POWERS

It is time for American broadcasters to commit an act of statemanship: an act so large and so unusual and so utterly improbable that its virtue would confront the evil of modern terrorism and help disarm it.

It is time for a summit meeting: people from the networks, the cable systems, the broadcast groups and the large urban stations.

The purpose—a voluntary consensus on limits; on some reasonable self-control over the extremes of broadcast options during a terrorist episode.

And underline "voluntary." These limits should not conform to the government's notion of news. They should conform to common sense and good will.

But—you say a summit meeting is unlikely among the super-competitive broadcast leaders? So was a summit between Reagan and Gorbachev until last week.

Unlikely, but not impossible. It would have to be inspired by an individual. One network president or group chairman or station manager.

Someone with the courage, or maybe the strangeness, to affirm, publicly, for the first time, that marginal wealth, marginal rating points, temporary prestige—none of those is as important as history. And that television does not stand apart from history. And that television's role in history is in danger lately of being defined by active forces of evil. And that now is the time to reclaim that role and direct it toward good.

Now, I recognize that words like "evil" and "good" and "virtue" are out of fashion this century; they strike the ear like the clank of medieval armor. They embarrass.

But the word "terror" is very much in fashion; and what other values will broadcasters summon when it strikes again?

Free-market competition? In the past three weeks, that standard contributed to a political victory for a radical faction inside Lebanon and the cheapening of human outrage here at home.

What contributions will the coverage make when terrorism becomes a routine domestic story instead of an occasional far-off episode, as some experts are starting to predict? One reputable American columnist is already calling for this country to retaliate in kind to terrorist murders; and eye for an eye, a death for a death.

Imagine the sort of coverage that action might provoke.

So it's time for a broadcast summit. Time to find ways of neutralizing television as a terrorist weapon.

What ways? Well, a couple of ideas.

No more on-air dialogue between anchormen and partisan spokesman from the other side. It's like a free campaign commercial for the bad guys.

No more coverage of spectacle for spectacle's sake: hostage press conferences, readings of terrorists' demands.

Leave the victims' families alone. No cash payoffs; no more treating them like winners in a macabre game show. This is a corruption of grief—and it turns the families into terrorist pawns.

And finally, it should be made clear that none of these restraints will amount to self-censorship. There's a difference between restraint, and submitting to the government's policy line.

I believe that American broadcasters don't really want to look as bad and as self-interested as they looked at times during the TWA hijack crisis. They get locked into that sort of performance by the blind logic of competition.

The only key is some kind of consensus for self-control. And the only way that key will be turned is by some individual, some broadcast leader. A statesman.

Mr. BYRD. Mr. President, I thank the Chair. I thank the distinguished Senator from Wisconsin. I have kept him waiting.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

WHY DOES THE NUCLEAR ARMS RACE RUSH AHEAD?

Mr. PROXMIRE. Mr. President, what policies can this country pursue to reduce the terrible prospect of nuclear war? Here's a question all of us—hawks and doves, Democrats and Republicans, indeed even Americans and Russians—can agree on as a common objective. All of us agree on the consequences of nuclear war. All of us know that a superpower nuclear war would bring total unmitigated disaster to our country. Indeed, the National Academy of Science has found, in a report commissioned by the Defense Depart-

ment, that there is a "clear possibility"— in their words—that such a war would trigger a nuclear winter. Such a consequence would constitute the worst environmental disaster for the Earth in the past 65 million years. If nuclear winter were triggered, most of mankind would starve to death. There is the real possibility that our species might become extinct. With this kind of stake in peace, the objective of preventing a nuclear war obviously enjoys a very high priority.

Is there no priority higher than the avoidance of nuclear war? Surprisingly for almost all of us, there is. Since we recognize fully the virtual certainty that such a war would destroy our great country as an organized society, why does not the prevention of such a war constitute our No. 1 objective? And it certainly does not. Can we face the likelihood that in a superpower nuclear war, everyone we hold dearest, including our own children, might perish at once or die a slower but more agonizing death?

Can we say that there are consequences flowing from the policies that would avoid a nuclear war that would be worse than this catastrophe of death that would surely flow from such a war? Indeed there are, for many of us. To my knowledge none—not one—of the 535 Members of Congress—the 435 in the House and the 100 in the Senate—have advocated a unilateral destruction of all of our nuclear arms. No Member of the Congress has said that our President should tell the Soviet Union that we will not retaliate with devastating nuclear force in response to any nuclear attack the Soviet may make against this country. Indeed, few Members of the Congress have even disavowed the expressed policy of our country in all Presidential administrations in the past 30 years to reserve the right for this country to strike first with nuclear weapons. In fact, most Members of Congress seem to have accepted by acquiescence the policy of this country to use nuclear weapons first even if the Soviet does not make a conventional attack on this country. That first-strike doctrine envisages a nuclear response by the United States and NATO in the event of a Soviet conventional breakthrough in Europe.

The position of the U.S. Congress on nuclear weapons and nuclear war is, considering the utterly disastrous consequences of such a war, astonishingly uniform. To a person, Congress favors deterrence. To a person, Congress opposes unilateral nuclear disarmament or even unilateral nuclear weapons reduction. Without exception, Members of Congress say they favor arms control. All Members of Congress insist that any agreements must be verifiable and mutual. It is this Senator's judgment that no Member of Congress would support U.S. compliance with a treaty if the evidence were clear and convincing that the Soviets had violated the treaty in any militarily significant way.

Of course, Members of Congress differ over what nuclear weapons are effective or necessary. We split on the wisdom of the MX, the B-1 B bomber, the star wars anti-missile defense. But these differences do not hinge on any differences on basic military policy. They hinge on judgments about the effectiveness of the weapons, the cost, the incremental value of adding or not adding more nuclear weapons to an arsenal already big enough to blow the Soviet Union off the face of the Earth.

Given this remarkable consensus in Congress, why is there no outcry from the press, from the universities, from some segment of the public generally? This country glories in dissent. We thrive on differences of opinion. We recognize that it is debate and discussion that make our democracy strong. What is the basic difference between this great democracy and totalitarian nations such as the Soviet Union? It is our welcome of the challenge of dissent. And yet, on the most serious threat to survival the world has ever faced, we speak as one.

Think of it. The Catholic bishops have reminded us that ours is the first generation since Genesis that has the power to end life on Earth. The bishops have called on our people and our Government to use all our material and spiritual resources to prevent a nuclear war. But how much time, how much effort, how much consideration of the options have we given to this most critical question of this or any age?

Mr. President, the American people, in State after State, in referendum after referendum, have told us that they want this country to work to negotiate an end to the arms race with the Soviet Union. The people in this country cry out for nuclear weapons arms control. We have, over the past 22 years, forged five major arms control treaties with the Soviet Union. But the nuclear weapons arms race streaks on, blasting ahead stronger than ever. In spite of the meetings going on now in Geneva between representatives of the two superpowers, the outlook for effective arms control progress is dimmer now than it has been for 30 years. Both Russia and the United States will gain immensely in security and in their economic well-being by ending this insane arms race. We can and must do better.

MYTH OF THE DAY: THAT ENVIRONMENTAL POLICIES HAVE IMPROVED SINCE SECRETARY WATT LEFT

Mr. PROXMIRE. Mr. President, for several days now, I have delivered to the floor of the Senate what I call my myth of the day.

My 10th myth of the day has been a product more of expectation than a Presidential or administration statement. When James Watt left the Reagan administration as Secretary of the Interior, Americans who put a priority on the environment heaved a mass sigh of relief. The general public still persisted in the feeling that we could expect to breathe clean air, drink pure water, and that the Nation's marvelous environmental legacy was home free. Unfortunately, that general belief is a myth. The environment suffers the same problems of exploitation and neglect it suffered under Watt. Consider:

First, the Reagan administration still has no acid rain program, prefering unlimited "further study" to taking action. Meanwhile our lakes and forests continue to be damaged and recent scientific studies show the problem is spreading to new geographic areas like Far West.

Second, in first 5 years of Superfund Program the Federal Government totally cleaned up just a handful of sites—six—out of the thousands of dangerous, abandoned, hazardous waste dumps nationwide.

Third, EPA managed to reregister just 1 percent of all pesticides standards. Even worse the vast majority of older pesticides on the market are missing vital test data for determining whether they cause cancer, birth defects or mutations.

Fourth, the Interior Department has continued implementing Watt's policy of weakening the landmark Alaska Lands Act including his attacks on Alaskan national parks and refuges.

Fifth, the Surface Mining Program is still not enforced. The Interior Department is owed hundreds of millions in uncollected fines from scofflaw mining companies.

Sixth, Interior is still implementing Watt's onshore oil and gas leasing policies which threaten wildlife and cheat taxpayers out of a fair rate of return for our resources.

Seventh, despite some cosmetic changes in Watt's controversial Coal Leasing Program, Interior still clings to his giveaway policies which encourage speculation.

Eighth, Interior has not backed down from Watt's controversial areawide mass leasing of offshore oil and gas lands.

CORPS OF ENGINEERS WIN JULY FLEECE

Mr. PROXMIRE. Mr. President, during the July break, I awarded my July Golden Fleece to the Army Corps of Engineers for spending $33 million, with another $17 million in the pipeline, to pump sand on 10 miles of

beach, which fronts costly condominiums and haughty hotels in Miami Beach. The corps is really sand-bagging the taxpayers with this one because one large storm could easily sweep away all this sand. The corps' efforts are making it easier for those staying in these pleasure palaces to bathe but the average taxpayer is taking the bath.

The corps is in the midst of a costly, never ending, and futile effort to rebuild the beach in front of Miami Beach. They are dredging sand offshore and pumping it onto the beach to widen it. Natural geologic forces are eroding the beach, but the corps is attempting to thwart those forces. Taxpayers in Wisconsin, Nebraska, and throughout the Nation, are paying $5 to $6 million a mile to underwrite this effort.

Are these efforts futile? Here is a quote from "Living With the East Florida Shore," a book written by expert geologists and marine scientists: "Shoreline engineering destroys the beach it was intended to save." Taxpayers can pour in the millions, the corps can pump ton upon ton of sand, but recent research demonstrates that the best that can be hoped for is that Miami Beach will become Miami seawall. If local interests want to protect their investment and reimburse the corps for the total cost, fine, but the taxpayer should not be handed even part of the bill.

Make no mistake: The corps is doing this work to protect the investment of developers who built high-rise condominiums and hotels along an unstable beach. Without that sand, could they charge $150 a night for a room or $1 million for that condo? The corps sows the sand, but developers reap the beach.

Once this type of work starts, finding a time to say "Enough, already," is next to impossible. The corps is now rebuilding about 10 miles of beach, but is ready to start work on another 2.5 miles because "Local interests desire extension of the northern limit." Where does the corps stop—Palm Beach, Fort Lauderdale, or Maine?

The money for this extension is hidden away in the supplemental appropriations bill recently debated by Congress, which appropriates an initial $1 million as a downpayment on a $4.1 million project. But before the money can be spent, the administration and local interests have to agree on a cost-sharing formula. If local developers want a nice, sandy beach, let them pay for it—all of it. That is the only formula which is fair.

We laugh today at the story about Xerxes, an ancient Persian Shah who ordered his army to whip the sea after a storm destroyed his fleet. Before laughing too hard, however, the taxpayers should consider what the corps—a modern-day Xerxes—is doing for Miami Beach.

SOVIET JEWS AND THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the saga of Jews fighting for basic human rights in the Soviet Union offers an excellent example of why the United States needs to ratify the Genocide Convention.

While the conditions that Soviet Jews currently face do not constitute genocide, it is important to remember the signal that American ratification of this landmark treaty would send to the Soviet Union regarding our commitment to human rights.

America's failure to approve the Genocide Convention has frequently been used as a weapon by the Soviet Union to impugn the motives of the United States with regard to human rights. Our moral credibility in criticizing Soviet treatment of its Jewish population would be greatly enhanced if the Soviets could not deride us for failing to approve such a basic declaration of human rights as the Genocide Convention.

A new book, "The Jews of Hope," by Martin Gilbert describes the manifold human rights violations that the Soviet Government has perpetrated upon its Jewish citizens.

The book concentrates on the so-called refuseniks—Jews seeking and being denied permission to emigrate to Israel. Mr. Gilbert describes the despicable devices that the Soviet Government has used to harass the refuseniks.

Gilbert's book comes from interviewing a number of the more prominent refuseniks during his trip to the Soviet Union in 1983. "The Jews of Hope" is an examination of resistance, in spite of numerous human rights violations.

The plight of the refuseniks is astounding, Mr. President. Between 1968 and 1981, 640,000 Jews attempted to leave the Soviet Union. Of these, 260,000 were allowed to leave while 380,000 were compelled to remain.

During 1984, fewer than 1,000 were permitted to leave. The Soviet leadership maintains a policy of official intimidation toward the Jewish population.

Among the tactics used by the Soviets to intimidate the refuseniks have been: economic reprisal, discrimination against their children, isolation from friends and relatives living abroad, constant surveillance, arrests, frame-ups, terms in the Gulag, and anti-Semitic propaganda.

The anti-Jewish policy also includes a systematic campaign to prevent unauthorized religious or cultural observances. There are no religious schools and no rabbinical seminaries in the Soviet Union. Jewish religious literature is practically nonexistent.

The Soviet Union is one of the few non-Arab countries where outright anti-Semitism is propagated at the government level.

Lev Kovneyev, a popular Soviet writer, said in the publication of the Communist youth organization that the purpose of Zionism was "to turn every Jew, no matter where he lives * * * into a traitor to the country where he was born." This is indeed shameful at the governmental level.

Mr. President, the plight of the refuseniks is indeed a tragic one as described by Martin Gilbert. The United States has repeatedly criticized these violations, yet the Soviet Union continually responds by pointing to America's failure to ratify the Genocide Convention.

Mr. President, I urge the Senate to ratify this fundamental statement of human rights to convince the world of our commitment to the sanctity of human life.

REFORMING MEDICARE REIMBURSEMENT TO HOSPITALS

Mr. PROXMIRE. Mr. President, the most important reform in the history of Medicare was enactment of a prospective payment system for inpatient hospital care.

This new payment system has helped to turn the industry upside down. The old cost-based reimbursement system provided hospitals with every incentive to increase both costs and charges, increase the intensity and number of services provided to patients, and increase their length of stay. The incentives for efficiency or good management were minimal, at best.

By contrast, Medicare's new prospective payment approach is based upon setting a price up front, prospectively, based upon the patient's diagnosis. Since reimbursement is geared to what amounts to a price list of 470 different diagnosis related groupings, or DRG's, hospital administrators and their medical staff have an incentive for efficiency since they know in advance what Medicare's payment will be.

The changes that have occurred in the hospital industry since the implementation of the DRG system have been little short of phenomenal. Average length of stay for Medicare patients has declined 2 days. Admissions stabilized and have since declined. Hospital suppliers have slashed prices as they are finding backward price pressure from a newly competitive hospital industry. And, in some cases, patients are finding discounts for the first time as hospitals begin to market their most cost-effective services.

As with any system, the DRG system which Medicare adopted contains both good incentives and ones which bear watching. For example,

the incentives for economic efficiency also contains the possibility for underservice of Medicare patients, such as lowering the quality of care or premature discharge and it is important that Medicare monitor these developments very closely.

And it is important to recognize that DRG's are a somewhat blunt tool, subject to very legitimate criticisms, which we need to address as we move along.

For example, critics have pointed out that the DRG's themselves are not clinically precise and may need to be reformulated as we go along to assure that the system makes better clinical sense and properly accounts for the differing costs faced by hospitals with more severely ill patients.

Small hospitals also face a problem since the DRG system is based upon the averaging inherent in the law of large numbers: A hospital makes a profit on easy-to-treat cases but loses on patients severely ill. For most hospitals, these numbers will balance in theory but a small hospital may never have the volume of patients to permit that balancing to take place and we may need to address that problem as we go along.

In addition, while the Health Care Financing Administration is currently exploring the possibilities for extending the prospective payment concept to other areas of health care services, hospitals are currently left partially under prospective payment—for inpatient care—and partially cost-reimbursed—for all other services, such as outpatient care, skilled nursing facility care or home health care—and that disparity provides incentives for cost shifting that are hard to resist.

While most of these issues cannot be addressed just yet, the legislative package I am introducing today will attack three problems that stem from the prospective payment system and the dual structure of reimbursement hospitals face.

S. 1400, THE PROSPECTIVE PAYMENT SYSTEM AMENDMENT

Mr. President, pressure has been mounting on the Congress to delay the 3-year phasein of the DRG system. While there are a number of issues that contribute to this pressure, one of the most recurring themes is the concern with the march to a national urban and a national rural DRG rate.

Over the course of the 3-year phase in—and we have just passed the halfway point—hospitals are receiving a decreasing portion of their payment based upon their actual costs and an increasing portion based upon a prospectively determined DRG rate. The DRG rate itself is a blend of the appropriate regional rate—and there are nine of them based upon the nine census regions—and the national DRG rate. With each year, the DRG rate is increasingly based upon the national DRG rate at full implementation, hospitals will be reimbursed solely on the DRG rate schedules for urban and rural areas and those rate schedules will be based solely on national prices.

It is that inexorable march to a DRG price schedule based solely on national prices that has generated great concern because a fully national rate brings with it the promise of massive economic transfers between the older, higher cost hospitals of the Northeast and Midwest and the newer facilities of lower cost areas such as the Sun Belt or some areas of the Far West.

These critics contend that the purpose of the DRG system is to reward efficient and penalize inefficient hospitals but the interregional transfers inherent in a rate only determined on a national level raise the possibility of major windfall profits and catastrophic losses to individual hospitals in a region, without regard for the efficiency of their hospital management or medical staff. In short, they argue that the cost of doing business is simply not uniform throughout the nation and we need to take that into account.

While they have a tendency to overstate their case, the hospital associations have raised a valid point. But in proposing a freeze of implementing the DRG system, they are dead wrong on their solution.

In my view, the Congress must send a clear and unambiguous signal to the industry that we remain committed to implementing the prospective payment concept and any delay would undermine that message. The types of severity of illness adjustments and other refinements to the DRG's themselves which are now under consideration will take more time than a year to implement and there is little possibility that a year's delay will speed their development. It will simply set the stage for further requests for delay.

In addition, we must keep the pressure on high-cost hospitals to achieve the management and productivity efficiencies that are possible and to work with their medical staffs to reassess the tremendous variations in patterns of medical practice that have been so ably outlined by Dr. Jack Wennberg of Dartmouth University.

But if the DRG system is to work, it must be both fair and equitable and perceived as fair and equitable: the rewards or penalties that a hospital faces must be reasonably related to costs over which the administrators and their medical staffs can actually exert control.

That is why my bill will provide for the continued implementation of the DRG system on schedule but addresses the inequities of computing an urban and rural DRG price list solely on the basis of national prices. My bill would require that, at full implementation the DRG price will be a blend of the appropriate regional DRG rate and the national DRG rate: a 50-50 split.

The advantages of such a blend are clear. It recognizes the fact that costs are not uniform throughout the country and, by providing for an even split between the costs of each region and national costs, this approach eliminates the windfall profits and the catastrophic losses that institutions would otherwise face. But it retains the incentives for efficient management and retains the vital economic linkage of the DRG system: financial reward and financial penalty. Hospitals in all regions would retain incentives to lower costs but the dimensions of those profits and losses would be more reasonably related to their actual management and clinical efficiency.

For hospitals in regions which would benefit even more under a national rate, than under my blend proposal, I would point out that the certainty of continued implementation of the DRG system, even at a blended rate, offers far more security than the unpredictability of what may happen following a one year freeze. And as long as the specter of windfall profits and catastrophic losses remain, the possibility of further attacks on full implementation of a prospective payment system will persist. And that is certainly not in the interests of hospitals in so-called winner States.

And, finally, by adopting this proposal, we will be providing ourselves with the necessary breathing room to test out the other long-term modifications in the DRG system that are now under development.

My bill is designed to be budget neutral. It is not intended to increase Medicare's expenditures but is intended to be implemented by the Department of Health and Human Services to preclude any increase in outlays.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1400

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) BLEND OF NATIONAL AND REGIONAL RATES.—(1) Section 1886(d)(1)(A)(iii) of the Social Security Act is amended to read as follows:

"(iii) beginning on or after October 1, 1986, is equal to the applicable combined adjusted DRG prospective payment rate determined under subparagraph (D)(ii) for such discharges.".

(2) Section 1886(d)(1)(D) of such Act is amended—

(A) in the matter preceding clause (i), by striking out "subparagraph (A)(ii)(II)" and inserting in lieu thereof "subparagraph (A)"; and

(B) in clause (ii), by striking out ", and before October 1, 1986,".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to discharges occurring on or after October 1, 1985.

S. 1401, HOSPITAL WAGE INDEX ADJUSTMENT

Mr. PROXMIRE. Mr. President, the second bill I am introducing today will not increase Medicare's outlays either but will redress a major imbalance in the wage index used by Medicare to compute hospital reimbursement.

In implementing the DRG system, the Department was forced to rely upon data collected by the Bureau of Labor Statistics in order to determine the average wages paid at each institution. There were a number of problems with this ES 202 data set but the key problem was that while it tabulated total hospital wages and the total number of employees, it did not account for the contribution of part-time employees. That meant that for States like Wisconsin which relied heavily upon part-time employees the wage level was significantly understated. Medicare had no way of knowing how many full-time equivalents the reported number of employees equaled.

That is why the Congress mandated the creation of a new wage index, based upon a more complete accounting of part-time employees and directed that the new wage index be implemented retroactive to October 1, 1983. The Department has now computed a new index and announced its intention to implement the wage index this October 1.

But the Department's report highlighted the tremendous shifts in reimbursement that will result from the application of the retroactive provisions of the law: Shifts which might mean millions of dollars in collections from hospitals in some areas for the purpose of redistribution to other areas that had been been underpaid in the past. It is clear to hospitals in winner States, like Wisconsin, as well as loser States that enforcing the provision retroactively would simply cause financial havoc for no good purpose. That is why the American Hospital Association and the Wisconsin Hospital Association have proposed repeal of the retroactive provision and I agree.

My bill would repeal that provision, provide for the application of the new wage index prospectively beginning October 1, and direct the Secretary of HHS to make periodic updates in the index.

The importance of implementing the new wage index on schedule cannot be overstated and that is why I am delighted to join Congressman HAL DAUB in offering this proposal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) PROSPECTIVE APPLICATION OF REVISED INDEX.—Section 2316(b) of the Deficit Reduction Act of 1984 (Public Law 98-369) is amended—

(1) by striking out "for hospitals for cost reporting periods beginning on or after October 1, 1983" and inserting in lieu thereof "for discharges occurring on or after October 1, 1985", and

(2) by striking out the second sentence and inserting in lieu thereof the following: "For discharges occurring during fiscal year 1986, any such changes in the wage index shall be derived from total gross hospital wages.".

(b) AUTHORIZING PERIODIC UPDATING OF INDEX.—Section 2316(a) of such Act is amended by adding at the end the following new sentence: "The Secretary shall provide for such periodic adjustments in the appropriate wage index as may be necessary, taking into account changes in the wage differences of full time and part time workers.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective as if they had been included in the Deficit Reduction Act of 1984 as originally enacted.

S. 1402, HOME HEALTH CARE REIMBURSEMENT REFORM

Mr. PROXMIRE. Mr. President, the third bill I am introducing has a very simple purpose: to assure that all home health agencies, whether they are based in a hospital or a storefront down the street, will face the same cost limits for their area and the same cost reporting requirements when seeking Medicare reimbursement.

In reimbursing home health agencies, Medicare has always treated hospital-based home health units differently from all other home health care providers.

One aspect of this difference has been in the area of cost reporting. Since Medicare requires hospitals to spread the cost of their overhead—general and administrative costs—across all services that they provide, hospitals which provide home health services have never filed the same cost reports as other home health providers. Because of the great discretion that hospitals can exercise in allocating their overhead costs, it has always been necessary that a hospital agency's claims be handled by the hospital's fiscal intermediary as part of their review of all hospital service claims.

In addition, Medicare has recognized higher cost limits for hospital-based providers of home health services. With the adoption of the Tax Equity and Fiscal Responsibility Act of 1982, Congress mandated the development of a single cost limit for all home health agencies but required the Department to recognize the impact of the Medicare cost allocation formula through an add-on to this general cost limit. In practice, this has meant that a hospital-based home health agency faces a Medicare reimbursement cost limit which, on average, is 13-percent higher than a free-standing provider for the very same service.

The application of the Medicare cost allocation formula to hospital services other than inpatient care is generally quite appropriate and, in cases such as reimbursement of skilled nursing home care, is even more appropriate in light of empirical findings that hospital-based nursing home units often treat patients who are more severely ill.

But in the case of home health care, where only a small percentage of the activity is taking place on the hospital grounds, there are a number of legitimate policy reasons for changing the present arrangement.

First, by requiring hospital-based home health care units to follow the same cost reporting and claims policies as other health units, we will improve the quality and consistency of home health claims review.

The inconsistencies of Medicare intermediaries in reviewing home health care claims has been a recurring problem. The difficulty in improving the system has been the fact that for most Medicare fiscal intermediaries, home health claims have represented a small percentage, both in volume of claims and in total dollars, of their business and they were never able to devote sufficient resources to this area in order to develop proper expertise. That is why the Congress mandated that all home health claims should be channeled to a handful of so-called regional intermediaries. In this way a few intermediaries will handle all home health care claims and, by reducing the number of intermediaries making decisions and increasing the volume of claims they review, the possibility of consistency in decisionmaking is significantly enhanced.

Unfortunately, as long as hospital-based home health care units file their home health claims as they currently do, these claims will be exempt from that system since they will have to be reviewed by the hospital's own intermediary. In a few cases, the hospital's own intermediary may be one of the regional home health reviewers but, in most cases, they will not. This means that claims from 20 percent of all providers will be exempt from this regional intermediary review system and that will undercut its possibility of success. Even more important, the hospital's intermediary will be handling even fewer home health claims than it currently does and the possibility for erratic and inappropriate decisions is increased on those claims.

In my view it is in the interest of Medicare, the beneficiary and the hospital to see that their home health claims are handled by the newly designated regional intermediaries.

Second, by requiring all home health agencies to file the same cost reports, the Congress and the Department will be in a better position to compare costs between free-standing facilities and hospital-based units and among hospital-based units. Currently that simply cannot be done because of the variability in how hospitals allocate their overhead costs. With home health care costs increasing at a more rapid pace than any other Medicare-covered service, and the possibility of applying prospective payment to home health care still many years away, it is essential that we maintain solid, and comparable, cost data in the interim. With my bill, we will be able to do that.

Third, there has been a rush into home health care services by all sorts of providers but the most astounding increases have come from for-profit agencies and by hospitals. While all providers reaching a decision to enter the home health care market know that they will face the same general cost limits from Medicare, a hospital faces a cost limit which is 13 percent higher. That skews the economic incentives facing an administrator who is attempting to decide whether his or her hospital should create a home health agency, enter a joint venture with an existing provider or simply contract with existing providers to meet their patients' home health needs. There seems to be little reason to encourage hospitals to enter the home health market in light of the phenomenal number of providers who have recently entered the field and the inherent incentives a hospital has to diversify its services. Hospitals should choose to enter the market on the same grounds as any other provider: they can meet the prevailing Medicare price.

And, finally, it is important to remember that the overwhelming portion of home health services activity takes place far from the hosptial's grounds. It does not take place on the hospital's campus. And in an era in which a hospital is prospectively reimbursed under the DRG system for inpatient care yet cost-reimbursed for all other services, the appeal of using the cost allocation formula for cost-shifting is growing. And in this area, where the justification for the application of the cost allocation formula is least strong, it's time that we reassess its validity in light of the other policy considerations I have outlined.

Mr. President, I fully recognize that some hospital-based providers may face extraordinary costs as a result of being a sole community provider, peculiarities of geographic location or the necessity of paying a premium for necessary, but difficult to attract personnel, and that is why my bill does not affect the Secretary's authority to grant exceptions to the cost limits on a case-by-case basis where the hospital-based agency, or any other home health provider, can make its case. And the comparable data base that can be developed from all providers filing the same reports will better enable the Secretary to assess the validity of those requests for exceptions.

Mr. President, my bill offers the possibility of improving the consistency and quality of claims decisions, better cost data, increased competition and savings of several million dollars a year for Medicare.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(v)(1)(L) of the Social Security Act is amended by striking out the period at the end thereof and inserting the following: "on a case-by-case basis, but no generally applicable add-on to such limitation may be allowed for hospital-based home health agencies. The Secretary shall utilize a uniform cost report for all home health agencies, whether free standing or hospital based.".

(b) The amendment made by subsection (a) shall be effective with respect to services furnished after the date of the enactment of this Act.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 12 noon with statements therein limited to 5 minutes each.

THE SEVEN LEFT BEHIND

Mr. DIXON. Mr. President, all of us rejoice that the hostages from TWA flight 847 are safely back on American soil. We are thankful for their return.

There have been innumerable expressions of happiness across our land during the last few days, and over the Fourth of July holiday. We in Illinois are especially grateful, Mr. President, because there were several Illinois citizens among the flight 847 hostages who returned home.

At the same time, all of us were saddened at the untimely and unnecessary death of Robert Stethem. This courageous young American truly deserves our respect, and we remember his family in our prayers.

There is an additional note of sadness related to the events in Lebanon. On the Fourth of July, I met with the family of Father Lawrence Jenco, a 51-year-old Catholic priest and native of Joliet, IL, who is a hostage still being held in Lebanon. He is, in fact, one of seven Americans, Mr. President, who were left behind when the other hostages were released. These seven were left behind, but they are not forgotten. I assured the Jenco family that we will make every effort to free Father Jenco and the other Americans still being held as prisoners in Lebanon. We are determined that they, too, will be returned to the United States to once again share the freedom that we as Americans all enjoy.

The tragedy of these seven hostages is that none of them was doing any harm to Lebanon or its citizens. They all were in Lebanon for good reasons, and many of them were on missions of mercy. Many of them were there to help ease the suffering of the people in that war-torn land. All of the seven were innocent victims who were plucked from the streets of Beirut by their captors.

Father Jenco was in Lebanon as director of the Catholic Relief Services in Beirut. He dedicated himself to the goal of helping to rebuild strife-torn Lebanon. He was abducted January 8, 1985.

Shortly after his disappearance, more than 10 of Father Jenco's relatives visited with Senator PAUL SIMON, Congressman GEORGE O'BRIEN, and me to discuss his plight. More than anything else, they requested that we, as their representatives in Congress, remember Father Jenco and the other hostages still being held in Lebanon, and that we continue to press the State Department to make every effort to insure the safe release of all of the hostages. Since that time, Senator SIMON, Congressman O'BRIEN, and I have been in constant touch with the State Department to press home the point that the United States cannot rest or be at ease until all of the hostages are freed and safely back on American soil.

Father Jenco's family's hopes were raised because of assurances they received that our Government was trying to include the seven hostages in the effort to release the Americans from flight 847. Father Jenco's relatives were devastated when they learned that he and six others were not to be included among those coming home. All of us share their sadness.

Because I understand how dejected they are, I invited more than 30 of Father Jenco's relatives to join me in Illinois on July 4 to remind all Americans that our problems in Lebanon are not yet over. I suggested that we keep Syria involved in the situation there, with the hope that President Assad can be as helpful with the seven left behind as he was with those from TWA flight 847. We must also press

the International Red Cross and the United Nations to work for the release of Father Jenco and his fellow hostages. Other nations, such as Algeria and even Iran, may have an important role to play in getting our Americans back home where they properly belong.

I have been in touch with Ambassador Robert Oakley, who is the director of the State Department's Office of Counterterrorism and Planning. I have also discussed Father Jenco's plight with other officials at the State Department. The Department keeps me thoroughly briefed on the situation. I constantly urge the Department officials to do the best they can under what we all recognize are difficult circumstances.

None of us can be satisfied with this unhappy situation until the seven who were left behind are free and back home.

25TH ANNIVERSARY OF EAST-WEST CENTER

Mr. INOUYE. Mr. President, as we celebrate our Nation's 209th birthday, I rise to congratulate the East-West Center on the occasion of its 25th anniversary.

Congress created the East-West Center in Honolulu, HI, 25 years ago. For a quarter of a century, the center has been promoting better relations and understanding among nations of Asia, the Pacific, and the United States through cooperative study, training, and research. In the late 1950's, when the East-West Center was still just an idea, many Members of this body and others in Government, business, and education stepped forward to urge that the institution be established. Twenty-five years later, we can admire the foresight of these leaders.

During the center's first quarter century, participant awards have totaled nearly 35,000—two-thirds from Asia and the Pacific, one-third from the United States. The center's alumni came to learn and exchange views, and they returned home enriched by the experience. These men and women include heads of government, Members of Parliament, leaders in business and education, journalists, artists, and thousands more.

The East-West Center, with its programs of student training and advanced research, complements other educational institutions. At universities, scholarly exchange among experts from different countries plays a secondary to the primary mission of basic research. At the East-West Center, by contrast, it is the central mission. Specialists from the United States, Asia, and the Pacific Islands bring a wide spectrum of skills and viewpoints to the center to study critical issues facing this part of the world—with which we will do more trade by the year 2000 than we will with our European allies. It is truly a collaborative approach, which is particularly well suited to our modern era.

Much of the center's work has practical application to both the private and public sectors. Research at the center cuts across academic disciplines to bear on issues important to the very survival of nations and their economies—problems like the consequences of rapidly growing cities; the aging of populations in Japan and the United States; the erosion of topsoil in steep upland areas of the tropics; the supply and future distribution of oil and mineral resources; and the strain of rapid modernization on traditional cultures. The center is dedicated to research and education that contributes to the solution of complex issues such as these.

But the center is more than a research and training institution. At a time when antagonism between nations is so much part of the political agenda, and when internal strife creates deep divisions within societies, the East-West Center stands out for its commitment to improving cooperation and understanding between peoples. It is a symbol of the U.S. interest in the Pacific and Asia and our country's vision that a better understanding of the Pacific will benefit every member nation of the basin community.

Mr. President, the past 25 years have seen great changes in the world. Through these turbulent times, I am proud to recognize the steadfast and continuing commitment of the East-West Center to understanding these changes and influencing them for the better. Now more than ever before, the center plays a crucial role in our quest for cross-cultural communication and scientific exchange. I thus urge my colleagues to join with me in recognizing the center's contributions and commending them for a successful quarter century.

RESIGNATION OF DAVID STOCKMAN

Mr. DOLE. Mr. President, I regret the resignation of David Stockman as OMB Director. But I fully understand his desire to move on.

His departure will be a great loss to the President and others inside and outside of Government who have worked closely with him over the years. There have been a few bumps along the way, but overall he has done an outstanding job. The great strides we have taken toward making the Government more responsible and more efficient would have been difficult to achieve without his knowledge and skill.

We will miss his presence as we continue in our deficit reduction efforts this year, and in years to come.

TRIBUTE TO LT. GEN. THOMAS HERREN

Mr. HEFLIN. Mr. President, it is with great sadness that I rise today to share with my colleagues the news of the recent passing of one of our country's outstanding military leaders, Lt. Gen. Thomas W. Herren, who died on June 4, 1985.

General Herren's death was brought to my attention by his 15-year-old granddaughter, Lisa, who lives in Bethesda, MD. Lisa sent a letter to me at my apartment in Washington and enclosed an obituary stating many of her grandfather's accomplishments, but, as she put it, "yet not half so many as those that are in my heart. He meant a lot to me, a grandfather above the rest."

General Herren was not only a grandfather above the rest, but also a patriot above the rest. General Herren was a veteran of three wars, and commanded the Military District of Washington from 1950 to 1952. He served with the field artillery in France during World War I, and was an assistant commander of the 70th Infantry Division in Europe during World War II. General Herren served as deputy commanding general for civil affairs of the 8th Army and as a commanding general of Korean Zone Communications during the Korean war.

After leaving Korea, he served in West Germany and served as commanding general of the 1st Army, based in New York, before retiring from active duty in 1957. His decorations included two Legions of Merit and the Distinguished Service Medal.

General Herren was a native of Dadeville, AL, and graduated from the University of Alabama in 1917. Later that year, he received his Army commission. Before World War I and World War II, he graduated from the Cavalry School and the Command and General Staff College.

The outbreak of World War II found him a cavalry instructor at Fort Benning, GA. He spent 1 year as commandant of the Cavalry School at Fort Riley, KS, before going to France with the 70th Division in 1944. He landed in Marseilles with the division's three infantry regiments, which, as "Task Force Herren," fought on the Rhine and in the Battle of the Bulge.

After that war, he held staff posts in South Korea and Japan before going to Washington in 1949 as the Army's Chief of Special Services. A noted pre-World War II polo player, the general, in his post, supervised the Army's sports program.

Thomas Herren will be greatly missed by his State, his country, and

probably most of all, by his granddaughter, Lisa Herren. I wish to extend my condolences to General Herren's wife, the former Lillian Corcoran, his two sons, retired Army Lt. Col. Thomas W. Herren, Jr., of Falls Church, VA, and retired Army Col. John D. Herren, of Bethesda, MD, and his four other grandchildren.

THE UNIQUE ROLE OF BLACK COLLEGES AND UNIVERSITIES

Mr. HEFLIN. Mr. President, on June 19, 1985, I joined my friend and colleague, Senator PAUL SIMON, in introducing the Title III Amendments of 1985.

I am particularly pleased that Senator SIMON has agreed to address one of my concerns, which is, that as this legislation develops in the Senate, there may be a future need to alter the bill. A major change would include an enhancement provision pertaining to future judicial consent decrees affecting our historically black colleges. It is my hope that the Committee on Labor and Human Resources would consider this potential need during the markup session of the bill. This type of provision pertaining to our historically black colleges would build on the existing rationale that the unique role of black colleges and universities must be maintained.

It is conceivable, Mr. President, that our historically black colleges would be required not only to upgrade their facilities, but also to establish professional schools. Certainly, if this is to be successfully accomplished, these colleges and universities will need help from the Federal Government to carry our their "access" mission. The Title III Program is the only source of direct institutional assistance to historically black colleges and universities.

The legislation we introduced on June 19, 1985, contains a special provision for "eligible or graduate" institutions, such as the Tuskegee School of Veterinary Medicine. I commend Senator SIMON for recognizing the important role institutions of higher education, like Tuskegee Institute, play in educating the majority of black veterinarians throughout the country. However, in the future, new demands may be placed upon other universities such as Alabama State University in Montgomery and Alabama Agricultural and Mechanical University in Huntsville. These universities may be required to establish new, innovative and profession programs on campus.

Mr. President, in my judgment, the Title III Program is the best Federal resource for meeting the future needs of these universities. It is critical that the Federal Government do all that it can to assure the continued progressive development of these institutions as new demands are placed upon them.

I urge my colleagues to act swiftly in adopting this legislation.

FURTHER INFORMATION ON THE EFFECTS OF PCP

Mrs. HAWKINS. Mr. President, I did not think it was possible to hear anything more grotesque than the things I've already heard about the effects of the drug PCP. But an article which recently appeared in the Washington Post's Health Section brings new, even more horrifying, revelations to light. To provide an idea of the kind of verifiable information it contains, this article is entitled, "PCP Users Don't Feel Pain When Their Bones Break."

This is how the author, the chief psychologist in the department of psychiatry at the District of Columbia General Hospital, begins his remarkable article: "His mother threatened to sue me. She did not want her son to go to St. Elizabeth's. However, this was the second time in 2 weeks that he attempted to set the house on fire and assault his family. Now all he would do was remain quiet or sit up in bed staring into space. He had a history of using PCP."

Dr. Brown, the article's author indicates in this hard-hitting statement of the effects of this man-made drug, that "more than any other substance of abuse, PCP adversely and irreversibly affects our youth." The doctor states that PCP has created an entire new kind of public menace and a whole new population of mentally disturbed individuals. This is due in part to the fact that PCP is easy to make and cheap to buy, but it is also due to the fact that PCP can cause irreversible brain damage. In fact, it is estimated that more than 50 percent of admissions to psychiatric emergency rooms in New York, Los Angeles, Boston and the District of Columbia are drug related.

This statistic alone attests to the uniqueness of this drug. The difference between PCP and other drugs starts with its history. Phencyclidine was originally developed as a surgical anesthetic; however, after being used for a short time, it was observed that patients recovering from surgery where this narcotic was used displayed bizarre, psychotic behavior. Subsequently, the drug was banned, and now is obtainable only by buying what is manufactured in clandestine laboratories with no control over the ingredients. This makes a substance with unpredictable results even more dangerous.

It is recognized that PCP greatly reduces or eliminates awareness of physical pain and recent memory, and it increases strength. As a result, it has become common to hear of patients who break out of handcuffs or leather restraints, suffering broken bones and serious cuts in the process—all the while totally oblivious to the pain. Additionally, these persons generally do not remember the events that caused the injuries.

PCP can be smoked with marijuana. It can also be ingested by smoking it with tobacco; by mixing and snorting it with cocaine; by swallowing it with alcohol in its liquid form; or by injecting it with heroin. When it is taken in the more extreme forms (for example, injection), it is almost impossible to predict whether the drug will act as stimulant, as a depressant, or as an hallucinogen. Even a one-time use of PCP can trigger an underlying psychiatric problem, or cause irreversible destructive or self-destructive behavior. The doctor gives us two rather common examples of such behavior: "jumping off a building or gouging out eyes."

Another unique feature of this narcotic is that rather than being metabolized or excreted like cocaine, heroin, or marijuana, PCP is absorbed in body and brain fat tissue, where it accumulates. These fat deposits serve as sources of continued PCP toxicity, creating symptoms ranging from recurring psychotic episodes, to those of brain injury. The latter includes: Speech is slow and slurred; certain words become difficult to pronounce; and abilities to concentrate, organize, and think in abstraction become impaired. These symptoms endure for an indefinite period of time after use of the drug is discontinued. One of the most dangerous aspects of abuse of this drug is that discontinued use does not assure that psychotic symptoms will end, or not recur.

Dr. Brown relates another anecdote involving a PCP user: "A doctor recently requested that handcuffs be taken off a patient who had injured himself as a result of being on PCP. He seemed to be calm, and the officer unlocked the handcuffs. A few seconds later he attacked the doctor, and with the handcuffs, beat the officer who was trying to restrain him. It took eight men to subdue him. The patient suffered broken ribs but did not feel any pain and did not remember what happened. The officer required surgery."

Mr. President, more medical care is required with PCP abuse than with any other illicit narcotic because use of the drug results in respiratory and cardiovascular disfunctions, seizures, and convulsions. Also, there are many accidents, and self-inflicted injuries. Suicide has become a common problem in chronic PCP users.

What more need to be said to inform potential PCP users of the incredible danger of even an initial use of this drug? Despite the copious dissemination of information such as what is contained in this article, young minds

and young bodies are continuing to be maimed and destroyed through use of this drug. As chairman of both the Senate Subcommittee on Children, Family, Drugs and Alcoholism, and the Senate drug enforcement caucus, I will continue to do all I can to provide for enhanced prevention and education efforts directed at killing the demand for PCP.

FIFTIETH ANNIVERSARY OF THE CONGRESSIONAL RESEARCH SERVICE'S BILL DIGEST

Mr. MATHIAS. Mr. President, today I should like to congratulate and honor the Library of Congress on the occasion of the 50th anniversary of the Digest of Public General Bills and Resolutions. This publication is compiled by the Bill Digest Section of the American Law Division in the Congressional Research Service. The digesters and indexers in this section also provide us with information for our legis and scorpio data bases. They have been fulfilling their legislative mandate since 1935, making the Digest one of the oldest legislative publications of the Library of Congress.

The first volume of the Digest appeared in direct response to the congressional need for legislative information. The 1935 committee report authorizing appropriations for the Digest stated:

> The purpose is to furnish in the form of a brief synopsis the essential features of the introduced public bills and resolutions and a little fuller digest of reported measures in order that Members may have a weekly file from which they may follow the legislation when introduced and from which they may readily answer correspondence concerning these measures. Many bills and resolutions in the form in which drafted, particularly where amending and existing statute, involve study to ascertain the simplest purpose. This often takes more time than the pressure of business in most offices will permit.

The goal of the 73d Congress with regard to the provision of digests to Members has grown over the years, so that the Bill Digest Section today not only provides digests, but indexing terms, titles, revised digests, sponsor indexes, identical bill indexes, and a myriad of other legislative materials and pieces of information. In addition, the Bill Digest Section is responsible for the list of terminating programs and the online Scorpio data bases for the last six Congresses.

It is a privilege to bring to the attention of my colleagues in the U.S. Congress the 50 years of outstanding work of this important section of the Congressional Research Service. In light of these accomplishments, it is fitting that on this 50th anniversary we pay specific tribute to the group of dedicated employees who make it all possible. No salute would be complete without mention of Joseph E. Ross, Chief of the American Law Division, and Terry G. Guertin, editor and head of the Bill Digest Section. I would also like to share with you the names of the other members of the Bill Digest Section staff: Assistant Editor Kathryn R. Overton; unit supervisors Liane Mei Eng, Jack Foley, and Randolph Hansen; support staff supervisor Carolyn Agee; legislative indexing coordinator Andrew Mendelson; legal and paralegal: James M. Benton, Anson S. Carpenter III, J. Clarke, Ellen D.A. Duvall, Audrey F. Feffer, Marc R. Levis, Elliott Maizels, Paul Alan Mitchell, Holly J. Reppert, Russell C. Richardson, Jr., Sharon Kearney Rowe, Keith Sakelhide, Elizabeth Selinger, Edward J. Spence, and Jack Szweda; and the support staff: Denise H. Agee, Pauline T. Burton, Beverly Campbell, Juanita M. Campbell, Ralph O. Eads, S.M. Everett, Amanda B. Fenner, Melinda L. Henderson, Winnifred Henderson, Audrey E. Miller, Paula M. Moore, Peggy Murphy, JoAnne O'Bryant Carolyn Rhone, and Frank Spigel.

RETIREMENT OF ROBERT E. TRIPP

Mr. WEICKER. Mr. President, Robert E. Tripp, of Alexandria, VA, recently retired from the Department of Labor Budget Office after 15 years of service there.

Bob is a native of Washington, DC, having been born within the Federal City in the old Providence Hospital here on Capitol Hill. He has spent most of his life in the Washington area, except for military service, and schooling at the University of Denver, where he received his bachelor's degree.

Bob's entire Federal career spanned 32 years and included, in addition to military service, posts at the Civil Service Commission—now Office of Personnel Management—at the National Aeronautics and Space Administration, at the Commerce Department's Office of Foreign Direct Investment, and at the Office of Economic Opportunity. While his career was varied, and indicative of the multiple talents of the man, Bob's last tour of duty, in the Department of Labor Budget Office, was the longest, and the position in which he became most known for his invaluable service not only to his Department but also to Congressional Appropriations Committee staffs for the last eight congressional sessions.

Those who have dealt with Bob know him to be a most competent and professional civil servant. His assignment in the Budget Office was the Department's employment and training programs, which have undergone extensive changes in format and funding levels over the period of Bob's tenure. He never failed to provide expert assistance in the understanding of the complicated budget numbers for these programs, and became known as "the expert" on the detailed appropriations for these accounts.

Bob, speaking on behalf of the members of the Appropriations Subcommittee and its staff members whom you have so ably assisted over the years, thank you not only for a job well done, but for a job done superbly with consistent professionalism. Good luck in your future endeavors.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF NOMINATION OF S. BRUCE SMART, JR.

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the nomination of S. Bruce Smart, Jr., to be Under Secretary of Commerce for International Trade, be jointly referred to the Committees on Finance and Banking, Housing and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, the Senate will be recessing from 12 until 2 p.m., as indicated earlier, for the policy luncheons of the Republicans and Democrats. At 2 p.m. we will be on the Gun Control Act. The principal sponsor is Senator McCLURE, and there are a number of sponsors on each side.

It is my hope that we can conclude action on that bill by 7 or 8 p.m. this evening.

Then tomorrow at some time shortly after noon we will be voting on the cloture motion on the motion to proceed on the South African bill. I believe we can safely predict we will be able to take that bill up sometime tomorrow.

I also indicate that, as I said earlier, the President is very hopeful that we will permit the Senate to take action on some 28 State Department nominees that are on the Executive Calendar.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, the Senate, at 11:59 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WALLOP).

FEDERAL FIREARMS OWNERS PROTECTION ACT

The PRESIDING OFFICER. The clerk will report S. 49.

The assistant legislative clerk read as follows:

A bill (S. 49) to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum, with time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, in the heat of hammering out a piece of legislation as complex and controversial as the Firearms Owners Protection Act, it sometimes happens that the real reason for such an effort is forgotten. That reason is to protect honest firearms owners and dealers from the kind of abuse we have seen in the past. A bad law is like an accident waiting to happen. Real people have suffered, and we need to pause and remember a few of those real people.

Herb Van Buren, of Arizona, a collector, was persuaded to sell agents six firearms at several gun shows. Van Buren had no idea that, under various court decisions, this could be considered "engaged in the business" of dealing in guns, which requires a license. He clearly had no criminal intent; he told one agent that he didn't even want to know anyone who would misuse a gun. He was convicted on Federal felony charges of dealing without a license.

Richard Boulin was a licensed gun dealer and private collector, veteran and former policeman. He was convicted of selling his private firearms without recording them in his business records. He was told by BATF agents that sales from private collection did not need to be recorded; while he was awaiting trial, the head of BATF made the same statement in a letter to Senator Hayakawa. He was convicted of an innocent act, so technical that even BATF's head thought it was legal.

The home of Bob Wampler, a Virginia corporate executive, was raided by BATF. The BATF confiscated his 70-gun collection—25 of which were antiques, and the remainder engraved, or gold inlaid. No criminal charges were brought. For 2½ years he kept pushing for their return; BATF at one point threatened to prosecute if he didn't let them keep the guns. Nearly 3 years later, they returned them—all without any charges being filed.

David Jewell, of Denver, CO, had his expensive collection confiscated from his vehicle. The collection included a shotgun valued at $7,000. BATF, based on three sales over a period of months, charged him with dealing without a license. Although they dropped the charges in 1978, they did not return his guns until 1980.

These are only a few of the people who have suffered because of a law that does not do what it is supposed to do. The Gun Control Act of 1968 is snake oil. It is medicine that does not solve the ill of violent firearms abuse. It is about time we changed the dose.

The abusive enforcement of present Federal firearms law has been chronicled again and again. I have seen documented evidence in Senate hearings that makes very clear that when a law is loosely written, it can provide an irresistible temptation for the authorities to overstep the bounds of proper law enforcement, and seize citizen's property without due process, ruin them financially with endless redtape and litigation, and violate their constitutional rights.

We need to redirect law enforcement efforts away from what amounts to paperwork errors and toward willful firearms law violations that will lead to violent crime; for example, selling stolen guns, or selling firearms to prohibited persons. In order to work toward this goal, I have introduced the Firearm Owner's Protection Act, S. 914. I should like to point out some of the things this bill will do, once enacted into law:

Define "engaging in the business" to clarify when dealers, gunsmiths, makers of ammunition and importers must have a license.

Permit out of State purchase of firearms if the sale and possession are legal both in the State of purchase, and in the purchaser's State of residence.

Mandate an element of criminal intention for prosecution and conviction of Federal firearms laws violations.

Clarify procedures for dealer sales of firearms from his private collection.

Permit inspection of dealer's records for reasonable cause.

Require mandatory penalties for the use of a firearm during a Federal crime.

Limit seizure of firearms only to those specifically involved in a criminal transaction.

Provide for the return of seized firearms, and grant attorney's fees in spiteful or frivolous suits.

Allow the Secretary to grant relief from disability, and provide for judicial review of certain cases.

Remove requirement for affidavit for purchase of less than 50 pounds of black powder for sporting purposes.

Allow the interstate transportation of unloaded, inaccessible firearms.

Congressman VOLKMER and I worked extensively with the enforcement agencies during the last session of Congress to address their suggestions for changes in the law. The results of these negotiations have been incorporated into S. 49. Here are the most important:

"Importer" for the purposes of requiring a license is defined.

Unless a pardon expressly states that no firearms rights are granted, set aside, expunged or pardoned, convictions will regain these rights.

In interstate sales, a recipient may be prosecuted if he had reasonable cause to believe that he was violating the law. In a mail sale, parties must have met at least once, face to face except where otherwise permitted. Sales between nondealers not transacted through a dealer are eliminated. Presumption is provided that a dealer has knowledge of all published State or local ordinances. This refers to those laws published in the dealer rule book provided by BATF.

A dealer may sell a firearm from his private collection without doing paperwork after 1 year of transfer from his business stock. He cannot do this to evade paperwork. Inspections are permitted for reasonable cause or without warrant for tracing. Inspections for instructing dealers in proper record keeping procedures are permitted once in every 12 months.

An additional, but not mandatory sentence is provided for carrying a firearm during a Federal felony. Mandatory sentences are to be served consecutively. Forfeiture of seized firearms is allowed when criminal charges are not brought, or when they are voluntarily dismissed.

The Secretary may grant relief from disability. Judicial review of relief cases may be brought.

The legislative veto on regulations was dropped.

To wrap everything up, I think the Firearm Owners Protection Act is a measure that will bring us closer to sensible law enforcement, and the proper constitutional protection of honest American gunowners.

Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Wyoming [Mr. WALLOP] be inserted in the RECORD, as if delivered, following my remarks at the opening of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, the need for protections such as those con-

tained in S. 49 is carefully outlined in the January, 1980 issue of the legal journal "Case and Comment." This article discusses how many honest firearm collectors were victimized for actions which they believed were legal, and which most of us would probably believe were legal. Since the courts held that a person could be convicted despite the most innocent intent—one court even refused to let a collector prove he had relied on the advice of an attorney that his conduct was proper—many honest collectors were left with the brand of a felony record, a record which left them unable to touch a firearm for the remainder of their lives. I find it especially disturbing that one collector was convicted, let alone prosecuted, when the Government's own transcripts showed him telling the informant:

I don't want to know anybody that does anything wrong with guns. No. I'm serious . . . I don't want, I would never want to contribute to anything that might make it look bad for all of us.

The collector was induced to sell five firearms from his collection. All five were sold legally, to a person legally entitled to own them, who assured the collector that he was a legitimate collector himself. But it was successfully argued that, although each sale was legal, the sales taken together amounted to dealing in firearms without a $10 dealer's license.

S. 49 would prevent legitimate collectors such as this gentleman from being convicted for unintentional and technical violations. Moreover, it would encourage the executive branch to use its power of clemency in cases such as these, so that the errors of the past may be repaired.

I aks unanimous consent to have the "Case and Comment" article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GUN LAWS AND GUN COLLECTORS

(By David T. Hardy)

If firearm ownership is commonplace in America—and surveys repeatedly indicate that it is—then the firearm collectors comprise the aristocracy amid the popular movement. These collectors are virtually a "nation unto themselves", with their own shows, at which they compete in display of their finest firearms, their own organizations, their own specialities—one may choose British military firearms 1760-1945, another may strive to obtain all calibers and chamberings of the Marlin 1893. There are also general collectors, and most specialists have a general collection "on the side," which may feature such favored pieces as the exquisitely crafted Parker shotguns (which begin at about $900), the Winchester Model 21 (the only American shotgun fitted to the individual's dimensions; the "economy" line starts at $3,500), or scarce "presentation pieces," engraved and inlaid pieces given by inventors and companies to both Eastern and Western national leaders (Samuel Colt, in the 1870's and 1880's created quite a few of these pieces). They have their own magazine now, independent of all other firearm publications, in which it is not uncommon for a collector to take out a full page, tastefully illustrated advertisement to attract other collectors for purchase or exchange of a few unneeded pieces.

Even individuals who support strict firearm regulation might well be tempted to consider these individuals a relatively riskless segment of the population. Persons bent upon robbing a drugstore simply do not seek a Winchester 21; domestic homicides are unlikely to be settled at dawn with a cased pair of Durs Egg flintlock duelling pistols. Indeed, the federal agency which enforces the firearm laws, the Bureau of Alcohol, Tobacco and Firearms (BATF), has repeatedly claimed that criminals predominantly use cheap handguns—valued under $50, caliber .32 or less, barrel 3 inches or less. No true collector would even use one of these as a paperweight: the risk of being seen with it by other collectors would be too great.

LAW ENFORCEMENT AGAINST COLLECTORS

It is therefore surprising to note that federal agencies enforcing firearm laws have often appeared to devote a large amount of their energies to sending such collectors to jail, and confiscating their collections. It is even more surprising to discover that the federal government itself is becoming a large-scale collector—its collection established primarily by choice items appropriated, without compensation, from these collectors.

In part, the collector's very law-abiding qualities make them perfect targets for law enforcement. The BATF has been faced with some unique bureaucratic difficulties of late. Since 1972, the skyrocketing prices of sugar, main component of "moonshine", has drastically curtailed illegal brewing. Between 1972 and 1978, the number of "stills" raided by BATF dropped from nearly 3,000 to only 381. The Bureau suddenly saw itself faced with obsolescence of its traditional area of enforcement, a rather unique experience in law enforcement (one may imagine the consternation at the Drug Enforcement Administration if the entire drug-using populace suddenly turned to meditation or alcohol). Self-preservation dictated a sudden increase in firearm enforcement. But agents seeking to push up their "body counts" of arrests and firearms seized were faced with serious problems. To invade fields where firearms are feloniously used is apt to prove quite dangerous; it also takes time, and this is unavailable when Washington makes it clear that arrests in your district must be doubled within the next year. A safe and easy target had to be located.

DEALER DEFINED

Agents therefore quickly evolved a method of entrapping collectors, through a technique which I term "implied dealership". This depends upon a clause in the 1968 Gun Control Act which provides that "dealers" in firearms must be federally licensed, and makes it a felony to conduct business as a "dealer" in firearms without such license. Private sales of one's own property by a nondealer are not subject to federal licensing.

The statute contains no definition of "dealer". Nor do the Bureau regulations, ostensibly promulgated to clarify and enforce the statute, provide such definition. Since 1972, the Bureau has actively discouraged applications for licensing, in a political move to create an impression of reduction in "firearms traffic". Under its regulations, for example, the applicant must have business premises separate from his residence and must keep regular "business hours". Collectors who reported sales only to other collectors and hours "by appointment" soon found their licenses being revoked. Moreover, a "dealer's" premises are statutorily subject to search, without warrant or probable cause. Collectors, who asked whether licenses were needed, were usually informed that five to ten firearms sales per year did not constitute acting as a "dealer".

Actually, while the statute has no definition, federal appellate courts have defined "dealer" very broadly. They have repeatedly noted that there is no minimum number of sales necessary; that no minimum level of profit from sales of firearms is essential, and that the sole question is whether the jury believes the accused citizen to have engaged in "any business" of selling firearms. The Bureau has frequently obtained collections on as few as four to six sales per year, and these actions have been universally upheld.

OBTAINING EVIDENCE

The agents thus can easily lead an individual, who all the while believes he is obeying the law, into a felony indictment. Undercover agents approach the collector at a gun show. Their routine is already choreographed and has been tested in previous cases. Different agents may make one or two purchases at this gun show, followed by a few more at the next gun show, until four to six sales are obtained. The agents offer a very high price, and purchase with little bargaining; thus the collector can easily be shown to have made a profit on their sale. As "icing on the cake", they may lead the collector into stating that he could obtain an additional firearm from a different collector for them; at this point he is acting as a broker for matter not already in his collection.

After the evidence is obtained, the collector is indicted on felony charges. The burden on him is immense. Legal defense costs usually run between $3,000 and $20,000. Conviction on the felony count means total loss of right to possess firearms within the United States. It also carries a penalty of 5 years imprisonment and a $5,000 fine.

In an effort to add to these burdens, the Bureau generally confiscates the collector's prize collection. This is done under a provision of the Act which permits confiscation of firearms "involved in or used in or intended to be used in" any violation. The confiscation puts additional financial pressure on a collector who may already be impoverished by the legal costs.

These activities have been frequently reported among collectors, but little work to compile and analyze them has been done. Recently, I have had the privilege of serving as project director to a Task Force seeking to compile a comprehensive report on Bureau activities, which report was sponsored by the Second Amendment Foundation. The objective evidence which was compiled on this particular activity provided compelling. I could not escape the conclusion that the Bureau had carefully preyed upon misinformation as to the status of the law, some of which had been given out by the Bureau's own agents, in order to entrap law-abiding citizens and confiscate substantial amounts of their private property for the Bureau's own collection!

ENTRAPMENT

First, the Bureau seeks to entrap law-abiding individuals who would not disobey the law, if it were not for the agent's activities and deception; it does not aim entrapment at individuals who would violate the law anyway and are but given an opportunity. Many of the individuals contacted, in various part of the nation, with no opportunity to confer with each other, reported acting on advice of agents that five or ten sales per year of their own firearms did not constitute "dealing". In one especially well documented case, we obtained a government transcript of a recording of the defendant speaking to the agent. "I don't want to know anybody what does anything wrong with guns. No, I'm serious. I collect, and, to me, there's a lot of fine people collecting. Several chiefs of police, several detectives here, and otherwise. . . . I don't want, I would never want to contribute to anything that might make it look bad for all of us. . . . There's a few people who are making it look bad for the many."

This individual was enticed into the sale of a sufficient number of firearms, his collection was confiscated at a gun show, and, when he filed suit for their recovery eight months later, an indictment was handed down within ten days. He is today a felon on probation. Given that "the first duties of the officers of the law are to prevent, not to punish crime. It is not their duty to incite to crime . . .", the entrapment of an individual of this type, solely for the virtue of increasing a "body count" of convictions and confiscations, is hardly justifiable conduct on the part of a public agency.

CONFISCATION

A second reprehensible aspect of the BATF attack on collectors is the tendency to focus on large and expensive collections. Confiscations tend to center upon these collections to the exclusion of the cheap firearms which the Bureau so often claims are the roots of violence. During the course of the Second Amendment Foundation study, I utilized the Freedom of Information Act to obtain copies of the Bureau's "Reports of Property Subject to Judicial Forfeiture", which gave inventories of seizures by collector name, value, firearms, and ultimate disposal. A few examples will suffice. In one, the Bureau confiscated 83 firearms from a Pennsylvania collector. The Bureau's own appraisal fixed the vlaue at $18,020.00. The collection was devoted primarily to antique Marlin rifles, especially the 1893 model, although some 1881 models in .40-.62 caliber and an especially rare .30-.40 "baby carbine" were included. Only five of the 83 were handguns—and the average handgun appraisal was $116. A second major example also came from Pennsylvania. There, 136 firearms valued at $28,335.00 were taken. These included five Parker shotguns (one valued at $1,000), a Winchester model 21 (undervalued at $900), and a number of French and German collector shotguns. Private reports have also been received (from time frames outside of the period requested under the statute) of numerous confiscations; an Eastern collector reported a seizure of $10,000 worth of items; two years after the confiscation, he has neither been charged with any offense nor has the collection been returned. A South Carolina collector reported seizure of over 100 firearms valued at over $15,000.00. He was acquitted of charges. Two weeks after the acquittal, the Bureau served him with notice of intent to forfeit his collection, maintaining that the criminal acquittal did not bind them in subsequent "civil" forfeiture proceedings. (Further, three persons, in Connecticut, Arizona, and Nebraska, reported that their automobiles were seized on claims that they had used the vehicles to transport firearms).

OBTAINING COLLECTIONS

A third reprehensive aspect lies in the Bureau's use of its powers to furnish its own private collection. The reports obtained through the Freedom of Information Act requests showed that approximately one-third of the collections were being routed back to the BATF with the purpose of acquiring a "reference collection". The two Pennsylvania seizures mentioned earlier alone contributed 75 firearms valued at $18,000 to this Bureau collection. The collection is not easily filled, obviously, especially with reference to the expensive shotguns; the Bureau apparently needed no less than five Parkers, three of the same gauge. Modern firearms are also found useful. One report from a Texas case disclosed a seizure of 86 firearms valued at over $20,000.00. The local Bureau office chose to keep 48 of these firearms for their local arsenal (and, presumably, for issue to the agents who confiscated them). Interest in filling this collection may explain the Bureau's tendency, reported by several collectors, to dismiss charges or permit pleas to a misdemeanor in the event the collector would permit them to keep the collection. These offers were transmitted through the prosecutor's office to the defense attorney's office; in several cases, I was able to contact the defense attorney and confirm that such offers had been made.

VINDICTIVE INTENT

Finally, some of the seizures appear to display a vindictive intent. In a famous Texas case, the agents seizing an expensive collection were seen to deliberately drop the firearms to the floor before storing them. Several firearms, in "as manufactured" condition and unfired, were "test fired", greatly reducing their collector value. Despite the dealer's acquittal, agents refused to return the firearms. Even after judgment was rendered in the collector's favor on a civil proceeding, they still refused. Only after contempt proceedings were brought against them did they return the collection, then disclosing that it had been stored in a damp warehouse which had seriously rusted many of the finer pieces. A Colorado defendant reported, and his attorney confirmed, that his collection (including a Parker valued at $10,000) was thrown across the room as each firearm was booked in, and permitted to fall to a concrete floor. A Virginia defendant reported (and, once again, his attorney confirmed) that his firearms were thrown into a 50-gallon drum and wheeled to court in that manner. They were taken out and slammed down in a pile during the trial. When a request was made to treat them more gently, the result was only more violent treatment. In several cases in addition to the Texas one mentioned above, the Bureau refused to return firearms despite acquittal and then brought civil proceedings to confiscate the collection. Some collectors reported having to give up their collection because the criminal trial had exhausted their financial resources and the legal expense of the fight would be $2,000 or more. The collector, of course, does not recover his attorney's fees in the event he is acquitted, nor does he secure the return of the firearms. The Bureau, on the other hand, is served by attorneys paid from tax funds contributed to by the dealer.

Is this apparent focus on the law-abiding gun collector an isolated occurrence, or part of a general pattern? Since the Bureau does not itemize prosecutions by collector status, it is most difficult to tell. One might expect a rational, albeit, ruthless, administrator to focus upon these individuals. As noted above, they are generally naive sorts who believe that "since I am law-abiding, I have nothing to fear from the law", are unlikely to shoot informants, are easily arrested without violence, and in short, make a perfect target for a quick increase in arrests at minimal risk. What information we do have suggests that the Bureau has been assessing its probabilities in this manner. During Project CUE, the Bureau published breakdowns of prosecutions in certain cities. In Washington, DC, for example, out of 1,603 investigations, only 206 dealt with felons in possession of firearms, only 58 with stolen firearms, and only 20 with use of firearms in a felony. Of Chicago's 1,980 investigations, 135 dealt with felony possession, 54 with theft, and only 9 with use in a felony. Considering that studies have repeatedly documented that approximately 25 percent of handguns used in crime are stolen, one might expect that more than 3.6 percent of the Bureau's Washington investigations, for example, would deal with firearms theft. But we must reflect that catching firearm thieves and marketers of stolen firearms may be dangerous and difficult, hardly the type of thing to undertake when large numbers of quick arrests are needed.

CONCLUSION

In short, it appears that the Bureau of Alcohol, Tobacco and Firearms has devoted a significant portion of its investigative and law enforcement efforts to entrapping naive collectors of firearms, of a type unlikely to be contributing to criminal firearm markets. This campaign has enabled the Bureau to boast of impressive statistics of convictions and firearms seizures, with minimal effort and personal risk. It has also permitted the seizure of significant numbers of collector items, of which substantial numbers are appropriated, without compensation, for the Bureau's own collection. The underlying practice of encouraging, rather than avoiding, crime can hardly be justified: its exploitation for Bureau property gains, or as part of a vengeance motive, is even more repugnant.

Mr. SYMMS. Mr. President, JIM MCCLURE and I see eye to eye on many issues. Nowhere are we more staunch allies than in the battle to protect our second amendment rights. Like the majority of Idahoans, we believe that every honest American has the right to keep and use firearms for any legal purpose, whether for hunting, target shooting, collecting, self-defense, or old-fashioned tin can plinking.

We also believe that the Government exists to serve the people, and not the other way around. This is the main theme of the Constitution. When agents of the Government take advantage of a badly written law to run roughshod over the constitutional rights of gun dealers and owners, they need to be brought up short, and the only way to do this is to change the law that gives them leave to violate the Constitution.

The Firearm Owners Protection Act was conceived in the notion that law enforcement needed to be directed at the real criminals, not someone who makes an honest mistake in his bookkeeping. It was obvious that the hastily enacted Gun Control Act of 1968, which Senator McCLURE's bill refines, made it easy for overzealous agents of the Bureau of Alcohol, Tobacco, and Firearms to spend a lot of enforcement effort snooping out violations so far removed from the general notion of gun crime that it would be funny, if the results were not so tragic.

The sponsors and proponents of the Gun Control Act of 1968 claimed that it would significantly reduce the rate of crime, particularly crimes involvng the use of firearms. It has not. Instead, between 1967 and 1982, the national homicide and handgun-homicide rates rose 50 percent, while robbery rates and robberies involving the use of firearms have nearly tripled. Clearly, the 1968 act has served to reduce neither the rate of violent crime nor the use of firearms in the commission of crime. It has, however, increased the regulatory burden imposed on law abiding American citizens—gun owners and dealers—and subjected those same citizens to the threat of severe penalties for technical violations of the law caused by inadvertent errors. We saw this clearly in a long series of hearings.

Every point in the Firearm Owners Protection Act is designed to correct a documented problem. Every point is aimed at directing law enforcement toward those violations of Federal firearms law that are most likely to contribute to violent firearms crime—those who knowingly sell to prohibited persons, those who knowingly traffic in stolen firearms. It's just not cost effective to allow law enforcement to follow its old pattern of snooping after minor paperwork errors.

Today, nearly half the households in America own some kind of firearm: estimates suggest that private citizens in this country own between 120 and 140 million guns. Mr. President, these people are not criminals. They are decent, responsible men and women, union members, business executives, doctors, lawyers, teachers, civil servants, elected officials—including a number of U.S. Senators and Representatives, and others too numerous to mention. Their guns are purchased for hunting, sporting activities, collecting, self-defense, and other legal purposes. These American citizens should not be the victims of Federal agents seeking to administer Federal law.

Yet, my colleagues in this body should be aware that the Senate Subcommittee on the Constitution has found that 75 percent of Federal firearms prosecutions are aimed at ordinary citizens who had neither criminal intent nor any knowledge they were breaking the law. The Gun Control Act of 1968 allows the unreasonable and unwarranted infringement of rights guaranteed to all Americans under the second amendment to the Constitution. It is an intolerable situation which we must act to correct.

Federal firearms law is a complicated matter. Fine-tuning this portion of Federal law is no simple matter. JIM McCLURE has worked long and hard to come up with corrections that answer every objection. I think he has succeeded—this legislation was voted out of the Judiciary Committee unanimously. I urge my colleagues to follow the committee's lead and cast their votes for this bill, for the right of the American citizen to keep and bear arms, and, ultimately, for the protection or our Constitution.

Mr. HELMS. Mr. President, as a cosponsor of the Federal Firearms Owners Protection Act, S. 49, I hope this important legislation will be given overwhelming support by the Senate.

The Gun Control Act of 1968 was never intended to be a vehicle for Federal Government harassment of law-abiding American citizens who buy, sell, and own guns. Yet to a considerable extent that is what it has become. The pending legislation will correct many of the abuses which have occurred under the 1968 act.

Mr. President, the right to keep and bear arms has a long and honorable history in the United States. It is, of course, enshrined in the second amendment to the Constitution and was reckoned as fundamental by our Founding Fathers—both Federalist and anti-Federalist.

It is important that we who serve in the Senate in 1985 pause to remember why the founders of our country viewed the right to own guns as fundamental. Of course, they knew the importance of firearms for hunting—not just for sport but for supplying food for the family. They also knew that, in a largely frontier society, guns were vital for self-defense against common criminals who were a constant threat to the safety and survival of innocent law-abiding citizens.

Today, these same arguments are presented in support of preserving the rights of gun ownership, and properly so because they are valid arguments.

However, for the Founding Fathers, neither of these arguments was the overriding reason in favor of an armed citizenry. For them, the most important reason for gun ownership was political—that is, armed citizens constituted an effective hedge against tyrants. Fresh from their victory over the British, they had indelibly impressed on their minds the political importance of citizens who owned and knew how to use guns.

Mr. President, many in Washington today do not want to be reminded of this political function of gun ownership. After saddling the American people with nearly $2 trillion in Federal debt, failing to act effectively to stop the spread of Communist tyranny around the world, and presiding over the destruction of fundamental American values such as innocent human life in the womb, religious liberty, the institution of the family, the neighborhood school, and public morality in general, it is small wonder that the Washington establishment would prefer to ignore the political reasons for the right to bear arms.

But we should not ignore these reasons, and we especially should not ignore them at a time when the Government seems incapable of protecting its citizens against international terrorism. Surely it takes no great wisdom to see that American citizens—with the full freedom to buy, sell, and own firearms—will be safer in their persons and possessions against terrorism than citizens without such freedom.

Mr. President, so that this debate will not occur without reference to the historical foundations for the right to keep and bear arms, I ask unanimous consent that an article by Stephen P. Halbrook, entitled "To Keep and Bear Their Private Arms: The Adoption of the Second Amendment, 1787-1791," appearing in 10 Northern Kentucky Law Review 13 (1982), be printed in the RECORD—including footnotes—at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO KEEP AND BEAR THEIR PRIVATE ARMS: THE ADOPTION OF THE SECOND AMENDMENT, 1787-1791

(By Stephen P. Halbrook*)

After the Constitution was submitted for ratification in 1787, political writings and debates in state conventions revealed two basic positions: the federalist view that a bill of rights was unnecessary because the propose government had no positive grant of power to deprive individuals of rights, and the anti-federalist contention that a formal declaration would enhance protection of those rights. On the subject of arms, the federalists promised that the people, far from ever being disarmed, would be sufficiently armed to check an oppressive standing army. The anti-federalists feared that the body or the people as militia would be overpowered by a select militia of standing army unless there was a specific recognition of the individual right to keep and bear arms. [1]

While their sojourns abroad prevented their active involvement in the ratification process, John Adams and Thomas Jefferson, the future leaders of the federalist and republican parties respectively, reiterated in 1787 their preferences for an armed populace. In his defense of the American constitutions, John Adams relied on classical sources in the context of an analysis of quotations from Marchamont Nedham's "The Right Constitution of a Commonwealth" (1656) to vindicate a militia of all the people:

"That the people be continually trained up in the exercise of arms, and the militia lodged only in the people's hands, or that part of them which are most firm to the interest of liberty, that so the power may rest fully in the disposition of their supreme assemblies." The limitation to "That part most firm to the interest of liberty," was inserted here, no doubt to reserve the right of disarming all the friends of Charles Stuart, the nobles and bishops. Without stopping to enquire into the justice, policy, or necessity of this, the rule in general is excellent . . . . One consequence was, according to [Nedham], "that nothing could at any time be imposed upon the people but by their consent . . . . As Aristotle tells us, in his fourth book on Politics, the Grecian states ever had special care to place the use and exercise of arms in the people, because the commonwealth is theirs who hold the arms: the sword and sovereignty ever walk hand in hand together." This is perfectly just. "Rome, and the territories about it, were trained up perpetually in arms, and the whole commonwealth, by this means, became one formal militia." [2]

After agreeing that all the continental European states had achieved absolutism by following the Caesarian precedent of erecting "praetorian bands, instead of a public militia," [3] the aristocratic Adams rejected the very right which won independence from England: "To suppose arms in the hands of citizens, to be used at individual discretion, except in private self-defense, or by partial orders of towns . . . is a dissolution of the government." [4] But for the more radical Thomas Jefferson, individual discretion was acceptable for the use of arms not simply for private, but also for public defense. Writing in 1787, Jefferson stressed the inexorable connection between the right to have and use arms and the right to revolution as follows:

God forbid we should ever be twenty years without such a rebellion . . . . And what country can preserve its liberties, if its rulers are not warned from time to time, that this people preserve the spirit of resistance? Let them take arms . . . . The tree of liberty must be refreshed from time to time, with the blood of patriots and tyrants.[5]

I. THE CONTROVERSY OVER RATIFICATION OF THE CONSTITUTION

A. The Federalist Promise: To Trust The People With Arms

It was characteristic of the times that the federalists were actually in close agreement with Jefferson on the right to arms as a penumbra of the right to revolution. Thus, in THE FEDERALIST No. 28, Hamilton wrote: "If the representatives of the people betray their constituents, there is then no resource left but in the exertion of that original right of self-defense which is paramount to all positive forms of government . . . ." [6] And in No. 29, Hamilton related the argument that it would be wrong for a government to require the great body of yeomanry and of the other classes of citizens to be under arms for the purpose of going through military exercises and evolutions, as often as might be necessary to acquire the degree of perfection which would entitle them to the character of a well-regulated militia . . . . Little more can reasonably be aimed at with respect to the people at large than to have them properly armed and equipped. . . .

This will not only lessen the call for military establishments, but if circumstances should at any time oblige the government to form an army of any magnitude that army can never be formidable to the liberties of the people while there is a large body of citizens, little if at all inferior to them in discipline and the use of arms, who stand ready to defend their rights and those of their fellow-citizens.[7]

In The Federalist No. 46, Madison, contending that "the ultimate authority . . . resides in the people alone," [8] predicted that encroachments by the federal government would provoke "[p]lans of resistance" and an "appeal to a trial of force." [9] To a regular army of the United States government "would be opposed a militia amounting to near half a million of citizens with arms in their hands," and referring to "the advantage of being armed, which the Americans possess over the people of almost every other nation," Madison wrote: "Notwithstanding the military establishments in the several kingdoms of Europe, which are carried as far as the public resources will bear, the governments are afraid to trust the people with arms." [10] If the people were armed and organized into militia, "the throne of every tyranny in Europe would be speedily overturned in spite of the legions which surround it." [11]

The Constitution's proponents agreed that it conferred no federal power to deprive the people of their rights, because there was no explicit grant of such power and because the state declarations of right would prevail.[12] The existence of an armed populace, superior in its forces even to a standing army, and not a paper bill of rights, would check desposition. Noah Webster promised that even without a bill of rights, the American people would remain armed to such an extent as to be superior to any standing army raised by the federal government:

"Another source of power in government is a military force. But this, to be efficient, must be superior to any force that exists among the people, or which they can command; for otherwise this force would be annihilated, on the first exercise of acts of oppression. Before a standing army can rule, the people must be disarmed: as they are in almost every kingdom in Europe. The supreme power in America cannot enforce unjust laws by the sword; because the whole body of the people are armed, and constitute a force superior to any band of regular troops that can be, on any pretence, raised in the United States. A military force, at the command of Congress, can execute no laws, but such as the people perceive to be just and constitutional; for they will possess the power, and jealousy will instantly inspire the inclination, to resist the execution of a law which appears to them unjust and oppressive." [13]

Tench Coxe argued in his influential An American Citizen that, should tyranny threaten, the "friends to liberty . . . using those arms which Providence has put into their hands, will make a solemn appeal to 'the power above.'" [14] Coxe also wrote: "The militia, who are in fact the effective part of the people at large, will render many troops quite unnecessary. They will form a powerful check upon the regular troops, and will generally be sufficient to overawe them. . . ." [15] Writing as "A Pennsylvanian," Coxe went into even more detail:

"The power of the sword, say the minority of Pennsylvania, is in the hands of Congress. My friends and countrymen, it is not so, for the Powers of the Sword are in the Hands of the Yeomanry of America from Sixteen to Sixty. The militia of these free commonwealths, entitled and accustomed to their arms, when compared with any possible army, must be tremendous and irresistible. Who are the militia? Are they not ourselves. Is it feared, then that we shall turn our arms each man against his own bosom. Congress have no power to disarm the militia. Their swords, and every other terrible implement of the soldier, are the birth-right of an American. . . . [T]he unlimited power of the sword is not in the hands of either the federal or state governments, but, where I trust in God it will ever remain, in the hands of the people." [16]

In summary, the Constitution's proponents promised that the individual right to keep and bear arms would be not simply a formal right but a fact which would render an armed citizenry more powerful than any standing army, and consequently a bill of rights was unnecessary. It was natural that the virtue of an armed populace or general militia was stressed in terms of its political value for a free society, since the ratification process involved political issues. Nonetheless the right to have weapons for nonpolitical purposes such as self-protection or hunting—but never for aggression—appeared so obviously to be the heritage of free people as never to be questioned. In the words of "Philodemos": "Every free man has a right to the use of the press, so he has to the use of his arms." But if he commits libel, "he abuses his privilege, as unquestionably as if he were to plunge his sword into the bosom of a fellow citizen. . . ." Punishment, not "previous restraints," was the remedy for misuse of either right.[17]

B. Anti-Federalist Fears: The People Disarmed, A Select Militia

Among the anti-federalist spokesmen, the great fear was that without protection by a bill of rights, creation of a select militia or standing army would result in the disarming of the whole people as militia and the consequent oppression of the populace. This fear had been expressed by the prediction of Oliver Ellsworth in the federal Convention that the creation of "a select militia . . . would be followed by a ruinous declension of the great body of the militia." [18] John DeWitt contended: "It is asserted by the most respectable writers upon government, that a well regulated militia, composed of the yeomanry of the country, have ever been considered as the bulwark of a free people. Tyrants have never placed any confidence on a militia composed of freemen." [19] DeWitt predicted that Congress "at their pleasure may arm or disarm all or any part of the freemen of the United States, so that when their army is sufficiently numerous, they may put it out of the power of the freemen militia of America to assert and defend their liberties . . . ." [20]

George Clinton, writing as "Cato," predicted a permanent force because of "the fear of a dismemberment of some of its parts, and the necessity to enforce the execution of revenue laws (a fruitful source of oppression) . . . ." [21] "A Federal Republican" foresaw an army used "to suppress those struggles which may sometimes happen among a free people, and which tyranny will impiously brand with the name of sedition." [22] The admission by some federalists, particularly James Wilson, that a small standing army was anticipated led to a particularly fearful reaction by anti-federalists. "[F]reedom revolts at the idea," [23] according to Elbridge Gerry, for the militia would become a federal force which "may either be employed to extort the enormous sums that will be necessary to support the civil

list—to maintain the regalia of power—and the splendour of the most useless part of the community, or they may be sent into foreign countries for the fulfilment of treaties . . . ."[24] Praising the Swiss militia model, "A Democratic Federalist" rejected Wilson's argument for a standing army, "that great support of tyrants," with the following reasoning:

"Had we a standing army when the British invaded our peaceful shores? Was it a standing army that gained the battles of Lexington and Bunker's Hill, and took the ill-fated [John] Burgoyne? Is not a well-regulated militia sufficient for every purpose of internal defense? And which of you, my fellow citizens, is afraid of any invasion from foreign powers, that our brave militia would not be able immediately to repel?"[25]

The most influential writings stating the case against ratification of the Constitution without a bill of rights consisted of Richard Henry Lee's Letters From the Federal Farmer (1787-1788) (hereinafter Letters). Since most of Lee's proposals for specific provisions of a bill of rights were subsequently adopted in the Bill of Rights, some with almost identical wording, the Letters provide an excellent commentary on the meaning of the provisions of the Bill of Rights in general and the second amendment in particular. Predicting the early employment of a standing army through taxation, Lee contended:

"It is true, the yeomanry of the country possess the lands, the weight of property, possess arms, and are too strong a body of men to be openly offended—and, therefore, it is urged, they will take care of themselves, that men who shall govern will not dare pay any disrespect to their opinions. It is easily perceived, that if they have not their proper negative upon passing laws in congress, or on the passage of laws relative to taxes and armies, they may in twenty or thirty years by means imperceptible to them, totally deprived of that boasted weight and strength: This may be done in a great measure by congress, if disposed to do it, by modelling the militia. Should one fifth or one eight part of the men capable of bearing arms, be made a select militia, as has been proposed, and those the young and ardent part of the community, posessed of but little or no property, and all the others put upon a plan that will render them of no importance, the former will answer all the purposes of an army, while the latter will be defenseless . . . . I see no provision made for calling out the *posse comitatus* for executing the laws of the union, but provision made for congress to call forth the militia for the execution of them—and the militia in general, or any select part of it, may be called out under military officers, instead of the sheriff to enforce an execution of federal laws, in the first instance, and thereby introduce an entire military execution of the Laws."[26]

In his second series of Letters, Lee classified as "fundamental rights" the rights of free press, petition, and religion; the rights to speedy trial, trial by jury, confrontation of accusers and against self-incrimination; the right not to be subject to "unreasonable searches or seizures of his person, papers or effects"; and, in addition to the right to refuse quartering of soldiers, "the militia ought always to be armed and disciplined, and the usual defense of the country . . . ."[27] Since these rights were all to be recognized in the Bill of Rights, it is appropriate to examime in detail the substance of Lee's concept of the militia:

"A militia, when properly formed, are in fact the people themselves, and render regular troops in a great measure unnecessary. . . . [T]he constitution ought to secure a genuine and guard against a select militia, by providing that the militia shall always be kept well organized, armed, and disciplined, and include . . . all men capable of bearing arms; and that all regulations tending to render this general militia useless and defenceless, by establishing select corps of militia, or distinct bodies of military men, not having permanent interests and attachments in the community to be avoided."[28]

Thus, Lee feared that Congress, through its "power to provide for organizing, arming, and disciplining the militia" under article I § 8 of the proposed Constitution, would establish a "select militia" apart from the people which would be used as an instrument of domination by the federal government. The contemporary argument, that it is impractical to view the militia as the whole body of the people, and that the militia consists of the select corps known as the National Guard, also existed during the time of Lee, who refuted it in these terms:

"But, say gentleman, the general militia are for the most part employed at home in their private concerns, cannot well be called out, or be depended upon; that we must have a select militia; that is, as I understand it, particular corps or bodies of young men, and of men who have but little to do at home, particularly armed and disciplined in some measure, at the public expense, and always ready to take the field. These corps, not much unlike regular troops, will ever produce an inattention to the general militia; and the consequence has ever been, and always must be, that the substantial men, having families and property, will generally be without arms, without knowing the use of them, and defenseless; whereas, *to preserve liberty, it is essential that the whole body of the people always possess arms, and be taught alike, especially when young, how to use them;* nor does it follow from this, that all promiscuously must go into actual service on every occasion. The mind that aims at a select militia, must be influenced by a truly anti-republican principle; and when we see many men disposed to practice upon it, whenever they can prevail, no wonder true republicans are for carefully guarding against it."[29]

Richard Henry Lee's view that a well regulated militia was the armed populace rather than a select group, or "Prussian militia,"[30] was reiterated by proponents and opponents of a bill of rights. As "M. T. Cicero" wrote to "The Citizens of America".

"Whenever, therefore, the profession of arms becomes a distinct order in the state . . . the end of the social compact is defeated. . . . No free government was ever founded, or ever preserved its liberty, without uniting the characters of the citizen and soldier in those destined for the defence of the state. . . . Such are a well regulated militia, composed of the freeholders, citizen and husbandman, who take up arms to preserve their property, as individuals, and their rights as freeman."[31]

The armed citizens would defend not only against foreign aggression, but also domestic tyranny. As expressed by another commentator: "The government is only just and perfectly free . . . where there is also a *dernier* resort, or real power left in the community to defend themselves against any attack on their liberties."[32]

While the view continued to be expressed that "a bill of rights as long as my arm" had no place in the Constitution,[33] a correspondent of the opposite persuasion noted that throughout his state people were "repairing and cleaning their arms, and every young fellow who is able to do it, is providing himself with a rifle or musket, and ammunition," but that civil war would be averted by adoption of a bill of rights.[34] If these views reflect the resultant compromise that a bill of rights would guarantee broad rights without being overly detailed, they also indicated that the demand for a bill of rights was as strong as the demand for independence a decade before. And consistent throughout the debate thereon was the general understanding that the right to keep and bear arms was an individual right.[35]

C. Demands in the State Conventions for a Written Guarantee That Every Man Be Armed

In the debates in the state conventions over the ratification of the Constitution, the existence of an armed citizenry was presumed by federalists and anti-federalists alike as requisite to prevent despotism. Issues which divided the delegates included whether a written bill of rights guaranteeing the right to keep and bear arms and other individual rights should be added to the Constitution, and whether a provision guarding against standing armies or select militias was necessary. In the Pennsylvania convention, John Smilie warned: "Congress may give us a select militia which will, in fact, be a standing army—or Congress, afraid of a general militia, may say there shall be no militia at all. When a select militia is formed; the people in general may be disarmed."[36] This argument assumed that the right to keep and bear arms[37] would be protected by the people combining into general militias to prevent being disarmed by select forces. In response, James Wilson contended that the Constitution already allowed for the ultimate force in the people: "In its principles, it is surely democratical; for, however wide and various the firearms of power may appear, they may all be traced to one source, the people."[38]

In the Massachusetts convention, William Symmes warned that the new government at some point "shall be too firmly fixed in the saddle to be overthrown by any thing but a general insurrection."[39] Yet fears of standing armies were groundless, affirmed Theodore Sedgwick, who queried, "[I]f raised, whether they could subdue a nation of freemen, who know how to prize liberty, and who have arms in their hands?"[40] In New York, Tredwell feared that "we may now surrender, with a little ink, what it may cost seas of blood to regain."[41] And in the North Carolina convention, William Lenoir worried that Congress can "disarm the militia. If they were armed, they would be a resource against great oppressions. . . . If the laws of the Union were oppressive, they could not carry them into effect, if the people were possessed of proper means of defense."[42]

But it was Patrick Henry in the Virginia convention who exposited most thoroughly the dual rights to arms and resistance to oppression: "Guard with jealous attention the public liberty. Suspect every one who approaches that jewel. Unfortunately, nothing will preserve it but downright force. Whenever you give up that force, you are inevitably ruined."[43] Fearful of the power of Congress over both a standing army and the militia, Henry asked, "Have we the means of resisting disciplined armies, when our only defence, the militia, is put into the hands of Congress?"[44] Furthermore, "of what service would militia be to you, when, most prob-

ably, you will not have a single musket in the state? For, as arms are to be provided by Congress, they may or may not furnish them." [45] It was to meet such objections that prompted the adoption later of the second amendment, which sought to guarantee the revolutionary ideal expressed by Henry in these words: "The great object is, that every man be armed. . . . Every one who is able may have a gun." [46] Henry's objection to federal control over arsenals within the states would apply equally to control over private arms:

"Are we at last brought to such a humiliating and debasing degradation, that we cannot be trusted with arms for our own defence? Where is the difference between having our arms in our own possession and under our own direction, and having them under the management of Congress? If our defence be the *real* object of having those arms, in whose hands can they be trusted with more propriety, or equal safety to us, as in our own hands?" [47]

George Mason buttressed Henry's arguments by pointing out that pro-British strategists resolved "to disarm the people; that it was the best and most effectual way to enslave them . . . by totally discussing and neglecting the militia." [48] Mason also clarified that under prevailing practice the militia included all people, rich and poor. "Who are the militia? They consist now of the whole people, except a few public officers." [49] Throughout the debates Madison sought to picture the observations of Henry and Mason as exaggerations and to emphasize that a standing army would be unnecessarily consequent on the existence of militias [50]—in short, that the people would remain armed. And Zachariah Johnson argued that the new Constitution could never result in religious or other oppression: "The people are not to be disarmed of their weapons. They are left in full possession of them." [51]

The objections of the anti-federalist pamphleteers and orators, particularly George Mason and Richard Henry Lee, prompted the state ratifying conventions to recommend certain declarations of rights which became the immediate source of the Bill of Rights. Each and every recommendation which mentioned the right to keep and bear arms clearly intended an individual right. The individual character of the right is evident additionally in those proposals made in the conventions wherein a majority of delegates voted against a comprehensive bill of rights. The latter was the case in regard to the proposals of Samuel Adams in the Massachusetts convention "that the said Constitution be never construed to authorize Congress to infringe the just liberty of the press, or the rights of conscience; or to prevent the people of the United States, who are peaceable citizens, from keeping their own arms. . . . " [52] Similarly, the proposals adopted by the Pennsylvania minority included the following:

"That the people have a right to bear arms for the defense of themselves and their own state, or the United States, or for the purpose of killing game; and no law shall be passed for disarming the people or any of them, unless for crimes committed, or real danger of public injury from individuals. . . . " [53]

New Hampshire was the first state to ratify the Constitution and recommended that it include a bill of rights, including a provision that "Congress shall never disarm any Citizen, unless such as are or have been in Actual Rebellion." [54] Not only are these words in no way dependent upon militia uses, but the provision is separated from another article against standing armies by a provision concerning freedom of religion.[55] The New Hampshire convention was the first wherein a majority proposed explicit recognition of the individual right later expressed in the second amendment,[56] The New Hampshire and Pennsylvania proposals for the right to keep and bear arms were viewed as among "those amendments which particularly concern several personal rights and liberties." [57]

George Mason's pen was at work in Virginia, which suggested the following provision:

"That the people have a right to keep and bear arms; that a well-regulated militia, composed of the body of the people trained to arms, is the proper, natural, and safe defence of a free state; that standing armies, in time of peace, are dangerous to liberty, and therefore ought to be avoided. . . ." [58]

Since these three propositions are stated independently of one another, it is obvious that the first is a general protection of the individual right to have arms for any and all lawful purposes, and is in no way dependent on the militia clause that follows. Madison's draft of the second amendment as later proposed with the Bill of Rights in Congress relied specifically on the recommendation by the Virginia convention.[59]

The New York convention predicated its ratification of the Constitution on the following interconnected propositions:

"That the powers of government may be reassumed by the people whensoever it shall become necessary to their happiness. . . . That the people have a right to keep and bear arms; that a well regulated militia, including the body of the people *capable of bearing arms,* is the proper, natural, and safe defence of a free state." [60]

Explicit in this language are the two independent declarations that individuals have a right to be armed and that the militia is the armed people. Similar language was adopted by the conventions of Rhode Island [61] and North Carolina.[62]

II. THE RATIFICATION OF THE BILL OF RIGHTS

A. *Madison's Proposed Amendments: Guarantees of Personal Liberty*

In acknowledgement of the conditions under which the state conventions ratified the Constitution, and in response to popular demand for a written declaration of individual freedoms, in 1789 the first U.S. Congress, primarily through the pen of James Madison, submitted for ratification by the states the Amendments to the Constitution which became the Bill of Rights. Relying upon the Virginia Declaration of Rights and the amendments proposed by the state conventions,[63] on June 8, 1789, Madison proposed in the House of Representatives a bill of rights which included the following: "The right of the people to keep and bear arms shall not be infringed; a well armed, and well regulated militia being the best security of a free country: but no person religiously scrupulous of bearing arms shall be compelled to render military service in person." [64] That Madison intended an individual right is clear not only from this wording, but also from his notes for his speech proposing the amendment: "They [proposed amendments] relate 1st. to private rights—fallacy on both sides—especy as to English Decln. of Rts.—1. mere act of parlt. 2. no freedom of press—Conscience . . . attainders—arms to protests." [65]

Madison's colleagues clearly understood the proposal to be protective of individual rights. Fisher Ames wrote: "Mr. Madison has introduced his long expected amendments. . . . It contains a bill of rights . . . the right of the people to bear arms." [66] Ames wrote another correspondent as follows: "The rights of conscience, of bearing arms, of changing the government, are declared to be inherent in the people." [67] And William Grayson informed Patrick Henry: "Last Monday a string of amendments were presented to the lower House; these altogether respected *personal liberty.* . . ." [68]

Ten days after the Bill of Rights was proposed in the House, Tench Coxe published this *Remarks on the First Part of the Amendments to the Federal Constitution* under the pen name "A Pennsylvanian" in the Philadelphia Federal Gazette, June 18, 1789, at 2, col. 1. Probably the most complete exposition of the Bill of Rights to be published during its ratification period, the *Remarks* included the following:

"As civil rulers, not having their duty to the people duly before them, may attempt to tyrannize, and as the military forces which must be occasionally raised to defend our country, might pervert their power to the injury of their fellow-citizens, the people are confirmed by the next article in their right to keep and bear their private arms." [69]

In short, what is now the second amendment guaranteed the right of the people to have "their private arms" to prevent tyranny and to overpower an abusive standing army or select militia.

Coxe sent a copy of this article to Madison along with a letter of the same date. "It has appeared to me that a few well tempered observations on these propositions might have a good effect . . . . It may perhaps be of use in the present turn of the public opinions in New York state that they should be republished there." [70] Madison wrote back acknowledging "[Y]our favor of the 18th instant. The printed remarks inclosed in it are already I find in the Gazettes here [New York]." Far from disagreeing that the amendment protected the keeping and bearing of "private arms," Madison explained that ratification of the amendments "will however be greatly favored by explanatory strictures of a healing tendency, and is therefore already indebted to the co-operation of your pen." [71]

Coxe's defense of the amendments was widely reprinted.[72] A search of the literature of the time reveals that no writer disputed or contradicted Coxe's analysis that what became the second amendment protected the right of the people to keep and bear "their private arms." The only dispute was over whether a bill of rights was even necessary to protect such fundamental rights. Thus, in response to Coxe's article, *One of the People* replied with *On a Bill of Rights,* which held "the very idea of a bill of rights" to be a "dishonorable one to freemen." "What should we think of a gentleman, who, upon hiring a waiting-man, should say to him 'my friend, please take notice, before we come together, that I shall always claim the liberty of eating when and what I please, of fishing and hunting upon my own ground, of keeping as many horses and hounds as I can maintain, and speaking and writing any sentiments upon all subjects." In short, as a mere servant, the government had no power to interfere with individual liberties in any manner absent a special delegation. "[A] master reserves to himself . . . every thing else which he has not committed to the care of those servants." [73]

The House Committee on Amendments subsequently reported the guarantee in this form: "A well regulated militia, composed of the body of the people, being the best security of free state, the right of the people to keep and bear arms shall not be infringed; but no person religiously scrupulous shall be compelled to bear arms."[74] The House debated this proposal on August 17 and 20, 1789. Elbridge Gerry clarified that the purpose of the amendment was protection from oppressive government, and thus the government should not be in a position to exclude the people from bearing arms:

"This declaration of rights, I take it, is intended to secure the people against the maladministration of the Government; if we could suppose that, in all cases, the rights of the people would be attended to, the occasion for guards of this kind would be removed. Now, I am apprehensive, sir, that this clause would give an opportunity to the people in power to destroy the constitution itself. They can declare who are those religiously scrupulous, and prevent them from bearing arms.

"What, sir, is the use of militia? It is to prevent the establishment of a standing army, the bane of liberty. Now, it must be evident, that, under this provision, together with their other powers, Congress could take such measures with respect to a militia, as to make a standing army necessary. Whenever Government means to invade the rights and liberties of the people, they always attempt to destroy the militia, in order to raise an army upon their ruins. This was actually done by Great Britain at the commencement of the late revolution. They used every means in their power to prevent the establishment of an effective militia to the Eastward. The Assembly of Massachusetts, seeing the rapid progress that administration were making to divest them of their inherent privileges, endeavored to counteract them by the organization of the militia; but they were always defeated by the influence of the Crown."[75]

Representative Gerry's argument was that the federal government should have no authority to categorize any individual as unqualified under the amendment to bear arms. "Now, if we give a discretionary power to exclude those from militia duty who have religious scruples, we may as well make no provisions on this head."[76] The point was that keeping and bearing arms was a right of "the people," none of whom should thereby be disarmed under any pretense, such as the government determining that they are religiously scrupulous or perhaps that they are not active members of a select militia (e.g., the National Guard).

In reply, Representative Jackson "did not expect that all the people of the United States would turn Quakers or Moravians; consequently, one part would have to defend the other in case of invasion."[77] The reference to "all the people" indicated again the centrality of the armed populace for defense against foreign attack. After further discussion, Gerry objected to the wording of the first part of the proposed amendment:

"A well regulated militia being the best security of a free State, admitted an idea that a standing army was a secondary one. It ought to read, 'a well regulated militia, trained to arms;' in which case it would become the duty of the Government to provide this security, and furnish a greater certainty of its being done."[78]

Gerry's works exhibit again the general sentiment that security rested on a generally—rather than a selectly—armed populace. The lack of a second to his proposal suggests that the congressmen were satisfied that the simple keeping and bearing of arms by the citizens would constitute a sufficiently well regulated militia to secure a free state, and thus there was no need to make it, in Gerry's words, "the duty of the Government to provide this security. . . ."

Further debate on the exemption of religiously scrupulous persons from being compelled to bear arms highlights the sentiment that not only bearing, but also the mere keeping, of arms by all people was considered both a right and a duty to prevent standing armies. The exemption would mean, objected Representative Scott, that "a militia can never be depended upon. This would lead to the violation of another article in the Constitution, which secures to the people the right of keeping arms, and in this case recourse must be had to a standing army."[79] "What justice can there be in compelling them to bear arms?" queried Representative Boudinot. "Now, by striking out the clause, people may be led to believe that there is an intention in the General Government to compel all its citizens to bear arms."[80] The proposed amendment was finally agreed to after insertion of the words "in person" at the end of the clause.[81]

In the meantime, debate over the proposed amendments raged in the newspapers. The underlying fear against a government monopoly of arms was expressed thusly: "Power should be widely diffused. . . . The monopoly of power, is the most dangerous of all monopolies."[82] The understanding that the keeping and bearing of private arms contributed to a well regulated militia was represented in the following editorial:

"A late writer . . . on the necessity and importance of maintaining a well regulated militia, makes the following remarks:—A citizen, as a militia man, is to perform duties which are different from the usual transaction of civil society. . . . [W]e consider the extreme importance of every military duty in time of war, and the necessity of acquiring an habitual exercise of them in time of peace. . . ."[83]

At the same time, what was to become the second amendment was not considered to condition having arms on the needs of the citizens in their militia capacity, but was seen as having originated in part from Samuel Adams' proposal (which contained no militia clause) that Congress could not disarm any peaceable citizens:

"It may well be remembered, that the following 'amendments' to the new constitution of these United States, were introduced to the convention of this commonwealth by . . . SAMUEL ADAMS. . . . [E]very one of the intended alterations but one [i.e., proscription of standing armies] have been already reported by the committee of the House of Representatives, and most probably will be adopted by the federal legislature. In justice therefore for that long tried Republican, and his numerous friends, you gentlemen, are requested to republish his intended alterations, in the same paper, that exhibits to the public, the amendments which the committee have adopted, in order that they may be compared together. . . .

"And that the said constitution be never construed to authorize congress . . . to prevent the people of the United States, who are peaceable citizens, from keeping their own arms. . . ."[84]

Although many of the proposed amendments were subjected to criticism, what became the second amendment was apparently never attacked, aside from one editorial which argued that the militia clause was insufficient, but never questioned the right to bear arms clause. After quoting the language of the proposal as it was approved by the House, the well known anti-federalist Centinel opined:

"It is remarkable that this article only makes the observation, 'that a well regulated militia, composed of the body of the people, is the best security of a free state;' it does not ordain, or constitutionally provide for, the establishment of such a one. The absolute command vested by other sections in Congress over the militia, are not in the least abridged by this amendment. The militia may still be subjected to martial law . . . , may still by marched from state to state and made the unwilling instruments of crushing the last efforts of expiring liberty."[85]

This indicates the understanding that the militia clause was merely declaratory and did not protect state rights to maintain militias to any appreciable degree. That anti-federalists of the ink of Centinel never attacked the right to bear arms clause demonstrates that it was considered to recognize a full and complete guarantee of individual rights to have and use private arms. Surely a storm of protest would have ensued had anyone hinted that the right applied only to the much objected-to select militia.

B. From the Senate to the States: The Adoption of the Second Amendment

When the Senate came to consider the proposed amendments in early September, 1789, it became evident that while the right of individuals to keep and bear arms would not be questioned, attempts to strengthen recognition of state rights over militias and to proscribe standing armies would fail. Amendments mandating avoidance of standing armies were rejected,[86] as was a proposal "that each state respectively, shall have the power to provide for organizing, arming and disciplining its own militia, whensoever Congress shall omit or neglect to provide for the same."[87]

The form of the amendment adopted by the Senate, and approved by both houses on September 25, 1789, was the same as subsequently became the second article of the Bill of Rights: "A well regulated militia, being necessary to the security of a free state the right of the people to keep and bear arms, shall not be infringed." Comparing the House resolve with that of the Senate, the former redundantly mentions "the people" twice—once as militia, again as the entity with the right to keep and bear arms—while the latter more succinctly avoided repetition by deleting the well recognized definition of militia as "the body of the people." The Senate also deleted the phrase that "no person religiously scrupulous shall be compelled to bear arms," perhaps because the amendment depicts the keeping and bearing of arms as an individual "right" for both public and private purposes, and perhaps to preclude any constitutional authority of the government to "compel" individuals without religious scruples to bear arms for any purpose. Finally, the Senate specifically rejected a proposal to add "for the common defense" after "to keep and bear arms,"[88] thereby precluding any construction that the right was restricted to militia purposes and to common defense against foreign aggression or domestic tyranny.

That the Senate's deletion of the well recognized definition of militia as "the body of the people" implied nothing other than its

wish to be concise, but that its rejection of the proposal to limit the amendment's recognition of the right to bear arms "for the common defence" meant to preclude any limitation on the individual right to have arms, e.g., for self-defense or hunting, is evident in the joint recommendation by the Senate and House of the Amendment to the states. "The conventions of a number of the states having, at the time of their adopting the Constitution, expressed a desire, in order to prevent misconstruction or abuse of its powers, that further declaratory and restrictive clauses should be added," [89] was the language of Congress which prefaced the proposed amendments when submitted to the states. In short, Congress modelled the Bill of Rights, including the second amendment's implicit definition of militia as the whole people and explicit guarantee of the right to have arms to "the people," on the proposals submitted by the states, which in turn through their adoption thereof made the articles of amendment a part of the Constitution.

The adoption of the amendments by the states was by no means a foregone conclusion, and the ratification struggle ensued through 1791. Three positions emerged in the controversy: (1) the proposed amendments were adequate, (2) further guarantees were needed, and (3) freemen had no need of a bill of rights. None of the proponents of these respective positions ever called into question that keeping and bearing arms was a basic individual right. The common understanding was that the proposed bill of rights sought to guarantee personal, unalienable rights, but that unenumerated rights were also retained by the people.[90] Patrick Henry, Richard Henry Lee, and others were pleased with the bill of rights as far as it went, but wanted guarantees against standing armies and direct taxes.[91] Since these same prominent anti-federalists were among the most vocal in calling for a guarantee recognizing the individual right to have arms, it is inconceivable that they would not have objected to what became the second amendment had anyone understood it not to protect personal rights.

The view that the rights of freemen were too numerous to enumerate in a bill of rights was coupled with the argument that the ultimate protection of American liberty would be the armed populace rather than a paper bill of rights. An opponent of a bill of rights, Nicholas Collins argued that the American people would be sufficiently armed to overpower an oppressive standing army. "While the people have property, arms in their hands, and only a spark of noble spirit, the most corrupt Congress must be mad to form any project of tyranny." [92] On the other hand, the pro-amendment view was that both the existence of a bill of rights *and* an armed populace to enforce it would provide complementary safeguards. The following editorial advances this view, and assumes not only that keeping and bearing arms contributes to a well regulated militia, but also that militia exercises in effect demonstrate the people's strength so that government would not consider infringing on the right to keep and bear arms:

"The right of the people to keep and bear arms has been recognized by the General Government; but the best security of that right after all is, the military spirit, that taste for martial exercises, which has always distinguished the free citizens of these States; From various parts of the Continent the most pleasing accounts are published of reviews and parades in large and small assemblies of the militia . . . . Such men form the best barrier to the Liberties of America." [93]

While many people were thus flexing their muscles by engaging in armed marches to ward off tyranny and secure the right to keep and bear arms, the debate over ratification of the Bill of Rights raged through 1790. Some reiterated that no bill of rights could enumerate the rights of the peaceable citizen, "which are as numerous as sands upon the sea shore. . . . " [94] President Washington reminded members of the House of Representatives that "a free people ought not only to be armed, but disciplined. . . . " [95] Still, right to arms provisions were not necessarily associated with the citizen's militia, but were also coupled with different provisions. For instance, a widely published proposed bill of rights for Pennsylvania included a militia clause in a separate article from the following: "That the right of the citizens to bear arms in defence of themselves and the State, and to assemble peaceably together . . . shall not be questioned." [96]

During the ratification period the view prevailed that the armed citizenry would prevent tyranny. Theodorick Bland wrote Patrick Henry that "I have founded my hopes to the single object of security (*in terrorem*) the great and essential rights of freedom from the encroachments of Power—so far as to authorize resistance when they should be either openly attacked or insidiously undermined." [97] While the proposed amendments continued to be criticized due to lack of a provision on standing armies,[98] no one questioned the right to bear arms amendment.[99] Two days before Rhode Island ratified the bill of rights, newspapers in that state republished its declaration of natural rights included in its recent ratification of the Constitution: "That the people have a right to keep and bear arms: That a well-regulated militia, including the body of the people capable of bearing arms, is the proper, natural and safe defense of a free state. . . ." [100]

As more and more states adopted the amendments and debate thereon began to dwindle, even proponents of an anti-standing army provision conceded that an armed citizenry, as a well regulated militia, would prevent oppression from that quarter. As "A Framer" argued to "The Yeomany of Pennsylvania":

"Under every government the dernier resort of the people, is an appeal to the sword; whether to defend themselves against the open attacks of a foreign enemy, or to check the insidious encroachments of domestic foes. Whenever a people . . . entrust the defence of their country to a regular, standing army, composed of mercenaries, the power of that country will remain under the direction of the most wealthy citizens . . . . [Y]our liberties will be safe as long as you support a well regulated militia." [101]

CONCLUSION

In recent years it has been suggested that the second amendment protects the "collective" right of states to maintain militias, but not the right of "the people" to keep and bear arms. If anyone entertained this notion in the period in which the Constitution and Bill of Rights were debated and ratified, it remains one of the most closely guarded secrets of the eighteenth century, for no known surviving writing of the 1787-1791 period states that thesis. Instead, "the people" in the second amendment meant the same as it did in the first, fourth, ninth and tenth amendments, i.e., each and every free person. A select militia as the only privileged class entitled to keep and bear arms was considered as execrative to a free society as would be select spokesmen approved by government as the only class entitled to freedom of the press. Nor were those who adopted the Bill of Rights willing to clutter it with details such as non-political justifications for the right (e.g., self-protection and hunting) or a list of what everyone knew to be common arms, such as muskets, scatterguns, pistols and swords. In light of contemporary developments, perhaps the most striking insight made by those who originally opposed the attempt to summarize all the rights of a freeman in a bill of rights was that, no matter how it was worded, artful misconstruction would be employed to limit and destroy the very rights sought to be protected.

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[1] Relevant state constitutional provisions at this time were: "That the people have a right to bear arms for the defence of themselves and the state . . . ." PA. CONST. of 1776, Declaration of Rights, art. 13 (current version at PA. CONST. art. 1 § 21); VT. CONST. of 1777, ch I, Declaration of the Rights of the Inhabitants of the State of Vermont (current version at VT. CONST. ch I, art. 16); "That the people have a right to bear arms, for the defence of the State . . . ." N.C. CONST. of 1776, A Declaration of Rights, cl. 17 (current version at N.C. CONST. art. 1, § 30); "The people have a right to keep and bear arms for the common defence." MASS. CONST. of 1780, Pt. 1, A Declaration of Rights of the Inhabitants of the Commonwealth of Massachusetts, art. 17 (current version at MASS. CONST. pt. 1, art. 17, § 18). The following provision was adopted during the same period in which the Bill of Rights to the U.S. Constitution was being ratified: "That the right of the citizens to bear arms, in defence of themselves and the State, shall not be questioned." PA. CONST. of 1790, art. 9, § 21 (current version at PA. CONST. art. 1, § 21).

[2] J. ADAMS, A DEFENCE OF THE CONSTITUTIONS OF GOVERNMENT OF THE UNITED STATES OF AMERICA 471-72 (London, 1787-88). Newspaper editorialists of the time also alluded to Rome's disarming of conquered peoples. The Massachusetts Centinel, Apr. 11, 1787, recalled "the old Roman Senator, who after his country subdued the commonwealth of Carthage, had made them deliver up . . . their arms . . . and rendered them unable ever to protect themselves. . . ." 13 THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION 79 (J. Kaminski & G. Saladino eds. 1981).

[3] J. ADAMS, *supra* note 2, at 474.

[4] *Id.* at 475.

[5] Letter from Thomas Jefferson to Wm. S. Smith, (—, 1787), *reprinted in* T. JEFFERSON, ON DEMOCRACY 20 (S. Padover ed. 1939). In his influential Letter of January 27, 1788, Luther Martin stated: "By the

principles of the American revolution, arbitrary power may, and ought to, be resisted even by arms, if necessary." 1 J. ELLIOT, DEBATES IN THE SEVERAL STATE CONVENTIONS 382 (2d ed. Philadelphia, 1836). *See also* New York Journal, Aug. 14, 1788, at 2, col. 4 (the people will resist arbitrary power). A writer in the Pennsylvania Gazette, Apr. 23, 1788, criticized "the loyalists in the beginning of the late war, who objected to *associating, arming,* and *fighting,* in defence of our liberties, because these measures were not *constitutional.* A free people should always be left . . . with every possible power to promote their own happiness." 2 THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION (Mfm. Supp.) 2483 (M. Jensen ed. 1976).

[6] THE FEDERALIST No. 28, at 180 (A. Hamilton) (Arlington House ed. n.d.).

[7] THE FEDERALIST No. 29, at 184-85 (A. Hamilton) (Arlington House ed. n.d.).

[8] THE FEDERALIST No. 46, at 294 (J. Madison) (Arlington House ed. n.d.).

[9] *Id.* at 298.

[10] *Id.* at 299.

[11] *Id.* at 300. On arms regulation by the French monarchy to prevent democracy, *see* L. KENNETT & ANDERSON, THE GUN IN AMERICA 5-16 (1975).

[12] "The state declarations of rights are not repealed by this Constitution, and, being in force, are sufficient," argued Roger Sherman in the federal convention. 5 J. ELLIOT, DEBATES ON THE ADOPTION OF THE FEDERAL CONSTITUTION 538 (Philadelphia, 1845). Hamilton averred in THE FEDERALIST No. 84 that a bill of rights "would contain various exceptions to powers which are not granted; and, on this very account, would afford a colorable pretext to claim more than were granted." THE FEDERALIST No. 84, at 513 (A. Hamilton) (Arlington House ed. n.d.). Hamilton's fear appears vindicated in view of the current restrictive interpretation that the Bill of Rights recognizes no individual right to bear arms. *See, e.g.,* L. TRIBE, AMERICAN CONSTITUTIONAL LAW 226 n. 6 (1978).

[13] Webster, *An Examination into the Leading Principles of the Federal Constitution* in PAMPHLETS ON THE CONSTITUTION OF THE UNITED STATES 56 (P. Ford ed. 1888). *See also id.* at 48, 51-52.

[14] Coxe, *An American citizen IV in* THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra,* note 2, at 433.

[15] *Id.* at 435; *and in* Coxe, *Examination of the Constitution,* in PAMPHLETS ON THE CONSTITUTION OF THE UNITED STATES, *supra* note 13, at 151.

[16] Pennsylvania Gazette, Feb. 20, 1788, THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 5, at 1778-80. *See also* Foreign Spectator, Independent Gazetteer. Sept. 21, 1787: "[E]ven the power of a veteran army could not subdue a patriotic militia ten times its number . . . ." *Id.* at 384. *A Supplement to the Essay on Federal Sentiments,* Independent Gazetteer, Oct. 23, 1787: "[T]he whole personal influence of the Congress, and their parricide army could never prevail over a hundred thousand men armed and disciplined, owners of the country . . . ." *Id,* at 801. Antifederalists agreed with this thesis. Thus, the Freeman's Journal, Feb. 27, 1788, stated that "it would require more troops than even the empress of Russia can command, to chain down the enlightened freemen . . . ." *Id.* at 1829. And Detector, Independent Gazetter, Feb. 11, 1788, gave the reason: "[T]he sons of freedom . . . . may know the despots have not altogether monopolized these *necessary articles* [powder and lead]." *Id.* at 1695.

[17] Pennsylvania Gazette, May. 7, 1788, THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 15, at 2579.

[18] 5. J. ELLIOT, *supra* note 12, at 444.

[19] THE ANTIFEDERALIST PAPERS 75 (M. Borden ed. 1965).

[20] *Id.*

[21] *Id* at 38.

[22] *Id.* at 19.

[23] Gerry, *Observations on the New Constitution in* PAMPHLETS ON THE CONSTITUTION OF THE UNITED STATES, *supra* note 13, at 10.

[24] *Id.* at 11.

[25] PENNSYLVANIA HERALD, OCT. 17, 1787, THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION *supra* note 5, at 196-97. *See also* Z, FREEMAN'S JOURNAL, MAR. 5, 1788: "[T]HE PEOPLE THEMSELVES FREED AMERICA FROM FOREIGN TYRANNY." *Id,* at 1925.

[26] R. Lee, *Letters of a Federal Farmer* (1787-88), in PAMPHLETS ON THE CONSTITUTION OF THE UNITED STATES, *supra* note 13, at 305-06.

[27] R. LEE, ADDITIONAL LETTERS FROM THE FEDERAL FARMER 53 (Philadelphia, 1788).

[28] *Id.* at 169.

[29] *Id.* at 170 (emphasis added).

[30] *A Slave,* Philadelphia Independent Gazetteer, Oct. 6, 1787, THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 2, at 345. Aristocratis, in THE GOVERNMENT OF NATURE DELINEATED 15-17 (1788) (hereinafter ARISTOCRATIS), feared that the active militia would "quell insurrections that may arise in any part of the empire on account of pretensions to support liberty, redress grievances, and the like." THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 5, at 2524. "The second class or inactive militia, comprehends all the rest of the peasants; viz., the farmers, mechanics, labourers, & c. which good policy will prompt government to disarm. It would be dangerous to trust such a rabble as this with arms in their hands." *Id.* at 2526.

[31] Charleston State Gazette, Sept. 8, 1788, at —, col. —. *See also id.,* Aug. 7, 1788, at 3, col. 1-2 (militia as citizenry); Letter from New York, Oct. 31, 1787, 3 THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION 390 (M. JENSEN ED. 1978): "THE MILITIA [ART. I, § 8, CL. 15] COMPREHENDS ALL THE MALE INHABITANTS FROM SIXTEEN TO SIXTY YEARS OF AGE . . . . THE CONSTITUTION . . . PUTS THE UTMOST DEGREE OF CONFIDENCE IN THE PEOPLE . . . ."

[32] *On Tyranny, Anarchy, and Free Governments,* New York Morning Post, Aug. 21, 1788, at 2, col. 2.

[33] *A Friend to Equal Liberty,* Philadelphia Independent Gazetteer, Mar. 28, 1788, at—, col.—. The Federal Gazette, Mar. 12, 1789, at 2, col. 3 opined: "[I]f it is done, it is to be hoped the friends of *turtle* and *roast beef* will stand upon a clause in the bill of rights, to secure the perpetual injoyment of those two excellent dishes."

[34] Independent Gazetter, Apr. 30, 1788, at—, col.—, *See also* Letter from Thomas B. Wait to George Thatcher (Aug. 15, 1788), in Thatcher Papers, Vol. II (availalble in Boston Public Library): "The same instrument that conveys the weapon, should refine the shield—should contain not only the powers of the rulers, but also the defence of the people." "Brutus" wrote in the New York Journal, Nov. 1, 1787: "Some [natural rights] are of such a nature that they cannot be surrendered. Of this kind are the rights of . . . defending life . . . ." THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 31, at 525.

[35] As expressed in the Boston Independent Chronicle, Oct. 25, 1787, in a "ship's news" satire on demands for a bill of rights: "[I]t was absolutely necessary to carry arms for fear of pirates, & c. and . . . their arms were all stamped with peace, that they were never to be used but in case of an hostile attack, that it was in the law of nature for every man to defend himself, and unlawful for any man to deprive him of those weapons of self-defence." THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 31, at 523.

[36] THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 5, at 509.

[37] Not only was the right to keep and bear private arms universally acknowledged, but in Pennsylvania the right of individuals to keep public arms was asserted. "Jacob Trusty" queried the editor of the Freeman's Journal, Dec. 19, 1787, as follows: "I wish you would inform me, through the channel of your paper, of the true meaning of disarming the Militia in this State at this solemn period: The county officer shows us an order of Council for to deliver them for cleaning, but we in our county have, upon second thought, resolved to clean them ourselves. Is this a trick for to push upon us the new plan of government whether we will or will not have it; no, Mr. Bailey, those gentlemen in your city who have planned it, are poor politicians, if they depend on our agreeing to give up our mush sticks." The Documentary History of the Ratification of the Constitution, supra note 5, at 1361.

"A Militia Man" responded in the Pennsylvania Gazette, Dec. 26, 1787, that the Supreme Executive Council had merely directed the lieutenants "to collect all the public arms within their respective counties, have them repaired, and make return to Council . . . for payment." Id. at 1362. Jacob Trusty was then asserted to be mistaken "if he thinks the militia will be duped into a broil by any antifederalist. . . ." Id. To this, "Trusty" responded in the Independent Gazetteer, Jan. 10, 1788, "that the militia of the country rather choose to repair and clean their own arms at this critical juncture, than to deliver them up to any one whatever." Id. at 1365. And "An Old Militia Officer of 1776" declared in the same paper on Jan. 18, 1788: "The orders, issued by Council, enjoining the delivery of the public arms at this juncture, when a standing army is openly avowed to be necessary, has occasioned no small degree of apprehension. . . . These orders . . . amount . . . to a temporary disarming of the people. When the arms will be re-delivered, must depend upon the discretion of our rulers. . . . But if . . . these orders originate in that spirit of domination . . ., will it not be their indispensable duty, as men, as citizens, and as guardians of their own rights, immediately to arm themselves at their own expense? This expedient will convince the enemies of liberty, that the people (their own defenders in the last resort) are prepared for the worst. . . ." Id. at 1369-70. See also Aristrocratis, supra note 30, at 29-30, id. at 2538-39; Independent Gazetteer, Feb. 27, 1788, id. at 1833; Pennsylvania Herald, Feb. 5, 1788, id. at 1373; Freeman's Journal, Jan. 23, 1788, id. at 1371.

[38] The Documentary History of the Ratification of the Constitution, supra note 5, at 336.

[39] J. Elliot, supra note 5, at 74.

[40] Id. at 97.

[41] Id. at 404.

[42] 4 J. ELLIOT, DEBATES IN THE SEVERAL STATE CONVENTIONS 203 (2d ed. Philadelphia, 1836).

[43] 3 J. ELLIOT, DEBATES IN THE SEVERAL STATE CONVENTIONS 45 (2d ed. Philadelphia, 1836).

[44] *Id.* at 48.

[45] *Id.* at 51-52.

[46] *Id.* at 386.

[47] *Id.* at 168-69.

[48] *Id.* at 380.

[49] *Id.* at 425.

[50] *See, e.g., id.* at 413.

[51] *Id.* at 646.

[52] 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 681 (1971).

[53] Dissent of Minority, THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 5, at 597-598, 623-24; E. DUMBAULD, THE BILL OF RIGHTS AND WHAT IT MEANS TODAY 12 (1957). *See also id.* at viii-ix, 51-52. "The amendments proposed by the Pennsylvania minority bear a direct relation to those ultimately adopted as the federal Bill of Rights." B. SCHWARTZ, *supra* note 52, at 628. *See also id.* at 665. While the cited provision explicitly supports an individual right to have arms for more than militia purposes, the minority was very concerned about the specter of a select militia. "The militia of Pennsylvania may be marched to New England or Virginia to quell an insurrection occasioned by the most galling oppression, and aided by the standing army, they will no doubt be successful in subduing their liberty and independency." THE DOCUMENTARY HISTORY OF THE RATIFICATION OF THE CONSTITUTION, *supra* note 5, at 638.

[54] B. SCHWARTZ, *supra* note 52, at 761.

[55] *Id.*

[56] *Id.* at 758. "The right to bear arms, going back to the English Bill of Rights, received recognition in the Second Amendment to the Constitution . . . Counting this article, seven out of twelve of New Hampshire's proposals were ultimately accepted." E. DUMBAULD, *supra* note 53, at 21 n.37.

[57] A Foreign Spectator, *Remarks on the Amendments,* No. XI, Federal Gazette, Nov. 28, 1788, at —, col. —.

[58] 3 J. ELLIOT, *supra* note 43, at 659. *See also* 3 G. MASON PAPERS 1068-71 (1970).

[59] E. DUMBAULD, *supra* note 53, at 21 and 51-52; 2 B. SCHWARTZ, *supra* note 52, at 765.

[60] 1 J. ELLIOT, *supra,* note 5, at 327-8.

[61] *Id.* at 335.

[62] 4 J. ELLIOT, *supra* note 42, at 244.

[63] R. RUTLAND, THE BIRTH OF THE BILL OF RIGHTS 206 (1955); E. DUMBAULD, *supra* note 53, at viii-ix, 21, 51-52.

[64] 1 ANNALS OF CONG. 434 (June 8, 1789).

[65] Madison, Notes for Speech in Congress, June 8, 1789, 12 MADISON PAPERS 193-94 (C. Hobson & R. Rutland eds. 1979). In a letter to Edmund Pendleton, Oct. 20, 1788, Madison referred to proposed amendments as "those further guards for private rights . . . ." 4 MADISON PAPERS 60 (C. Hobson & R. Rutland eds. 1979). In a Rough Draft of Proposed Bill of Rights that he would have presented had he not been defeated for election by Madison, James Monroe proposed "a declaration in favor of the equality of human rights; . . . of the right to keep and bear arms . . . ." James Monroe Papers, N.Y. Public Library, Miscellaneous Papers.

[66] Letter from Fisher Ames to Thomas Dwight (June 11, 1789), *in* 1 WORKS OF FISHER AMES 52-53 (Philadelphia, 1854).

[67] Letter from Fisher Ames to F. R. Minot (June 12, 1789), *in id.* at 53-54.

[68] June 12, 1789, PATRICK HENRY 391 (1951) (emphasis added). *See also* Letter from Joseph Jones to James Madison (June 24, 1789), *in* 12 MADISON PAPERS, *supra* note 65, at 258 (the Amendments are "calculated to secure the personal rights of the people . . . ."); Letter from William L. Smith to Edward Rutledge (Aug. 9, 1789), *in* S.C. HIST. MAG. 14 (1968) (the amendments "will effectually secure private rights . . . .").

[69] Madison's proposals had been published two days before in the same paper. Federal Gazette, June 16, 1789, at 2, col. 2.

[70] Letter from Tench Coxe to James Madison (June 18, 1789), *in* 12 MADISON PAPERS, *supra* note 65, at 239-40.

[71] Letter from James Madison to Tench Coxe (June 24, 1789), *in id.* at 257.

[72] *See, e.g.*, New York Packet, June 23, 1789, at 2, col. 1-2; Boston Massachusetts Centinel, July 4, 1789, at 1, col. 2.

Coxe's *Remarks on the Second Part of the Amendments*, which appeared in the Federal Gazette, June 30, 1789, exposited what is now the ninth amendment as follows: "It has been argued by many against a bill of rights, that the omission of some in making the detail would one day draw into question those that should not be particularized. It is therefore provided, that no inference of that kind shall be made, so as to diminish, much less to alienate an ancient tho' unnoticed right, nor shall either of the branches of the Federal Government argue from such omission any increase or extension of their powers." *Id.* at 2, col. 1-2.

[73] Federal Gazette, July 2, 1789, at 2, col. 1.

[74] 1 ANNALS OF CONG. 750 (1789). The committee on amendments made its report on July 28. *Id.* at 672.

[75] *Id.* at 750.

[76] *Id.*

[77] *Id.*

[78] *Id.* at 751.

[79] *Id.* at 766.

[80] *Id.* at 767. Actually, the opposite may be inferred by the eventual deletion of this part of the amendment, the purpose of which was to guarantee the individual "right" to keep and bear arms rather than to create a "duty" to do so. Arguably, this deletion was meant to preclude any constitutional power of government to compel any person to bear arms rather than to exempt only the religiously scrupulous.

[81] *Id.* at 767.

[82] *Political Maxims*, New York Daily Advertiser, Aug. 15, 1789, at 2, col. 1. *See also* Letter from Patrick Henry to Richard Lee (Aug. 28, 1789): "For Rights, without having power and might is but a shadow." PATRICK HENRY, *supra* note 68, at 398.

[83] Philadelphia Independent Gazetteer, Aug. 18, 1789, at 3, col. 1.

[84] *From the Boston Independent Chronicle*, Philadelphia Independent Gazetteer, Aug. 20, 1789, at 2, col. 2.

[85] Centinel, Revived, No. xxix, Philadelphia Independent Gazetteer, Sept. 9, 1789, at 2, col. 2.

[86] Senate Journal, Ms. by Sam A. Otis, Virginia State Library, Executive Communications, Box 13 (Sept. 4, 1789) at 1; (Sept. 8, 1789) at 7.

[87] *Id.* (Sept. 8, 1789) at 7.

[88] *Id.* (Sept. 9, 1789) at 1. Another alteration by the Senate may have also been significant. In changing the House's version that a militia was "the best security" to the version that a militia was "necessary to the security" of a free state, the Senate may have sought to answer the objections like that made by Representative Gerry in the House: "A well regulated militia being the best security of a free State, admitted an idea that a standing army was a secondary one." 1 ANNALS OF CONG. 751 (1789). It is noteworthy that Richard Henry Lee was a member of the Senate at that time.

[89] 2 B. SCHWARTZ, *supra* note 52, at 1164.

[90] "The lower house sent up amendments which held out a safeguard to personal liberty in great many instances . . . ." Letter from William Grayson to Patrick Henry (Sept. 29, 1789), PATRICK HENRY, *supra* note 68, at 406. "The whole of that Bill [of Rights] is a declaration of the right of the people at large or *considered as individuals* . . . . [I]t establishes some rights of the individual as unalienable and which consequently, no majority has a right to deprive them of." (emphasis added). Letter from Albert Gallatin to Alexander Addison (Oct. 7, 1789), A.G. Papers, at 2, Ms. in N.Y. Hist. Soc. "But there are some rights too essential to be delegated—too sacred to be infringed. These each individual reserves to himself; in the free enjoyment of these the whole society engages to protect him . . . . All these essential and sacred rights, it would be difficult, if not impossible, to recount, but some, in every social compact, it is proper to enumerate, as specimens of many others . . . ." *An Idea of a Constitution*, Independent Gazetteer, Dec. 28, 1789, at 3, col. 3. *See also The Scheme of Amendments*, Independent Gazetteer, March 23, 1789, at 2, col. 1: "The project of muffling the press, which was publicly vindicated in this town [Boston], so far as to compel the writers against the government, to leave their names for publication, cannot be too warmly condemned." Registration of persons for exercise of basic freedoms was considered to be infringement.

[91] Patrick Henry "is pleased with some of the proposed amendments; but still asks for the great disideratum, the destruction of direct taxation." Letter from Edmund Randolph to James Madison (Aug. 18, 1789), *in* 12 MADISON PAPERS, *supra* note 65, at 345. Jefferson was dissatisfied with the bill of rights but did not object to the arms bearing provision. Letter from Thomas Jefferson to James Madison (Aug. 28, 1789) *in* 12 MADISON PAPERS, *supra* note 65, at 363-64. The bill of rights was "short of some essentials, as Election interference & Standing Army & c . . . . " Letter from Richard Henry Lee to Charles Lee (Aug. 28, 1789), *in* 2 LETTERS OF RICHARD HENRY LEE 499 (Ballagh ed. 1914). Most of those in the Virginia House who opposed the adoption of the amendments "are not dissatisfied with the amendments so far as they have gone" but wanted delay to prompt an amendment on direct taxes. Letter from Hardin Burnley to James Madison (Nov. 5, 1789), *in* 12 MADISON PAPERS, *supra* note 65, at 460. In the Virginia Senate, there was extensive criticism of the proposed free speech guarantee and other amendments as too narrow, but no one questioned the right to bear arms provision. Objections to Articles, VA. SEN. J. 61-65 (Dec. 12, 1789). Virginia forestalled adoption of the bill of rights until the end of 1791. Nor did the Massachusetts General Court, which rejected the bill of rights, object to the arms bearing provision in its verbose Report of the Committee of the General Court on Further Amendments. *See* Report reprinted in MASSACHUSETTS AND THE FIRST TEN AMENDMENTS 25-29 (D. Myers ed. 1936).

[92] Remarks on the Amendments, Fayetteville Gazette, Oct. 12, 1789, at 2, col. 1.

[93] The Gazette of the United States, Oct. 14, 1789, at 211, col. 2.

[94] "A bill of rights for freemen appears to be a contradiction in terms . . . . [I]n a free country, every right of human nature, which are as numerous as sands upon the sea shore, belong to the quiet, peaceable citizen." Federal Gazette, Jan. 5, 1790, at 2, col. 3. "The absurdity of attempting by a bill of rights to secure to freemen what they never parted with, must be self-evident. No enumeration of rights can secure to the people *all* their privileges . . . ." Federal Gazette, Jan. 15, 1790, at 3, col. 3. This article ridiculed a bill of rights as analogous to conveying a house and lot but excepting out of the grant an enumeration of other houses and lots retained by the seller.

[95] Speech of Jan. 7, 1790, Boston Independent Chronicle, Jan. 14, 1790, at 3, col.—.

[96] Providence Gazette & Country Journal, Jan. 30, 1790, at 1, col.—.

[97] Letter from Theodorick Bland to Patrick Henry (March 19, 1790), PATRICK HENRY, *supra* note 68, at 417-18.

[98] "A well regulated militia is the best defence to a free people, a standing army in time of peace are not equal to a well regulated militia." Political Maxims, Independent Gazetteer, July 24, 1790, at 2, Col. 1. "Where a standing army is established, the inclinations of the people are but little regarded." Political Maxims, Independent Gazetteer, July 31, 1790, at 2, Col. 2.

[99] *E.g., Summary of the Principal Amendments Proposed to the Constitution*, post May 29, 1790 Ms. College of Wm. & Mary, Tucker-Coleman coll., Box 39b notebooks, Notebook VI, at 212-22.

[100] Providence Gazette and Country Journal, June 5, 1790, at 23.

[101] Independent Gazetteer, Jan. 29, 1791, at 2, col. 3.

Mr. ABDNOR. Mr. President, I rise to speak in support of the legislation offered by Senator MCCLURE, and I want the record to reflect that I have supported this legislation since the days when I served in the House of Representatives. I have been particularly concerned about the tendency of courts and the Department of Justice to misconstrue some of the provisions of existing Federal law. I believe this bill and my remarks will clarify the intent with which those provisions were adopted.

When the Congress enacted the Gun Control Act of 1968, it contained a requirement of firearm dealer licensing which was begun with the 1938 Federal Firearms Act. That provision, as codified today in title 18, United States Code, section 922(A)(1) provides that:

> It shall be unlawful—for any person, except a licensed * * * dealer, to engage in the business of * * * dealing in firearms or ammunition * * *.

The act defined "dealer" as including "any person engaged in the business of selling firearms or ammunition." These persons were required to pay a $10 occupational tax to the Treasury and to maintain records of their firearm inventory and disposition. When Congress enacted that bill it clearly had in mind the ordinary and common definition of a dealer—a person to whom firearms transactions were a business—a regular livelihood, rather than one who owned for his own sport or pride, a firearms collection. It seemed unlikely that so small a burden would pose any serious problems for gun owners. But the sad fact is that these vague legal definitions have created problems for ordinary American gun owners, hobbyists, and collectors.

The statute "requires no minimum number of sales, dollar volume of sales, or number of employees to constitute engaged in the business." The end result is tremendous confusion over who should possess a FFL license and who need not, and I am glad that this legislation will once and for all end this nightmare for legitimate gun owners.

Mr. President, the reason I am so concerned about this legislation being enacted into law is the awful situation that Florida businessman Howard Shaw was placed in when the U.S. attorney in Jacksonville, FL, and the FBI, and the Department of Justice decided to go after him for minor inadvertent technical violations of the Gun Control Act of 1968, although President Reagan, Attorney General Meese, former Deputy Assistant Secretary of Treasury Powis and BATF Director Higgins have all made crystal clear that this administration will not make felons out of otherwise law-abiding gun owners and dealers. The U.S. attorney in northern Florida with full knowledge of the administration policy to the contrary chose to prosecute Howard Shaw for negligent and inadvertent recordkeeping errors. The

Department of Justice indicted Mr. Shaw on 88 recordkeeping errors which would have sent him to jail for 440 years and cost him $440,000. Let me say right now that BATF looked at this situation with respect to Mr. Shaw and would have nothing to do with it. As a matter of fact internal BATF memorandums state that the "alleged violations were technical and minor and would not have met the ATF standards for a full FFL criminal investigation."

Mr. President, I want to tell the Senate about this Shaw case because hopefully the legislation we pass today will prevent an injustice like this from happening again.

The case began in the summer of 1983 when Shaw, a successful businessman and skeet shooting champion, was called to testify before a grand jury in Tampa investigating political corruption of public officials in north Florida. Shaw, who was not a suspect in the case and who had no knowledge of the alleged activities, refused to testify.

Immediately thereafter, the U.S. Department of Justice and agents from the FBI seized Shaw's business records and his records as a federally licensed firearms dealer.

In September, a grand jury indicted Shaw, alleging 86 counts of recordkeeping errors and two counts of misstatements to inspectors of the Bureau of Alcohol, Tobacco and Firearms during a routine compliance check in 1978. According to court documents, all 86 recordkeeping counts charged that Shaw waited more than 1 day to record firearms sales and acquisitions, a Federal felony under the Gun Control Act. All the guns involved were high-priced collectors items, primarily shotguns Shaw used for competitive shooting. The other two counts were minor errors which BATF testified it felt no need to pursue. Each count carried a maximum penalty of 5 years in jail and/or a $5,000 fine.

While BATF had no interest in the case, the Justice Department embraced it with a vengeance. In addition to subpoenaing Shaw's business and FFL records, the Department of Justice would not allow Shaw to touch a gun or hunt while the matter was in litigation. Isn't that a touching deprivation of liberty?

On February 6, 1984, Shaw went on trial in the U.S. District Court for the Middle District of Florida. Shaw maintained he was unaware of Federal requirements which stipulated that gun transfers must be recorded within 1 day, and it was pointed out in court that Shaw did keep paperwork necessary to conduct a firearms trace if BATF requested one.

On February 8, U.S. District Court Judge Susan H. Black dismissed 3 of the 88 counts, but ruled that the other 85 must be decided by the 12-member jury. After only 2 hours deliberation, the jury chose a foreman and voted unanimously for acquittal on the first ballot.

After the acquittal, jury foreman Harry Sieman told the press that, "We didn't find any criminal intent in this case. It was just sloppy recordkeeping but no wrongful intent to deceive."

According to the Florida Times-Union, one juror, who asked not to be identified, said prosecutors had "an untold motive" in bringing the case. "It sounded like they couldn't get him on anything else so they charged him with this," the paper quoted the juror as saying.

Mr. President, the National Rifle Association is just as upset about the prosecution of Howard Shaw as I am. In Milwaukee, WI, on May 29, 1984, the Board of Directors of the NRA passed a resolution alleging that the Shaw case was an abuse of prosecutorial discretion and requested U.S. Senate hearings. I hope they get those hearings. I want the Senate, and the country, to know that the Department of Justice in this administration, in effect imposed a $100,000 fine upon Howard Shaw, for that was the amount he had to pay his lawyers for his successful defense in fighting off 440 years in prison and $440,000 in fines.

Mr. President, I ask that this NRA resolution be printed in the RECORD at the conclusion of my remarks, and I urge speedy adoption of this legislation and its enactment and signing into law by President Reagan. The last thing we want is another Howard Shaw case.

Mr. President, I ask unanimous consent that the attached resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, Howard Shaw was indicted by a Federal Grand Jury for the Middle District of Florida on 86 counts of violation of the Gun Control Act of 1968, which consisted solely of minor, inadvertent and technical record-keeping errors under the Gun Control Act of 1968, and that none of the counts involved fraud; and

Whereas, The entire prosecution of Mr. Shaw was carried out as a totally criminal manner in the United States District Court for the Middle District of Florida, without following Bureau of Alcohol, Tobacco and Firearms guidelines, and exposed Mr. Shaw to 440 years in prison, and $440,000 in fines, and damaged both his business and personal reputation in the community; and

Whereas, The present Administration has stated "That in the past firearms regulators have too often lost sight of their ultimate objective and have misused their authority to search for minor technical infractions by otherwise law-abiding sportsmen, collectors, and dealers instead of concentrating on firearms violations by criminals. The Administration's policy, therefore, is to redirect its enforcement focus away from the former toward the latter."; and

Whereas, The prosecution of Howard Shaw is a good example of the gross and flagrant abuses which are possible under the current Gun Control Act of 1968; and

Whereas, Mr. Shaw was acquitted of all counts not dismissed by the courts; and

Whereas, We believe that this prosecution was contrary to the policies of the President, was contrary to the policies of the Department of the Treasury and the Bureau of Alcohol, Tobacco and Firearms, the law enforcement agency with primary jurisdiction over the Gun Control Act of 1968, and constituted a flagrant abuse of prosecutorial discretion; now, therefore, be it

Resolved, That the U.S. Senate Judiciary Committee be urged to hold hearings as to whether the indictment of Mr. Shaw was an abuse of prosecutorial discretion and contrary to the guidelines and policies of the Department of the Treasury and Bureau of Alcohol, Tobacco and Firearms and that the Senate Judiciary Committee make recommendations with a view to taking action against any responsible parties and preventing a recurrence of this or similar actions; and, be it further

Resolved, That NRA transmit this resolution to the President of the United States, Attorney General of the United States, Secretary of the Treasury and appropriate United States Senators on the Judiciary Committee, with appropriate covering letters urging action on this matter.

Mrs. HAWKINS. Mr. President, there was an article recently in the National Rifle Association's Monitor magazine which revealed the results of the most recent Department of Justice report on violent crime. These results are horrifying: Last year, nearly 1 in 4 U.S. households was victimized by violent crime.

According to the Bureau of Justice Statistics of the Department of Justice, urban residents fell victim to crime more often than those living in suburban or rural areas. In 1984, 1 out of 53 urban households was victimized by rape, robbery, or aggravated assault, compared to 1 in 111 suburban households. Only 1 in 200 rural households suffered a violent crime in 1984.

Although the total number of crime victims decreased in 1984, the Bureau of Justice statistics indicated that the number of households having a member victimized by rape increased by 33,000 compared to 1983.

Mr. President, these statistics represent an unacceptable situation. That is why I am working toward obtaining passage of S. 49, the Firearm Owners Protection Act of 1985. This proposal, considered by the full Senate today, is seen by many as vital to the protection of law-abiding gun owners and dealers throughout the country. With the violent crime that victimizes so many of American households, we must make sure that our right to self-protection is guaranteed. Under the present ambiguous language found in the Gun Control Act of 1968, this guarantee is not clearly provided. S. 49 would rectify this situation.

This proposal, introduced by my friend and colleague, Senator

MCCLURE, and cosponsored by me, is designed to accomplish the following:

Define "engaged in the business" of dealing in firearms to clarify who needs a Federal firearms license. Collectors who make occasional sales from their collections would not need a license;

Require that criminal intent be proved before citizens could be prosecuted for inadvertent violations of Federal firearms laws;

Protect against unreasonable search and seizure by requiring that reasonable cause exists before an inspection of dealer records;

Guarantee the return of all confiscated firearms after dismissal or acquittal of charges;

Clarify the law regarding dealer transactions from private collections;

Ease interstate sales of firearms—face-to-face transactions could take place as long as they are legal in the State of transfer and the State to which the gun is to be taken;

Allow interstate transportation of unloaded, inaccessible firearms;

Require mandatory minimum prison sentences for those convicted of using a gun during the commission of a crime.

Also, the Firearms Owners Protection Act of 1985 would redirect the efforts of the Bureau of Alcohol, Tobacco, and Firearms against criminals who misuse guns. The Agency has admitted that only 10 percent of its cases in recent years have been against felons in possession of guns or those selling to them.

S. 49 will not weaken existing Federal gun laws, but rather will strengthen provisions that prohibit certain classes of citizens from owning, possessing, or selling firearms. Persons in that class include criminals, adjudged mental incompetents, illegal aliens, dishonorably discharged military personnel, and drug or alcohol abusers.

Mr. President, in total, this worthy proposal will provide all the protections necessary for law-abiding citizens that are missing from existing law. It would also strengthen current law by adding provisions directed against criminals and others who misuse firearms. I urge my colleagues not only to offer their support of S. 49, but also their active efforts to achieve this legislation's expeditious passage.

Mr. LAXALT. Mr. President, the right of Americans to own firearms has been recognized since the founding of our country. It is emphatically guaranteed against Federal encroachment by the second amendment. If this right is to be restricted or qualified in any way, the burden of showing the necessity for such qualification and the effectiveness of any proposed solution must be placed on those who propose it.

Consequently, I rise today in support of Senator MCCLURE's proposed legislation to amend the Gun Control Act of 1968 an restore the constitutional rights of honest, legitimate gun owners, and gun dealers. When Congress enacted the Gun Control Act, its intended purpose was to curtail criminal activity involving the misuse of firearms, not to place unnecessary restrictions on law-abiding citizens. The act clearly states:

> It is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens of law-abiding citizens with respect to the acquisition, possession, or use of firearms for the purpose of hunting, trapshooting, target shooting personal protection, or any other lawful activity. * * *

The 1968 act has, however, created numerous administrative and enforcement problems because of poor draftsmanship. As outlined in testimony before the Senate Judiciary Committee, the enforcement of the act's restrictions has resulted in infringements of basic individual civil liberties, such as abusive search an seizure practices and unwarranted prosecutions for mere technical violations of the law. S. 49 addresses these problems; it seeks to direct law enforcement efforts toward those firearms transactions most likely to contribute to violent crime.

The Federal Firearms Owners' Protection Act is a comprehensive, well-rounded package of badly needed legislation. This bill clearly defines the statutory phrase "engaged in the business," to enlighten individuals involved in firearms transactions as to exactly who needs a Federal firearms license. The bill also establishes clear procedures for the sale and transfer of firearms. Current law is ambiguous in its requirements, ensnaring many people who have neither the desire nor the intent to violate the law.

S. 49 seeks to tighten and make consistent the classification of "high risk" individuals who may not own or possess a gun. Moreover, this bill would strengthen existing criminal laws by authorizing mandatory minimum prison sentences for criminals convicted of Federal crimes involving firearms. By directing the punishment at those who commit criminal offenses, these laws as amended by S. 49 would properly punish those who abuse gun ownership and possession without infringing upon the constitutional liberties of sportsmen and legitimate gun owners.

Would-be criminals and potential murderers must be aware that we will not tolerate the continuing threat of violent crime. We should not be held hostage by the criminal, nor should we be held hostage by overly restrictive and unpopular gun control laws. Therefore, I ask my colleagues in the Senate to join me in supporting Senator MCCLURE's efforts.

Mr. GARN. Mr. President, I rise in strong support of S. 49. This bill helps to reestablish the protection of the right of American citizens to keep and bear arms. It moves the gun laws of this country much closer to fulfilling the purpose of the Gun Control Act of 1968 outlined in section 101:

> It is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity. * * *

Indeed, S. 49 is designed to deter criminals from using firearms when committing a crime. It does this by establishing a mandatory prison term for the use of a firearm in a violent crime of a minimum sentence of 5 years, with no parole or work release. Just as importantly, the bill is designed not to burden law-abiding citizens who wish to purchase a firearm for their own use and/or protection.

It is currently law that a convicted felon may not own or possess a gun. Yet, crimes continue to be committed by convicted felons with guns. The measures now in place because of the Gun Control Act of 1968 are not preventing criminals from obtaining firearms. They are, however, harassing and inconveniencing law-abiding citizens who wish to purchase firearms.

This bill seeks to strengthen our constitutionally guaranteed right to keep and bear arms. Richard Henry Lee, who was a delegate to the Continental Congress, initiator of the Declaration of Independence and a member of the first Senate which passed the Bill of Rights, said:

> To preserve liberty, it is essential that the whole body of people always possess arms, and be taught alike, especially when young, how to use them.

While the historical context of this statement makes such a remark understandable, the intent of Congress and the thinking of the time is clear. All citizens have a right to keep and bear firearms, a right that the Government should protect and encourage—not stifle.

Often, citizens of the United States are purchasing firearms for the express purpose of self-defense. There are many people, myself among them, who feel that the overbearing regulations and intimidating paperwork that go along with the concept of gun control only deter those who would be protected by having firearms, rather than those who would use a gun to perpetrate a violent crime. We must pass this legislation to alter this unjustifiable situation.

The merits of this bill are many, and I urge my colleagues to support this much-needed reform.

Mr. DENTON. Mr. President, the time is long overdue for Congress to take action to put an end to the many inequities and hardships that result to

law-abiding citizens from the questionable law enforcement practices that have been used to implement the Gun Control Act of 1968. S. 49 is designed to do just that.

The bill has been thoroughly scrutinized from every point of view for 6 years. As a result of this extensive review and the untiring efforts of Senator McCLURE, we have a laudable piece of legislation that will help to strike the appropriate balance between the constitutional rights of law-abiding gun owners and dealers, on the one hand, and legitimate law enforcement interests, on the other. The bill represents a major step toward the modernization of our current laws to prevent the recurrence of the many abuses of the law which have been documented in detail before Judiciary Committee hearings.

In a time of increasing violent crime, it is the duty of the Government to enact and enforce laws that will serve to protect our citizens through the imposition of swift, severe, and certain penalties on people who use firearms in connection with violent crimes. At the same time, the laws must be carefully fashioned both to protect the interests of law-abiding citizens and to preserve the necessary tools for effective law enforcement. S. 49 is the best effort we have toward accomplishing that task.

In retrospect, we know that the Gun Control Act of 1968, although well-intentioned, was rushed into law in an emotional response to a series of assassinations. As hearings have shown, the effect of the Gun Control Act of 1968 has been to subject honest firearms owners and dealers to unnecessary harassment while having no discernible effect on the use of firearms in violent crime.

Mr. President, the bill would make many significant changes to our current gun laws. Rather than talk about all of the changes, let me just mention what, in my mind, is one of the most significant provisions of the bill. That provision is section 104, which incorporates, with some modification, language from the Comprehensive Crime Control Act of 1984 to provide for a mandatory, determinate sentence for any person who uses or carries a firearm in furtherance of a violent crime.

I say that it is a particularly significant provision not because it will have any greater or more significant effect than the other provisions but because it embodies the essence of the entire legislative effort: The redirection of our law enforcement resources away from law-abiding gun owners and dealers toward those criminal elements and events that cause so many citizens to be afraid to walk the streets at night.

Mr. President, the bill has received broad support. It currently has 51 cosponsors in the Senate and 125 cosponsors in the House. I encourage my colleagues to continue to support the bill in the hope that we can move it swiftly through the 99th Congress and strike a major blow against crime.

Thank you, Mr. President.

AMENDMENT NO. 437

Mr. HATCH. Mr. President, I send an amendment to the desk on behalf of Senators SYMMS and METZENBAUM—or perhaps METZENBAUM and SYMMS—and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Utah, [Mr. HATCH], for Mr. SYMMS and Mr. METZENBAUM, proposes an amendment——

Mr. HATCH. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, strike out lines 5 through 14 and insert in lieu thereof the following:

TRANSPORTATION OF FIREARMS

SEC. 107. (a) Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation promulgated by any State or political subdivision thereof.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating of section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I thank the distinguished Senator from Utah for solving a dispute over authorship. If there has been any misunderstanding over it, it certainly was not the intention of this Senator.

The intent of this amendment that I have been working on with the distinguished floor leader of the bill is to protect the second amendment rights of law-abiding citizens wishing to transport firearms through States which otherwise prohibit the possession of such weapons. As written, S. 49 nullifies all State and local law and regulations which prohibit, or have the effect of prohibiting, interstate transportation of firearms or ammunition through such States. Such language is needed because citizens currently are unable to transport firearms through those States and local jurisdictions which ban firearm possession.

Some Senators have expressed concern, however, that the preemptive language of S. 49 could cause unnecessary confusion. They have been concerned that the current language of S. 49 may cloud the applicability of State and local regulations enacted to prevent the carrying of loaded and concealed weapons.

Therefore, rather than preempt all State and local regulations that prohibit the transportation of firearms and ammunition, this amendment would change section 107 to confer a right of interstate transportation of firearms. This amendment will allow law-abiding citizens to transport firearms safely through any State or municipality in the course of interstate travel. It, therefore, meets the objective of the preemptive language in S. 49 without causing unnecessary confusion about the ordinances to be preempted.

The PRESIDING OFFICER. The Senator from Idaho will suspend. The agreement provided that the amendment on interstate transportation would be offered by the Senator from Ohio [Mr. METZENBAUM]. Therefore, the Senator from Idaho is out of order.

Mr. HATCH. Mr. President, this agreement, if I recall, if the Chair will let me intervene, I think provided that either the Senator from Idaho or the Senator from Ohio would propose it. I think I presented the amendment on behalf of the—if you read the time agreement——

The PRESIDING OFFICER. The agreement provides specifically for an amendment offered by Senator METZENBAUM modifying the preemption provisions, 1 hour.

Mr. HATCH. Mr. President, I ask unanimous consent that we handle it in the way that I sent the amendment to the desk, and we have both Senators; both of them should be treated equally as far as being sponsors of this amendment. The actual agreement was for an amendment offered by Senator METZENBAUM modifying the preemption provisions, 1 hour.

The PRESIDING OFFICER. Does the Senator from Ohio offer this amendment?

Mr. METZENBAUM. I would have to object to that. The fact is that the Senator from Ohio is in extensive negotiations with respect to this matter and agreed not to discuss at great length the motion to proceed with this issue. I have no objection to proceeding with the understanding that it is the Metzenbaum amendment that is being offered and I would be delighted to have the Senator from Idaho as a cosponsor of the Metzenbaum amendment.

The PRESIDING OFFICER. The Senator will suspend while I state the agreement. The record shows that this

amendment may be offered by either the Senator from Idaho or the Senator from Ohio but not by the Senator from Utah.

Mr. METZENBAUM. Let me make a parliamentary inquiry whether or not, on page 2 of the Calendar of Business, it does not provide in a unanimous-consent agreement that there be an amendment offered by Senator METZENBAUM modifying the preemption provisions, 1 hour. Is that not controlling?

The PRESIDING OFFICER. The Senate Journal is the final arbiter of Senate procedure. The Senate Journal clearly states that either the Senator from Ohio [Mr. METZENBAUM] or the Senator from Idaho [Mr. SYMMS] present the amendment.

Mr. SYMMS. Mr. President, who has the floor?

The PRESIDING OFFICER. At the moment, the Senator from Idaho has the floor.

AMENDMENT NO. 438

(Purpose: To provide a substitute for the preemption provisions)

Mr. SYMMS. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Ohio and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Idaho [Mr. SYMMS] for himself and Mr. METZENBAUM, proposes an amendment numbered 438.

On page 29, strike out lines 5 through 14 and insert in lieu thereof the following:

TRANSPORTATION OF FIREARMS

SEC. 107. (a) Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926a. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation promulgated by any State or political subdivision thereof.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926a. Interstate transportation of firearms.".

Mr. SYMMS. Mr. President, I just say that whoever wants credit for this amendment, there are 100 Senators here; I am willing for all Senators to have credit. I am interested in the results and what we are trying to do in this bill. If there is any misunderstanding, I certainly apologize to my colleagues who have assumed certain things.

I have the June 24, RECORD. On page S8685, it clearly states that the amendment will be offered by either Senator METZENBAUM or Senator SYMMS, modifying the preemption provisions. I certainly hope there are no hard feelings.

I ask unanimous consent that I may go on with my remarks. Then I ask unanimous consent that my earlier remarks be added to this speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, the intent of this amendment that I have been working on with the distinguished floor leader of the bill is to protect the second amendment rights of law-abiding citizens wishing to transport firearms through States which otherwise prohibit the possession of such weapons. As written, S. 49 nullifies all State and local law and regulations which prohibit or have the effect of prohibiting interstate transportation of firearms or ammunition through such States. Such language is needed because citizens currently are unable to transport firearms through those States and local jurisdictions which ban firearms possession.

Some Senators have expressed concern, however, that the preemptive language of S. 49 could cause unnecessary confusion. They have been concerned that the current language of S. 49 may cloud the applicability of State and local regulations enacted to prevent the carrying of loaded and concealed weapons.

Therefore, rather than preempt all State and local regulations that prohibit the transportation of firearms and ammunition, this amendment would change section 107 to confer a right of interstate transportation of firearms. This amendment will allow law-abiding citizens to transport firearms safely through any State or municipality in the course of interstate travel. It therefore meets the objective of the preemptive language in S. 49 without causing unnecessary confusion about the ordinances to be preempted.

Mr. President, in a June 18, 1985, editorial, the Washington Post called this meritorious provision "an all-or-nothing provision allowing all sorts of dangerous or untrained handgun packers to roam anywhere." I was not surprised by the inaccuracy of the statement or the inflated rhetoric used. The problem is that the Post is talking about apples in a bowl of oranges. My amendment and the bill to which it is attached seek to protect the rights of law-abiding citizens wishing to transport firearms which are both unloaded and not readily accessible.

The rationale of my amendment is quite simple. There is no reason for us to prevent law-abiding sportsmen and hunters from changing their State of residence or attending a sporting event in another State simply because they are forced to avoid entire States in their travels. That is really what this is all about, Mr. President.

The argument that this amendment will hamper law enforcement efforts is fallacious. A firearm kept in a compartment where it is both not readily accessible and not loaded should not be subject to State and local firearm possession restrictions. Of course, once the firearm is loaded and/or removed from the compartment, or otherwise becomes accessible to the carrier, it cannot legally be transported in interstate commerce under this legislation.

Some may argue that an unloaded and inaccessible handgun poses a greater danger that a long gun in the same conditions. However, a hunter's not readily accessible, unloaded handgun constitutes no greater threat than an Olympic marksman's inaccessible, unloaded rifle.

These, Mr. President, are the reasons why I have offered this amendment today. I do not seek to invalidate State and local laws regarding firearm possession. Rather, my amendment confers a right on law-abiding citizens to transport their firearms through States otherwise prohibiting them from possessing such weapons. Nor does my amendment overturn State restrictions on the possession of concealed and/or loaded handguns. Handguns which are unloaded and inaccessible pose no danger either to local citizens or law enforcement officials.

The second amendment rights of law-abiding citizens transporting their firearms must be upheld. I believe this amendment accomplishes this goal.

Mr. President, this bill has been a long time coming. My distinguished senior colleague, Senator MCCLURE, certainly deserves the praise and support of all of us, along with the distinguished floor manager of the bill, the Senator from Utah. I compliment both of them. I know, from my personal friendship and working with the distinguished senior Senator from Idaho, that he has worked long and hard and very ably to get to this point today. I urge passage of the bill. I urge passage of this amendment. I urge all my colleagues to stay with the leadership and the committee on this legislation because I believe they have done a good job for the individual rights and the protection of the second amendment to the Constitution. It is an important piece of legislation. It will be landmark legislation. I appreciate the work my colleagues have done. I know I speak for the many thousands of constituents in my State—legitimate firearms dealers, sportsmen, and others who are law-abiding citizens who have had unnecessary harassment from BATF in the enforcement of the 1968 Gun Control Act. I think this will put the focus where it should be, on the criminals, and will allow the law-abiding citizen to exercise his constitutional rights.

I say again my compliments to my colleagues who have made this possible. I yield the floor.

51-059 O-86-29 (Pt. 13)

Mr. HATCH. Mr. President, I rise in support of this amendment, and I heartily congratulate my colleagues, Senators SYMMS and METZENBAUM, for the leadership they have shown in bringing this amendment to the floor. I congratulate Senator SYMMS for sponsoring S. 45, a bill with many similar objectives to this amendment, and, of course, both Senators METZENBAUM and SYMMS for offering this amendment to S. 49.

This amendment by Senators METZENBAUM and SYMMS will grant a right of interestate transportation to law-abiding firearms owners who may be traveling with an unloaded firearm which is not readily accessible through a State or local jurisdiction that forbids firearm possession or carrying.

Many firearm owners currently travel through Massachusetts or some localities, like New York City, where local laws may forbid possession of firearms and may be used to harass interstate travelers of commerce. These travelers may be on their way through the locality on a hunting trip or on the way to a marksmanship competition or simply on their way to a new home in a distant State. If these travelers are detained in a speeding violation, for example, and local authorities discover a firearm that is unloaded and not readily accessible, they may still be prosecuted for violation of a local ordinance banning possession or carrying of a firearm. This amendment will correct that injustice.

S. 49, as introduced, dealt with this problem by preempting these State statutes to the extent they were inconsistent with this right of interstate transportation of unloaded and less accessible firearms. In fact, this original provision would not have nullified any of the 30 or so State statutes regulating carrying of a firearm because these State statutes governed intrastate carrying of concealed and loaded weapons while S. 49 concerned only interstate transportation of unloaded and not-readily-accessible weapons. Nonetheless, this amendment creating a right to interstate transportation is a far more efficient means of achieving a goal for which they and others have worked for years. I commend them again for this worthy amendment and urge my colleagues to approve this amendment.

Mr. President, will the Senator from Idaho join the Senator from Utah in a brief colloquy in order to clarify the scope of his amendment?

Mr. SYMMS. I will be happy to engage in a colloquy with my distinguished colleague, the floor manager for the bill.

Mr. HATCH. I thank the Senator. First, let me say that I am pleased to be a cosponsor of this amendment. I believe it meets the concerns voiced by some Members regarding the preemptory language in section 107 of the bill. Rather than declaring certain State laws "null and void," this amendment simply confers on all law-abiding citizens a right to transport their firearms in a safe manner in interstate commerce. This is a legitimate and appropriate use of Congress' constitutionally delegated authority to regulate interstate commerce.

While the amendment clearly allows, individuals to transport firearms while traveling between States, it is the Senator's understanding that the amendment also would allow an individual to have his or her fireams shipped from one State to another by a commercial moving company?

Mr. SYMMS. I thank the Senator for his question and his supportive remarks. It is my understanding that the amendment would allow individuals to ship firearms between States as long as the firearms are unloaded and not readily accessible to the moving company employees responsible for transporting them. The amendment would protect the individual shipper, the moving company, and its employees from liability under any State or local laws which would otherwise prohibit the interstate transport of firearms through their jurisdictions. Thus, the legislation would allow individuals moving from one State to another to have a moving company ship their firearms along with their personal and household property.

Mr. HATCH. I thank the Senator for his remarks, and I concur with his understanding of the scope of the amendment.

Mr. METZENBAUM. Mr. President, we can accept the amendment on this side of the aisle, and I share the Senator's understanding of the applicability of this amendment to individuals shipping firearms by moving van when those firearms are unloaded and not readily accessible.

The PRESIDING OFFICER. Has the Senator from Utah yielded the floor?

Mr. HATCH. I yield to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, there seemed to be some confusion about this amendment, and the Senator from Ohio will explain his perception of it.

When the leadership of the Senate indicated his intent to move forward with the gun control bill, some Senators including myself, felt very strongly that it was a bad bill—it is still a bad bill. It will be a bad bill when this amendment is accepted—but that it might be made somewhat better. It is a bill that had no hearings. It is a bill that was introduced and held at the desk.

And so, when a motion was made to proceed, I had no difficulty in indicating my concerns and that I intended to explain to the Members of the Senate, as well as the people of this country, how we were proceeding in connection with this legislation. As is normal, not unusual, in the processes of the Senate, there then developed an extended period of negotiations. Out of these negotiations, the Senator from Ohio and the sponsors of this legislation as well as the leadership of the Senate came to an understanding that two amendments would be accepted. One of the amendments had to do with the import of parts for guns that are not to be used for sporting purposes. When the motion to proceed was taken up the other day, I had come to an understanding and agreement and felt that it was appropriate that I leave to catch a plane. The Senator from Utah was to introduce those amendments on my behalf.

Now with no disrespect to the Senator from Utah, who is my friend and an extremely honorable man, I think some misunderstanding developed at that point because I think that while the Senator from Ohio was negotiating with some Members of the Senate and the leadership on this issue of section 107, the Senator from Utah was at the same time negotiating with the Senator from Idaho. The Senator from Ohio was not aware of that fact and I guess would have been as surprised as I was today when I came to the floor of the Senate to find that the Senator from Idaho and the Senator from Ohio were so much in accord that we were in disagreement as to who was to offer the amendment, because we do come from a different posture with respect to the overall aspects of the bill. But having said that, let me address myself to the issue itself.

Section 107 of the bill, whether intended or not, has a potentially disastrous effect on State and local laws because it risks invalidation of many of those laws.

In particular, the bill, if enacted in its current form without the amendment, would make null and void any State or local statute or regulation which has the effect of prohibiting the transportation of a firearm or ammunition in interstate commerce through such State when such firearm is unloaded and not readily accessible.

That meant no limits whatsoever except that the firearm could not be loaded.

The effect of this broad language is to drastically alter the current relationship between the States and the Federal Government in the area of regulating firearms because currently section 927 of title 18 of the United States Code provides that no provision of current Federal gun control laws shall be construed as indicating a congressional intent to preempt State laws unless there is an irreconcilable conflict between State and Federal laws.

In other words, Congress recognized that States and localities may decide to regulate the ownership and transportation of firearms, and the intent of Congress was that these laws should remain in effect unless there was no possible way of resolving a conflict between State and Federal law.

S. 49 in its current form, however, would totally nullify State laws under a broad range of circumstances. For example, State licensing laws that prohibit the carrying of firearms without a permit may be construed as prohibiting the transporting of a firearm through the State. In such a case, section 107 in S. 49 would nullify the law entirely. Consequently, rather than simply create a defense to an individual prosecution, the statute would be nullified in all circumstances.

The purpose of this amendment is to make clear that it is the intention of Congress that State and local statutes and regulations shall remain in effect except that in certain narrow circumstances involving travel through one or more States other than the State of residence, a defense is available to prosecutions under State and local gun control laws.

The circumstances under which a defense would be created under this amendment are limited to cases where a person is transporting a firearm in interstate commerce and the firearm is unloaded and not readily accessible. For example, under this amendment a person traveling through a State who keeps an unloaded firearm locked in the trunk of his car would not be liable in a State prosecution under State law for carrying a weapon without a State license. This amendment would not prevent a conviction: First, if the firearm were loaded during the period when the person traveled through the State; second, if the person reached his destination within the State; third, or if the firearm was moved to an accessible position, for example, into the interior of the automobile. If any of the circumstances required by this amendment are no longer present, State or local laws are fully applicable and no defense to a prosecution under this amendment is available.

This amendment will insure that State and local laws are given their full effect, subject only to the justifiable exception involving the transporting of a firearm through the State when it is unloaded and not reasonably accessible to a potential user.

Mr. President, I ask unanimous consent that a very helpful and thorough analysis of the problems raised by section 107 of S. 49, prepared by the law firm of Wilmer, Cutler & Pickering, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANALYSIS OF SECTION 107 OF MCCLURE-VOLKMER BILL

Section 107 of the McClure-Volkmer Bill, S. 49, a provision relating to the preemption of state law, could, if enacted, trigger a fundamental restructuring of the present relationship between state and federal authority in one important area of firearm regulation. This provision, which would preempt certain restrictions by states on the transportation of firearms in interstate commerce, could nullify, in whole or in part, as many as twenty-one state "license to carry" laws or other state statutes prohibiting the carrying of firearms.

State license to carry statutes require persons wishing to carry handguns, or in a few instances other firearms, within that jurisdiction to obtain a permit before doing so. The comprehensiveness of such schemes varies considerably from state to state. Several states restrict the carrying of a handgun only if concealed on one's person; others contain broader restrictions prohibiting the carrying of a firearm in any manner without a license. Still other statutes contain specific language restricting the vehicular transportation of handguns. Most of the licensing schemes carve out exemptions from their requirements for certain classes of gun carriers, such as hunters and target shooters, common carriers, licensed gun dealers or their agents, nonresidents with permits to carry from another state, and individuals traveling from place of purchase or repair. Some states qualify their exemptions with specific requirements as to the manner in which a firearm may be carried.

Currently, all questions relating to federal preemption of state firearms laws are governed by section 927 of Title 18 of the United States Code. This section provides:

"[N]o provision . . . shall be construed as indicating an intent on the part of the Congress to occupy the field in which such provision operates to the exclusion of the law of any State on the same subject matter, unless there is a direct and positive conflict between such provision and the law of the State so that the two cannot be reconciled or consistently stand together."

18 U.S.C. 927 (1984). Proposed section 107 of the McClure-Volkmer Bill would create the following exception to section 927:

"Provided, however, That any provision of any legislation enacted, or of any rule or regulation promulgated, by any State or a political subdivision which prohibits or has the effect of prohibiting the transportation of a firearm or ammunition in interstate commerce through such State, when such firearm is unloaded and not readily accessible, shall be null and void."

While the intent of proposed Section 107 may be only to prevent states from applying their license to carry laws to prohibit interstate travelers from transporting unloaded and inaccessible firearms through such states, its language could be read to extend far beyond this limited purpose. As a result, enactment of Section 107 potentially could result in the preemption of state license to carry statutes in their entirety or as they pertain to any form of firearm transportation within a vehicle.

Proposed Section 107 would render "null and void" not only those statutory provisions which directly "prohibit[]" the transportation in interstate commerce of an unloaded, not readily accessible firearm, but also those that "ha[ve] th[is] effect." As a result, if any provision of a state license to carry law or other statute prohibiting carrying intrudes to any extent upon the federal right to transport firearms created by Section 107, that provision will be struck down by Section 107, not just as the state statute is applied to restrict the interstate transportation of an unloaded, not readily accessible firearm, but in its entirety.

Twenty-one of the states with license to carry laws or other prohibitions on carrying may place some restriction on the interstate transportation of unloaded, not readily accessible firearms. Many of these states, such as California, Pennsylvania, Michigan, and Massachusetts, have statutes which specifically prohibit the vehicular transportation of a handgun without a license, as well as other forms of carrying, and contain exceptions to their proscriptions which may not be broad enough to encompass all conceivable types of interstate transportation of unloaded, inaccessible firearms. In such cases, Section 107 could preempt that portion of the statute which restricted the transportation of a firearm in a vehicle.

Several other states, such as New York, New Jersey, and Wyoming, have statutes which simply prohibit the carrying of a handgun or other firearm in any manner without a permit and which contain exemptions which may not be broad enough to cover all interstate transportation of an unloaded, inaccessible firearm. These statutes do not contain a provision specifically prohibiting the carrying of a firearm in a vehicle. In such cases, the intrusion on the federal right would derive from the provisions establishing the entire licensing scheme. Since Section 107 could have the effect of rendering those provisions null and void, the entire license to carry schemes in effect in these states could be struck down by operation of proposed Section 107.

Three other states—South Carolina, Virginia, and Utah—prohibit the carrying of handguns in general, subject to certain exemptions, and issue permits to carry only to law enforcement personnel or other individuals whose employment places them in physical danger. The exemptions to these statutes may not be broad enough to include all forms of interstate transportation of an unloaded, inaccessible firearm. Since the intrusion of the federal right here too would stem from the statutory scheme as a whole, Section 107 also could conceivably preempt these statutes entirely. Whether these and many of the other statutes described above would in fact be preempted by Section 107 would depend upon the construction ultimately given to the proposal's unclear language.

While the words of Section 107 are unambiguous in their creation of a federal right of interstate transportation of an unloaded, inaccessible firearm, the provision is far too vague to serve as the basis for preempting state laws coming into conflict with that right, particularly since the section operates to nullify any conflicting state provision. For example, Section 107 does not define the phrase "through such state." Suppose a nonresident traveler with an unloaded, inaccessible gun in the trunk of his automobile spent the night at a roadside motel in State A or stopped there for a few days to visit friends before reaching his ultimate destination in State B. Would State A's statute requiring that individual to have a license to carry be preempted by Section 107?

Moreover, the plain language of Section 107 does not limit its protection of interstate firearms transportation to interstate travel by nonresidents. What if a resident employed as a common carrier drove "through" his home state while making a

coast-to-coast delivery of a cargo of firearms? Or if a resident who owned a summer cottage in a State A purchased a gun in a State B, and drove "through" her home state, State C, to that summer house, stopping in State C overnight? Does Section 107 prevent a state from regulating the carrying of firearms within its own jurisdiction by such residents? Indeed, Utah, for example, exempts all nonresidents who transport unloaded firearms in a case, gun box, gun rack, or locked trunk from its prohibition on carrying of a concealed weapon.[1] If Section 107 does protect these residents described above, the existence of this type of blanket exemption for nonresidents would not be sufficient to protect a state scheme from federal preemption.

Finally, what does Section 107 mean by the words "not readily accessible"? Is it enough to keep the guns locked in a box in the driver's compartment? must they be locked in the trunk? need they be locked in a box in the trunk? will locking them in the glove compartment suffice? Some current state statutes contain specific exemptions for vehicular transportation of firearms if a gun is unloaded and secured in a specified manner. For example, Minnesota authorizes the transportation of a pistol without a permit in a vehicle if the gun is unloaded, and contained in a fastened case, gun box, or securely-tied package.[2] In contrast, Michigan creates an exemption for certain hunters, target shooters, and antique gun holders if their pistols are unloaded and placed in a wrapper or container in the trunk of a vehicle.[3] South Carolina exempts individuals from its general ban on carrying provided only that they secure their pistols in a closed glove compartment or closed trunk.[4] Whether these and other statutory exemptions would be sufficient to enable a state to avoid preemption of its statute would depend upon the interpretation that ultimately was given to the phrase "not readily accessible" in Section 107.

Appended to this Memorandum is a state-by-state analysis of twenty-one state statutes which could be preempted, in whole or in part, by the passage of Section 107. Although this Appendix contains references to a number of cases found to be relevant to the preemption question, the analysis of these state schemes is based primarily upon the language of the statutes themselves, and does not purport to be a comprehensive compilation of all those cases which conceivably could bear on this issue.

[Adrienne Masters—Beth Kramer, a law clerk in the office of Wilmer, Cutler & Pickering, assisted in the preparation of the Appendix to this Memorandum.]

APPENDIX—STATE-BY-STATE ANALYSIS OF IMPACT OF SECTION 107 OF MCCLURE-VOLKMER BILL

ALABAMA

Alabama state law requires that persons obtain an annual permit to carry a pistol in a vehicle or concealed on or about the person, stating in pertinent part: "[n]o persons shall carry a pistol in any vehicle or concealed on or about his person, except on his land, in his own abode or fixed place of business without a license." *Ala. Code* § 13A-11-73 (1982). Although the statute expressly provides a method only for residents to obtain a license to carry, *Ala. Code* § 13A-11-75 (1982), the statute's requirements would seem to apply to non-residents as well,[1] since the statute prohibits any "person" from carrying a pistol. Relevant exemptions to the license to carry law include: (1) any persons engaged in manufacturing, repairing, or dealing in pistols; (2) the agents or representatives of "such person possessing, using, or carrying a pistol in the usuual or ordinary course of business;" (3) any licensed common carrier except taxicabs; and (4) any persons carrying an unloaded pistol in a secured wrapper from place of purchase to home or business, or to place or repair, or when moving. *Ala. Code* § 13A-11-74 (1982).

Although the statute creates several exceptions that limit the applicability of the license to carry law to interstate travelers, these exceptions are not broad enough to include all transportation "through" the state of an unloaded firearm which is not readily accessible. Several classes of interstate travelers would appear to fall outside the above-mentioned exemptions. A hunter or interstate traveler would not be authorized to carry an unloaded and inaccessible firearm without a license unless he happened to be moving or going from place of purchase or repair. Since the scope of the agent exemptions is limited by the phrase "usual and ordinary course of business," certain representatives of such dealers also might not fall within an exemption.[2] Hence, because the statute could in certain circumstances have the effect of prohibiting interstate transportation of firearms, and since there is no severable provision relating solely to interstate travel, it is quite possible that Section 107 could preempt Alabama's license to carry scheme entirely as it relates to carrying a pistol in a vehicle, an integral part of the statutory scheme as a whole.

CALIFORNIA

The California license to carry law provides that it is unlawful for "any person [to] carr[y] concealed within any vehicle which is under his control or direction . . . any firearm capable of being concealed upon the person without having a license to carry such firearm." *Cal. [Penal] Code* § 12025(a) (West Supp. 1985). The statute also prohibits the carrying of a concealed firearm upon one's person. *Id.* § 12025(b). The relevant exemptions to this license to carry law include: (1) transportation by any merchant of unloaded firearms as merchandise; (2) licensed hunters while engaged in hunting or while going to or from hunting expeditions; and (3) members of shooting or antique gun clubs. *Cal. [Penal] Code* § 12027 (West Supp. 1985). Although the statute only specifies the procedure by which residents may obtain a license, *See Cal. [Penal] Code* § 12050 (West 1982), the statute's requirements would seem to apply to nonresidents as well [3] since the statute states that "any person" will be subject to criminal penalties if he or she carries a firearm without a license.

Although the California license to carry scheme contains several broad exceptions, the statute will in several circumstances prohibit the transportation through the state of an unloaded, inaccessible handgun if that weapon is "concealed" in the car. One California court already has held that the placing of a weapon in a closed glove compartment constitutes "concealment." [4] A court could easily apply this logic to conclude that an unloaded handgun in the trunk of the car was "concealed" as well. Although the statute carves out exceptions for licensed hunters and those "transport[ing] firearms as merchandise," an interstate traveler driving through California for some other purpose would be subject to the license to carry requirement. For example, a person who drove "through" the state with a concealed handgun to be used for personal protection upon his or her arrival in another state would be unable to do so without a permit, even if the gun was unloaded and not readily accessible. Since this statute could be construed to restrict the interstate transportation of firearms in these limited instances, it is conceivable that a court could construe Section 107 as presently drafted to nullify that provision of the state statute which prohibits the carrying of a firearm in an automobile, thus, significantly impairing the effectiveness of the statutory scheme as a whole.

COLORADO

Colorado's license to carry scheme prohibits "a person" from carrying a concealed firearm, on or about the person, whether unloaded or loaded, but creates an affirmative defense for anyone who has obtained a permit to carry. *Colo. Rev. Stat.* § 18-12-105(1)(b) (1978). The procedure for obtaining such a license to carry is available both for residents and persons not within the jurisdiction. *Colo. Rev. Stat.* § 18-12-105.1 (Supp. 1983) A person in a private automobile or other private means of conveyance carrying a weapon for lawful protection while traveling has an affirmative defense and does not need a license to carry. *Colo. Rev. Stat.* § 18-12-105(2)(b) (1978).

It is possible that if the "lawful protection" exemption were literally construed to exclude those interstate travelers who carried their weapons for sport or business rather than for protection, Section 107 could potentially render Colorado's license to carry scheme invalid. The statute reaches all residents and nonresidents who carry a concealed weapon "on or about the person." This phrase could conceivably be construed to include a traveler who kept an unloaded firearm locked in his glove compartment or in a gunbox in the passenger compartment. If the phrase "not readily accessible" contained in proposed Section 107 were held to encompass such behavior, and these two definitions thus overlapped, the Colorado statute would in this limited instance, prohibit interstate transportation of a firearm in a manner protected by Section 107. Since the Colorado statute contains no severable provision which alone would prohibit such interstate travel, Section 107 as presently drafted could conceivably be held to preempt the entire state statutory scheme.

CONNECTICUT

The Connecticut license to carry statute renders it unlawful for "any person who knowingly has, in any vehicle owned, operated or ocupied by him, any weapon for which a proper permit has not been issued." *Conn. Gen. Stat. Ann.* § 29-38 (West 1975). The statute also prohibits any person from carrying a pistol or revolver upon his person without a license. *Conn. Gen. Stat. Ann.* § 29-35 (West. Supp. 1984). Exceptions listed in connection with this latter provision include: (1) transportation of pistols or revolvers as merchandise; (2) persons carrying from place of sale to residence or business, or for moving or repairing; or (3) any person carrying a pistol or revolver in or through the state for the purpose of taking part in a competition if such person has a permit or license to carry issued by another state.

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[1] Utah Code Ann. § 76-10-523(5) (1978).

[2] Minn. Stat. Ann. § 624,714 (West Supp. 1985).

[3] Mich. Comp. Laws Ann. § 750.231a (1) (Supp. 1984).

[4] S.C. Code Ann. § 16-23-20 (Law. Co-op. 1984).

Footnotes at end of article.

Conn. Gen. Stat. Ann. § 29-35 (West Supp. 1984). Both nonresidents possessing a valid permit in their state and in-state residents may obtain a permit to carry pistols or revolvers in Connecticut. *Conn. Gen. Stat. Ann.* § 29-28 (West 1975).

Although the interrelationship between these two proscriptions is ambiguous, and it is thus unclear whether the exemptions also apply to the transportation of a firearm in a vehicle, it would seem clear that in either case Section 107 could conceivably preempt Connecticut's statutory license to carry scheme as it applies to vehicular travel altogether. If the exceptions to the "upon the person" provision do not reach transportation in a vehicle, then the statute would prohibit any interstate transportation of an unloaded, inaccessible firearm. If, instead, these exemptions serve additionally as exemptions to the vehicular travel provision, the statute would still restrict some forms of interstate transportation of such a firearm. For example, the statute prohibits an interstate traveler wishing to carry a firearm for personal protection or a hunter without a license to carry from his or her home state from carrying an unloaded and inaccessible firearm. Since the statute contains no provision which directly prohibits interstate transportation of an unloaded, not readily accessible firearm, proposed Section 107 would, in its present form, preempt Connecticut's restrictions on automobile transportation of a firearm without a license, clearly an intricate part of the state's license to carry law.

DISTRICT OF COLUMBIA

The District of Columbia license to carry law provides in pertinent part that "[no] person shall carry either openly or concealed on or about his person . . . a pistol, without a license. . . ." *D.C. Code Ann.* § 22-3204 (1981). The pertinent exemptions to the license to carry scheme include: (1) any person engaged in the business of manufacturing, repairing, or dealing in firearms, or the agent or representative of any such person carrying a pistol in the usual or ordinary course of business; and (2) any person carrying a pistol unloaded in a secure wrapper from place of purchase to residence or business, for purposes of repair, or when moving. *D.C. Code Ann.* § 22-3205 (1981). The statute provides a procedure by which residents, persons with a place of business in D.C., and nonresidents with a license to carry a concealed pistol issued by another state can obtain a license to carry, *D.C. Code Ann.* § 22-3206 (1981); the broad language of the statute, however, would encompass *all* "persons," including nonresidents who have never been issued a permit in any state.[5]

The potential for preemption of the District of Columbia's license to carry scheme depends on whether the definition of "not readily accessible" in proposed Section 107 could conceivably overlap with that of "on or about the person," as contained in the D.C. statute. If a court were to conclude that a firearm locked in a glove compartment or in a gun box in the passenger compartment were both "about the person" and "not readily accessible," the exemptions in the D.C. scheme would not be broad enough to cover all classes of interstate travelers.[6] For example, a hunter or targetshooter driving from Maryland through the District destined for Virginia, and carrying an unloaded handgun in this manner, would be prohibited from doing so without a license to carry. Similarly, the exemption for persons engaged in the "business" of manufacturing, repairing or dealing in firearms or their agents carrying a firearm in the "usual and ordinary course of business," would not include individuals who repair firearms as a hobby.[7] Since the prohibition on this form of interstate travel would derive not from any specific provision relating to interstate transportation or automobile travel, but rather from the statutory scheme as a whole, application of Section 107 as proposed could conceivably result in the preemption of the District of Columbia statute in its entirety.

INDIANA

Indiana's license to carry scheme provides that "a person shall not carry a handgun in any vehicle or on or about his person . . . without a license." *Ind. Code Ann.* § 35-47-2-1 (Burns 1985). The pertinent exemptions to this statutory scheme include: (1) any person engaged in the business of manufacturing, repairing, or dealing in firearms; (2) the agent or representative of such person carrying a handgun in the usual or ordinary course of business; and (3) any person carrying an unloaded handgun in a secure wrapper from place of purchase to his or her residence or business, for purposes of repair, or when moving. *Ind. Code Ann.* §§ 35-47-2-2(10)-(11) (Burns 1985). Although the statute expressly provides a method only for residents and nonresidents with a regular place of business or employment in Indiana to obtain a license to carry, *Ind. Code Ann.* § 35-47-2-3 (Burns 1985) the statute applies to any "person" which should include other nonresidents as well.[8] Indiana will, however, recognize a nonresident's license to carry issued in another state. *Ind. Code Ann.* 35-47-2-21(b) (Burns 1983). The statute specifies that hunters must obtain a qualified license to carry handguns. *Ind. Code Ann.* § 35-47-2-4 (Burns 1985).

Despite Indiana's broad exemptions to its license to carry scheme, the statute will still prohibit certain interstate transportation of an unloaded, not readily accessible firearm. For example, the exemptions do not reach transportation of a firearm by an interstate hunter or nonresident traveler who wished to transport a handgun to a contiguous state to be used for personal protection.[9] Since there is no severable provision which has only the effect of prohibiting this type of transportation, proposed section 107, as currently drafted, could have the effect of nullifying that provision of Indiana's statute which prohibits the vehicular transportation of a handgun, clearly a critical part of the statutory scheme.

MAINE

Maine's statutory license to carry scheme provides that "no person may . . . conceal about his person any firearm" unless such person has been issued a permit. *Me. Rev. Stat. Ann.* tit. 25, §§ 2031 (Supp. 1984). The licensing provision explicitly permits both residents and nonresidents to obtain a permit to carry. *Me. Rev. Stat. Ann.* tit. 25, § 2032(1), (5) (Supp. 1984). The statute contains no exemptions to its license to carry provisions.

Provided that the phrase "about his person" were interpreted to overlap with at least one of the conditions ultimately found to satisfy the "not readily accessible" requirement contained in proposed Section 107—possibly, for example, the placing of a gun in a locked gun box or secure wrapper, or in a trunk or glove compartment—and assuming that locating a gun in such a manner would constitute "concealment," [10] the Maine statute clearly would prohibit an interstate traveler from carrying an unloaded, not readily accessible firearm without a license. Since Maine's scheme contains no severable provision relating solely to vehicular travel or to interstate transportation, Section 107 as currently drafted could have the effect of nullifying Maine's license to carry scheme in its entirety.

MASSACHUSETTS

The Massachusetts license to carry scheme provides that "whoever . . . carries on his person, or carries on his person or under his control in a vehicle, a firearm, loaded or unloaded . . ." without a license to carry violates the statute. *Mass. Gen. Laws Ann.* ch. 269, § 10 (West Supp. 1985). Licenses to carry will be issued to any person residing or having a place of business in the jurisdiction, *Mass. Gen. Laws Ann.* ch. 140, § 131 (West Supp. 1985), and authorizes nonresidents to obtain a temporary license to carry firearms for purposes of participating in a firearms competition. *Mass. Gen. Laws Ann.* ch. 140, § 131F (West Supp. 1985). The statute permits nonresidents with a valid permit or license from another state to carry a pistol or revolver in or through the Commonwealth for purposes of competition or hunting. The interstate hunter traveling in or through Massachusetts is exempt from the license to carry laws if he has on his person a hunting or sporting license issued by Massachusetts or his state of destination. *Mass. Gen. Laws Ann.* ch. 140, § 131G (West Supp. 1984). The statute also requires an ID card in order to possess a firearm without a license to carry. *Mass. Gen. Laws Ann.* ch. 140, § 129B (West 1974 & Supp. 1985). The statute contains several other exemptions relating to possession of firearms, but, since violation of this provision is a separate offense, these exemptions would not be applicable when solely the license to carry provisions are in question.[11]

The question of whether proposed Section 107 could preempt the Massachusetts scheme would depend on the construction of the term "under his control" in the state statute. If the driver of a vehicle who had the keys to a trunk, gunbox or glove compartment were held to have "control" of a firearm so located,[12] the Massachusetts statute would prohibit the interstate transportation of certain unloaded, inaccessible firearms in some cases. For example, a resident who purchased a handgun in a state to the south, and drove his car "through" Massachusetts to a state to the north would be prohibited from doing so without a license to carry. A nonresident would also be prohibited from carrying an inaccessible, unloaded handgun through the state if, he had no license from his home state, and was a hunter without a valid hunting license, or was carrying a gun to be used for personal protection at his place of destination. Since the statute contains no severable provision which applies to interstate travel, proposed Section 107 as currently drafted could conceivably preempt that portion of the Massachusetts license to carry scheme which places a restriction on carrying a handgun in a vehicle. Without this provision, the Massachusetts license to carry scheme would be rendered ineffectual.

MICHIGAN

The Michigan license to carry law provides that no person shall carry a pistol without having first obtained a license. *Mich. Comp. Laws Ann.* § 28.422 (1981). The scheme makes it a criminal offense for a person to carry a concealed weapon on or

about his person, ". . . or whether concealed or otherwise in a vehicle operated or occupied by him without a license to carry." *Mich. Comp. Laws Ann.* § 750.227 (West Supp. 1984). Exemptions to the criminal provision include: (1) a person holding a valid license to carry issued by another state, except where the pistol is carried in nonconformance with any restriction appearing on the license; (2) the regular and ordinary transportation of a pistol as merchandise by an authorized agent of a person licensed to manufacture firearms; (3) a person carrying a pistol unloaded in a wrapper or container in the trunk of a vehicle, if in possession of a valid Michigan hunting license or a member of an organization having pistol shooting range facilities, while en route to or from a hunting or target shooting area, or if such firearm is an antique, while en route to an exhibit or demonstration; and (4) a person carrying a pistol unloaded in a wrapper or in a container or the trunk of a vehicle from the place of purchase to his home or residence, for repair purposes, or when moving. *Mich. Comp. Laws Ann.* §§ 750.231a. (1)(a)–(b), (d)–(e) (Supp. 1984). A person may also carry an unloaded pistol in the passenger compartment of a vehicle without a trunk if he or she otherwise complies with (3) or (4) and the wrapper or container is "not readily accessible" to an occupant. *Mich. Comp. Laws Ann.* § 750.231a(1)(f) (Supp. 1984). The transportation of firearms other than pistols is also exempt if such firearms are unloaded and inaccessible from the interior of the vehicle, are carried in the trunk of vehicle, or are enclosed in a case. *Mich. Comp. Laws Ann.* § 750.227d(1)(a)–(d) (Supp. 1984). Although the statute specifies that only residents of Michigan for at least six months are eligible for licenses to carry, *Mich. Comp. Laws Ann.* § 28.426 (1981), the statute clearly would seem to be applicable to nonresidents, since Michigan recognizes licenses to carry issued by other states and since the language of the statute applies to any "person." [13]

Although the Michigan license to carry scheme does contain several broad exceptions, the statute will in limited circumstances prohibit the transportation of an unloaded and inaccessible handgun "through" the state. For example, an interstate traveler who has no license to carry issued in another state is prohibited from carrying an unloaded and inaccessible pistol which he or she intends solely to use for personal protection in a contiguous state. Similarly, the statute would apply to an interstate hunter without a valid Michigan hunting license. Since there is no provision which directly prohibits these forms of interstate transportation in the statute, Section 107, as it is proposed, could be held to preempt that important provision of the Michigan law which relates to the carrying of a firearms in a vehicle, leaving the statute without an integral part of Michigan's license to carry scheme.

MINNESOTA

Minnesota renders it unlawful for "a person . . . [to carry] . . . a pistol in a motor vehicle . . . or on or about his clothes or person . . . without first having obtained a permit to carry." *Minn. Stat. Ann.* § 624.714 (West Supp. 1985). Although specifically addressing only the procedure by which residents may obtain a license to carry, *Minn. Stat. Ann.* § 624.714 Subd. 2. (West Supp. 1985), the statute's broad language making it unlawful for "a person" to carry without a license should render the scheme applicable to both residents and nonresidents.[14] Relevant exemptions to the scheme include: (1) carrying a pistol from place of purchase to residence or business or for purposes of repair; (2) carrying a pistol between one's dwelling house and place of business; (3) carrying a pistol in the woods for purpose of hunting or target shooting; and (4) transporting a pistol in a motor vehicle if the pistol is unloaded; and contained in a closed and fastened case, gun box, or securely-tied package. *Minn. Stat. Ann.* § 624.714 Subd. 9.

Although the scheme establishes an extensive series of exemptions to the license to carry law, some interstate travelers may nonetheless be prohibited from carrying an unload and inaccessible firearm "through" the state. The exemption for transportation of an unloaded pistol in a gun box, fastened case, or securely-tied package, if literally construed, would not be broad enough to cover two other methods which could conceivably be found to make a firearm "not readily accessible" for purposes of applying proposed Section 107—locking a gun in the trunk or in the glove compartment of a car. An interstate traveler who so carried a handgun and did not fall within any of the other exemptions in the statute, including a common carrier, an interstate traveler who sought to use a handgun for personal protection in a contiguous state, and perhaps even a hunter who is not yet "in the woods" but rather is still on the highway, would not be able to carry an unloaded handgun locked in a trunk or glove compartment without a permit. Since there is no provision which directly prohibits the interstate transportation of an unloaded, not readily accessible firearm, Section 107 as drafted could conceivably strike down Minnesota's key prohibition against carrying a firearm in a vehicle if the statutes are so construed.

NEW JERSEY

The New Jersey license to carry law states that it is unlawful for "any person [to] knowingly [have] in his possession any handgun, without having obtained a permit to carry." *N.J. Stat. Ann.* § 2C-39-5(b) (West 1982). The statute provides a procedure for both residents and nonresidents to obtain a permit. *N.J. Stat. Ann.* § 2C-58-4(c) (West 1982). Exemptions include: (1) licensed dealers and registered employees during the course of their normal business, *see N.J. Stat. Ann.* 2C-39-6(b)(2) (West Supp. 1984); (2) transportation of weapons from any place of purchase to residence or place of business, in the course of moving, or for repair; (3) members of a rifle or pistol club going to or from target practice; or (4) travel to or from any place for purpose of hunting if the person has a valid hunting license, provided that such weapon is carried unloaded and contained in a closed and fastened case, a gun box, or a securely-tied package, or is locked in the trunk of an automobile. *N.J. Stat. Ann.* §§ 2C-39-6(e)–(f)(1)–(3), (g) (West Supp. 1984).

Despite these broad exemptions, this statute would prohibit the interstate transportation of an unloaded and inaccessible handgun in some circumstances. For example, an interstate hunter without a valid hunting license, an out-of-state traveler who seeks to keep a handgun for protection at his or her state of destination, or someone transporting a handgun as merchandise who is not a licensed dealer or a registered employee of such dealer would all be prohibited from transporting an inaccessible, unloaded handgun through New Jersey without a license to carry. Moreover, if a court were to construe the phrase "not readily accessible" in proposed Section 107 to include locking a gun in a glove compartment, it is possible that the owner of that handgun would not fall within the exemption discussed above for hunters, which explicitly provides that a gun must be placed in a box or a securely-tied package, or be locked in a trunk. Since the statute clearly would apply to some interstate travelers seeking to transport unloaded and inaccessible guns, and since the statute contains neither a specific provision prohibiting interstate transportation of such firearm, nor even a provision relating solely to vehicles, it is conceivable that passage of Section 107 in its present form could result in preemption of New Jersey's entire license to carry scheme.

NEW YORK

The New York license to carry law provides that "a license for a pistol or revolver shall be issued to have and carry concealed any firearm [15] without regard to employment or place of possession," *N.Y. [Penal] Law* § 400.00 2.(f) (McKinney Supp. 1984), and establishes the crime of criminal possession.[16] *N.Y. [Penal] Law* § 265.01(5) (McKinney 1980). Although the statute provides no procedure by which a nonresident traveler can obtain a permit to carry, the statute has been held nonetheless to apply to nonresidents.[17] Exemptions from violations for unlawful possession include: (1) possession of rifle or shotgun if by a licensed hunter who is not a citizen of the United States; (2) the regular of ordinary transportation of pistols or revolvers by a manufacturer of firearms or his or her agent; and (3) possession of a pistol or revolver by a nonresident while attending an organized competitive pistol match, provided that such firearm is transported unloaded and locked in an opaque container. *N.Y. [Penal] Law* § 265.20 (McKinney 1980 & Supp. 1984).[18]

Despite the inclusion of these exceptions in New York's license to carry scheme, the statute will nonetheless prohibit transportation of some unloaded, not readily accessible firearms through the state if the term "concealed" is construed to encompass locking a firearm in a trunk or glove compartment,[19] if placing a firearm in such a manner also would satisfy Section 107's requirement that a firearm be "not readily accessible." Although the statute contains an exemption for the regular and ordinary transportation of firearms as merchandise, the scope of the exception would depend upon the interpretation of "regular ordinary transportation;" Moreover, it requires that the firearm be locked in an opaque container. If the merchandise was placed in a sealed cargo area, for example, but not placed in a container, the statute would require a permit to carry. In addition, the statute would appear to require all hunters who are U.S. citizens to obtain licenses to carry to transport even an inaccessible firearm. Finally, this statute has already been applied to an interstate, nonresident traveler who passed through New York en route to visit friends in another state.[20] Since the New York statute conceivably could prevent the transportation of an unloaded, inaccessible firearm "through" the state, and since this result stems not from a severable provision which directly prevents the interstate transportation of a firearm, or relates to vehicular travel, but rather derives from the statute as a whole, Section 107 as presently drafted conceivably could preempt New York's license to carry scheme in its entirety.

NORTH DAKOTA

The North Dakota license to carry law provides that: "no person without a license shall carry a pistol, either openly or concealed, in any vehicle or on or about his person." *N.D. Cent. Code* § 62-01-05 (1960). Relevant exemptions include: (1) any person engaged in manufacturing, repairing or dealing in pistols; (2) their agents if carrying is in the usual or ordinary course of such business; (3) any common carrier; and (4) the carrying of a pistol in an unloaded and secure wrapper from its place of purchase to one's home or business, for repair purposes, or when moving. *N.D. Cent. Code* §§ 62-01-05(5)-(7) (1960). Although the statute only establishes a procedure to enable residents to obtain a license, as well as nonresidents who already have a license to carry a pistol issued by another state, *N.D. Cent. Code* § 62-01-07 (Supp. 1983), the broad language of the statute would clearly apply to nonresidents without such licenses.[21] The statute also requires that no person carry concealed "about his person" any loaded or unloaded gun unless to effect a lawful and legitimate purpose. *N.D. Cent. Code* § 62-03-01. (Supp. 1983).

Although the North Dakota license to carry scheme contains several broad exceptions, the statute will in several circumstances prohibit the transportation of an unloaded and inaccessible pistol "through" the state without a license to carry. For example, the statute would require an interstate hunter or an out-of-state traveler who wanted to use a handgun for personal protection in another state from transporting an unloaded, inaccessible handgun "through" North Dakota. Moreover, a manufacturer's agent transporting a pistol not in the "ordinary course of business" could not avail himself of that exemption. Since the statute contains no provision which directly prohibits the interstate transportation of such firearms, proposed Section 107 could nullify the provision of the North Dakota law which importantly prohibits the vehicular transportation of a firearm without a license.

OREGON

The Oregon license to carry scheme provides that it is unlawful for "any person" to "carry concealed upon his person or within any vehicle which is under his control or direction any pistol, revolver, or any other firearm capable of being concealed upon the person, without having a license to carry." *Or. Rev. Stat.* § 166.250 (1983). Relevant exemptions to the license to carry law include: (1) transportation by any merchant of unloaded firearms as merchandise; (2) target shooters going to or from the target range; and (3) licensed hunters while going to or from a hunting expedition. *Or. Rev. Stat.* §§166.260(3), (7)-(8) (1983). The language of the statute, which refers to "any person" would suggest that the statute would apply to both residents and nonresidents.[22]

Despite Oregon's inclusion of several pertinent exceptions to its license to carry scheme, the statute nonetheless prohibits the transportation "through" the state of an unloaded, inaccessible handgun by the person in control of such vehicle in certain instances. For example, a nonresident hunter without a license, an interstate traveler seeking to carry a handgun for personal protection into a contiguous state, and an individual who is commercially transporting a handgun but is not a "merchant," could not drive through the state with an unloaded gun locked in a gun box or the trunk of a car. Since the Oregon statute contains no provision which directly prohibits the interstate transportation of a handgun in this matter without a license, Section 107 as presently drafted, could conceivably be held to preempt the provision of the Oregon's license to carry scheme which restricts the carrying of a handgun in a vehicle, an integral part of the statutory scheme.

PENNSYLVANIA

The Pennsylvania state law provides in pertinent part: "no person shall carry a firearm in any vehicle or concealed on or about his person . . . without [annually obtaining] a license." 18 *Pa. Cons. Stat. Ann.* § 6106(a) (Purdon 1983). Those exempted from this requirement include: (1) any person engaged in manufacturing, repairing, or dealing in firearms; or (2) the agent or representative of any such person, carrying a firearm in the usual or ordinary course of business; (3) any person carrying a firearm unloaded and in a secure wrapper from place of purchase to home or business, for the purposes of repair, or when moving; (4) those persons licensed to hunt in Pennsylvania, if such persons are actually hunting or going or returning from a hunting expedition, and register the make of the firearm in order to prove they come within the exemption; and (5) target shooters if going to or returning from target practice. 18 *Pa. Cons. Stat. Ann.* §§ 6106(b)-(c) (Purdon 1983). the licensing provision specifies a procedure by which "any person"—resident or nonresident—can obtain a license to carry. *Pa. Cons. Stat. Ann.* § 6109(a) (Purdon 1983).

Proposed Section 107 could significantly preempt the Pennsylvania license to carry law. Although the scheme contains numerous exceptions to the requirement that all persons obtain a permit to carry a firearm in a vehicle, certain classes of interstate travelers would appear to be prohibited from carrying even an unloaded and inaccessible firearm "through" the state. For example, an interstate traveler who carried an unloaded and not readily accessible pistol through Pennsylvania for self-protection to be used at a place of destination outside the state would be required to obtain a permit unless he or she was coincidentally traveling from the place of purchase or repair, or was moving. A hunter who is licensed to hunt in another state or who fails to register the make of the firearm with Pennsylvania authorities is also prohibited from carrying an unloaded and inaccessible firearm without a permit. The applicability of the exception for a manufacturer's agent also will depend upon the scope of the term "usual or ordinary course of business." Because the Pennsylvania scheme prohibits interstate transportation of an unloaded, not readily accessible firearm in these instances, but does not contain a severable provision directly relating to such interstate transportation, Section 107 could conceivably nullify that portion of the statute which proscribes carrying a firearm without a permit in a vehicle. Preemption of this important provision would significantly impair the viability of the entire licensing scheme.

RHODE ISLAND

Rhode Island's license to carry law provides in pertinent part that: "[n]o person shall without a license or permit . . . carry a pistol or revolver in any vehicle or conveyance or on or about his person whether visible or concealed. . . ." *R.I. Gen. Laws* § 11-47-8 (1981). The provision's requirements do not apply, however, to any nonresident holding a valid permit or license in another state that allows him to carry a pistol or revolver in any vehicle or conveyance, or on or about his person, provided that the nonresident is merely transporting the firearm through Rhode Island in a vehicle without any intent on the part of the nonresident to detain himself or remain within the state. Other relevant exemptions to the scheme include: (1) the regular or ordinary transportation of pistols as merchandise; and (2) the carrying of an unloaded and securely wrapped pistol from place of purchase to home or business or when moving. *R.I. Gen. Laws* § 11-47-9 (1981).[23] The scheme also exempts a target shooter carrying a pistol or revolver to or from the target range. *R.I. Gen. Laws* § 11-47-10 (1981). Although the statute authorizes the issuance of a permit to carry only to a resident or nonresident who already holds a similar permit from another state, *R.I. Gen. Laws* § 11-47-11 (1981), the broad language used in the statute indicates its applicability to all nonresidents.[24]

Although Rhode Island's license to carry scheme contains several broad exemptions, in several circumstances the statute would still prohibit transportation of an unloaded and not readily accessible handgun "through" the state. For example, a hunter from a state without a licensing scheme could not under any circumstance carry an unloaded and not readily accessible pistol. Although the nonresident traveler with a license to carry from his home state is exempted from Rhode Island's license to carry requirement if he transports the firearm with no "intent . . . to detain himself or remain . . . within the state," it is unclear whether this exemption would still apply if the traveler stayed overnight in a roadside hotel or a friend's cottage. If a court were to find the exemption inapplicable in such a case, but were to conclude that the traveler was traveling "through" the state for purposes of applying Section 107, Rhode Island's statute could be found to impermissibly restrict travel of even an individual who holds a license to carry in his or her home state. Since there is no provision which directly prohibits these forms of interstate travel without a permit, proposed Section 107 could conceivably preempt Rhode Island's license to carry law as it pertains to carrying a handgun in a vehicle, a provision critical to the scheme as a whole.

SOUTH CAROLINA

South Carolina's comprehensive statutory scheme provides that "it is unlawful for anyone to carry [any pistol] about the person, whether concealed or not." *S.C. Code Ann.* § 16-23-20 (Law. Co-op. 1985). Relevant exemptions to this provision include:[25] (1) target shooters going to or from target practice; (2) licensed hunters while engaged in hunting or going to or from hunting expeditions; (3) any pistol in any vehicle where the pistol is secured in a closed glove compartment or closed trunk; (4) any person carrying a pistol unloaded and in a secure wrapper from place of purchase to his or her home or business or in process of moving his or her home or business; or (5) any person "regularly engaged in the business" of manufacturing, repairing, repossession or dealing in firearms or his or her representative while carrying "in the usual or ordinary course of business." *Id.* §§ 16-23-20 (3)-(5), (9)-(10) The statute's requirements would clearly cover both residents and nonresidents since the broad language of the statute prohibits "anyone" who is not exempted from carrying a pistol.

See S.C. Code Ann. § 16-23-20 (Law. Co-op 1985).

Although the South Carolina's scheme contains several extremely sweeping exemptions, the statute could conceivably, in one instance, have the effect of prohibiting transportation "through" the state of an unloaded pistol or revolver, even if that pistol is not readily accessible.[26] If the term "not readily accessible" in proposed Section 107 were interpreted to include firearms which were locked in a gun box in the back seat of a car, the state's "inaccessible" gun exception would not appear to be broad enough to govern. Hence, someone who did not fall within any of the other exceptions, such as a person who engaged in gun repairing as a hobby or an interstate traveler who wished to use a handgun for protection at his or her ultimate state of destination, could not drive through South Carolina so carrying an unloaded gun. Since there are no provisions specifically prohibiting either this type of interstate transportation or carrying in a vehicle without a permit, this limited class of cases could conceivably result in the total preemption of the South Carolina scheme if proposed Section 107 is enacted in its present form.

SOUTH DAKOTA

The South Dakota license to carry law provides that it is unlawful for "any person" to carry a pistol or revolver, loaded or unloaded, concealed in any vehicle operated by him without a license to carry. *S.D. Comp. Laws Ann.* § 22-14-9(2) (1979). Such person is also prohibited from carrying a pistol or revolver "concealed on or about his person." *S.D. Comp. Laws Ann.* § 22-14-9(12) (1979). Relevant exemptions to the license to carry scheme include: carrying unloaded weapons, provided such weapons are carried (1) in the trunk or other closed compartment of the vehicle; or (2) in a closed container which is too large to be effectively concealed on the person or within his clothing. The container may be carried in the vehicle. *S.D. Comp. Laws Ann.* § 22-14-10 (1979). Because a license can be obtained by "any person," *see S.D. Comp. Laws Ann.* § 23-7-7 (1979), the statute's requirements clearly apply to both residents and nonresidents.

Although the South Dakota license to carry scheme contains several broad exemptions, the statute could conceivably, in one instance, prohibit transportation "through" the state of the unloaded, not readily accessible firearm in a vehicle operated by an interstate traveler.27 An interstate traveler who kept an unloaded handgun in a small gun container which was not "too large to be effectively concealed on the person or within his clothing," *S.D. Comp. Laws Ann.* § 22-14-10 (1979), in the back seat of a car, must, under the statute, obtain a license to carry. If the words "not readily accessible" in proposed Section 107 were construed to extend to this situation, Section 107 could preempt that critical portion of the state statute which requires a license to carry a handgun within a vehicle, despite the inclusion of these extremely broad exemptions.

UTAH

The Utah statutory scheme provides that it is unlawful for "any person" [to carry] a concealed dangerous weapon, . . . except that a firearm that contains no ammunition and is enclosed in a case, gun box, or securely-tied package shall not be considered a concealed weapon." *Utah Code. Ann.* § 76-10-504(1) (Supp. 1982). The scheme, however, permits a person to "keep[]" a firearm capable of being concealed upon the person in a vehicle with no restrictions provided that such vehicle is under that person's "control." *Utah Code Ann.* § 76-10-510 (1978).[28] From the broad language in this statute, which refers to "any person," it is clear that the statute's requirements are applicable to nonresidents as well as to residents. Relevant exemptions to this license to carry law include: (1) common carriers while engaged in the regular and ordinary transportation of firearms as merchandise; (2) nonresidents traveling in or through state provided that any firearm is unloaded and enclosed in a case, gun box, or securely-tied package, held securely in a gun rack, or locked in the trunk of an automobile in which the nonresident is transporting the firearm, *see Utah Code Ann.* §§ 76-10-523(4)-(5) (1978); (3) any resident or nonresident hunter with a valid hunting license or who is lawfully engaged in hunting; and (4) patrons of shooting ranges. *Utah Code Ann.* §§ 76-10-512(3)-(4) (1978).

While Utah's exemptions to its statutory scheme extend to almost every possible type of interstate transportation of a firearm, there is one situation in which proposed Section 107 could conceivably preempt the Utah statute.[29] Although the Utah scheme specifies numerous methods of storing an unloaded firearm which will avoid a violation of the statute, such methods of storage do not include locking a gun in a glove compartment. If the phrase "not readily accessible" in Section 107 were interpreted to permit placing a handgun in a locked glove compartment, Utah's statutory scheme would prevent an individual who was not in "control" of the car—a passenger—from carrying such firearm for purposes other than hunting. While this may be an extreme illustration, its significance is profound. Were a court to conclude that the Utah scheme did apply to this single instance, proposed Section 107 would leave the court only two options: rewrite the statute to include the exemption for glove compartments, which appears to have been carefully omitted from the statute, or strike down the entire statutory scheme, since there is no provision which specifically prohibits this method of interstate transportation of a firearm.

VIRGINIA

Virginia's statutory scheme prohibits the carrying of a concealed weapon, making it unlawful: "[if] any person carr[ies] about his person, hidden from common observation, any pistol, revolver or other weapon designed or intended to propel a missile of any kind. . . ." *Va. Code* § 18.2-308A (Supp. 1984).[30] Relevant exemptions to the scheme include: (1) any regularly enrolled member of a target shooting organization who is at, or going to or from, an established shooting range, provided that the weapon is unloaded and securely wrapped while being transported; (2) any member of a weapons collecting organization going to or from a bona fide weapons exhibition, provided that the weapon is unloaded and securely wrapped while being transported; and (3) any person carrying such weapons between his or her residence and place of purchase or repair provided that the weapon is unloaded and securely wrapped while being transported. *Va. Code* § 18.2-308(B)(3)-(5) (Supp. 1984).

As long as the phrase "about his person" were interpreted to encompass a firearm which was "not readily accessible" under the federal statute—which might be the case if a gun were placed in a gun box, in the trunk of a car, or in a glove compartment[31]—the statute would, in various circumstances, prohibit the transportation of an unloaded and not readily accessible firearm "through" the state. A traveler who drives through the state with a handgun for any reason other than carrying it from place of purchase or repair, attending a weapons exhibit, or going to or from a shooting range (but only if he or she was a member of a shooting organization), would be liable under the statute. Such individuals would include a common carrier, a hunter, or an individual seeking to use a handgun for personal protection in a contiguous state. Since the statute contains no severable provision which directly prohibits such interstate transportation, nor even a provision which renders the scheme applicable to carrying in a vehicle, the enactment of Section 107 as presently drafted could conceivably preempt Virginia's prohibition on carrying a concealed weapon in its entirety.

WYOMING

The Wyoming license to carry law provides that it is unlawful for a "person" to wear or carry a concealed deadly weapon without a permit. *Wyo. Stat.* § 6-8-104 (1983). This language would indicate that the statute applies to both residents and nonresidents.[32] The only exemption to Wyoming's license to carry scheme is for law enforcement officers. *Wyo. Stat.* § 6-8-104(a)(i).

As long as the word "concealed" in Wyoming's statute is held to encompass some condition that also would be found to satisfy the "not readily accessible" requirement—possibly, for example, the placing of a firearm in a gun box, a trunk, or a glove compartment—the statute would clearly prevent interstate transportation of an unloaded, "not readily accessible" firearm without a permit. This would be true in almost any conceivable situation. Because the prohibition on such interstate transportation would derive from no specific, severable provision, but rather from the statutory scheme as a whole, passage of proposed Section 107 could result in the preemption of Wyoming's entire license to carry scheme.

[1] *See People v. Perez*, 67 Misc. 2d 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry laws to nonresident traveler where statute provided no procedure by which a nonresident could obtain a license).

[2] *Cf. Cormier v. United States*, 137 A.2d 212, 215 (D.C. 1957) (requiring person not engaged in "business" of repairing firearms, but who instead repairs firearms as hobby to obtain a license to carry).

[3] *See People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry laws to nonresident traveler where statute provided no procedure by which a nonresident could obtain a license).

[4] *See, e.g., People v. Smith*, 164 P.2d 857, 858 (Cal. 1946).

[5] *Cf. People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry law to nonresident traveler where statute provided no procedure by which a nonresident could obtain a license).

[6] Indeed, the fact that the statute contains an exemption for the carrying of a pistol in a secure wrapper when moving provides strong support for the argument that the District of Columbia's statute could be construed to prohibit the transportation of a firearm in a gun box next to the driver of a vehicle.

[7] *See, e.g., Cormier v. United States*, 137 A.2d 212 215 (D.C. 1957) (violation of statute, *inter alia*, where defendant was not "engaged in the business of repairing firearms.").

[8] *See People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry laws to nonresident traveler where statute provided no pro-

cedure by which a nonresident could obtain a license).

[9] *See also Beck v. State*, 414 N.E.2d 970, 973 (Ind. 1981) (defendant not within unloaded and secured wrapper exception when gun found under front seat of auto with cylinder removed since firearm was within reach and could have been reassembled easily).

[10] *See, e.g., People v. Smith*, 164 P.2d 857, 858 (Cal. 1946) (weapon placed in closed glove compartment deemed "concealed").

[11] Mass. Op. Att'y Gen. 95, 96 (Aug. 7, 1975). Some of the relevant exceptions to the possession requirement include: (1) possession of rifles and shotguns by nonresident hunters with valid nonresident hunting licenses during hunting season; (2) possession of rifles and shotguns on a firing or shooting range; and (3) traveler's possession of rifles or shotguns traveling in or through the state provided the firearm is unloaded and enclosed in a case; and (4) the regular and ordinary transport of firearms as merchandise by a common carrier. *Mass. Gen. Laws Ann.* ch. 140; § 129C (West 1974 & Supp. 1985).

[12] *See, e.g., Commonwealth v. Collins*, 417 N.E.2d 994, 996 (Mass. App. 1981) ("control" of firearms in truck established where defendant owned and operated car, assisted in packing trunk, and had possession of ammunition).

[13] *See* 1930-1932 Mich. Att'y Gen. Biennial Rep. 568, 570; *see also People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1971) (upholding constitutionality of applying license to carry requirements to nonresident traveler carrying weapon without a permit en route to friends in another state, where statute provided no procedure by which a nonresident traveler could obtain a permit).

[14] *See People v. Perez*, 67 Misc. 2d 911, 911-13, 325 N.Y.S.2d 183, 184-85 (1975) (applying license to carry laws to nonresident traveler although statute provided no procedure by which a nonresident traveler could obtain a permit).

[15] The term "firearm" is defined as a pistol or revolver, a shotgun having one or more barrels less than 18 inches in length or any weapon made from such shotgun, if the weapon has an overall length of less than 26 inches, or a rifle having one or more barrels less than 16 inches in length, or any weapon made therefrom with an overall length of less than 26 inches. *N.Y. [Penal] Law* § 265.00(3) (McKinney Supp. 1984).

[16] The statutory scheme actually creates an exemption from application of statute to anyone with a license to carry. *N.Y. [Penal] Law* § 265.20(a)3. (McKinney 1980).

[17] *See People v. Perez*, 67 Misc. 2d 911, 915, 325 N.Y.S.2d 183, 188 (1971) (upholding constitutionality of applying statute to nonresident traveler).

[18] The scheme also provides that the New York state license to carry is not valid within New York City unless a special permit is granted or unless those firearms purchased from a licensed dealer in New York are being transported immediately from the dealer, and are transported in a locked opaque container. *N.Y. [Penal] Law* § 400.00(6) (McKinney Supp. 1984).

[19] *See People v. Smith*, 164 P.2d 857, 858 (Cal. 1946) (weapon placed in closed glove compartment deemed "concealed").

[20] *People v. Perez*, 67 Misc. 2d 911, 911-13, 325 N.Y.S.2d 183, 184-85 (1971).

[21] *Cf. People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry laws to nonresident travelers where statute provides no procedure by which a nonresident can obtain a license).

[22] The statute provides a procedure by which any applicant can request a license to carry, and does not restrict the granting of such applications to residents. *See Or. Rev. Stat.* § 166.290 (1983).

[23] The person exempted for transporting firearms as merchandise or household goods, however, is not given the right to carry a concealed firearm by virtue of this exemption. *R.I. Gen. Laws* § 11-47-9 (1981).

[24] *Cf. People v. Perez*, 67 Misc. 2d 911, 911-13, 915, 325 N.Y.S.2d 183, 184-85, 188 (1975) (upholding constitutionality of applying license to carry laws to nonresident traveler where statute provided no procedure by which a resident could obtain a license.)

[25] South Carolina's statutory scheme is a blanket prohibition on carrying of a pistol about the person with relevant exceptions. The only license to carry contemplated by the statute is one available to law enforcement personnel, *see S.C. Code Ann.* §§ 16-23-120(6), (12) (Law Co-op. 1985), and those whose business or employment regularly exposes them to dangerous circumstances. *S.C. Code Ann.* § 23-31-120 (Law Co-op. 1977 & Supp. 1983).

[26] Although the language of the statute requiring the pistol to be carried "about the person" would, at first glance, appear to suggest that the firearm would have to be *near* the individual in the car, the statute contains a broad exemption for guns secured in a closed trunk. This strongly suggests that a firearm which is anywhere in the automobile could be considered "about" the person for purposes of application of this provision.

[27] It is obvious from the exemptions contained in the statute that the term "concealed" is intended to encompass the placing of a pistol in at least some of the locations which would make such firearm "not readily accessible." *See also People v. Smith*, 164 P.2d 857, 858 (Cal. 1946) (weapon placed in closed glove compartment deemed "concealed").

[28] The statutory scheme takes the form of a ban on carrying weapons altogether, subject to numerous qualifications and exemptions as described herein. The statute also authorizes certain law enforcement authorities to issue a license to carry a concealed weapon for "good cause." This licensing provision contains no residential requirement. *See Utah Code Ann.* § 76-10-513 (1978).

[29] Although the state statute applies only to "concealed" weapons, it is clear from the exemptions to this provision that a weapon would be consider "concealed" if it was placed in a trunk or other enclosed area. *See also People v. Smith*, 164, P.2d 857, 858 (Cal. 1946) (weapon placed in closed glove compartment deemed "concealed").

[30] Virginia's statutory scheme is a blanket prohibition on carrying of a concealed weapon about the person with relevant exceptions. "Any person" may apply for a permit to carry a specific type of weapon, however, if he or she demonstrates "a need to carry such concealed weapon." *Va. Code* § 18.2-308D (Supp. 1984).

[31] Indeed, the fact that the exceptions themselves contemplate that firearms be "securely wrapped" adds support for the proposition that "about his person" might be so construed.

[32] Indeed the statute directs county sheriffs to issue permits to travelers, as well as others whose employment requires them to carry a weapon. *Wyo. Stat.* § 6-8-104(b) (1983).

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the names of Senator KENNEDY and Senator KERRY be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The names of Senators HATCH, and MCCLURE were added as cosponsors of the amendment.

Mr. McCLURE. Mr. President, will the Senator from Utah yield the Senator from Idaho 5 minutes on the amendment?

Mr. HATCH. I am delighted to yield.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I commend the junior Senator from Idaho and the Senator from Ohio [Mr. METZENBAUM] for offering this amendment, because I think it does what we intended to do, to avoid the harassment that has occurred and the unintended circumstances that have occurred in the past when people innocently found themselves in a jurisdiction where there were restrictions on firearm ownership or transportation and were then prosecuted, without any conscious intention on their part to violate the law of the local jurisdiction, whether a State statute or a city ordinance.

I believe this amendment clarifies what was intended by the original bill; therefore, I commend both Senators for having offered this amendment to make certain that it says what was intended, and no more than what was intended.

With respect to there not having been hearings on the bill, I say to my distinguished friend from Ohio that there probably has never been a piece of legislation that arrived on the floor of the Senate with more painstaking scrutiny than has this bill.

While it has not had hearings in the committee during this session of Congress, it has had hearings in previous sessions of Congress. With four exceptions, the bill before the Senate is identical to the one that was not only introduced and heard before the Committee on the Judiciary but also was subjected to intensive markup sessions in that committee; and it was unanimously reported by that committee after those hearings and that markup during the last Congress. There are four exceptions.

One is a very significant exception, a difference. Senator KENNEDY had offered—and I expect will offer again—a provision with respect to the sale of a handgun in a State not the residence of the purchaser. He had offered that amendment in the committee, and it had been adopted in the committee before they voted to report the bill.

In introducing the bill this year, I omitted that provision, because it was obvious that either it would be in the bill and an amendment would be offered to strike it, or it would not be in the bill and an amendment would be offered to add it to the bill.

Since I was introducing the bill, I felt that it should come as close as possible to my own view of what the bill should have in it, and I elected to leave it out and to leave it to the proponents of that provision to offer an amendment to insert it.

In all honesty, I will oppose it as strenuously as I can, and those on the opposite side will support it as strenuously as they can.

This amendment is not a controversial one, in that sense, and therefore I hope the Senate will adopt it and that we can move on to the other amendments, some of which will be controversial and others of which I hope will not be.

Mr. DOLE. Mr. President, I am pleased to rise in support of this amendment which is supported by the administration.

The amendment is consistent with the intent of S. 49 which is to protect legitimate gun owners, hunters, and sportsmen who are traveling from their home State to another State with an unloaded, inaccessible weapon.

Under current law, such persons can be prosecuted under some State and local gun laws even where they are

simply on a hunting trip, traveling to a sporting event, or moving.

The unfairness of the situation is highlighted by the fact that in some States, such nonresidents cannot even obtain a gun permit.

The amendment is an improvement over S. 49 insofar as it creates a Federal right for such persons to travel interstate with unloaded, inaccessible weapons, as opposed to the provision in the bill, as introduced, which could conceivably result in the invalidation of an entire State or city gun control law on the basis of a single prosecution.

Mr. President, I regret that there was a misunderstanding about the sponsorship of this amendment, but the fact that two Senators with such diverse views would both claim authorship perhaps underscores how valid and sound the amendment is.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HATCH. I yield back the remainder of my time.

Mr. METZENBAUM. I yield back the remainder of my time.

Mr. SYMMS. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 438) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, when Congress enacted the Gun Control Act of 1968 its goal was to reduce violent crime; its goal was not to allow the easy prosecution of and making of cases against law-abiding citizens who did not understand the intricate, detailed, and complex technicalities of the Gun Control Act. Yet such activity has been the history of the enforcement and administration of this act. It has not been used as a tool for prosecuting violent criminals but rather as a tool for making cases against law-abiding citizens ignorant of the complexities of the law. As a consequence, significant Federal law enforcement, judicial, and correctional resources, which are already too thinly stretched, have been diverted from attacking violent crime. It is the purpose of this bill to shift the focus of those resources away from the prosecution of technical violations so that the criminal justice system can better deal with violent crime.

Anyone in the Senate who is serious about controlling crime should urge the swift passage of this legislation because it redirects our firearms laws toward control of criminal abuse rather than technical regulatory violations. For example, under current law, the simplest recordkeeping oversight is a Federal felony, just as is the most severe criminal abuses. The hearings over the years have shown that this results in scarce law enforcement resources becoming occupied with prosecuting minor violations instead of focusing on violent crime. For instance, even Senator Bayh concluded his hearings with the comment that: "I am very much disturbed by some of the allegations that have been presented to this subcommittee about abuses by the Government in enforcing the law." This bill will provide a mens rea standard for violations under the code and redirect enforcement efforts toward violent intentional crimes, instead of recordkeeping errors. For example, in New Hampshire the BATF spent 5 days once inspecting a dealer's records only to find a single violation, he was 5 pounds over his black powder storage limit. It would perhaps make more sense to have those officers inspecting crime-infested neighborhoods, for 5 days.

This bill will aid the fight against crime and should have our support. It is true that current gun laws are technical and complex, that they contain numerous exceptions and that the regulations springing from this law are as complex as the law itself. But all these are reasons to simplify and redirect the current law.

Let me give an example that demonstrates why this bill is important. It is not a hypothetical, but a tragic story uncovered by our hearings on this bill. This example involves a retired policeman, a French national who had won his American citizenship by volunteering for military service during the worst of the Vietnam war. While a policeman, he obtained a Federal firearm dealer's license, in order to sell to other police. Another gun collector asked to purchase a few of his firearms. Since these were part of his personal collection, he felt he could sell them without the paperwork required of a licensed dealer's sales from inventory. After all, the Federal agent who issued him the license had told him that this was legal.

A few months later he awakened to a nightmare. A team of Federal agents arrested him, executed a search warrant on his family's house, searched his father's business, and confiscated his entire firearms collection. When his case came for trial he seemed to have the best defense imaginable. There was no question he had thought his conduct was legal. In fact, he manged to prove that the Director of the prosecuting agency agreed! A Senator had written to complain of prosecutions on these grounds and the Director, not being informed that one was at that moment pending a few miles away, wrote a denial. Citing his agency's publications, the Director wrote that the agency recognized that a person could lawfull do exactly what the policeman had done.

I wish I could conclude with the vindication of this citizen. But the court concluded that the Gun Control Act provisions he was charged under were strict liability: No matter how honest his intent, no matter that the head of the prosecuting agency thought his conduct was legal, if in fact he erred, it was a crime—a felony—and justified confiscation of his collection. The policeman summed up his situation:

> They took an ordinary person who had never been arrested for anything, who did not even have a traffic ticket against him, and made him into a felon. I cannot get a mortgage today. I cannot find a job today * * * (It) made me the same type of felon as the guy who goes out on the street and pushes drugs or kills his wife. * * *

The real problem was that the policeman's case was typical of the way certain agencies were using the Gun Control Act to generate easy cases. Our Senate committees heard all too many similar stories—of a disabled veteran charged with felonies on grounds so weak the judge not only dismissed them but publicly apologized on behalf of the United States; of others who won acquittal, only to find the agency proceeding to confiscate their museum-grade collections; of many who, after long and successful fights against flimsy allegations or falsified charges, found themselves vindicated but financially ruined.

At the same time, we found clear evidence that investigative priorities had followed the course of least resistance, away from penetration of genuine criminal markets and toward the making of easy cases. Although the Gun Control Act was mainly meant to keep felons from getting guns, we found that less than 10 percent of GCA cases were for sale to, or purchase by, a felon. One expert, himself described as the dean of Treasury law enforcement, estimated 75 percent of Federal gun cases were being brought against ordinary citizens who had inadvertently violated some technical requirement.

The evidence was clear that a change was needed—a fundamental redirection of the law and of its enforcement. That is why I sponsored S. 49, a bill to protect firearm owners' constitutional rights, civil liberties and rights to privacy. S. 49 is hardly revolutionary. It extends the most simple elements of due process to Amercian citizens who choose to own firearms. No longer is honest intent irrelevant; most violations must be proven willful, undertaken with illegal intent. If a person is acquitted, their property cannot be confiscated on the same charges. If a person must sue to get improperly confiscated property back, or to defend against frivolous charges, he can recover an attorney's fee from the agency. A dealer can sell to a resi-

dent of another State if the sale is completely legal under both State's laws. Regulations imposed must be only those necessary to the purposes of the law.

These are reasonable reforms, aimed at keeping the law and its enforcement on the right track—aimed at the real criminal. For exactly that reason, this legislation is endorsed by the Fraternal Order of Police and the National Sheriffs' Association, both of which feel it would actually make the Gun Control Act more enforceable—against the real criminal.

The opposition to S. 49 does not come from law enforcement, which supports it. It seems to come mainly from persons who have never read it or its endorsements. Curiously, many of these opponents are the same persons who consider themselves civil libertarians yet they will gladly embrace entrapments, unreasonable search and seizures, and even physical brutality—so long as these are directed at firearm owners. To such persons, of course, no reforms of the Gun Control Act can ever be good news. To the rest of us—to law-abiding gunowners, to law enforcement, and to free men and women in general—it can be nothing but.

Mr. President, I should like to address some frequent questions which have arisen concerning this bill, and then I will answer them, because I think there has been much misconception with regard to this bill by some of the people who have been opponents of the bill throughout the last number of days.

No. 1: Wouldn't this bill allow escaping criminals, felons, and terrorists to get guns? The answer is that 18 U.S.C. 922 (g) and (h)—which currently prohibits sales to fugitives from justice, convicted felons, drug abusers, and adjudicated mental incompetants—is strengthened by this bill. Instead of only licensed dealers being prohibited from selling or transferring to these prohibited persons, anyone who does so is guilty of a felony. The bill is stronger on this point than current law.

No. 2: Wouldn't this forbid inspections of dealers except those preceded by advance notice? The answer is that this bill authorizes five different kinds of inspections for tracing, compliance, enforcement, and other purposes. Only one of these, the courtesy visit, is preceded by notice. The others are allowed anytime the Federal officers have reason to believe a law has been violated or need access to records for law enforcement.

No. 3: Wouldn't the bill allow mail-order sales? The answer is that 18 U.S.C. 922(a)(1) and 18 U.S.C. 1715 and 18 U.S.C. 922(c) now ban mail order sales. The bill does absolutely nothing to change those provisions of present law.

No. 4: Wouldn't the bill allow an individual to walk across a border to get a gun his State law prohibits? The answer is clearly no. Interstate sales may be made only when three circumstances are met: First, the sale must be face-to-face with a dealer across his business counter; second, the sale must be subject to recordkeeping for tracing purposes; and third, the sale must comply with the law of both the buyer's and seller's State. Compliance with State law is required by the bill; a violation of this command is a felony.

No. 5: Why not a waiting period? I can say that 34 States have rejected such restrictions. Why should the Federal Government resume to impose one?

We prefer to allow the States to make up their minds and to do whatever they decide is right in this area.

The leading law enforcement agencies—Department of the Treasury and Department of Justice—agree that these waiting periods do little or nothing to deter crime and they oppose a national waiting period. Criminals, of course, do not wait in line and subject themselves to recordkeeping and potential tracing to get a firearm. They steal or get their guns through other unlawful means. A high percentage of crimes committed are committed with illegally obtained weapons.

Studies have shown that over 80 percentage of all crimes committed with guns were committed with guns which were obtained through illegal channels. A waiting period would have little effect on crime but would burden sportsmen and other law-abiding gun owners.

Mr. President, I ask unanimous consent to have printed in the RECORD a factsheet on the Firearms Owners Protection Act; a statement of Ferris E. Lucas, executive director, National Sheriffs Association; a statement of Vince McGoldrick, chairman, National Legislative Committee, Fraternal Order of Police; and a statement by our colleague, Senator SASSER, entitled "Gun Control Act Amendments Needed Now."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET: THE FIREARMS OWNERS PROTECTION ACT

1. *Engaged in the Business.*—Existing law requires those engaged in the business of gun dealing obtain a license, but doesn't expressly define "engaged in the business." The result is a hodgepodge of definitional interpretations found in court rulings, interpretations which vary from circuit to circuit. This has led to many collectors being convicted for just a few sales which were made during the regular and normal course of their collecting or hobby activities. The Protection Act expressly defines "engaging in the business" to include only dealing with the intent of making livelihood *and* profit (business and commercial motives). Hobbyists and collectors who intend only to enhance their personal collections or hobby by their activities are specifically protected from the threat of prosecution.

2. *State of Mind.*—For the most part existing law requires no proof of criminal intent, resulting in felony prosecutions and convictions for acts which were unintended (e.g. "engaging in the business" by a few gun sales) or based on inadvertant violations. The Protection Act creates a demanding intent requirement for each violation of the 1968 Gun Control Act. Those violations generally applicable to persons possessing specialized knowledge of gun laws (e.g., legal machine gun owners) or violations which contain elements that target real criminals (e.g., transportation of a stolen firearms, knowing or having reasonable cause to believe that the firearms are stolen) would require a "knowing" criminal intent standard. Those violations susceptible to unintentional commission are governed by the higher "willful" standard. Under these provisions alone, some estimates state that 75% of BATF's victims would have been acquitted.

3. *Warrantless Inspection.*—Current law allows warrantless inspection of dealers' premises anytime during business hours. The Protection Act generally makes reasonable cause and an administrative warrant a requirement for inspection of dealers' premises. Limited exceptions are provided; (1) for a criminal investigation of someone other than the dealer who is being inspected; (2) for regulatory inspection—but only once a year, only after notice, and no charges may be based on the regulatory inspection except for willful recordkeeping violations and sales to prohibited persons (e.g., convicted felons); (3) for tracing of particular firearms, as a part of a bona fide criminal investigation. Licensed collectors are also protected by the Act. The Protection Act would essentially end mass, random audits.

4. *Ammunition Recordkeeping.*—The Protection Act eliminates ammunition recordkeeping and the requirement of dealers' licenses for ammunition-only dealers.

5. *Pardons, Etc.*—The Protection Act provides that a person convicted of a felony who secures a pardon, restoration of civil rights, or whose record has been expunged is no longer considered a felony for the purposes of possessing firearms—courts have held this not true under existing law.

6. *Firearms Seizures and Forfeitures.*—Existing Law permits seizure and forfeiture of guns that are more probably than not "intended to be used" in federal firearms violations, does not expressly require their return if the owner is acquitted of criminal charges, puts no time limit on their being held, and gives the owner no remedy if he wins return. The Protection Act requires "clear and convincing" evidence that guns are "intended to be used" in federal firearms violations, requires that each gun be individually tied to the violation, that they be returned if the owner is acquitted on the criminal charges, that forfeiture actions be begun within 120 days after seizure, and grants the gun owner an attorney's fee if he sues for their return and wins. Wholesale seizures of entire gun collections will be significantly limited.

7. *Interstate Sales.*—the Protection Act would allow sale by licensed dealers to nonresident buyers so long as neither the laws of the place of sale nor those of the purchaser's residence are broken.

8. *Interstate Travel With Firearms.*—The Protection Act would grant a right to transport firearms despite state and local laws which have the effect of prohibiting the transportation of firearms through a state

or locality when the firearms are unloaded and not readily accessible. This is intended to prevent state or local laws, which may ban or restrict firearm ownership, possession, or transportation, from being used to harass law-abiding travellers.

9. *Dealer Collections.*—The Protection Act would create an exception from recordkeeping for all private sales by licensed dealers from their private collections as long as the firearms have been separate from inventory for more than a year and were not transported to a private collection to avoid recordkeeping.

10. *Relief for Past Abuse Victims.*—Current law allows a felon to apply for a "relief from disability" which, if granted, enables him to own guns again. But it excludes from this anyone convicted of a Gun Control Act violation. Thus all collectors, dealers, and other gun owners convicted by misuse of the law in the past are forever barred from gun ownership. The Protection Act removes this exclusion so they can apply on an equal basis with anyone else—and, given their clean records and technical violations, should be able to obtain relief.

11. *Attorneys' Fee.*—As a penalty for abuse and to prevent damage to the innocent, the Protection Act requires judges to award an attorney's fee to a gun owner if the enforcing agency's action is vindictive or commenced without legal basis. This applies to criminal as well as civil proceedings.

12. *Regulations.*—The Protection Act requires that regulations issued be only those necessary to enforcement of the Act. (Current law allows any regulations the Secretary thinks reasonably necessary, a broader standard).

13. *License Revocation.*—The Protection Act provides that, where a licensee has been charged with, and acquitted of, criminal charges, those same transactions may not be used as the basis of a license revocation. The enforcing agency now is able to follow an acquittal with a license revocation action, doubling legal expenses for the dealer.

14. *Enhanced Penalties for Criminal Use of Firearms.*—The Protection Act would provide extra penalties for the criminal misuse of firearms during felonious crimes of violence. Probation, suspended sentences, paroles, and furloughs are ruled out for the violent misuser of firearms and the extra penalties would not run concurrently with any other sentences which form the basis for the enhanced penalties.

15. *Importation of Sporting Firearms.*—Current law provides that the Secretary of the Treasury may authorize the importation of firearms which are generally recognized as particularly suitable for sporting purposes. The Protection Act provides that the Secretary of the Treasury shall authorize the importation of firearms which are suitable for or readily adaptable to sporting purposes.

16. *Dealer Sales at Gun Shows.*—Current law generally forbids licensed dealers from selling firearms at gun shows while non-licensed individuals are not restricted. As a practical matter, the licensed dealer goes to gun shows and displays his goods. The buyer selects the firearm he wants and pays the dealer who then either gives the firearm to a local licensed dealer for delivery to the buyer for an additional "transfer fee", or returns to his place of business and there transfers the firearm to the buyer. In either case, the buyer from a licensed dealer is inconvenienced in a fashion not experienced if he had purchased his firearm from a non-licensed individual. The Protection Act would permit licensed dealer sales at gun shows from a local dealer to a resident or non-resident buyer as long as the usual paperwork is filled out. This would place the licensed dealer on an equal footing with the private individual and save the buyer both time and money.

17. *Prohibited Persons Defined.*—The Protection Act consolidates the several separate and inconsistent statutes setting out classes of prohibited persons into one easily indentified group of individuals who are prohibited access to firearms.

STATEMENT OF FERRIS E. LUCAS, EXECUTIVE DIRECTOR, NATIONAL SHERIFFS' ASSOCIATION

Mr. Chairman, my name is Ferris E. Lucas, Executive Director of the National Sheriffs' Association. As you know, I am not a stranger to the Committee on the Judiciary. Over the past couple of decades I have testified on numerous occasions before this Committee and various Subcommittees under your jurisdiction. Once again, therefore, it is my pleasure to share with the Committee the thoughts and positions of the National Sheriffs' Association which I represent, relative to S. 1030, the McClure/Volkmer Federal Firearms Owners Protection Act—which our members overwhelmingly support.

The National Sheriffs' Association promotes legislation beneficial to sheriffs nationally and to the professionalism of law enforcement so we may enjoy the preservation of life, liberty and the pursuit of happiness as these were guaranteed by the Constitution and the Bill of Rights. Further, the NSA, strongly supports the individual right to keep and bear arms as guaranteed by the Second Amendment to the Constitution.

Mr. Chairman, it is apparent that civilians need to protect themselves. There are not enough sheriffs or police officers to protect law-abiding citizens from the criminals who prey on our society. Therefore, it is no wonder that as long ago as 1972 tha' the National Sheriffs' Association adopted a resolution calling for mandatory sentences for persons convicted of crimes in which a firearm is used, independent of the sentence they may receive for the specific crime. It is exactly this proposal which is incorporated in McClure/Volkmer which imposes mandatory time, without probation, parole or furlough for use of a firearm in a federal felony against the person.

The NSA represents sheriffs and deputy sheriffs of the counties of all the states in the union. We have approximately 56,000 current members of the NSA who are both active and retired members. Of our nationwide number of sheriffs, these include 3,104 active sheriffs who are in turn responsible for over 160,000 deputies. Although some of our sheriffs may be responsible for enforcing the law over areas in excess of 20,117 square miles, they receive the bare minimum of law enforcement funds to carry out their responsibilities. With these fiscal handcuffs tightening around our wrists we will be expected to do even more with even less in the coming years. The tendency of Federal, state and local authorities to continually impose more laws and provide less enforcement will make this situation continually worse. Further, there are not only the geographical strictures on our members, but also the legal ones. Evidence which a Court in retrospect decides was improperly obtained is kept out even where the officer honestly believes that he or she was acting properly. The practical effect is that an officer in the field is judged as if he or she had a law library in the trunk of the car and a law clerk in the back seat.

Gentlemen, we are here today testifying in favor of McClure/Volkmer. Mr. Chairman, the members of the NSA are in the front line of criminal law enforcement. We are charged with the enforcement of the laws which protect our citizens against murderers, robbers, rapists, and other serious offenders who by definition prey upon society. And we deal every day with the citizens, both young and old, who have been the victims of these predators.

The laws which we enforce are not predominately regulatory ones; they are laws whose infringement inflicts directly criminal harm on our citizens. Regulatory laws, of course, may indirectly hinder criminal action and cause more work for our members, but when law enforcement resources are limited they necessarily draw resources away from enforcement which has a direct impact upon criminals and violent crime. Every law enforcement officer who is enforcing a regulatory statute, such as the Gun Control Act, means one that is not available to answer a breaking and entering call, a robbery in progress call, a rape in progress call or to provide the routine assistance to the public that so often is the case.

Accordingly, just as we support obtaining increased resources for our members, we support the removal of increased enforcement burdens which either do not hinder criminals or hinder them so indirectly as to be almost useless. McClure/Volkmer is a bill which will have exactly this impact.

For example, the existing Federal Gun laws make it a felony for a private citizen to give or sell a firearm to a resident of a different state, even though this would violate the laws of neither state. This can have no logical basis; the only reason to prevent an interstate transfer is to prevent the evasion of local laws and if there are no local laws, why is this a federal issue?

A McClure/Volkmer would take care of this by prohibiting interstate sales only where it would violate the laws of where the sale was made or where the buyer resides.

Lastly, another very important provision of McClure/Volkmer is the addition of the word "willful" to the section outlining the criminal penalties. As it is the most technical violation, committed with the most innocent intent, is as serious a violation as any other. This bill would require that a violation be "willful", committed with a criminal intent, before it can be federally punished. The NSA strongly endorses the addition of "willful" to this section.

The only argument for permitting federal prosecution of an unintentional violation is it is too much work for federal agents to ascertain whether the individual acted with illegal intent. Our members, who every day enforce criminal statutes requiring far more detailed proof of intent of this (the requirement of premeditation and malice of forethought for murder is the most obvious one) do not consider this realistic. Frankly, if you have the resources to prosecute unintentional technical violators of the Gun Control Act, give them to our members, and we will use them instead to prosecute murderers, rapists, armed robbers, and burglars.

The voice of the people is the supreme law. If law enforcement is to have a voice in the future of America, it must make that voice heard in the Halls of Congress and in state and local legislatures across America. Won't you cooperate with us? It is time to

consider a change. We believe McClure/Volkmer is the needed change at the needed time.

Thank you.

STATEMENT OF VINCE MCGOLDRICK, CHAIRMAN, NATIONAL LEGISLATIVE COMMITTEE FRATERNAL ORDER OF POLICE

Mr. Chairman, my name is Vince McGoldrick and I speak on behalf of the Fraternal Order of Police. The Fraternal Order of Police is the oldest and largest police organization in the United States. Our membership presently consists of approximately 160,000 active or retired law enforcement personnel. I myself retired after 23 years of police service, both civilian and military.

As police officers, our members have a uniquely detailed view of crime and the criminal justice system. They are among that small part of the population obligated by the law and their oaths to move against a criminal act or public danger, rather than avoid it. As a result, police officers and their families bear a disproportionate part of the burden of criminal tragedy, in the form of deaths and injuries in the line of duty. In the past decade, 1,147 law enforcement officers have been murdered in the line of duty; last year alone, over 57,000 were assaulted.

With this burden, law enforcement officials have a unique responsibility. They are the front line of law enforcement. The legislature may enact laws, the judiciary may interpret them, but it is the police officer, deputy or agent on duty who must decide whether and how they should be applied to any particular case. If the law to be enforced is restricted and clear, and covers only acts society really wants punished in every case, the application is simple. But when the law is vague, or overbroad, or really intended to be applied only in exceptional cases, it is the individual officer who must make that decision. All too often, he or she must make it without any particular guidance.

As police, we therefore favor laws which are certain and clear, and define as concisely as possible those acts which policymakers really want punished. We support firm and sure punishment for those who violate such laws. For both these reasons, the Fraternal Order of Police strongly supports S. 1030, the McClure/Volkmer bill:

S. 1030 represents a series of amendments to current federal firearm laws, chiefly the Gun Control Act of 1968. The effect of the bulk of these amendments is to reform the Gun Control Act in ways that make it more rational, more clear, more narrowed and more precise—in a phrase, more enforceable.

Many aspects of the Gun Control Act, as it exists, are enforcement nightmares. The Act outlaws, and imposes felony penalties upon, a wide range of conduct in which ordinary, honest citizens regularly engage. Under it, a transfer of a firearm to a resident of another state, in full compliance with all state laws, is a federal felony. To "engage in the business of dealing" in guns without a license is a felony—yet no section of the law tells enforcing agents just what Congress meant by that phrase. To distribute ammunition to others without a manufacturers' license is a felony, although we may suppose that the law's drafters did not intend the arrest of the millions or tens of millions of law-abiding citizens who have done just that. The agent or officer who must enforce such requirements is left completely at sea when it comes to knowing just what enforcement was really intended, and sometimes even just what is legal or illegal.

Even where the commands of the law are clear, they are often irrational. A licensed dealer cannot, of course, sell to a convicted felon. A private citizen, who is guilty of a felony if he sells to a resident of another state, *can* sell to a convicted felon. One section defines five classes of people who cannot receive firearms; another defines four classes who cannot possess them. Yet, only two of those classes overlap (felons and former mental cases) and even these are defined differently in each of the two sections! The terms of the Gun Control Act are thus not only overbroad and vague, but also they are sometimes even inconsistent, arbitrary and capricious. A person charged with enforcing the law, whose decisions must be made in the field and not in a legislative hearing room, deserves better descriptions of what conduct you desire stopped and punished.

S. 1030 goes far to remedy these problems. It creates a precise definition of prohibited firearm owners, and this definition applies uniformly to private and to dealer sales, to receipt, transportation and ownership of firearms. It defines "engaged in the business", and makes it clear that Congress desires "willful" violators, and not those who accidentally transgress with innocent intent, to be arrested and prosecuted. Enforcement of the law is accordingly made less burdensome and more certain. The Fraternal Order of Police strongly supports these improvements in the enforceability of the Gun Control Act.

We also support S. 1030's efforts to increase penalties for criminal misuse of a firearm. The Gun Control Act is primarily a regulatory statute. It is not used to prosecute a murderer, rapist, or robber as such. Instead, it permits prosecution of those who violate regulatory measures (licensing, recordkeeping, interstate sales) in the hopes that this might indirectly hinder the actual criminal. The major exception to this arrangement is found in section 924(c) of the Act, which imposes stiffer punishments upon anyone who uses or carries a firearm in commission of a federal felony. The chief problem is that the additional penalty is not a mandatory penalty—that is, the offender can receive probation or parole without limitation—unless it is a second conviction under that specific section. Since, to the best of my knowledge, no one has ever been twice convicted under 924(c), a judge who desires to give a violent federal offender probation can simply give him the additional term with probation or suspended sentence.

S. 1030 changes this, imposing a mandatory sentence—no probation, parole, work furlough or any other form of release—for use of a firearm in a federal crime against the person. The Fraternal Order of Police strongly endorses this proposal. Indeed, we as police have a personal stake in laws of this type. Studies of murders of police conducted by the Federal Bureau of Investigation have shown that for nearly three-quarters of such killers this was not their first offense. 39% had received probation or other similar leniency from the judicial system. No less that 25% were on probation or parole for past offenses when they murdered the police officer. While we as law enforcement personnel are the most exposed to the recidivist, we are not the only ones at risk. An LEAA study of convicted robbers found that most were career criminals who began their criminal acts by age 14; they averaged over two prior felony imprisonments, before beginning their current robbery term. The Fraternal Order of Police therefore strongly endorses laws such as S. 1030, which seek to incarcerate serious offenders.

The Fraternal Order of Police thus considers S. 1030 to be a vast improvement over the Gun Control Act as it now exists. It clarifies, tightens and makes rational the all too often vague and inconsistent provisions of that Act. We therefore support it from our standpoint as law enforcement professionals. And we also support it as individuals. Many, if not most, of our members are themselves firearms owners in private life. We enjoy the safe and legitimate uses of firearms for sport and collecting and we support their necessary use for self-defense. On-duty police, who form a small part of one percent of the population, cannot be everywhere at every time, particularly when the criminal has the advantage of picking the time and place of the offense. As firearms owners as well as law enforcement professionals, we support S. 1030's move to reorient the federal firearm laws away from the legitimate users of firearms and toward stiffer punishment for the criminal.

GUN CONTROL ACT AMENDMENTS NEEDED NOW

Mr. SASSER. Mr. President, approximately 2 months have passed since the introduction of "A Bill to Protect Firearm Owner's Constitutional Rights, Civil Liberties, and Right to Privacy," a bill which I have cosponsored. I am pleased to be able to say that over half the Senate has, in those 2 months, elected to sign on to this needed legislation. We may look forward to passage of this bill, but I feel that it is desirable to discuss now the need for this legislation and its historical context.

The primary thrust of this bill is aimed at amending the Gun Control Act of 1968 to change its most onerous provisions and institute guarantees of gun owners' civil liberties which were omitted from the act. To understand how those guarantees were omitted, we should examine the historical background of the 1968 act.

What ultimately became the 1968 Gun Control Act originated in 1963, as a relatively modest measure to require police notification before mail-order firearm purchases. Over the following years, as the gun control controversy expanded, so did the proposed legislation. It finally came to the floor in 1968 in a politically charged atmosphere. Those who sought extensive Federal regulation of gunowners fought for registration and permit systems; those who opposed it primarily fought against these proposals. The Gun Control Act was not a coordinated piece of legislation, but a hodgepodge of proposals which neither side particularly wanted, inserted piecemeal as the legislative battle see-sawed back and forth. No sooner was it enacted—as part of the Omnibus Crime Control and Safe Streets Act—than a new push was started for amending the bill.

A second piece of legislation, entitled the Gun Control Act of 1968, was passed, which amended various provisions of the first bill, making it apply to rifles and shotguns as well as pistols, creating a collectors' licensing system, amending provisions for review of license denials, and generally clouding the issue to a still greater degree. The end result was a strange piece of legislation. Among its other unusual features:

"Four classes of persons are prohibited from purchasing or receiving firearms (sec-

tion 922), and six classes of persons are forbidden possession of firearms (section 1201). But only two of these classes overlap and even here the classes are defined in different language: the result is that most of the groups forbidden receipt of firearms are not forbidden possession and vice versa.

"The section limiting possession by persons convicted of an offense punishable by more than one year provides that a pardon ends the prohibition—but the drafters of the section limiting receipt of a firearm by the same class forgot to insert a similar provision. Accordingly, the Seventh Circuit has held that a person given a full pardon is allowed to possess a firearm, but commits a felony when he receives it to begin possession. (*Thrall* v. *Wolfe.* 503 F.2d 313 (7th Cir. 1974).)

"The Act makes it a federal felony to "engage in the business" of dealing in firearms without a special license but fails to give any guidelines of any sort on what "engage in the business" means. This is vital to legitimate gun collectors, who often swap or sell a few firearms out of their collection. Courts have repeatedly held that, in absence of a legislative definition, there is no minimum profit, no requirement of advertising, employment of others, or premises used for business. The jury is simply instructed that the defendant should be convicted if they find he did "any business" in firearms. One court has even claimed that the display of a firearms collection in a glass case is listed among the characteristics associated with a "firearms business venture," so that a normal collector's display at a gun show is itself evidence of violation. (*United States* v. *Jackson,* 352 F. Supp. 672 (D. Ohio 1972) *aff'd* 480 F.2d 927 (6th Cir. 1973).)

"The Act requires a federally-licensed firearms dealer to keep records of his inventory and sales, and does not require private citizens to do so. But it says nothing about what a dealer who has a private collection, not in his business inventory, should do if he sells a part of that collection as a private citizen. The agency enforcing the gun laws itself cannot make up its mind on this issue, but the persons who pay are law-abiding gunowners. In 1972, the agency formally ruled that a dealer did not have to record in his inventory personal firearms, even if they were on his business premises, if they were marked not for sale. It then proceeded to prosecute several dealers whom its agents enticed into selling guns from their private collection. At their trials it argued that its ruling, if read carefully, only said personal firearms did not have to be recorded in the inventory, not that their sale did not have to be recorded in sales records. But even while one of these prosecutions was pending, the head of the agency stated, in writing, that the dealer may "maintain a private collection independent of the business inventory and lawfully dispose of such firearms without entering the transaction in the business records." When confronted with this statement by its acting director, the agency responded that (1) the director was mistaken as to the law and (2) since mistake of law is no defense under the Act, the fact that the dealer here had the same misunderstanding is no protection to him! If this were not enough, since that date the agency's director has been quoted again as advising dealers that they may indeed have a private collection and sell from it off their business premises! No one seems to know what a dealer should do in this case—except that if he wrongly guesses the agency's position this month, he will be prosecuted on federal felony charges."

The vague and often inconsistent commands of the Gun Control Act would be a serious enough imposition to the citizens of this Nation, but they are compounded by two general problems. The first is that every violation, no matter how trivial or technical, is a Federal felony. Not only are those who violate subject to 5-years imprisonment in a Federal institution plus a $5,000 fine, they lose most civil rights—to vote, hold office, and so on—even if their honest nature leads the judge to impose no real punishment. More than this, they totally lose the right to possess any firearm for the remainder of their lives. While a person who knowingly and intentionally commits a barehanded murder or robbery can theoretically get an administrative "relief from disability," enabling him to own firearms, a person convicted of a minor and unintentional Gun Conrol Act technically cannot—another of the harmful quirks of that legislation.

The second general problem is that most sections of the Gun Control Act require no proof of intent in order to obtain a conviction. The requirement of proof of criminal intent has been ingrained in our legal system from its beginnings; Blackstone went so far as to state that a crime without criminal intent was unknown to the common law of England. In *Morisette* v. *United States,* 342 U.S. 246 (1952), our Supreme Court went so far as to read an intent requirement into a statute where Congress has failed to insert that requirement. It stated that to do otherwise would "radically change the weight and balances of the scales of justice," and that the effect would be to "ease the prosecution's path to conviction, to strip the defendant of such benefit as he derived at common law from innocence of evil purpose, and to circumscribe the freedom heretofore allowed juries." Id. at 263.

The Morisette court's condemnation of this as a "manifest impairment of the immunities of individuals" was expanded a few years later when the Court added that "were it otherwise, the evil would be as great as it is when the law is written in print too fine to read or in a language foreign to the community." *Lambert* v. *California,* 355 U.S. 226, 230 (1957). Unfortunately, the Congress failed to place intent requirements in most of the provisions of the Gun Control Act. In *United States* v. *Powell,* 513 F.2d 1249 (8th Cir. 1975), the court went so far as to say that, in an "engaging in the business" prosecution, reliance on an attorney's opinion that the conduct was lawful is no defense.

The 90th Congress most definitely did not have to enact such a complicated gun control law, but the combination of the language they chose in the Gun Control Act and the interpretations the courts have placed upon that language had exactly that effect. Commands so vague that even the head of the agency charged with their enforcement cannot define them combined with the doctrine that "ignorance is no excuse" produce a law custom-made to ensnare law-abiding citizens who exercised their right to own and use arms. This opportunity fitted in perfectly with the bureaucratic expansion of the enforcing agency, the Bureau of Alochol, Tobacco and Firearms (BATF).

Between 1968 and 1972 for instance, the Bureau was able to expand its employment of special agents from 985 to 1,622. Before the Gun Control Act, the agency had only been able to employ 214 agents for firearms enforcement; 5 years later it was able to thus employ almost a thousand.

But the BATF apparently found that enforcing the law against genuine criminals—for example, convicted felons who illegally owned firearms—was not suitable to mass production of arrests that could be used as a "numbers game" to justify still more employment of agents.

Instead, it has engaged in frequent entrapment of licensed dealers and private collectors. They were easily located, were not evasive or even expecting undercover approaches. They had no criminal intent, but the law did not require proof of such for charges or conviction. The broad language of the act and the vagueness of its commands insured that they could easily be lured into a technical violation.

Collectors were approached by agents who purchased two, four, or six guns from their collection. They were then raided, charged, and their collections confiscated on "engaging in the business of dealing in guns" charges. Dealers were approached by nonresidents of their States, to whom they could not sell. When they turned down the nonresident, a resident agent with valid identification claimed to be a relative and bought the firearm legally "for" the nonresident. The dealer was then charged with a "straw man" sale. Other dealers were induced to make sales from their personal collections, then charged with having sold without proper recording, as I described earlier. In many areas, a virtual reign of terror came to dominate legitimate gun owners and collectors.

To date, three Senate and one House hearings have documented the extent of these abuses. These have established, among other things, that approximately 75 to 80 percent of BATF criminal fire-arms charges were being brought against individuals who had no criminal intent; that BATF itself admits barely 10 percent of its firearm charges are on "felon in possession"or "sale to felon" charges; that an assistant director of the Bureau had indicated in a private memorandum to the director that he "shuddered to think" that their errors might lead to conviction of innocent citizens; that agents have repeatedly confiscated collector-grade firearms, deliberately dropped them on concrete floors, stored them in damp areas, and otherwise damaged them: that in aggravation of this, agents have often refused to return seized firearms even after their owner has been acquitted, after grand juries refused to find even "probable cause" to believe he had broken the law, or after the Bureau itself dropped charges.

These were not minor acts; in several cases the agents calmly informed individuals that the Bureau did not have to pay legal expenses, the individuals did, and if they sued to assert their rights, the expense would be beyond their means. BATF, to be sure, claimed to have "reformed," but the hearings document that, after the reforms, the percent of cases brought against felons in possession dropped and the value of seized firearms rose, indicating seizure of more collectors' items, not fewer.

In short, this legislation is vitally needed. We must remove the opportunity for such abuses, and minimize the incentive for new ones by providing liberal remedies for firearm owners who successfully assert their rights. This bill would achieve these goals with a series of provisions, which I can briefly discuss here.

First, prosecution for unintentional violations would be ended. Now the Government must prove, beyond a reasonable, doubt, that a violation was willful before it can

obtain a conviction. A technical violation, by one who did not intend to break the law, can no longer form the basis of life-wrecking felon status.

Second, this bill would narrow and clarify the most vague commands of the Gun Control Act. The vague command that one refrain from engaging in the business would be clarified by a definition of that term as pertaining to engaging in the repetitive sale of firearms for the primary motive of profit, and as expressly excluding firearms hobbyists who dispose of their collection. This more nearly approaches what we commonly think of as a dealer—not a collector who exhibits his firearms and swaps or sells in pursuit of a hobby.

Another provision would recognize that a licensed dealer may have a private firearms collection, separate from his inventory, and so long as he keeps it separate may act as a private collector in acquiring, keeping, and disposing of it. No longer will those with a license be treated as second class citizens who even dispose of their own property in a manner permitted an ordinary, unlicensed citizen.

Yet another provision would coordinate the different sections listing persons banned from receiving or possessing firearms. As I mentioned earlier, existing law in this area is an ill-coordinated hodgepodge of different provisions—persons prohibited from owning guns may not be prohibited from receiving them, and vice versa, a pardon may permit a person to possess but not to receive, and so on. This bill coordinates these provisions into clear-cut commands: seven classes of persons, including all convicted felons who have not received pardons, reliefs from disabilities, or expungement of cases, are banned from possessing, owning, receiving or transporting firearms. The same rules on pardon, relief, and expungement apply to all such restrictions.

Third, this bill would remove the opportunity and incentive for harassment and civil rights violations. If a citizen is acquitted confiscated firearms cannot be withheld based on the charges of which he has been found innocent. Nor can firearms be witheld if the agency seizes them and refuses to bring charges within 120 days. The BATF has in the past seized firearms from an individual and, to cover the fact that the firearms were not involved in any violation, claimed that he "intended to use" them at some unspecified later date. This bill would remove the "intended to use" language from the confiscation section, allowing seizure only where the Bureau can establish firearms actually were used in violation of the law.

Given that the Governmental seizure of valuable private property without compensation, jury trial, requirement of proof beyond a reasonable doubt or any other safeguards normally accorded one whom the Government seeks to punish, is a procedure whose constitutionality skates upon thin ice to begin with, a limitation to property actually involved in violations is surely the minimum that justice requires.

As a means of enforcing these restrictions, the bill contains provisions that, where the owner of firearms must sue for their return, he is automatically entitled to a reasonable attorney's fee if successful. I see no reason why a citizen may have his property taken by the Government, win a finding that its taking was illegal and be saddled with legal fees while fighting a Government agency whose fees are paid from his pocket and those of every taxpayer.

Finally, the bill would remove several sections of the act which have been used for abuse and which constitute needlessly broad and wasteful restrictions. The most important of these is the ban on interstate firearm sales. When the Gun Control Act was being debated, it was initially proposed to ban interstate sales where the effect was to circumvent local laws—for example, where the buyer resided in an area where the acquisition of the gun would be illegal.

These proposals were rejected at the 11th hour due to drafting difficulties and instead a general ban on all interstate transfers—even where no local law existed that could be circumvented—was imposed. This, in turn, was altered by various exceptions—for firearms passing by will and devise, transferred to a dealer, replacement firearms, sales between contiguous States—but only of certain firearms and with special forms—and so forth. The result is to make inadvertent Federal felons out of honest citizens who transfer or give a firearm to a friend or relative who lives across a State line, even where they violate no State laws in so doing.

This bill would replace this exception-riddled general ban with a simple, clear, and rational rule: an interstate transfer is legal if it violates no State or local law in the place of the sale and the place to which the buyer intends to take it. If it breaks local laws in either of these places, it is illegal.

Another provision of the bill ends ammunition recordkeeping, another provision hastily inserted in the Gun Control Act. Even the agency enforcing the law has admitted that ammunition recordkeeping is of no measurable crime-fighting value and, with billions of rounds sold each year, the paperwork burden is enormous.

A third provision permits agents to enter the premises of dealers for record searches only where they have reasonable cause to believe a violation has occurred or there is evidence of such to be found. All too often, in the name of generating "makework" for appropriations time, or harassing a dealer, agents have spent hours or days examining his records without any reason to expect evidence of violation. We must remember that a firearms dealer, like any citizen, is entitled to his fourth amendment protection against search and seizure without probable cause. If an ordinary businessman is entitled to this protection when enforcement of OSHA is involved—and our Supreme Court has ruled that he is—I see no reason why the fact that he has chosen to transact firearms business should create an exception in the Bill of Rights.

In summary, I think this legislation is badly needed, to prevent future abuses of this type, to force the enforcing agency back toward real criminals and away from law-abiding gun owners, and in general to coordinate and add some reason to a hastily drafted and poorly formed statute. I am tired of the abuses which have been committed in its name—tired of having citizens without criminal intent being charged with felonies, tired of having honest collectors' museum-grade firearms seized as if they were likely to be used in crime, tired of agents who withhold firearms after their owners have been acquitted of all charges, tired of hearing that "ignorance of the law is no excuse," when the law is so vague the directors of the enforcing agencies admit ignorance of its provisions.

The 90th Congress acted hastily in drafting the legislation as it now stands; I suggest it is our duty in the 97th to end forever the violation of our Constitution and laws in the name of its enforcement.

Mr. HATCH. Mr. President, we have just been discussing the various recordkeeping provisions of S. 49 in conjunction with the recordkeeping provisions in the current 1968 Gun Control Act. Those favoring this amendment—to include the current Bureau of Alcohol, Tobacco and Firearms regulation (178.126) in S. 49—may not have reviewed the Senate record relative to this provision in 1968 after the act passed and regulations were promulgated to implement it. Thus, let me take the time first to report that Congress had no intent to require all law-abiding gun dealers to report all their firearms transactions to the Alcohol and Tobacco Tax [ATT] Division of the Treasury Department [currently BATF]. And, the Director of ATT likewise agreed that it was not their intent either.

I believe it is appropriate at this time to insert in the RECORD a letter from Harold A. Serr, Director, Alcohol and Tobacco Tax Division to Senator Frank Church clarifying the record information submission requirement for firearms licensees.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Harold A. Serr, Director, Alcohol and Tobacco Tax Division, dated December 17, 1968, to our late colleague, Senator Church.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. FRANK CHURCH,
U.S. Senate, Washington, DC.

DEAR SENATOR CHURCH: In response to your inquiry on December 17, 1968, I would like to assure you that under no circumstances does the Alcohol and Tobacco Tax Division intend to require licensed firearms dealers to submit all records of firearms transactions to a central location. This would be in effect gun registration and the Congress clearly showed its desires in this area when gun legislation was voted on.

The provisions of Section 178.125 and 178.126 are simply an effort to make workable the provisions of Section 923(g) of the Gun Control Act of 1968. This section of the statute states that licensees "shall submit to the Secretary such reports and information with respect to such records and the contents thereof as he shall by regulations prescribe."

We contemplate the necessity of using these provisions of the statute when we become aware of violations of the law by an unscrupulous dealer. This is a very small minority who are in the firearms business but I would like to cite to you an example where we could have used this in the past. Our Special Investigators learned that a dealer was selling firearms (handguns) to residents of a bordering state whose law prohibited such purchases without a permit. Our agents approached the dealer and told him that if they gave their right names they would get in trouble back home. The dealer stated that they could give him any name they chose. So one of our agents stated that his name was Donald Duck and the other gave as his name Mickey Mouse. Both agents gave their address as Disneyland, California.

When we find out that situations like this exist, we would require the dealer to submit records of his sales, not for the purpose of registration, but for the purpose of proceeding against the dealer for a criminal violation of the law.

I wish to assure you again that we have no intention of requiring law-abiding gun dealers to report their firearms transactions to us. Not only do we intend to comply with the intent of Congress in this manner but our resources are such that we would be totally inundated with paper if we tried to do otherwise.

If I can be of further assistance please do not hestiate to contact me.

Sincerely yours,

HAROLD A. SERR
Director, Alcohol and Tobacco Tax Division.

Mr. HATCH. Mr. President, we are prepared for any further amendments.

Mr. MATSUNAGA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MATSUNAGA. How much time is there on the bill itself?

The PRESIDING OFFICER. Seven hours and forty minutes.

Mr. MATSUNAGA. Mr. President, if I may address the bill itself in general, I wish to do so.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. MATSUNAGA. I ask unanimous consent that I may proceed for such time as I may require.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, I rise to urge my colleagues to approve certain amendments which will be offered to S. 49 to strengthen current law and to correct several provisions of S. 49 which in effect would impede enforcement of the Gun Control Act of 1968.

At the outset, I must say that I am encouraged by the action taken by this body on June 24, 1985, to modify S. 49 in keeping with the intent of the 1968 Gun Control Act. I am referring specifically to the following amendments which were agreed to and which would:

First, tighten the provision allowing gun dealers to operate at temporary locations outside of their shops by defining temporary locations in consistence with current regulations of the Bureau of Alcohol, Tobacco, and Fire Arms covering sales at gun shows, so that gun sales made outside of their shops would be allowed only at gun shows or other events sponsored by legitimate gun organizations;

Second, delete the provision that would have barred any prosecution under the Gun Control Act of 1968 for violations resulting from simple carelessness;

Third, delete provisions that would have preempted gun laws in 20 States regulating interstate transportation of firearms in favor of new language establishing the limited right to carry an unloaded, inaccessible firearms in interstate commerce from one State to another where possession is lawful in both States.

Fourth, prohibit the importation of barrels, frames, and receivers for "Saturday night specials"—the 1968 Gun Control Act prohibits the importation of these small handguns, which are not suitable for sporting purposes but are frequently used in crimes; the importation of parts, however, has been allowed; and

Fifth, close the loophole in the National Firearms Act that allows paramilitary members, drug traffickers and others to bypass Federal restrictions on the possession of automatic weapons.

Mr. President, in 1975 the Hawaii State Legislature enacted a handgun control law banning the ownership of cheap, nonsporting, concealable handguns, so-called Saturday night specials, in a major effort to reduce handgun violence in the islands. Unfortunately, it is generally agreed in our State that this law has not resulted in significant reductions in handgun crimes. The prime reason for this failure is that effective handgun control cannot be achieved through purely State and local initiatives. The Gun Control Act of 1968 preserves the authority of States and localities to regulate guns among their residents by prohibiting the interstate sale of guns. With the exception of very limited circumstances, a resident of one State cannot travel to another State and purchase a firearm. S. 49 would nullify this provision and authorize dealers to make face-to-face firearms sales to out-of-State customers if the sale would be lawful under the laws of the seller's and the buyer's jurisdiction.

I believe it is critical that we accept the amendment which will be offered by the senior Senator from Massachusetts [Mr. KENNEDY] to retain the prohibition of interstate sales of handguns. It would be practically impossible for a dealer to determine that sales to out-of-State purchasers conform to the applicable State or local laws which are in a constant state of flux and whose application may vary greatly according to individual State court decisions.

The Senate Judiciary Committee, when considering similar legislation in 1984, recognized that the interstate sale of handguns could jeopardize State and local law enforcement and added language to the bill to retain the restrictions on interstate sales for handguns with barrel lengths of less than 3 inches, the so-called snubbies. S. 49 does not contain this important Judiciary Committee amendment.

Another weakening provision of S. 49 would require advance notice to gun dealers before compliance inspections. At present, agents of the Bureau of Alcohol, Tobacco, and Firearms [BATF] are authorized to conduct surprise visits to inspect sales records maintained by federally licensed gun dealers. S. 49 would require that a dealer be given reasonable notice before an inspection. With less than 100 BATF agents and over 200,000 handgun dealers in this country, unannounced visits are necessary, if inspection is to serve as a deterrent and be effective in ensuring that weapons are distributed through lawful channels in a traceable manner, that sales to undesirable customers are prevented, and the origin of particular firearms are detected. An amendment to be offered by the Senior Senator from Maryland [Mr. MATHIAS] would retain current law with respect to surprise Federal compliance inspections and should be supported.

The third amendment for which I urge support and acceptance is the provision being offered by my distinguished colleague from Hawaii, Senator INOUYE, and myself, which would require a 14-day waiting period between the time of negotiation for sale of a handgun and its time of delivery. This amendment would not mandate a criminal background check of the purchaser; rather, it would allow State and local authorities to exercise that option. It would also provide an exception from the waiting period for purchasers who present a notarized statement from the local police chief stating that immediate possession of the handgun is necessary for the individual's personal safety.

Such a waiting period, which was recommended by the 1981 Attorney General's Task Force on Violent Crime and which has broad support among the law enforcement community, will go a long way to facilitate background checks to keep handguns out of the wrong hands. It would also serve as a cooling off period for those intent on suicide or crimes of passion. I have supported a waiting period for handgun purchases during consideration of earlier legislation relating to handguns, and I would remind my colleagues that an identical provision was adopted by the Senate Judiciary Committee during markup of similar legislation in 1982.

Mr. President, I am convinced that these amendments to S. 49 which I have discussed briefly, are essential improvements which would enhance law enforcement and prevent handguns from falling into the wrong hands. They would not place undue restrictions on honest citizens with respect to the acquisition, possession, or use of firearms for recreational or other lawful purposes. I strongly urge my colleagues to approve these amendments which will be offered during consideration of S. 49. Without these amendments, the bill should not be passed.

Mr. JOHNSTON. Mr. President, will the distinguished manager yield me some time?

Mr. HATCH. Mr. President, I am happy to yield as much time as the Senator may need.

Mr. JOHNSTON. I thank the distinguished Senator.

Mr. President, I rise in support of the Firearms Owners' Protection Act, S. 49. The issue of a citizen's right to bear arms and of the State to regulate that right is one which strikes at the heart of our Nation's political and judicial heritage. It is a matter for intense discussion and other heated debate, but this is as it should be. Few laws passed are absolutely perfect; sometimes we must go back and review them in order to resolve any imperfections and clarify the original intent. The bill before us today, the Firearms Owners, Protection Act (S. 49), is designed primarily to correct demonstrated abuses which are embodied in present law. Please allow me to reiterate the various reforms which this bill incorporates:

First, it defines, "engaging in the business" in order to clarify whether a Federal firearms license is needed.

Second, it liberalizes interstate sales of firearms when such sales are already legal in both the State of sale and the State of purchase.

Third, it mandates that an element of criminal intention for prosecution and conviction of Federal firearms law violations be present.

Fourth, it clarifies procedures for firearms sales by a dealer from his own private collection.

Fifth, it permits inspection of a dealer's records for reasonable cause.

Sixth, it requires mandatory penalties for the use of a firearm during a Federal crime.

Seventh, it limits the seizure of firearms.

Eighth, it provides for the return of seized firearms, and grants attorney's fees in spiteful or frivolous lawsuits.

Ninth, it allows the interstate transportation of unloaded, inaccessible firearms.

Contrary to popular hearsay, this bill would not allow for mail order or unlicensed pawn shop sales of firearms, nor would it restrict legitimate inspection of dealers' records.

This bill recognizes and reaffirms many of the most important constitutional rights of American citizens: to keep and bear arms, embodied in the second amendment; security from illegal and unreasonable searches and seizures, embodied in the 4th amendment; protection against the uncompensated taking of property; double jeopardy, and the assurance of due process of law as stated in the 5th amendment; and their rights against the exercise of authority, as stated in the 9th and 10th amendments.

Furthermore, S. 49 is the result of the beliefs of many that additional legislation is needed in order to correct problems—both actual and potential—within existing firearms statutes and their enforcement policies. The original intent of the Gun Control Act of 1968 was that:

> It is not the purpose (of this title) to place under any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity . . . or to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.

In essence, this bill seeks to redress inaccuracies and inconsistencies present within current law. More importantly, it is designed to send a clear and powerful message to the owners, both legal and illegal, of firearms and to the agency responsible for the enforcement of our Nation's gun laws [ATF]: the rights of honest, law-abiding citizens will be upheld, and those charged with enforcement duties must direct their efforts and attention toward the activities of those violent criminals whose callous disregard for the rights of others is abhorrent. We must remember that our country's Constitution sets forth very clearly the rights of its citizens, and we must turn our attention to the actions of those who would abuse those rights. Sometimes it is necessary to remind ourselves exactly who are the criminals and who are the victims, both of crimes committed and of imperfect legislation. This bill is such a reminder. I intend to fully support the Firearm Owners Protection Act and I urge my colleagues to do the same.

I thank the distinguished colleague from Utah for yielding.

Mr. HATCH. I thank my colleague.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The clerk will call the role.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 508

(Purpose: To provide that the making of false statements by a licensed dealer, licensed importer, or licensed collector be a misdemeanor)

Mr. HATCH. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposed an amendment numbered 508.

Mr. HATCH. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it it so ordered.

Mr. HATCH. Madam President, I ask unanimous consent that I be permitted to present this amendment in lieu of the simple carelessness amendment provided for in the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, strike out lines 2 through 22 and insert in lieu thereof the following:

"(a)(1) Whoever—

"(A) other than a licensed dealer, licensed importer, licensed manufacturer, or licensed collector knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under the provisions of this chapter;

"(B) knowingly makes any false statement or representation in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(C) knowingly violates subsections (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922;

"(D) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(l);

"(E) knowingly violates any provision of this section; or

"(F) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922,

shall be fined not more than $1,000, or imprisoned not more than one year, or both, and shall become eligible for parole as the Board of Parole shall determine.".

On page 8, strike out lines 8 and 9 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));".

On page 8, strike out lines 23 and 24 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)); ".

On page 10, strike out lines 1 and 2 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));".

On page 21, line 24, after "any" insert "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or any".

On page 22, line 5, after "such" insert "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or".

On page 22, line 14, strike out "included that imposed for the" and insert in lieu thereof "including that imposed for the felony described in the Controlled Substances Act (21 U.S.C. 801), the Controlled Substances Import and Export Act (21 U.S.C. 951), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or".

On page 1, line 3, strike out "of citizens".

On page 1, line 7, strike out "their" and insert in lieu thereof "the".

On page 2, line 2, strike out "their" and insert in lieu thereof "the".

On page 5, line 19, strike out "the sale or" and insert in lieu thereof "the activity involving firearms, including the sale or other".

On page 5, line 24, strike out "opposed to" and insert in lieu thereof "distinguished from".

On page 7, line 12, strike out the colon and insert in lieu thereof a semicolon.

On page 12, line 13, strike out "is so" and insert in lieu thereof "is in a licensee's personal collection".

On page 12, lines 15 and 16, strike out "disposition or any acquisition" and insert in lieu thereof "transfer".

On page 14, line 3, strike out "explicitly" and insert in lieu thereof "expressly".

On page 14, line 3, beginning with "the Act", strike out through "privacy'." on line 5 and insert in lieu thereof "this section.".

On page 14, line 20, after "inspect" insert "or examine".

On page 14, lines 22 and 23, strike out "for a reasonable inquiry" and insert in lieu thereof "in the course of a reasonable inquiry".

On page 15, line 4, strike out "to prohibited persons" and insert in lieu thereof "in violation of section 922(d)".

On page 15, line 5, strike out "inspections or inquiries" and insert in lieu thereof "inspection or examination".

On page 15, line 15, strike out "inspections or inquiries" and insert in lieu thereof "inspection or examination".

On page 15, line 23, strike out "Such procedure" and insert in lieu thereof "The inspection and examination authorized by this subsection".

On page 16, line 21, strike out "explicitly" and insert in lieu thereof "expressly".

On page 16, lines 22 and 23 and insert in lieu thereof "by this section".

On page 17, lines 8 and 9, strike out "tracing firearms" and insert in lieu thereof "determining from whom a licensee acquired a firearm and to whom such licensee disposed of such firearm".

On page 22, lines 19 and 20, strike out "or destructive device".

On page 22, line 21, strike out "the good faith".

On page 22, line 21, insert a comma after "danger".

On page 22, line 23, insert a comma after "person".

On page 22, strike out line 24 and insert in lieu thereof the following: "'court finds that the perceived immediate danger was so perceived in good faith and that a sentence under this section would' ".

On page 22, line 25, strike out "justice and" and insert in lieu thereof "justice.".

On page 23, line 1, strike out "such" and insert in lieu there "The".

On page 27, line 22, strike out "925" and insert in lieu thereof "926".

On page 30, strike out lines 16 through 19 and insert in lieu thereof the following:

SEC. 201. Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (sections 1201, 1202, and 1203 of the appendix to title 18, United States Code) is hereby amended to read as follows:

"SEC. 1201. (a) In the case of a person who violates section 922(g) of title 18, United States Code, and who has three previous convictions by any court referred to in section 922(g)(1) of title 18, United States Code, for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not less than fifteen years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g) of title 18, United States Code, and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(b) As used in this title—

"(1) 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily injury; and

"(2) 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is property of another with intent to engage in conduct constituting a Federal or State offense.".

Mr. HATCH. Madam President, during negotiations in the 98th Congress relative to the scienter or state of mind requirements, there was a discrepancy between what the parties understood the term "knowing" to mean. Senator MCCLURE, who deserves great credit for his contributions to this legislation, expressed his concern that some courts have diluted "knowing" to mean "belief" or "reckless disregard" rather than "actual cognizance." The simple carelessness language was added to the bill to clarify that the holding and rationale of those cases would not apply to the offenses covered by this bill. Unfortunately, attempting to set aside those cases by the addition of the simple carelessness language creates needless confusion and contradictions in S. 49. Accordingly, this objective is more properly handled by the legislative history of the report to accompany S. 914 from the 98th Congress, which is the authoritative source for the intent of the Judiciary Committee, and the clear understanding of the manager and supporters of this bill that these cases are not to be applied as a guide in ascertaining the meaning of the term "knowingly." In voting or speaking on any aspect of this bill's revisions concerning mens rea, we intend to exclude the following cases from any consideration of the meaning of the term "knowingly;" *U.S.* v. *Graves*, 394 F. Sup. 429 (W.D. Penn. 1975) aff'd, 554 F. 2d 65 (3rd Cir. 1977); *U.S.* v. *Thomas*, 484 F. 2d 909 (6th Cir. 1973) cert. denied 414 U.S. 912 (1973); *U.S.* v. *Werner*, 160 F. 2d 438 (1947); and in addition, any other case or cases which can be construed similarly to hold what these cases have been construed to hold.

With this understanding, however, I must urge the Senate to comply with its earlier time agreement and delete the "simple carelessness" language.

The ambiguity and confusion inherent in the term "simple carelessness" might only be partially overcome by extensive legislative history explaining the narrow purpose of this terminology. It seems far preferable to devote that legislative history to Congress' intent that the cases I have mentioned above not be applied to offenses occurring under this act. This will avoid extensive confusion, yet accomplish our objective just as certainly as devoting legislative history to explanation of the meaning of the term "carelessness."

Madam President, I ask unanimous consent to have printed in the RECORD a letter concerning this question.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, July 5, 1985.

DEAR SENATOR HATCH: This responds to your request for the Administration's position on the so-called "simple carelessness" defense in S. 49, "A Bill to protect firearms owners' constitutional rights, civil liberties, and rights to privacy."

The provision in question, which appears on page 21 of the bill, lines 20 through 22, specifically states, "That no person shall be prosecuted under this subsection where the conduct of such person involves simple carelessness." The apparent purpose of the provision is to preclude the prosecution and conviction of person for an act of simple carelessness constituting a technical violation of the Gun Control Act, e.g., federally licensed firearms dealers who inadvertently violate the recordkeeping requirements of the Act in some minor or insignificant aspect.

The Administration believes that the defense is unnecessary inasmuch as other provisions of the bill would require proof of an accused's knowledge or intent in any prosecution under the Gun Control Act. Furthermore, the bill would amend 18 U.S.C. Section 924(a) to require as an element of proof that certain offenses were "knowingly" committed on the accused's part, while the remaining offenses were committed "willfully". For example, in a prosecution of a licensed dealer for the felony of falsifying records of firearms transactions required to be maintained by the dealer, the Government would have to establish that the

dealer acted willfully, and not that he or she was simply careless. In view of the bill's provisions for these knowledge or intent elements, the "simple carelessness" defense could create confusion and ambiguity in the law.

We appreciate the opportunity to respond on this issue.

Sincerely,

EDWARD T. STEVENSON,
Deputy Assistant Secretary (Operations).

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

Mr. HATCH. Madam President, this amendment makes one important substantive change and several technical changes in the bill. The substantive change involves the penalties to be assessed for a recordkeeping violation by a licensed dealer. Under current law, a knowing failure under 18 U.S.C. 922(m) to make appropriate entries in or to properly maintain the voluminous records required by the 1968 act is a felony. In light of the evidence received by the hearings on this subject, it seems perfectly logical that a penalty of up to 1 year in prison or a fine of not more than $1,000 or both will be sufficient to encourage licensed dealers, manufacturers, importers, or collectors to maintain proper records. The most important sanction for a pattern of recordkeeping violations is left undisturbed by this bill or this amendment, namely the discretion of the Secretary of Treasury to revoke the license of a dealer who fails to act in accordance with the law. The threat of being put out of business is probably sufficient in itself to ensure compliance with the recordkeeping requirements of the act.

On the other hand, this amendment reducing a licensed dealer's recordkeeping violations from a felony to a misdemeanor will also respond appropriately to the concern, substantiated by committee hearings, that dealers have been and can be subjected to harsh felony penalties for technical violations of the rigid recordkeeping standards. This amendment will also attenuate the need for language is S. 49 excusing willful or knowing violations if committed with simple carelessness.

As I mentioned earlier the other provisions of this amendment are technical. The provisons of current law preventing a drug abuser from obtaining firearms are updated to reflect new definitions of controlled substances. Drug offenses, although perhaps implicitly included in any Senator's list of violent crimes, is explicitly added to the list of violent crimes triggering a mandatory penalty if committed with a firearm. In addition several other clarifying or technical changes are made. Some of these are necessary to conform the bill to the enactment of the Comprehensive Crime Control Act of 1984. The 1984 Crime Act made certain changes in the law which would be unintentionally repealed by these later provisions of S. 49.

This amendment has been reviewed by the Department of Treasury for the administration which supports the single substantive and multiple technical changes contemplated by this language. At this point, I will explain briefly each of the changes contemplated by the amendment:

Brief description: This amendment contains the following elements: 1. The current felony for "knowingly" making a false statement or representation on firearm records is reduced to a misdemenor for licensed dealers. 2. The provisions of current law preventing a drug abuser from obtaining firearms are updated to reflect new definitions of controlled substances. 3. Drug offenses are added to the list of "violent crimes" triggering a mandatory penalty if committed with a firearm. 4. Various important technical amendments are added, principally to conform S. 49 to the enactment of the Comprehensive Crime Control Act of 1984 (for example, in its current form, S. 49 repeals the recently enacted Armed Career Criminal Act.)

Explanation:

1. Reduction to misdemeanor. See pages 1 and 2 of this amendment changing provisions on page 21 of S. 49. In light of the concern, substantiated by Committee hearings, that a licensed dealer can be subjected to harsh felony penalties for technical or careless violations of recordkeeping requirements, 18 U.S.C. 922 (m) is reduced to a misdemeanor for licensed dealers. A "knowing" state of mind is still required for a violation, but the penalty is only a misdemeanor. Anyone who knowingly misrepresents his status to a licensed dealer in order to acquire a weapon, e.g., a convicted felon knowingly concealing his criminal record, would remain subject to the penalties of current law under 18 U.S.C. 924 (a). Imprisonment up to a year and/or a fine up to $1000 should be sufficient to ensure that licensed dealers keep accurate and complete records. The more important incentive for a dealer to comply with these requirements is left untouched by this amendment and bill, namely the Secretary retains full discretion to revoke the license of any dealer who fails to uphold the law. The threat of losing the right to do business is probably sufficient alone to ensure compliance with recordkeeping requirements. This reduction to a misdemeanor, however, will appropriately refect the Senate's concern that inadvertant recordkeeping violations not become the basis for harsh criminal penalties. This amendment also attenutates the need for language in S. 49 excusing any "willful" or "knowing" violation committed with "simple carelessness."

2. Redefining drug offenses. See page 3 of amendment changing provisions on pages 8 and 10 of S. 49. The existing references in the Gun Control Act (18 U.S.C. 922 (d) (3), (g) (3), and (h) (3)) to definitions of marihuana, depressant or stimulant drugs, and narcotic drugs cite repealed statutes. The current definitions of those terms appear in the Controlled Substances Act, 21 U.S.C. 802. This amendment will, therefore, clarify that these new definitions apply.

3. Drug offenses with firearm trigger mandatory penalty. See pages 3 and 4 of this amendment changing page 21 of S. 49. This will add serious drug offenses as predicate crimes for the application of the offense in 18 U.S.C. 924 (c) for using a firearm during the commission of violent crimes.

4. Technical amendments:

On page 1 of S. 49, delete "of citizens" and make conforming grammatical changes because the right to keep and bear arms applies also to illegal aliens.

On page 5, insert "activity involving firearms, including" because the provision applies to importers who do more than just sell or distribute firearms, specifically, an importer also imports.

On page 5, substitute "distinguished from" for "opposed to" because the concepts described are not in opposition to each other, but only distinguishable.

On page 7, make a punctuation change, specifically change a colon to a semicolon.

On page 12, add "in a licensee's personal collection" for the sake of clarity.

On page 12, use of the word "transfer" puts the entire paragraph in the same language. There is no substantive difference between a "disposition" and a "transfer", but since "transfer" is used is earlier and is a term of art in the 1968 Act, it is preferrable to retain that word for the same concept throughout the bill. Moreover the words "or any acquisition" should be deleted because it is only the transfer of firearms from business inventory into a private collection that gives rise to the evasion of law this language is intended to prevent.

On page 14, replace "explicitly" with "expressly" and the name of S. 49 with "this section."

On page 14, the current wording is not clear, specifically it is difficult to understand the phrase "to inspect or examine . . . for a reasonable inquiry." This substitutes "if the inspection is reasonably related to such investigation"—a better wording of the Senate's intent.

On page 15, since "prohibited persons" is a term not defined by law, it would be better to refer directly to section 922(d), which defines specifically which persons are prohibited.

On page 15, change "or inquiries" to "or examinations" because examinations are the activities authorized by the earlier language of S. 49. Changing terminology could cause confusion. Several changes of this variety are necessary.

On page 16, make same changes as on page 14.

On page 17, the term "tracing" is not defined by the statute, this substitution makes clear that the intent of this provision is to determine from whom and to whom a licensee received and disposed of a firearm. Leaving this undefined term could lead to misconceptions about the Senate's intent.

On page 22, this section was rewritten by the Comprehensive Crime Control Act of 1984. This technical amendment clarifies the intent of the provision and makes it conform to current law.

On page 27, change "925" to "926".

On page 30, redraft the language which would otherwise inadvertently repeal the recently enacted Armed Career Criminal Act.

Mr. DOLE. Madam President, I am pleased to join in cosponsoring this amendment. In light of the concern, substantiated by committee hearings, that a licensed dealer can be subjected to harsh felony penalties for technical or careless violations of recordkeeping requirements, 18 U.S.C. 922(M) would be reduced to a misdemeanor for licensed dealers under the amendment.

A knowing state of mind is still required for a violation, but the penalty is only a misdemeanor. Anyone who knowingly misrepresents his status to a licensed dealer in order to acquire a weapon, for example, a convicted felon knowingly concealing his criminal record, would remain subject to the penalties of current law under 18 U.S.C. 924(A). Imprisonment up to a year and/or fine up to $1,000 should be sufficient to ensure that licensed dealers keep accurate and complete records.

The more important incentive for a dealer to comply with these requirements is left untouched by this amendment and bill, namely the Secretary retains full discretion to revoke the license of any dealer who fails to uphold the law. The threat of losing the right to do business is probably sufficient alone to ensure compliance with recordkeeping requirements. This reduction to a misdemeanor, however, will appropriately reflect the Senate's concern that inadvertent recordkeeping violations not become the basis for harsh criminal penalties.

Madam President. I circulated an amendment similar to the one we are accepting today during the Judiciary Committee's consideration of S. 1030 in the 97th Congress. I continue to view this as a much needed change. I am pleased that it is being incorporated into S. 49.

Mr. KENNEDY. Madam President, the Senator from Utah has explained the amendment as I understand it.

I hope that with the understandings we have reached, the Senate will accept the amendment.

I think it absolutely essential that we do make this change, and I welcome the fact that the managers have agreed to do so.

The PRESIDING OFFICER. Have all Senators yield back their time?

Mr. McCLURE. Madam President, will the Senator from Utah yield to the Senator from Idaho?

Mr. HATCH. I yield whatever time the Senator from Idaho needs.

Mr. McCLURE. I thank the Senator for yielding.

Madam President, I would have preferred had we kept the original language and the breadth of that original language with respect to the several offenses under the 1968 act.

However, I have been trying to meet the objections of people who were concerned with that new standard which is admittedly more ambiguous than current law, because the injection of a new standard as simple carelessness is an untried and untested standard.

But I would have preferred to do it in the text of the statute rather than to depend upon legislative history which specifically says it is our intention to override the court decisions that find to the contrary.

However, the change in the level of penalty with respect to two of the three recordkeeping violations to which the knowing state of mind applies is a sufficient incentive for me to accept the amendment, and the legislative history that has now been entered by the Senator from Utah will apply to the 11 provisions of the 1968 Gun Control Act which would, under McClure-Volkmer, only require a knowing violation. Therefore, with that balance between the reduction of penalty for two of the provisions and the legislative history for the remaining nine, I can accept that compromise.

The inclusion specifically of drug-related offenses among the offenses to which the mandatory minimum applies appears to me to be not only necessary but highly desirable to make very certain that we intend that the provisions of this act extend to that type of violation as well.

I, therefore, support the amendment and urge its adoption.

Mr. HATCH. Madam President, I move the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. HATCH. We are prepared to yield back our time.

Mr. KENNEDY. Madam President, we are prepared to yield back our remaining time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Utah.

The amendment (No. 508) was agreed to.

Mr. HATCH. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. I thank the Chair.

Is the distinguished Senator from Massachusetts prepared to go ahead with his amendment?

Mr. KENNEDY. Madam President, I had understood that the Senator from Maryland [Mr. MATHIAS] was prepared to move forward with an amendment. We are just in the process of notifying him. I would hope that there would not be any unnecessary delay. If so, we are prepared to proceed.

So I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 509

(Purpose: To continue the prohibition on interstate sales of handguns)

Mr. KENNEDY. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] for himself, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. MATSUNAGA, and Mr. KERRY, proposes an amendment numbered 509.

Mr. KENNEDY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, lines 8 and 9, strike out "firearm" and insert in lieu thereof "shotgun or rifle".

Mr. KENNEDY. A parliamentary inquiry, Madam President, I understand there is a time limit on this amendment; am I correct?

The PRESIDING OFFICER. The Senator is correct. There is a time limit of 1 hour, evenly divided.

(Mr. WEICKER assumed the chair.)

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

Mr. President, once again I want to stress, as we continue this debate on the question of firearm legislation, that this amendment, which I and my colleagues offer, does not change or improve upon existing law—as much as I would like to do that—rather, it merely continues the existing law on the interstate sale of handguns, while relaxing those same laws on the sale of sporting weapons, rifles, and longguns.

As I indicated at the outset of this debate, I have been willing for many years to join the sponsors of this legislation in reducing unnecessary restrictions and regulations on the purchase and sale of rifles and shotguns for hunting and sporting purposes. But I believe we must, at a minimum, continue current law with respect to handgun sales.

Handgun control is an essential part of effective law enforcement—as yesterday's press conference by all the major American police and law enforcement groups emphasized. The ready availability of lethal, concealable handguns undermines the fundamental effort to protect citizens from violent crime. As the police said in their statements, instead of weakening handgun controls, we should be working to keep handguns from falling into the wrong hands without jeopardizing in any way the legitimate sporting interests of our citizens or their interest in self-defense.

Mr. President, we all share the basic goal of the sponsors of this bill—to

remove unnecessary regulatory burdens on the purchase of firearms by hunters and others for sporting purposes, and by law-abiding citizens seeking weapons for self protection. We should eliminate excessive redtape and regulations affecting the sale of rifles, shotguns and sporting weapons.

But we must not misuse this worthwhile goal as an excuse to weaken the law as it applies to the narrow category of handguns—especially snubbies and "Saturday Night Specials"—which have not legitimate sporting purpose and which are often used in crime.

Over the past 4 years I repeatedly tried to draw this distinction during the Judiciary Committee's consideration of this bill; Congress can—and should—deal differently with longguns than it does with handguns.

Yet, the pending bill goes far beyond this legitimate goal. Instead, it weakens both Federal as well as State laws governing the control of handguns.

This issue is not a concern of mine alone, Mr. President. It is a concern shared by all the major police and law enforcement associations in the United States.

Let me read from a joint statement issued by them yesterday, delivered by James Sterling, acting executive director, International Association of Chiefs of Police; Richard Boyd, national president, Fraternal Order of Police; Thomas J. Iskrzycki, chairman, National Troopers Coalition; Williams Matthews, executive director, National Organization of Black Law Enforcement Executives; and Gary P. Hayes, executive director, Police Executive Research Forum

It is a statement that speaks for itself—a statement that echoes the concerns of local law enforcement officials all across this land over this bill's fundamental weakening of existing handgun control laws—and it is a statement that strongly supports this amendment.

They state:

. . . Unfortunately, the pending legislation would legalize the interstate sale of handguns thus circumventing state and local laws to regulate handgun commerce. This would impair the ability of state and local law enforcement agencies to prevent handguns from being acquired, carried or possessed illegally.

Although S. 49 does make some reforms which meet the legitimate needs of hunters and sportsmen, we in the law enforcement community consider it urgent that those changes not be enacted in a manner that jeopardizes law enforcement's ability to respond to the use of handguns in violent crime.

Accordingly, we urge that when the Senate considers S. 49, it amend the legislation so that current law prohibiting the interstate sale of handguns is retained.

That is what this amendment does, Mr. President.

Equally important, we urge the Senate to take advantage of this opportunity to strengthen our federal laws by accepting the recommendation of the 1981 Attorney General's Task Force on Violent Crime and enact a waiting period to facilitate records checks for the purchase of handguns.

Those were two provisions that were included in the President's own commission for fighting violent crime.

In short, Mr. President, the law enforcement community in this country—the police officers, the State troopers, the chiefs of police, and many other law enforcement officers—have all spoken in support of this amendment to maintain existing law on the interstate sale of handguns.

From their point of view, the issue is pure and simple, it is a law enforcement issue—a crime control issue.

For those who are literally on the firing line, this is not an issue of restricting hunters or legitimate handgun owners in our society. Rather, it is an issue of keeping handguns out of the wrong hands.

Mr. President, let me conclude by saying once again that I have no objection to relaxing current limitations on interstate sales of rifles and long guns, but what possible justification is there to relaxing existing controls—which are modest already—on the sale of handguns?

We know 50 percent of all homicides in the United States involve handguns, compared to only 5 percent for rifles. We know that handguns, and particularly the "snubbies"—handguns with a barrel lenght of 3 inches or less—are the preferred instruments of criminals.

They are easily concealed. They have no accuracy beyond the range of a stickup. But they are lethal and a very effective tool for the common criminal.

All recent studies prove this—that there is a high correlation between the concealibility or a handgun and its use in criminal activity. The most exhaustive study was undertaken by the Cox News Service 4 years ago. After months of detailed statistical investigation, they found that 2 out of every 3 handguns used in murders, rapes, robberies, and muggings were with "snubbies." Two-thirds of all handgun violence is with a "snubbie"—and handguns represent over half of all violent crimes in our society.

Why, Mr. President, would we want to ease existing laws on their interstate sale and transfer? How does making "snubbies" easier to get advance the interests of hunters and sportsmen in our society?

The answer is that it makes no sense whatsoever—and that is the message that the police chiefs and troopers tried to give us yesterday, and many days before that.

I urge my colleagues to heed their call—to view this amendment for what it is: An effort to maintain existing law enforcement tools on the sale of handguns in our society.

This is a fundamental law enforcement issue—as every Attorneys General's Task Force on Crime has stated, including President Reagan's task force in 1981. If we fail to adopt this amendment, we will not only turn our backs against this long record, but against the advice—indeed, the pleas—of local law enforcement officers from across our country.

I urge the Senate to adopt this amendment that merely continues existing law—nothing more, nothing less.

For the record, Mr. President, I would like to read the statement made by Chief John J. Norton of Pittsburgh, PA, on behalf of the International Association of Chiefs of Police:

STATEMENT BY JOHN J. NORTON, FIRST VICE PRESIDENT, INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE

On behalf of the International Association of Chiefs of Police, I would like to thank you for attending this press conference. The IACP is a voluntary professional organization established in 1893. It is comprised of chiefs of police and other law enforcement personnel from all sections of the United States and more than 60 nations. Command personnel within the United States constitute more than seventy percent of the more than 14,000 members. IACP members lead and manage more than 480,000 law enforcement officers at the Federal, State and local levels. Throughout its existence, the IACP has striven to achieve proper, conscientious, and resolute law enforcement. In all of its activities, the IACP has been constantly devoted to the steady advancement of the Nation's best welfare and well-being.

Our purpose today is to request that the U.S. Senate act on behalf of the law enforcement community and the citizens of this country when considering amendments to the Gun Control Act of 1968. Specifically, we are urging the retention of the current law prohibiting the interstate sale of handguns and asking Congress to enact a waiting period for purchasers.

The IACP supports the rights of all law-abiding U.S. citizens to possess firearms, and the legitimate sporting, recreational, law enforcement and private security uses of firearms. However, current Federal, State and local laws directed at preventing the sale and purchase of handguns to various categories of proscribed persons have proven to be ineffective. At present, there exists no uniform and certain procedure to verify the eligibility. Unfortunately, enactment of the pending legislation (S. 49) legalizing the interstate sale of handguns would further impair the ability of State and local law enforcement agencies to prevent handguns from being acquired, carried, or possessed illegally. Further, the sale of handguns by licensed dealers to nonresidents of the State in which the licensee's place of business is located will make ineffective the laws, regulations and ordinances in the several States and local jurisdictions regarding such handguns.

As drafted the legislation authorizes dealers to make face-to-face firearms sales to out-of-state customers if the sale would be lawful under the laws of seller's and purchaser's jurisdictions. As a practical matter, the provision that interstate sales must meet the requirements of both States will not be applied in many sales. Handgun own-

ership laws vary not only from State-to-State but county-to-county and city-to-city. Therefore, it would be virtually impossible for a licensed dealer even with good intentions, to make sure that sales to out-of-state purchasers conform to all laws. A compilation of these laws consists of thousands of pages. Furthermore, even similarly worded statutes and ordinances may have various applications and interpretations as applied by the courts in the different jurisdictions.

Accordingly, we urge that when the Senate considers S. 49, it amend the legislation so that the current law prohibiting the interstate sale of handguns is retained.

The IACP also urges that the Senate take advantage of this opportunity to strengthen our Federal laws by enacting a waiting period for the purchase of handguns. Such a waiting period will encourage the development of effective statewide plans and programs for the screening of prospective purchasers of handguns. It will also allow law enforcement officials the time necessary to carry out these plans and conduct a records check and background investigation for handgun purchasers.

For years and on several different occasions, the IACP membership has passed resolutions urging the creation of a waiting period. In 1981, the Attorney General's Task Force on Violent Crime also recognized the need for a waiting period and recommended that the Gun Control Act of 1968 be amended to provide for a mandatory waiting period. In discussing this recommendation, the task force noted:

"There is, at present no effective method to verify a purchaser's eligibility. The dealer must know or have reason to believe that the purchaser is ineligible to receive a firearm in order to make a transaction unlawful. However, this is very difficult to prove. A person purchasing a firearm from a federally licensed dealer is required to sign a form on which he affirms by sworn statement that he is not proscribed from purchasing a firearm. This signature relieves the dealer from any liability for illegal transfer as long as he requests and examines a form of purchaser identification, other than a Social Security card, that verifies the purchaser's name, age, and place of residence."

A waiting period to confirm the aforementioned information and permit a law enforcement agency to verify the person's eligibility is sensible and necessary for effective law enforcement. In locations such as South Carolina; California; Broward County, Florida; and Columbus, Georgia, where waiting periods are in effect, officials claim great success.

Therefore, the IACP urges that the Senate favorably consider an amendment establishing a waiting period to facilitate a records check and background investigation for the purchase of handguns.

Although this legislation does make some reforms which meet the legitimate needs of hunters and sportsmen, we in the law enforcement community consider it urgent that those changes not be enacted in a manner that jeopardizes law enforcement's ability to respond to the use of handguns in violent crime.

Thank you.

So, Mr. President, I hope those Senators who are considering whether to support this legislation will really understand how those police officers, who are the frontline of American defense in terms of our homes and security and in terms of our local communities, feel about this legislation and this particular amendment. As I said earlier, we know from recent statistics that handguns are used in more than 50 percent of the crimes of violence—either pistols, Saturday night specials, or snubbies. That has been documented in the very extensive Cox series of newspaper articles.

I ask unanimous consent it be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HANDGUNS: PREFERRED INSTRUMENTS OF CRIMINALS

Mr. KENNEDY. Mr. President, as sponsor in the Senate of the bill (S. 974) to curb the criminal use of handguns, I have long stressed that only criminals and assassins would be affected by this legislation—since handguns are clearly the weapons of choice among modern criminals.

Small handguns, especially so-called Saturday night specials, have no accurate range beyond a few feet. They have no other purpose except to kill and maim human beings, and to aid and abet criminal violence across our land.

This fact has been made graphically clear once again, in a series of provocative and well-researched articles prepared by reporters of Cox News Service. Their recent series underscores the social and human costs of the escalating handgun violence in our country and what the proliferation of these deadly weapons means for our society.

This series gives testimony to the urgency to limit the sale and distribution of handguns—which too easily fall into the hands of the criminals and psychopaths in our country.

Mr. President, I commend the reporters of Cox News Service for their excellent reporting on handgun violence, and its principal cause—the cheap availability of small handguns who benefit only those who have a criminal intent.

I urge my colleagues to review their findings, and ask that several samples of their excellent series—which appeared in the Miami News—be printed at this point in the RECORD.

The material follows:

[From the Miami News, Sept. 7, 1981]

SNUBBIES

(By Joseph Albright)

WASHINGTON.—With their slender butts and cute muzzles, they look like toys. One flick on the trigger and out barks one-third of an ounce of lead at 735 miles per hour, shaped to plow a mushroom cavity into someone's gut.

They are snub-nosed killers: a sub-species of feather-light, extra-short handguns that are inaccurate beyond the range of a card table.

As home-defense devices, they are less humane than electric stun guns, less reliable than full-sized pistols, and probably less effective than shotguns or German sheperds.

Their advantage is that they leave no unsightly bulges when they are concealed. Thus police detectives carry them in arm holsters. Store owners hide them in their belts. Mothers pack them in purses.

As this series of articles will show, snub-nosed guns—both cheap and expensive, domestic and foreign made—also have proven to be the overwhelming weapon of choice among modern criminals. Indeed, evidence from Atlanta, Miami and 16 other cities indicates that 2 out of every 3 handguns used in murders, rapes, robberies and muggings were "snubbies"—handguns with barrels protruding no more than 3 inches beyond the cylinder.

Short-barreled guns also run through the history of American assassinations and assassination attempts. A search of historical records showed that since 1835, 10 out of 15 assassins and would-be assassins have chosen extra-small pistols in their assaults on presidents and other political figures.

The starting point for this series is a reel of computer tape imprinted with detailed descriptions of 14,268 crime guns. The guns were seized by police and federal agents in street crimes in 18 metropolitan areas during the first nine months of 1979. The records were funneled into a Treasury Department computer when local police departments called Washington to have the guns traced back to their manufacturer by contacting Treasury's Bureau of Alcohol, Tobacco and Firearms (ATF).

Under the Freedom of Information Act, Cox Newspapers obtained a copy of the tape, after confidential information on the identities on retail gun dealers and gun purchasers had been electronically blocked out. A team of reporters and researchers then sorted the traced guns by makers and models, with the aid of American Management Systems, a computer consulting firm in Rosslyn, Va.

Once assembled, the 250,000 blips of information disclosed in unprecedented detail what kinds of handguns are instruments of crime, where they come from and how long they have been in circulation.

To complete this intelligence report on the weaponry of American crime, reporters also examined 20,000 gun manufacturing and importing records and conducted 75 interviews with U.S. and foreign gun manufacturers, wholesalers, dealers, illegal gun smugglers, law enforcement authorities, legislators and pro- and anti-gun lobbyists.

The study did not cover shotgun and rifle crimes, since nearly all the trace requests involved handguns. In any event, national Justice Department crime surveys indicate that handguns account for more than three-fourths of all gun murders and assaults as well as more than 90 percent of all robberies in which a gun was used.

In describing various handguns, these articles refer to both pistols and revolvers. A pistol is a handgun whose chamber is integral with the barrel. A revolver is a handgun with a cylinder containing multiple chambers that can be discharged in succession.

The official records disclosed that:

The country's leading crime instrument was a short-barreled .22 cal. revolver assembled by the German-owned RG Industries Inc. of Miami. The company assembles the guns out of sets of parts shipped from its German affiliate, Roehm GmbH. One out of every seven handguns seized by police in street crime cases was a Roehm-origin gun, one out of twelve was a Roehm .22-cal. model. RG Industries' fastest seller, a 2-inch-barrel .22 revolver called the RG 14, was the type of gun which the FBI said was fired by John H. Hinckley Jr., accused of attempting to assassinate President Reagan last March. The gun retails for $39.95. (The Roehm GmbH gun firm described in this story has no connection with a larger and better known German company, also called

Roehm GmbH, which manufactures plastics and pharmaceutical supplies.)

Contrary to popular impression, most street guns are not cheap, low-caliber, foreign-origin "Saturday Night Specials." Of the 15 leading crime guns reviewed in the Cox Newspapers' analysis only two—the Roehm .22 and the Tanfoglio .25 Titan—fit that exact description. Ten of the 15 leading crime guns were made in America out of U.S. gun parts. Of the American-made guns, seven were made by Smith & Wesson, Colt and Charter Arms, all makers of high-quality, relatively expensive guns. Seven of the 15 crime guns retailed for less than $100. The eight others range from $117 to $330. Ten of the 15 had bullet size of .38 or .357 caliber, the rest were smaller.

The second-ranking crime instrument was the snubnosed American-made Smith & Wesson .38-cal. Chiefs Special. As the country's leading handgun manufacturer, Smith & Wesson advertises the Chiefs Special as a police "back-up" weapon. It also sells the gun to civilians through sporting goods dealers. In 1979, 1 out of 5 crime guns recovered by police was some kind of a Smith & Wesson. One of 17 was a Smith & Wesson Chiefs Special or one of its virtually identical variants. The Chiefs Special, which is less than half the weight of the traditional Colt six-shooter, sells for $170 to $240.

Both the RG industries .22 and the Smith & Wesson Chiefs Special are examples of snub-nosed guns that are statistically more prone to crime than average handguns. About 4 percent of the handguns in circulation are Roehm-origin .22s, but they represented 7.9 percent of the handguns traced by police at crime scenes. Similarly, Smith & Wesson Chiefs Specials make up no more than 3 percent of the stockpile of handguns in the United States. But Chiefs Specials were traced in 5.9 percent of the 14,268 handgun-related crimes.

One of 20 crime guns is a palm-sized .25-cal. automatic pistol—the Titan—selling for less than $75. The leading source is a pair of factories in Brescia, Italy, owned by Giuseppe Tanfoglio and his four children. Pistol parts from those factories are assembled into guns by two Miami assembly plants, Firearms Import & Export Corp. and Excam Inc. Virtually identical .25 palm pistols are also made by half a dozen American companies, including Raven Arms of Industry, Calif., Bauer Firearms of Fraser, Mich., and Sterling Arms of Lockport, N.Y.

Guns manufactured by Sturm, Ruger & Co., a firm that specializes in long-barreled target and hunting pistols, are much less prone to become involved in crimes than average handguns. In 1979, the company sold 16 percent of all handguns throughout the United States—roughly the same market share it has held for two decades. Yet only 3 percent of the handguns recovered at crime scenes in 1979 were Rugers. Company president William Ruger said his concern "does not make small pocket roscoes (slang for pistol)." Asked why, he said: "Partly it was that I thought they were controversial and partly because I saw no sporting purpose in them."

Recently purchased guns are more likely to be used as crime instruments than older guns. An ATF tabulation shows 18 percent of the crime guns traced in 1979 were a year old or less. The next largest category was 2-year-old guns, representing 10 percent of the crime guns. After that, the percentages trailed off year by year—6 percent of the crime guns were 8 years old, 4 percent 9 year old. It was almost as if guns had a kind of radioactive half-life as crime weapons.

In another indication of the crime-prone tendency of smaller handguns, the main Smith & Wesson wholesaler in Miami, Sidney G. Davies, estimated that only about 1 or 2 percent of the Smith & Wessons he distributes are snub-nosed models called the Chiefs Special, the Chiefs Special Airweight and the Bodyguard. Yet statistics show that 24 percent of the 157 Smith & Wessons recovered in Miami murders, robberies and assaults were these light-framed "snubbies."

THE VICTIMS

The attempted assassination of Ronald Reagan will be recorded in history, but not so the names of Brett Rushing, Sondra Spearman, L. S. Spencer, and Fenwick Langlanais. All four were killed within a 57-day period surrounding the Reagan shooting, each a victim of the same type of handgun allegedly aimed at the president—a Roehm RG 14.

Rushing, 34, died on March 28, 1981, after being shot in his Memphis, Tenn., home. His wife was critically wounded. Police held Rushing's cousin, Mark Franklin Farrow, 27, in the prison ward at City of Memphis hospital.

A witness said during dinner, Rushing asked Farrow to pass the biscuits, and Farrow threw a biscuit at Rushing exclaiming, "I'm tired of you making derogatory remarks about me."

A short time later, Rushing was dead, killed by a single shot to the right side.

Ms. Spearman, 28, of Tampa also died on March 28. She was shot in the face with an RG 14 during an argument with a neighbor. Police arrested the neighbor, Paulette Parks, 31, and charged her with first-degree murder.

Spencer, 41, of Austin, Tex., was shot to death May 10 by his commonlaw wife who apparently mistook him for a burglar. Spencer was trying to open the door of the house when he was killed. Police said Maud Nicely yelled, but when Spencer did not respond, she fired a Roehm RG 14 through the door. The bullet struck Spencer in the chest.

Langlanais, 67, of Port Arthur, Tex., died on May 24, when he was struck in the chest by one of three shots fired from a Roehm RG 14. Police said the shooting occurred during a domestic quarrel at his home.

THE HISTORY

Small, easily concealable handguns have been an American institution for a century. Over the years they have been called "last chance guns," "suicide specials," "Lilliput pistols," "belly guns," "ghetto guns" and "the ace in the hole."

Only since the mid-1950's have they been called "Saturday Night Specials," a name said to have been coined by Detroit police to describe the weekend traffic in cheap guns from Ohio.

The first snubbie was the single-shot percussion pistol, the Philadelphia Derringer, introduced in the 1820s by Henry Deringer.

Donald Webster, the leading historian of the cheap small gun, writes: "From the early 1870s until about World War I, Suicide Specials were supplied to the public by every means possible. They were given away for cigar and later cigarette prizes; offered as presents to small boys as soap salemen door to door."

Colt and Smith & Wesson held the initial U.S. patents on pocket-repeating pistols. When the patents ran out following the Civil War, dozens of companies sprouted up in the Connecticut Valley and elsewhere to turn out cheap copies. Of the companies that made the "Suicide Specials." the only two still in business are Harrington & Richardson of Gardner, Mass., and Iver Johnson Arms of Middlesex, N.J.

An 1887 Sears, Roebuck and Co. catalog listed a mail-order revolver called the "Blue Jacket Number 1." The price was 60 cents.

The first American snub-noses model to achieve wide popularity was the 1895 Colt "New Pocket Revolver." Colt proclaimed in an 1895 newspaper ad: "Always ready! Perfect Safety! Absolute Accuracy!"

Both World War I and World War II brought flows of imported weapons, some of final quality and others aptly called "junkers." The flow of cheap imports grew to a torrent during the American civil rights rioting of the mid-1960s, a decade during which U.S. per capita handgun ownership jumped by 50 percent. A 1968 federal gun control law shut off imports of small pistols but left open a loophole for the importation of sets of pistol components.

Recent ATF studies show there are now about 54 million pistols and revolvers in the United States. In 1955, there were only 16 million, the bureau estimates.

There is no telling exactly how many of these are short-barreled snubbies. Ruger, who heads the second-largest U.S. handgun manufacturing company, estimated that "perhaps one-third" of 2.1 million handguns sold last year had barrels 3 inches or shorter. James Oberg, president of Smith & Wesson, said that Ruger's estimate "could be about right."

Handguns of all sizes were the instruments of 10,000 murders and another 550,000 crimes of violence, according to 1977 estimates based on a crime victimization study by the U.S. Law Enforcement Assistance Administration.

This means that in a given year, 1 out of every 100 handguns in the nation's private handgun stockpile was involved in a crime.

In a recent article for the Ford Foundation, Phillip Cook, a professor at Duke University, wrote: "If current rates of handgun violence persist, the approximately 2 million new handguns sold this year will eventually be involved in almost 600,000 acts of violent crime."

Even so, there has never been any rock-solid proof that the increase in the national handgun population has contributed to the increase in violent crimes over the last 25 years.

The closest the government has come to an official pronouncement on the question came in 1979 when a U.S. Surgeon General's report said:

"Many factors undoubtedly are involved in our high homicide rate. Economic deprivation, family breakup, the glamorizing of violence in the media, and the availability of handguns are all important * * * Easy access to firearms appears to be one factor with a striking relationship to murder. From 1960 to 1974, handgun sales quadrupled * * * During that same period, the homicide rate increased from 4.7 per 100,000 to 10.2 for the overall population—and from 5.9 to 14.2 for young people aged 15 to 24."

GROWTH OF HANDGUNS

Year	Handgun circulations (millions)	U.S. populations (millions)	Handguns per 100 people
1945	13	133	9.7
1950	14	151	9.3
1955	16	165	9.6
1960	19	179	10.6
1965	22	193	11.4

GROWTH OF HANDGUNS—Continued

Year	Handgun circulations (millions)	U.S. populations (millions)	Handguns per 100 people
1970	31	203	15.3
1975	42	215	19.5
1980	54	226	23.9

Source: Handgun estimates from U.S. Bureau of Alcohol, Tobacco and Firearms. The figures include weapons used by the 700,000 Federal, State, and local law enforcement officers. The estimates do not reflect any estimate of foreign weapons illegally imported into the United States or U.S. weapons exported, either legally or otherwise. Population estimates from U.S. Census Bureau.

[From the Miami News, Sept. 7, 1981]

ASSASSINS HAVE ALWAYS FAVORED SMALL, SNUB-NOSED GUNS

(By Joseph Albright)

WASHINGTON.—Down through American history, the weapons used by 10 of 15 assassins and would be assassins of political figures have been among the most readily concealable variety of pistols then available.

Here, compiled from records at a half-dozen archives, are the 10 instances when small pistols were used:

President Andrew Jackson was in the rotunda of the U.S. Capitol when an assailant, Richard Lawrence, fired two shots and missed on Jan. 30, 1835. Lawrence fired two pocket-sized percussion pistols, which he withdrew from his inside coat pocket.

President Abraham Lincoln was murdered in Ford's Theater in Washington on April 14, 1865. The assailant, John Wilkes Booth, fired a 44-cal. cap-and-ball Derringer measuring 5 3/16 inches long.

President William McKinley was assassinated on Sept. 6, 1901, as he was about to shake hands with Leon Czologosz in Buffalo, N.Y. Czologosz shot him with a short-barreled .32-cal. Iver Johnson revolver.

President-elect Franklin D. Roosevelt escaped assassination on Feb. 15, 1933, while riding in an open car in Miami. The assailant, Giuseppe Zangara, fired a 32-cal. revolver. The gun, made by the U.S. Revolver Co. had a 5-inch barrel.

Sen. Huey Long (D-La.) was assassinated in the rotunda of the Louisiana State Capitol on Sept. 8, 1935. The murderer, Carl Austin Weiss, used a small .32-cal. Browning automatic pistol.

Sen. Robert F. Kennedy was fatally wounded in a Los Angeles hotel on June 5, 1968, the night of the 1968 California primary. Sirhan Sirhan, the assailant, fired a snub-nosed, 22-cal. Iver Johnson revolver with a 2.5-inch barrel.

Gov. George Wallace of Alabama was wounded while campaigning at a Laurel, Md., shopping center on May 15, 1972. His attacker, Aurther Brener, fired a snub-nosed Charter Arms .38-cal. Undercover revolver with a 2-inch barrel.

President Gerald Ford escaped injury on Sept. 22, 1975, when Sara Jane Moore fired a shot as Ford was leaving a San Francisco hotel. Her gun was a 32-cal. Smith & Wesson Chiefs Special with a 2-inch barrel.

San Francisco Mayor George Moscone was murdered in his office on Nov. 27, 1978. The assailant, former city supervisor Dan White, fired a .32-cal. Smith & Wesson Chiefs Special with a 2-inch Barrel.

President Ronald Reagan survived an attempted assassin's bullet outside a Washington hotel on March 30, 1981. The gun the FBI said was taken from the accused attacker, John W. Hinckley, Jr., was a .22-cal. RG 14 revolver with a 2-inch barrel assembled from German-made parts by the Miami-based RG Industries Inc.

Following are five other cases involving other types of assassination weapons:

President James Garfield was shot in the back at a train station in Washington on July 2, 1881, and died the following September. The assassin, Charles J. Guiteau, fired a .44-cal. British Bulldog, a heavy-framed revolver of unknown barrel length.

Former President Theodore Roosevelt was shot and seriously wounded while campaigning for the presidency in Milwaukee on Oct. 14, 1912. The assailant, John Schrank, fired a heavy-framed .38-cal. Colt revolver that was built on a .44-cal. frame. The barrel length is unknown and the gun has been lost.

President Harry Truman escaped death on Nov. 1, 1950, when two Puerto Rican nationalists Griselio Torresola and Oscar Collazo, shot their way into the Blair House in Washington, where Truman was living while the White House was being renovated. The guns taken from the attackers were a German Luger pistol and a Walter P-38 pistol, both full-sized handguns.

President John F. Kennedy was assassinated while riding in a motorcade in Dallas on Nov. 22, 1963. The attacker, Lee Harvey Oswald, fired a mail-order Mannlicher-Carcano rifle from the window of the Texas School Book Depository.

President Gerald Ford escaped assassination on Sept. 5, 1975, in Sacramento when Lynette (Squeaky) Fromme aimed a pistol at him as Ford reached out to shake her hand. The gun was a full-sized Colt 1911 Army model .45-cal. automatic pistol, which she had secreted under her flowing dress.

[From the Miami News, Sept. 7, 1961]

THE ROEHM CONNECTION—W. GERMAN GUN PLANT CONCERNED ITS WEAPON CREATING A BAD IMAGE

(By Henry Eason)

SONTHKIM, WEST GERMANY.—On the outskirts of a Swabian village that rises in medieval quaintness from a sea of swaying wheat of hops, machines roar in a factory that made the parts of the gun which the FBI says was used to shoot President Reagan.

At lunchtime, a siren blares with a sound like a World War II air raid warning. Workers leave tidy, squat, modern buildings, pass under the "Roehm" sign above the plant gate and picnic on the grassy bank of a stream just beyond the employees' parking lot.

The setting is far removed from the street violence in America, where the products of the workers' labor are referred to by police authorities as Saturday Night Specials.

Roehm.

It is a name which, to German customers, means quality drill chucks and other machine tools. Tool and machine-making factories which branch off from the Sontheim-based Roehm GmbH company are in West Germany, France, Italy, Brazil, Denmark and Great Britain, Roehm is a major international competitor in the machine tool field, with sizable sales to American industry. (The company described in this story has no connection with another German company, also called Roehm GmbH, which manufacturers plastics and pharmaceutical supplies.)

Roehm also stands for target pistols and blank pistols throughout Europe and in other countries, where handgun control laws strictly regulate concealable pistols and revolvers that use live ammunition.

It is in America that Roehm's cheap .22-cal. revolvers and other live ammunition handguns attained notoriety long before John Hinckley Jr., was indicted on charges of firing one into the president of the United States.

In 1979, Roehm-made .22-cal revolvers were the instruments in 1 of every 12 street crimes in which police found a handgun, a computer study by Cox Newspapers of handgun crimes in Atlanta, Miami and 16 other cities showed. No other Manufacturer's gun was so frequently found at crime scenes.

As a result of worldwide publicity on its gun because of the assassination attempt on President Reagan, the Roehm family says it had decided to scale down production and sales of its least expensive guns.

Guenther Roehm, a principal officer and stockholder in Roehm GmbH and a part-owner of RG Industries Inc. of Miami, which assembles the cheap handguns, said that continuing to make revolvers such as the RG 14 "is not good for us."

In the first interview granted by any official of the company in more than a decade, Roehm said he is concerned about what he called "an image problem"—one that might give Roehm GmbH a bad name with its machine tool clients and with customers interested in the more expensive handguns that Roehm also sells.

Roehm is a tall, patrician figure who, at 56, has the polished manners of a European diplomat. He speaks English accurately, but haltingly, and was interviewed with the aid of his export manager, Karl Mack.

He is descended from generations of industrialists in Zella Mehlis Suhl, in what is now East Germany. After World War II, he recalled, the Roehm family's factories were in ruins.

The "Americans picked us up because they were not interested to have good companies with high level of production in the East Zone (under Soviet control). So they say take your technical people along with you . . . So we came to a camp in Heidenheim (near Sontheim), and the Americans gave us food . . . So we looked around and . . . we found a small room and we started making our tools again."

The old customers soon returned to Roehm joined by new customers. Some Americans came in the 1950s and interested the Roehms in manufacturing inexpensive handguns for the market in the United States. It was a good market.

Then, as Roehm explained, when the gun control movement gained strength in the United States and cheap exports were banned in 1968, the Roehms became involved in producing some handgun parts in Sontheim which were added to other parts in Florida to make complete handguns that could be sold legally in America.

"So what you want to know," Roehm said, anticipating the question, "is do we go into this cheap business or do we intend to go the other way?

"We want to go in the other way. I have been (to Florida) four weeks ago and I explained to my people there, I want to make better guns, guns I can sell in five, six, eight years in the same way, good guns. We change the finish. We made more precision in the parts and so on. Sometimes the Americans want to go in another way (to reduce cheap handguns).

Roehm would not say directly how he felt about one of the guns made by Roehm and RG allegedly being used to shoot President Reagan, but export manager Mack responsed.

"Yes, we heard about it. Sorry for it," Mack said.

He elaborated. "This man could have attacked the president with a bomb or a knife or anything . . . Somebody can make crimes with anything. Of course, it's easier to use a gun for crime."

Mack said he assumes that "most of the guns we make are just used for protection," but added. "It can be that also some guns are also used for crime."

[From the Miami News, Sept. 7, 1981]

GUN FIRMS COMPETE IN AN ARMS RACE

(By Joseph Albright)

SPRINGFIELD, MASS.—Few outside the gun business have heard about the arms race between the Chiefs Special, a palm-sized .38 revolver made by the long-established Smith & Wesson Co., and a look-alike weapon called the Undercover, made by the up-and-coming Charter Arms Corp.

Yet the collateral damage includes:

Alabama Gov. George Wallace, shot and paralyzed with an Undercover in 1972.

President Gerald Ford, nearly assassinated by a Chiefs Special in 1975. (Sara Jane Moore pulled the trigger but missed.)

San Francisco Mayor George Moscone, murdered with a Chiefs Special in 1978.

Ex-Beatle John Lennon, shot and killed with an Undercover in 1980.

Washington cardiologist Dr. Michel Halberstam, murdered with a Chiefs Special in 1980.

Some Chiefs Specials and Undercovers were originally sold to civilians in gun shops with no more paperwork than with any other handgun.

But most, say the presidents of both companies, were sold either to police departments for detectives, or to individual uniformed officers who wanted the tiny, hard-hitting guns as "backups" for their service revolvers.

As it turned out, the qualities that appealed to law-abiders have also turned the Chiefs Special and the Undercover into a Cadillac category, coveted by discriminating thugs who would prefer not to use poorly made, small-caliber "Saturday night specials."

In 1979, 5.9 per cent of all handguns recovered in violent crimes in Miami and 17 other cities were Smith & Wesson Chiefs Specials, according to a computer analysis of federal gun-tracing records by Cox Newspapers. Carrying the numbers one step further, there is reason to believe the Chiefs Special in civilian hands is about three times as likely to be used in a crime as a typical handgun.

Here is the chain of statistical evidence suggesting that the Chiefs Special has a higher-than-normal crime rate:

When you add up the serial numbers that the company has assigned to light-frame guns—nearly all of which have been Chiefs Specials—the total is roughly 1.5 million since 1950. No more than one-third of those are still in police hands. Divide the remaining two-thirds (one million) in civilian hands by the total United States stockpile of about 50 million civilian-owned handguns. Results: only about 2 per cent of all civilian-owned handguns are Chiefs Specials, but they are 5.9 per cent of all the handguns involved in violent crimes.

Further calculations show that the Charter Arms Undercover is also about three times as likely to be used in a crime as a typical handgun. There are about 600,000 Under covers in circulation. One-third of these are in police hands; the remaining 400,000 are in civilian hands. They make up 0.8 per cent of the civilian handgun stockpile, yet 2.7 per cent of all the handguns recovered in violent crimes were Undercovers.

Smith & Wesson president James L. Oberg was asked why the company sells small handguns, in light of studies by the Federal Bureau of Alcohol, Tobacco and Firearms showing the prevalence of short-barreled guns as crime instruments.

Oberg replied: "I sell the guns that the market is demanding. We don't have any category for people who are going to keep a weapon in their drawer, but we know they do."

Some of his friends have told him they are reluctant to keep full-sized handguns in their homes, Oberg explained.

When asked how Smith & Wesson determines its "product mix" of standard and short-barreled handguns, Oberg said: "I would have to say that we are focusing on dollars more than anything else. Most of our motivation of what we do here is to supply dollars to our stockholders. For us, a great deal of the motivation is to run a profitable company."

After the interview, Oberg mailed a revised version of that statement: "Our purpose is to satisfy the needs of our customers with products which emphasize quality, safety and service. Our mix also has to consider producing an adequate return for our shareholders."

Guenter W. Bachmann, a Smith & Wesson vice president, said the company has no way of knowing whether small handguns such as its Chiefs Special are more likely to be used in crimes than larger handguns.

"Let's face it, they are all concealable," he said.

At the Charter Arms plant in Stratford, Conn., company president David Ecker said he feels "pretty sick" whenever he hears that a Charter Arms Undercover has been found at a crime scene.

"I know I felt a great sigh of relief on hearing that our product wasn't used (in the attempted assassination of President Reagan)," said Ecker. "I do not like to see any of our products used in that way."

One of the roots of the rivalry over the high-class, short-barreled gun market was a decision by New York City police in the late 1940s to arm women officers with an experimental light-framed revolver.

Since then, the rivalry has been fed by two unrelated factors. One was that the basic patents for small handguns expired in the 19th century, leaving a small arms manufacturer virtually no protection against plagiarism in gun designs. The other was the rioting that spread from Watts to Harlem to Detroit in the mid-1960s, generating a huge market for "self-defense" handguns.

In January 1949, a story in the Springfield, Mass., Union recorded a decision by Smith & Wesson, the city's second-largest employer, to begin production of a new so-called light-frame revolver" for policewomen in New York.

"The New York police girls carry these guns in shoulder holsters which outwardly appear to be shoulder bags," the newspaper reported. "The light-frame weapon is widely popular among sporting clubs and shooting ranges."

The new version weighed only 19 ounces. Its butt was as skinny as an umbrella handle. The cylinder was drilled for only five .38 cartridges since it wasn't big enough around for six holes. With its 2-inch barrel, the gun was only 6.5 inches long. It fired with a kick that left the wrist tingling.

The Colt Firearms Division had been selling policemen a similar-looking, slightly heavier .38 snub-nosed revolver, called the Detective Special since 1927. For the civilian sector, Colt sold limited numbers of a comparable snub-nosed gun it called the Bankers Special.

And Smith & Wesson was already marketing a rival called the Terrier. A 1952 company catalog said, "This little gun is to be found in a great many homes where it represents a unit of protection for the citizen and his family." It looked like the gun developed for the New York policewomen, but it wasn't as sturdy.

The Smith & Wesson sales force broadened the horizons of the policewomen's revolver by introducing it at a 1950 conference of the International Association of Chiefs of Police in Colorado Springs. As part of the promotion, police delegates were asked to vote on a name for the gun.

"When the votes were counted, the most commonly suggested and appropriate name was the .38 Chiefs Special." Smith & Wesson historian Roy Jinks has written. "The name was officially adopted."

The 1952 Smith & Wesson catalog brimmed with enthusiasm:

The Chiefs Special was a small sideline for Smith & Wesson, the nation's leading pistol manufacturer. Little effort was made to push snub-nosed gun sales to civilians. At the same time, Colt was content to sell its Detective Special largely to policemen.

There was an unfulfilled demand, by 1963 Douglas McClennahan realized it. McClennahan, a young draftsman who had worked at Colt Industries and three other Connecticut gun factories, set out to design a competing snub-nosed gun. In late 1964 he displayed his first prototype to a few gun columnists at a National Rifle Association convention in Los Angeles.

It was to become the basis of Charter Arms, a new company 75 miles down the Connecticut River valley from Smith & Wesson. Initially, its only product was a snub-nosed .38 revolver weighing three ounces less than the Chiefs Special. At $55, it was $17 cheaper than any snub-nosed gun in the Smith & Wesson arsenal.

In a press release to gun writers, Charter Arms explained that the purpose of the "Undercover" was to satisfy a need on the part of "all law enforcement officers and homeowners."

"The new (Undercover) was well received," a writer for Guns & Ammo magazine recalled later. "Even fussy handgunners were soon admiring and buying the all-steel compact."

Charter Arms picked a fortuitous time to enter into the gun market. As Ecker, the company president, recalled: "You had a terrific civil rights problem, with riots all across the country. There was a terrific boom in firearms sales. So any firearm that was being manufactured or imported was being sold."

William B. Grunn, then Smith & Wesson's president, decided he could not ignore the new Undercover.

A clipping from Gunsport Magazine, found in the military history collection of the Smithsonian Institution, described how the country's No. 1 handgun manufacturer reacted:

"Back at the Springfield ranch, the S & W ramrods took a dim view of the business they were losing and decided to sew up the commercial market again by hustling

through another production run of 18,000 new Chiefs Specials. Another source said it was three runs of 12,000 each. . . ."

The Gunsport writer, Jan Stevenson, quoted a Smith & Wesson official as saying: "It's true, we are making Chiefs Specials again, and we're putting them on the market as fast as we can."

Today, Smith & Wesson declines to give out production figures for its snub-nosed gun. But from a look at the pattern of serial numbers assigned to Smith & Wesson light-frame guns, it is obvious that the company boosted its production of Chiefs Specials in the years after the Undercover came to market.

A chart of serial numbers published in Jinks' "History of Smith & Wesson" a glossy volume for gun fanciers, indicates that the factory assigned an average of 39,000 serial numbers a year to light-frame revolvers, principally the Chiefs Special, in the 1950s and 1960s.

In a 12-month period ending in 1970, the company used 100,000 light-frame serial numbers. After that, light-frame serial numbers were assigned at the rate of at least 75,000 a year.

Another escalation in the snub-nosed arms race occurred in March 1968 when Smith & Wesson introduced an even more awesome weapon: the world's smallest .357 magnum revolver.

Smith & Wesson had been selling heavy, long-barreled .357 magnums since 1935, when it managed the publicity coup of presenting the first model to FBI Director J. Edgar Hoover. A newspaper clipping of the time proclaimed that film stars Gary Cooper, Clark Gable and Franchot Tone were also among the owners of "the Big Bertha of the handgun field."

A .357 magnum cartridge is one-eighth inch longer than a standard .38 special bullet, although they are virtually the same diameter.

The magnum contains enough extra gunpowder to exert 40,000 foot-pounds of pressure on the bullet, instead of 17,000 foot-pounds for a normal policeman's bullet. That means a .357 magnum can blast through a wall and still kill someone.

Smith & Wesson began efforts to shrink the frame of .357 magnum guns in 1954, at the suggestion of Bill Jordan, then a marksman with the U.S. Border Patrol.

"Until this date . . . no company had ever attempted to perfect a small frame for this cartridge," wrote company historian Jinks.

The result was the Smith & Wesson Combat Magnum, a medium-framed revolver with a standard 4-inch barrel. Jordan, appearing on the 1955 television show "You Asked For It," held up the gun and called it "the answer to a peace officer's dream."

After what Jinks has described as "considerable encouragement from plainclothes law enforcement personnel," the company designed an even smaller .357 magnum during the 1960s. When it was offered to the public in the 1968 catalog, this 31-ounce miniature cannon was fitted with a 2.5-inch barrel, a rounded butt for easy concealment, and quick-draw sights.

Back at Charter Arms, McClennahan and Ecker devised what amounted to a counter-escalation—the Charter Arms .44 Special Bulldog. It was 11 ounces lighter than the miniature Smith & Wesson Combat Magnum, although the dimensions were about the same. It fired a bigger bullet, but one not fast enough to be classified as a magnum.

In a glowing review for the magazine Guns & Ammo, pistol connoisseur Clair Rees said the Charter Arms Bulldog .44 "threw 60 percent more lead" than ordinary .38 caliber handguns.

"The new gun," Rees wrote, "appealed instantly to many pistoleers who had a need for a relatively small, easily concealed revolver but who lacked faith in the performance of .38 special loads for serious social use."

A Cox Newspapers computer analysis of gun records found that ony about 0.2 percent of guns recovered in 1979 street crimes were Charter Arms Bulldogs—and only 0.8 percent were S & W Combat Magnums.

One who will be remembered for his "serious social use" of a Charter Arms Bulldog is David Berkowitz, now serving a 315-year sentence as New York's "Son of Sam" killer.

[From the Miami News, Sept. 7, 1981]

POWERFUL GUN LOBBY ROLLS OVER OPPOSITION

(By Cheryl Arvidson)

WASHINGTON.—It comes as no surprise to find the gun lobby loudly opposing proposals that would impose restrictions on shotguns and rifles, require registration or confiscation of firearms or limit availability of the quality handgun.

But the 2-million-member National Rifle Association also is on the front line defending the inaccurate, often poorly made small handgun—a stand seemingly inconsistent with its 110-year history of promoting firearms safety, marksmanship and hunting. This strident opposition to handgun control has effectively eliminated any chance for national legislation to restrict small handguns this year, next year and probably for years to come.

The National Rifle Association, with a $30 million-plus annual budget, is the richest and most influential pro-gun organization in the country, and it is also the most moderate of the three groups that constitute the gun lobby. Headquartered in Washington, the association has a separate lobbying branch, the Institute for Legislative Action, which spends $4 million each year to stop any attempt at gun control, no matter how modest.

Operating out of its own office building complete with gun museum and target range, the association successfully manipulates the scenario that plays out year after year: gun control bills are introduced and left to die in subcommittees without any serious consideration because they just can't be passed in the House or Senate.

"I don't think I've got a snowball's chance in hell to pass it. Congress is just too conservative," said Rep. Marty Russo, D-Ill., about a bill he's been introducing since 1976 to prohibit the sale and manufacture of small handguns, cheap or expensive, by setting length restrictions on pistols and revolvers.

"If the president getting shot and the pope getting shot doesn't rattle these guys, nothing will."

The association defends the snub-nosed handgun as part of its overall goal of preserving the right of citizens to keep and bear arms. With its claims that firearms ownership is a fundamental constitutional right under the Second Amendment, the association sees no middle ground.

"I think that there is room for compromise," Neal Knox, executive director of the association's Institute for Legislative Action, says with a smile. "There are a lot of gun laws on the books I'd like to get rid of. I'm willing to compromise away some of those."

In fact, the association's top priority is passage of a bill that would weaken or eliminate many of the federal gun statutes now on the books. The McClure-Volkmer bill, named after its sponsors Rep. Harold Volkmer, D-Mo., and Sen. James McClure, D-Idaho, is being promoted by the association as getting government off the backs of law-abiding American gun owners and gun dealers. Even though certain provisions concern federal lawmen, the bill has a good chance of passing.

"The handgun is a symbol," explains Rep. John Ashbrook, R-Ohio, one of two congressmen on the association's board of directors. "It's a firearm. It would be the same thing if it were a rifle. The motives, intentions and past records of those who want to take away the handgun are not trusted by those who own the handguns."

The association is opposed to closing a loophole in the 1968 Gun Control Act that, while banning imported handguns, allows foreign parts for "Saturday night specials" to be imported and put onto American-made frames. It is equally opposed to more drastic legislation—offered by Rep. Peter Rodino, D-N.J., and Sen. Edward Kennedy, D-Mass.—that would ban "Saturday night specials" and require a waiting period and police check before any handgun purchase.

As a result, critics claim, the gun lobby has so muddled the water that a rational policy cannot be debated, let alone adopted, at a national level.

"The NRA, unlike any other group in the country, has just made mincemeat of the legislative process," said Sanford Horwitt, a consultant to the National Coalition to Ban Handguns.

"You can't get any kind of reasonable public policy on anything having to do with handguns, which is clearly a problem in this country, because this group refuses to deal with anything that begins to approach a reasonable public policy," Horwitt continued. "Because they have taken this extremist position on handguns, it has ended all discussions of it in the legislative arena. It's more than being single-minded. It's almost no-minded."

With federal channels closed, gun control advocates are coming to believe that local actions—such as a tough anti-gun ordinance recently passed by Morton Grove, Ill.—may offer their best hope of restricting deadly handguns.

Although the Federal Bureau of Alcohol, Tobacco and Firearms has found that most guns used in violent crime had barrel lengths of 3-inches or less, the association sees no link between small guns and crime.

"They're trying to blame the gun for the crime, and they're trying to prohibit all guns," said Knox. "There is no evidence whatsover that the population of guns, small or large, has any effect on crime."

Russo, a former state attorney for Cook County, Ill., doubts handgun control measures would stop the hardened criminal, but he is convinced that getting rid of small handguns would stop "the heat-of-passion-type situation, the argument, the spontaneous situation."

"There is no other reason why a small, concealable handgun is made in society except to shoot someone," says Russo. "The reason it is made small is so no one knows you've got it on you. With my bill, anyone could buy a gun and keep one at home, it would just be a larger size. It would make your pocket sag a little bit, it would stick out of your trousers. Somebody would see it."

"I've shoot bears with handguns with a 3-inch barrel," said Rep. John Dingell, D-Mich., when asked why the association defends the small handgun. He is the other-member of Congress on the board of directors of the association. "When I hunt elk, I carry a small .22 automatic to shoot grouse for the pot or finish off elk"

"I'd like to sell tickets to the confrontation, and I'd also like to bet on the bear," answered Horwitt. "The fact is no one goes around shooting bears with a 3-or 4-inch handgun. It just isn't done. If we're down to that as to why someone refuses to support a ban on handguns, we're down to some petty flaky people."

Knox, asked about the "redeeming social value" of a small handgun, cites his wife's Smith & Wesson Bodyguard, which he gave her for Mother's Day in 1958.

"I've carried my wife's. . . gun with me many a mile while hunting, as a second gun," he said. "I've carried it with me while fishing. I've carried it with me while flying because I did all my flying out in Arizona, and that's some rough country, and a person who doesn't prepare himself. . . is making a mistake."

Knox, who as chief association lobbyist earns $63,000 a year, calls the small handgun "the best possible gun" for protection.

"In the case of a small gun, you can have that thing concealed right near the door, in a book where it's not visible to your neighbors coming in. They'll think you're a little bit strange if you've got a shotgun sitting in the corner by the door. A shotgun by the door, loaded, in my estimation is far more hazardous from an accidental standpoint than is a handgun in a nice, small place of concealment."

Gun supporters also say a small gun is easier for women to shoot, and that the poor can afford a "Saturday night special," but not the better-made—and more costly—"snubbies" and full-sized handguns.

"Looking at it from a racial standpoint," says Ashbrook, "the handgun is the only defensive weapon a poor person can afford. You'd think poor blacks, as victims of crime, would want handgun control, but they don't."

"Blacks had handguns solely for defense more than any other group," observes Knox.

Blacks also are the victims of more handgun crimes, but Knox said that is because "blacks commit more crimes against blacks," not because of the guns.

That reasoning is not upheld by the Congressional Black Caucus, which consistently votes as a bloc against the gun lobby.

Money and strong citizen support explain both the association's power and the trouble encountered by anti-gun groups such as Handgun Control Inc. and the National Coalition to Ban Handguns.

The association's members will contribute money when asked, write lots of letters and make telephone calls to their congressmen or senators to protest restrictive legislation or government regulations. They turn out in large, vociferous numbers at rallies or public meetings where gun control is being discussed. The association's budget is 30 times larger than that of Horwitt's National Coalition to Ban Handguns.

"They'll vote on this issue," said a former aide in the Carter White House. "I daresay there's no issue on which you and I would vote, no one issue alone. That's what makes these groups strong.

Some anti-gun lobbyists contend the power of the association is overrated, but the group's reputation is so formidable that whether the power is real becomes almost irrelevant.

A House staffer recalls lobbying congressmen on gun control legislation and citing public opinion polls showing a majority of Americans in favor of handgun control, only to have the members respond, "It doesn't matter. If they (the gun lobby) only control 2 or 3 per cent of the vote in my district, that's enough because the margin (of victory) is only 5 or 6 per cent."

Russo believes much of the association's strength comes from its ability to convince members that "as soon as they take the handguns, the next thing is your shotguns, then the next thing you know, the Russians will come and you won't have any way of defending yourselves."

"They portray, inaccurately I think, every issue as if the question is whether or not Mrs. Jones who lives in rural Florida is going to be able to have her gun to protect herself from the night rider," said Richard Davis, who was the Treasury official overseeing the Bureau of Alcohol, Tobacco and Firearms in the Carter years.

The association and other progun groups often do raise the confiscation spectre in their mailings. Anti-gun groups point to this in critizing the association for misrepresentation and distortion, but Knox says that confiscation is exactly what handgun control is all about. The confiscation argument sells well among gun owners because of a basic distrust of government.

"If we only thought (handgun control) was an honest effort to do this and nothing more, we might agree," Ashbrook said.●

Mr. KENNEDY. Only about 5 percent of the homicides in the United States are from long guns, rifles, or shotguns. So we are prepared—at least this Senator is prepared—to see that we remove some of the kinds of restrictions that exist in current law that hinder or cause some inconvenience to hunters if we are able to keep existing law on handguns, snubbies, and Saturday night specials.

Mr. President, I hope there are those who will be listening in their offices—our colleagues in the Senate—to this debate this afternoon because one of the reasons that this legislation is on the floor is because those who support it want to reduce red tape for all those local gun dealers all across this country. The supporters of this bill want to reduce the burden on those small shopkeepers from the Federal hand and from Federal intervention or inspection. But without this amendment, what does this legislation provide with regard to handguns?

Without this amendment, this legislation, on page 7, says in deleting clause A, paragraph 3, and inserting in lieu thereof the following: (a) Shall not apply to the sale of, delivery of any firearm to a resident of a State other than a State in which the licensee's place of business is located if the sale and delivery and receipt fully comply with the legal conditions of sale in both such States; that is, where it is legitimate in the State where the sale will take place and legitimate in the State where the individual is from.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I yield myself 5 more minutes.

Let's say that dealer makes the mistake. Say he does not know, for example, that if he sells to somebody in Maryland that there is a 7-day waiting period, or in Nevada at the current time if that person lives in Las Vegas, it is 72 hours, or if the person is from Wyoming it is a 48-hour time limitation, et cetera.

Then what happens to that dealer? It says over here on page 21 that anyone who violates the provisions of this chapter shall be fined not more than $5,000, or imprisoned not more than 5 years. That person commits a felony.

If you do not accept this amendment, you are saying to every dealer out in the West and the South that if they do not know everything that happens to be in these two books at least as of the time that they were produced—let the record show that there is more than 2,000 pages here—if they do not know it, they can be penalized for $5,000 and commit a felony.

I hope we accept this amendment, which responds to the legitimate law enforcement issues that have been raised by those that know more about it than any single Member of this body and who are, day in and day out, faced with the force of violence in our society—and we hear a great deal about that issue internationally and locally, they know what it means, and they have seen their colleagues that have been brutalized and murdered. They know the families that are growing up with orphaned children. They understand that issue, and they are here to tell us that we ought to retain the existing law which they know, understand, and which has been tried and tested.

So, Mr. President, I just hope that in our concern both for law enforcement, in our concern about the regulatory burden that we are placing on individuals dealers, and in our concern about the role of the Federal Government reaching out and providing inspections into all of these little, small towns, communities, and dealers all over this country—and the dangers which they are going to have, the burden that is going to be placed upon all of them—that the Senate go on record and support this amendment.

Finally, I want to stress, Mr. President, that this amendment applies only to handguns—the snubbies, the Saturday night specials. There are no hunting purposes whatsoever—no hunting purpose whatsoever—for a Saturday night special. I have listened to those Members of the Senate try to make that case in the quiet of a committee meeting, and I have heard the snickers of those who would support

such a Senator's amendment because there is no legitimate sporting purpose for a snubbie. You cannot hit anything accurately beyond a few feet. Then we hear about how Bambi is hurt in the woods and they have to go up and use a Saturday night special in order to save Bambi from its misery. I hope we are not going to hear that laughable argument on the floor of the U.S. Senate this afternoon, Mr. President.

The final point that I will make is that we will hear very shortly how we cannot really keep pistols and Saturday night specials out of the hands of the criminals. So why should we inconvenience the legitimate sportsman? You can use that argument. But I hope they will address that and maybe suggest some changes in the law's controls on prohibitive drugs. You cannot stop illegal drugs in our society. Then why not make those illegal drugs available to others as well? The American people have too much common sense to swallow such arguments, Mr. President. We do not possibly suggest because we pass a law against murder that we stop all murders. Of course we do not.

But what we hope to do is be able to reduce to some extent, and the chief enforcement officials understand this issue best, and understand it so well that they believe we can have some impact to some extent in reducing the handgun terror that exists in so many parts of this country and on the city streets of this Nation. That is really what we are debating here this afternoon. I hope this amendment will be accepted, and I reserve the balance of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I would also like to explain why I intend to oppose the amendment which will retain the current ban on interstate sales of handguns. As is typical of many provisions of the 1968 law under revision today, the ban on interstate sales of firearms is far more restrictive than necessary to accomplish the objectives of the law. The purpose of the interstate sales restrictions in the 1968 act was to guarantee compliance with firearm laws in the States. It was feared that a State's firearm laws could be easily circumvented by buyers who crossed State lines to acquire weapons they could not purchase in their own State of residence. To prevent circumvention of State law, the 1968 act, as I have mentioned, prohibited almost all interstate sales. The exceptions were very narrow and specific. Unless you were in another State and your sporting gun was lost or stolen or you were in a State continguous to your residence that specifically by law authorized such sales, you could not purchase that perfect firearm for which you had shopped for years if you happened to find it while traveling out of State.

This harsh restriction is simply not necessary to uphold the original purpose of the 1968 act. S. 49 permits out-of-State purchases, but also ensures that the laws of the buyer's as well as the seller's State will be scrupulously obeyed. S. 49 requires those interstate sales of all firearms—deer rifles, shotguns, and handguns—to comply with requirements that will guarantee that the objective of the 1968 act is met; namely, that all State laws will be upheld. To accomplish this, S. 49 requires the following:

First, all interstate sales of firearms, including handguns, must take place over the counter. This allows the dealer to identify and make inquiries of the purchaser, thus preventing sales to felons and others prohibited from acquiring firearms.

Second, all interstate sales of firearms, including handguns, must be recorded in the dealer's records, thus permitting tracing.

Third, all interstate sales of firearms, including handguns, must comply with the laws of both the buyer's and the seller's State. The licensed dealer is legally responsible for knowing those laws which are printed in the Treasury Department manual distributed to all dealers. The dealer is held accountable for any sales in violation of applicable State or local laws. And the dealers understand these books and can easily turn to the pages that will define these laws and can easily explain them.

These requirements of S. 49 carry out the objective of the 1968 act. State and local laws may not be circumvented by interstate purchases. A State or locality remains free to impose very strict controls on handguns or other firearms, and those restrictions will be upheld. In that respect, the amended law will not differ from current policy. At the same time, law-abiding citizens, citizens whose purchase of a firearm would comply completely with the laws of their residence, are not barred from purchasing a firearm out of State by a Federal regulation that has absolutely no effect on arms control.

Prohibiting a citizen from purchasing a firearm in another State that he could buy at home has no effect whatsoever on crime. It is needless restriction on lawful firearm ownership and acquisition. And it is not necessary to uphold the intent of the 1968 act. For that reason, I will oppose this amendment.

I would also like to note that the Department of the Treasury, which is charged with the responsibility of ensuring that the objectives of the 1968 act are carried out, supports the view that the restrictions contemplated by this amendment will not advance crime control. In a June 24, 1985 letter to me in my capacity as manager of this bill, the Department states:

The administration opposes this proposal. We believe that the controls imposed by S. 49 with respect to licensee's sales of handguns to out-of-state residents are adequate from a law enforcement standpoint.

The letter then recapitulates the requirements of S. 49 as I have just done. Thus, S. 49, according to the Department with expertise in firearms enforcement, is sufficient for crime control purposes and this amendment is unnecessary. I would add furthermore that the needless additional restrictions of this amendment amount to burdensome regulation of otherwise lawful firearm transactions.

I ask unanimous that the letter dated June 24, 1985, from the Department of the Treasury, signed Bruce E. Thompson, Jr., be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, June 24, 1985.

Hon. ORRIN G. HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: The Department is pleased to respond to certain issues and possible amendments expected to arise during debate on S. 49, a bill "to protect firearm owners' constitutional rights, civil liberties, and right to privacy."

Maintaining current interstate controls over licensees' sales of handguns. The Administration opposes this proposal. We believe that the controls imposed by S. 49 with respect to licensee's sales of handguns to out-of-state residents are adequate from a law enforcement standpoint, e.g., sales must be made over-the-counter, purchasers would be identified and inquiries made concerning their eligibility to purchase firearms, sales would be reflected in licensees' records kept pursuant to current recordkeeping requirements, and the licensees would be responsible for knowing applicable State and local statutes prohibiting the sale, and would be held accountable under Federal law for sales violating such State and local laws. Furthermore, a State or municipality may, if it chooses, impose more stringent regulations on handgun transactions by its citizens.

Requirement for Notice before inspection of importer, manufacturer, dealer and collector. S. 49 proposes that importers, manufacturers, dealers and collectors be provided notice by ATF before an annual compliance inspection is made. This compliance, or courtesy visit, is made routinely to assure that the licensee is complying with Federal recordkeeping requirements on the acquisition and transfer of firearms. This differs from a visit in the course of a criminal investigation where there is reasonable cause to believe laws have been broken by the licensee. In those cases, visits are made under search warrant or inspection warrant and without notice. Therefore, the Administration would retain the notice requirement in connection with the compliance inspection, as it would not adversely impact on law en-

forcement. The Administration supports the language in S. 49.

Narrowing the "gun show" provision. The Administration has no objection to such an amendment, provided the amendment's definition of gun show is broadened to include the entire definition appearing in the regulations, 27 C.F.R. Section 178.100. In other words, the term should be defined to include not only sporting firearms events sponsored by national, State or local firearms organizations, but such events sponsored by other organizations and entities.

Limit preemption provision to longguns. Language in S. 49 would provide that persons transporting weapons unloaded and not readily accessible would be protected from restrictive local and State laws. The Administration supports such a provision, since the transport of weapons to hunts, target matches and other legitimate activities are seldom involved in crime.

Require a 14-Day Waiting Period for Handgun Sales. The Administration has stated earlier that waiting periods for purchases of handguns should be a matter for the States and local governments to decide. The Administration does not advocate a national waiting period.

Armor Piercing Bullets. The Administration has endorsed proposed legislation as articulated in S. 104 to regulate the importation and manufacture, for police and military use, of ammunition commonly termed armor-piercing. This bill defines bullets as armor piercing if they are solid or contain cores of certain hard metals. We would have no objection to the inclusion of S. 104 in S. 49.

Prohibition of parts for short barrel handguns (snubbies). The 1968 Gun Control Act amended prior law which regulated the importation of gun parts. Congress, at that time, felt that such regulation was not practical. Numerous problems would exist relating to whether specific parts are parts for importable or nonimportable firearms, since many parts of a given manufacturer will be assembled in a variety of firearms configurations. Existing law regulates the principal part of a firearm, i.e., the frame or receiver, and we believe this is adequate. The Administration opposes a prohibition or parts importation.

Conversions of semi-automatic weapons to machineguns and silencer parts. This amendment, which would amend the National Firearms Act, is apparently designed to expressly include within the Act's definitions of machinegun those parts used to convert semi-automatic weapons into machineguns, but which do not comprise the entire conversion kit, as well as certain semi-automatic weapons that can be readily converted to fire automatically. Additionally, the amendment would broaden the Act's definition of silencer to cover not only complete silencers and all the parts comprising a silencer, but individual component parts of silencers.

With respect to the machinegun aspects of the amendment, we would point out that under existing law, 26 U.S.C. Section 5845(b), the term machinegun includes "any combination of parts designed and intended for use in converting a weapon into a machinegun." Based upon this definition, the Treasury Department has classified certain firearms parts as machineguns even though not all the parts necessary to convert the weapons to fire automatically were present. Furthermore, based upon the current definition of machinegun to include weapons "designed to shoot . . . automatically," the Department has also classified certain semi-automatic weapons as machineguns because they possessed design characteristics of machineguns and were easily converted to fire automatically. Thus, current law may already regulate as machineguns the types of weapons and firearms parts that concern the proponents of the amendment. Nevertheless, in the interest of clarity, an amendment relating to machineguns would not be inappropriate. The amendment as it relates to silencers would strengthen existing law and law enforcement efforts to combat the illegal manufacture of and trafficking in silencers.

The proposed requirement that machinegun manufacturers submit design plans for their weapons to the Government prior to manufacture is unnecessary, in our opinion. Under current law, the firearms industry is presumed to know the provisions of the National Firearms Act relating to their business and is responsible for compliance with the law. As a practical matter, the firearms industry constantly seeks advice of the Department relative to the classification of weapons without any legal requirement to do so. We believe that most manufacturers designing new weapons will continue to seek such advice as a sound business practice. To mandate the industry's submission of plans in advance of production would be burdensome on the industry, and on the government from an administrative standpoint. The problem would be compounded in view of the possible duty of submitting plans with respect to changes in the design of existing weapons.

Finally, we would advise that the language of the amendment dealing with the definition of machineguns and silencers is problematic. Therefore, we would be glad to provide assistance in redrafting the language to better accomplish the objectives of the amendment.

We appreciate the opportunity to discuss these issues and stand by for further assistance if requested.

Sincerely,

BRUCE E. THOMPSON, Jr.,
Assistant Secretary
(Legislative Affairs).

THE SNUBBIE MYTHS

Mr. HATCH. Mr. President, since we have heard a great deal about so-called "snubbies" or "Saturday Nite Specials," I would like to urge us to reconsider many of the arguments about small handguns. In the first place, I would like to quote again from section 101 of the Gun Control Act of 1968. This section outlines many of the appropriate uses for firearms in the following terms:

It is not the purpose of this Title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens / who use firearms/ . . . for hunting, trapshooting, target shooting, personal protection, or any other lawful activity.

The 1968 act explicitly states that personal protection and other lawful activities ought not to be encumbered by Federal law. Accordingly the 1968 act did not presume to set any size or barrel-length or price limitations on sale and transportation of firearms. This is because the authors of the 1968 act understood that a small handgun may be used for lawful purposes, such as personal protection, shooting rodents, or maybe just plinking.

Banning or regulating handguns on the basis of size or price could well mean that poor people who may need an inexpensive firearm for the legitimate purpose of personal protection may be prevented from doing so. It could well mean that the 35 to 40 million Americans who now own small handguns and use them lawfully could not repair or continue to use their property.

The justification given for restricting or banning these small handguns is their supposed link to crime. The only study on this subject was performed by a Cox newspaper. It disclosed that 33.9 percent of all handgun crimes were committed with small handguns. The same study disclosed that small handguns are 33 percent of all handguns produced. Thus, 33 percent of all handgun crimes were committed with guns that constitute 33 percent of all handguns—hardly an unexpected result that warrants special restrictions on short-barreled weapons.

On the other hand, we need to acknowledge the lawful purposes of these smaller weapons. A recent survey by Caddell concluded that 4.8 million Americans have successfully used firearms for one of the lawful purposes stated by the 1968 act—personal protection. That amounted to 600 instances of personal protection from firearms a day or 25 instances per hour when the presence of a handgun may well have prevented a rape, robbery, or worse. This explains the results of a PROMIDS study done for the Department of Justice in which Professor Wright and others learned that criminals are more afraid of meeting an armed civilian than of being apprehended for a crime.

This study disclosed that 53 percent of imprisoned felons had chosen not to commit a specific crime out of fear the victim might be armed; 57 percent of criminals who had used firearms to commit crimes had been scared off or shot at by an armed victim. By the way, these same criminals only listed smallness and concealability as a factor in firearm choice 10 percent of the time. They much preferred larger, expensive weapons.

Again we can see why the authors of the 1968 act, when striving to control crime, chose not to set any limits on the size of handguns. The size of handguns is simply not related to crime and small handguns are clearly used for many lawful purposes.

Mr. McCLURE. Mr. President, I oppose the pending amendment, which I will shortly move to table.

My principal reason for opposing the amendment is that, frankly, it differs fundamentally from the amendment which the Senate Judiciary Commit-

tee agreed to report during the 98th Congress.

Let me first give a brief explanation of the problem which the underlying language of McClure-Volkmer seeks to address:

Under current law, a resident of one State cannot purchase a firearm directly from a resident of another noncontiguous State. Say a resident of Idaho wants to buy a firearm from a resident of New Hampshire. Assume, also, that this firearm is not locally available and that it is only available through purchase from a resident of another State, such as the State of New Hampshire.

Under current law, the resident of New Hampshire would have to go through a licensed dealer in New Hampshire, who would transfer the weapon to a licensed dealer in Idaho, who would transfer the weapon to the ultimate purchaser.

Gunowners have correctly pointed out that there is no valid reason for this bureaucratic morass. So long as either the buyer or the seller is a licensee, there is just as much of an ability to trace the disposition of the weapon in an interstate sale as with an intrastate sale. So the original language of McClure-Volkmer would have allowed an interstate sale of a weapon from a licensee to a nonlicensee, so long as the transaction complied with the law of the State of sale and the State in which the purchaser resided.

In committee, the Senator from Massachusetts attacked the McClure-Volkmer language on the grounds that it would require a gun dealer to be responsible for knowing the law of the State of any prospective purchaser. In effect, each dealer would have to have access to all of the gun laws of all 50 States. And, while the original bill provided for the preparation by BATF of a handbook summarizing State gun laws, the Senator from Massachusetts persisted in his objections.

So, the Senator from Delaware proposed an amendment which would remedy the problems of the Senator from Massachusetts. Under the proposal of the Senator from Delaware, which was approved unanimously by the Senate Judiciary Committee, interstate sales of longer guns—that is, guns with barrel lengths of greater than 3 inches—could be made, so long as they complied with the law of the State of the sale. Although the buyer would be liable for fines and imprisonment if he made a purchase in violation of the law of the State of residence, neither the out-of-State dealer nor the Federal Government would be required to enforce that State's laws for it. The rationale for this position was, as the Senator from Massachusetts pointed out in committee, the extremely onerous burden which such a requirement would place on a local dealer with respect to an interstate sale.

In exchange for loosening up the circumstances under which a longer gun could be sold interstate, the provisions governing interstate sales of shorter guns—that is, guns with barrel lengths of less than 3 inches—was to be tightened, so that they would more restrictive than those contained in McClure-Volkmer. In essence, interstate sales of shorter guns would continue to be governed by current law. They would be transferred from the seller to a licensed dealer in his State to a licensed dealer in another State to the ultimate seller.

Even though the continuance of this labyrinthine process really posed no law enforcement benefits, even when applied only to shorter guns, most gun groups readily agreed to maintain current law governing shorter guns, in exchange for a loosening of restrictions on longer guns.

The problem arose from the fact that the language of the amendment was not available to the committee at the time it agreed to this compromise. The language, which was not approved by the committee, differed, when it became available, from the committee agreement in one pivotal respect:

In the language which was produced, the interstate sales of a longer gun would have to comply with the laws of both the State of purchase and the State of the residence of the purchaser. This was, of course, not what the committee agreed to. In fact, it pointedly ignored the problem which triggered the amendment in the first place—the difficulty that a dealer would have in trying to keep track of the laws of all 50 States.

Now, I have an amendment which would embody the agreement made in the Senate Judiciary Committee last year. And, if my tabling motion is unsuccessful, I will offer that amendment. But, frankly, Mr. President, I would hope that we could avoid this entire mess.

The compromise contained in the version of McClure-Volkmer under consideration has been approved by the two relevant departments of the administration—Justice and Treasury—and by all of the major gun groups, in addition to all of the major sponsors of the legislation. It is the language of the Baker amendment on the continuing resolution, which was sustained against procedural objections by votes of 63 to 31 and 77 to 20.

I ask unanimous consent that relevant portions of the committee transcript be printed in the RECORD at this point:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT

(The debate starts around page 30 of the transcript, with Kennedy calling up the attached amendment. He initially implies that the amendment would subject concealable weapons to all provisions of current law—not just those provisions dealing with interstate sales—and that it would exempt long guns from all provisions of current law. This is clearly not what his amendment would do, and when Hatch correctly summarizes the nature of the Kennedy amendment, Kennedy corrects himself. Kennedy then, on page 36, summarizes the difference between Kennedy and Hatch as revolving around whether a Nevada resident purchasing a long gun in South Carolina would have to comply with Nevada law, as well as South Carolina law. He holds up his book of statutes compiled from those states represented on the Judiciary Committee and chastises Hatch for making the poor licensee learn that enormous mass of statutes, in addition to the statutes of his own state. Hatch tries to assert that this would be no problem, since the licensee would have the new book of state laws compiled by the Justice Department, but Kennedy persists. At this point, Biden begins asking questions about the nature of the Kennedy amendment.)

BIDEN. So you are going to end up with no book? . . . I go from Delaware out to Nevada or Wyoming and I want to buy a twelve-gauge shotgun. I can just walk in and buy the shotgun, and I do not have to do anything under your proposal. . . . Now, if I go, though, to buy a, quote, snubby and I walk into a gun store in Cheyenne— . . . I am not allowed to buy the snubby. . . . But if we go the route the Senator from Utah is suggesting, I walk into that store, as we call them in Delaware, that guns and goodies shop, and I walk in, and I want to buy either a snubby and/or a long gun, the dealer has to know what the rules in my State are, relative to both of these——

HATCH. As well as his own State.

KENNEDY. Under the existing law, if you wanted to purchase it, it is distributed in the interstate through a licensed dealer in your own State that is presumed to know the law.

BIDEN. What does your amendment do with regard to long guns? Does it keep the existing law, or does it lift all exemptions on long guns?

KENNEDY. It lifts all exemptions on long guns.

BIDEN. So, my staff just told me that, if I walked into—let us take Vermont, they have nothing there, zero. . . . Now . . . if I go up to Bennington and I go into a gun store and I want to buy a shotgun, can I put my money down and walk out of that store right there with that shotgun? My staff says no. And I——

KENNEDY. Yes.

BIDEN. No, not current law, under——

KENNEDY. Current law.

BIDEN. [continuing]. Under your amendment——

KENNEDY. Yes.

BIDEN. Under your amendment you would be able to walk out. Okay. Good.

HATCH. All I am saying is that—what it does do . . . is it upholds and sustains State laws.

BIDEN. All right.

HATCH. And it requires them to meet the laws of both States——

BIDEN. It seems to me that . . . you (Senator Kennedy) are saying this book will be no longer needed because, in fact, you will keep the existing law as it relates to the small handgun, the small snubbies. Okay?

KENNEDY. Yes.

BIDEN. And existing law says you cannot buy them in interstate.

KENNEDY. Right.

BIDEN. But it eliminates all other laws relating to the interstate sales as it relates to the handgun—I mean the long gun. Is that right?

KENNEDY. The Senator is correct. Yes, I guess the—there are some, some States have some restrictions on——

BIDEN. No, I understand that. But the State of Vermont has no restriction on anything.

KENNEDY. You are right.

BIDEN. So, in Vermont you could walk in, buy the gun, and go hunting that morning.

KENNEDY. The Senator is absolutely correct and has put his finger on the nub of the issue. That is that there are obviously legitimate interests of someone who goes to Massachusetts and goes on out to Wyoming and hunts and the gun gets lost or loses it in the plane, or whatever happens, and then wants to be able to purchase it and cannot do it, unless you have the contiguous State, then you have a waiting period and other restrictions under the existing law. But that is fine. I would . . . But do not wipe out restrictions with regard to the small concealable weapons that are used in crimes of violence.

BIDEN. Would the Senator object if there was an amendment that said the law as it exists today with regard to small handguns, whatever the law is, would stay intact.

HATCH. So far, you are not too far off course.

BIDEN. Forget for a moment the Kennedy amendment. Let us assume I introduce an amendment that said the law as it relates to handguns does not change. Whatever it was in 69, it stays that way, but would lift the restrictions on interstate sales for all other guns except as the State law applies to that State. You would be treated as a State resident. I would be treated as a cowboy from Wyoming if I walked in to buy a gun.

SIMPSON. (Objects to slur re Wyoming.)

BIDEN. What happens if you just say the law as it has been on the books . . . as it relates to handguns, leave it alone . . . and then take the laws that relate to all other guns, . . . and lift all Federal restrictions. Say it is only what the State says. So, Joe Biden riding an interstate through Cheyenne, he gets to purchase or not purchase a long gun, based upon whatever Cheyenne's laws are.

HATCH. (Enumerating problems with the Biden proposal, the first of which was that it would create a new distinction between a concealable weapon and a long gun.) Number two, it also fails—the Kennedy amendment would be a failure to uphold certain State laws. For instance, some States prohibit the sale of long guns to children less than 16 years of age.

BIDEN. Well, this law would apply. You could not walk into that State—in other words, . . . when I, as a Delawarean, attempt to walk into a gun store, whether it is in Maryland, Vermont, Wyoming, or Utah, I will be held accountable to the same exact regulations as the person from Wyoming, Vermont, Utah, or Maryland, with the single exception of a small-barreled revolver, a handgun. . . . Now, what is wrong with keeping that law as it related to handguns with barrels of 3 inches or less and freeing up every other person in America to be treated like the citizen from that community at that moment in time?

The way I would change it (Hatch)—I am not at all sure that the Freedom (Wyoming) dealer is either, A, going to know the law.

All right, keep the law as it is on the books since 69 with respect to handguns with barrels less than three inches, three inches or less, and lift all other restrictions.

It would lift all . . . restrictions other than the ones that are in that State—for all——

THURMOND. For interstate sales.

BIDEN [continuing]. For interstate sales. All restrictions of interstate sales are lifted but for handguns with barrels three inches or less, which is the law now. The law goes beyond handguns three inches or less, in terms of interstate.

HATCH. Do we keep the other changes that we have made in——

BIDEN. On the interstate sale. And the answer is yes.

● Mr. DODD. Mr. President, I rise in strong opposition to this legislation in its present form. While I have many concerns with the bill before the Senate today, I believe it is still, possible, with the approval of certain crucial amendments, to enact a responsible bill.

This legislation, as proposed, turns back the clock of Federal protection against handgun crime in seeking to overturn key provisions of the modest Gun Control Act of 1968, as passed in the wake of the assassinations of Martin Luther King, Jr., and Robert F. Kennedy. This measure would weaken our national firearms laws and effectively take, as the National Rifle Association has called it, "the first step toward repealing the 1968 Gun Control Act."

The Gun Control Act of 1968 was intended to keep handguns out of the wrong hands—the felon, the minor, the unlawful drug user, the mental incompetent—and to punish harshly those who use handguns in crime. The centerpiece of the act is the broad prohibition of interstate commerce in firearms by unlicensed, private citizens. The legislation we consider here today eliminates that prohibition, allowing once again easy mail access to guns by criminals and would-be assassins.

My father, the late Senator Thomas Dodd, dedicated much of his Senate service to putting an end to such easy availability of firearms to criminals. He was chairman of the Senate's Juvenile Delinquency Subcommittee, where he conducted numerous hearings in the 1960's on the unrestricted availability of firearms. My father was astounded by what he discovered. Bazookas, handguns, and an assortment of automatic weapons were on display in his subcommittee—the undeniable and frightening evidence of the ease with which these lethal weapons could be acquired—at times even by the children of committee staff.

My father led an uphill and oftentimes exasperating battle to move legislation aimed at keeping guns out of the hands of criminals through the full committee and onto the Senate floor. He never lost faith, and I am proud to say, remained a driving force behind final passage of the Gun Control Act of 1968. He refused to believe that the gun runners, the hoodlums, the crackpots, and the self-styled vigilantes were more powerful than the American people. My father believed in his own words, that "the American people will not forget the assassination of President Kennedy with a weapon fraudulently obtained through the mails, nor could they forget the other needless tragedies that they read about every day."

Mr. President, I refuse to believe that our national nightmare over the assassination of President Kennedy has been forgotten. I believe a passage from Carl Bakal's book, "The Right to Bear Arms," is telling:

> Then came the terrible tragedy in Dallas. In the space of a few seconds, Lee Harvey Oswald—with a cheap foreign surplus military rifle, purchased under a phony name from Klein's Sporting Goods, a Chicago mail-order house—had murdered the President. On the rifle was a telescopic gunsight which had originated from another mail-order house, Weapons, Inc., of Los Angeles. Less than an hour later, Oswald had killed police officer J. D. Tipitt with a .38 caliber revolver purchased from still another mail-order house, Seaport Traders, also of Los Angeles.

It would be disconcerting, indeed, Mr. President, for this body to repeal the very provision whose purpose is to prevent such tragedy.

Another concern I have with this bill is that it was placed directly on the Senate Calendar, by-passing the careful scrutiny of the Senate Judiciary Committee. I believe it was a mistake to reintroduce the bill this year without the compromises that painstakingly were worked out by the Judiciary Committee last year to prohibit the interstate sale of "snubbies"—handguns with barrel lengths less than 3 inches. It has been well documented that 11 of 15 handguns most often used in the commission of murder, armed robbery, and other street crimes had snub-nosed barrels of 2.5 inches or less. Criminals favor concealability. Short barrels mean inaccuracy at anything beyond point blank range. They should therefore be of little interest to legitimate hunters, hobbyists, and target-shooters.

I also would have liked to have seen a waiting period included in this bill, a provision adopted by the Senate Judiciary Committee in the 98th Congress. The Gun Control Act of 1968, while setting forth categories of persons to whom firearms may not be sold, does not require verification of the purchasers eligibility. A person purchasing a firearm from a federally licensed dealer is only required to sign a form on which he affirms by sworn statement that he is not proscribed from purchasing a firearm. As one might expect, this "honor system" of verification has done little to prevent pro-

scribed persons from obtaining firearms.

The 1981 Attorney General's Task Force on Violent Crime addressed this loophole in Federal gun laws and recommended that "a waiting period be required for the purchase of a handgun to allow for a mandatory records check to ensure that the purchaser is not one of the categories of persons who are proscribed by existing Federal law from receiving a handgun." A number of States and municipalities, including my home State of Connecticut, have enacted waiting period laws which have proven to be effective in keeping handguns out of the wrong hands.

The idea of a waiting period has broad public support. The law enforcement community, including the International Association of Chiefs of Police and the National Association of Attorneys General, supports a waiting period for handgun purchases. Moreover, a 1981 Gallup poll showed that 91 percent of the American people support a 21-day waiting period for handgun purchases with a background check.

I am also concerned that this legislation would, in its present form, preempt Connecticut's restrictions on automobile transportation of a firearm without a license, clearly an intrinsic part of my home State's license-to-carry law. This represents a derogation of the rights of States to regulate firearms within their own borders, a policy contrary to the intent of the Gun Control Act of 1968. I believe this goes too far. The interstate transportation of hunting rifles and shotguns does not pose the same law enforcement problem that the transportation of handguns does. In my view, an amendment to the bill could meet the needs of both hunters and law enforcement by restricting the provision allowing interstate transportation to long guns.

Mr. President, I have a number of other concerns with this bill, but in the interests of time, I will reserve my comments for the present. I am sure some of my colleagues will be addressing these same concerns as we move forward on this legislation.

Finally, I would urge my colleagues to give serious thought to what is being asked of us here. We are being asked to relax and weaken our already modest Federal protections against handgun crime. In effect, we are being asked to further hinder the ability of law enforcement officers to respond to violent crime. More than 10,000 Americans will be murdered with handguns this year. If we add up the number of Americans killed just with handguns since 1968, the total is a staggering 350,000. Surely, the time has not come to loosen Federal restrictions on criminals' access to handguns.

I urge my colleagues to vote against this bill in its present form.●

Mr. CHAFEE. Mr. President, passage of the Gun Control Act of 1968 was an important step toward effective control over the sale and trafficking of firearms in order to reduce the incidence of violent crime in the United States.

The legislation before us today makes changes in the current law intended to reduce unnecessary burdens on law-abiding citizens with respect to lawful use of firearms. I support the bill's goal of easing certain restrictions on the purchase and sale of guns for hunting and sporting purposes. However, this legislation does not do enough to halt the proliferation of handguns and could weaken existing laws designed for this purpose.

The United States has more violent crime than other countries which have restrictions on handguns. I have consistently supported efforts to strengthen controls over the purchase and distribution of handguns.

Handgun control is an essential part of effective law enforcement. The ready availability of lethal, concealable handguns undermines efforts to protect citizens from violent crime.

Handgun deaths are a national tragedy. Handguns are used in more than 10,000 murders in the United States and another 500,000 crimes of violence each year. Small handguns are the overwhelming weapon of choice by street criminals and assassins.

Despite the need to strengthen controls over handguns, the legislation we have before us would have the opposite effect and weaken current law.

Under current law a State has the right to regulate gun ownership among its residents. This legislation places that right in grave jeopardy. It would authorize dealers to make face-to-face firearms sales to out-of-State customers if the sale would be lawful under the laws of the sellers' and buyers' jurisdiction. Since State and city gun laws vary widely, it would be a formidable task for dealers to insure that sales to out-of-State purchasers conform to law. The potential for handguns to fall into the wrong hands would be significantly greater should this provision be retained in the bill before us today.

I believe we can move forward to protect the rights of law-abiding citizens who purchase firearms for recreation, law enforcement, and private security and at the same time, strengthen law enforcement efforts to prevent handguns from falling into the wrong hands. There are three amendments we will consider which will facilitate this goal.

The first and most crucial amendment would relax the ban on the interstate sale of shotguns and rifles but retain the current prohibition on the interstate sale of handguns. Failure to adopt this amendment would hinder the ability of law enforcement agencies to control the spread of handguns.

Another important amendment would require a 14-day waiting period for purchases of handguns. A waiting period would not only give police the necessary time to determine if a purchaser is prohibited by law from owning a firearm, but also deter individuals who in a moment of desperation purchase a handgun to use in a suicide or a crime of passion. Limiting access to handguns for a period of time is an important intervention for crime prevention.

In addition an amendment to retain current law with respect to surprise Federal compliance inspections of Federal firearms licensees will be offered. The opportunity to conduct surprise visits to check sales records maintained by federally licensed gun dealers is vital to insure that sales are made through regular channels and are traceable. Instead of weakening Federal compliance inspections we should ensure that enforcement authorities have the tools necessary to deal with those who criminally misuse guns or who recklessly make it possible for others to do so.

We have an opportunity today to take this measure beyond the protection of the rights of hunters and sportsmen and to move toward reducing the incidence of crime in the United States. I hope my colleagues will join me in supporting the amendments before us.

Mr. KERRY. Mr. President, as we consider S. 49, the McClure-Volkmer Firearms Owners Protection Act, I think it is useful to recall the history of the legislation this act is to modify—the Gun Control Act of 1968, passed in the wake of the assassinations of Martin Luther King and Robert Kennedy by men using handguns.

Sadly, it took these two assassinations to convince Congress after 5 years of debate to pass basic regulations on the interstate sale of firearms. The act was designed to "provide support to Federal, State, and local law enforcement officials in their fight against crime and violence." Its passage was in recognition of the fact that gun violence in the United States had grown to alarming proportions. The legislative history of the act shows that one of the principal purposes of the legislation was to provide aid to the States against the "migratory handgun."

A major aim of the Gun Control Act was to assist State and local gun control efforts by reducing the flow of guns from loose-control to tight-control jurisdictions. Prior to the act, two Northeastern States, including my home State of Massachusetts, and a number of municipalities had attempt-

ed to restrict handgun possession to only those of their citizens who could demonstrate a special need to own one.

Such laws were intended to reduce handgun ownership to a tiny fraction of the national average of 40 handguns per 100 households. As it turned out, municipal efforts to restrict handgun possession were vulnerable to the flow of handguns from within the States and from other States. And even State efforts were vulnerable to interstate traffic.

A major problem in administering any gun licensing system was the interstate "leakage" of guns. In the mid-1960's, it was estimated that 87 percent of all firearms used in Massachusetts crime had been purchased first in other States. Two-thirds of a sample of handguns confiscated in New York City had come from other States, and surveys in other States told the same story.

It was to meet this problem directly that the 1968 statute was enacted—to stop the frustration of local efforts to license and register ownership of guns.

The centerpiece of the new regulatory scheme was the ban on interstate shipments to or from persons who do not possess Federal licenses as dealers, manufacturers, importers or collectors, coupled with the declaration that it was unlawful for any person other than a Federal license holder to engage in the business of manufacturing or dealing in firearms. The act thus granted Federal licensees a monopoly on interstate transactions and required a Federal license to engage in any but isolated intrastate transactions.

While private citizens were to be excluded from commerce in guns, federally licensed dealers were to be much more strenuously regulated. The fees from all Federal licenses were increased. Minimum standards for licensees were set, and the Secretary of the Treasury was given broad powers to establish mechanisms for regulating licensed manufacturers and dealers.

Having established Federal regulation of those in the business of making, selling and importing firearms, as well as all interstate aspects of commerce in firearms, the act pursued its major aims with a series of criminal prohibitions.

Those without Federal licenses were prohibited from shipping guns to other private parties in another State and from transferring guns to persons they knew or had reason to believe were residents of another State.

Dealers were prohibited from shipping to private citizens in other States and from selling to those who the dealer knew had reason to believe resided our of State.

All dealers had to sign a form indicating a customer had produced identification showing he was not a resident of another State. This form, which also identified the firearms sold and gave the purchaser's name, address, and description was retained by the dealer and made available for inspection by the Alcohol, Tobacco and Firearms agents.

All of this provided a Federal framework for the monitoring of interstate firearms sales to help State an local efforts to keep arms away from criminals, and to trace weapons when they were used to commit crimes. This Federal regulatory system was the heart an soul of the 1968 Gun Control Act. And yet, the McClure-Volkmer bill, without the amendments we have had placed before us today, will substantially dismantle this regulatory system, and again make it extraordinarily difficult for localities and States to fight crime committed with guns.

For these reasons, I offer my strong support to the amendment offered by Senator KENNEDY to maintain the current interstate sales regulations of handguns. Those of us who were in law enforcement at the local level—and both Senator KENNEDY and I were prosecutors in Massachusetts—know that local efforts to monitor and track weapons will be made practically impossible if the KENNEDY amendment is not adopted to maintain existing law in this area.

Senator KENNEDY has worked tirelessly on behalf of all those injured by criminals with guns or who lost friends or family through crimes or abuse of firearms, and on behalf of law enforcement officials, to make the McClure-Volkmer legislation protect them, as well as gun owners.

I strongly urge this body to adopt the Kennedy amendment.

I am aware of the concerns of law-abiding firearms owners and recognize that McClure-Volkmer may eliminate some unintended consequences of the 1968 law. But law-abiding firearms owners will not be hurt by amendments to this legislation such as the Mathias amendment, which eliminates notification to dealers before Federal compliance inspections. I think it is incredible that a Federal agency trying to make sure that the law is followed should have to give a dealer notice before an inspection, to give him time to get his house in order if he has been violating the law. This notification provision does nothing to help those who are law-abiding—it only protects those who are violating the law, by interfering with law enforcement.

Finally, I wish to make special note of the service that Senator METZENBAUM has done Massachusetts, and the other States that currently have laws regulating handguns, with his amendment to modify the preemption provisions that would otherwise void many State and local gun control laws, including the Bartley-Fox law in Massachusetts, a law which has been central to law enforcement in the Commonwealth ever since its passage.

Bartley-Fox was a milestone in gun control for Massachusetts, passed by the State legislature as the result of a collaboration between two remarkable men, the speaker of the house, David Bartley, and State Judge John J. Fox, a man who had dedicated himself to seeking out the best methods of dealing with the problem of crime with guns.

The Bartley-Fox prohibits the transportation of a firearm or ammunition through Massachusetts by anyone who does not have a license for the weapon, and provides for exceptions for nonresidents under certain circumstances.

Its help to law enforcement officials in the years since its passage has been profound—and Massachusetts wants to keep it.

Senator METZENBAUM'S amendment has allowed Massachusetts to keep Bartley-Fox. Without it, McClure-Volkmer would preempt it.

This would be unfortunate for Massachusetts, for law enforcement, and for our system of federalism itself, for the reasons set forth in an excellent memorandum written by Judge Fox about the effects of McClure-Volkmer. At this time, I ask unanimous consent that Judge Fox's memorandum be inserted in the RECORD at the conclusion of my remarks.

As Judge Fox explains:

The logical implications of what this proposed statute seeks to do would be to permit the federal government to assume full control over a State's procedures for the administration of its own criminal justice system.

I thank Senator METZENBAUM for his protection of Massachusetts ability to regulate crime as a result of the adoption of his amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM BY JUDGE JOHN J. FOX OF MASSACHUSETTS

CONSIDERATIONS OF FEDERALISM

It is clear that this Bill, in its present form without the Metzenbaum amendment, would preempt such state legislation as Bartley/Fox (and all analogous or cognate state legislative enactments) by making "null and void" any provision in state law" which prohibits or has the effect of prohibiting the transportation of a firearm or ammunition in interstate commerce or through" a state. (See pg. 57 of Sen. Report No. 98-583, 98th Cong. 2d Session). This blatant attempt to preempt or exclude state law aimed at addressing the problem of crime and violence—interests critically central to the welfare of a state and traditionally of preeminent local concern—intrudes impermissibly into state sovereign functions. It clearly proceeds upon a fundamental misunderstanding of the role that state governments play in our federalist system. Such a result would not only undoubtedly retard the creative experimentation which bold and progressive state legislatures have gen-

erated but would be antithetical to the values of federalism and inconsistent with our Constitutional history. Indeed, such an approach would undermine one of the most valuable aspects of our federalism—the combined, collective and collegial interaction of state and federal governments in areas of mutual concern. As one scholar has written "a federal system implies a partnership all members of which are effective players on the team and all of whom retain the capacity for independent action. It does not imply a system of collaboration in which one of the collaborators is annihilated by the other." *L. White, The States and the Nation,* 3(1953).

Before turning to the diverse articulations of the principles of federalism which are strikingly relevant here, it may be useful to set forth briefly the specific particulars by which this proposed legislation—invoking preemption—impacts directly and adversely a local state statute such as Bartley/Fox.

The Bartley/Fox Law, Massachusetts General Laws, Chapter 269, Sec. 10(a), applies to an unlicensed person who possesses a firearm, rifle or shotgun while in a motor vehicle. The law further provides for exceptions for non-residents under certain circumstances. Under Massachusetts General Laws, Chapter 140, Sec. 129C(h), a non resident may possess a rifle or shotgun and ammunition therefor while traveling in or through the Commonwealth, provided that the rifle or shotgun is unloaded and enclosed in a case. Similarly, under Massachusetts General Laws, Chapter 140, Sec. 131G, a non-resident may possess a pistol or revolver under certain circumstances if that person is a resident of the United States and has a permit or license to carry firearms issued under the laws of his home state and those licensing laws are substantially similar to the licensing laws of Massachusetts. (Copies of Sec. 129C(h) and Sec. 131G are enclosed).

Consequently, the existing limitations imposed by Massachusetts on the ability of non-residents to possess firearms, rifles and shotguns while traveling through the Commonwealth in a motor vehicle would be vitiated if this proposed federal legislation is enacted. Again this result would obtain because of the explicit provision of the proposed bill which states: "That any provision of any legislation enacted, or of any rule or regulation promulgated, by any State or a political subdivision which prohibits or has the effect of prohibiting the transportation of a firearm or ammunition in interstate commerce through such state, when such firearm is unloaded and not readily accessible, *shall be null and void.* (Emphasis supplied). The attempt to strike down, or dilute the efficacy of our Massachusetts law, (and cognate or analogous state provisions) in such an important particular, contravenes an unbroken expression of Supreme Court precedent relative to the primacy of state criminal laws, given the circumambient nature of our federalism.

One of the strongest expressions of this principle was articulated by Mr. Justice Field in his opinion for the United States Supreme Court in *Baltimore & O.R. Co. v. Baugh,* 149 U.S. 368 (1911). Thus he stated, in a passage quoted with approval by the Court in the historic decision in *Erie R. Co. v. Tompkins,* 304 U.S. 64 (1938):

"The Constitution of the United States . . . recognizes and preserves the autonomy and independence of the States—independence in their legislative and independence in their judicial departments. Supervision over either the legislative or the judicial action of the States is in no case permissible except as to matters by the Constitution specifically authorized or delegated to the United States. Any interference with either, except as thus permitted, is an invasion of the authority of the State and, to that extent, a denial of its independence." 149 U.S. at 401.

This statement is an eloquent expression of a cardinal principle of our federalism. This general rule, bottomed deeply in belief in the importance of state control of state procedures relating to its criminal law is that federal law takes state law—absent extraordinary circumstances—as it finds it. *Hart, The Relations Between State and Federal Law,* 54 Colum.L. Rev. 489, 508 (1954). Clearly this is a principle which has a striking relevance here. It may be true as the proponents of this bill will argue that the proposed law may not effect dramatic changes in the laws and procedures of all States. But it would be difficult to imagine another attempt by the Federal Government to supplant a state procedure which is so traditionally within the purview of state authority. If Congress may do this, presumably it has the power to achieve other such ends; e.g., to preempt state court rules of civil procedure and judicial review in all other similar areas. This would be the type of gradual encroachment hypothesized by Professor Tribe when he wrote recently: "Of course, no one expects Congress to obliterate the states at least in one fell swoop. If there is any danger it lies in the tyranny of small decisions—in the prospect that Congress will nibble away at state sovereignty, bit by bit, until someday essentially nothing is left but a gutted shell." *L. Tribe, American Constitutional Law* 302 (1978).

If the power sought to be legitimized in this proposed bill is vindicated, then such a principal would, by hypothesis, permit the federal government to assume full control over a State's procedures for the administration of its own criminal justice system. This is and must be beyond the power of the federal government if the federal system is to exist in substance as well as form. The right of the State to regulate its own substantive law, to regulate its own procedures governing the conduct of litigants in its courts, and its interest in supervision of those procedures, stand on the same constitutional plane as its right and interest in framing "substantive law" governing other aspects of the conduct of those within its borders.

In reviewing the Supreme Court's decisions over the last four decades, one of the first and most striking facts to emerge is the obvious importance of the Court's interpretation of the obligations and imperatives of federalism in the development of American criminal law. See, *Allen, The Supreme Court, Federalism and State Systems of Criminal Justice,* 8 DePaul L. Rev. 213 (1959). These opinions invariably stress the need to respect the "sovereign character of the several states" by giving the states the widest latitude in developing their own substantive criminal law. See, e.g., *Ashcraft v. Tennessee,* 322 U.S. 143 (1944). There are many reasons for this.

In respecting the automony of the states, the principle of federalism preserves local control of government. This has various advantages. It avoids centralized power and the potential for abuse inherent in the concentration of governmental authority; it promotes democracy by allowing decisions to be controlled by the population most directly affected; it permits laws to be formulated in accordance with local conditions and to be enforced by persons who are familiar with local concerns; and it permits a diversity necessary for the survival of pluralism. These advantages arguably have special significance as applied to the field of criminal justice and the substantive criminal law statutes of a state. Notwithstanding expansion of federal legislative power, the enactment and enforcement of criminal laws remains the primary responsibility of the states. With respect to the specific problems sought to be addressed by state bills such as Bartley/Fox, these principles have a special and unique relevance. For example, what applies to a state like Massachusetts may not apply as easily to a state like Montana. What applies to a city like New York may not apply as easily or as persuasively to a bucolic hamlet in rural Nebraska. What applies to Nebraska may not be as relevant to a state like Mississippi. The essential point is that local custom, local tradition, local conditions and circumstances, local law enforcement vary so dramatically that it is neither surprising nor subversive that the autonomy of the states should be preeminently respected in this area.

This concern for the principle of federalism is hardly a new development. For example, in the celebrated Slaughter House cases, the Supreme Court consistently referred to the "whole theory of the salutary relations of the state and federal government" in rejecting a broad reading of the privileges and immunities clause which would have curtailed state substantive law. Similarly, equal protection rulings relating to state criminal procedures have consistently noted the importance of leaving the states free to prescribe their "own modes of judicial proceedings." *Missouri v. Lewis,* 101 U.S. 22 (1879). And the early due process decisions, in refusing to strike down or preempt state criminal law, frequently stressed that such a ruling would be inconsistent with "the full power of the state to order its own affairs and govern its own people." See, e.g., *Twining v. New Jersey,* 211 U.S. 78 (1908); *Maxwell v. Dow,* 176 U.S. 581 (1900).

It is clear that a review of the vast generality of Supreme Court cases show that the justices supporting the essentially autonomy of state sovereignty feared that imposition of federal limitations might destroy the positive advantages of local control. The Supreme Court consistently indicated that the federal government, reposing far from the local scene, had to exercise caution, limiting its authority to the imposition of those "principles of decent procedure" that were basic to a free society and therefore accepted by the vast majority of local communities. Indeed, the clear thrust of these decisions make clear that if the power of the states to deal with local crime was unduly restricted, the end result might be a shift of responsibility to the Federal Government with its vastly greater resources * * * bringing us closer to the monolithic society which our federalism rejects." *Malloy v. Hogan,* 378 U.S. (1969).

These opinions, and many others, clearly demonstrate that state legislative and administrative bodies are not field offices of the national bureaucracy. Instead, each State is sovereign within its own domain, governing its citizens and providing for their general welfare. While the Constitution and Federal statutes define the boundaries of that domain, they do not harness state power for national purposes. Rather, the Constitution contemplates an indestructible

Union, composed of indestructible States, a system in which both the state and national governments retain a "separate and independent existence." *Texas v. White*, 7 Wall. 700, 725 (1869); *Lane County v. Oregon*, 7 Wall. 71, 76 (1869).

Adhering to these principles, the Supreme Court has recognized that the Tenth Amendment restrains congressional action that would impair "a State's ability to function as a State." *United Transportation Union v. Long Island R. Co.*, 455 U.S. 367, 373 (1982); *National League of Cities v. Usery*, 426 U.S. 833, 842-852 (1976); *Fry v. United States*, 421 U.S. 542, 547 n. 7 (1975). See also *City of Lafayette v. Louisiana Power & Light Co.*, 435 U.S. 389, 423-424 (1978). For example, in *National League of Cities v. Usery, supra*, the Court held that Congress could not prescribe the minimum wages and maximum hours of state employees engaged in "traditional governmental functions," Id., at 852, because the power to set those wages and hours is an "attribute of state sovereignty" that is "essential to (a) separate and independent existence." Id., at 845 (quoting *Lane County v. Oregon, supra* at 76).

In 1981 the Supreme Court identified three separate inquiries underlying the result in *National League of Cities, supra*. Thus the Court stated: "A congressional enactment violates the Tenth Amendment if it regulates the "States as States," addresses matters that are indisputably attribute(s) of state sovereignty and directly impairs (the States') ability to structure integral operations in areas of traditional governmental function. *Hodel v. Virginia Surface Mining & Reclamation Association*, 452 U.S. 264, 287-288 (1981) (quoting *National League of Cities, supra* at 854, 845, 852). See also *United Transportation Union, supra*.

Given the fact that effective crime control is one of the most dramatic issues facing state governments it would be difficult to imagine a federal statute which would more directly regulate the "States as States" in those "indisputable attribute(s) "of state sovereignty or which, ultimately, would impair a state's ability to "structure integral operations in areas of traditional function" than the proposed federal statute considered here.

Another significant argument against the present proposal is that it would undoubtedly retard the creative experimentation which is such a part of our federalism. For example, in *New State Ice Co. v. Liebman*, 285 U.S. 262 (1932), Justice Brandeis admonished the Court against undue interference with state experimentation. Thus he stated:

"To stay experimentation in things social and economic is a grave responsibility. Denial of the right to experiment may be fraught with serious consequences to the Nation. It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country."

In espousing this principle, courts and commentators frequently have recognized that the fifty States do indeed serve as "laboratories" for the development of new social, economic and political ideas. See, e.g., *Chandler v. Florida*, 449 U.S. 560, 579 (1981); *Reeves, Inc. v. Stake*, 447 U.S. 429, 441 (1980); *Whelan v. Roe*, 429 U.S. 589, 597 and n.20 (1977); *Macmahon, The Problems of Federalism: A Survey in Federalism, Mature and Emergent* 3, 10-11 (A. Macmahon, ed. 1955); *N. Rockefeller, The Future of Federalism* 8-9 (1962). And this belief in state innovation is no judicial myth. Here in Massachusetts, for example, after decades of academic debate, state experimentation finally provided an opportunity to observe no fault automobile insurance in operation. See, *C. Morris & C. Morris, Jr., Morris on Torts* 244-245 (2d ed. 1980); *Friendly, Federalism: A Foreword*, 86 Yale L.J. 1019, 1034 (1977). When Wyoming became a state in 1890, it was the only State permitting women to vote. (Wyoming's policy followed a practice it had adopted as a territory). (Compare Act of January 21, 1891, Ch. 100, Sec. 4 (1890-1891) Wyo. Sess. Laws 394 with Act of March 14, 1890, Ch. 80, Sec. 5 (1890) Sess. Laws Wyo. Territory 157). See generally, *C. Beard & M. Beard, The Rise of American Civilization*, 563 (rev. ed. 1937).

That "novel" idea did not bear national fruit for another thirty years. (The Nineteenth Amendment, ratified in 1920, prohibits abridgement of the right to vote on account of sex). In another dramatic example, Wisconsin pioneered unemployment insurance. (Compare Act of January 28, 1932, Ch. 20, 1931-1932 Wis. Laws 57; Act of June 1, 1933, Ch. 186, 1933 Wis. Laws 448; Act of June 2, 1933, Ch. 194, 1933 Wis. Laws 491); W. Leuchtenburg, Franklin D. Roosevelt and the New Deal, 1932-1940, p. 130 (1963). Again, Massachusetts was a pioneer in initiating minimum wage laws for women and minors. (See, Act of June 4, 1912, Ch. 706, 1912 Mass. Acts 780); *R. Morris, Encyclopedia of American History*, 768 (Bicentennial ed. 1976).

Even in the field of environmental protection, an area subject to heavy federal regulation, the States have long supplemented national standards with innovative and far reaching statutes. Florida, for example, has enacted particularly strict legislation against oil spills. (Fla. Stat. Ann., Sections 376-011-.21) (1974 ed. and Suppl. 1982). The Supreme Court upheld that legislation in *Askew v. American Waterways Operators, Inc.*, 411 U.S. 325 (1973). Utility regulation is another field marked by valuable state intervention. (See *Federal Power Commission v. East Ohio Gas Co.*, 338 U.S. 464, 489 (1950). (Jackson, J., dissenting). "Long before the Federal Government could be stirred to regulate utilities, courageous states took the initiative and almost the whole body of utility practice has resulted from their experiences."

Moreover, attempts at federal preemption in this area are completely misplaced. When Congress preempts a field it precludes only state legislation that directly conflicts with the national approach. No such situation exists here. Rather, it is now well established that States usually retain the power to complement congressional legislation, either by regulating details unsupervised by Congress or by imposing requirements that go beyond the national threshold. In rare instances, Congress so occupies a field that any state regulations are inconsistent with national goals. The Supreme Court, however, is reluctant to infer such expansive preemption in the absence of persuasive reasons. *Florida Lime & Avocado Growers, Inc. v. Paul*, 373 U.S. 132, 142 (1963). See generally, *Stewart, Pyramids of Sacrifice: Problems of Federalism in Mandating State Implementation of National Environmental Policy*, 86 Yale L.J. 1196, 1239-1247 (1977); *Comment Redefining the National League of Cities State Sovereignty Doctrine*, 129 U. Pa L.Rev. 1460, 1477-1748 (1981). Certainly, there should be no such attempt at "expansive preemption" in this case.

As the foregoing examples will illustrate, one of the major justifications advanced for promoting a strong federalism derives from Justice Brandeis' admonition that states should be provided ample room for diversity (and thus experimentation) in both its substantive and procedural law. Indeed, the importance of allowing leeway for experimentation is state criminal law provisions was noted early by the Supreme Court in *Hurtado v. California* where it was stressed that due process ought not to preclude a state, if it so desires, from looking beyond the common law and basing its process on "the best of all systems and of every age," letting the "new and various experiences of its own situation * * * (shape) new and not less useful forms." 110 U.S. 516 (1884). In subsequent years the same philosphy found consistent voice in Supreme Court decisions and, perhaps, was best summarized by Justice Frankfurter in a discussion of *Powell v. Alabama* in which he wrote "the mood of the Supreme Court has been insistently cautious in attempting to limit the reach of the criminal law of a state." In his view, this was proper for, as he noted, the Four-teenth Amendment should not be "the basis of a Uniform Code of Criminal Procedure federally imposed." "Alternative modes of arriving at truth" should not be barred. As in the area of economic regulation, "here too, freedom must be left for new, perhaps improved, methods 'in the insulated chambers afforded by the several states.'" See, *F. Frankfurter, Law and Politics*, 192 (1939).

In addition to promoting experimentation, federalism enhances the opportunity of all citizens to participate in representative government. Alexis de Tocqueville understood well that participation in local government is a cornerstone of American democracy:

"It is incontestably true that the love and the habits of republican government in the United States were engendered in the townships and in the provincial assemblies. . . . (I)t is this same republican spirit, it is these manners and customs of a free people, which are engendered and nurtured in the different States to be afterwards applied to the country at large." *1 A. de Tocqueville, Democracy in America* 181 (H. Reeve Trans. 1961).

Citizens, however, cannot learn the lessons of self-government if their local efforts are devoted to reviewing proposals formulated by a far-away national legislature. If we want to preserve the ability of citizens to learn democratic processes through participation in local government, citizens must retain the power to govern, not merely administer, their local problems.

Finally, our federal system provides a salutary check on governmental power. As Justice Harlan once explained, our ancestors "were suspicious of every form of all-powerful central authority." Harlan, supra n.16, at 944. To curb this evil they both allocated governmental power between state and national authorities and divided the national power among three branches of government. Unless we zealously protect these distinctions, we risk upsetting the balance of power that buttresses our basic liberties. In analyzing this brake on governmental power, Justice Harlan noted that "(t)he diffusion of power between federal and state authority. . . . takes on added significance as the size of the federal buraucracy continues to grow." Ibid. See also, *I. Silone, The School for Dictators* 119 (W. Weaver trans. 1963). ("A regime of freedom should receive its lifeblood from the self-government of local institutions. When democracy, driven

by some of its baser tendencies, suppresses such autonomies, it is only devouring itself. If in the factory the master's word is law, if bureaucracy takes over the trade union, if the central government's representative runs the city and the province . . . then you can no longer speak of democracy").

Even if one accepted a certain legitimate subordination of values of local control, it is still possible to argue that the different problems faced by the diverse state criminal justice systems require standards more flexible than those that would derive from a single monolithic standard in this area. The logical implications of what this proposed statute seeks to do would be to permit the federal government to assume full control over a State's procedures for the administration of its own criminal justice system. As noted previously this is and must be beyond the power of the Congress if the federal system is to exist in substance as well as form. Again, the right of a state, like Massachusetts, to regulate its own procedures governing the conduct of potential criminal defendants in its courts, and its interest in supervision of those procedures, stand on the same constitutional plane as its right and interest in framing substantive laws governing other aspects of the conduct of those within its borders. As Justice Powell noted in *Shadwick v. Tampa,* 407 U.S. 345 (1972), "(O)ur federal system x x x recognizes in plural and diverse state activities one key to national innovation and vitality. States are entitled to some flexibility and leeway x x x in the administration of their criminal law." Obviously what the Court strongly suggests—words powerfully relevant here—that a jot-for-jot application of single monolithic standard would put "the states, with their differing law enforcement problems x x x in a constitutional straight jacket." *Ker v. California, supra* at 672.

It is clear that the logical upshot of the proposed statute would not be a move toward the "harmonious" federalism which the Supreme Court has consistently indicated should be our goal. Indeed, the result presaged by the proposed statute would be the very antithesis of this objective. Proponents of this bill may argue that the result sought to be achieved by the proposed statute is justifiable as a means of promoting "efficiency" in the administration of criminal justice. Such an argument must be rejected unless one is willing to accept the kind of "efficiency" which, though perhaps appropriate in some watered-down form of federalism, is not congenial to the kind of robust federalism which has been the hallmark of this country over many fruitful and productive years.

Mr. THURMOND. Mr. President, I support the interstate sales provisions of S. 49 which will permit the purchase of firearms by citizens from another State in accordance with the laws of both States. This provision has the strong support of the administration, the Department of the Treasury, professional firearms associations, firearms dealers, and numerous other groups. The controls imposed by S. 49 provide many protections for legitimate law enforcement purposes. The requirements imposed by S. 49 include direct over-the-counter purchases, proof of identification and eligibility to puchase firearms, and extensive recordkeeping by licensed dealers. States and municipalities are free to impose further, more restrictive requirements, as they deem proper.

I am of the opinion that the States should, in fact, determine those requirements most appropriate for their jurisdictions. I am confident that the lawmakers of States and localities will be able to adopt those safeguards most appropriate to the needs of their jurisdictions regarding the important subject matter of firearms.

INTERSTATE HANDGUN SALES

Mr. MOYNIHAN. Mr. President, I am pleased to support the amendment offered by my friend, Senator KENNEDY, to retain the current restrictions on the interstate sale of handguns. The provision in S. 49 to permit such sales would undermine current efforts to control handgun crime.

This amendment does no more than reaffirm current Federal law. The 1968 Gun Control Act, enacted in response to the tragic assassinations of Dr. Martin Luther King, Jr. and Robert F. Kennedy, prohibits all interstate gun sales. S. 49 would eliminate this ban, and permit gun dealers to sell handguns out-of-State if the sale would be legal under the laws of both the buyer's and dealer's States.

Far from advancing the rights of firearms owners, such a provision would place a new burden on gun dealers, by requiring them to know all the gun control regulations of every State in which they might do business. More important, the prospect of interstate handgun sales would gravely weaken efforts to control the spread of illegal handguns, and hamper police efforts to trace guns used in the commission of crimes.

It is not surprising, then, that this amendment is endorsed by the Nation's major law enforcement organizations, including the International Association of Chiefs of Police, the Police Executive Research Forum, the National Troopers Coalition, the National Organization of Black Law Enforcement Executives, and the Fraternal Order of Police, as well as the American Bar Association and the U.S. Conference of Mayors.

This amendment would not deny the rights of sportsmen, nor broaden the scope of Federal gun control law. It would only preserve an important provision in current law. The Nation's police officers have given this amendment their strong endorsement. I urge my colleagues to support it as well.

Mr. HATCH. Mr. President, I am prepared to yield back the remainder of my time, unless the distinguished Senator from Massachusetts desires to reply.

Mr. KENNEDY. Mr. President, I would like to ask how much time we have.

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

I direct the attention of the floor manager of the bill to the section of the legislation that puts the burden on the local dealer. That is addressed, as I understand it, on page 7:

> * * * shall not apply to the sale or delivery of any firearm to a resident of a State other than a State in which the licensee's place of business is located if the sale, delivery and receipt fully comply with the legal conditions of sale in both such States:

I gave my understanding of what that provision means. It is saying that without my amendment, for every dealer all over this country, this is going to mean he has presumed knowledge about this provision. If that dealer does not understand the laws of 50 States and hundreds of localities—and as I said when we were considering it in the Judiciary Committee, we just had an opportunity to do the review of provisions of a few States. For example, whether there is a background check for the purchase of any handgun. For South Carolina, there is one in Fort Mill; whether there is a waiting period, and there is a 7-day one in Maryland, 72 hours in Las Vegas; in Kansas, there is a 15-day period; Cheyenne, WY, 48 hours—the dealer is presumed to understand all local and State laws before selling a handgun to an out-of-State resident.

Then there is the various prohibited classes of individuals. As we have seen in our review, those particular provisions are changing with just about every legislature. So every local dealer is going to have to be aware of those changes or, under this legislation, which is Federal legislation, the possibility of facing an investigation and the penalties spelled out on page 21 making the dealer guilty of a felony. I am just wondering if that is his understanding and, if not, why not, if the Senator will use his own time.

Mr. HATCH. I will be happy to use my own time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I suggest that the Senator has read the statute correctly. S. 49 permits out-of-State purchases but it also ensures that the laws of the buyer's as well as the seller's State shall be scrupulously obeyed. S. 49 requires those interstate sales of firearms—deer rifles, shotguns, and handguns—comply with requirements that will guarantee the objective of the act was met; namely, that all State laws be upheld.

Mr. KENNEDY. As the Senator knows, we have already addressed the issue on the long guns.

Mr. HATCH. We are talking about handguns as well.

Mr. KENNEDY. The Senator has included those.

Mr. HATCH. Yes; I am just stating what the law is, and there are three basic requirements: That all interstate sales of firearms including handguns must take place over the counter face to face. This allows the dealer to identify and make inquiries of the purchasers, and thus it prevents sales to felons and others prohibited from acquiring firearms. Second, all interstate sales of firearms, including handguns, have to be recorded in the dealer's records so that tracing can be readily obtained. Third, all interstate sales of firearms, including handguns, must comply with the laws of both the buyer's and the seller's States. The licensed dealer is legally responsible for knowing those laws. The Senator is correct in stating that the way he has. Those laws are printed in a Treasury Department manual distributed to all dealers. The dealer will be held accountable for any sales in violation of applicable State or local laws, and it is up to the Treasury Department to update those handbooks on a regular basis.

In fact, it is required in the act that they do so. Licensed dealers are familiar with the use of these handbooks. They know how to use them. They know how to interpret the laws. Frankly, we believe that those are adequate protections under the circumstances. We do not think that the true sportsman should be hampered in his right to obtain handguns just because there may be an isolated case here and there which some people think might militate against him.

Mr. KENNEDY. Is the Senator saying that if it conforms with what is actually produced by the Bureau of Alcohol, Tobacco and Firearms, it is going to be basically a defense? Because, as the Senator knows all too well, the BATF book of State and local regulations is always out of date—delayed often by a year or more. They are not timely. I would daresay from a casual review of the States which have any of the requirements we have outlined here, they are significantly out of date. A statement was made by the Senator from Utah about the timeliness and accuracy, but in going over those various provisions we found out that even in the States that were represented by the Judiciary Committee, in almost every single instance they were not really accurate.

The only point, Mr. President, that I make, unless the Senator has more to add to it, is that we are creating a very, very significant additional burden, a good deal of potential vulnerability, and a great deal of additional redtape for dealers. For some of the reasons that I have outlined, unless we accept my amendment, I would hope that those who are concerned about peace and the security in our communities and towns—and we hear many speeches and read many press releases about that particular issue—that they know that, according to law enforcement officials, we will take a significant step backward in crime control.

Mr. HATCH. Mr. President, I draw the attention of my colleague, the distinguished Senator from Massachusetts, to section 108(1) of this bill which states that upon the enactment of this act the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United States Code, as amended by this act.

And it goes on from there to answer the distinguished Senator's question.

Now, the licensed dealers are willing to meet this burden, and it is little more than they have to do for long guns anyway. They are familiar with the manual. The Treasury Department is willing to keep the manual up to date and keep them informed. Frankly, it is not going to be the burden the distinguished Senator from Massachusetts says, but even if it was, in order to provide sportsmen with the right to obtain guns, they feel as though they can comply with this particular provision. I believe that the bill takes care of most, if not all, of the concerns of the Senator.

Mr. KENNEDY. Will the Senator, on my time, tell us how many more individuals are going to be hired to do this review at the Bureau of Firearms?

Mr. HATCH. We have been informed that they can do this right now.

Mr. KENNEDY. But they have not.

Mr. HATCH. They are doing it.

Mr. KENNEDY. The fact of the matter is——

Mr. HATCH. They are not doing it with regard to handguns.

Mr. KENNEDY. I would be glad to supply the book of last year and then to inquire of the Senator, in particular towns and communities, what individual dealers would be vulnerable under this legislation. If he is able to answer it, it will be amazing to me because the BATF books are not complete or up-to-date.

Mr. President, the bureaucratic issue is one thing, but I do think the law enforcement issue is clearly the overwhelming issue involved here. I feel that reason stands by itself as the basis for a continuation of existing law on the interstate sales of handguns—not an expansion, not an alteration but just a continuation of current law.

The final point is that if you do not vote for this amendment, you are basically voting to circumvent in one very important way State laws, because under the existing law the only way you can get a handgun or pistol, or even a Saturday night special, is to go through a licensed dealer in your home State. This opens up a completely different opportunity to circumvent those State laws. For the reasons outlined by the law enforcement officials, I think this would be a serious mistake for those who are concerned about law enforcement.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, I yield such time as the distinguished Senator from Idaho uses.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I understand the statement of the Senator from Massachusetts has made, but let me point out a couple of errors. He made some reference to a letter in which there is reference to the circumvention of State law. As a matter of fact, the bill requires absolute compliance with State law, not circumvention of it. If a purchaser goes to a licensed dealer—and remember, it is a face-to-face transaction with licensed dealers only—only if that licensed dealer can verify the fact that the transaction is lawful in both the State of the purchaser's residence and the State where the transaction takes place can the transaction take place. It circumvents no law at all.

As a matter of fact, if the Senator was really concerned about the burdensome recordkeeping, we could simply delete the reference to the State of residence of the purchaser. That, indeed, would be a circumvention of that State law by permitting a nonresident to go from the place where he could not own or purchase a firearm to a place where he could.

It was because we did not wish to do this that we have these recordkeeping requirements which the Senator now decries. Frankly, I think the Senator from Massachusetts, in his heart of hearts, shares our desire that we not circumvent State law.

With respect to the burden of S. 49 on dealers, if a dealer thinks that S. 49 imposes too onerous a requirement or one that is fraught with too much danger, he has the right to refuse to make the sale, saying: "I can't verify. I can't know that I would not be violating the law, because I do not know what the law of your residence is. I'm sorry, I won't sell this gun to you." It is very easy for him to avoid the recordkeeping and the hazard to which he would be exposed, if he desires to do so.

I hope the amendment is rejected.

Mr. HATCH. Mr. President, I am prepared to yield back the remainder of my time and to vote.

Mr. KENNEDY. I am prepared to do so. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Lousiana [Mr. LONG], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 69, nays 26, as follows:

[Rollcall Vote No. 139 Leg.]

YEAS—69

Abdnor	Garn	Murkowski
Andrews	Goldwater	Nickles
Baucus	Gore	Nunn
Bentsen	Gramm	Packwood
Bingaman	Grassley	Pressler
Boschwitz	Hatch	Pryor
Bumpers	Hawkins	Quayle
Burdick	Hecht	Rockefeller
Byrd	Heflin	Roth
Chiles	Heinz	Rudman
Cochran	Helms	Sasser
Cohen	Hollings	Simpson
D'Amato	Humphrey	Specter
Danforth	Johnston	Stafford
DeConcini	Kasten	Stennis
Denton	Laxalt	Stevens
Dole	Leahy	Symms
Domenici	Lugar	Thurmond
Durenberger	Mattingly	Trible
Eagleton	McClure	Wallop
East	McConnell	Warner
Exon	Melcher	Wilson
Ford	Mitchell	Zorinsky

NAYS—26

Biden	Harkin	Matsunaga
Boren	Hart	Metzenbaum
Chafee	Inouye	Moynihan
Cranston	Kassebaum	Pell
Dixon	Kennedy	Proxmire
Dodd	Kerry	Riegle
Evans	Lautenberg	Sarbanes
Glenn	Levin	Weicker
Gorton	Mathias	

NOT VOTING—5

Armstrong	Hatfield	Simon
Bradley	Long	

So the motion to table amendment No. 509 was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 510

(Purpose: To amend the provisions regarding compliance inspections)

Mr. MATHIAS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. MATHIAS] proposes an amendment numbered 510.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 24, after "(B)" insert "for routine compliance inspections,".

On page 14, line 25, strike out ", upon reasonable".

On page 15, line 1, strike out "notice,".

On page 15, line 9, after "(A)" insert "for routine compliance inspections,".

On page 15, lines 10 and 11, strike out ", upon reasonable notice,".

Mr. MATHIAS. Mr. President, this amendment would eliminate an unnecessary and, I believe, a harmful provision of Senate bill 49 that requires notification before a routine compliance inspection of a dealer, manufacturer, or other licensee under the act. Without this amendment, Senate bill 49 would require enforcement officers to give dealers a reasonable notice—whatever reasonable notice may be—of an upcoming inspection.

The proponents of this requirement advocate it because they say the Bureau of Alcohol, Tobacco, and Firearms has been harassing legitimate dealers by conducting frequent, unannounced compliance inspections. The Judiciary Committee looked very carefully into this allegation and produced no compelling evidence to indicate that this is, in fact, the case.

However, if, in fact, it were the case, any concerns in this area are fully addressed by the requirement that is already contained in Senate bill 49—a requirement that is not touched by the language of this amendment—that compliance inspections can be conducted no more frequently than once a year.

Clearly, an annual inspection, whether it is announced or whether it is unannounced, cannot be considered to harass the honest businessman.

Currently, we permit unannounced compliance inspections of various kinds of business activities. Unannounced inspections of liquor distributors and retailers have long been part of both Federal and State regulation of that industry. In fact, the first public job that I ever had was as the counsel to a license commissioner. And it was part of the warp and woof of that office that the commissioner would casually drop in on business establishments at all hours of the day and night. The fact that he might do so was anticipated by the licensee.

Similarly, the production of meat, of poultry, and of eggs is regulated by Government, and those regulations are enforced through routine compliance inspections which may be unannounced. The drug industry, the mining industry, for other examples, are treated in the same way. And this is accepted by the industries and expected by the public.

The Congress has long recognized that compliance inspections are critical to enforcement of Federal law. In the case of industries where evidence can be easily concealed or moved or altered, unannounced inspections are a significant deterrent to illegal behavior and a most useful tool in apprehending willful violators.

As Dr. Samuel Johnson, the great English moralist, observed over 200 years ago, "Nothing is so conducive to a good conscience as the suspicion of being watched." Yet, Senate bill 49 would abolish unannounced inspections of the records and inventory of Federally licensed firearms dealers and manufacturers. In this way, the bill severely restricts the effectiveness of Federal enforcement.

Prior notification would be of little importance to a legitimate firearms dealer. His records would not, of course, need change or alteration. His inventory would not have to be improved prior to the visit from Federal officials. Thus, the honest dealer would receive no benefit from the legislation.

However, the unscrupulous dealer or manufacturer would be given adequate notice and adequate opportunity to engage in what we might call creative recordkeeping, and the improvement of otherwise illegal inventory, in order to bring his business into temporary compliance and thereby to thwart lawful Federal enforcement.

The Supreme Court has specifically upheld unannounced inspections of licensed gun dealers of the kind that Senate bill 49 would prohibit, and that this amendment would allow to continue. In the case of the United States versus Biswell, the Court stated that "inspection is a crucial part of the regulatory scheme since it assures that weapons are distributed through regular channels in a traceable manner and makes possible the prevention of sales to undesirable customers and the detection of origins of particular firearms."

A brief review of the facts in the Biswell case will show the kind of enforcement actions that will be prohibited by Senate bill 49 unless it is amended as proposed in the pending amendment. This review also indicates the type of dealer who will benefit from the prohibition.

Mr. Biswell has been federally licensed as a dealer in sporting weapons. One afternoon he was visited, unannounced, at his place of business by local policemen accompanied by a Federal Treasury agent who identified himself and conducted an inspection of Mr. Biswell's books. The record discloses that the Treasury Agent then requested access to Mr. Biswell's locked storeroom. Mr. Biswell at first refused, but the Treasury agent handed Mr. Biswell a copy of title 18, section 923(g) which authorizes such unannounced inspection and Mr. Biswell, deferring to the majesty of the law, opened the storeroom.

There the Treasury agent found two sawed-off rifles which Mr. Biswell was not licensed to possess since he was a licensed dealer only in sporting weapons. As a result, Mr. Biswell was convicted of violating Federal firearms law, and the Supreme Court, in upholding the reasonableness of the unannounced compliance inspection, upheld Mr. Biswell's conviction.

If we were to enact, as I hope we will not, Senate bill 49 without the pending amendment, I wonder what would happen to someone who was placed in the position of Mr. Biswell. I would like to leave Mr. Biswell himself out of it. We cannot speculate as to what he might have done or not have done had he had some prior notice of the inspection which resulted in his conviction. But some other dealer in sawed-off weapons, notified in advance that an inspection of his records and inventory was about to take place would not, I suspect, sit idly behind his counter waiting for the Treasury agents to arrive. I rather suspect that he would conduct a preinspection of his own inventory and remove the more novel weapons that it might contain. On the appointed day when he was expecting the visit of the Treasury agent, and his place of business was shining and swept and everything was in order, there would be no sawed-off rifles to be found by the Federal agent, and the premises would be all in order for the compliance inspection.

Now, the very next day this hypothetical dealer would be able to restore the illegal weapons to the inventory, safe in the knowledge that he would always have adequate notice and adequate opportunity to remove them before the next inspection that would not take place, under the law, until at least a year later.

Without the pending amendment, Senate bill 49 will cripple Federal enforcement of the law. Only the dishonest dealer will benefit from such preinspection notification. But all of the American people will suffer because of the reduction in enforcement effectiveness. So I urge Senators to consider the effect of this provision of Senate bill 49 and to support the pending amendment to eliminate this undesirable feature, and to restore effective compliance and enforcement.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, a brief explanation of the inspections policy included in S. 49 should answer many of the questions posed by my colleagues. Under current law, a dealer's entire inventory and his record is subject to inspection at any time during business hours without prior notice. There are no restrictions on the number of inspections or on the use of information gathered during these inspections. Unannounced searches have become fishing expeditions for inadvertent recordkeeping violations. In one instance, publicized by our hearings, several BATF agents conducted a thorough search of one dealer over a period of several days only to discover a minor recordkeeping violation concerning a few pounds of black powder. Section 49 remedied some of these past problems by codifying the new practices of the BATF. Specifically, S. 49 employs at least two different inspection mechanisms for two different purposes.

I can distinguish these two types of searches by labeling them loosely the compliance inspections and the enforcement searches. Compliance inspections, or courtesy visits, as they are sometimes called, are limited to one per year after reasonable notice, and information gathered in these annual routine inspections cannot be used to criminally prosecute the dealer unless the inspection discloses sales to prohibited persons or a willful recordkeeping violation. The reasons for these limitations on the courtesy visit is that its purpose is solely to instruct dealers in the operation of the law and to help the dealer comply with technical recordkeeping requirements. Even these annual visits and notice restrictions do not apply, however, when Federal law officers are tracing firearms or seeking evidence concerning violations by persons other than the dealer. The notice provision will assist both the Federal officers and the dealer in this process. Clearly, this provision of S. 49 will promote the flexibility and cooperation between the regulated and regulator that is essential to the success of this regulatory scheme. The compliance inspection must be distinguished from the enforcement search, and the enforcement search is conducted with the only restriction being those listed on the warrant issued by a judicial officer on the basis of reasonable cause. A dealer is always subject to searches conducted on this basis. If the Federal officers have reasonable cause to believe a violation of the law may be discovered on the dealer's premises, they may obtain a warrant and conduct a full search in accordance with the terms of that warrant. Recognizing that S. 49 grants Federal officers access to records as often as is necessary to promote compliance and enforce the law, the Treasury Department states:

> The administration would retain the notice requirement in connection with the compliance inspection as it would not adversely impact on law enforcement.

So I think the bill addresses the concerns of the distinguished Senator from Maryland. Furthermore, the Secretary has full access to records for tracing purposes. In addition, the licensee is required by the bill to submit any records necessary for law enforcement to the Secretary of the Treasury. This bill will not hinder in any way enforcement of the law or the ability of the Treasury Department to trace weapons used in crime.

Mr. President, since the majority and the minority leader are down at the White House—so that all of our colleagues will understand—I will move that the vote on the amendment be set aside so that we can go to the next amendment with no vote occurring until 6:15. Maybe someone else would like to speak before I make the motion.

Mr. MATHIAS. I think we may have some further discussion on this.

Mr. HATCH. I will withhold that motion until the end of the day.

Mr. MATHIAS. The Senator from Utah has raised a valid argument that there may be harrassment if there were unannounced inspections.

But I think it is worthy to note the opinion of Justice White, who, speaking for the majority, said that in the gun control context, "if inspection is to be effective and serve as a credible deterrent, unannounced, even frequent, inspections are essential."

I think that is the crux of this whole question. That is what is at issue in this colloquy. "If inspection is to be effective and serves as a credible deterrent, then unannounced, even frequent, inspections are essential." That is Justice White speaking. That is the law enforcement point of view.

Under the bill, there is no possibility of frequent inspections. This amendment does not touch the question of frequency. If inspections can only be conducted with prior notice, then I suspect that they will have very little deterrent purpose and will have no value.

It is interesting to note that the court later stated in its opinion that,

> It is also plain that inspections for compliance with the Gun Control Act pose only limited threats to the dealer's justifiable expectations of privacy. When a dealer chooses to engage in this pervasively regulated business and to accept a Federal license, he does so with the knowledge that his business records, firearms and ammunition will be subject to effective inspection. Each licensee is annually furnished with a

revised compilation of ordinances that define his obligations and define the inspector's authority. The dealer is not left to wonder about the purposes of the inspector or the limits of the task.

It seems to me that that language of the Supreme Court is very important in the consideration of this amendment.

I would ask the distinguished Senator from Utah if he really believes that if there was an announcement of the inspection of Mr. Biswell's premises that the sawed-off weapons would have been found there, and that the law with respect to the purchase of such weapons could have been effectively enforced. It is that question that I think should move the Senate to adopt this amendment by a very large majority.

Mr. HATCH. In that particular case, they did discover by a surprise check. They have a right to do that.

Let me read from the third paragraph of the letter from the Department of the Treasury that we put into the RECORD earlier today, dated June 24, 1984, the paragraph entitled, "Requirement for Notice before inspection of importer, manufacturer, dealer and collector." That paragraph states:

Requirement for Notice before inspection of importer, manufacturer, dealer and collector. S. 49 proposes that importers, manufacturers, dealers and collectors be provided notice by ATF before an annual compliance inspection is made. This compliance, or courtesy visit, is made routinely to assure that the licensee is complying with Federal recordkeeping requirements on the acquisition and transfer of firearms. This differs from a visit in the course of a criminal investigation where there is reasonable cause to believe laws have been broken by the licensee. In those cases, visits are made under search warrant or inspection warrant and without notice. Therefore, the Administration would retain the notice requirement in connection with the compliance inspection, as it would not adversely impact on law enforcement. The Administration supports the language in S. 49.

I believe the language in S. 49 does take care of the Senator's concern. Certainly, it provides for two alternatives on inspection. If there is any reason to believe that there is a law being broken, then there is nothing that would prevent the appropriate authorities from obtaining the necessary warrant and investigating the premises.

Mr. MATHIAS. Would the Senator consider a similar requirement for prior notice in the case of alcoholic beverage licensees?

Mr. HATCH. I think we are dealing with another question there.

Mr. MATHIAS. We are dealing with the question of law enforcement.

Mr. HATCH. I would tell the distinguished Senator that there are already three nonnotice inspections provided for in this bill and I believe that is sufficient.

Mr. MATHIAS. I can assure the Senator it is not.

Mr. KENNEDY. Will the Senator yield?

Mr. MATHIAS. Yes.

Mr. KENNEDY. Will the Senator yield me 5 minutes?

Mr. MATHIAS. I do.

Mr. KENNEDY. Mr. President, I join in commending the Senator from Maryland for offering this amendment. He has given a very full and complete explanation of it.

What we are saying in this amendment, Mr. President, is that if we can permit unannounced inspections for animal welfare, for example, we should be more concerned in having similar inspections for some firearm dealers who are trafficking in illegal weapons, perhaps even for sale to the underworld, or for sale to those involved in drugs.

We permit this kind of inspection, as the Senator from Maryland has pointed out, in a number of different areas of public policy.

Why, Mr. President? It is because we think there is some worthwhile, useful, public purpose that can be served from such inspections. Certainly, it seems to me that in areas which involve life and death, in the trading and use of weapons, this is a reasonable, sensible, and responsible position to take.

In our earlier discussion, we found out that 83 percent of the children in our society who commit suicide each year are using small handguns. The figures in terms of suicides are going right through the ceiling. None of us are saying if you put some kind of restriction, some kind of inspection, you are going to resolve that problem. But what we are saying is when you begin to break down the walls of any kind of control or any kind of legitimate inspections, effectively what we are saying is that the availability of these weapons, the use of these weapons, is going to become more significant and more pronounced.

I think the amendment of the Senator from Maryland provides a very important service. We have seen those who have indicated support for this legislation say we are really basically tinkering with the current law just to eliminate the redtape, that we really want to preserve the various benefits of firearms legislation, to ensure the protection, safety, and security of the American people. Yet, we see time in and time out in this bill where we take steps that emasculate any kind of legitimate effort to control the proliferation of handguns.

I had a good opportunity to attend a conference with the Senator from Maryland just the past week in Geneva, where we heard about the proliferation of nuclear weapons, and we heard the President talking about the dangers of nuclear proliferation. No one knows more about that issue than the Senator from Maryland.

But what about the proliferation of weapons here in the cities and in the rural areas of this country that bring death and destruction just as surely as the explosion of nuclear weapons, Mr. President, in terms of the individual who is dead?

We have, without the acceptance of this particular amendment, just again turned our backs on the families of this country who are hurt by handgun crime, and the proliferation of handguns in our society.

They are the ones who are going to be affected and impacted by the continuing cutting away of any kind of sensible, responsible controls.

We are concerned sufficiently about liquor control in our society, so we permit unannounced inspections. We are concerned about the quality of mines, so we permit inspection. These are areas on which I agree.

We are sufficiently concerned about animal welfare, so we permit inspections.

We are concerned about meat and egg production, so we permit inspection.

And in the fashioning and the shaping of drugs in our society, we permit inspection. There has been a solid record made by the health committees over periods of years why these inspections are so important in terms of safety of prescription drugs in our society.

But talk about handguns, Saturday night specials, snubbies, bullets, and school is out. School is out. The NRA wins again.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. HATCH. Mr. President, I do not quite know how to interpret the comments of my two esteemed colleagues. There is inspection under this bill. Let me list five inspections that the bill provides for and, hopefully, put this to rest.

There is the courtesy visit with a notice provision attached. That is No. 1.

No. 2, they can inspect any time they have reasonable cause and a warrant, without notice. If you look at the Biswell case, implied in that case is that they had reasonable cause to inspect, and they did.

No. 3, any inspection during a reasonable inquiry during the course of a criminal investigation may be had. There is just no question about that under the bill as it is written.

No. 4, a licensee may be required to submit all records necessary for law enforcement to the Secretary of the Treasury—at any time the Secretary wants to have these records submitted.

No. 5, law enforcement officials could come on the premises and inspect for tracing purposes any time they want to.

I fail to see where the concerns of our esteemed colleagues are not accommodated by the bill. They seem to say that, just because the law enforcement officials do not have an obsolute right during a courtesy visit, they cannot enforce the law.

Mr. KENNEDY. Will the Senator yield for a moment?

Mr. HATCH. I am delighted to yield.

Mr. KENNEDY. Could the Senator indicate where in the course of our hearings on this legislation, we heard what abuse took place, what pattern of abuses are taking place that there has to be this kind of change?

Mr. HATCH. I did cite the one instance in my opening remarks, which was publicized in the committee hearings, where several BATF agents conducted a thorough search of a dealer over a period of several days only to discover a minor recordkeeping violation.

Mr. KENNEDY. Is this the only example where, as I understand it, in response to my question, the Senator said there was an instance in the course of the hearings, where the BATF went in and found recordkeeping violations?

Mr. HATCH. As I understand it, Mr. President, we have had all kinds of complaints of harassment on the part of BATF officials, if you will, toward licensees. That is what we are trying to touch here, get some reasonableness as far as inspections are concerned. There is no way that an adequate law inspection cannot be accomplished under this bill. Let me give another illustration.

Mr. KENNEDY. Mr. President, I do not want to interfere with the Senator's presentation, but I daresay I hope that in the Senator's presentation he will give some additional examples. I followed some of those hearings and I just do not believe that case has been made that a pattern of abuse has occurred. Maybe I missed something during the course of the consideration of the matter, but I just do not believe that case has been made about the types of abuses which the Senator has outlined.

Mr. HATCH. Mr. President, let me give one other illustration that came up during the hearings. I understand there were other accusations and complaints being made. But I remember a case where there was confiscation without charges. Bob Wampler, a VA executive, was concerned. They raided his home, confiscated his 75-gun collection, 25 of which were antiques, gold engraved, et cetera. No criminal charges were ever brought.

For 2½ years he kept pushing for their return and BATF at one point threatened to prosecute if he did not let them keep the guns. Nearly 3 years later, they returned them, all without a single charge being filed.

I call the distinguished Senator's attention to page 39 of the committee report. It makes the point that during its hearings, the committee received considerable evidence of the misuse of existing overly broad powers to confiscate and forfeit firearms. That is what we are trying to avoid, among other things.

Frankly, Mr. President, I think this particular amendment does not add a thing to the bill. The bill provides adequate law enforcement. It gives five ways of obtaining enforcement. I think that is adequate. I shall be happy to yield some time to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator for yielding. I also oppose this amendment.

Basically, the situation is this: The McClure-Volkmer bill allows four different types of BATF inspections. It may conduct inspections "for a reasonable inquiry during the course of a criminal investigation." It may conduct regular annual inspections. It may conduct inspections or inquiries for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation. And, finally, it may require the submission of "all record information required to be kept" by Federal gun laws, "on a form specified by the Secretary of the Treasury." Pursuant to these inspections, the Secretary may seize any weapon, and may require forfeiture if he can demonstrate that that weapon was intended to be used in the commission of any of a series of relatively minor recordkeeping offenses.

Now, the Senator from Maryland complains that one of the four permissable inspections—one of the four—requires that BATF notify the person being inspected before the inspection is conducted. That one inspection which would require reasonable notice is the routine annual inspection which is conducted on legitimate gun dealers with absolutely no showing of wrongdoing.

In support of his amendment, the Senator raises two arguments: first, that warrantless surprise inspections are constitutional, and second, that warrantless surprise inspections are conducted in a total of five other cases of federal law—only five.

Mr. MATHIAS. If the Senator wants more, we can give them to him, Mr. President.

Mr. McCLURE. With respect to the question of whether the pending amendment is constitutional, let me say that it probably is. But this is not to say that it represents good policy. The question of whether a form 4473 is properly filled in is a considerably different question from whether a coal mine is about to collapse, or a drug or a milk product is adulterated. In the latter cases, a mistake by the miner or manufacturer could result in the loss of hundreds—perhaps thousands—of lives. Does anyone really believe that the recordkeeping inspections conducted by BATF involves issues of the same magnitude?

Second, I doubt that it is possible to produce a single example of an industry which is subject to the range of inspections and the magnitude of intrusion that is applied to the firearms industry.

For example, are there four different types of inspections which the Federal Government imposes on the mine industry? Or the liquor industry? Or the drug industry? I don't believe it.

Furthermore, I can assure the Senator that the seizure and forfeiture provisions applicable to guns are applied to no other industry in the country. There are only three cases in title 18 in which property can be forfeited based only on the intent to commit a crime. They are: First, the possession of counterfeit plates; second, the possession of illegal drugs; and third, the lawfully and constitutionally protected possession of guns.

So, if the Senator from Maryland would care to offer an amendment replacing the restriction of the Gun Control Act with regulations applicable to any other industry, let me say that I would be inclined to support such an amendment. Lets loosen gun controls to the level of regulation imposed on, say, drugs or mines or milk products.

But let me say that I strongly oppose efforts to pick and choose between the most onerous aspects of each Federal regulatory scheme, and apply only the strictest aspects of each Federal statute to the firearms industry. And that is what the Senator is attempting to do.

Mr. President, I would also respond to the Senator from Massachusetts who raised the question why the need for this provision. I can tell you why this provision is needed. It is because we have witnessed in the past several years the attempts by BATF to harass legitimate gun owners and collectors by constant surprise inspections, not once but twice, not twice but three or four times. This harassment has not just involved efforts to come in and look at records to see that they are in shape, but efforts conducted in a manner which disrupts business constantly. In New Hampshire, BATF went into a dealer's shop with surprise inspections on five successive days. They ultimately charged him for being 5 pounds over on black powder. We have a history of abuse of the inspection provision under the existing statute. That is why many of the provisions in the McClure-Volkmer bill are there: because we are trying to correct a specific documented abuse in-

volving the over-intensive application of surprise inspections which are not legitimately required to protect the public interest, if that interest is simply to make certain that all of the records are being kept in the appropriate manner.

Let me reiterate what I said just a moment ago. If you have probable cause to believe that the crime has been committed, you can get a warrant and search. If you want to trace a firearm and look through the records to determine where and to whom that firearm was sold, you can do that without notice, even without this amendment. The only provision the Senator from Maryland seeks to attack in this instance is the simple requirement that if you are going to come into a legitimate dealer's office, into his place of business and spend hours going through his records, you should give him notice of the fact you are coming, so you do not disrupt his business, as has been done in the past. I hope that the amendment will not be adopted. At the appropriate time, when all time has been yielded back, I intend to make a motion to table the amendment.

Mr. MATHIAS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Maryland has 10 minutes.

Mr. MATHIAS. Mr. President, I yield myself such time as I may require.

The Senator from Utah has said that there are five kinds of inspections provided under the act and that should be adequate. I think we need to look at those very briefly.

The first he lists is the courtesy visit, which I do not believe is intended under any circumstances to be an inspection. It is what it appears to be. It is an advisory, educational experience for the enforcement officer and for the licensee. The next three of the so-called inspections that he mentions are, First, that which would follow the issuance of a warrant by an appropriate court; second, that which might take place in the course of a criminal investigation; and third, that which might result from tracing a firearm, presumably after the commission of a crime. All of these inspections require a threshold showing of some independent event that has occurred somewhere, sometime, someplace. The threshold event may or may not involve the licensee. It may or may not have some relation to the business or to the inspection. But a threshold has to be crossed before any one of those investigations can take place. That is hardly the kind of spontaneous, independent investigation that law enforcement requires.

The fifth inspection that he mentioned is the access by the Secretary of Treasury to the records, and as to that I would merely refer to the experience under the *Biswell* case. If the Treasury agent who visited Mr. Biswell had stopped his research after he had looked at the records, there would have been no *Biswell* case. It was only after he said, "Now, having looked at the records, I want to go into your storeroom" that he found the illegal sawed-off weapons.

That one experience, although others could probably be cited, is adequate to indicate that the mere inspection of the records is not sufficient for law enforcement. That is why so many law enforcement officers around the country are supporting this amendment.

Now, my good friend from Idaho has said that this is a question merely of looking for some form, some insignificant, minor form that may be improperly filled in. He says that that should not require the right to make an unannounced inspection, that that is not in the same category as a mine shaft that is inadequately vented or inadequately structured. Nor, he says, is it in the same category as a dairy product that may be contaminated or meat that may be unwholesome.

But I would suggest to the Senate that we are talking about the question of human welfare.

We are talking about questions of human life, of human health, of danger to human beings, whether it is in a mine shaft or whether it is from eating contaminated food or whether it is from being attacked with an illegal weapon. That is really what we are after. We are looking at one common thread through all of this kind of regulation, which is the thread of concern for human safety, human welfare, human security. That is why law enforcement officers from one coast to another are interested in this amendment.

Now, the question is raised, why not make an announcement that you are coming, why not tell them you are coming. Well, I think if the average alcoholic beverage licensee got a phone call that said, "Sweep up, clean up, heave out, get ready, we will be around—let's see, it's now about 10 minutes of 6. We are coming around, we will be there around 9 o'clock, so get ready for us"—it would be the subject of a great deal of laughter and ridicule. If there were not laughter and ridicule there would be a charge of collusion. It would be charged that somebody in the licensing inspector's office colluded with the licensee to tell them they were coming around.

I think the same is true in any kind of business. We are not picking out one kind of business for this necessary tool of law enforcement. In those areas of commerce that are deemed to be necessary to regulate pervasively, you have to have the ability from time to time to make unannounced inspections. I think that the question has to be asked, without any knowledge as to what Mr. Biswell would have done—because, as I said earlier, that would have been speculative and hypothetical—the question has to be asked, Does anybody believe that there ever would have been a *Biswell* case if Mr. Biswell had had prior notice?

Then the question has to be asked, What difference does it make? Of course, the difference is significant. In Mr. Biswell's inventory, in his store, two sawed-off weapons were found, two weapons that were in violation of his license, two weapons that presumably might have been used to threaten human life and welfare.

So it does make a difference. It makes a serious difference it terms of public safety, and for that reason I hope the Senate will adopt this amendment.

Mr. McCLURE. Mr. President, will the Senator from Utah yield?

Mr. HATCH. I am happy to yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I take this time only to respond this much to the Senator from Maryland.

First of all, there have been voluminous records compiled of the wrongs that were done by BATF in the harassment of lawful dealers in the conduct of lawful businesses in which they found no wrongdoing.

There was, and I think is, a reason to protect lawful businessmen in the conduct of their businesses from the oppressive actions of government. But if that is not of sufficient concern, I think we also should look to the differences between two types of inspections, because the Senator from Maryland very carefully delineates the conditions which inspectors hope to find in inspections of eating establishments or of licensed beverage establishments—the conditions of compliance or noncompliance with provisions of a statute or ordinance that regulates those premises. But, if the Senator's amendment is adopted, legitimate gun dealers will not by similarly protected. There is nothing to prevent simple inspections of records from turning into surprise fishing expeditions, not just inspections to determine whether the records are being kept correctly.

As a matter of fact, the annual inspection is being used, and has been used, not to discover the criminal misbehavior of people who have illegally purchased guns or illegally sold guns, but to find an unwitting or careless mistake in the recordkeeping, which is the very essence of what we are trying to eliminate.

If the inspection of the records is to discover the commission of a crime by someone else who is in possession of that gun, or somebody who illegally purchased one, that can be done just as certainly with notice before inspec-

tion as without it. The only reason for the inspection without notice is the attempt to find a recordkeeping error—not the commission of crime with a gun, but a recordkeeping error. That is precisely the problem we had under the 1968 Gun Control Act, and that is precisely why the amendment of the Senator from Maryland would take us back a long step instead of forward.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. McCLURE. I am happy to yield.

Mr. MATHIAS. The Senator refers to a recordkeeping error. Does he consider that Mr. Biswell made a recordkeeping error in having sawed-off weapons in his storeroom?

Mr. McCLURE. I suggest to the Senator from Maryland that the possession of a sawed-off shotgun is a violation of current criminal law and has nothing to do with recordkeeping whatsoever—good, bad, or indifferent.

If the Senator is suggesting that we have warrantless inspection of all premises in order to discover whether somebody has an illegal sawed-off shotgun, I suggest that we start in his home, and we will do it twice a day for the next 6 months and see whether he feels that any constitutional right has been impinged.

Mr. MATHIAS. The Senator from Maryland is not suggesting that he would have unannounced inspections of all kinds of premises. I am suggesting that in a number of regulated businesses, such as licensed premises where alcoholic beverages are sold and firearms are sold, there shall be a limited number of inspections, as this bill provides.

Mr. McCLURE. The inspections we refer to here are not inspections of the premises. They are inspections of the records.

Mr. MATHIAS. How would the Senator expect the Treasury agent to know whether the records were accurate?

Mr. McCLURE. By inspecting the records.

Mr. MATHIAS. By inspecting the records, and then comparing them with the inventory.

Mr. McCLURE. Which they are entitled to do under the McClure-Volkmer bill.

Mr. MATHIAS. Only with notice.

Mr. McCLURE. With notice, certainly. The inspection of the records of that business, but not the inspection of the premises to determine whether or not an unrelated crime has been committed.

Mr. MATHIAS. Now we are making progress.

Mr. McCLURE. I have not yet detected it.

Mr. MATHIAS. I revert to my question. Does the Senator think that if Mr. Biswell had notice that his storeroom was to be inspected, there ever would have been a Biswell case?

Mr. McCLURE. It was not question of his records being wrongly kept that caused him to be in violation. It was because he was in violation of an existing firearms statute that bans the possession of a sawed-off shotgun.

The Senator is suggesting warrantless, unannounced inspections of premises to uncover the presence of the violation of a crime. That is totally different from the question of whether or not the records have kept correctly and whether or not there should be notice upon the inspection of the records.

We have talked endlessly about the civil liberties of people against warrantless inspection and have even suppressed evidence that was taken with warrantless inspections of premises where there was discovery of the commission of a crime unrelated to the reason for the inspection.

I suggest to the Senator that if, in the case of an inspection of a milk factory, under the guise of inspecting the sanitary conditions, inspectors had discovered, without a warrant, that the owner of that milk plant had a sawed-off shotgun, there would have been suppression of that evidence.

I suggest to the Senator again that the Senator simply does not understand the rationale behind this section.

Mr. MATHIAS. The Senator clearly would not suggest that an inspection of a dairy premises which began with the records and ended up with the identification of salmonella in the product would not result in some enforcement action under the law. I think that is the appropriate parallel.

Unfortunately, the Senator has not yet answered my question as to whether or not there would have been a Biswell case had Mr. Biswell had prior notice.

Mr. HATCH. Mr. President, if all debate is concluded on this matter, I am prepared to yield back the remainder of my time.

Mr. MATHIAS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I wonder if the Senator from Maryland might be willing to temporarily set aside his amendment before proceeding to a motion and a vote on his amendment.

Mr. MATHIAS. Mr. President, I will be happy to comply with the request of the Senator from Idaho.

Mr. McCLURE. My understanding is that the majority leader is at a meeting with the President at the White House and desires to delay votes until sometime shortly after 6, when he will return to the floor.

Mr. HATCH. Both the majority leader and the minority leader.

Mr. President, I ask unanimous consent that the vote on the amendment of the distinguished Senator from Maryland be postponed until conclusion of the debate on the next amendment and that in the meantime we proceed to consider the next amendment; and I further ask unanimous consent that the vote on this amendment and the subsequent amendment occur no sooner than 6:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I believe the distinguished Senator from Hawaii is here and prepared to start on his amendment.

I yield the floor.

AMENDMENT NO. 511

(Purpose: To apply a waiting period to the sale of a handgun except sales between licensed importers, manufacturers, dealers, and collectors)

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for himself, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. KENNEDY, Mr. MOYNIHAN, and Mr. KERRY, proposes an amendment numbered 511.

Mr. INOUYE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, lines 21 and 22, strike out "a new subsection to read as follows:" and insert in lieu thereof "the following new subsections:".

On page 11, line 3, strike out the closing quotation marks and final period.

On page 11, between lines 3 and 4, insert the following:

"(o) It shall be unlawful for any person to deliver any handgun to any other person after negotiating for the sale of such handgun to such person, before the expiration of 14 days after the date of the first payment for such handgun is received from the buyer of same, except that the delay period provided for herein shall not apply—

"(1) When the chief law enforcement officer of the purchaser's place of residence certifies, by notarized statement to the seller, that the immediate delivery of the handgun to the buyer is, to his knowledge, necessary to protect against a threat of immediate danger to the physical safety of the buyer;

"(2) when the purchaser provides proof that he has purchased another handgun within the previous twelve months and that in such purchase he complied with the 14 day waiting period; or

"(3) to transactions between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors.".

14-DAY WAITING PERIOD AMENDMENT TO THE GUN CONTROL ACT

Mr. INOUYE. Mr. President, the amendment that I send to the desk on behalf of myself and Senators METZENBAUM, MATSUNAGA, KENNEDY, MOYNI-

HAN, and KERRY provides for a 14-day waiting period between the time a sale of a handgun is negotiated and its delivery.

Under existing law, it is unlawful for a licensed dealer to knowingly transfer a firearm to convicted felons, fugitives from justice, drug abusers or addicts, mental defectives or persons committed to mental institutions, illegal immigrants, persons dishonorably discharged from the armed services, and former citizens who have renounced their U.S. citizenship. In what is characterized as a "law enforcement" amendment contained in this bill, this prohibition is extended to all persons. However, neither the bill nor existing law provides for any meaningful mechanism to determine that a purchaser of a handgun is not among these categories.

Today, in most States such persons legally prohibited from possessing a firearm can immediately obtain a handgun merely by signing a form which provides that he is not proscribed from obtaining such a weapon and showing some form of identification to verify his address and birthdate. Unless the seller knows or has reason to believe of a violation, he makes the sale based solely on the buyer's statement.

Entrusting felons, addicts, and other such persons to comply with this kind of "honor system" makes a mockery of our attempts to keep weapons from their hands.

Accordingly, I am proposing a mandatory 14-day waiting period to allow Federal, State, and local authorities at least an opportunity to verify a buyer's representations.

Support for a waiting period is not limited to the so-called gun control community. Law enforcement officials urge the passage of the amendment, recognizing the ineffectual nature of the existing enforcement mechanism. The International Association of Chiefs of Police, the National Association of Attorneys General, the Police Executive Research Forum, National Troopers Coalition, National Organization of Black Law Enforcement Executives, and the Fraternal Order of Police all endorse this waiting period. And, 119 present and former chiefs of police and police commissioners have signed Handgun Control Inc.'s safe streets petition which includes the waiting period provision.

In 1981, Attorney General William French Smith's task force on violent crime concluded that because there existed "no effective method to verify a purchaser's eligibility" and "since drug addicts, mental defectives and the like are not the best risk for an honor system, a waiting period to verify the purchaser's eligibility is sensible and necessary."

I believe that it is also worth noting that, although it has since altered its position, the National Rifle Association in 1976 expressly recognized that, "A waiting period could help in reducing crimes of passion and in preventing people with criminal records or dangerous mental illness from acquiring guns."

Additionally, the Committee on the Judiciary in its version of the bill reported during the 97th Congress included an amendment almost identical to the one proposed here. It was sponsored at that time by Senator KENNEDY and our current majority leader.

A waiting period is, of course, not a new idea. Fifteen States and many local governments impose waiting or registration periods ranging from 3 to 15 days. The adoption of this amendment would therefore only follow the foresight of jurisdictions from Alabama to Wisconsin. And while it is true that all States and localities are free to impose waiting periods, a Federal minimum requirement would ensure national uniformity and reinforce the Government's commitment to the enforcement of the law.

The widespread acceptance of this concept is due, I believe, to the fact that it is not a gun control measure as much as it is a law enforcement measure.

Virtually everyone who has studied the subject agrees that effective enforcement of existing laws and the punishment of those who violate them are as, or more, important than weapons control. Yet, Federal law provides neither the opportunity nor means for the enforcement of its simplest and most straightforward prohibition—that weapons shall not be sold to persons who we can all agree should not have possession of them. Shopkeepers, salesmen, pawnbrokers, and private citizens are simply left to apply their judgment and understanding of the law based on what is probably a one-time face-to-face transaction.

Even those who may want or require more time, or assistance to conduct an investigation, are not provided a basis for doing go. And if a conscientious seller was to voluntarily defer a sale in order to learn more about the buyer, the handgun purchaser would only have to go elsewhere.

A mandatory waiting period will not keep handguns from the hands of all criminals and other prohibited persons. It will, however, provide law enforcement officials and others who are serious about implementing existing law with an additional tool. I can see no reason why this tool cannot, or should not, be provided.

It will not impose significant additional limitations upon an individual's alleged right to bear arms. The waiting period would apply only to handguns. The sales of rifles, shotguns, and ammunition would remain unaffected. And while the waiting period would indeed delay the delivery of a handgun in most circumstances, such a delay constitutes only the most minimal intrusion upon any alleged right. Such minimal intrusions are constitutionally and practically tolerated with regard to the exercise of virtually all of our recognized rights.

And when the issue is providing someone with an efficient and instantaneous power to kill, I cannot but believe that any burden imposed is far outweighted by our Nation's interest in keeping weapons from the hands of the irresponsible.

The waiting period would not prevent someone from immediately obtaining a weapon if he or she requires it to protect against an immediate danger to physical safety. The amendment provides for a waiver of the waiting period upon certification of such a need by the chief law enforcement officer of the person's place of residence.

The amendment would not delay transactions between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors. Existing Federal verification of their eligibility to purchase weapons makes the waiting period unnecessary. Commercial transactions between licensees would therefore be unaffected.

The amendment would not place unwanted additional burdens upon local, State, or Federal law enforcement. No particular action on their part is required. The amendment merely provides them with an opportunity—an opportunity that they are requesting—to conduct checks or otherwise work to prevent prohibited persons from purchasing weapons.

Mr. President, I am not suggesting that a waiting period is a panacea for our Nation's crime or handgun problem. However, I do believe that if we are serious about enforcing those few restrictions which do exist on the transfer of handguns, something leaving more than an "honor system" is required. The law enforcement community has identified a waiting period as an appropriate tool of enforcement. And if its application results in the commission of one less crime, or in keeping weapons from the hands of one less felon or drug addict, I believe the minimum inconvenience it would impose would be more than justified.

Available evidence indicates that handguns will be kept from far more than a handful of prohibited persons. For example, police in Palm Beach County, FL, credit a 7- to 14-day waiting period enacted last year as being partly responsible for a 200-percent decrease in the homicide rate in the first quarter of 1985.

Police in Columbus, GA, report that the city's 3-day waiting period and background check catch two felons a week trying to buy handguns. And in the first 6 months after the enactment of a 10-day waiting period in Broward

County, FL, 37 applicants for handguns were found to have past felony arrests or outstanding warrants.

On the other side of the spectrum, police in South Carolina, which does not have a waiting period, estimate that 300 to 350 guns per year are sold to people who were found to have past felony records or are otherwise prohibited from owning a handgun.

Finally, Mr. President, the proposed waiting period would provide a "cooling off" period which may deter the impulsive criminal or suicidal use of otherwise readily purchasable handguns.

No one here would sanction the sale of a handgun to a person who was enraged or despondent and because of his condition intended to put the handgun to immediate use. Yet, Federal law contains nothing to prevent or prohibit such a sale. A mandatory waiting period would at least have the effect of denying such a person immediate access to a handgun. It would not, and could not, prevent all crimes of passion or acts of self-destruction. It would, however, ensure that our laws operate as a barrier rather than accomplice.

The Broward County, FL, waiting period was enacted after two separate murder-suicides were committed with guns purchased on the day of the murder. I hope we do not wait to suffer more such tragedies before we act.

Mr. President, over 2 million handguns are manufactured annually in the United States. According to a 1981 Gallup poll, 91 percent of all Americans favored a waiting period to assist in keeping these weapons from felons, drug addicts, and the like. The law enforcement community has urged us to adopt such a period, as has the Attorney General's Task Force on Violent Crime. Neither any notion of rights nor practicality mitigate against the imposition of this reasonable restraint. I, therefore, urge my colleagues to vote in favor of the adoption of this amendment.

(Mr. TRIBLE assumed the chair.)

Mr. HATCH. Mr. President, the 1968 Gun Control Act contains a waiting period. The waiting period was limited by the 90th Congress to mail order sales. The 1968 act, Public Law 90-618, requires a 7-day waiting period for any sale where the buyer "does not appear in person at the licensee's business premises"—18 U.S.C. 922(c). During this waiting period, the licensee notifies local law enforcement officers about the sale to ensure that prohibited persons, such as convicted felons, do not acquire a firearm. Thus, in the instance of mail order sales, the 90th Congress provided a waiting period to prevent such sales to prohibited persons.

A national waiting period for all circumstances as proposed by this amendment, however, was not considered necessary by the Congress that enacted the 1968 Gun Control Act. The reason is quite simple. When sales are conducted face to face and over the counter at the licensee's place of business, there are already adequate safeguards against unwarranted sales. The dealer must make a record of sale, which makes tracing convenient, and the purchaser must establish his eligibility to purchase a firearm. Any knowing misrepresentations by the purchaser are punishable as felonies. In the minds of the 90th Congress and indeed in practice, there was no need for additional delays for law-abiding citizens wishing to purchase a firearm. Such restrictions would suffer from the same infirmity of other provisions of the 1968 act; namely, it would not hamper criminals from obtaining firearms yet would place burdens on lawful firearm transactions. After all what criminal is going to go through recordkeeping and waiting period requirements to get a firearm? A waiting period only burdens sportsmen and other lawful firearm purchasers.

This conclusion is shared by the majority of the States. Over 30 States have considered and rejected waiting periods. Perhaps these States were persuaded by the findings of Prof. Philip Cook and James Blose, who conducted a study of "State Programs for Screening Handgun Buyers" and concluded that—

> There has been no convincing empirical demonstration that a police check on handgun buyers reduced violent crime rates. * * * It is known that such screening systems are widely circumvented.

Indeed other studies have shown that over 80 percent of all guns used in crime were stolen or acquired through other illegal channels. This confirms our commonsense understanding that a criminal is not likely to risk purchasing from a firearms dealer, where he will be required to fill out extensive forms, establish his identity and eligibility to acquire a firearm, and place his crime weapon on easily traceable records.

Waiting periods are also unlikely to deter many "crimes of passion." With a very few exceptions, these crimes are committed between the times of 10 p.m. and 3 a.m. by someone under the influence of alcohol or drugs. The sale of firearms is precluded by the time frame and prohibited by the latter circumstance. Besides, a study by James D. Wright of the University of Massachusetts found that more than 80 percent of all current handgun purchasers already own another handgun. In the unlikely event that the vast bulk of gun owners would consider committing a crime, a "cooling off" period would be irrelevant. Finally, the Police Foundation's study entitled "Firearm Abuse" documented that only 2 percent of handguns traced back from a crime were less than a month old. A month is several times the period of this proposed waiting period and twice as long as the longest State waiting period. This type of restriction on firearm acquisition is simply not likely to reduce crime involving firearms. Those jurisdictions which have adopted a waiting period have generally experienced a rise in crime.

That is a fact that not too many people have taken into consideration, although it may or may not be relevant.

These many reasons are perhaps behind the position of the Treasury Department, which is charged with enforcing Federal firearms laws. The Department states that:

> The Administration does not advocate a national waiting period * * * the Administration has stated earlier that waiting periods for purchases of handguns should be a matter for the States and local governments to decide.

Because such restrictions have little or no effect on violent crime but encumber lawful firearm transactions, the Gun Control Act has not included a generally applicable waiting period. In my opinion, no evidence has been presented in hearings or on the Senate floor today sufficient to persuade the Senate to depart from current policy.

Mr. President, I am happy to yield such time as he may need to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator for yielding.

Under this amendment, purchasers of handguns would be required to wait 14 days between purchase and delivery, which supposedly would allow local police authorities to check criminal and mental records in the hope of screening out prohibited buyers. The main argument is the States will have an opportunity—and I stress opportunity—to do a background check if they so desire. It does not provide for such a check. It merely is alleged to give the States the opportunity. The argument is completely specious.

If a State, in fact, desires to have a background check, it can do so now simply by enacting such a waiting period and check as a matter of State law. The only areas which do not have such State waiting periods are obviously States which do not want the opportunity. Thus, the amendment serves absolutely no purpose.

I think the real rationale is something more, simply to serve as an inconvenience in those of our States—the majority, incidentally—which do not want such waiting periods. There is no basis to pretend that all the States, in fact, have the same problems or outlooks.

In some areas, crime may be less or the need for prompt defense greater. Some of our States may find arguments unconvincing which others

accept. Some may have more respect for individual rights than others. But these are not judgments we ought to overrule, least of all on the pretense that we are giving them a so-called opportunity. The main rationale for this amendment is the supposed opportunity for a background check. This is ridiculous since the amendment only provides such an opportunity to States, which do not want the opportunity, and to their citizens who have voted it down.

However, the proposal is fatally flawed by the fact that, according to both street wisdom and scientific studies, criminals do not buy their firearms through legal commercial channels, particularly if there is a screening system which would result in their being denied a purchase of the gun because of their criminal record.

If pressed, the advocates of such laws acknowledge that active criminals will not go through the elaborate screening procedures we might enact, but they say the provision will still have a positive effect by serving as a cooling-off period, thereby preventing normally law-abiding persons from impulsively buying a gun in the heat of anger and killing a loved one or themselves.

Again, Mr. President, the advocates substitute anecdotes for evidence. While we have all heard of individuals who rushed down to the local gunshop and immediately used it to commit murder or suicide, there are many thousands of transactions where this does not happen. In the hope of preventing that one tragedy, those other thousands of buyers are subjected to governmental procedures that have never achieved a statistically noticeable decrease in either the crime or suicide rates. Waiting period laws are often described as moderate compromises. Such a law is neither moderate nor a compromise. It includes major elements of both gun registration and licensing, the types of laws which Congress has repeatedly refused to enact with good cause. Waiting period laws are presently in effect in States and cities totaling about two-thirds of the Nation's population, including most of the area with the highest rates of criminal violence. They were one of the types of laws examined for effectiveness in the $287,000 Wright-Rossi study of weapons and violent crime funded in 1978 by the Carter administration's Justice Department. That study found no evidence that any gun control law had reduced the crime or violence rates. The lead researcher, Prof. James Wright, of the University of Massachusetts at Amherst, has stated that he began the study with a predisposition toward gun control but "We became less and less convinced that handgun bans and restrictive handgun laws can do anything to prevent crime." I urge Members to obtain a copy of that study.

Such screening laws do not work because they are easily evaded, either by theft or black market purchases. Persons with criminal records, knowing that they would be screened out by a background check, simply bypass such systems. The futility of the scheme is evident in the frequent proposal for the screening system to include a mental records check, though both privacy laws and medical ethics prohibit such records from being made available to the police. The presumed cooling-off benefit assumes that handgun buyers are first-time purchasers. On the contrary, one study has estimated that at least 80 percent of handguns are purchased by persons who own other firearms. Since the overwhelming majority of gun buyers own numerous guns, what possible purpose is served by making them wait 2 weeks before obtaining another one? While the benefits to a waiting period law are imaginary, the social and financial costs to the taxpayers are huge. A waiting period is even worse than a firearms licensing law, since a firearms owner must go through the same procedure with the same multiple trips to the dealer's store, while the police agency must spend the same amount of wasted time and taxpayers' money investigating the background of the same person they may have approved repeatedly in the past. A Federal waiting period law in effect mandates local gun registration since information concerning the gun and its purchaser usually would be required to be given to local police. Despite such flagrant violation of privacy, once police agencies possess that kind of record, it is almost impossible to make them relinquish it.

Mr. President, I think it is useful to make a couple of comparisons about experiences with respect to such waiting periods. I make reference to several States in which in 1965 had one waiting period. They extended the waiting period between 1965 and 1983. And I might indicate that in 1965 the U.S. homicide rate per 100,000 persons was 5.1, and by 1983 it had increased to 8.3 per 100,000 persons, or an increase of 62.7 percent. But let us look at what happened in States that enacted or expanded waiting periods.

In that same timeframe, California expanded its waiting period from 2 days to 15 days, and the homicide rate went up from 4.7 to 10.5, or a 123.4-percent increase—almost twice the national average. In Connecticut, the homicide rate was 1.6 when they had a waiting period of 1 day, and when they expanded that to 14 days the homicide rate went to 4.1 percent, a change of 156.2 percent over that same time period. In the State of Washington, they had 2.2 homicides per 100,000 at the time they had a waiting period of 2 days. They expanded the waiting period to 3 days and the homicide rate went up to 4.9 percent, an increase of 122.7 percent. In Wisconsin, they had no such statute in 1965, and a homicide rate of 1.5 per 100,000 persons. They enacted a waiting period of 2 days and the homicide rate went up to 2.8 percent, an increase of 86.6 percent. In Illinois, they had no provision in 1965. They enacted a 1-day waiting period for long guns and 3 days for handguns, and the crime rate expanded by 86.5 percent.

Mr. President, waiting periods are demonstrated by the statistics—demonstrated by the facts—to be absolute failures in accomplishing what the proponents suggest that they do.

Mr. President, I hope the amendment is defeated.

Mr. INOUYE. Mr. President, just a few words of observation. It has been said by the opponents of this amendment that criminals do not risk purchasing guns from legal dealers. Another rhetorical question was asked: "What criminal will go through the trouble of filling out forms?" Finally, "The benefits of the waiting period are strictly imaginary." Yet, every national organization on law enforcement, chiefs of police, the Association of Police Officers, the Association of Attorneys General—every one of them—has come out endorsing this because it is a law enforcement measure, not a gun control measure. I would like to suggest that these men and women, members of these organizations, know a bit more about crime than any one of us here.

As I tried to indicate in my opening remarks, these police officers have pointed out, for example, that because of the 14-day waiting period in Palm Beach County, FL, there has been a 200-percent decrease in crimes in the first quarter of 1985; in Columbus, GA, the 3-day waiting period and background check is catching felons every week trying to buy handguns, and in the most famous case of recent years, the case of Mr. Hinckley, I am certain if there was a waiting period they would have found in the investigation that he was undergoing psychiatric treatment. Therefore he would have been prohibited from buying a handgun.

I just hope, Mr. President, that we will come to our senses and adopt this reasonable law enforcement amendment.

Mr. President, I yield time now to the distinguished Senator from Massachusetts.

Mr. HATCH. Will the Senator withhold?

Mr. INOUYE. Yes.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just a few comments on this particular amendment. First of all, I want to commend the Senator from Hawaii for bringing this to our attention at this hour. I welcome the opportunity to cosponsor it. It is an issue which is plain on its face. It is an issue which has been debated in the Senate Judiciary Committee on a previous occasion.

As a matter of fact, back in 1982, the Senate Judiciary Committee which gave full time and attention to this issue, accepted this very amendment by a vote of 8 to 5. So the Judiciary Committee that considered all of the arguments that we are talking about only briefly here this afternoon, considered the law enforcement implications of it, accepted it 8 to 5 in a bipartisan effort.

Still, we find that those who are supporting this bill still refuse to accept it. As a matter of fact, the majority leader of the U.S. Senate at that particular time found sufficient merit in the argument that is being made this afternoon by the Senator from Hawaii, to support that amendment I will welcome his support for this amendment this afternoon, as he supported it in 1982. I am sure the Senator from Hawaii will yield time to hear him express his support for the amendment he offered and supported in 1982.

Mr. President, I would like to just take a moment of the Senate's time to go back to 1968, when we were first considering gun control legislation. We made it as a matter of national policy then, and it has been reiterated by President Reagan's own Attorney General's Task Force on Violent Crime, that as a matter of national policy we want to keep handguns out of the hands of those who use narcotics. That was a matter of national policy. It should not be decided one way in Massachusetts, another way in Louisiana, another way in North Dakota. As a matter of national policy, we should keep handguns out of the hands of narcotics addicts, keep handguns out of the hands of fugitives, those who have committed felonies, and keep guns out of the hands of the mentally ill.

It is spelled out in the 1968 law.

We made it a national policy; we did not want those people to have legal access to handguns. This is not just an issue of inconvenience to a hunter. This is to say that as national policy it is in our national interest that those who are addicted to narcotics, those who have been in mental institutions, those who are felons, should not be able to purchase handguns in our society.

It is self-evident as to the reasons why.

Under the bill offered by the Senator from Idaho, it comes in without this amendment. A fellow comes up and says, "I want to buy the handgun." The dealer says, "Fill out this form." He fills it out, he buys the handgun and walks out the door. He can be a felon, an addict, and he can just have walked out of a mental institution—but no questions are asked. If you ever come to the point of trying to enforce this legislation, which has been virtually made impossible by many of its provisions, that dealer has an absolute defense by saying, "look, he filled this out. What am I supposed to do with it?" He has an absolute defense.

If you do not support the amendment of the Senator from Hawaii, what you are saying is, "OK, America, the U.S. Senate is saying it is OK to sell handguns to those addicts, the mentally ill, felons, go ahead, we will not let our police chiefs do any check at all." It is tough enough to do it with 14 days. They are already hard pressed in 100 ways.

But we will deny them any opportunity to run a local police check. You might as well strike that section that was written into the 1968 act.

Yet, we say in so many speeches and hearings about how concerned we are about the problems of organized crime, about those who are addicted to drugs, and about the mentally ill, we see so many Members are here bleeding crocodile tears about the problems of violence in our society. Then we refuse to do anything about trying to control—which this amendment would do.

President Reagan's own commission recommended this very approach to the problem. They made a series of recommendations, but a key one was that there should be a waiting period for a mandatory record check to ensure that the purchaser of a handgun is not in one of the prescribed categories in existing law.

Mr. President, I would hope that the very reasonable position that has been stated by the Senator from Hawaii, that has been recognized in some 27 State jurisdictions, would be accepted by us today.

They say, "Well, if local town U.S.A. does not want to do it, why should we require them to do it?"

The reason we require them to do it is because it is in the national interest to keep handguns out of the hands of narcotics pushers and felons.

We are spending millions and millions of dollars a year in support of crime control measures. Wait until we have all those crime control measures that come pouring out costing the taxpayers money, saying "We are really going to fight crime. We are going to add hundreds of millions of dollars more."

Yet we have today the leaders of the major American police agencies, who know these issues, supporting this amendment that will not cost the taxpayers a single penny.

But you wait and see the people who will not support this. They will soon have amendments on the next appropriations bill to add money to fight crime.

The police officers know why we should support this amendment, Mr. President. The Senate Judiciary Committee in 1982 knew the reason. The President's Task Force on Crime knows the reason. The Senate Judiciary Committee in 1968, when it went through elaborate hearings and reached this conclusion, knew the reason.

I will say finally, Mr. President, that I have two very wonderful sons. And I was rather amazed 2 years ago when my son Patrick used to go down quahogging right in front of my house on Cape Cod. He was out quahogging. He had turned 13 years of age. The game warden came up to him and asked how old he was. He said he had turned 13. The game warden said, "Don't you know, in order to quahog off Cape Cod, you have to go over and get a license."

So Patrick came up and told me about it. We went over, filled out the papers and eventually got him a license so he could quahog.

Not the NRA. Not if you are a drug addict. Not if you are a criminal. You do not have to wait a day or have any check on your purchase of a handgun.

Mr. President, if this amendment is not accepted by the Senate of the United States, it is a sad day for local law enforcement all across this country. Make no mistake about it. Everybody knows it. We spend more time making studies and appointing commissions. But we are just going to make it all the easier for criminals to purchase handguns because we just do not want to risk a little inconvenience to some people.

Mr. President, that is a shameful position.

I know where the votes are. I know where they have been for far too long in this body, but I still find it disturbing.

Mr. President, I ask that three recent editorials relating to this issue be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 9, 1985]

MAKING SENSE OF GUN CONTROL

The reasonable foundation of America's gun policy is that localities may control who owns a gun by controlling who may buy one. Ideally, by stressing local interests it should be possible to reconcile the needs of rural hunters and collectors and the desperate need of cities to limit handguns.

Such a respectful compromise is possible in the Senate this week, but not if the gun lobby succeeds in pushing through a bill sponsored by Senator McClure of Idaho.

In the name of reducing red tape for sportsmen and hobbyists, Senator McClure proposes to water down the 1968 prohibition on gun sales to out-of-state residents. The gun lobbyists contend that this "reform" would eliminate a great inconvenience for, say a New York hunter who damages his rifle while shooting elk in Utah; he could buy a replacement without having to return to New York.

But the McClure bill makes no distinction between stranded hunters and criminals intent on buying handguns who are frustrated by gun laws in their home states. It would permit any gun sale to nonresidents provided they appear in person and are qualified purchasers under the laws of both the seller's and buyer's jurisdiction.

The nation's police and supporters of gun control are properly alarmed. The two-jurisdiction proviso would be virtually unenforceable. Who could possibly check to see that 200,000 gun dealers are obeying the laws of remote localities?

As police groups point out, it's hard enough to enforce the ban on selling guns to felons, addicts and mental patients. Besides retaining the interstate prohibition, they are pushing for a 14-day waiting period to permit background checks of purchasers.

Senator Kennedy of Massachusetts is expected to propose an intelligent compromise to relax the interstate sales ban only for rifles and shotguns. It was endorsed last year by the Senate Judiciary Committee but left out of Senator McClure's bill in the current session.

The Kennedy approach is noteworthy not only because it solves the traveling hunter's problem but because it suggests a lasting allinace between legitimate gun enthusiasts and urban centers seeking gun control. Urban legisiators should have no practical reason to oppose freer access to guns for sportsmen and hobbyists. By the same token, rural lawmakers should have no practical reason to block stricter limits on handguns in cities.

Could an issue so soaked in emotion achieve a reasonable resolution? Yes, if a majority of the Senate decides to stand with Mr. Kennedy instead of Mr. McClure.

[From the Washington Post, July 9, 1985]

S. 49: HELP YOUR LOCAL POLICE

If ever a U.S. senator wanted to support a strong anti-crime measure and respond directly to pleas from police chiefs across the country, today's the day. S. 49 is going to the floor. Unless amended, this bill would gut the current minimal controls on the acquisition of handguns. But with amendments aimed at stopping quick sales, the legislation could be converted into an important anti-crime measure.

No, this isn't another round in the old debate over "gun control." This is a matter of public safety. What the police are seeking in these amendments is in the interest of sportsmen, collectors and anybody else who understands the difference between legitimate purchases of firearms—for recreation, law enforcement and private security—and quickie sales of "snubbies" and other concealable handguns to criminals and "impulse" purchasers.

The 14,000-member International Association of Chiefs of Police, the National Organization of Black Law Enforcement Executives, the Fraternal Order of Police, the National Troopers Coalition and the Police Executive Research Forum are calling for two amendments:

To retain a current prohibition on interstate sales of handguns. Allowing these sales, as the unamended proposal would do, would circumvent existing state and local regulation of handgun traffic and "impair the ability of state and local law enforcement agencies to prevent handguns from being acquired, carried or possessed illegally."

To add a 14-day waiting period for purchases of handguns, in order to facilitate basic records checks. A waiting period was recommended also by the 1981 Attorney General's Task Force on Violent Crime, since "drug addicts, felons, mental defectives and the like are not the best risk for the 'honor system'. . . ."

Several improvements already have been accepted by original sponsors of the bill. One would remove a sloppy proposal that would have barred prosecution of a dealer for violations claimed to have resulted from "simple carelessness." A second change takes out language that would have preempted state and local license-to-carry laws. Another would close a terrible loophole in existing law that allows the importation of parts to make "Saturday Night Specials"—the handgun that criminals, not sportsmen, love to tote.

What more does any senator need to hear before joining to turn a bad bill into an important move against violent crime?

[From USA Today, July 2, 1985]

CONTROL HANDGUNS TO STOP THE CARNAGE

Every week; on the average, 384 people are killed with handguns in the USA.

How do they die? In arguments that end in murders. In robberies that end in slaughter. In accidents that end in tragedy. In bouts of depression that end in suicide.

The last two weeks have been typical:

In Rehobeth Beach, Del., two 16-year-old boys, best friends who spent all their spare time together, were fooling around. Robert Jordan found a .45-caliber pistol in his brother's suitcase. Robert's friend playfully pointed the gun at Robert—and shot and killed him.

In Youngstown, Ohio, a woman argued with her boyfriend outside a supermarket. She followed him inside, took out a pistol and opened fire—killing a 15-year-old boy who was helping his mother carry home the groceries.

In Los Angeles over the weekend, an exparishoner walked into a Baptist church in Chinatown and blasted away at the pulpit with a .45, killing the deacon and an assistant pastor. While 350 worshippers hugged the floor in terror, an off-duty deputy killed the gunman.

There are 60 million pistols in the USA. About 150,000 are stolen every year. In 1983, 9,000 people were murdered by handguns; another 1,000 were killed accidentally.

Congress made an effort to stop this carnage in 1968, when it established a system of federally licensed firearms dealers. Next week, the Senate is scheduled to vote on a new law that would seriously weaken the few feeble federal gun control that do exist.

Insted of gutting the gun laws, Congress should be strengthening them, as several police groups have urged. The USA's handgun murder rate is 100 times higher than England's, where gun laws are strict.

When will we ever learn?

How many teen-agers have to blow away their best friends before we act? How many distraught lovers have to kill innocent shoppers?

How many children have to reach into daddy's secret hiding place, take out that dark, shiny, heavy thing they've seen on TV, and slaughter their mothers, their brothers, or their sisters? When will we ever learn?

Congress must act now: Require federal handgun registration. Require lengthy waiting periods and thorough background checks before anyone can buy a handgun.

Carrying an unregistered handgun must be a felony. Violators should get a year in jail. Massachusetts passed a law like that, and its handgun murder rate dropped 45 percent.

A properly written handgun registration law would not impinge on the legitimate rights of hunters, sportsmen, and collectors to pursue their hobbies.

Will we ever learn?

Let's do what we can now to keep the guns out of the hands of the kids and the criminals and the crazies. If we don't, then we're the crazy ones.

Mr. DODD. Mr. President, I commend the Senator from Massachusetts for his comments. I have not risen earlier today to address myself to this particular issue but, since the Senator from Massachusetts referred to the act of 1968, I would be somewhat remiss if I did not rise, since it was my father who wrote the section in 1968 of that legislation which required a waiting period. We in Connecticut have a waiting period. We have had one for years and years. People who wish to purchase a handgun are required to go in and fill out the forms. It is usually a wait of 5 or 6 or 7 days.

I always found in my State, when this issue has arisen, that hundreds of sportsmen and target shooters have had no difficulty whatsoever with a waiting period. None whatsoever. It has worked very, very well in our State.

We have no idea how many crimes we have prevented as a result of its existence. It is hard to prove a negative. But it has certainly been no hardship at all to have the minimum required, to ask people just to go through a very basic and simple check to determine whether or not they are competent, mentally competent or incompetent as a result of convictions or drug addiction, to possess a firearm and the damage that they can cause.

The statistics, of course, as the Senator from Massachusetts has pointed out very adequately and eloquently, show the overwhelming numbers of deaths that occur as a result of crimes of passion, where, in that moment of passion, a person runs out and buys that handgun and the damage occurs. I recall, back in those days of the late 1960's, that this body in those days felt very strongly that we ought to try to do something intelligent in the area of at least reducing the proliferation.

No one every made an argument that this was going to wipe out crime or stop the determined felon from acquiring a handgun to go out and cause mayhem in our streets or in their own homes. No one of any intelligence ever made that argument in any way what-

soever. But to suggest that this is somehow a great burden, a great burdensome requirement, to have a person go through a modest waiting period—I come from a State which is the largest single State in production of firearms in the United States. People in my State whose jobs depend on this legislation, in many ways, hunters and sportsmen who understand the issue very well, have found that in our State of Connecticut, this kind of waiting period works very, very well indeed.

My hope would be that our colleagues today will appreciate the wisdom of the amendment by the Senator from Hawaii and will adopt it.

I thank the Senator for yielding.

Mr. HATCH. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Utah has 15 minutes. The Senator from Hawaii has 2½ minutes remaining.

Mr. DOLE. Mr. President in the 97th Congress, I had sponsored a waiting period amendment in the Senate Judiciary Committee which was similar to the amendment being offered today by Senator INOUYE. When the issue was reexamined by the committee in the last Congress, however, I withdrew my support for such an amendment. Many States and cities already have waiting period for handgun sales as well as a required background check for handgun purchases. State and local authorities are in the best position to know whether a waiting period would be effective in deterring crime and, thus, I believe the decision should be left to them. To the extend that most "crimes of passion" are committed late at night when, in general, guns cannot be legally purchased, it is doubtful whether a waiting period would have any significant impact on reducing such crimes. In any event, I do not believe a sufficient record has been established to justify the imposition of a mandatory waiting period on a nationwide scale.

Mr. President, I explained, in more detail, my reservations about a national waiting period in my additional views in last year's committee report on S. 914. I ask unanimous consent that these views be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WAITING PERIOD

In the 97th Congress, during consideration of S. 1030, the Judiciary Committee adopted a compromise amendment offered by this Senator which would have required persons attempting to purchase handguns over the counter from federally licensed firearms dealers to wait 14 days after date of initial payment before the handgun can be delivered to the buyer.

The purpose of this amendment was to provide for a "cooling off period" which would act as a deterrent to individuals who, in a fit of passion, might acquire a handgun for the purpose of committing a violent crime. An opportunity would also be afforded for dealer's records to be available during the cooling off period for those enforcement authorities who are authorized by federal or state law, or local published ordinance to inspect the dealer's records to insure compliance.

The amendment was intended to complement the waiting period required in Section 922(c) of Title 18 of the United States Code. Since the enactment of the Gun Control Act of 1968, a 7-day waiting period has been required before a dealer could ship a firearm in intrastate commerce to a purchaser. However, unlike section 922(c) this amendment would not require notification of the purchaser's chief law enforcement officer.

In mail order transactions the dealer's records are not readily available or accessible to the purchaser's enforcement officials. However, in over-the-counter sales, records are available for inspection by the local chief or his representative. It would be unwise and impractical for local police departments, as a matter of Federal law, to amass files of over-the-counter transactions. When valid requirements exist for tracing of guns that have been criminally misused, the records of the retail sale are available for inspection at the dealer's place of business. To require more would mean the establishment of expensive and redundant record keeping systems by local enforcement officials.

The original amendment offered by Senator Kennedy, in addition to imposing a 21 day waiting period, would have required a name search of the criminal history records of the Federal Bureau of Investigation to determine whether the purchaser would be prohibited from purchasing, transporting, receiving or possessing firearms. This approach had substantial difficulties.

The Committee rejected the Kennedy approach and adopted my substitute.

This year, Senator Kennedy reoffered the substitute that the Committee had previously approved. However, because of continuing criticism of interested sporting groups as well as other provisions of the Hatch substitute which improve capabilities of law enforcement officials to trace the ownership chain of guns that have been criminally misused, the Committee rejected the "cooling off" amendment.

While the "cooling off" substitute is preferable to the original waiting period amendment, substantial questions remain as to the advisability of adapting an approach which would impose additional paper work burdens on dealers and purchasers as a matter of federal law. Many states now have waiting period and background check provisions in their gun control laws. It may well be that this is sufficient.

Mr. HATCH. Mr. President, let me also mention again seven points relative to waiting periods:

First, criminals do not buy their guns through legal channels. A criminal is simply not likely to walk into a gun store, sign a 4473 form, and subject himself to scrutiny about his eligibility to purchase a firearm, which he may not do if he is a convicted felon. Waiting periods do not deter criminals from getting guns.

Second, the Wright-Rossi study (University of Massachusetts), found that more than 80 percent of firearms used in crime were obtained through illegal channels, namely, stolen or purchased on the black market. They concluded that waiting periods and other gun control measures had not succeeded in reducing violent crime, according to available evidence.

Third, 34 States have considered and rejected a waiting period.

Fourth, waiting periods have not made New York, Washington, DC, or other locales any more safe.

Fifth, crimes of passion, according to voluminous police studies, occur between 10 p.m. and 2 a.m. and usually when the attacker is under the influence of alcohol. Gun purchases would be precluded by these circumstances. Moreover, the statistics show these crimes are committed with the nearest available object: a knife, a club, or a gun. An impassioned killer does not take the time to shop for a gun before carrying out his impassioned act.

Sixth, 80 percent of handgun buyers already own another gun. This undercuts the chance that a waiting period could serve as a cooling-off time. It also shows that the major effect of this provision will be to encumber the firearms rights of law-abiding citizens. One hundred twenty to one hundred forty million guns are owned in the United States, over half of all the households possess one.

Seventh, This amendment was rejected by the Judiciary Committee last Congress by a vote of 11 to 3.

Several States have been mentioned by Senator INOUYE. I would like to take a few moments to respond:

First, the Senator mentioned South Carolina.

The Palmetto State has the honor of being cited by Senator INOUYE for having lax gun laws and by Senator KENNEDY for having stringent gun laws. In point of fact, the State's gun laws are tough on the criminal, with mandatory penalties for using guns to commit violent crimes, and that law has led to a 33 percent drop in the homicide rate between 1975 and 1983—comparable to the drops in other Southeastern States adopting such penalties.

Aside from that, police are notified after the transfer of handguns by dealers—so if there are problems, the police ought to have hard data to prove it—and only one handgun can be bought each month. But there is no waiting period and there is no background check.

The Senator also mentioned Palm Beach County, FL. It has been alleged that the number of murders fell 200 percent in Palm Beach County, which would suggest that a waiting period is effective. In fact, West Palm Beach had a waiting period for years and parts of Palm Beach still do not. The homicide rate in early 1984, before the county adopted a waiting period, was

very high, after being fairly low in the previous year; the homicide rate in the quarters since the waiting period have passed have varied, some were just like early 1984 and very high, and some were just like 1983 and lower. The waiting period simply did not affect these crime rates. In Broward County, the adoption of a waiting period was almost immediately followed by a rise in handgun deaths, particularly the suicides which some have alleged would be reduced by a waiting period. Under the waiting period, there were far fewer handgun transfers by dealers, indicating that the law was interfering with the ability of citizens to buy guns, and it was admitted that many of those whose applications were denied were rejected for arbitrary and improper reasons.

After two inexplicably high homicide years, Massachusetts passed a law which altered the punishment for a decades-old gun law. Two-thirds of Massachusetts residents said it impacted most on law-abiding rather than criminals. The violent crime rate rose from 19th highest in the Nation in 1974 to 11th in 1983. Boston went from the 5th most violent city over 500,000 in 1974 to most violent in 1981, and lowered themselves to only third in 1983 by redefining crimes. Absent Boston, the State homicide trends mirrored New England. A Justice Department study concluded that the law did not work, that any belief that it was based on faith, not fact, and that the law seemed to adversely affect the law-abiding, and slow down the criminal justice process for the criminal, allowing many more criminals to go wholly unpunished.

Imitative States—Connecticut and New York—saw brief increases in their homicide and violent crime rates followed by a return to regional trends.

Mr. President, I yield such time as he may need to the distinguished Senator from Kentucky.

Mr. McCONNELL. I thank the Senator from Utah.

Mr. President, I rise today in support of the bill introduced by the distinguished Senator from Idaho, and in opposition to the waiting period amendment offered by the distinguished Senator from Hawaii. I am convinced that the bill itself will significantly enhance the legitimate liberties, guaranteed by the Constitution, of firearms owners all across America. At the same time, the bill, I am convinced, will not endanger a single American who would not already have been endangered, and, on the contrary, will see to it fewer Americans will become the tragic victims of lawless criminals.

Consequently, I am compelled to oppose the amendment seeking to attach a 14-day waiting period to the bill. While well-intentioned, the amendment will not serve its stated purpose. This amendment will not prevent criminals from acquiring firearms. It will not prevent the classic crimes of passion that proponents of the amendment claim it will. Rather, the waiting period amendment would add additional regulations to the already over-regulated lives of law-abiding citizens. To the extent that it would have any effect at all, it would deprive law-abiding citizens of their rights, of their liberties, and of their ability to protect themselves.

Mr. President, we should examine closely the premises upon which this amendment is based. When we do, I'm confident that we will find that the theoretical underpinnings of the amendment are ready to collapse.

For example, the notion that imposition of a waiting period will result in fewer crimes of passion, fewer homicides in general, and a lower incidence of violent crime is based upon the assumption that criminal acquires his weapon through legitimate gun dealers. Yet nothing is further from the truth, for most criminals find their guns on the street, in illicit transactions between themselves and other criminals. Clearly, adopting a federally mandated waiting period and imposing new and onerous regulations on licensed gun dealers and law-abiding purchasers of guns will have absolutely no impact on such transactions.

Nor will waiting or cooling-off periods reduce the incidence of the classic crimes of passion. All the evidence is that these crimes usually occur late at night or early in the morning, at times when legitimate gun dealers are not open for business. The evidence also suggests that these crimes are the product of alcohol or drug-induced rage, and are perpetrated with the aid of the closest weapon at hand. In many cases, the weapon is a firearm, but it might just as easily be a knife or a hammer. What is clear, however, is that the weapon is not a gun purchased on the spot in the heat of the moment.

Indeed, studies have demonstrated that these crimes of passion follow from a clearly identifiable buildup period. One study in the Kansas City area indicates that in some 90 percent of the cases, police had been called to intervene in prior domestic disturbances before the crime was committed. Obviously, a waiting period would be totally ineffective in so far as these situations involving patterns of domestic quarrels over an extended period of time are concerned. Thus, it is a simple fact that a waiting period would have little impact on the major problem it would be designed to combat, and numerous studies have demonstrated that no relationship can be found between the imposition of a waiting period and the ultimate level of violent crime. Conversely, a clear and undeniable relationship exists between the imposition of a waiting period and the creation on the one hand of an unarmed, defenseless citizenry, and on the other of a needless mass of burdensome regulations.

Mr. President, let me also mention a particularly unconvincing argument that has been advanced by the proponents of this amendment. Some have suggested that a waiting period of the type offered here would lead to a reduction in the incidence of suicide, especially among our young people. I know that this suggestion has been made recently, in fact, by representatives of the American Association of Suicidology in testimony before the Subcommittee on Juvenile Justice, of which I am a member. Clearly, the problem of youth suicide is a tragedy, one that I am deeply concerned about, but to suggest that a waiting period on the purchase of handguns will result in a meaningful reduction in the incidence of youth suicide—the tragic response of an adolescent who has fallen victim to the pressures of seemingly insurmountable problems over a great deal of time—is to highlight the bankruptcy of the arguments made in support of the amendment.

Waiting periods do not stop suicide. They do not stop crimes of passion, robbery or burglary. Most of all, they do not stop violent crimes committed by violent criminals bent on violating the law and the sanctity of our homes. One noted researcher at Duke University has found that "there has been no convincing empirical evidence that a police check on handgun buyers reduces violent crime * * * most felons and other ineligibles who obtain guns do so not because the State's screening system fails to discover their criminal record, but rather because these people find ways of circumventing the screening system entirely."

No, Mr. President, this amendment to impose a 14-day waiting period on the purchase of firearms will not prevent violent criminals from committing violent crimes. All the evidence tells us that it will not. But it will, without a doubt, prevent many innocent, law-abiding citizens of this great Nation from protecting themselves from those very criminals who will ignore, avoid, or otherwise circumvent the law. Some of these citizens may then become the defenseless victims of those very thugs the amendment is intended to reach, who will be armed not only with the firearms they illegally obtained but also with the knowledge that their victims will be unarmed and unprotected.

I recognize that the proponents of this and other amendments to the bill come with the best of intentions, but I would urge those inclined to support such amendments to consider carefully these and other facts presented here today. This is not the first time I

have considered the merits of legislation directed toward firearms owners. Indeed, while chief executive of Jefferson County, KY, the largest county in the State with a population of some 750,000 people, I rejected an ordinance that would have imposed a waiting period on the purchase of handguns. I did so because I was convinced, based on the facts, that such a waiting period would not have achieved the admirable goals of its proponents, and would have added needless, useless and potentially dangerous limitations on the rights of law-abiding citizens to acquire and own firearms.

I urge my colleagues to oppose this waiting period amendment for the same reasons that I opposed such a waiting period in Jefferson County, KY, and to oppose any other amendment to S. 49, the Firearms Owners Protection Act, that would have the same effect.

Mr. President, I wish to make a few observations with regard to the whole waiting period issue. I suspect I am one of the few people in the Senate who used to appoint a police chief. I suspect I am one of the few people in the Senate who has had an opportunity to vote on a local ordinance providing for a waiting period. I want to relate my own experience with that waiting period issue from a local government perspective.

In my community, I was the county executive, like the mayor of a county, and among my responsibilities was the responsibility to appoint a police chief, which I did. He was a very experienced fellow who had served in the detective division for a number of years and had also been in the patrol division, had come up through the ranks of the police department, and was considered the best police officer we had. After a shooting in one of the local bank branches, there was a great deal of interest in having a waiting period ordinance. One was introduced. At that juncture, I had no preconceived notions about the appropriateness of waiting period legislation and whether or not it would have an impact on crime. I went into it with a completely open mind and listened to the arguments on both sides. I have listened to the passionate arguments of the senior Senator from Massachusetts and others on both sides today.

My police chief came in and said the net effect of a waiting period ordinance would be to increase the number of firearms transfers among individuals and to reduce the number of firearms transfers from gun shops to individuals, thereby making it more difficult, not less difficult, to trace firearms that are used in the course of a commission of a crime.

Frankly, that is not what I expected to hear from my own police chief, because I had heard over the years the arguments of all the various law enforcement officer organizations supporting waiting period legislation. I have heard all of those cited again today. I know they support them. I just want to make the point that not everyone in the law enforcement community is unified in the notion that waiting period legislation will necessarily be an effective tool in the combating of crimes committed with handguns. I just wanted to make that personal observation of my own experience with that waiting period legislation.

I yield back to the distinguished Senator from Utah.

Mr. HATCH. Mr. President, I am delighted to yield such time as he may need to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I again thank the distinguished Senator from Utah for yielding. I take this time just to give a couple of answers to comments that have been made by people on the other side of the issue, one or two that spring from genuine emotion, but are typical of the misdirection which that emotion gives us.

It has been suggested that Mr. Hinckley's condition would have been discovered by a background check. Frankly, Mr. President, I am appalled at that argument. To the best of my recollection, and perhaps somebody can refresh my memory, Mr. Hinckley had been under psychiatric treatment and there was a private physician-patient relationship that guarded the confidentiality of that condition. A 14-day waiting period in Dallas would have pointed out nothing with respect to his condition.

As a matter of fact, Mr. Hinckley also acquired two handguns in California, a State with a 15-day waiting period applying to all handgun transfers, whether through a dealer or not. The emotion may be correct. The facts are that it would have done nothing to uncover his condition or to avoid the sale or purchase of a handgun in his case and would have done nothing to prevent the crime which we all abhor.

The distinguished Senator from Hawaii pointed to the statistic of Palm Beach County's homicide rate drop. I might point out that a 200-percent drop is mathematically impossible because it goes beyond zero and would imply the resurrection of the dead, which I do not believe was his intention, although that is the mathematical result. The real reason there was a drop in the homicide rate in Palm Beach County was that, at the same time, they adopted a provision which is in the McClure-Volkmer bill. That is mandatory penalties. Mandatory penalties do cause change in conduct, do produce reductions in homicide rates, unlike the waiting period, which has been demonstrated to be ineffectual.

It has been asserted that research suggests that criminals will be kept from getting guns by a waiting period, but even gun control advocates who have researched the issue such as Philip Cook, of Duke University, and Matthew DeZee, of Florida State University, have said that criminals do not use legitimate channels, and would not be likely to be kept from getting a handgun by a waiting period. Waiting periods have not lowered crime or homicide rates.

The distinguished Senator from Massachusetts said that in 1982, the Judiciary Committee, by a vote of 8 to 5, accepted such a provision in the bill pending before the Judiciary Committee. But in 1984, the Judiciary Committee favorably voted unanimously to report a bill that had no waiting period in it.

The vote on the waiting period amendment was 11 to 3. The reporting of the bill was unanimous.

Mr. President, I oppose this amendment in the strongest terms.

There are a variety of amendments which have been offered to this bill and although most of them are, in the opinion of this Senator, ill-conceived, few are so anathema to America's gun owners that they would kill the bill.

The pending amendment, however, would kill this legislation. Make no mistake about it: The adoption of this amendment will cause S. 49 to be pulled down, leaving the vote on this amendment as the pivotal gun vote of the 99th Congress.

The reason why this amendment would kill the bill is clear: It would constitute a major step toward establishing a system of handgun registration which could be accessed nationally through systems which have been developed or may be developed by the Department of Justice and other law enforcement entities.

The central compromise of the Gun Control Act of 1968—the *sine qua non* for the entry of the Federal Government into any form of firearms regulation was this: Records concerning gun ownership would be maintained by dealers, not by the Federal Government and not by State and local governments. These records would be maintained by dealers—and by dealers only, except in extraordinary circumstances, such as when a dealer goes out of business.

This amendment would destroy that central compromise. And, as such, it would constitute a slap in the face for those gunowners who foolishly signed off on the 1968 act, with the expectation that the antigun movement would not immediately move to destroy the compromises which allowed the act to be passed.

The pending amendment would allow centralized police files containing the names of handgun owners. There is nothing in the amendment which provides for the destruction of

the lists of names after the cross-checks are made, and, in fact, I believe it would be foolish to assume that the names forwarded for cross-checks will not be maintained and computerized.

Once the names of all handgun owners are computerized, the Senators need to understand that there is no prohibition in the pending amendment which would prevent their being accessed by other law enforcement authorities.

In sum, Senators contemplating a vote against tabling this amendment should understand that their vote will be interpreted as a vote against S. 49; a vote in favor of firearms registration; and, an antigun vote.

Mr. President, we can all devise mechanisms which arguably would lead to more effective law enforcement. Mandatory minimum sentences for felony convictions would go further in that direction than any other measure we could enact, in view of the large percentage of violent crimes which are committed by persons who have previously been convicted of such crimes or who are out on bail. Such a measure would have no constitutional problems at all.

But, with respect to guns, Congress decided in 1968 to reject a system of centralized registration. To destroy that pivotal compromise at this time would kill this legislation.

Mr. INOUYE. Mr. President, since the matter of Mr. Hinckley was brought up by the Senator from Hawaii and commented upon by those who oppose the amendment, I would just like to quote from an interview which was held about 2 years ago. This is the mother of Mr. Hinckley:

> I just know that if it had been difficult, John would not have purchased the guns and this would not have happened.

And John Hinckley, Senior, the father of the man who attempted to take the life of our President, said:

> Yes, if he had to fill out forms and come back in 10 days and go through some sort of procedure that involved a great deal of effort, I don't think he would have got it.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, will the Senator yield briefly?

Mr. HATCH. I am delighted to yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I understand the statement of the distinguished Senator from Hawaii. The fact is that Mr. Hinckley did face a waiting period, did buy two handguns in California subject to a 15-day waiting period. The statement of his mother notwithstanding, this amendment would not have added to the difficulties that he faced in purchasing a handgun, nor would it have resulted in any criminal investigator discovering the fact of his psychiatric examination without a violation of the privacy of medical records between himself and his physician.

It has been estimated by GAO that a background check, even a rudimentary background check, will cost approximately $50. If there are 2 million handguns per year purchased and each one receives just the minimum rudimentary background check, that is $100 million, and for what reason? To accomplish virtually nothing. Again, I hope the amendment is rejected.

Mr. HATCH. Mr. President, I have enjoyed the debate, but I agree with everything the distinguished Senator from Idaho has said. I might mention the administration has stated earlier that waiting periods for purchases of handguns should be a matter for the States and local governments to decide. The administration does not advocate a national waiting period, and neither do I. I believe that the law enforcement agencies, Justice and Treasury, do not either. I am prepared to yield back the remainder of my time if the distinguished Senator from Hawaii is.

Mr. HECHT. Mr. President, I rise in opposition to this amendment. Of the various amendments which we can expect to consider during the disposition of this bill, few are so repugnant to America's gunowners that they would kill the bill.

The pending amendment, however, would, in my opinion, kill this legislation. Make no mistake about it: The adoption of this amendment will cause S. 49 to be pulled down, leaving the vote on this amendment as the pivotal gun vote of the 99th Congress.

The reason this amendment would kill the bill is clear: It would constitute a major step toward establishing a system of handgun registration which could be accessed nationally through systems which have been developed or may be developed by the Department of Justice and other law enforcement entities.

The central compromise of the Gun Control Act of 1968 was that records concerning gun ownership would be maintained by dealers, not by the Federal Government and not by State or local governments. By dealers only, except in circumstances such as the closing of a particular dealer's business.

This amendment would destroy that central compromise. It would allow centralized police files containing the names of handgun owners. There is nothing in the amendment which provides for the destruction of the lists of names after the cross-checks are made, and, consequently, I believe it is reasonable to assume that the names forwarded for these cross-checks would be maintained and computerized.

Once the names of all handgun owners are computerized, the Senators need to understand further that there is no prohibition in this amendment which would prevent their being accessed by other law enforcement authorities.

There is simply no viable reason why citizens must register their name to participate in a constitutionally guaranteed freedom. As the Declaration of Independence states, these rights are God given, not government given. That distinction is important, because those who believe certain freedoms are bestowed on us by the Government, may also use the same rationale to restrict them.

This amendment carries the same theme which many other of the amendments to this bill contain: they impute intent to an inanimate object. Because the worst is feared, some would say that guns must be regulated regardless of whether constitutionally guaranteed freedoms are trampled. If the same line of reasoning were followed, regulation might next be considered necessary for a kitchen drawer full of knives.

This amendment has a litany of objectionable, and impractical features.

First, because convicted felons are already prohibited from purchasing guns, the law applies only to law-abiding citizens who have no felonious criminal record. Further, a criminal who wanted to obtain a gun illegally could easily do so, with no waiting period.

Second, inherent in the amendment is the assumption that everyone is a criminal, or has, or will have, criminal intent.

Third, the amendment could increase victimization by delaying self-protection for threatened law-abiding citizens.

Fourth, it violates the purpose of the Gun Control Act of 1968 which states:

> . . . it is not the purpose of this title to place any undue or unnecessary federal restrictions or burdens on law abiding citizens with respect to the acquisition, or use of firearms appropriate to the purpose of hunting, trapshooting, personal protection, or any other lawful activity. . .

Fifth, it violates the purpose of this bill which is to:

> . . . protect the firearms owners of Constitutional rights, civil liberties, and rights to privacy . . .

Mr. President, we can all devise mechanisms which arguably would lead to more effective law enforcement. Mandatory minimum sentences for felony convictions would go further in that direction than most other measures we could enact, in view of the large percentage of violent crimes which are committed by persons who have previously been convicted of such crimes or who are free on bail.

Finally, with respect to guns, Congress decided in 1968 to reject a system of centralized registration. To

destroy that pivotal compromise at this time would kill this legislation.

Mr. THURMOND. Mr. President, the issue of whether there should be a waiting period before a purchaser is allowed to buy a handgun has been the subject of careful consideration by the Judiciary Committee in recent years. Last year, the committee turned down a similar proposal by a vote of 11 to 3.

While there are very strong feelings on the merits of such a waiting period, I believe the real issue is at what level this policy decision is to be made. It is my belief individual States, not the Federal Government, should decide this issue. It is for that reason that I oppose this amendment because it seeks a Federal solution to a policy issue best left to the States.

Mr. KASTEN. Mr. President, I rise in support of S. 49, a bill to protect the constitutional rights, civil liberties, and rights to privacy of firearm owners.

Our proper goal in considering any legislation affecting the public's access to, and use of, firearms is clear. We must aim at striking a careful balance, between the rights of law-abiding citizens on the one hand, and the pressing need for effective law enforcement on the other. I believe S. 49, as amended, meets this test.

S. 49 makes several useful changes in the scope of Federal regulations affecting firearms. These changes both protect the rights of individual gunowners and aid law enforcement, by making it clear that gunowners who only occasionally sell or repair firearms, or who sell all or part of their collections will not have to go through the cumbersome, time-consuming process of obtaining a Federal license. These changes will allow the Bureau of Alcohol, Tobacco, and Firearms to concentrate its scarce resources on those businesses who handle most of the gun trade.

Another important change in current law made by S. 49 would permit individuals to mail legally owned firearms to a licensed manufacturer, importer, or dealer for repair, customization, or other lawful purpose. This change would not allow mail order sales of firearms by licensees to nonlicensees. Instead, it would remove an unnecessary and awkward impediment to legitimate commerce.

S. 49 also removes another needless barrier to commerce by permitting face-to-face sales by licensees to persons who do not reside in the licensees' State, so long as the sales are legal in the respective States of both the buyer and seller. This eliminates the need for a collector, hunter, or other law-abiding citizen to go through the very complicated procedures required by current law for acquiring a rare or customized firearm from a licensed dealer in another State.

Finally, this bill clarifies existing law to allow the Treasury Department to revoke firearms licenses only in the case of willful violations of the law. This clarification represents a recognition that the paperwork required by the 1968 Gun Control Act is exceedingly complex; even the best-intentioned gun dealers are liable to make inadvertant, technical mistakes. The need for effective and appropriate law enforcement dictates that the Government not spend scare resources prosecuting honest citizens who make mistakes, but the minority who operate in disregard of the law.

Mr. President, I have never believed that the rights of gunowners and the Government's responsibility to enforce the law necessarily need to be in conflict. S. 49, by removing many unnecessary restrictions on the lawful activities of honest citizens, protects individual rights guaranteed in the Constitution. I believe that S. 49 does this without jeopardizing the Government's ability to combat crime—by more carefully targeting the thrust of the 1968 Gun Control Act, S. 49 enhances the Government's capacity to go after criminals. I urge my colleagues to approve this important legislation.

Mr. STEVENS. Mr. President, the Firearms Owners Protection Act is at long last coming before the full Senate for consideration. This is the most important piece of legislation for gunowners in this century. Since the passage of the Gun Control Act of 1968, the erosion of the right to keep and bear arms has been justified on the basis that rigid gun control laws will reduce the incidence of violent crime. However, the law has been ineffective. It has served to punish the law-abiding gunowner for the actions of a career criminals, and has been implemented in a way that discourages gunownership.

S. 49 focuses on areas of regulatory abuse resulting from the Gun Control Act. An entire Federal agency spends a large portion of its effort in prosecuting and harassing gunowners for technical violations of the law. Our tax dollars will be applied more effectively if our law enforcement officials become more involved in detecting and arresting robbers, muggers, rapists, and murderers.

There are a number of amendments which will be offered to S. 49, most of which cloud the issue. For example, the imposition of waiting periods on the sale of firearms do not add any deterrant quality. Career criminals will continue to skirt an established screening process. The paperwork requirements and effort associated with waiting periods will divert personnel away from true crime control efforts.

Even more troubling are the efforts to make a distinction between handguns and long guns such as rifles and shotguns. If we exempt handguns from the changes being sought by S. 49, we would accept the premise that possession alone is a serious cause of violent crime. Criminals are responsible for the violence in this country. Making a distinction between handguns and other firearms serves to restrict the constitutional right of citizens to keep and bear arms without deterring criminal behavior. It sets a dangerous precedent for future exclusion of other firearms classes.

Pervasive regulation is not the answer to the growing incidence of violent crime. The Gun Control Act has been in existence for almost 20 years, but crime has risen steadily. Our law enforcement efforts must be directed at deterring criminal behavior. Strong penalties are required to deter the use of firearms in Federal crimes. There must be an immediate response to acts of violent crime and treason. I have sponsored legislation which calls for death by firing squad when treasonous acts are perpetrated for monetary gain. Senator MCCLURE should be commended for taking a tough stance on the use of firearms to commit crimes. The day career criminals begin to feel the full force of the law for their acts is the day that we can walk the streets in safety.

Mr. MOYNIHAN. Mr. President, I am pleased to support the amendment offered by my friend, Senator INOUYE, to require a 2-week waiting period between the purchase of a handgun and its delivery. Such a waiting period, I am convinced, could save hundreds of lives taken annually by these firearms.

Congress passed the 1968 Gun Control Act in response to the assassinations of Martin Luther King, Jr. and Robert F. Kennedy, and wisely prohibited the sale of firearms to certain unreliable people—most notably, convicted felons, fugitives from justice, drug addicts, and mental incompetents. However, the law, as now written, rather naively expects unreliable persons to refrain from trying to buy a gun, or assumes a gun dealer will recognize a customer's ineligibility. Certainly this is not an effective way to enforce the law. This amendment would mandate a 14-day waiting period, so gun dealers could thoroughly check a customer's background to ensure that he or she is legally qualified to own a gun.

A 14-day waiting period also would provide potential gun purchasers a "cooling off" period. According to the FBI, almost 42 percent of all murders committed with a handgun in 1983 followed directly from an argument. Far too often an individual, in the heat of passion, or suicidal despair, rushes to purchase a gun and uses it on himself or others. Anyone with a legitimate need to buy a gun will not be seriously inconvenienced by a 14-day waiting

period. But those legally unqualified to possess a gun, or who seek one in a state of emotional desperation, should be made to wait.

The common sense behind this modification of the 1968 Gun Control Act was not lost on the Attorney General's Task Force on Violent Crime, which in its final report, issued in 1981, recommended that "a waiting period be required for the purchase of a handgun." I am proud to be joined in support for this amendment by some of this Nation's largest organizations of law enforcement officers, including the International Association of Chiefs of Police, the National Association of Attorneys General, the Police Executive Research Forum, the National Troopers Coalition, the National Organization of Black Law Enforcement Executives, and the Fraternal Order of Police, as well as the American Bar Association and the U.S. Conference of Mayors.

This amendment is a reasonable and necessary attempt to make the provisions of the 1968 Gun Control Act more viable. The Nation's law enforcement officers are nearly unanimous in their support for this amendment. I strongly urge my colleagues to support it as well.

Mr. McCLURE. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I understand that all of the time on the Mathias amendment was yielded back. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. McCLURE. And now all the time on the Inouye amendment has been yielded back. Is that correct?

The PRESIDING OFFICER. There remains 2 minutes. The Senator from Hawaii has 1 minute 38 seconds.

Mr. INOUYE. I yield back the remainder of my time.

Mr. HATCH. I yield back all my time.

The PRESIDING OFFICER. All time has now been yielded back.

Mr. McCLURE. Under the previous unanimous-consent agreement, would it be my understanding that we would first move to the consideration of the Mathias amendment and then the vote with respect to the Inouye amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Mr. President, I move to table the Mathias amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that it be in order at this time to move to table the Inouye amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I move to table the Inouye amendment.

VOTE ON MATHIAS AMENDMENT NO. 510

The PRESIDING OFFICER. The vote will first occur on the motion of the Senator from Idaho to table the amendment of the Senator from Maryland [Mr. MATHIAS]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 76, nays 18, as follows:

[Rollcall Vote No. 140 Leg.]

YEAS—76

Abdnor	Garn	Mitchell
Andrews	Goldwater	Murkowski
Baucus	Gore	Nickles
Bentsen	Gorton	Packwood
Biden	Gramm	Pressler
Bingaman	Grassley	Proxmire
Boren	Hart	Pryor
Boschwitz	Hatch	Quayle
Bumpers	Hawkins	Riegle
Burdick	Hecht	Rockefeller
Byrd	Heflin	Roth
Chiles	Heinz	Rudman
Cochran	Helms	Sasser
Cohen	Hollings	Simpson
D'Amato	Humphrey	Specter
Danforth	Johnston	Stevens
DeConcini	Kassebaum	Symms
Denton	Kasten	Thurmond
Dixon	Laxalt	Trible
Dole	Leahy	Wallop
Domenici	Levin	Warner
Durenberger	Lugar	Weicker
Eagleton	Mattingly	Wilson
East	McClure	Zorinsky
Exon	McConnell	
Ford	Melcher	

NAYS—18

Chafee	Inouye	Metzenbaum
Cranston	Kennedy	Moynihan
Dodd	Kerry	Nunn
Evans	Lautenberg	Pell
Glenn	Mathias	Sarbanes
Harkin	Matsunaga	Stafford

NOT VOTING—6

Armstrong	Hatfield	Simon
Bradley	Long	Stennis

So the motion to table amendment No. 510 was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to table was agreed to.

VOTE ON INOUYE AMENDMENT NO. 511

The PRESIDING OFFICER. The question is now on agreeing to the motion of the Senator from Idaho [Mr. MCCLURE] to table the amendment of the Senator from Hawaii [Mr. INOUYE]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 71, nays 23, as follows:

[Rollcall Vote No. 141 Leg.]

YEAS—71

Abdnor	Exon	Mitchell
Andrews	Ford	Murkowski
Baucus	Garn	Nickles
Bentsen	Goldwater	Nunn
Biden	Gore	Packwood
Bingaman	Gorton	Pressler
Boschwitz	Gramm	Pryor
Bumpers	Grassley	Quayle
Burdick	Hatch	Riegle
Byrd	Hawkins	Rockefeller
Chiles	Hecht	Roth
Cochran	Heflin	Rudman
Cohen	Heinz	Sasser
D'Amato	Helms	Simpson
Danforth	Hollings	Specter
DeConcini	Humphrey	Stafford
Denton	Johnston	Stevens
Dixon	Kasten	Symms
Dole	Laxalt	Thurmond
Domenici	Leahy	Trible
Durenberger	Lugar	Wallop
Eagleton	Mattingly	Wilson
East	McClure	Zorinsky
Evans	McConnell	

NAYS—23

Boren	Kassebaum	Metzenbaum
Chafee	Kennedy	Moynihan
Cranston	Kerry	Pell
Dodd	Lautenberg	Proxmire
Glenn	Levin	Sarbanes
Harkin	Mathias	Warner
Hart	Matsunaga	Weicker
Inouye	Melcher	

NOT VOTING—6

Armstrong	Hatfield	Simon
Bradley	Long	Stennis

So the motion to lay on the table amendment No. 511 was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, the majority leader is not on the floor at the moment. Perhaps the distinguished assistant Republican leader can answer the question—the question being what is the program for the rest of the day, how many rollcall votes may be anticipat-

ed, what will be the program tomorrow, and beyond?

SCHEDULE

Mr. SIMPSON. Mr. President, on behalf of the majority leader, I express to my colleague that we will have one more rollcall vote this evening. That will conclude the activities of the day. That will be on final passage on this measure. Then, tomorrow we will have at 12 noon a live quorum to be followed by a cloture vote on the motion to proceed to S. 995 on the issue of South Africa. Rollcall votes will be expected throughout the day tomorrow in connection with that measure. That is the schedule for this day and for tomorrow.

Mr. BYRD. Mr. President, I thank the distinguished assistant majority leader.

Mr. SIMPSON. Mr. President, in addition, I say to the distinguished minority leader, we will convene tomorrow at 11 a.m. There will be special orders, and then at 12 noon, we will go to the cloture action.

Mr. BYRD. I thank the distinguished assistant majority leader.

Mr. HATCH. Mr. President, I yield 30 seconds to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I ask unanimous consent that the distinguished Senator from California [Mr. WILSON], be added as a cosponsor of the bill.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. HATCH. Mr. President, I yield 30 seconds to the distinguished Senator from Arizona [Mr. DECONCINI].

Mr. DECONCINI. I thank the Senator.

Mr. President, I compliment the distinguished Senator from Utah and the distinguished Senator from Idaho for the fine efforts they put forth here today.

I am extremely pleased to have this opportunity to vote in favor of S. 49, the McClure-Volkmer Federal Firearm Owners Protection Act. I have enthusiastically cosponsored the McClure-Volkmer bill throughout my tenure in the U.S. Senate and am pleased it is being acted on now. It is my hope that, with early action by the Senate, the House of Representatives will move expeditiously to approve this necessary legislation.

The McClure-Volkmer bill will correct several flaws in the Gun Control Act of 1968, and will remedy other provisions of the act that have been repeatedly and consistently abused by the Bureau of Alcohol, Tobacco and Firearms [BATF]. The remedial provisions incorporated in this legislation are long overdue. Hearings that I held in 1979 and 1980 in the Treasury Subcommittee of the Committee on Appropriations revealed a consistent pattern of harassment of legitimate gun dealers by the BATF. These hearings demonstrated the tremendous need for legislation such as the McClure-Volkmer bill which will offer protection for law-abiding gun dealers and gun-owners without in any way threatening the American people.

The McClure-Volkmer bill does not allow the mail-order sale of handguns. The bill does not provide for the sale of firearms by unlicensed pawnshops. S. 49 does not overturn State laws prohibiting or restricting firearms sales or possession, except in the very limited instance of interstate transportation through a State of an unloaded inaccessible firearm.

S. 49 will restore the constitutional rights of firearms owners and dealers by:

First, permitting licensed importers, manufacturers, and dealers to conduct business at gun shows.

Second, setting out procedures for the storage with GSA and BATF for the records of out-of-business dealers.

Third, spelling out some of the information-gathering procedures for tracing firearms and precluding criminal charges based solely on information provided under those procedures.

Fourth, requiring certain reports relating to multiple sales of pistols and revolvers.

Fifth, applying a knowing state of mind with respect to some offenses and a willful standard to others rather than the present absence of any intent standard.

Sixth, further clarifying what constitutes being "engaged in the business" of dealing of firearms by defining "with the principal objective of livelihood and profit."

Seventh, spelling out circumstances under which the inventory and records of licensed dealers can be inspected.

Eighth, establishing mandatory sentences for the use of armor-piercing ammunition in the commission of a Federal crime of violence; and

Ninth, providing for the seizure of firearms under limited circumstances where they were intended to be used in specified crimes, including crimes of violence.

Mr. President, today is a significant day for tens of millions of American gunowners. The bill we will pass today will assure the rights of citizens to keep and bear arms under the second amendment to the Constitution and their rights to security against illegal and unreasonable searches and seizures under the fourth amendment. I am pleased to have been a part of the effort to achieve passage of this legislation. I shall be pleased to report to Arizona's thousands of gunowners that the Senate has responded to their legitimate concerns and has passed the Firearm Owners Protection Act.

Mr. MATHIAS. Mr. President, will the Senator from Utah yield?

Mr. HATCH. Mr. President, I yield 30 seconds to the distinguished Senator from Maryland.

Mr. MATHIAS. Mr. President, the issue of gun control involves strong, often conflicting interests that need to be considered and weighed carefully. On the one hand, I can well understand many of our citizens' concern for self-defense at a time of unacceptably high crime rates, as well as the need to protect the legitimate rights of sportsmen. At the same time, I am aware of the obvious need for protection against the lawless use of easily obtainable and concealable handguns that all too often are used in the commission of violent crimes.

As a Member of Congress for the past 25 years, I have tried to help shape a coherent, fair, and effective Federal policy in this sensitive area to advance the effort to curb violent crime, without imposing unduly burdensome and bureaucratic procedures on law-abiding Americans.

After careful study, I have concluded that the enactment of S. 49 would be a step away from this goal. Therefore, I shall vote against this bill.

S. 49 would unnecessarily tilt the balance against local law enforcement officials and local crime prevention efforts. At the same time, this bill offers very little benefit to the sportsman and no benefit whatever to the citizen who possesses a gun for personal defense in the home.

Since I was first elected to Congress, I have consistently opposed legislation to require the registration of firearms owners, or to ban the possession of handguns by law-abiding citizens. I shall continue to oppose such proposals. But those issues have nothing to do with the legislation that is before us today.

The major thrust of this bill is to make it easier for dealers to sell guns to nonresidents and to make it more difficult to bring the law to bear against dealers who violate it. These goals should have no place in Federal firearms policy.

Every major law enforcement group opposes this bill. In my own State, the Maryland State Troopers Association have expressed to us their strong opposition to S. 49 unless amended to protect legitimate law-enforcement goals. These amendments have not been adopted. The chief of police of Baltimore County, Cornelius Behan, and other Maryland law enforcement leaders have expressed similar concern about this legislation to me.

S. 49 does not, as some would assert, pit the sportsman or other lawful gunowners against those who would ban guns. It pits those few who are willing to sell guns for profit to anyone with the money to purchase, against law enforcement officers and agencies who

are concerned with the safety of their own officers and the general public.

S. 49, if enacted, would weaken enforcement of existing laws, prohibiting sales of guns to felons, the mentally ill, and others whose possession of a weapon presents a clear danger to society. Because I believe that such prohibitions must be vigorously enforced, in order to redeem our constitutional pledge to "insure domestic tranquillity," I shall oppose S. 49.

Mr. DOLE. Mr. President, it was my hope that we could pass an amendment to the National Firearms Act which would tighten restrictions on the sale of kits used to convert semiautomatic weapons into automatics, either as a part of S. 49 or through the prompt passage of separate legislation. This issue was discussed extensively during the negotiations which led to the time agreement on S. 49 and I know it is a change that has broad based support.

Unfortunately, because the National Firearms Act is a part of the Tax Code, we were advised that if the proposed amendment originated in the Senate, it would be blue-slipped back. As a consequence, we will be unable to address this issue in the context of S. 49 but I would repeat my strong support for amending the National Firearms Act to close this loophole as it applies to conversion kits and will make every effort to promptly pass a bill containing such a change should an appropriate vehicle become available.

MACHINEGUN AMENDMENT

Mr. HATCH. Mr. President, Senator DOLE's efforts to clarify laws regarding machineguns would not be an amendment to the Gun Control Act of 1968, but amends the National Firearms Act of 1934. That is a significant point because it could encumber this bill procedurally in the House of Representatives. Under House Rules, the 1968 act is under the jurisdiction of the Judiciary Committee, but the detailed tax and regulatory provisions of the 1934 act fall under the Ways and Means Committee. Rather than subject S.49 to the potentially fatal procedural obstruction of consideration in two separate committees, I commend the majority leader for dealing with this problem as a separate bill.

In furtherance of a separate bill, I have already participated in meetings with the majority leader and the Treasury Department. Since this subject can be treated in separate legislation, which has the full influence of the majority leader behind it, I commend this action.

Turning for a moment to the specific of this problem, the National Firearms Act pertains to machineguns, short or sawed-off shotguns and rifles, and so-called destructive devices—including grenades, mortars, rocket launchers, and other heavy ordnance. Acquisition of these weapons is subject to prior approval and registration by the Secretary of the Treasury. Generally, a one-time tax of $200 is placed on each transfer or manufacturing of a title II weapon.

The bill on which I have worked with the majority leader deals with kits which may be purchased for the purpose of converting semiautomatic firearms into machineguns or fully automatic weapons. The concern addressed by this proposal is that a conversion kit which does not contain all the parts necessary to make a conversion might not be covered by the provisions of the National Act.

My reading of current law indicates that these kits would be covered. The current definition of machineguns covered by the National Act includes "any combination of parts designed and intended for use in converting a weapon into a machinegun." A machinegun, by the way, is defined as any weapon which shoots or is designed to shoot more than one shot automatically with a single function of the trigger. Based on the broad definition of machinegun which includes "any combination of parts * * * intended for use in converting a weapon into a machinegun," a conversion kit is already covered by the National Act. Even if the kit did not contain the total number of parts necessary to effect the conversion, it would still be a combination of parts intended for use in conversion. Therefore, it would be subject to the registration and tax requirements of title II.

This is not the only way that this problem is already addressed by the current law. As I mentioned earlier, a machinegun is also defined as a weapon "designed to" shoot automatically. On the basis of their design characteristics, the Treasury Department has classified at least four semiautomatic weapons as "machineguns" because they were designed to be easily converted to fire automatically. These weapons, too, fall within the ambit of the National Act. Understanding these points, I can grasp the significance of the Treasury Department's comment on this conversion kit amendment. The Department said, "current law may already regulate as machineguns the types of weapons and firearms parts that concern the proponents of the amendment."

Although amendment of the National Act to cover conversion would be unnecessary, I am still willing to add clarity to this point in current law. For this reason, I have been working with the majority leader and the administration on legislation with this objective. In the context of S. 49, however, I see this amendment as creating significant problems in the House. This amendment should not be added to a bill amending only the Gun Control Act. There seems to be no problem requiring action at this minute. The current National Act seems to handle any potential problems in this area. Conversions to machineguns are being regulated now within the terms of the 1934 act. Amending S. 49 in this manner, however, could make its approval in the House extremely difficult if not impossible.

Mr. EAST. Mr. President, I encourage each of my colleagues to vote in support of S. 49, the Firearms Owners Protection Act. The passage of this bill is of critical importance to our Nation's 60 million firearms owners, and the principles embodied in this legislation are of the utmost concern to all Americans who support the Constitution of the United States.

Today we debate an issue that was resolved by our Founding Fathers nearly 200 years ago. As we approach the Bicentennial of the Constitution in 1987, we should reflect upon the intentions of James Madison, Patrick Henry, Samuel Adams, and the rest of that courageous band of patriots who pledged their lives, fortunes, and sacred honor to found a nation dedicated to individual liberty. I am saddened to report that, with regard to the right to keep and bear arms, we have not honored their most deeply held beliefs.

One of the grievances that sparked our forbearers' fight for independence stemmed from British attempts to confiscate their private arms. Despite the guarantees of the English Bill of Rights of 1689, which included the general right of all citizens to retain arms for their protection, the British attempted to disarm the North American colonists in order to solidify political control over the Colonies. In Massachusetts Bay Colony, the cradle of the Revolution, brave colonists complained repeatedly of the deprivations of their right to keep arms. These colonists were faced with the confiscation of their private arms by the British Governor, General Cage. Once the colonists were disarmed, British soldiers conducted raids and breakins, illegal searches, and mass arrests, all in order to prevent the formation of a citizen militia. As former Chief Justice Earl Warren noted:

> Among the grievous wrongs of which (the colonists) complained in the Declaration of Independence were that the King had subordinated the civil power to the military, that he had quartered troops among them in times of peace, and that through his mercenaries he had committed other cruelties. Our War of the Revolution was, in good measure, fought as a protest against standing armies. Moreover, it was fought with a civilian army, the militia, and its great Commander-in-Chief was a civilian at heart.

This experience with a governmental confiscation of arms led the colonists to protest ratification of our Constitution without a specific, written guarantee that no national govern-

ment would ever intrude upon the right of each and every citizen of the United States to keep and bear their own firearms for the defense of themselves, their families, and their property. Fully 5 of the 11 States that originally ratified the Constitution in 1789 called for an amendment relating to the right to keep and bear arms. The importance of this right is demonstrated particularly in light of the fact that there were only five State proposals for a free press amendment and only three for a free speech amendment.

Thus, as a result of their firm belief that the right to keep and bear arms was the first line of defense for a free people, the Founding Fathers guaranteed that right in the second amendment. Indeed, the fundamental importance of the second amendment to the scheme of liberty contained in the Bill or Rights was recognized by Supreme Court Justice Joseph Story when he described the right to keep and bear arms as "the palladium of the liberties of the republic."

It is ironic that today we should be debating whether Americans do have the right to own and keep firearms. The debate 200 years ago was over whether it was even necessary to include a written guarantee of what seemed to those wise men an inalienable, and undoubted, right not subject to the whims of politics or the will of legislatures. Patrick Henry, James Madison, George Mason, and their noble brethren all believed that the right of an individual to keep and bear arms was so elemental, so obvious to all men of reason and good will, that the mere recording of words could only confirm what no government had the power to deny. As Zachriah Johnson said, "The people are not to be disarmed of their weapons. They are left in full possession of them."

These great men must be disturbed in their rest as they hear their political descendants question not only the wisdom, but the very existence, of rights that they considered to be fundamental to all free peoples. Patrick Henry, discussing the relationship between an armed citizenry and individual freedom, uttered these immortal words: "Guard with jealous attention the public liberty. Suspect every one who approaches that jewel." Had we but heeded that warning, we would not need to be here today, attempting to restore liberties which the founders sought to secure through the second amendment.

The legislation before us is designed to redress a grievous wrong carried out by this body some 17 years ago: the infringement of the people's right to keep and bear arms. By acting now to restore our citizens' second amendment rights, we will be carrying on a tradition begun more than 200 years ago.

Mr. President, James Madison once warned that we should take alarm at the first experiment with our liberties. In my view, we should put an end to the most egregious experiments with the second amendment liberties of the American people by passing S. 49, the Firearms Owners Protection Act.

Thank you, Mr. President. I yield the floor.

Mr. DOLE. Mr. President, 6 years ago, the National Firearms Owners Protection Act was first introduced by Senator MCCLURE. Thanks in large part to his tireless efforts on behalf of the legislation, the Senate is finally passing this crucial bill. Senators HATCH and THURMOND have also contributed significantly over the years to building the consensus needed to secure final passage. Law-abiding gunowners, dealers, and manufacturers throughout the country owe these Senators a debt of gratitude for working so hard on their behalf to correct the abuses that have occurred under the 1968 Gun Control Act.

As Senator MCCLURE stated on the Senate floor when he first introduced his bill on October 5, 1979: "The legislation * * * is designed to carefully correct a series of abuses without fundamentally altering the law which had led to those abuses." As we proceed to a final vote on this legislation, it is well to keep those last few words or Senator MCCLURE in mind. This bill does not permit everything from mail-order gun sales to street-corner vendors peddling Saturday night specials as some have implied. The truth is this bill maintains the integrity of the 1968 act as it applies to illegal gun manufacture, sales, and purchases. What it will do is put an end to unfair and unjust enforcement practices, bordering, at times, on harrassment, undertaken against law-abiding citizens which, if anything, have diverted scarce law enforcement resources away from tracking down and prosecuting the true criminals. It is sound legislation and I am pleased to have played a role in securing its passage as Senate majority leader.

Mr. President, though we may disagree on many of the issues, I would also like to thank Senators KENNEDY and METZENBAUM for cooperating with us in proceeding to and passing this legislation in an orderly way. I would also like to thank Senator BIDEN for his help in working out the time agreement.

Finally, I would like to thank all the staff who have worked on this bill including Mike Hammond and Nancy Norell with Senator MCCLURE; Randy Rader with Senator HATCH; Steve Dillingham with Senator THURMOND; Jerry Tinker with Senator KENNEDY; Scott Green with Senator BIDEN; and Eddie Correia with Senator METZENBAUM.

Mr. HATCH. Mr. President, when Congress enacted the Gun Control Act of 1968, its intent was to reduce violent crime, not to encourage prosecutions for inadvertent infractions of the intricate, complex, and detailed complexities of the act. If we are serious about fighting violent crime, we will enact this bill swiftly. This bill strengthens penalties against violent offenses, makes it a crime for any person—not just a dealer to sell a gun knowingly to a felon—and in other ways focuses our scarce law enforcement resources on violent offenses.

As the law now stands, it lacks a definition for "engaging in the business" which allows law-abiding citizens to be convicted of a felony for selling one or two guns inherited from a family member. It has no mens rea, state of mind, requirements for many offenses, which allows persons to be convicted of a felony on the same basis as a traffic ticket.

We need to redirect our firearms enforcement efforts away from technical recordkeeping violations and toward violent crime. This bill accomplishes that and deserves our support.

I ask unanimous consent to have printed in the RECORD an article from the Wall Street Journal of Tuesday, July 9, 1985, regarding this subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 9, 1985]

ZEALOUS ENFORCERS TRIGGER RECONSIDERATION OF GUN LAW

(By David T. Hardy)

The Senate is expected to take up this week the so-called Volkmer-McClure Bill. It represents six years of effort to reform the 1968 Gun Control Act, the primary federal law affecting our 200,000 licensed firearms dealers and 80 million firearms owners and collectors. Hastily drafted at a time of national tumult, the GCA was aimed at preventing felons and other unpleasant sorts from owning guns. Along the way it required persons "engaged in the business" of dealing in guns to obtain a license, required such dealers to maintain records of sales, and imposed felony sanctions, forfeiture of firearms and other sanctions on violators.

Enforcement agencies, like most organisms, seek to grow. Over the dozen years following enactment, the one charged under the GCA grew from an IRS subunit, with 214 agents, to a full Treasury bureau—Alcohol, Tobacco and Firearms—with 1,200 agents on gun-related duties. Such explosive growth required especially impressive results. Fortunately for the bureau, the GCA opened the door to easy cases against unsuspecting person: With strict liability, even the most trivial and unintentional misstep would do.

Agents and informants had but to make a few purchases—all legal—from a collector, then charge him with having "engaged in the business" of gun dealing without a license. For variation, any technical recordkeeping error could be inflated into a felony count. The prize for originality, however, went to the agents who located persons who

had received a pardon and charged them with possession of firearms by a felon—Congress having forgotten to take account of executive clemency in defining "felon." The easy crop of arrests led to a great deal of heartburn later, when the citizens appeared before Senate committees to return the favor.

Among the dozens of cases described, a few stand out:

A Disabled veteran and Boy Scout leader who ran a small New Hampshire gun shop. A BATF informant made him a lucrative and illegal offer. Noting his auto-license number, the gun-shop owner called BATF to urge prosecution. The bureau instead arrested the gun seller, claiming that one of his firearms was technically illegal. At his trial, his chief character witness was the very sheriff who had accompanied BATF on the raid. The judge dismissed the charges and apologized on behalf of the United States.

A former Maryland policeman who, as a French national, had earned his U.S. citizenship by volunteering for the Army during the Vietnam War. He was a collector who also held a dealer's license and was prosecuted for not having logged into his dealer's records some sales from his personal gun collection. At his trial, he proved that BATF's own director had informed Congress that such a procedure was legal. The court, however, accepted the prosecution's argument that the director was wrong and that lawful intent was no defense. The collector became a convicted felon.

A couple who owned a rural New Mexico gun shop. They were charged with seven illegal sales, yet their entire inventory—in which they had invested all their savings—was confiscated. The jury found them not guilty, but the bureau moved to revoke their license. The bureau's own administrative judge ruled in their favor. Yet a year and a half later, the BATF still held their inventory—offering to return it only if they agreed not to sue for false arrest!

Nor were these cases so exceptional prior to 1981, at which point the bureau, under congressional scrutiny, began to scale back its operations. The Senate Subcommittee on the Constitution estimated in 1982 that two-thirds of federal firearms cases were at one point being brought against inadvertent and technical violators, and only 10% were being brought against felons or those who sold to them.

Volkmer-McClure (its authors are Democratic Rep. Harold Volkmer of Missouri and Republican Sen. James McClure of Idaho) takes a direct approach to these demonstrated defects. It defines felon to exclude recipients of full pardons, and dealer to exclude collectors who may make a sale incident to their hobby. For most technical violations it requires proof that the violation was willful. Firearms seized must be carefully identified and linked to a specific violation: If the owner wins acquittal the firearms must be promptly returned. These are hardly revolutionary principles; most of us probably would be surprised to find them disputed. Yet disputed they are, by interest groups that tend to see punishment of firearms owners as a social good in itself.

Although the bill restricts law enforcement, police organizations are among its most enthusiastic backers. The Fraternal Order of Police appeared before the Judiciary Committee to explain why it "strongly supports" the Volkmer-McClure bill: "Many aspects of the Gun Control Act, as it exists, are enforcement nightmares. The act outlaws, and imposes felony penalties upon, a wide range of conduct in which ordinary, honest citizens engage." The National Sheriffs' Association, in a frank statement whose theme should be inscribed on the Capitol's walls, stated: "If you have the resources to prosecute unintentional violators of the Gun Control Act, give them to our members, and we will use them instead to prosecute murderers, rapists, armed robbers, and burglars.

Can the proper needs of law enforcement be reconciled with respect for individual rights? Yes, if policy makers concentrate on details and do not paint with a broad and dangerous brush. Volkmer-McClure represents exactly the type of detail work that is needed.

Mr. DURENBERGER. Mr. President, I support S. 49, the legislation offered by my distinguished colleague from Idaho [Mr. MCCLURE].

The need for this legislation is well documented and its passage is long overdue.

The primary thrust of this bill is aimed at amending the Gun Control Act of 1968 to change its most onerous provisions and institute guarantees of gun owners' civil liberties which were omitted from the act. To understand how those guarantees were omitted, we should examine the historical background of the 1968 act.

What ultimately became the 1968 Gun Control Act originated in 1963 as a relatively modest measure to require police notification before mail-order firearm purchases. Over the following years, as the gun control controversy expanded, so did the proposed legislation. It finally came to the floor in 1968 in a politically charged atmosphere. Those who sought extensive Federal regulation of gun owners fought for registration and permit systems; those who opposed it primarily fought against these proposals. The Gun Control Act was not a coordinated piece of legislation, but a hodgepodge of proposals which neither side particularly wanted, inserted piecemeal as the legislative battle seesawed back and forth. No sooner was it enacted—as part of the Omnibus Crime Control and Safe Streets Act—than a new push was started for amending the bill.

A second piece of legislation, entitled the Gun Control Act of 1968, was passed, which amended various provisions of the first bill, making it apply to rifles and shotguns as well as pistols, creating a collectors' licensing system, amending provisions for review of license denials, and generally clouding the issue to a still greater degree.

The end result has allowed:

Entrapment of law-abiding citizens who are enticed into accidentally violating one of the technical commands of existing law. Most existing provisions do not require proof of criminal knowledge or intent, so that cases can be made on inadvertent violations.

Use of vague and undefined requirements to make cases against law-avoiding citizens. Among the worst of these is the requirement that persons "engaged in the business" of dealing in guns obtain a license. Many gun collectors have been enticed into two, three, or four gun sales out of their collection over a period of 6 months, then charged with having engaged in the business.

Abusive confiscations of these collections on the ground they were "intended to be used" in violation, and frequent refusal to return the collection even after the collector is acquitted.

Bureaucratic harassment by frequent "fishing expeditions" into dealers' records. Current law allows entry into a dealer's shop and a search of his records and inventory on the agent's whim, without warrant or probable cause.

A complete misdirection of effect. Although existing laws are aimed mainly at keeping felons from obtaining guns, only 10 percent of BATF's gun cases are against felons in possession or those selling to them. Only 4 percent of guns confiscated meets their own definition of "crime guns."

The bill would redirect the law's focus away from law-abiding Americans and increase the focus on genuine criminals.

Through procedural reforms, this bill will advance a more even balance between the constitutional rights of the law-abiding citizens, and the legitimate law enforcement efforts of the Bureau of Tobacco and Firearms [BATF] and individual States.

This legislation places procedural safeguards on the blatantly unfair practices of the BATF relating to seizure and retention of firearms. At the present time, anyone accused of a registration violation must immediately forfeit not only the improperly registered firearm, but all the guns he owns, even if the others are properly registered. This is in direct conflict with our principles of civil liberties—BATF is assuming an accused is guilty until proven innocent. Those who violate the 1968 Gun Control Act should be punished, but enforcement must be consistent with the fundamental right to due process.

S. 49 will also enhance the freedom of Minnesota's sportsmen who enjoy traveling to other States for recreational purposes. State laws that prohibit the interstate commerce of firearms and ammunition would be nullified, allowing travelers to transport unloaded and inaccessible guns across State lines. And, interstate sales of firearms would be lawful as long as the transaction complies with the legal conditions of sale in both States, making it possible for the out-of-state

hunter to replace a lost or stolen rifle under certain conditions.

This initiative will protect the rights of dealers of weapons and ammunition by specifically defining a manufacturer and his activities, and be relaxing Federal regulations with regard to innocent errors in recordkeeping.

Perhaps the provision I support the most in this bill, however, is that one which requires mandatory sentencing for persons convicted of using a firearm in the commission of a Federal crime, and makes stricter the penalties for repeat offenders. We must make it clear that anyone convicted of misusing a firearm is going to prison without exception. As most criminal justice studies demonstrate, it is the swiftness of apprehension and certainty of punishment that deters crime.

Opponents of the legislation have offered, among several amendments, one to impose a waiting period and another to ban snubbies or short-barreled handguns. The questions of what to ban or whether or not one ought to wait should be answered by State policymakers. Some States have adopted a waiting period. Others have rejected it. In April 1982, for instance, Maryland's legislature voted down an extension of its waiting period, and one of the major counties in Kentucky rejected a waiting period ordinance—Kentucky's legislature having earlier rejected a similar bill at the State level. There is no reason to override their decisions and impose a Federal statute to dictate local questions.

It is unfortunate that this bill has been misunderstood and characterized as "pro-gun." I do not view it as being pro- or anti-gun, but rather as a vehicle for protecting the rights of the law-abiding citizens while strengthening penalties for those who violate the law. The reforms set out in my colleague's legislation are necessary steps to ensure fair, efficient enforcement of the 1968 Gun Control Act. It is for this reason that I am voting in favor of S. 49.

Mr. MATTINGLY. Mr. President, I rise in support of Senate bill 49, the Federal Firearms Owners Protection Act. This legislation is similar to an amendment offered to last year's continuing resolution which I supported along with a clear majority of my colleagues. As a cosponsor of the so-called McClure-Volkmer bill in both the 97th and 98th Congresses and of this measure. I am pleased that at last the Senate will have the opportunity to vote on legislation which is designed to protect the constitutional rights of gun owners and to remove unnecessary Federal burdens and restrictions on law-abiding citizens, while protecting and advancing legitimate law enforcement efforts.

For some years now, momentum has been gathering to reduce these burdens by imposing limits on the agencies' tendency to regulate every activity. If anyone doubts the need for these limits, I suggest that he take a look at the U.S. Code and the Code of Federal Regulations. That comparison clearly demonstrates what to me is a disturbing fact—that administrative regulation far outweighs legislation in volume and in detail. This is disturbing because it is not how the system is meant to work. it is not career bureaucrats but individuals elected by the people who are charged with the responsibility of creating the rules which govern the lives of our citizens. But bureaucrats and regulators increasingly have assumed this responsibility.

Gun owners have seen the danger of agency lawmaking. In the late seventies, for example, they were nearly forced into a computerized gun registration devised by an agency. Such a scheme was clearly not the intention of Congress, for Congress had rejected such a registration plan when it enacted the law. Fortunately, the regulation did not take effect, largely because firearm owners protested vocally in some 60,000 comments opposing the rule. Those sheer numbers have something to say to us today. They say that the law-abiding, gun-owning public realizes the danger of administrative lawmaking and opposes it.

Senate bill 49 provides needed guarantees against similar incidents of regulatory overstepping in the future. It alters the existing grant of authority to a Secretary to make whatever rules he deems reasonably necessary to carry out the law. Under S. 49, regulations must be necessary as a matter of fact, not merely reasonably necessary as a matter of judgment. The deletion of the term "reasonably" narrows the boundaries of an agency's discretion, discretion which has been at times exercised in an abusive manner. The practical effect of this clarification is to ensure that regulations are necessary to carry out the terms of the law and are in fact based on the law itself. In addition, the provision ensures that such regulations represent the least restrictive method of carrying out the intent of the law. S. 49 subjects the agency rather than the law-abiding citizen to stricter liability. This is as it should be.

Earlier I mentioned the computerized registration incident. The Federal Firearms Owners Protection Act specifically states that it is the intent of Congress that no registration system be established. This in no way will thwart law enforcement's investigation of criminal cases in the future. Record turn-in requirements remain as they are under current law.

The fact is, S. 49 will enhance law enforcement. The measure codifies the Treasury's authority to get access to a dealers' records for the purpose of tracing weapons in a criminal investigation; it clearly states those classes of persons, including felons, the mentally incompetent, and drug abusers, who are prohibited from possession, receipt, transportation, or shipment of firearms; and it establishes higher penalties than those under current law for the use of a firearm in the commission of a felony.

This legislation, which has been the subject of numerous hearings and revision, is a balanced, reasoned approach to protecting citizens' constitutional rights while maintaining and furthering effective, legitimate law enforcement. I urge its adoption.

Mr. SYMMS. Mr. President, when we first considered the Gun Control Act of 1968, we were told that those localities with restrictive gun laws had less crime committed with firearms than areas with more lenient gun laws. Some of that data used to support the Gun Control Act of 1968 was deceitful. The proponents of gun control would pick a city here or a State there. The total data base was from 5 or 10 cities in a handful of States.

The same thing is happening now. We are told that gun laws work in Massachusetts, that they work in the District of Columbia, and that they work in the city of Chicago. We are not told that some of the cities cited in the past—those with less restrictive gun laws, such as Phoenix and Tuscon—are much safer than the District of Columbia or Chicago. Their homicide rates are well below half those of the cities with restrictive gun control laws. Finally, we are not told just what is meant by "gun control laws are working."

Since the 1976 adoption of the Bartley-Fox restrictive gun law, Massachusetts has gone from the 19th to the 11th most violent State. Its homicide rate has basically mirrored the rest of the region—except that handguns are involved in 34 percent of Massachusetts' homicides, they are used in only 24 percent of Maine's, 19 percent of Vermont's, and 5 percent of New Hampshire's. As you can see, all those other New England States are significantly safer than Massachusetts. Moreover, studies conducted by the U.S. Justice Department have concluded that the gun law has not worked. The law didn't change the regulation of handgun acquisition or carrying, it merely punished those carrying without a license. And the impact has been negligible in terms of punishing criminals. Fewer criminals than ever are being imprisoned for carrying a weapon. Those few who are imprisoned now are more likely to be persons without serious criminal records while the real criminals make greater use of jury trials, technical arguments against evidence, or merely free on bail.

The only impact has been to increase the number of criminal trials which involve appeals, juries, and constitutional technicalities, or the number of trials which cannot be carried out due to flight from the jurisdiction. The criminal justice process has been slowed, and an increasing number of persons guilty only of technical or inadvertant violations have been punished. The crime rate, especially street robbery involving guns, has risen dramatically in States with restrictive gun laws. For example—in Massachusetts, and particularly in Boston.

A recently completed survey of felons around the country, commissioned by the U.S. Justice Department—conducted by Professors Peter Rossi and James Wright of the University of Massachusetts—shows that Massachusetts felons are more likely to be armed than are felons in other States. They are more likely to own handguns and to carry handguns regularly. Thus, the restrictive Bartley-Fox law has certainly not disarmed the criminal. Rather, it seems to have encouraged street robbery—the type of robbery most likely to occur when citizen self-defense is impaired by law.

The Wright-Rossi survey also shows that criminals in Massachusetts are less likely to be concerned about confronting an armed victim than are felons in States where civilians have more freedom in acquiring and carrying guns, such as Arizona and Oklahoma.

The District of Columbia virtually banned handguns beginning in early 1977. The result was immediate—despite many distortions from the anti-gun crowd. Between 1976 and 1981, the murder rate rose from 26.9 per 100,000 to 35.1. With the 1982 adoption of a mandatory penalty for using a gun in a violent crime, D.C.'s homicide rate has fallen back to 28.1 in 1984. In spite of the 7 point drop, this was still a net rise of 4.5 percent while the national homicide rate is now 9 percent lower than it was in 1976. Based on these statistics, one can see that the national murder rate fell twice as fast as the District of Columbia's has, and DC's rate has only fallen since adopting a mandatory penalty for misusing guns in violent crimes.

Another example gun control proponents cite is Chicago, which imitated the District's gun freeze with an ordinance taking effect in October 1983. The distorted interpretation of the effect of that gun law has it "working" because the homicide rate fell between 1981 and 1982, the year before the gun law took effect. A closer look shows that the number of killings in Chicago rose between 1982 and 1983 and rose again between 1983 and 1984. During that time, the homicide rate nationally has continued a 4-year decline.

The general uselessness of gun laws is perhaps best shown by the overall long-term trends. Violent crime in the United States has been falling for the past 4 years—particularly gun-related violent crime—even though handgun availability has been increasing over three times as fast as the population, and even though handguns constitute a greater and greater percentage of the firearms market. Not only is the violent crime rate falling, but so is the firearms accident rate and the overall suicide rate.

In Canada, since adopting a tough gun law, the violent crime rates have been rising, and the suicide rate has been rising. I'm not sure exactly what "gun control" laws are supposed to do, but the evidence seems to associate these laws with increases in crime rates. I was under the assumption the goal was to reduce crime.

I think it's time we quit burdening the average law-abiding citizen with laws based on the pretense that criminals get their guns through regulated channels—based on the supposition that the average citizen cannot be trusted.

The average citizen can be trusted, and that is the basis of American democracy. The data clearly indicates that the average citizen does not misuse his firearm. Instead, each year, over 300,000 Americans use their handguns for protection from criminals. As demonstrated in the cities and States which have adopted restrictive "gun control" laws, the end result has been to lessen criminal concern about being shot by a potential victim and to increase the safety of streets—not for the law-abiding, but rather for the criminal.

We must not allow the Federal Government to continue hamstringing law-abiding citizens with redtape and senseless restrictions simply because these citizens exercise the constitutional right of firearms ownership for self defense, sport, hunting, or other purposes. A Federal presence with firearms must be targeted toward violent criminals. S. 49 will achieve that end and for that reason I support the bill both as a tool of better law enforcement and as a guarantee of the constitutional right to firearms ownership for American citizens.

Mr. DOMENICI. Mr. President, the Constitution guarantees to each citizen the right to keep and to bear arms. Unfortunately, the Gun Control Act of 1968 unduly and unnecessarily burdens that right, while failing to achieve its goal of ebbing the tide of violent crime. While we must keep guns out of the hands of the criminal element, we cannot do so at the expense of innocent, law-abiding citizens. The Gun Control Act of 1968 has ensnared many innocent gun dealers and owners in the technicalities of its provisions while criminals have been undeterred by it in their efforts to obtain and use firearms.

Under the 1968 act, violent crime has continued unabated, yet many honest gun owners and dealers have been branded as law breakers because of their inability to abide by the technical provisions of the act. This result was not intended by the drafters of the act. By eliminating the burdensome and unnecessary provisions of the act which infringe on the rights of honest gun owners and by toughening the provisions for willful violations of our firearms laws, we can best achieve the original intent of the drafters of the act and protect the rights of our citizens.

I have cosponsored the Federal Firearms Owners Protection Act because it protects the constitutional rights and civil liberties of law-abiding gun owners without diminishing the effectiveness of law enforcement measures against the misuse of firearms. It does this by eliminating those provisions of the 1968 act which only served to set a trap for unwary, yet otherwise honest, gun owners and dealers and by directing enforcement toward willful violations of Federal firearms law. It ensures that the rights of firearms owners are observed and increases the penalties for willful misuse of firearms. I therefore support the Federal Firearms Owners Protection Act and encourage others to do so.

Thank you, Mr. President.

Mr. QUAYLE. Mr. President, I wish to add my endorsement to S. 49, the Firearms Owners Protection Act, that Senator McCLURE has reintroduced in this 99th Congress.

The McClure-Volkmer bill was first introduced in 1979. It was in response to the need for reform of the Gun Control Act of 1968. Since 1979 the McClure-Volkmer bill has been working its way through the legislative labyrinth. During its travel through this maze, I suspect that every word of every phrase of this legislation has been studied for every conceivable meaning. In the 98th Congress this body voted on two separate occasions, 63–31 and 77–20 in favor of this legislation. I might point out that last term, the bill was reported by the Senate Judiciary Committee unanimously, something of a rare feat from that diverse group. I mention this point only to refute the recent charges that this measure is being rushed to the floor without the necessary time for analysis in committee. This legislation has stood the test of debate for the last 3 years, it has had the support of the Senate in the past, and has the support of 51 cosponsors today. In addition it is noteworthy that the bill has the full support of the firearms rights community as well as the administration.

Mr. President, recent statistics published by the FBI, State, and local law enforcement officials, show that there has been a decline in the number of crimes committed in this country. I believe that we will see additional progress made in this area with the implementation of the enforcement aspects of this bill. The sentencing provisions of this legislation will put out the notice that we are indeed serious in our commitment as a Nation to combat crime in the United States. The increased penalties make clear this commitment. This is a necessary second step since the Comprehensive Crime Control Act of 1983 laid out the foundation for our renewed effort to strengthen our criminal justice system to combat the increased crime against our people and property. Sure and certain punishment as a direct response to criminal action has shown some positive results. Last year, I was pleased to report to the people of my home State of Indiana that crime declined in the United States. Preliminary reports by the FBI for 1984 show a 3-percent decrease in crime as compared to the previous year. I would like nothing more than to be able to continue to make reports in the years to come.

Mr. President, I have one final point that I would like to make on behalf of this bill. There is a difficult balance which we are trying to achieve through these revisions in the Gun Control Act of 1968. We look to protect the rights of our citizens to be free of governmental constraints without easing our commitment to the battle against crime in this country. I believe that this bill strikes a good balance in these vital interests. Critics have focused upon the first half of this equation, suggesting that people should not have the rights afforded under this legislation. We are a country proud of our freedoms. It is this freedom which makes this country a great Nation. The citizens of this country have a right to be free in their persons and property. The fight against crime is the struggle for this freedom. I will be voting in favor of S. 49 as a vote for the protection of our freedoms.

Mr. BIDEN. Mr. President, the subject of considering changes to the 1968 Federal Gun Control Act has been a topic of much debate in the Judiciary Committee for the past several Congresses. Last year alone it took the better part of four committee meetings and 6 months to finally agree on a compromise bill that was unanimously reported by the committee. As the ranking minority member of the Judiciary Committee I believe this issue has received careful scrutiny and this bill is a product of compromise and revision.

Mr. President, in the 97th Congress when this bill was introduced, I had major concerns that it would gut many important law enforcement provisions in the 1968 Gun Control Act. It was for that reason that I raised concerns about provisions that would make it easier for convicted felons to gain access to guns and permit the interstate mail order sales of guns. The Treasury Department and some of my colleagues on both sides of the aisle raised similar concerns and there was agreement to offer substitute language to the original text of the bill. I give credit to Senator HATCH and the National Rifle Association for their willingness to compromise and develop a revised bill that would strike a fair balance between unnecessary restrictions and regulations on lawful ownership of rifles and handguns and the legitimate interests of law enforcement in carrying out their responsibilities. I believe the compromises that are now a part of this bill have resulted in a balanced piece of legislation that protects the rights of private gun owners while not infringing on law enforcement's ability to deal with those who misuse guns or violate laws.

During my 12½ years as a Member of this body, I have never believed that additional gun control or Federal registration of guns would reduce crime. I am convinced that a criminal who wants a firearm can get one through illegal, nontraceable, unregistered sources, with or without gun control. In my opinion a national register or ban of handguns would be impossible to carry out and may not result in reductions in crime.

There will be several amendments offered today that warrant close attention and I will listen to the authors' argument very carefully before deciding how I will vote. However, on the whole, I am satisfied with the revisions to the bill made in committee, and I believe this bill makes improvements to existing law.

Mr. SASSER. Mr. President, even before the ink was dry after the 1968 Gun Control Act was signed into law, many Members of Congress has second thoughts about the effects of their action.

That action amounted to a sweeping legislation attempt to curtail crime, political assassination, and social upheavals marked by extreme violence. In that climate of "Do something, do anything," firearms and the lawful owners of firearms were made scapegoats in a simplistic attempt to answer exceedingly complex human problems.

Only the citizens caught up in the maze of the 1968 Gun Control Act can adequately and persuasively convey the effect this ill-conceived law has had on their lives. Their stories poignantly reveal the end results of a vague and complex law which impacts much more on law abiding citizens who happen to own firearms than it impacts on violent criminals. This Congress must provide, by reform of the Gun Control Act of 1968, protection for scores of Americans who would otherwise fall prey to the misdirected 1968 law.

Although it was touted as a measure to curb crime, the Gun Control Act does not deal, or even purport to deal, with misuse of firearms. It is purely and simply a regulatory statute designed to control the transfer of firearms and to make each transfer a federally recorded and federally controlled transaction. That is the importance of the statute.

That significance has been lost amid all of the rhetoric about the 1968 act and its companion statutes. The Gun Control Act of 1968 is not directed at misuse of firearms, rather it is a highly technical, strict regulatory scheme that thrusts burdensome recordkeeping requirements on all who chose to legally own or engage in the business of selling firearms.

Put another way, most provisions of the Gun Control Act of 1968 deal with regulatory crimes rather than violations of a criminal, moral nature. And whenever you are dealing with regulatory crimes—a wrong only because the law says it's wrong—you will have people who have no intention of breaking the law caught up in the technical maze spawned by the Gun Control Act.

Literally anyone can inadvertently become a victim of the technical requirements of Federal gun laws. Yet any and all violations of that act are felonies, subject to criminal penalties. Under its provisions, no matter how diligently one tries to comply, an innocent technical mistake will result in a criminal record.

Try, if you will, to conjure up any other statute or regulatory law which calls for criminal penalties to be levied for a recordkeeping error. And bear in mind that under the Gun Control Act of 1968 your motives, your intent, matters little.

The Federal gun law can be likened to Government imposed speed limits, artificial numbers set by lawmakers. It doesn't matter what your motives are: if you exceed the speed limit, you have violated the law, no matter how unintentionally. At least in this instance the motorist is given signpost commands every few miles.

However, the Nation's firearms owners and dealers have not been given clear, identifiable signals governing firearms transactions. Instead, firearms owners and dealers must obey the commands of a vague, ill-defined, and arbitrary law. And unlike the motorist caught in a traffic violation, subject to a fine, a citizen charged with a recordkeeping violation under the Gun Control Act is labeled a felon for life.

Mr. President, passage of the McClure bill—S. 49 will be a step in the right direction. It will redirect the law away from a regulatory preoccupation and instead target truly violent criminals. For this reason, both the National Sheriffs Association and the Fraternal Order of Police testified in support of the bill in committee.

I urge my colleagues to join me in supporting the recommendations for change of the Gun Control Act of 1968 as contained in S. 49.

Mr. GRASSLEY. Mr. President, I want to commend the Bureau of Alcohol, Tobacco, and Firearms and the various private interest groups involved for working with us on crafting a reasonable reform to the Gun Control Act of 1968. That law had led to a number of abuses in the past by officials hostile to the right of law abiding citizens to own guns.

In the 97th Congress, I chaired four committee hearings where witness after witness revealed that they had been treated as criminals when they committed technical bookkeeping errors related to firearms. Some of these people had, in fact, been found innocent of any wrongdoing, but hostile goverment officials refused or unjustifiably delayed the return of firearms and other property seized for evidence against them.

The McClure-Volkmer bill alleviates many of the problems that exist in the present law. The bill eliminates the ban on interstate sales of firearms and thereby allows gun buyers to travel around for the best bargains. It permits gun dealers to conduct business with out-of-State residents as long as the transaction does not violate either State's laws. At the same time, this bill does not allow mail order handgun sales as some have feared. Nonlicensed persons cannot be expected to know the gun laws of every State and municipality and so the ban on interstate sales by them remains.

The gun tracing powers of the BATF are preserved and, at the same time, because of language that I commend BATF for agreeing to, the possibility of national gun or gunowner registration is forever banned without explicit congressional action.

This bill also defines "engaged in the business", which will preclude the present unwarranted prosecutions of gun collectors and hobbyists for legal gun sales.

This bill also cracks down on real criminals who use firearms while committing a felony. Unlike current law, where criminals are released through probation or parole, McClure-Volkmer imposes mandatory penalties where there is no probation or parole, nor release on any basis for the genuine gun-toting criminal.

Therefore, Mr. President, I am pleased to be a cosponsor of S. 49, and I recommend an expeditious consideration and passage of this bill.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. HATFIELD. Mr. President, the issues touching upon gun control are intensely emotional and highly political. Gun control advocates argue that studies, similar to a 1977 crime victimization report which indicated that handguns were the instruments of 10,000 murders and another 550,000 crimes of violence, point to the compelling need for stringent handgun laws. On the other hand, opponents of stricter gun laws strenuously maintain the necessity of guarding citizens' right to keep and bear arms guaranteed by the Constitution. They further argue that there is no demonstrable evidence to support the claim that stricter gun laws reduce violent crime.

For these reasons, Congress has been unsuccessful in enacting any meaningful change in the Gun Control Act of 1968, a law which has been widely criticized for punishing law abiding citizens who own, buy, or sell guns, while at the same time failing to provide the intended support to Federal, State, and local law enforcement officials in their fight against crime and violence. S. 49, under consideration by the Senate today, represents the first major effort to address reported deficiencies in the 1968 act.

For many gun dealers and owners, enactment of the 1968 Gun Control Act has imposed burdens and restrictions on their rights to sell, purchase, and hold firearms which were not intended by Congress. The evidence seems to suggest that a disproportionate number of enforcement activities have focused on gun owners and dealers who have been charged and/or prosecuted for inadvertent and often technical violations of the act. Because of widespread confusion among gun dealers, collectors, and owners about the act's definition of being engaged in the business, individuals have had their collections or inventories confiscated and have been charged for selling firearms without a license. The overwhelming majority of these people were conscientious citizens who because they did not understand that act's requirements has to pay a heavy price. Despite the fact that in many cases the charges were dropped or the person found not guilty, it was months and even years before the confiscated firearms were returned.

With passage of the 1968 act, Congress made it clear that it is not the purpose of Federal firearms laws to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession or use of firearms appropriate to the purpose of—any—lawful activity. Rather it is the purpose of such laws to provide support to Federal, State, and local law enforcement officials in their fight against crime and violence. S.49 is an attempt to bring our Nation's firearms law in compliance with that stated purpose. Basically S. 49 would:

First. Eliminate restrictions on the sale of firearms by licensees to out-of-State residents, providing the sale conforms to the laws of the States of both buyer and seller and that the transaction takes place face to face.

Second. Require that criminal intent be proved before individuals could be prosecuted for violation of Federal firearms laws.

Third. Clarify requirements for obtaining manufacturer, importer, and dealer licenses.

Fourth. Exempt ammunition dealers from the act's requirements.

Fifth. Restrict the right of inspection of licensees by Federal agents.

Sixth. Restrict the Treasury Department's authority to require licensees to submit reports based on records kept pursuant to the act.

Seventh. Prohibit the issuance of any regulations designed to create a central registry of firearms.

Eighth. Restrict the grounds for seizure for firearms involved in violations of the act.

Ninth. Provide the limited right to carry an unloaded, inaccessible firearm in interstate commerce from one State where possession is lawful to another where possession is also lawful.

Tenth. Permit dealers to sell guns at events sponsored by any national, State or local organization devoted to the lawful uses of firearms. Thus dealers would be allowed to sell guns at responsible, legitimate, organized gun shows where a Federal agent may easily visit and inspect to ensure lawful gun sales.

Eleventh. Close the present loophole in the 1968 act that prohibits the importation of "Saturday Night Specials" but allows the importation of parts for these guns.

Twelfth. Close the loophole in the National Firearms Act that allows individuals to bypass Federal restrictions on the possession of automatic weapons.

Mr. President, the high level of violent crime in our country is truly a national disgrace. It is estimated that in the United States one murder occurs every 25 minutes, one forcible rape every 7 minutes, one robbery every 59 seconds and one aggravated assault every 49 seconds. I am horrified by these statistics and am committed to supporting legislation which protects the sanctity and quality of human life. My record is clear on this fact, and I will continue in my efforts to bring an end to violence both within and between nations, races, and families.

One of the questions before the Senate today is how best to decrease

the number of handgun deaths in America. I have examined data from cities and counties which have implemented sweeping handgun control measures in an effort to reduce handgun deaths. At this time, I am not persuaded that broad handgun control legislation would provide the needed assistance to enforcement officials to reduce the number of deaths. However, I will continue to monitor all such data and reassess my position should such evidence demonstrably point to a successful reduction in handgun deaths.

Additionally, I will continue to support legislative efforts to control the proliferation of "snubbies" and "Saturday Night Specials" now menacing this country. A major study conducted by Cox News Service in 1981 found that snub-nosed guns, both cheap and expensive, domestic and foreign made, were the overwhelming weapon of choice among modern criminals. Evidence from 18 major cities indicated that two out of every three handguns used in violent crimes were handguns with barrels protruding no more than 3 inches beyond the cylinder. Furthermore, the study found that historical records show that since 1835, 10 out of 15 assassins and would-be assassins have chosen extra-small pistols in their assaults on Presidents and other political figures.

Let me also make it clear, however, that my support of legislation to restrict the production or sale of "snubbies" will be predicated on a clear and precise definition of what kind of firearms are to be controlled. I will continue to oppose any definition which is too broad and may infringe upon the public's right to own and use legitimate handguns.

Mr. President, I supported and was a cosponsor of an almost identical measure to S. 49 introduced by the distinguished Senator from Idaho during the last Congress and I will support this bill today. As I stated before, this issue is a very emotional one and I commend all Senators involved in negotiations which have led to the Senate's consideration of S. 49. In my view, the ability of the bill to address both the legitimate concerns of gun owners and the needs of our Nation's law enforcement community has been improved as a result of the tireless efforts of these individuals.●

Mr. MURKOWSKI. Mr. President, the Federal Firearms Owners Protection Act should be a turning point in the way we treat and perceive gun owners. The vast majority of gun owners, exercising their constitutional right to bear arms, are peaceful, law-abiding citizens and should be treated that way. This bill will give gun owners more freedom to enjoy our firearms without meaningless Government intrusion. At the same time this law will tighten the regulations against hardened criminals who use guns for violent acts.

In our society firearms play an important role both for recreation and for personal protection. In Alaska, other than fishing, hunting is the most popular sport. About a quarter of all Alaskans annually buy hunting licenses and most hunters use guns. The story only begins here. Guns also play a primary role of protection in Alaska's wilderness. The Alaska Department of Fish and Game advises all people who go into the "bush" to carry a sidearm.

Nationally, the reality for gun ownership is very similar to Alaska's—primarily for personal and family protection. It has been estimated that almost half of all households have a gun. The prevalent ownership of guns indicates the pervasive feeling in our country that firearms are necessary for self-protection, especially when peoples' homes and families are concerned.

The present law, pursuing meaningless technical violations as opposed to criminal misuses, focuses against gun dealers and hobbyists. The Senate Subcommittee on the Constitution has found that 75 percent of Federal firearms prosecutions are clearly aimed at ordinary citizens who have neither criminal intent nor knowledge they were breaking the law. This bill would allow the Secretary of the Treasury to revoke gun dealer licenses only for willful violations of the recordkeeping law and not permit revocation of licenses for inadvertent errors or technical mistakes.

Every violation of the 1968 Gun Control Act is a Federal felony, there are no misdemeanors and no standards of intent. The worst criminal is no different than the citizen who makes an honest mistake. As a result, there is no incentive to go after the hardened criminals when it is just as easy to make cases involving honest law/abiding citizens. The record in a series of hearings—conducted by Senator DECONCINI and former Senator Bayh—has clearly shown that the Bureau of Alcohol, Tobacco and Firearms has been preoccupied with meaningless cases to the detriment of pursuing hardened criminals.

This law provides that all persons who commit Federal crimes of violence involving a firearm would receive a mandatory sentence. Under this law there would be no possibility of probationary sentences, parole or the sentence running concurrently with the underlying offense. Rather than the current 1-to-10 year sentence, this law would mandate a sentence of at least 5 years on the first conviction and 10 years on the second.

I hope my colleagues will join us and help redirect the Federal Gun Control Act. The time has come to remove the stigma from law-abiding gun ownership and to give priority to prosecuting hardened criminals.

Mr. LEVIN. Mr. President, I will vote against S. 49 because it increases the burdens on law enforcement officials in protecting Americans from crimes committed with "Saturday Night Specials." I support the desire of proponents of S. 49 to eliminate or modify provisions in the 1968 law which place unreasonable or unfair regulatory requirements on dealers and on owners of guns. That is why I voted to table the Mathias amendment, which would have eliminated the requirement that reasonable notice be given prior to inspections.

However, the bill before goes beyond the question of inspections. In the final analysis the bill will make it easier for individuals to cross State lines, often in order to avoid laws of their own States, to purchase "Saturday Night Specials," which have no legitimate sporting purpose.

I can understand the desire of the Congress to ease excessive burdens on legitimate gun dealers. I can understand the Congress desiring to remove unnecessary impediments on the sale of rifles and long guns. But what I cannot understand is why the Congress would seek to increase the burdens on law enforcement officials by increasing the possibility that criminals will obtain "Saturday Night Specials"—for which there is only one clear purpose—a criminal purpose.

Members of the law enforcement community shared this concern. That is why they strongly supported the amendment offered by Senator KENNEDY which would have retained the existing ban on interstate sales of handguns. The International Association of Police Chiefs, the Fraternal Order of Police, and the National Black Law Enforcement Executives wrote to Members of Congress urging that current restrictions on the interstate sale of handguns be retained. According to one chief of police, lifting the current restrictions "* * * would have a devastating effect on law enforcement efforts."

The easing of these restrictions was made all the more unacceptable by the defeat of the amendment which would have provided for a 14-day waiting period for those who would purchase handguns. The waiting period was endorsed by many law enforcement organizations, including the Michigan State Troopers and the Chiefs of Police in Ann Arbor, Livonia, Warren, and Detroit, among other Michigan cities.

It is intended to keep handguns out of the hands of persons with records of violence or drug use.

Mr. President, we need to assist law enforcement officers in their effort to reduce crime. That is why I am opposing this legislation.

Mr. HATCH. Mr. President, I ask for the yeas and nays on passage of S. 49.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Has all time been yielded back?

Mr. HATCH. I yield back my time.

Mr. KENNEDY. Mr. President, I yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back.

If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is: Shall it pass? On this question, the yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER (Mr. GRAMM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 15 as follows:

[Rollcall Vote No. 142 Leg.]

YEAS—79

Abdnor	Garn	Murkowski
Andrews	Glenn	Nickles
Baucus	Goldwater	Nunn
Bentsen	Gore	Packwood
Biden	Gorton	Pressler
Bingaman	Gramm	Proxmire
Boren	Grassley	Pryor
Boschwitz	Harkin	Quayle
Bumpers	Hatch	Riegle
Burdick	Hawkins	Rockefeller
Byrd	Hecht	Roth
Chiles	Heflin	Rudman
Cochran	Heinz	Sasser
Cohen	Helms	Simpson
D'Amato	Hollings	Specter
Danforth	Humphrey	Stafford
DeConcini	Johnston	Stevens
Denton	Kassebaum	Symms
Dixon	Kasten	Thurmond
Dole	Laxalt	Trible
Domenici	Leahy	Wallop
Durenberger	Lugar	Warner
Eagleton	Mattingly	Weicker
East	McClure	Wilson
Evans	McConnell	Zorinsky
Exon	Melcher	
Ford	Mitchell	

NAYS—15

Chafee	Kennedy	Matsunaga
Cranston	Kerry	Metzenbaum
Dodd	Lautenberg	Moynihan
Hart	Levin	Pell
Inouye	Mathias	Sarbanes

NOT VOTING—6

Armstrong	Hatfield	Simon
Bradley	Long	Stennis

So the bill (S. 49), as amended, was passed as follows:

S. 49

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the rights to keep and bear arms under the second amendment to the United States Constitution; their rights to security against illegal and unreasonable searches and seizures under the fourth amendment; the protections against uncompensated taking of property, double jeopardy, and assurance of due process of law under the fifth amendment; and the rights against unconstitutional exercise of authority under the ninth and tenth amendments; require additional legislation to correct existing firearms statutes and enforcement policies. The Congress further finds that additional legislation is required to reaffirm its intent, as expressed in section 101 of title I of the Gun Control Act of 1968, that "it is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity, . . ." or "to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.".

TITLE I—AMENDMENTS TO TITLE 18, UNITED STATES CODE (18 U.S.C. (921-928))

AMENDMENTS TO SECTION 921

SEC. 101. Section 921 of title 18, United States Code, is amended—

(1) in subsection (a)(10) by deleting the words "manufacture of" and inserting in lieu thereof the words "business of manufacturing";

(2) in subsection (a)(11)(A) by deleting the words "or ammunition";

(3) in subsection (a)(12) by deleting the words "or ammunition";

(4) in subsection (a)(13) by deleting the words "or ammunition";

(5) by amending subsection (a)(20) to read as follows:

"(20) The term 'crime punishable by imprisonment for a term exceeding one year' shall not include (A) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices, or (B) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of two years or less: *Provided, however,* That what constitutes a conviction shall be determined in accordance with the law of the jurisdiction in which the proceedings were held: *Provided further,* That any conviction which has been expunged, or set aside or for which a person has been pardoned or has had his or her civil rights restored shall not be considered a conviction under the provisions of this Act, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms"; and

(6) in subsection (a) by inserting new paragraphs (21) and (22) after paragraph (20), to read as follows:

"(21) The term 'engaged in the business' means—

"(A) As applied to a manufacturer of firearms, a person who devotes time, attention, and labor to manufacturing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured.

"(B) As applied to a manufacturer of ammunition, a person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition manufactured.

"(C) As applied to a dealer in firearms, as defined in section 921(a)(1)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms. The term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or hobby, or who sells all or part of his personal collection of firearms.

"(D) As applied to a dealer in firearms, as defined in section 921(a)(11)(B), a person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit. The term shall not include a person who makes occasional repairs of firearms or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms.

"(E) As applied to an importer of firearms, a person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported.

"(F) As applied to an importer of ammunition, a person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the activity involving firearms, including the sale or other distribution of the ammunition imported.

"(22) The term 'with the principal objective of livelihood and profit' means that the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as distinguished from other intents, such as improving or liquidating a personal firearms collection.".

AMENDMENTS TO SECTION 922

SEC. 102. Section 922 of title 18, United States Code, is amended—

(1) by amending subsection (a)(1) to read as follows:

"(1) for any person (A) except a licensed importer, licensed manufacturer, or licensed dealer to engage in the business of importing, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm in interstate or foreign commerce; and (B) except a licensed importer or licensed manufacturer to engage in the business of importing or manufacturing ammunition, or in the course of such business, to ship, transport, or receive any ammunition in interstate or foreign commerce";

(2) in subsection (a)(2)—

(A) by deleting the words "or ammunition"; and

(B) by deleting the words "or licensed dealer for the sole purpose of repair or cus-

tomizing," and inserting in lieu thereof the words, "licensed dealer, or licensed collector;";

(3) by amending clause (B) of subsection (a)(3) to read as follows: "(B) shall not apply to the transportation or receipt of a firearm obtained in conformity with the provisions of subsection (b)(3) of this section,";

(4) in subsection (b)—

(A) by deleting in paragraph (2) "or ammunition" each place it appears;

(B) by deleting clause (A) in paragraph (3) and inserting in lieu thereof the following: "(A) shall not apply to the sale or delivery of any firearm to a resident of a State other than a State in which the licensee's place of business is located if the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States: *Provided, however,* That any licensed manufacturer, importer or dealer shall be presumed, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and publish ordinances of both States,";

(C) by inserting "and" before "(B)" in paragraph 3;

(D) by striking out ", and" in clause (B) of paragraph (3) and inserting in lieu thereof a semicolon;

(E) by repealing clause (C) of paragraph (3); and

(F) by deleting from paragraph (5) "or ammunition except .22 rimfire ammunition";

(5) in subsection (d)—

(A) by deleting "licensed importer, licensed manufacturer, licensed dealer, or licensed collector" the first time they appear and inserting in lieu thereof "person";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) by replacing the period in paragraph (4) with a semicolon; and

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship.";

(6) in subsection (g)—

(A) by deleting the words "is under indictment for, or who" in paragraph (1);

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802))";

(C) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship;"; and

(D) by deleting the words "to ship or transport any firearm or ammunition in interstate or foreign commerce" and inserting in lieu thereof the words "to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which had been shipped or transported in interstate or foreign commerce.";

(7) in subsection (h)—

(A) by inserting after the word "any" and before the word "person" the words "individual who to his knowledge and while being employed by any";

(B) by deleting the words "is under indictment for, or who" in paragraph (1);

(C) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawful in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who having been a citizen of the United States, has renounced his citizenship;"; and

(E) by deleting the words "to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce" and inserting in lieu thereof of the words "in the course of such employment to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce."; and

(8) by inserting after subsection (m) a new subsection to read as follows:

"(n) It shall be unlawful for any person who is under indictment for a crime punishable by imprisonment for a term exceeding one year to ship or transport in interstate or foreign commerce any firearm or ammunition or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.".

AMENDMENTS TO SECTION 923

SEC. 103. Section 923 of title 18, United States Code, is amended—

(1)(A) in subsection (a)—

(i) by deleting the words "No person shall engage in business as a firearms or ammunition importer, manufacturer, or dealer until he has filed an application with, and received a license to do so from the Secretary." and inserting in lieu thereof the words "No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary."; and

(ii) by deleting the words "and contain such information", and inserting in lieu thereof the words "and contain only that information necessary to determine eligibility for licensing.";

(B) in subsection (a)(3)(B) by deleting the words "or ammunition for firearms other than destructive devices";

(2) in subsection (b) by striking out "and contain such information", and inserting in lieu thereof "and contain only that information necessary to determine eligibility for licensing";

(3) in subsection (c) by adding at the end thereof the following: *"Provided, however,* That nothing in this chapter shall be construed to prohibit a licensed manufacturer, importer, or dealer from maintaining and disposing of a personal collection of firearms, subject only to such restrictions as apply in this chapter to dispositions by a person other than a licensed manufacturer, importer, or dealer: *Provided further,* That if any firearm is in a licensee's personal collection disposed of by a licensee within one year of its transfer from his business inventory into his personal collection or if such transfer is made for the purpose of willfully evading the restrictions placed upon licensees by this chapter, then such firearm shall be deemed part of his business inventory.";

(4) in subsection (e) by inserting before the word "violated" the word "willfully";

(5) in subsection (f)—

(A) by inserting the words "de novo" before the word "judicial" in paragraph (3);

(B) by adding the words ", whether or not such evidence was considered at the hearing held under paragraph (2)." after the words "to the proceeding" in paragraph (3); and

(C) by inserting at the end thereof the following new paragraph:

"(4) If criminal proceedings are instituted against a licensee alleging violations of this chapter or regulations promulgated thereunder, and the licensee is acquitted of such charges, or such proceedings are terminated, other than upon motion of the Government prior to trial upon such charges, the Secretary shall be absolutely barred from denying or revoking any license granted under the provisions of this chapter where such denial or revocation is based in whole or in part on the facts which form the basis of such criminal charges. No proceedings for the revocation of a license shall be instituted by the Secretary more than one year after the filing of the indictment or information.";

(6) by amending subsection (g) to read as follows:

"(g)(1) Each licensed importer, licensed manufacturer, and licensed dealer, shall maintain such records of importation, production, shipment, receipt, sale, or other disposition, of firearms at his place of business for such period, and in such form, as the Secretary may by regulations prescribe. Such importers, manufacturers and dealers shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section. The Secretary, when he has reasonable cause to believe a violation of this law has occurred, and that evidence thereof may be found on such premises may, upon demonstrating such cause before a Federal magistrate, and securing from him a warrant authorizing entry, enter during business hours the premises (including places of storage) of any licensed firearms importer, licensed manufacturer, licensed dealer, licensed collector or any licensed importer or manufacturer of ammunition, for the purposes of inspecting or examining (1) any records or documents required to be kept by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector under the provisions of this chapter or regulations issued under this chapter, and (2) any firearms or ammunition kept or stored by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector, at such premises. The Secretary may inspect or examine the inventory and records of a licensed imported, licensed manufacturer or licensed dealer without such cause or warrant, (A) in the course of a reasonable inquiry during the course of a criminal investigation of a person or persons other than the licensee; or (B) no more than once in

any twelve consecutive months, upon reasonable notice, but no criminal charges shall be brought against the licensee based upon such inspection except for willful violations of the recordkeeping requirements of this chapter or sales or other dispositions of firearms in violation of section 922(d); or (C) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation. The Secretary may inspect the inventory and records of a licensed collector without such reasonable cause or warrant (A) no more than once in any twelve consecutive month period, upon reasonable notice, but no criminal charges shall be brought against such licensee based upon such inspection except for willful violations of the recordkeeping requirements of this chapter or sales or other dispositions of firearms to prohibited persons; or (B) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation. At the election of a licensed collector, the annual inspection of records and inventory permitted under this paragraph shall be performed at the office of the Secretary designated for such inspections which is located in closest proximity to the premises where the inventory and records of such licensed collector are maintained. The inspection and examination authorized by this subsection shall not be construed as authorizing the Secretary to seize any records or other documents other than those records or documents constituting material evidence of a violation of law. If the Secretary seizes such records or documents, copies shall be provided the licensee within a reasonable time. The Secretary may make available to any Federal, State, or local law enforcement agency any information which he may obtain by reason of the provisions of this chapter with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition and he may provide information to the extent such information may be contained in the records required to be maintained by the provisions of this chapter, when so requested by any Federal, State, or local law enforcement agency.

"(2) Each licensed collector shall maintain in a bound volume the nature of which the Secretary may by regulations prescribe, records of the receipt, sale, or other disposition, of firearms. Such records shall include the name and addresses of any person to whom the collector sells or otherwise disposes of a firearm. Such collector shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section.

"(3)(A) Within thirty days of the absolute discontinuance of the business of a licensee, any records maintained by such licensee under this chapter shall be delivered to the joint custody of the Archivist of the United States and the Secretary to be stored in a records center maintained and operated by the Archivist, unless State law or local ordinance requires delivery to another authority, in which event the Archivist and the Secretary may arrange for delivery to such authority.

"(B) The Secretary shall have access to records stored under this paragraph solely for the purposes of determining from whom a licensee acquired a firearm and to whom such licensee disposed of such firearm, organizing and preserving such records, and certifying to facts on the basis of such records in any court or any administrative proceeding of the United States or of any State. The Secretary may remove such records from the record center maintained by the Archivist only in connection with proceedings in any court or any administrative proceeding of the United States or of any State.

"(C) The Archivist may promulgate regulations governing the storage, processing and servicing of records stored under this paragraph: *Provided,* That no such regulations may restrict the authority of the Secretary under this paragraph to have access to or to remove such records.

"(D) Notwithstanding any other provision of law, the Archivist shall dispose of records kept by licensed dealers and licensed collectors, and records relating to the disposition of firearms kept by manufacturers and importers, and stored under this paragraph twenty years after such records are received by the Archivist and the Secretary.

"(4)(A) Each licensee shall, when required by letter issued by the Secretary, and until notified to the contrary in writing by the Secretary, submit on a form specified by the Secretary, for the periods and at the times specified in such letter, all record information required by this chapter or such lesser record information as the Secretary in his letter may specify.

"(B) The Secretary may authorize the information to be submitted in a manner other than that prescribed in subparagraph (A) of this paragraph when it is shown by a licensee that an alternate method of reporting is reasonably necessary and will not unduly hinder the effective administration of this chapter.

"(C) No warrant shall issue nor shall any criminal charges be brought against the licensee based solely upon information provided pursuant to the provisions of this paragraph.

"(5)(A) Each licensee shall prepare a report of multiple sales or other disposition whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person. The report shall be prepared on a form specified by the Secretary and forwarded to the office specified thereon not later than the close of business on the day that the multiple sale or other disposition occurs.

"(B) Ten years after receiving any report submitted under subparagraph (A) of this paragraph, the Secretary shall deliver such report to the joint custody of the Archivist of the United States and the Secretary to be stored in a records center maintained and operated by the Archivist, subject to the provisions of section 923(g)(3) (B) and (C) of this title. Notwithstanding any other provision of law, the Archivist shall dispose of records stored under this subparagraph ten years after such records are received by the Archivist and the Secretary.

"(C) No record, form, or information delivered, submitted, or forwarded pursuant to this paragraph or paragraph (3) or (4) of this subsection may be kept by the Secretary at a centralized location, nor shall it be entered into a computer for storage or retrieval."; and

(7) by amending subsection (j) to read as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer may, under regulations prescribed by the Secretary, conduct business temporarily at a location other than the location specified on the license if such temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use or other sporting use of firearms in the community, and such location is in the State which is specified on the license. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or other disposition and shall be entered in the permanent records of the licensee and retained on the location specified on the license. Nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle. Notwithstanding the provisions of subsection (a) of this section, a separate fee shall not be required of a licensee with respect to business conducted under this subsection. Except for records directly related to receipts, sales, or other dispositions of firearms made at the temporary premises within the period of time the licensed importer, licensed manufacturer, or licensed dealer conducted the business of which such receipts, sales, or other dispositions were a part, nothing in this subsection shall be construed to authorize the Secretary to inspect or examine the inventory or records of a licensed importer, licensed manufacturer, or licensed dealer at any location other than the location specified on the license. Nothing in this subsection shall be construed to diminish in any manner any right to display, sell or otherwise dispose of firearms or ammunition which is in effect prior to the date of enactment of the Act entitled 'An Act to protect firearms owners' constitutional rights, civil liberties, and rights to privacy'.".

AMENDMENTS TO SECTION 924

SEC. 104. Section 924 of title 18, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1) Whoever—

"(A) other than a licensed dealer, licensed importer, licensed manufacturer, or licensed collector knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under the provisions of this chapter;

"(B) knowingly makes any false statement or representation in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(C) knowingly violates subsections (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922;

"(D) knowingly imports or brings into the United States or any possession thereof any firearms or ammunition in violation of section 922(l);

"(E) knowingly violates any provision of this section; or

"(F) willfully violates any other provision of this chapter.

shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statememt or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922,

shall be fined not more than $1,000, or imprisoned not more than one year, or both, and shall become eligible for parole as the Board of Parole shall determine.".

(2) by amending subsection (c) to read as follows:

"(c)(1) Whoever, during and in relation to any felony, described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), of section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or any crime of violence, including a crime of violence which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, for which he may be prosecuted in a court of the United States, uses a firearm, or carries a firearm in furtherance of any such crime of violence, shall, in addition to the punishment provided for such felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.) the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or crime of violence, be sentenced to imprisonment of a term of five years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to imprisonment for a term of ten years. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person convicted of a violation of this subsection, nor shall the term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment including that imposed for the felony described in the Controlled Substances Act (21 U.S.C. 801), the Controlled Substances Import and Export Act (21 U.S.C. 951), or section 1 of the Act of September 15, 1988 (94 Stat. 1159; 21 U.S.C. 855a), or crime of violence in which the firearm was used or carried. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein: *Provided,* That no person shall be sentenced under this subsection if he establishes to the satisfaction of the court that the use of the firearm was to protect his person or the person of another from perceived immediate danger, other than the danger which was the direct result of the commission of or attempt to commit a felony by either such person, and the court finds that the perceived immediate danger was so perceived in good faith and that a sentence under this section would constitute a severe and substantial miscarriage of justice. The court must provide in writing each finding of fact and law necessary to establish the applicability of this proviso.

"(2) For purposes of this subsection the term 'crime of violence' means an offense that is a felony and—

"(A) has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(B) that by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

(3) by amending subsection (d) to read as follows:

"(d)(1) Any firearm or ammunition involved in or used in any knowing violation of subsection (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l), or knowing violation of section 924, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, or any firearm of ammunition intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter: *Provided,* That upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within one hundred and twenty days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under the provisions of this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under the provisions of this chapter, the court, when it finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of this chapter or any rule or regulation issued thereunder, or any other criminal law of the United States, or as intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture, and disposition.".

"(3) The offenses referred to in paragraph (1) and (2)(C) of this subsection are—

"(A) any crime of violence, as that term is defined in section 924(c)(2) of this title;

"(B) any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

"(C) any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title, where the firearm or ammunition intended to be used in any such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title;

"(D) any offense described in section 922(d) of this title where the firearm or ammunition is intended to be used in such offense by the transferor of such firearm or ammunition;

"(E) any offense described in section 922(i), 922(j), 922(l), 922(n), or 924(b) of this title; and

"(F) any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition.".

AMENDMENTS TO SECTION 925

SEC. 105. Section 925 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by deleting the words "has been convicted of a crime punishable by imprisonment for a term exceeding one year (other than a crime involving the use of a firearm or other weapon or a violation of this chapter or of the National Firearms Act)" and inserting in lieu thereof the words "is prohibited from possessing, shipping, transporting, or receiving firearms or ammunition";

(B) by inserting the word "transportation" after the word "shipment";

(C) by deleting the words "and incurred by reason of such conviction,", and

(D) by adding after the words "the public interest." the words "Any person whose application for relief from disabilities is denied by the Secretary may file a petition with the United States district court for the district in which he resides for a judicial review of such denial. In a proceeding conducted under this subsection, the scope of judicial review shall be governed by section 706 of title 5, United States Code. The court may in its discretion admit additional evidence where failure to do so would result in a miscarriage of justice."; and

(2) in subsection (d)—

(A) by deleting the words "may authorize" and inserting in lieu thereof the words "shall authorize";

(B) by deleting the words "the person importing or bringing in the firearm or ammunition establishes to the satisfaction of the Secretary that"; and

(C) by inserting before the semicolon in paragraph (3) the following: ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled"; and

(D) by deleting the words "may permit" and inserting in lieu thereof the words "shall permit".

AMENDMENTS TO SECTION 926

SEC. 106. Section 926 of title 18, United States Code, is amended by—

(1) inserting "(a)" before "The Secretary" the first place it appears;

(2) inserting the word "only" after the word "prescribe";

(3) deleting the words "as he deems reasonable" and inserting in lieu thereof the words "as are";

(4) deleting the words "The Secretary shall give reasonable public notice, and afford interested parties opportunity for hearing, prior to prescribing such rules and regulations" and inserting in lieu thereof the words: "*Provided,* That no such rule or regulation promulgated after the effective date of this Act may require that records required to be maintained under this chapter or any portion of the contents of such records, be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or any political subdivision thereof, nor that any system of registration of firearms, firearms owners, or firearms transactions or dispositions be established: *Provided further,* That nothing

in this section shall be deemed to expand or restrict the Secretary's authority to inquire into the disposition of one or more firearms pursuant to a criminal investigation."; and

(5) inserting at the end thereof the following:

"(b) The Secretary shall give not less than ninety days public notice, and shall afford interested parties opportunity for hearing, prior to prescribing such rules and regulations.

"(c) The Secretary shall not prescribe regulations that require purchasers of black powder under the exemption provided in section 845(a)(5) of title 18, United States Code, to complete affidavits or forms attesting to that exemption.".

TRANSPORTATION OF FIREARMS

SEC. 107. (a) Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation promulgated by any State or political subdivision thereof.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

EFFECTIVE DATE

SEC. 108. (1) All amendments (including any repeals) made by this Act shall become effective one hundred and eighty days after the date of enactment of this Act. At that time the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United States Code, as amended by this Act. All amendments to such State laws and published ordinances as contained in the aforementioned compilation shall be published in the Federal Register, revised annually, and furnished to each person licensed under chapter 44 of title 18, United States Code, as amended by this Act.

(2) The provisions of section 103(5)(C), 104(2), 105, and 107 of this Act shall be applicable to any action, petition, or appellate proceeding pending on the effective date of this Act. In considering any petitions for Presidential pardons submitted by persons convicted of violations of chapter 44 of title 18, United States Code, prior to the effective date of this Act, the Congress recommends that consideration be given to whether the violation would have been punishable under this Act, and to the purposes and findings contained in the preamble thereto.

TITLE II—AMENDMENTS TO TITLE VII OF THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SEC. 201. Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (sections 1201, 1202, and 1203 of the appendix to title 18, United States Code) is hereby amended to read as follows:

"SEC. 1201. (a) In the case of a person who violates section 922(g) of title 18, United States Code, and who has three previous convictions by any court referred to in section 922(g)(1) of title 18, United States Code, for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not less than fifteen years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g) of title 18, United States Code, and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(b) As used in this title—

"(1) 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily injury; and

"(2) 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is property of another with intent to engage in conduct constituting a Federal or State offense.".

Mr. HATCH. Mr. President, at the conclusion of this historic debate, I pause to express my deep appreciation to those who have been key to this bill to protect vital second amendment rights. First and foremost has to be Senator MCCLURE, who is the author of the bill, who has worked many hours, days, months, and years to bring about these second amendment right protections. Without him, we would not have had the bill on the floor, and I personally express my appreciation and my esteem for my colleague from Idaho. Senator THURMOND, who devoted tireless hours to hearings and markups in the Judiciary Committee, made this debate possible, and I think he deserves a great deal of credit. Senator DOLE was key to the consideration in the Judiciary Committee last year and scheduled it as majority leader this year. I personally very much appreciate his work. Others in the Judiciary Committee were essential to this debate. For instance, Senators KENNEDY, BIDEN, LAXALT, EAST, GRASSLEY, and others.

On the House side, we owe our thanks to Congressman HAROLD VOLKMER, who has for years championed this bill. We appreciate the work he has done, and we hope he feels good about this action today.

We received great assistance from the Reagan administration and the President himself. In particular, we should commend Deputy Assistant Secretary of the Treasury, Ed Stevenson, and general counsel at BATF, Jack Patterson.

Finally, I think we would be remiss to overlook those competent Senate staff members who have devoted years to amending and mastering our complex Federal firearms laws:

Steve Dillingham, with Senator THURMOND; Scott Green, with Senator BIDEN; Mike Hammond and Nancy Norell with Senator MCCLURE; Ed Correia, with Senator METZENBAUM, Sheila Bair, with Senator DOLE, and last, but not least, my own staffer who has devoted so many hours and so much time and effort and expertise to this, Randy Rader. I personally thank him and express my appreciation for the support he has given me on this bill.

Mr. THURMOND. Mr. President, I am very pleased that this legislation has finally passed. It has been hanging around for several years. Senator MCCLURE introduced this bill. We held hearings in the Judiciary Committee and finally reported it out several years ago, but it never did pass the Congress. I commend him as the author of this bill for the hard work he has done in connection with it.

I should also like to commend the able Senator from Utah, the member of the Judiciary Committee whom I appointed to handle this bill on the floor of the Senate, for the skilled manner in which he has handled it. He is an able legislator and did a fine job.

I wish to also express my appreciation to our able majority leader for scheduling this bill and the excellent cooperation he has given in connection with it.

The Judiciary Committee, I think, is to be commended, various members whose names I will not take time to call. The administration is to be commended and others who had a part in it. I think we have a splendid piece of legislation, and I hope it passes the entire Congress.

Mr. MCCLURE. Mr. President, I know that what I am about to say will be repetitious of what has been said by the distinguished floor manager of the bill, but I cannot help but add my own words of appreciation to those who have made it possible for us to get to the point of passage of this legislation.

Congress, in 1968, passed what was then known as the 1968 Gun Control Act. As I said in my remarks earlier, the title itself says what is wrong with it because it focused attention on the object rather than the misuse of the object.

This bill today is indeed a firearm owner's protection act, but it is also a crime control bill, not a gun control bill.

I wish to thank the distinguished Senator from South Carolina, the chairman of the Judiciary Committee [Mr. THURMOND], for his help not just today, not just this year but over the last 2 or 3 years as we worked to get this bill through the committee to the point where we could bring it to the floor where, as has been demonstrated today, it has overwhelming support. I, too, thank my distinguished colleague from Utah, the floor manager of the bill, a member of the Judiciary Committee without whose help it would have been impossible to get to this point.

There are several parts of the bill that have his stamp on them. He has improved the bill as a result of amendments he offered in the Judiciary Committee last year which we were able to work out and integrate into the bill which I had proposed earlier.

Also, I thank the distinguished majority leader, without whose assistance this measure would not have been on the floor today for consideration. We have sought this opportunity for a long time, and with his help we have received that opportunity.

While we are talking about those who are deserving of thanks, I want to add my thanks to Ed Stevenson, of the Treasury Department and Jack Patterson with the BATF, because they have been very helpful and steadfast in that help in getting us to this point.

I should like to add to the list of those who have been thanked on the staff—and I join in the thanks Senator HATCH has expressed to the committee staff members—my own personal staff: Mike Hamm and Nancy Norell, who have worked with me for many years on this particular issue.

Also, there are some outside individuals and organizations that deserve some commendation, and it is difficult to know where to start. In writing down my list of those to thank, I decided that the best way I could do it was to do it alphabetically and therefore run the risk of offending everyone rather than just one or two. But without the help of these organizations, we would not have gotten to the point we are at today.

The Citizens for the Right to Keep and Bear Arms, John Snyder; the Firearm Hard Core, with Neil Knox, a former member of the staff of NRA; the Gunowners of America, with Larry Pratt. The National Rifle Association, with its former executive vice president, Harlan Carter, who in the past gave us invaluable assistance, and its current executive vice president, Ray Arnett.

I know that much will be written about this bill and the vote today, and there will be a lot of talk about the success of the gun lobby. With due respect to the organizations I have just listed, they would be the first to say that, while their contributions were important, the real strength did not lie in a Washington lobby. It lies in the grassroots of America. It lies with the millions of Americans who own firearms and cherish the right to own firearms, as well as the millions of Americans who believe that the second amendment to the Constitution of the United States means what they believe it to say—that the Constitution guarantees to all citizens the right to keep and bear arms. It is to those millions of Americans across this land, who have let their Senators know where they stand on the issue, that the victory today belongs.

I very much appreciate the steadfast support we have had and that I have had personally over the many years it has taken us to get to this point.

Mr. DOLE. Mr. President, I will not take much time of the Senate, but I want to express my thanks to the distinguished chairman of the committee, Senator THURMOND, and to the cosponsors of the bill, the Senator from Utah [Mr. HATCH] and the Senator from Idaho [Mr. MCCLURE].

I recall discussing this matter less than 30 days ago with the Senator from Idaho, the Senator from Utah, and the Senator from South Carolina in my office and deciding that it was probably time to face up to this issue.

I believe that the overwhelming bipartisan vote indicates the support this bill has had for probably longer than we would like to think about.

I must say that without the cooperation of Senators on both sides of the aisle who may have voted against final passage but, nonetheless, voted to give us a time agreement, and such organizations as Handgun Control, Inc., who worked with us to get time agreements on certain areas, we probably could have spent several days or a week or longer on this measure.

It is an effort that involved many Senators, including the distinguished Senator from Massachusetts [Mr. KENNEDY], who has a different final view but was willing, with the Senator from Ohio [Mr. METZENBAUM] and others, to let us proceed.

Mr. MCCLURE. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. MCCLURE. I had intended to include a remark, a portion of which the distinguished majority leader just made, to make a public note of thanks to Senator KENNEDY. Although he has a different view of what the legislation should be, he was a perfect gentleman at every stage and was very helpful in getting us to the point where we could act on the measure. I appreciate that, and I would be remiss if I had not noted it.

Mr. DOLE. I underscore the cooperation we have had. The distinguished minority leader has been most helpful. We took care of a number of amendments on this bill prior to the recess, thanks to the minority leader, who worked that out for us, and we were able to complete it today.

We have spent a number of hours on this bill, but it is very important legislation, and I believe there should be a clear signal to the House that there is strong bipartisan support. The 79-to-15 vote will indicate that there is a significant majority on each side of the aisle in support of this legislation. I urge my House colleagues not only to look at the vote, but also to look at the debate. There were a number of outstanding debates on this measure during the session today and prior to the recess.

So I am very thankful to my colleagues for asking me to push this legislation. We were pleased to schedule it. It has been a long time coming.

Again, I congratulate the managers of the bill, Senator MCCLURE and Senator HATCH, and the distinguished chairman of the committee, Senator THURMOND, as well as all the staff who worked on it. We sometimes overlook the staff. We recognize each individual and appreciate their assistance.

DAVID STOCKMAN

Mr. DOMENICI. Mr. President, I rise to note the departure of the Director of the Office of Management and Budget, David Stockman, announced earlier today.

Obviously, he will serve the country and the President until the August recess. But today he formally announced that he will be leaving.

I have had the privilege of working very closely with Dave Stockman during what I consider to be his extraordinary term of office. He has served as Director of OMB longer than any person before him. The average term of office for an OMB Director has been about 18 months. Dave has served almost 5 years.

He has brought a great resurgence in the effectiveness of that office or agency during his term.

Frankly, seeing his workload and what he has had to do and what he has had to take, I think I understand why previous OMB Directors have served on average 18 months or less.

I believe that one can say without any fear of contradiction that Dave Stockman has done more to educate America, to educate Congress, and, yes, to educate the administration about the realities of Federal spending than any other man in history.

He brought to his job some very unique credentials, a combination of practical and analytical abilities that I believe have made him absolutely invaluable.

That does not mean that he has always recommended things that I approve of. It does not mean that he is not without controversy. But I actually believe that there can be little controversy about the fact that he knows what he is doing and he has been an excellent public servant.

I frankly believe without his work, his dedication, and his tireless devotion to his job, we would have made far less progress in our efforts to slow Federal spending and to educate Congress and the American people on the severe and serious dangers of spending money that comes to us from our people and represents their vital, sincere, and meaningful activities of life and to spend those for almost every-

thing without limit to the point where, instead of being free, we have grown dependent almost to the point where no one is willing to do with less if that comes from the benevolent Federal Government.

Since I have worked closely with him for the past 5 years, I think I can say that without him many of the President's fiscal policies simply would not have materialized.

I know of no one who has the depth of comprehension, the grasp of Federal spending and of the Federal budget as Dave Stockman.

I am constantly amazed by his knowledge and his uncanny ability to analyze the intricacies of the thousands of Federal programs that are now on the registry and part of the inventory of activities of our National Government. I think I can say that in the last 5 years I have seen him explain programs which had previously been totally misunderstood, almost to the amazement of Senators and staffers who have listened and on some occasions where they have been on the committee of jurisidiction for the different programs for as long as 5, 6, and 10 years.

In addition, he has combined his knowledge of the small and microscopic parts of the budget with a sound understanding of the much larger picture of the impact of Federal spending and taxing policies on our entire economy. He has been a great help to me in all of our negotiations during the years and I wish him well in the future.

He will indeed be a tough act to follow. I think the administration will sorely miss him. I only hope—because my concern is about fiscal policy as it affects all our people—that whoever follows will indeed do as well as he in terms of understanding what this National Government's programs are all about and be able to explain them carefully and lucidly to anyone that would care to hear.

I repeat, I do not stand here today in praise of Dave Stockman, indicating that I agree with him on everything. I am sure the President has not agreed with him on everything. Sometimes I think maybe the President should have agreed with him on more things, but, nonetheless, that is for them to decide and he works for the President and has done a good job.

But overall I think he has set a high standard for that office. It will be very difficult in the years to come to find someone who can live up to that standard. In that respect, I hope his successor understands the nature of that job, not only with reference to its complexity but to the nature of the man that he succeeds.

Mr. President, I yield the floor.

I understand the distinguished majority leader will return shortly. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY CUTS

Mr. RIEGLE. Mr. President, I just want to comment briefly, if I may, on the news coming out of the White House meeting this afternoon that cuts in Social Security that have been proposed are no longer on the table for negotiation in the effort to reduce the Federal budget. That is wonderful news for the retirees and senior citizens in this country.

There has been no justification for trying to cut the cost-of-living adjustments for senior citizens. The Social Security Trust Fund is in sound financial shape. A promise was made in the last election by the President, when he was running, that there would be no cuts in Social Security. And so the news that the Social Security proposed cuts are off the table is very good news.

All of those who have been involved in the fight on the Senate side here on this side of the aisle, the minority leader and others on the Budget Committee with myself who have fought very hard to protect Social Security, feel some very considerable sense of victory tonight with that news.

I hope now we can move on and find a package solution to the budget deficit problem, and hopefully before David Stockman leaves office. I think time is short for us to come up with a deficit reduction package. If it should continue to drift along until he leaves and a new person has to be brought in as Director of Management and Budget, I think it will make the job more difficult.

So I hope now that we could move with a new sense of urgency, now that Social Security has been set to the side, to deal with the remaining issues, come up with the best package we can, reduce the deficit as much as possible and reach that compromise, report it out, bring it back to the House and Senate and try to have that matter resolved before we leave early in the month of August. I think it is feasible to do that if we make that our No. 1 priority, and I hope that we would.

Mr. DOMENICI. Mr. President, I would not have even been here to have heard the news of what is on and off the table at the budget conference had it not been an accident of my being here. But from what I understand, just so we will have the record straight, TIP O'NEILL said it is off the table, JIM WRIGHT has said it is off the table, and the distinguished minority leader of the U.S. Senate, ROBERT BYRD, of West Virginia, said it is off the table. I think that is the record. In the case of one of the three, it has been off the table from the beginning. In the case of two from the House, it was maybe on the table until a couple of weeks ago, but it has been off since then.

So while my friend from Michigan thinks there is rather some explicit news, I do not think it is any different than where we were a couple of weeks ago in the case of two of those that he speaks for, and in the case of another it is no different than we have had for 2 or 3 months.

We are still in the process of trying to get a budget. If we are going to take $33 billion off the table, we have got to find $33 billion somewhere else. If we take just Social Security—it is $21 billion—we have to find $21 billion somewhere else. So I think we are still in that position. I do not think things have changed.

Mr. RIEGLE. Mr. President, let me just respond to the Senator from New Mexico and say that my understanding of the report I received from the White House meeting was that indeed the three individuals that he cited said it was off the table, but also that David Stockman then said obviously it was off the table, and then there was no dissent to that view, I am told, from the President or from the majority leader or anybody else.

So if there is something that somebody can add that would indicate that that is not the case, it would be well to have it on the record. But the report that I have been given is that that is what took place at the meeting.

Mr. DOMENICI. Let me just say to my friend from Michigan, when you are going to put something on the record you have to know what you are talking about and since I was not there and I have heard three or four different explanations, I cannot clarify the record.

I just heard the distinguished majority leader, who was there, say it was still on the table; that we had to find the savings for it and the House had no way to give us the savings, that they had no offer of how you would get the savings that were in this budget and, therefore, it was still on the table.

David Stockman is not available. I tried to call him a while ago to ask him about his retirement and he is en route home, so I cannot confer with him.

I do not care to bother the President about a private meeting he had, so I cannot clarify the record.

All I know is when I go to conference tomorrow we will see what the House has to offer and whatever they would like to take off the table I am anxiously awaiting to see what they

will be putting back in its place. If they want to take that and some other things off and want to say we will cut something else, we will retain something else, I assure you and those who are worried about the deficit in the House that I anxiously await their offer.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. I am reminded of the poem about the six blind men of Indostan. The distinguished Presiding Officer will probably remember that while the six blind men felt the same elephant, they all pictured it differently—one thought it was like a fan; one thought it was like a rope; one thought it was like a tree, and so on, and so on.

So I guess I have to say that I think both Senators are right—each in his own light—as to interpretations of the White House meeting. The distinguished Senator from New Mexico is correct when he said that the minority leader of the Senate had taken the position that Social Security was off the table and it had never been on the table as far as the minority leader is concerned. When he said that he had heard that the Speaker had said it was "off the table," and the majority leader in the House said it was "off the table," I think that is accurate. I think the Senator was also accurate in indicating that neither the distinguished majority leader of the Senate nor the President himself had said it was "off the table." I think the distinguished Senator from Michigan is also accurate when he said he had been told that the OMB Director, Mr. Stockman, conceded that Social Security was off the table. As I remember, that is correct. The OMB Director, after having heard the Speaker [Mr. WRIGHT] and the minority leader of the Senate, I think conceded—and I think he said he conceded—that "Social Security is off the table." So I do not see anything in the statements of either of the two kind Senators that is inaccurate as far as I am concerned. I think I will leave it like it is.

Mr. DOMENICI. I thank my good friend.

Mr. RIEGLE. I thank the Senator.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE CALENDAR

Mr. DOLE. I would like to inquire of the minority leader if he is in the position to pass any or all of the following calendar items: Calendar No. 186, Calendar No. 190, Calendar No. 211, and Calendar No. 213.

Mr. BYRD. Mr. President, all of the calendar items enumerated by the distinguished majority leader have been cleared on this side of the aisle.

Mr. DOLE. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc, agreed to en bloc, and that all amendments and preambles be considered and adopted en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION OF PAPERWORK ASSOCIATED WITH THE OUTER CONTINENTAL SHELF LANDS ACT

The Senate proceeded to consider the bill (S. 1068) to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be referred to as the "OCS Paperwork and Reporting Act".

SEC. 2. (a) Section 15(1) of the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1343(1)), is amended by—

(1) adding the word "and" after "activities;" in paragraph (C);

(2) deleting paragraph (D); and

(3) redesignating paragraph (E) as paragraph (D).

(b) Title VI of the Outer Continental Shelf Lands Act Amendments of 1978 is amended by deleting section 601 (43 U.S.C. 1861).

(c) Title VI of the Outer Continental Shelf Lands Act Amendments of 1978 is amended by deleting section 606 (43 U.S.C. 1865) and inserting in lieu thereof the following:

"INVESTIGATION OF RESERVES OF OIL AND GAS IN OUTER CONTINENTAL SHELF

"SEC. 606. The Secretary of the Interior shall conduct a continuing investigation to determine an estimate of the total discovered crude oil and natural gas reserves by fields (including proved and indicated reserves) and undiscovered crude oil and natural gas resources (including hypothetical and speculative resources) of the Outer Continental Shelf.

"The Secretary of the Interior shall provide a biennial report to Congress on June 30 of every odd numbered year on the results of such investigation.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

VALIDATION OF CONTRACTUAL RELATIONSHIPS BETWEEN THE UNITED STATES AND VARIOUS NON-FEDERAL ENTITIES

The Senate proceeded to consider the bill (S. 953) to validate contractual relationships between the United States and various non-Federal entities, which had been reported from the Committee on Energy and Natural Resources, with an amendment:

On page 1, strike line 6, through and including line 1 on page 2, and insert the following:

"U.S.C. 803(e) by deleting 'Commission' and inserting in lieu thereof 'Commission' ".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Power Act (Act of June 10, 1920, 41 Stat. 1063; 16 U.S.C. 791a et seq., and Acts amendatory thereof and supplementary thereto) is amended in section 10(e) (16 *U.S.C. 803(e)) by deleting "Commission." and inserting in lieu thereof "Commission: Provided, however, That no charge shall be assessed* in those cases where the United States has heretofore entered into a contract with a licensee which provides that the licensee may build and own powerplants utilizing irrigation facilities constructed by the United States and which further provides that all revenues from such powerplants and from the use, sale, or the disposal of power therefrom shall be and remain the property of the licensee.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONDEMNING THE PASSAGE OF RESOLUTION 3379 IN THE UNITED NATIONS GENERAL ASSEMBLY

The Senate proceeded to consider the bill (S.J. Res. 98) condemning the passage of resolution 3379 in the United Nations General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations, which had been reported from the Committee on Foreign Relations, with an amendment to strike out all after the resolving clause, and insert new language.

Mr. D'AMATO. Mr. President, I rise today on behalf of Senate Joint Resolution 98, a resolution condemning an event which occurred 10 years ago. On November 10, 1975, the United Nations, passed a resolution equating Zionism, the doctrine that Jews have a right to political self-determination in a territorial homeland of their own, with racism and discrimination. Senate Joint Resolution 98 strongly condemns this action of the United Nations General Assembly and calls upon the parliaments of all countries which value freedom and democracy

to repudiate this shameful U.N. resolution.

It is not surprising that the United Nations is criticized for lacking integrity. UNGA Resolution 3379 on Zionism not only singles out for slanderous attack the national movement which gave birth to the State of Israel, but acts as a catalyst for anti-Semitism around the globe. The most striking example of the effect of the U.N. resolution is the Soviet Union's persecution and harassment of its Jewish population. Teachers of Hebrew are severely punished and the number of Jews allowed to emigrate has dropped to a mere trickle. This U.N. resolution is simply unfounded in any reality. Israel and the Jewish people have consistantly displayed their respect and affection for all races and all creeds. Jewish philanthropies are world renown for there generosity; just recently, the people of Israel selflessly opened their arms to the thousands of black Ethiopian Jews who fled starvation and persecution of the Mengistu regime.

The claim of resolution 3379 is false and is a vicious attack on the Jewish people and the nation of Israel. Ironically, the very racism which resolution 3379 purports to preclude, it actually supports. Anti-Semitism is one of the oldest and widely practiced forms of racism in the world. This racism took the lives of over 6 million Jews in Nazi-Europe just 40 short years ago. We must ensure that such racism does not exist in the United Nations.

Unfortunately, UNGA Resolution 3379 was neither the beginning nor the end of a campaign by several United Nations' members to undermine the nation of Israel. Earlier this year, it took a U.S. veto to defeat a U.N. Security Council vote to condemn Israel once again. The purpose of the United Nations was corrupted with passage of UNGA Resolution 3379. Instead of the United Nation being an arena for peaceful solutions to international problems, it has demonstrated that it is a forum where international tensions and crises are created.

Senate Joint Resolution 98 cannot erase the tragedy of 10 years ago. It can, however, rally the opinion of this nation which prides itself on racial and ethnic equality and opportunity and, in turn, rally world opinion. Although we are only one vote in the United Nations, I believe we should make a concerted effort to reverse UNGA Resolution 3379.

Mr. President, I want to thank my good friends and colleagues who have sponsored this resolution with me, and I especially thank Senators LUGAR and PELL for their assistance with this resolution in the Senate Foreign Relations Committee. I ask that this bill be passed by the Senate.

Thank you, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The joint resolution was engrossed, ordered to a third reading, read the third time, and passed.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The joint resolution, as amended, and the preamble, as amended, are as follows:

Whereas, on November 10, 1975, the thirtieth session of the United Nations General Assembly adopted Resolution 3379 which sought to legitimize the lie, first perpetrated at the United Nations General Assembly by representatives of the Union of Socialist Soviet Republics in 1963, that Zionism is a form of racism; and

Whereas Resolution 3379 of the thirtieth United Nations General Assembly directly contravenes the most basic principles and purposes of the United Nations Charter and undermines universal human rights values and principles; and

Whereas that infamous resolution threatens directly the integrity and legitimacy of a member state by singling out for slanderous attack the national movement which gave birth to the State of Israel; and

Whereas the adoption of Resolution 3379 by the thirtieth United Nations General Assembly constituted one of that organization's darkest moments and may fuel the flames of antisemitism and anti-Zionism; and

Whereas the United States Congress sharply condemned the passage of Resolution 3379 ten years ago "in that said resolution encourages antisemitism by wrongly associating and equating Zionism with racism": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) soundly denounces and condemns any linkage between Zionism and racism;

(2) considers UNGA Resolution 3379 to be a permanent smear upon the reputation of the United Nations and to be totally inconsistent with that organization's declared purposes and principles;

(3) unequivocally states that the premise of UNGA Resolution 3379 which equates Zionism with racism is itself clearly a form of bigotry; and

(4) formally repudiates UNGA Resolution 3379, and calls upon the Parliaments of all countries which value freedom and democracy to do the same.

PHILLIP BURTON WILDERNESS

The bill (H.R. 1373) to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness, was considered, ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the various measures were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 4:35 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2401. An act to amend title 5, United States Code, to establish certain reporting requirements applicable in the case of any agency proposing to carry out removals, reductions in grade or pay, or other adverse personnel actions incident to closing, or changing the functions of any of its field offices;

H.R. 2558. An act designating the United States Post Office Building to be constructed on the property on the northwest corner of the intersection of Florence Avenue and Central Avenue in Los Angeles, California, as the "Leslie Nelson Shaw Sr., General Mail Facility of the United States Postal Service";

H.R. 2672. An act to redesignate the New York International and Bulk Mail Center in Jersey City, New Jersey, as the "New Jersey International and Bulk Mail Center", and to honor the memory of a former postal employee by dedicating a portion of a street at the New York International and Bulk Mail Center in Jersey City, New Jersey, as "Michael McDermott Place"; and

H.R. 2694. An act designating the United States Post Office Building located at 300 Packerland Drive, Green Bay, Wisconsin, as the "John W. Byrnes Post Office and Federal Building".

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 1141. An act relating to certain telephone services for Senators.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second time by unanimous consent, and referred as indicated:

H.R. 2558. An act designating the United States Post Office Building to be constructed on the property on the northwest corner of the intersection of Florence Avenue and

Central Avenue in Los Angeles, California, as the "Leslie Nelson Shaw Sr., General Mail Facility of the United States Postal Service"; to the Committee on Governmental Affairs.

H.R. 2672. An act to redesignate the New York International and Bulk Mail Center in Jersey City, New Jersey, as the "New Jersey International and Bulk Mail Center", and to honor the memory of a former postal employee by dedicating a portion of a street at the New York International and Bulk Mail Center in Jersey City, New Jersey, as "Michael McDermott Place"; to the Committee on Governmental Affairs.

H.R. 2694. An act designating the United States Post Office Building located at 300 Packerland Drive, Green Bay, Wisconsin, as the "John W. Byrnes Post Office and Federal Building"; to the Committee on Governmental Affairs.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1440. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the results of a study on a one year test of expanded commissary shopping privileges for reserve component members; to the Committee on Armed Services.

EC-1441. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to repeal the requirement that United States currency notes be reissued after redemption; to the Committee on Banking, Housing, and Urban Affairs.

EC-1442. A communication from the Acting Secretary of the Federal Maritime Commission, transmitting, pursuant to law, a notice of "Public Interest" determination; to the Committee on Commerce, Science, and Transportation.

EC-1443. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to modify the fees charged for the guarantee of obligations authorized by Title XI of the Merchant Marine Act, 1936; to the Committee on Commerce, Science, and Transportation.

EC-1444. A communication from the Secretary of the Interior, transmitting, pursuant to law, a certification of expenditures statement on the Lowell National Historical Park; to the Committee on Energy and Natural Resources.

EC-1445. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Tariff schedules of the United States to permit the importation of furskins from the Union of Soviet Socialist Republics, and/or other purposes; to the Committee on Finance.

EC-1446. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Student Assistance General Provisions—Selective Service Registration Requirement; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance, without amendment:

S. 1404. An original bill to require the President to respond to unfair trade practices of Japan (with additional views) (Rept. No. 99-102).

● Mr. PACKWOOD. Mr. President, the bill I am reporting today requires the President to use his existing authorities to respond to the unfair trade practices of Japan. This is a historic and sobering watershed.

I have, together with many of my Finance Committee colleagues who voted this bill favorably reported on April 3, 1985, worked over the years to defend and improve the international trading system. I believe in the inherent justice and economic benefits of free trade. All nations and people benefit when the rules of comparative advantage are permitted to operate freely. The freedom of these rules to operate depends on open markets.

These principles have not operated as expected in the case of Japan. The existence of complicated and deeply rooted Japanese barriers has altered the forces that normally guide an open market. Regardless of whether these barriers are intended to frustrate foreign competition, they constitute a major hurdle in gaining access to the Japanese market. Years of negotiation, pleas, threats, exhortations, demands, and talk have failed to persuade Japan to undertake the difficult but necessary task of opening its markets in a truly meaningful fashion.

Yes, our exports to Japan have grown over the years, but so slowly and after so much effort that a cynicism has been generated about the real meaning of one Japanese market opening announcement after another.

What is puzzling about this situation is that the Japanese Government should not recognize its own self interest. A nation as heavily dependent on export markets as is Japan should behave in a manner intended to preserve those markets.

A nation whose exports have benefited from the demands of consumer societies has chosen to deny its own consumers free access to the world's efficient bounty.

Now, I know some people question whether Japan really has barriers. Well, aside from the many visible import barriers which are the subject of current and past trade negotiations, Japan appears to excel in the creation of invisible barriers. The committee report being filed with this bill outlines some of these barriers.

Frankly, I am not interested in the explanation for Japan's endemic resistance to imports. Japan has important international obligations which require that Japan, not the rest of the world, discern a means of opening its markets.

The bill I am filing is the result of years of frustration with Japan. But this bill is not a form of protectionism, nor does it mandate retaliation. Rather, this bill requires that the President eliminate Japanese unfair trade practices, and failing that, offset the effect of those barriers on the merchandise trade balance. At a minimum, the President's actions must increase U.S. access to the Japanese market by an amount equivalent to Japan's increased access to the U.S. market resulting from an end to Japanese auto export restraints. To the extent the President fails to achieve such access to the Japanese market, he is required to limit Japanese access to the U.S. market. In that event, the President is directed to retaliate against competitive Japanese exports, including, but not limited to, telecommunications, automobiles, and electronics. The President's actions must be announced 45 days after enactment and be implemented 90 days following enactment.

Mr. President, we all recognize that the entire trade imbalance, or even most of the imbalance with Japan, is not attributable to Japanese import barriers. But other contributing factors to our deficit with Japan do not ameliorate the effect of Japanese trade barriers. Many other countries experience the same difficulty we do in obtaining access to the Japanese market. Japan is now too important to the trading system, both as a source of exports and as a potential market for imports, to continue its current policies. A country with the immense trade surpluses accumulated by Japan has a special responsibility to liberalize access to its markets. Japan has yet to respond even to its ordinary responsibilities.

I noted at the outset the importance of this bill. I regret that we have come to this point. I would have preferred resolving our differences in a more amicable manner. It is unfortunate that we have been forced to resort to this weapon in an exasperated effort to open Japan's markets. I am sure my colleagues still hope Japan will respond in a manner that will spare them and us the certain costs of retaliation. The choice is Japan's.

In this regard, I note the Japanese Government's announcement of tariff reductions on a long list of items. This is a beginning, although I see no reduction in tariffs on items of great interest to the United States such as plywood, chocolate, and cigarettes. But these reductions must be followed by an even greater effort to remove the invisible barriers.

I want to commend Senator DANFORTH who initiated this bill, as well as Senators BOREN, BAUCUS, BENTSEN, and GRASSLEY. Although their names are not listed for parliamentary reasons on this original bill reported by the Finance Committee, they should all be listed as sponsors.●

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 1400. A bill to amend title XVIII of the Social Security Act to provide that the blend of 50 percent regional and 50 percent national prospective payment rates shall be permanent; to the Committee on Finance.

S. 1401. A bill to amend the Deficit Reduction Act of 1984 to make the application of the revised wage index prospective and to provide for periodic updating of that index; to the Committee on Finance.

S. 1402. A bill to amend title XVIII of the Social Security Act to provide that add-ons to the reimbursement limits for home health agencies may no longer be made for hospital-based agencies; to the Committee on Finance.

By Mr. HEINZ:

S. 1403. A bill to extend for three years the existing duty free treatment of certain needlecraft display models, and for other purposes; to the Committee on Finance.

By Mr. PACKWOOD, from the Committee on Finance:

S. 1404. An original bill to require the President to respond to unfair trade practices of Japan; placed on the calendar.

By Mr. HEINZ (for himself, Mr. MITCHELL, and Mr. SYMMS):

S. 1405. A bill to amend the Internal Revenue Code of 1954 relating to the method of payment of taxes on distilled spirits; to the Committee on Finance.

By Mr. DECONCINI:

S. 1406. A bill to make permanent the formula for determining fees for the grazing of livestock on public rangelands; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (by request):

S. 1407. A bill to provide for the recovery by the United States of the costs of hospital and medical care and treatment furnished by the United States in certain circumstances, and for other purposes; to the Committee on the Judiciary.

S. 1408. A bill to amend the Trading with the Enemy Act in order to terminate the Office of Alien Property, and for other purposes; to the Committee on the Judiciary.

S. 1409. A bill to amend chapter 31 of title 28 of the United States Code; to the Committee on the Judiciary.

S. 1410. A bill to provide for interim designation of United States attorneys and United States marshals by the Attorney General; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1400. A bill to amend title XVIII of the Social Security Act to provide that the blend of 50 percent regional and 50 percent national prospective payment rates shall be permanent; to the Committee on Finance.

S. 1401. A bill to amend the Deficit Reduction Act of 1984 to make the application of the revised wage index prospective and to provide for periodic updating of that index; to the Committee on Finance.

S. 1402. A bill to amend title XVIII of the Social Security Act to provide that add-ons to the reimbursement limits for home health agencies may no longer be made for hospital-based agencies; to the Committee on Finance.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. HEINZ (for himself, Mr. MITCHELL, and Mr. SYMMS):

S. 1405. A bill to amend the Internal Revenue Code of 1954 relating to the method of payment of taxes on distilled spirits; to the Committee on Finance.

DISTILLED SPIRITS TAX PAYMENT ACT

Mr. HEINZ. Mr. President, I am today introducing a bill to revise the way in which the Federal Government collects Federal excise tax [FET] on distilled spirits. The change I propose would simply remove the present bias for imported spirits inherent in the present tax collection system.

At present, the Government has two systems for collecting FET—one for domestic spirits and one for imports. The Government assesses FET on domestic spirits when they leave the distiller for the wholesaler. This cost must be borne by the wholesaler until he receives payment from the retailer. However, for imported spirits, the Government assesses the FET only when the spirits reach the retailer.

The costs of stocking domestic spirits is therefore a tremendous burden upon wholesalers. They must prepay the FET on domestic spirits, but they do not have this burden with imported spirits. Most liquor wholesalers are small businessmen who can ill afford to tie up 40 percent of their inventory costs in FET. On average, a wholesaler must carry the FET burden for 47 days between the time he buys his stock and receives payment from the retailer.

Effective October 1, 1985, with the new tax increase, more than $560 million in working capital will be required solely to prepay this tax. The cost of annual interest on this amount exceeds $74 million. In percentage terms, 80 percent of this burden will fall upon wholesalers and the States; 16 States, including my State of Pennsylvania, are control States, in which the State acts as both wholesaler and retailer. The Pennsylvania Liquor Control Board estimates that Pennsylvania will gain $2 million yearly in interest if domestic distilled spirits were treated as imports are.

More equitable treatment of American small businessmen and State governments is clearly warranted. In light of the mounting trade deficit, we cannot afford to collect taxes in such a way as to give yet another advantage to foreign producers in our markets. This bill would create one system for all spirits, which will remove the present pro-import bias and defer FET assessment to the time when the wholesalers sell their product to retailers. The Government will receive the same amount of tax, but without hurting U.S. businessmen and products.

Under this bill, payment procedures for the Federal Excise Tax on distilled spirits would be made consistent for both foreign and domestic liquor by broadening the definition of bonded premises to permit the conclusion of wholesaler and control State warehouses. Currently, only supplier facilities for domestic products and customs bonded warehouses for imported liquor are treated as bonded warehouses. By including wholesaler and control State warehouses as bonded premises, the present procedure of levying Federal Excise Tax on domestically produced or bottled liquor remains intact, but simply occurs at a later point in the distribution process. In addition, suppliers would have the option of transferring goods in bond between spirit plants without triggering a tax obligation. Thus, products would only be subject to FET when removed from a wholesaler's warehouse. Bonded dealers would still be required to post an adequate bond to ensure full payment of FET.

This bill provides an equitable and sound way of removing the preferential treatment afforded to imported spirits while ensuring that the Federal Government still collects the full amount of taxes due. This should alleviate the prepayment burden which is currently carried by small businessmen and control States. I urge my colleagues to join with me in cosponsoring this bill and working with me to eliminate this bias against U.S. goods and businessmen.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Distilled Spirits Tax Payment Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. TRANSFER OF DISTILLED SPIRITS BETWEEN BONDED PREMISES.

Section 5212 is amended to read as follows:

"Distilled spirits on which the internal revenue tax has not been paid or determined as authorized by law may, under such regulations as the Secretary shall prescribe,

be transferred in bond between bonded premises in any approved container. For the purposes of this chapter, the removal of distilled spirits for transfer in bond between bonded premises shall not be construed to be a withdrawal from bonded premises."

SEC. 3. ESTABLISHMENT OF DISTILLED SPIRITS PLANT.

Section 5171 is amended by—

(a) striking from subsection (a) the phrase "or processor" and inserting therein "processor or bonded dealer;" and

(b) deleting from subsection (b) the "." and inserting thereafter "or as a bonded dealer.".

SEC. 4. DISTILLED SPIRITS PLANTS.

Section 5178(a) is amended by adding the following new paragraph after paragraph (4) to read as follows:

"(5) BONDED DEALER OPERATIONS.—

"(A) Any bonded dealer establishing a distilled spirits plant shall, as described in his application for registration, purchase bottled distilled spirits from primary source of supply exclusively for resale at wholesale.

"(B) Any person qualified as a bonded dealer may only resell exclusively to a wholesale dealer in liquor, to an independent retail dealer subject to the limitation set forth in subparagraph (D), or to another bonded dealer with the express written consent of the primary source of supply.

"(C) Each person before establishing premises as a bonded dealer, must maintain an inventory of distilled spirits of at least 10,000 wine gallons. In the event a bonded dealer, once established, fails to maintain such a level of operations the bonded dealer shall cease operations as such, and immediately withdraw the distilled spirits on determination of tax in accordance with a tax payment procedure established by the Secretary.

"(D) Any person who is a bonded dealer shall not be considered as selling to an independent retail dealer if the bonded dealer has a greater than 10 percent ownership interest in, or control of the retail dealer; the retail dealer has a greater than 10 percent ownership interest in, or control of the bonded dealer; or where any person has a greater than 10 percent ownership interest in, or control of both the bonded and retail dealer. For purposes of this subparagraph, ownership interest, not limited to stock ownership, shall be attributed to other persons in the manner prescribed by section 318.

"(E) For purposes of subparagraph (A), the limitation for resale at wholesale to independent retail dealers does not apply to Control States or political subdivisions thereof.

"(F) Any person who is qualified as a bonded dealer may, under such regulations as the Secretary shall prescribe, store tax-paid distilled spirits, beer and wine and such other beverages and items (products) not subject to tax or regulation under this title on such bonded premises."

SEC. 5. DEFINITIONS.

Section 5002(a) is amended by—

(a) amending subsection (a)(2) to read as follows:

"(2) DISTILLED SPIRITS OPERATIONS.—The term 'distilled spirits operation' means any operation for which qualification is required under subchapter B including the operation of a bonded dealer"; and

(b) inserting after subsection (a)(15) the following new paragraphs:

"(16) BONDED DEALER.—The term 'bonded dealer' means any wholesale dealer who has elected to establish a distilled spirits plant and engages in the business of purchasing distilled spirits from the primary source of supply for resale exclusively at wholesale to independent retail dealers or other wholesale dealers. The term bonded dealer shall include Control States and political subdivisions thereof.

"(17) PRIMARY SOURCE.—The term 'primary source' means a domestic or foreign distiller, producer, or bottler, or an authorized primary United States importer or agent for distilled spirits produced outside of the United States."

SEC. 6. PERSONS LIABLE FOR TAX.

Section 5005(b)(1) is amended to read as follows:

"(1) LIABILITY OF PERSONS INTERESTED IN A DISTILLED SPIRITS PLANT.—Every proprietor or possessor of, and every person in any manner interested in the premises of a distilled spirits plant, shall be jointly and severally liable for the taxes imposed by law on the distilled spirits."

SEC. 7. DETERMINATION OF TAX.

Section 5006 is amended by—

(a) amending subsection (a)(2) to read as follows:

"If the Secretary finds that a bonded dealer has not accounted for the proper amount of distilled spirits received by him or a distiller has not accounted for all the distilled spirits produced by him, he shall, from all the evidence he can obtain, determine what quantity of distilled spirits was actually received by the bonded dealer or produced by such distiller, and an assessment shall be made for the difference between the quantity which should have been accounted for at the rate of tax imposed by law for every proof gallon"; and

(b) amending subsection (b)(3) by inserting after the word "packages" and before the phrase "as authorized by law" the following: "on the bonded premises of a distilled spirits plant".

SEC. 8. CREDIT FOR WINE CONTENT, ETC., ON COLLECTION OF TAX ON DISTILLED SPIRITS.

Section 5006(a) is amended by adding after paragraph (2) the following new paragraph (3) to read as follows:

"(3) The credit for wine content and for flavors content provided under section 5010 shall be determined and allowable as a reduction in the rate of tax on the payment of the tax under section 5061 by the proprietor of the distilled spirits plant, bonded dealer or other taxpayer liable for the payment of the excise tax on such products."

SEC. 9. LOSS OR DESTRUCTION OF DISTILLED SPIRITS.

(a) Subsections (a)(1)(A) and (a)(2) of section 5008 are amended by adding "bonded dealer," immediately after "distilled spirits plant".

(b) Subsection (c)(1) of section 5008 is amended by striking the words "of a distilled spirits plant."

(c) Subsection (c)(2) of section 5008 is amended by striking the words "distilled spirits plant" and inserting in lieu thereof the words "bonded premises".

SEC. 10. TIME FOR COLLECTING TAX ON DISTILLED SPIRITS.

Section 5061(d) is amended to read as follows:

"In the case of distilled spirits withdrawn from a bonded premise, the last day for filing a return (with remittances) for each semimonthly return shall be the last day of the second succeeding return period; except that a State or political subdivision thereof which engages in the selling, or offering for sale, of distilled spirits may file their return monthly (with remittances), and the last day for filing shall be the last day of the succeeding month."

SEC. 11. EXEMPTION FROM OCCUPATIONAL TAX NOT APPLICABLE.

Section 5113(a) is amended by adding immediately after the last sentence the following new sentence to read as follows: "This exemption shall not apply to a proprietor of a distilled spirits plant whose premises are used for operations of a bonded dealer.".

SEC. 12. TECHNICAL, CONFORMING AND CLERICAL AMENDMENTS.

(a) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 5003(3) is amended to delete the term "certain" from the sentence.

(2) Section 5214 is amended by redesignating subsection (b) as (c) and inserting a new subsection (b) to read as follows:

"(b) EXCEPTION.—Subsections (a) (1), (2) (3), (5), (10), (11), and (12) of this section shall not apply to distilled spirits withdrawn from premises used for operations as a bonded dealer."

(3) Section 5215(a) is amended by inserting a period after the word "plant" and striking the words "but only for destruction, denaturation, redistillation, reconditioning, or rebottling.".

(4) The first sentence of section 5232 is amended to read as follows:

"Distilled spirits imported or brought in to the United States, under such regulations as the Secretary shall prescribe, be withdrawn from customs custody and transferred to the bonded premises of a distilled spirits plant without payment of the internal revenue tax imposed on such distilled spirits."

(5) Section 5362(b)(5) is amended by adding the following sentence to read as follows: "This term will not apply to premises used for operations as a bonded dealer."

(6) Section 5551(a) is amended by inserting after the term "processor" at each place it appears the phrase "bonded dealer,".

(7) Section 5601(a) (2), (3), (4), (5), and (b) are amended by inserting ", bonded dealer" immediately before the word "processor" at each place it appears.

(8) Section 5602 is amended by inserting ", warehouseman, processor or bonded dealer" immediately after the word "distiller".

(9) Section 5115, 5180 and 5861 are repealed.

(b) CLERICAL AMENDMENTS.—

(1) The table of sections for part II of subchapter A of chapter 51 is amended by striking out the item relating to section 5115.

(2) The table of sections for subchapter B of chapter 51 is amended by striking out the item relating to section 5180.

(3) The table of sections for part IV of subchapter J of chapter 51 is amended by striking out the item relating to section 5681.

SEC. 13. TRANSITION RULE.

Until December 31, 1985, each wholesale dealer who is required to file an application for registration under section 5171(c) whose operations are required to be covered by a basic permit under the Federal Alcohol Administration Act (27 U.S.C. 203 and 204) and who has received such basic permits as an importer, wholesaler, or as both, and has obtained a bond required under this subchapter shall be qualified to operate bonded premises until such time as the Secretary takes final action on the application. This section shall not apply to any wholesaler whose bonded distilled spirits inventory is less than 10,000 wine gallons. Any Control

State or political subdivision thereof that has obtained a bond required under this subchapter shall be qualified to operate bonded premises until such time as the Secretary takes final action on the application for registration under section 5171(c).

SEC. 14. LIQUIDATION OF TAX PAID DOMESTIC DISTILLED SPIRITS INVENTORY.

(a) No domestically produced or bottled distilled spirits in the inventory of a bonded dealer on the effective date of this Act on which the Federal excise tax has been paid shall be subject to the filing of an excise tax return and the payment of excise tax as required under section 5061.

(b) Limitation on eligibility for exemption from tax. No person shall be entitled to exemption from the filing of an excise tax return or the payment of excise tax under paragraph (a) unless he has in his possession such evidence of the inventories with respect to which the exemption is claimed as may be required by the Secretary of the Treasury or his delegate under this subsection.

SEC. 15. EFFECTIVE DATE.

The provision of this Act shall take effect on October 1, 1985.

By Mr. DECONCINI:

S. 1406. A bill to make permanent the formula for determining fees for the grazing of livestock on public rangelands; to the Committee on Energy and Natural Resources.

LIVESTOCK GRAZING FEES

Mr. DECONCINI. Mr. President, I am today introducing a bill which would make permanent the present formula for determining livestock grazing fees on public rangelands in the 16 contiguous Western States.

The present grazing fee formula was established by the Public Rangelands Improvement Act of 1978 and is scheduled to expire at the end of the current fiscal year. This formula was the result of many years of study and negotiation involving agricultural interests, environmental groups, the executive branch, and Congress. Each year, the formula is adjusted to reflect annual changes in the lease rates for private grazing lands and annual fluctuations in livestock prices, whether upward or downward. I am convinced that the formula has worked well during the 7 years it has been in effect.

These are difficult times for agriculture in the United States, and this is no less true for those who depend on livestock production to earn a living. Retaining the present grazing fee formula could mean the difference between making a living or going broke for many ranchers. It is essential that we take steps to insure that livestock producers are able to stay in business and are treated fairly and equitably.

I recognize that, in the coming weeks and months, negotiations will be taking place on a comprehensive list of rangeland management issues. This legislation is being introduced at this time because I believe that a reasonable grazing fee schedule is essential to the survival of the livestock industry and should be adopted without delay.

By Mr. THURMOND (by request):

S. 1407. A bill to provide for the recovery by the United States of the costs of hospital and medical care and treatment furnished by the United States in certain circumstances, and for other purposes; to the Committee on the Judiciary.

S. 1408. A bill to amend the Trading With the Enemy Act in order to terminate the Office of Alien Property, and for other purposes; to the Committee on the Judiciary.

S. 1409. A bill to amend chapter 31 of title 28 of the United States Code; to the Committee on the Judiciary.

S. 1410. A bill to provide for interim designation of U.S. attorneys and U.S. marshals by the Attorney General; to the Committee on the Judiciary.

LEGISLATION RELATING TO REIMBURSEMENT OF CERTAIN MEDICAL COSTS, WINDUP OF OPERATIONS OF THE OFFICE OF ALIEN PROPERTY, GIFT ACCEPTANCE, AND INTERIM APPOINTMENTS OF U.S. ATTORNEYS AND U.S. MARSHALS

Mr. THURMOND. Mr. President, on behalf of the administration, I am today introducing four pieces of legislation. The first relates to the recovery of the costs of medical care that the United States provides in certain circumstances; the next to the windup of operation of the Office of Alien Property within the Department of Justice; the third to the acceptance of gifts and donations by the Department of Justice where there would be no conflict of interest; and the final to the interim appointments of U.S. attorneys and U.S. marshals by the Attorney General.

The first bill is entitled "To provide for the recovery by the United States for the costs of hospital and medical care and treatment furnished by the United States in certain circumstances, and for other purposes." It provides that in any case where the United States is authorized or required to furnish medical care and treatment to a person injured as a result of a third party's negligence, the United States has an independent right to recover from the negligent party the reasonable value of those services it furnishes.

The purpose of the next bill is to simplify and consolidate the administration of the accounts maintained by the Justice Department's Office of Alien Property and the Department of the Treasury for the funds received from the disposal of alien property that vested in the United States under the Trading With the Enemy Act. According to the Justice Department, substantially all of the litigation and claims adjudication arising out of the administration of the World War II Alien Property Program have now ended, and the funds should be closed out.

The third piece of legislation would authorize the Attorney General to accept any gift, donation or bequest of real or personal property to aid the Department of Justice in carrying out its functions. No gifts could be accepted if it attaches conditions that are inconsistent with applicable laws or regulations. The bill would also require the Attorney General to promulgate rules for accepting gifts to ensure that no gifts are accepted under circumstances that would create a conflict of interest for the Department.

The final measure would amend sections 546 and 565 of title 28, United States Code, to provide of interim appointments to fill vacancies of U.S. attorneys and U.S. marshals by the Attorney General, rather than the judges of the U.S. district courts.

Mr. President, I ask unanimous consent that bills I am introducing on behalf of the administration and the letters of transmittal, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, March 21, 1985.

Hon. GEORGE BUSH,
President, U.S. Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed for your consideration and appropriate reference is a draft bill entitled "To provide for the recovery by the United States of the costs of hospital and medical care and treatment furnished by the United States in certain circumstances, and for other purposes."

Originally passed in 1962, the Federal Medical Care Recovery Act (the "Act") was enacted primarily as a response to the United States Supreme Court's ruling in *United States* v. *Standard Oil,* 332 U.S. 301 (1947), wherein the Court held that absent congressional authority, the Federal Government could not recover the cost of Government-furnished medical care or loss of services of its personnel caused by the negligence of some third party. Prior to passage of the Act, a significant amount of money was lost each year because of the Government's inability to require reimbursement. Essentially, the Act provides that in any case where the United States is authorized or required to furnish medical care and treatment to a person injured as the result of another party's negligence, the United States has an independent right to recover the reasonable value of those services from the negligent party. The Act was specifically designed to operate in such a manner so as not to affect the right of the injured person to recover his damages from the responsible party.

The purpose of the enclosed draft bill is to amend the Federal Medical Care Recovery Act, Title 42, United States Code, Section 2651, *et seq.*, so as to remedy various impediments to recovery created by the abolishment of tort liability as the basis of a cause of action in certain jurisdictions. In particular, the proposed changes address issues raised in the case of *Heusle* v. *National Mutual Insurance,* 628 F.2d 833 (3rd Cir. 1980), wherein the Court held that because the Government's right to recovery is predicated upon tort liability, and since Pennsyl-

vania has abolished tort liability in favor of a no-fault system, there could be no recovery of the Government's medical expenses.

This proposal is the product of discussions with, and information provided by, the various Federal agencies with significant interest in the Federal Medical Care Recovery Act, *i.e.*, the Veterans Admsinistration, the Department of Health and Human Services, and the Department of Army, Navy, and Air Force.

The amount collected under the Act is of significant concern to this Department. Pursuant to provisions of 28 CFR § 0.45(g), the Department of Justice's Civil Division has responsibility for supervision of all matters arising under the Federal Medical Care Recovery Act. In 1963, the first year of collections under the Act, Federal agencies recovered $259,227.62. Collections have steadily increased since that time, and in calendar year 1981 a total of $22,261,123.74 had been recovered for medical expenses. Between 1963 and 1981, collections under the Act totalled $197,476,250.87.

Much of the increase is undoubtedly the result of the inflation reflected in the reasonable cost of medical care in federal facilities as prescribed by the Office of Management and Budget. For example, in 1968 the Department of Defense's daily rate for in-patient care was $49.00 per day. Effective Janauary 4, 1982 the cost for the same care is $406.00 per day.

The most significant statistics, however, are in the number of claims asserted and recovered. Since 1968 the in-patient rate has increased nearly 800 percent but the total amount recovered has increased only slightly in excess of 350 percent. In calendar year 1978, recoveries were in excess of $1,000,000.00 less than the year before. In 1980, agencies asserted 916 claims less than in 1979. It appears as if recoveries in recent years are not keeping up with inflation. One reason is that the number of claims that can be successfully asserted under the narrow authority of the Act is steadily decreasing due to recent changes in the insurance industry and state laws governing tort liability as a measure of recovery.

The proposed amendment leaves paragraph (a) of section 2651 intact and merely introduces a new paragraph (b) that extends the basis of the Government's right to recovery to circumstances where a state has abolished or limited traditional tort liability as a cause of action, and has in lieu therefore established or authorized a system of compensation not grounded upon tort liability. The United States is further deemed to be a third-party beneficiary of any such compensation plan, and the medical expenses incurred by the party receiving the medical care. These provisions make it clear that the United States is intended to be a recipient of any reimbursement benefit afforded by the state's compensation plan and that in those states where reimbursement is dependent upon the injured party, it makes clear that the injured party has incurred the amount expended by the Government.

Paragraph (c) contains the provision formerly found in paragraph (b) and contains some additional language for clarification as the result of the new paragraph (b). The "Veterans' Exception," formerly paragraph (c), is merely redesignated as paragraph (d) and remains unchanged.

Additionally, the proposed amendment provides for a new section designated as § 2654 and establishes a new deposit and accounting procedure for funds collected pursuant to the Act or to any other right the United States possesses for the recoupment of medical care costs. The amended procedure authorizes the deposit of these recouped funds to the appropriation from which the care or treatment was charged. This would alter the current requirement for depositing these monies into general Treasury revenues when they are recovered. The purpose of this amendment is to provide an incentive for aggressive recovery actions and to allay the criticism by hospital commanders and directors of the present practice which requires a hospital to spend its operating funds for required treatment and administrative costs associated with the Federal Medical Care Recovery Act program, but with no opportunity to recover directly any portion of those funds or costs.

By amending the Federal Medical Care Recovery Act in the manner set forth in the enclosed proposal, it will be unnecessary to consider proposals that deal with agency recovery authority on a piecemeal, agency-to-agency basis. On behalf of the Attorney General, I recommend prompt and favorable consideration of the enclosed proposed amendments.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this legislative proposal to the Congress and that its enactment would be consistent with the objectives of the Administration.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

S. 1407

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first section of Public Law 87-693 (42 U.S.C. 2651) is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "a right to recover" and inserting in lieu thereof "an independent right to recover"; and

(B) by inserting ", or his insurer," after "from said third person";

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following new subsection:

"(b) In any case in which the United States is authorized or required by law to furnish hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) to a person who is injured or suffers a disease, and the laws of the State in which such injury or disease occurred have abolished or limited tort liability as a cause of action and, in lieu thereof, have created or authorized a system of compensation or reimbursement for medical expenses pursuant to a policy of insurance, contract, medical or hospital service agreement, or similar arrangement for the purpose of paying, contributing, or reimbursing expenses for hospital, medical, surgical, or dental care and treatment furnished to that person, the United States shall be deemed to be a third-party beneficiary of such a policy, contract, agreement, or arrangement, and, for purposes of this Act, expenses for hospital, medical, surgical, or dental care and treatment furnished to such person by the United States or paid for by the United States shall be deemed to have been incurred by that person as a result of that injury or disease. The United States shall be subrogated to any right or claim that the person, his guardian, personal representative, estate, dependents, or survivors have under such policy, contract, agreement, or arrangement to the extent of the reasonable value of the care and treatment so furnished or to be furnished.".

(b) The first section of Public Law 87-693 is further amended in subsection (c), as redesignated by subsection (a)(2) of this section—

(1) by striking out "such right" and inserting in lieu thereof "the rights conferred by subsections (a) and (b) of this section"; and

(2) by inserting "insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or the" before "third person who is liable" each place it appears.

SEC. 2. Section 2 of Public Law 87-693 is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding section 3302 of title 31, United States Code, or any other provision of law, all sums collected pursuant to this Act, or collected for the types of care and treatment described in the first section of this Act pursuant to any other right the United States may possess, shall be credited to the appropriation from which the costs of such care and treatment were paid, except that such sums shall be available only in such amounts as are provided in appropriation Acts.".

SEC. 3. (a) The amendments made by the first section of this Act shall apply to all cases in which the United States is authorized or required by law to furnish hospital, medical, surgical, or dental care and treatment, whether such care and treatment is furnished before, on, or after the date of the enactment of this Act.

(b) The amendment made by section 2 of this Act shall apply to all sums collected by the United States on or after the date of the enactment of this Act, whether the claim for such moneys arose before, on, or after such date of enactment.

HON. GEORGE BUSH,
President, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed herewith for your consideration and appropriate reference is a draft bill to amend the Trading with the Enemy Act, so as to complete the administration of property vested during World War II. Also enclosed is a statement of purpose and justification for the draft bill. The Department of Justice recommends favorable action on this proposal.

The Office of Alien Property is responsible for the administration, liquidation, distribution and disposition of the interests in alien property which vested in the United States under the Trading with the Enemy Act in World War II. While approximately $900 million of enemy property was processed by the office since its beginning, substantially all litigation and claims adjudication arising out of the Trading with the Enemy Act has now been terminated.

Three accounts remain "open" with relatively small collections. Present law requires that the books of the Office of Alien Property be audited annually by independent auditors. Also, a separate account for funds received must be maintained by the Department of the Treasury. It is possible that the administrative expenses incurred by the Departments of Justice and the Treasury in collecting, transferring, and distributing future collections could consume a significant portion of the amounts collected and distributed. The purpose of the draft bill is to simplify and consolidate the administration of these funds and reduce the costs of such administration.

On behalf of the Attorney General, I recommend that the enclosed proposal receive prompt and favorable action.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this draft bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

S. 1408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Trading with the Enemy Act is amended:

(1) in section 39 (50 U.S.C. App. 39) by striking out subsections (b) through (e) and inserting in lieu thereof the following new subsection:

"(b) The Attorney General shall cover into the Treasury, to the credit of miscellaneous receipts, all sums from property vested in or transferred to him under this Act—

"(1) which he receives after the date of enactment of this section, or

"(2) which he received prior to such date and which, as of such date, he had not covered into the Treasury for deposit in the War Claims Fund, other than any such sums which the Attorney General determines in his discretion are the subject matter of any judicial action or proceeding."; and

(2) in section 6 (50 U.S.C. App. 6) by striking out "law:" and all that follows in such section and inserting in lieu thereof a period.

Hon. GEORGE BUSH,
Vice President, U.S. Senate,
Washington, DC.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a draft bill entitled "The Department of Justice Gift Acceptance Act."

The Department of Justice currently has no general statutory authority to accept gifts. The inherent power of the Federal Government to accept gifts is well recognized. *United States* v. *Burnison,* 339 U.S. 87 (1950). But without specific authorizing legislation, no federal official may properly accept gifts or contributions for particular agencies (as distinguished from the general fund) to augment Congressional appropriations. See, e.g., 46 Comp. Gen. 689 (1967); 36 Comp. Gen. 268 (1956), 16 Comp. Gen. 911 (1937). Thus, when the Immigration and Naturalization Service (INS) wished to accept donated horses for the use of its Border Patrol, it was necessary for the Department to submit to Congress proposed legislation authorizing the INS to accept gifts. A general gift acceptance authority for the Department would end the need for piecemeal legislative solutions.

There are a variety of ways that the Department could use the statutory authority to accept gifts. For example, this authority would permit the Department to accept donated materials or funds for the use of the library. It is probable that there may be many opportunities to accept gifts or bequests of books and it would be unfortunate to have to continue to refuse to accept these benefits. This is particularly important in light of the growing research needs of the Department.

Under this proposal no gift could be accepted by the Department if it attaches conditions that are inconsistent with applicable laws or regulations. The bill also prohibits the acceptance of a gift that requires the expenditure of appropriated funds unless such expenditure has been authorized by an act of Congress. The Attorney General is required to promulgate rules for accepting gifts to ensure that no gifts are accepted under circumstances that will create a conflict of interest for the Department.

There is enclosed a section-by-section analysis for your review. This authority would provide vital assistance to the Department. We look forward to the prompt consideration of this legislation by the Congress.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this legislation to Congress.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

S. 1409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Justice Gift Acceptance Act".

SEC. 2. (a) Chapter 31 of title 28, United States Code, authorizing the Department of Justice to accept gifts under certain circumstances, is amended by inserting between section 525 and section 526 the following new section:

"Sec. 525A. Department of Justice Gift Acceptance Authority

"(a) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real or personal property for the purpose of aiding or facilitating the work of the Department of Justice. No gift may be accepted—

"(1) that attaches conditions inconsistent with applicable laws or regulations, or

"(2) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by an Act of the Congress.

Gifts from foreign governments may be accepted only pursuant to section 7342 of title 5, United States Code.

"(b) The Attorney General shall promulgate rules and regulations for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

"(c) Gifts and bequests of money and the proceeds from sales of property received as gifts or bequests that are not immediately useable by the Department of Justice may be credited to any appropriation or fund that is available for similar purposes, to remain available until expended upon order of the Attorney General.

"(d) Gifts, bequests of property, and property acquired from the proceeds credited to appropriations or funds pursuant to subsection (c), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of the General Services Administration for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949.

"(e) Property accepted pursuant to this section and the proceeds credited to appropriations or funds pursuant to subsection (c) shall be used, to the extent possible, in accordance with the terms of the gift or bequest.

"(f) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered a gift or bequest to or for the use of the United States.".

(b) The table of sections for chapter 31 of title 28, United States Code, is amended by inserting between the item relating to section 525 and the item relating to section 526 the following new item:

"525A. Department of Justice Gift Acceptance Authority".

SEC. 3. Section 501 of the Controlled Substances Act (21 U.S.C. 871(c)) is hereby repealed.

OFFICE OF THE
ASSISTANT ATTORNEY GENERAL,
Washington, DC, March 21, 1985.

The VICE PRESIDENT,
U.S. Senate,
Washington, DC.

DEAR MR. VICE PRESIDENT: On behalf of the Attorney General, I am submitting for the consideration of the Congress, the attached proposed legislation to amend Sections 546 and 565 of Title 28, United States Code, to provide for interim appointments of United States Attorneys and United States Marshals by the Attorney General rather than the Judges of the United States District Courts.

Presently, interim appointments to fill vacancies occurring in a United States Attorney's or Marshal's position are made by the cognizant United States District Court pursuant to 28 U.S.C. 546 and 565 until the President, with the advice and consent of the Senate, appoints a permanent United States Attorney or Marshal. Although United States Attorneys and Marshals are directly accountable to and act under the supervision and control of the Attorney General, the Court is not obligated to consult with or even consider the views of the Attorney General in making an appointment. The proposed amendments are more consistent with the fundamental concept of separation of powers between the Judicial and Executive Branches of government. The need for the Courts to have this power of appointment because of the inability to communicate rapidly with Washington has long since passed.

In addition, the serious disruptions and delays of the business of the Federal Courts which may result from a vacancy could be greatly allevated. In the recent past some courts have appointed attorneys to fill vacancies who have not been subjected to a Federal Bureau of Investigation background investigation prior to their appointments. This poses serious problems for the Department because of the possible presence of classified and other extremely sensitive information within the United States Attorney's and Marshal's offices.

The proposed legislation would not change or limit the present requirement that all Presidential appointments be submitted to the United States Senate for confirmation. The Department of Justice respectfully urges that this proposal receive prompt consideration.

The Office of Management and Budget has advised that there is no objection to the

submission of this proposal from the standpoint of the Administration's program.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

Enclosure.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 546 of Title 28, United States Code, is amended to read as follows:

"Sec. 546. VACANCIES.

"(a) In the case of a vacancy in the office of United States attorney, the Attorney General may designate a United States attorney to perform the functions and act as United States attorney. The Attorney General shall not designate as United States attorney a person to whose appointment by the President to that office the Senate refused to give its advice and consent.

"(b) Such person may serve until the earliest of the following events:

"(1) the entry into office of a United States Attorney appointed by the President, pursuant to Article II, Section 2 of the Constitution;

'(2) the expiration of the thirtieth day following the end of the next session of the Senate; or

"(3) the expiration of the thirtieth day following the refusal of the Senate to give its advice and consent to the appointment by the President of the person designated by the Attorney General."

SEC. 2. Section 565 of Title 28, United States Code, is amended to read as follows:

"SEC. 565. VACANCIES.

"(a) In the case of a vacancy in the office of United States Marshal, the Attorney General may designate a person to perform the functions and act as United States Marshal. The Attorney General shall not designate as United States marshal a person to whose appointment by the President to that office the Senate refused to give its advice and consent.

"(b) Such person may serve until the earliest of the following events:

"(1) the entry into office of a United States marshal appointed by the President, pursuant to Article II, Section 2 of the Constitution;

"(2) the expiration of the thirtieth day following the end of the next session of the Senate; or

"(3) the expiration of the thirtieth day following the refusal of the Senate to give its advice and consent to the appointment by the President of the person designated by the Attorney General."

ADDITIONAL COSPONSORS

S. 49

At the request of Mr. MCCLURE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

At the request of Mr. HATCH, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 49, supra.

S. 140

At the request of Mrs. HAWKINS, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 150

At the request of Mr. HATCH, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of S. 150, a bill entitled the "Freedom of Information Reform Act."

S. 361

At the request of Mr. MOYNIHAN, the names of the Senator from West Virginia [Mr. BYRD] and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 426

At the request of Mr. WALLOP, the names of the Senator from New York [Mr. MOYNIHAN] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 635

At the request of Mr. KENNEDY, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Rhode Island [Mr. PELL], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 635, a bill to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes.

S. 850

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 850, a bill to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs.

S. 855

At the request of Mr. PRYOR, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 855, a bill for the relief of rural mail carriers.

S. 865

At the request of Mr. MATHIAS, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Florida [Mrs. HAWKINS], the Senator from Nevada [Mr. LAXALT], the Senator from Michigan [Mr. RIEGLE], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 867

At the request of Mr. ROTH, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 867, a bill to amend title XIX of the Social Security Act to provide coverage for hospice care under the Medicaid Program.

S. 980

At the request of Mr. TRIBLE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 980, a bill to amend title I of the Housing and Community Development Act of 1974.

S. 983

At the request of Mr. MCCLURE, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 983, a bill to provide for limited extension of alternative means of providing assistance under the School Lunch Program and to provide for national commodity processing programs.

S. 1018

At the request of Mr. GORTON, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1018, a bill to amend the National Labor Relations Act to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

S. 1026

At the request of Mr. PRESSLER, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1026, a bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Oregon [Mr. PACKWOOD], the Senator from Washington [Mr. GORTON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Nevada [Mr. HECHT], and the Senator from North Dakota [Mr. BURDICK] were added as a cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1147

At the request of Mr. HATCH, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1147, a bill to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws.

S. 1162

At the request of Mr. HART, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1162, a bill to amend the Nuclear Waste Policy Act of 1982 to require the Secretary of Energy to incorporate transportation impacts into the selection process for repositories of high-level radioactive wastes.

S. 1224

At the request of Mr. McCLURE, the names of the Senator from Maine [Mr. COHEN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of S. 1224, a bill to limit the importation of softwood lumber into the United States, and for other purposes.

S. 1250

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

SENATE JOINT RESOLUTION 98

At the request of Mr. D'AMATO, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 98, a joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

SENATE JOINT RESOLUTION 115

At the request of Mr. LEAHY, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 115, a joint resolution to designate 1985 as the "Oil Heat Centennial Year."

SENATE JOINT RESOLUTION 139

At the request of Mr. HATCH, the names of the Senator from Illinois [Mr. DIXON], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Home Care Week."

SENATE JOINT RESOLUTION 146

At the request of Mr. SIMON, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Arkansas [Mr. BUMPERS], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Nebraska [Mr. EXON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Michigan [Mr. RIEGLE], the Senator from Maryland [Mr. SARBANES], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from California [Mr. WILSON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Wisconsin [Mr. KASTEN], the Senator from Indiana [Mr. LUGAR], the Senator from Maryland [Mr. MATHIAS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. QUAYLE], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 146, a joint resolution designating August 1985 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 147

At the request of Mr. HATCH, the names of the Senator from Nevada [Mr. LAXALT], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from California [Mr. CRANSTON], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 147, a joint resolution to designate a calendar week in 1985 as "National Infection Control Week."

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. ANDREWS, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

SENATE RESOLUTION 140

At the request of Mr. BENTSEN, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of Senate Resolution 140, a resolution urging the President to impose a trade boycott and embargo against Nicaragua.

SENATE RESOLUTION 177

At the request of Mr. KENNEDY, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Resolution 177, a resolution to assure Israel's security, to oppose advanced arms sales to Jordan, and to further peace in the Middle East.

AMENDMENTS SUBMITTED

ANTIAPARTHEID ACTION ACT

ROTH (AND McCONNELL) AMENDMENT NO. 435

(Ordered to lie on the table.)

Mr. ROTH (for himself and Mr. McCONNELL) submitted an amendment intended to be proposed by them to the bill (S. 995) to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies; as follows:

On page 19 after line 21 add the following new section:

TO MAKE UNITED STATES' POLICY TOWARDS SOUTH AFRICA CONSISTENT

SEC. 12. The provisions of this Act, and any rule or regulation issued pursuant thereto, shall preempt any law, ordinance, rule or regulation of any of the several States, or any subdivision or entity created by any State, or the District of Columbia or any territory or possession of the United States which relates to the goal of peaceful change in South Africa, the reinforcement of United States opposition to apartheid, the ending of the policy of apartheid practiced by the Government of South Africa or any other purpose of this Act.

ROTH (AND OTHERS) AMENDMENT NO. 436

(Ordered to lie on the table.)

Mr. ROTH (for himself, Mr. McCONNELL, and Mr. DODD) submitted an amendment intended to be proposed by them to the bill S. 995, supra; as follows:

At the appropriate place in the bill, insert the following:

SOUTH AFRICAN AIRWAYS

SEC. (a) Notwithstanding any other provisions of law, including any international agreement, the Federal Aviation Administration shall take such action as necessary to assure that no aircraft owned or operated by South African Airways may be permitted to land in the United States on or after a date which is sixteen months after the date of enactment of this legislation.

(b) Notwithstanding the provision of subsection (a), the Federal Aviation Administration shall promulgate regulations to provide for the landing of such aircraft in the event of an emergency.

FIREARMS OWNERS' PROTECTION ACT

SYMMS (AND METZENBAUM) AMENDMENT NO. 437

Mr. HATCH (for Mr. SYMMS, for himself and Mr. METZENBAUM) proposed an amendment to the bill (S. 49) to protect firearms owners' constitutional rights, civil liberties, and rights to privacy; as follows:

On page 29, strike out lines 5 through 14 and insert in lieu thereof the following:

TRANSPORTATION OF FIREARMS

SEC. 107. (a) Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation promulgated by any State or political subdivision thereof.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A Interstate transportation of firearms.".

SYMMS (AND OTHERS) AMENDMENT NO. 438

Mr. SYMMS (for himself, Mr. METZENBAUM, Mr. HATCH, Mr. MCCLURE, Mr. KERRY, and Mr. KENNEDY) proposed an amendment to the bill S. 49, supra; as follows:

On page 29, strike out lines 5 through 14 and insert in lieu thereof the following:

TRANSPORTATION OF FIREARMS

SEC. 107. (a) Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation promulgated by any State or political subdivision thereof.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

ANTI-APARTHEID ACTION ACT

SYMMS AMENDMENT NOS. 439 THROUGH 507

(Ordered to lie on the table.)

Mr. SYMMS submitted 69 amendments intended to be proposed by him to the bill S. 995, supra; as follows:

AMENDMENT NO. 439

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 31, 1987".

AMENDMENT NO. 440

On page 39, line 4, strike out "The President" and insert in lieu thereof "The Secretary of State".

AMENDMENT NO. 441

On page 39, line 5, strike out "the chairman of the Committee on Foreign Relations of the Senate" and insert in lieu thereof "The Majority Leader of the Senate".

AMENDMENT NO. 442

On page 39, line 5, strike out "Speaker of the House of Representatives" and insert in lieu thereof "The minority leader of the House of Representatives".

AMENDMENT NO. 443

On page 39, line 20, strike out "unrestricted".

AMENDMENT NO. 444

On page 39, line 22, strike out "black" and insert in lieu thereof "non-white".

AMENDMENT NO. 445

On page 39, line 17, strike out "abolishing" and insert in lieu thereof "moderating".

AMENDMENT NO. 446

On page 39, line 24, insert the following" (F) ending coerced abortions within South Africa".

AMENDMENT NO. 447

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-seven".

AMENDMENT NO. 448

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-six".

AMENDMENT NO. 449

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-five".

AMENDMENT NO. 450

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-four".

AMENDMENT NO. 451

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-three".

AMENDMENT NO. 452

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-two".

AMENDMENT NO. 453

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty-one".

AMENDMENT NO. 454

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "thirty".

AMENDMENT NO. 455

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-nine".

AMENDMENT NO. 456

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-eight".

AMENDMENT NO. 457

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-seven".

AMENDMENT NO. 458

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-six".

AMENDMENT NO. 459

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-five".

AMENDMENT NO. 460

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-four".

AMENDMENT NO. 461

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-three".

AMENDMENT NO. 462

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-two".

AMENDMENT NO. 463

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty-one".

AMENDMENT NO. 464

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "twenty".

AMENDMENT NO. 465

On page 39, line 7, strike out "eighteen" and insert in lieu thereof "nineteen".

AMENDMENT NO. 466

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty-five."

AMENDMENT NO. 467

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty-four".

AMENDMENT NO. 468

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty-three."

AMENDMENT NO. 469

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty-two."

AMENDMENT NO. 470

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty-one."

AMENDMENT NO. 471

On page 39, line 8, strike out "twelve" and insert in lieu thereof "twenty".

AMENDMENT NO. 472

On page 39, line 8, strike out "twelve" and insert in lieu thereof "nineteen".

AMENDMENT NO. 473

On page 39, line 8, strike out "twelve" and insert in lieu thereof "eighteen."

AMENDMENT NO. 474

On page 38, line 8, strike out "twelve" and insert in lieu thereof "seventeen".

AMENDMENT NO. 475

On page 39, line 8, strike out "twelve" and insert in lieu thereof "sixteen".

AMENDMENT NO. 476

On page 39, line 8, strike out "twelve" and insert in lieu thereof "fifteen".

AMENDMENT NO. 477

On page 39, line 8, strike out "twelve" and insert in lieu thereof "fourteen".

AMENDMENT NO. 478

On page 39, line 8, strike out "twelve" and insert in lieu thereof "thirteen".

AMENDMENT NO. 479

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 2, 1987".

AMENDMENT No. 480

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 3, 1987".

AMENDMENT No. 481

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 4, 1987".

AMENDMENT No. 482

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 5, 1987".

AMENDMENT No. 483

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 6, 1987".

AMENDMENT No. 484

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 7, 1987".

AMENDMENT No. 485

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 8, 1987".

AMENDMENT No. 486

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 9, 1987".

AMENDMENT No. 487

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 10, 1987".

AMENDMENT No. 488

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 11, 1987".

AMENDMENT No. 489

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 12, 1987".

AMENDMENT No. 490

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 13, 1987".

AMENDMENT No. 491

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 14, 1987".

AMENDMENT No. 492

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 15, 1987".

AMENDMENT No. 493

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 16, 1987".

AMENDMENT No. 494

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 17, 1987".

AMENDMENT No. 495

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 18, 1987".

AMENDMENT No. 496

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 19, 1987".

AMENDMENT No. 497

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 20, 1987".

AMENDMENT No. 498

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 21, 1987".

AMENDMENT No. 499

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 22, 1987".

AMENDMENT No. 500

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 23, 1987".

AMENDMENT No. 501

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 24, 1987".

AMENDMENT No. 502

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 25, 1987".

AMENDMENT No. 503

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 26, 1987".

AMENDMENT No. 504

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 27, 1987".

AMENDMENT No. 505

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 28, 1987".

AMENDMENT No. 506

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 29, 1987".

AMENDMENT No. 507

On page 39, line 8, strike out "March 1, 1987" and insert in lieu thereof "March 30, 1987".

FIREARMS OWNER'S PROTECTION ACT

HATCH (AND OTHERS) AMENDMENT NO. 508

Mr. HATCH (for himself, Mr. DOLE, and Mr. MCCLURE) proposed an amendment to the bill S. 49, supra; as follows:

On page 21, strike out lines 2 through 22 and insert in lieu thereof the following:

"(a)(1) Whoever—

"(A) other than a licensed dealer, licensed importer, licensed manufacturer, or licensed collector knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under the provisions of this chapter;

"(B) knowingly makes any false statement or representation in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(C) knowingly violates subsections (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922;

"(D) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(1);

"(E) knowingly violates any provision of this section; or

"(F) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922, shall be fined not more than $1,000, or imprisoned not more than one year, or both, and shall become eligible for parole as the Board of Parole shall determine.".

On page 8, strike out lines 8 and 9 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));".

On page 8, strike out lines 23 and 24 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));".

On page 10, strike out lines 1 and 2 and insert in lieu thereof the following:

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to marijuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));".

On page 21, line 24, after "any" insert "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or any".

On page 22, line 5, after "such" insert "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.) the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or ".

On page 22, line 14, strike out "included that imposed for the " and insert in lieu thereof "including that imposed for the felony described in the Controlled Substances Act (21 U.S.C. 801), the Controlled Substances Import and Export Act (21 U.S.C. 951), or section 1 of the Act of Sep-

tember 15, 1980 (94 Stat. 1159; 21 U.S.C. 855a), or ".

On page 1, line 3, strike out "of citizens".

On page 1, line 7, strike out "their" and insert in lieu thereof "the".

On page 2, line 2, strike out "their" and insert in lieu thereof "the".

On page 5, line 19, strike out "the sale or" and insert in lieu thereof "the activity involving firearms, including the sale or other".

On page 5, line 24, strike out "opposed to" and insert in lieu thereof "distinguished from".

On page 7, line 12, strike out the colon and insert in lieu thereof a semicolon.

On page 12, line 13, strike out "is so" and insert in lieu thereof "is in a licensee's personal collection".

On page 12, lines 15 and 16, strike out "disposition or any acquisition" and insert in lieu thereof "transfer".

On page 14, line 3, strike out "explicitly" and insert in lieu thereof "expressly".

On page 14, line 3, beginning with "the Act", strike out through "privacy'." on line 5 and insert in lieu thereof "this section.".

On page 14, line 20, after "inspect" insert "or examine".

On page 14, lines 22 and 23, strike out "for a reasonable inquiry" and insert in lieu thereof "in the course of a reasonable inquiry".

On page 15, line 4, strike out "to prohibited persons" and insert in lieu thereof "in violation of section 922(d)".

On page 15, line 5, strike out "inspections or inquiries" and insert in lieu thereof "inspection or examination".

On page 15, line 15, strike out "inspections or inquiries" and insert in lieu thereof "inspection or examination".

On page 15, line 23, strike out "such procedure" and insert in lieu thereof "The inspection and examination authorized by this subsection".

On page 16, line 21, strike out "explicitly" and insert in lieu thereof "expressly".

On page 16, strike out lines 22 and 23 and insert in lieu thereof "by this section".

On page 17, lines 8 and 9, strike out "tracing firearms" and insert in lieu thereof "determining from whom a licensee acquired a firearm and to whom such licensee disposed of such firearm".

On page 22, lines 19 and 20, strike out "or destructive device".

On page 22, line 21, strike out "the good faith".

On page 22, line 21, insert a comma after "danger".

On page 22, line 23, insert a comma after "person".

On page 22, strike out line 24 and insert in lieu thereof the following: "'court finds that the perceived immediate danger was so perceived in good faith and that a sentence under this section would' ".

On page 22, line 25, strike out "justice and" and inset in lieu thereof "justice.".

On page 23, line 1, strike out "such" and insert in lieu thereof "The".

On page 27, line 22, strike out "925" and insert in lieu thereof "926".

On page 30, strike out lines 16 through 19 and insert in lieu thereof the following:

SEC. 201. Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (sections 1201, 1202, and 1203 of the appendix to title 18, United States Code) is hereby amended to read as follows:

"SEC. 1201. (a) In the case of a person who violates section 922(g) of title 18, United States Code, and who has three previous convictions by any court referred to in section 922(g)(1) of title 18, United States Code, for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not less than fifteen years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g) of title 18, United States Code, and such person shall not be eligible for parole with respect to the sentence imposed under this section.

"(b) As used in this title—

"(1) 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily injury; and

"(2) 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is property of another with intent to engage in conduct constituting a Federal or State offense.".

KENNEDY (AND OTHERS) AMENDMENT NO. 509

Mr. KENNEDY (for himself, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. MATSUNAGA, and Mr. KERRY) proposed an amendment to the bill S. 49, supra; as follows:

On page 7, lines 8 and 9, strike out "firearm" and insert in lieu thereof "shotgun or rifle".

MATHIAS AMENDMENT NO. 510

Mr. MATHIAS proposed an amendment to the bill S. 49 supra; as follows:

On page 14, line 24, after "(B)" insert "for routine compliance inspections,".

On page 14, line 25, strike out ", upon reasonable".

On page 15, line 1, strike out "notice,".

On page 15, line 9, after "(A)" insert "for routine compliance inspections,".

On page 15, lines 10 and 11, strike out ", upon reasonable notice,".

INOUYE (AND OTHERS) AMENDMENT NO. 511

Mr. INOUYE (for himself, Mr. MATSUNAGA, Mr. KENNEDY, Mr. METZENBAUM, Mr. MOYNIHAN, and Mr. KERRY) proposed an amendment to the bill S. 49, supra; as follows:

On page 10, lines 21 and 22, strike out "a new subsection to read as follows:" and insert in lieu thereof "the following new subsections:".

On page 11, line 3, strike out the closing quotation marks and final period.

On page 11, between lines 3 and 4, insert the following:

"(o) It shall be unlawful for any person to deliver any handgun to any other person after negotiating for the sale of such handgun to such person, before the expiration of 14 days after the date of the first payment for such handgun is received from the buyer of same, except that the delay period provided for herein shall not apply—

"(1) When the chief law enforcement officer of the purchaser's place of residence certifies, by notarized statement to the seller, that the immediate delivery of the handgun to the buyer is, to his knowledge, necessary to protect against a threat of immediate danger to the physical safety of the buyer;

"(2) when the purchaser provides proof that he has purchased another handgun within the previous twelve months and that in such purchase he complied with the 14 day waiting period; or

"(3) to transactions between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors.".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources.

Wednesday, July 17, 1985, beginning at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building the committee will consider the following nominations:

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988.

Russell F. Miller, of Maryland, to be deputy inspector general of the U.S. Synthetic Fuels Corporation for a term of 7 years.

Those wishing to testify or to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Nan Morrison at 202-224-7143 regarding the nomination of Mr. Trabandt, and Richard Grundy at 202-224-2564 regarding the nomination of Mr. Miller.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, July 9, to hold an oversight hearing on impact on the coal industry of the Office of Surface Mining's proposed rulemaking to collect permit application fees.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 10, in order to discuss and vote on amendments to Senate Joint Resolution 13, proposing an amendment to the Constitution re-

lating to a Federal balanced budget and tax limitation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REALIZING PRODUCTIVE POTENTIAL IV

● Mr. HEINZ. Mr. President, in my last statement I began to look at what the public thought about the United States' trade and industrial problems. Today, I would like to continue doing so with a fourth entry in a series on the deindustrialization of America.

America's declining productivity and economic strength is a problem that has affected the majority of our populace. Across the Nation, we have seen plant closings, the loss of jobs, and the disappearance of market share. Recent polls, published in the April/May issue of Public Opinion, indicated that the American public favored some kind of protection of American industry and jobs.

The question, then, is what kind, and how much, protection do the people want? One poll listed a number of measures which would reduce the trade balance between the United States and Japan, and respondents were asked to vote "yes" or "no" on each suggestion. The least popular measure was subsidizing American products so that they could better compete with Japanese exports. This strategy only received a 61 percent "yes" vote. Legislation which required Japanese imports to contain a specific amount of American-made materials was more favored, receiving a 72 percent "yes" vote. The third most popular measure, garnering a 77 percent "yes" vote, required Japanese companies in the United States to hire American workers. The last suggestion, negotiating with the Japanese Government to open their market to American exports, received a tremendous 84 percent "yes" vote.

For a poll, these statistics represent an astounding response. In many public opinion surveys, a rate of agreement on a single response of over 60 percent is rare. Here, we have consistently obtained better than 60 percent responses. Clearly Americans are fed up with unfair Japanese trade practices, and they are demanding immediate, aggressive action on the part of the American Government.

We can draw a second conclusion from this data: That Americans want a positive, pro-trade solution, instead of harmful, trade-blocking measures. While a large majority, 60 percent, voted for subsidizing American products over no action at all, it was still the least favored solution. In contrast, the most popular solution, negotiating for open markets, was clearly a call for a free-trade solution.

The second poll question confirms this conclusion. This survey asked, "would you like to see the United States trade more with Japan, less, or about as much as it does now?" Thirty-three percent were indifferent, preferring to maintain the status quo; only 21 percent wanted less trade, and 46 percent of those polled wanted to see more trade with Japan.

Finally, a third question asked respondents to vote for restrictions on imports or for encouraging free trade and competition in order to solve our trade problems. An overwhelming majority of 73 percent preferred a "system that let more American goods and services into Japan and Western Europe, and more goods from those countries into the United States.

Unfair foreign trade practices are causing the loss of American jobs and a decline in United States industries. This poll data clearly shows that the American people are fed up with the situation, and they are demanding that we, as Members of Congress, act quickly and authoritatively.

Mr. President, I have over the past weeks proposed a number of pieces of legislation that would constitute such action, most recently S. 1356, the LICIT bill, which would provide a foundation for a new, more aggressive trade policy. I hope all Senators will consider that bill carefully and heed the message contained in the poll data I have cited. Americans clearly want action, and they prefer that it be constructive and market-opening. In future comments I plan to discuss what tactics might best achieve that objective.●

NEW TITLE III LEGISLATION TO BENEFIT THE NATION'S HISTORICALLY BLACK INSTITUTIONS

● Mr. PRYOR. Mr. President, last week, my colleague from Illinois, Mr. SIMON, introduced S. 1328, the Institutional Aid Amendments of 1985, legislation which seeks to strengthen programs under title III of the Higher Education Act of 1965. I am proud to cosponsor this measure, which clarifies the scope and direction of the title III programs.

S. 1328 includes a provision for the establishment of the Black College and University Act, a program that specifically addresses the special needs of the Nation's historically black institutions. The Black College and University Act would assist in the improvement and maintenance of campus facilities, provide workshops and other activities for faculty development, and establish new curriculums to focus on those areas underrepresented by black Americans.

The historically black institutions in my State of Arkansas have established themselves as integral parts of the community, and despite considerable hardship, continue to provide educational options and access for a number of young black students. One of these institutions, the University of Arkansas at Pine Bluff, has begun to direct its attention and resources toward developing more effective teacher education programs. Several weeks ago, I shared with my colleagues information with regard to UAPB's Educational Warranty Program, which provides assistance to teacher education graduates for 3 years after matriculation. The university has the distinction of being the first and only traditionally black institution—among only five other universities across the country—to implement this program. With Dean of Education Dr. George Antonelli and Chancellor Dr. Lloyd Hackley at the helm, UAPB is emerging as an innovative force in the field of teacher education.

Dr. Hackley has written a thoughtful and timely paper entitled "The Decline in the Number of Black Teachers Can Be Reversed," which will appear in the fall issue of "Measurement: Issues and Practice." I ask that Dr. Hackley's article be printed in the CONGRESSIONAL RECORD so that all my colleagues can benefit from his insight and research.

The paper follows:

THE DECLINE IN THE NUMBER OF BLACK TEACHERS CAN BE REVERSED

Currently, America is engaged in a renewed thrust toward educational excellence. It has become clear that a large number of youngsters have been allowed to move through our education systems without having acquired sufficiently high levels of literacy and mathematics skills. Most states have begun to study their education systems and to implement recommendations designed to improve drastically educational outcomes from pre-school through postsecondary institutions. Herein lies a dilemma: The drive toward improved educational standards is catching unprepared thousands of persons who currently, through no fault of their own, are ill-equpped for higher standards and greater rigor. Unlike previous eras, which saw many persons from deprived cultures over-come higher academic requirements with motivation and a firm grasp of the "basics," many of today's youngsters have had their motivation to strive weakened by the same process that undereducated them. The dilemma stated above is exacerbated considerably by the real national need to improve educational quality. Stated often recently, the title of the dilemma is "Excellence and Equity."

Among other problem areas, serious questions have been raised about the quality of graduates leaving our teacher education programs and the relationship of their competence to the effectiveness of public schools. The public has demanded finally that schools of education fulfill their stated commitments and responsibility. The legitimate demand for higher educational quality is causing many states to respond by focusing simply on raising admission and progression criteria and by implementing more stringent licensing and certifying examinations. Such actions alone will not bring

about higher quality in our teacher education programs. Certainly limiting admission to those students who already are well educated may give the appearance of an improved program. A more responsible response, however, must take into consideration the current state of affairs in education and the problems in academic programs in secondary schools and the general education component of university curricula so that enhanced academic abilities are developed in larger numbers of students. Raising academic hurdles before the education is improved that comes before the hurdles will have unanticipated outcomes for the entire teaching profession.

One of the tragic consequences of America's drive toward educational excellence is the serious decline it is causing in the number of Black teachers employed in America's school systems. Projections from current statistics indicate that within a decade, there will be a very low percentage of Black teachers in America's schools. A cursory look at current productivity levels, retirements and changes in careers bear out dire predictions.

As current teachers grow older and retire, the racial composition of the teaching force will change. Since the beginning of competency testing in Louisiana in 1978, only 15 percent of the 1,394 Black students from public institutions who took the NTE achieved a passing score (Donald Kauchak, Phis Delta Kappa, May, 1984, p. 627.) In 1981, Florida certified approximately 200 Black teachers out of an overall total of 5,500, a Black representation of 3.6 percent. If pass rates do not improve, projections of 1986 Texas teacher education graduates indicate that Black teachers will constitute less than one percent! (Emphasis mine) (G. P. Smith, AACTE Briefs, November, 1984.)

The specter of the NTE is very probably scaring Black students away from the teaching profession, since they are aware of the poor performance Blacks are achieving on the examination. The percentage of Blacks sitting for the examination in Louisiana declined from 31 percent in 1978 to 13 percent in 1982. During the period 1979–80 to 1981–82, teacher education enrollments at the two largest Predominantly Black Institutions declined at the junior level by 32 percent and at the senior level by 49 percent. (Kauchak)

It is our conviction at the University of Arkansas at Pine Bluff (UAPB) that many more Black students are intellectually capable of profiting from a college education, but there is a greater need to remove the effects of educational deprivation that resulted from weak educational programs in secondary schools. The ability to perform well on standardized academic achievement examinations, to make satisfactory progress in college and to achieve a qualifying score on such "follow-on" examinations as the NTE are related for the most part to quality education in public school in a core of courses that include the five "basics"—reading, mathematics, language arts, social studies, and science—as well as literature, history, philosophy, foreign language, and fine arts—the education on which we supposedly focus from kindergarten through the sophomore year in college.

Rather than merely lament the inevitable, we at UAPB have implemented an ambitious, comprehensive plan designed to make long-term improvements in the situation, at least in one state. As we began our effort, nearly four years ago, certain fundamental propositions were kept in mind: First, it is absolutely essential that America's education system be improved dramatically, including especially those units which produce teachers.

Second, the students who choose to major in teacher education nationally have the lowest average achievement scores in each high school graduating cohort.

Third, the decline in educational quality in America has been accompanied in particular by a decline in the number of courses students are required to take in the liberal arts, sciences and humanities, both in public schools and in postsecondary institutions.

Fourth, there is a greater relationship between the quality of education students have received in basic skills and in liberal arts, sciences and humanities from kindergarten through the sophomore year in college and the major portion of the NTE than there is between professional education courses and the NTE.

Fifth, Black students are not genetically incapable of performing well on standardized examinations of academic achievement.

Sixth, it is not acceptable to have an education system evolve that is not staffed by persons who represent the entire socio-economic structure of this country.

At UAPB, the effort began on campus where schisms existed between the Division of Arts and Sciences and the Division of Teacher Education. The chief executive officer made it clear to all faculty and staff that education from kindergarten through the sophomore year in college was assessed very directly by the NTE. Further, it was explained that most "follow-on" examinations, such as the NTE, the Nursing Licensure Examination, and the Army ROTC test, for example, indicate considerably more about the totality of the educational quality of the entire university than they do about a particular program.

Step two consisted of a complete academic program review of the entire Teacher Education Division, with a view toward establishing current, relevant curricula, admissions criteria, progression controls, and graduation standards. This allowed staff in teacher education to assess the level of education of each candidate prior to allowing admission into the professional education sequence, and to indicate the areas in which students needed assistance in order to meet standards. All professional education courses have been transferred to the Division of Teacher Education, even those secondary education methods courses, such as mathematics—education, which formerly were housed in Arts and Sciences. The current educational level of students requires a reduction in courses in methods and pedagogy and an increase in liberal arts courses to produce graduates who are better educated over-all. It is much easier to improve teaching techniques on-the-job than it is to improve basic skills and subject matter content.

In an effort to make certain that sufficient resources were directed into those areas in which students needed special academic assistance, and to make certain that adequate academic progression safeguards were operational, the third step was to organize UAPB into two units, an upper and a lower division. The lower division was named University College. The "college" has administrative responsibility for initial academic assessment, advisement, placement, basic skill development, tutorials, and for assuring that general education requirements and other academic courses and standards are met before students are allowed to move into the upper division, or major academic programs.

In the fourth stage, the chief executive officer became personally involved in conditioning the form the new state educational initiatives would take so that the drive toward excellence would include safeguards for equity and would eliminate situations which prevent Black students from real educational achievements. In this regard, the Chancellor served on both the committee formed to write new accreditation standards for Arkansas' public schools and the Quality Higher Education Study Committee. On both committees, the Chancellor was an advocate for those standards which would make certain that students not be allowed to move very far in the school system before having their educational progress assessed and having deficiencies corrected. In particular, standards were recommended to assure that the five basics—reading, mathematics, language arts, social studies and science—as required for competency would be required of all students prior to the ninth grade. Minimum competency assessments were established at the end of the third, sixth and eighth grades rather than at the end of high school, as is generally the case in other states which require such an examination. Although there is some reluctance to admit it, records indicate that following integration, there was a drain of high quality students from Traditionally Black Institutions to Traditionally White Institutions, just as took place in athletics. Thus, the Chancellor involved himself in efforts to improve educational outcomes in public schools not only to improve generally the education received by Black students, but also to improve the quality of the pool of students who were enrolling at UAPB.

in addition to the Chancellor's efforts, UAPB's Dean of Education and a UAPB student (the only student appointed) served on the Arkansas Teacher Education, Evaluation and Certification Committee.

Step five consisted of the implementation of workshops, seminars, and special courses in test-taking techniques to assist students in translating general knowledge into responses required to perform well not only on the NTE, but also on other standardized examinations of educational competence. Another aspect of these activities was to reduce test-anxiety by indicating certain routine pitfalls and by simply familiarizing students with various test formats.

In step six, we instituted UAPB's Educational Warranty, the first TBI to initiate such, and only the sixth university in America to do so. Although the warranty deals primarily with those graduates who have passed the NTE and have been employed in a school system, it mut be seen in the entire educational context within UAPB's overall educational initiatives.

The warranty is the end of a process that begins when a student enrolls at UAPB. Thus, only after the student has been treated to University College, testing seminars, special classes, an advising sytem, and a close interactive system that involves our counseling center, Arts and Sciences Division, and the Division of Teacher Education will the warranty be applied. Students who do not participate in required functions will not be granted the warranty. The specific conditions of the warranty are:

1. The Warranty can be activated by either the student or the school district.

2. After a problem has been identified in either delivery or the content, a teacher training team will meet with the student.

3. The teacher training team will be composed of the Dean of the Division of Education, student advisor, content specialist from Arts and Sciences and/or procedural specialist from the Division of Education, as well as the local school district supervisor.

4. The teacher training team will study the situation and make recommendations regarding course work, consultation or counseling.

5. A baseline will thus be established from which a gain improvement will be documented.

6. Our Warranty will cover professional aspect of our students for 3 years after graduation.

Because of the requirement to specify weaknesses in each graduate, principals and superintendents will be required to improve their evaluation techniques and there will be a decline in arbitrariness and capriciousness. Since school administrators will be required to specify weakness in our "product," we in the University will be able to improve our preservice training, including arts and sciences components of the total educational curriculum.

In fall 1984, UAPB hosted and co-sponsored a conference entitled "Educational Excellence and Equity." The primary purpose of the conference was to communicate accurately to 100 carefully selected individuals some of the fundamental causes of the stall in Black progress in education in Arkansas. The conference recommended that we establish a continuing conference so that individuals would be connected with the university and would be provided with information and other assistance needed to deal in the communities with the multifacted problems facing Blacks in education.

UAPB initiated also an Advocacy Center for Equity and Excellence in Teacher Education. The center was established with a grant from UAPB's Education Excellence Fund. The program is designed to address specifically the poor showing by Blacks on standardized examinations, to increase the number of Black teachers and to improve the performance of Black students and Black teachers in education and on standardized examinations. The program will be conducted with free workshops for teachers, students and parents and will deal with matters such as test-taking, study skills, core curricula and gifted talented programs.

CONCLUSION

There are some very stong indicators that our approach is educationally sound. In 1980 and 1981, UAPB pass rates on the Nursing Licensure Examination, at first sittings, were 40% and 55.5% respectively. In the three most recent sittings, the pass rates were 67%, 95% and 100%. Our ROTC students achieved a 100% pass rate on the examination which the Army had predicted would fail 75% of UAPB's students because the passing score was set at the equivalent of 17 on the ACT and UAPB's average last year was 10.5. More specifically for teacher education, our pass rate on the NTE increased from 42% in 1983 to 73% in 1984. UAPB has led the state in enrollment growth for three consecutive semesters: 4% in summer 1984; 7.6% in fall 1984, and 9% in spring 1985. We experienced a 17% increase in white student, on-campus enrollment in fall 1984; and in spring 1985, we have 190 more Black students than we had in spring 1984.

I would be among the first to state that the quality of education has suffered during the past two decades and that teacher education programs in particular are badly in need of modification. I am convinced also, however, that one does not knowingly solve one problem by creating another. Educational leaders who would claim to be responsible would not attempt to improve the quality of teachers by focussing entirely on increasing hurdles required to enter the profession. Not only would program quality remain low, but also there could very well be an escalation of the teacher shortage among Blacks, women, and persons from lower socio-economic levels. If the objective is simply to reduce the number and social, economic and racial spectrum of persons going into the teaching profession, then higher admission, progression, graduation and certification requirements implemented without having made sure that all students have been afforded a quality education will suffice. If, on the other hand, the objective is to improve the quality and quantity of persons going into and remaining in the field, an entirely different set of solutions is in order.

Such improvement cannot be developed by confining one's attention to the University. Not only will the improvement in the quality, quantity and population spectrum require participation from all segments within the University, but also legislatures, public schools, parents and related groups must be involved in the reformation.●

CONTINUED BUSINESS SUPPORT FOR EXIMBANK DIRECT LOAN PROGRAM

● Mr. HEINZ. Mr. President, I would like to bring to the attention of my colleagues a letter written by Mr. Jerry J. Jasinowski, executive vice president and chief economist of the National Association of Manufacturers.

Mr. Jasinowski is concerned about the Exim Bank funding provisions in the recent Senate budget reduction package. Specifically, he questions the effectiveness and efficiency of the I-MATCH proposal which would replace the Bank's direct loan program.

As we all know, the Export-Import Bank was created to encourage more aggressive American marketing and to improve U.S. exporting in foreign markets. Given current world conditions, it will inevitably be a major part of any comprehensive trade program we design. Today, with trade wars threatening in the West as well as the East, and with tremendous budget deficits weakening our economy, our ability to compete and trade internationally becomes a major determinant of this Nation's economic and political well-being. The importance of programs which enhance our world exporting abilities cannot be understated.

Eximbank's direct loans are one such program. In contrast, there are serious questions concerning the I-MATCH Program and its ability to provide adequate funding for exports. As Mr. Jasinowski points out in his letter, the "I-MATCH Program is distinctly inferior to the direct loan program." In addition to being awkward and unworkable, it would effectively cost the Government $40 million more per year than the current direct loan program. Instead of creating budget savings, the new program would actually contribute to the deficit in real terms.

The United States needs an active, constructive approach to its international trade problems. As Mr. Jasinowski also notes, Eximbank can be a strong, positive component of a comprehensive export policy. Mr. Jasinowski's correspondence, on behalf of the National Association of Manufacturers, indicates that there is broad business support for the Bank and its current direct loan program. I hope the conferees on the budget resolution retain the direct loan program, and I ask that the text of Mr. Jasinowski's letter be printed in the RECORD.

The letter follows:

JUNE 12, 1985.

Hon. PETER V. DOMENICI,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR DOMENICI: We remain troubled by the so-called I-match proposal contained in the Senate budget reduction package which would replace Eximbank's direct loan program. We are concerned that I-match is an inferior export promotion proposal and would actually widen the deficit.

To claim that the budget deficit is reduced by substituting I-match for Exim direct loans takes advantage of accounting practices in the budget process which do not recognize that Exim credits are loans which are repaid with interest. This very point was recognized by Exim President Draper in March 20 testimony before the Senate Appropriations Subcommittee on Foreign Operations when he stated: "My feeling is that the Eximbank direct loans should never have been in the budget in the first place because they are authorizations of loans that collect interest . . ."

In the same testimony, Mr. Draper went on to estimate that I-match as proposed by the Administration would cost the government $40 million more annually than the equivalent direct loan program.

In addition, I-match is distinctly inferior to the direct loan program. I-match provides no way for the U.S. to respond to the increasingly aggressive use of mixed credits. Real questions exist about the willingness of commercial lenders to participate in the program. Hence, the proposal relies almost completely on the Private Export Funding Corporation (PEFCO), a small financial institution designed to supplement Exim's direct lending. And perhaps most objectionable, the budget savings supposedly achieved represent little more than accounting gimmickry rather than real budget savings.

A key component of a positive trade program in this country is to maintain a strong Exim direct loan program, certainly until such time that an international agreement can be reached which genuinely and demonstrably restrains official credit practices of other nations. With other nations still supporting 25-50% of their manufactured exports through official financing, we do not feel that time has arrived. It is for this reason that we would prefer to see a budget reduction incorporating the approach to Eximbank funding adopted by the House.

Development of a credible deficit reduction package is vital to restoring U.S. inter-

national competitiveness. We all recognize that the reduction of the federal budget is of paramount importance in dealing with the high value of the dollar. We support that effort. But the U.S. Government is kidding itself if it thinks that this nation's international competitiveness problems will be solved simply by deficit reductions. There is a whole range of other policies that are essential to improving trade performance, and the Eximbank direct loan program is one of those.

Foreign firms are not likely to give up markets they have gained over the past four years without a fight. In fact, in the event that exchange rate realignment helps to close the competitive gap between U.S. and foreign firms, we can expect to see greater, not less, foreign reliance upon export financing to maintain market positions. To give up the proven Eximbank direct loan program, which is universally understood and accepted by domestic and foreign users, for an unknown and more expensive program such as I-match makes no sense.

When the Eximbank functions properly, it is an effective tool in U.S. export expansion benefiting not only principal exporters but also their suppliers located throughout the country. Much has been made of Exim funding going to a few large exporters. In fact, Exim backs up dozens of major American exporters of capital goods products. These firms in turn have literally thousands of major suppliers located nationwide. For example, in a typical nuclear power plant export in the $1 billion range, 52% of the project value goes to a large number of major suppliers located in approximately 30 states. For one commercial aircraft company, as many as 3,000 major suppliers are typically involved with the sale of U.S. planes overseas. And in the international construction industry, a study has just been completed demonstrating similar "ripple" effects through the U.S. economy. In short, there are a lot of "invisible exporters" in this country who would lose substantial business orders unless Eximbank existed to counter the aggressive financing practices of other nations.

We would be glad to discuss our views on this subject in more detail at any time.

Sincerely,

JERRY J. JASINOWSKI,
Executive Vice President and Chief Economist, National Association of Manufacturers.●

FROZEN EMBRYOS: POLICY ISSUES

● Mr. GORE. Mr. President, I want to bring to the attention of my colleagues an article that appeared in the June 13, 1985 issue of the New England Journal of Medicine, one of our Nation's most prestigious medical journals. The article is authored by three distinguished professors at the University of California, San Diego.

The article, entitled "Frozen Embryos: Policy Issues," discusses the myriad social, ethical, and public policy considerations raised by embryo freezing, one of the astounding new reproductive technologies that are so dramatically affecting our world.

Recent developments in embryo technology now enable us to freeze, store, and then transplant fertilized embryos. While this new technology offers many people, who might otherwise remain childless, the wonderful opportunity to become parents, it clearly raises a number of serious ethical questions that must be addressed by our society. For example, under what conditions should this technology be employed, and when, if ever, should it be prohibited? Moreover, what is the status of the embryo itself once it is removed and frozen? The article concisely presents some of those issues.

In considering the implications of this new technology, the article also calls for the creation of a national commission to examine these and other critical bioethical issues. I especially want to call this portion of the article to my colleagues' attenton.

Last month, I introduced S. 1255 to establish the National Commission on Bioethics. The purpose of the commission is to examine precisely the questions discussed in the article. A national bioethics commission is needed to enable our society to start the search for answers to the many difficult and complex dilemmas that the application of new medical technologies to human beings is beginning to create.

I ask my colleagues to give careful consideration to the issues raised in this article.

Th article follows:

SPECIAL REPORT—FROZEN EMBRYOS: POLICY ISSUES

Freezing of live human embryos in cleavage stages was highlighted in the U.S. media a year or so ago when an American couple died in a plane crash, leaving an heir in the United States and two frozen human embryos in an infertility center in Melbourne, Australia. Media attention focused on the legal status of the embryos with respect to inheritance, but other broader issues have been cited as well. Because freezing of embryos as an adjunct to external human fertilization (in vitro fertilization) is beginning to be done in the United States, such issues will have to be addressed, as they have been in both Britain and Australia.

In this article, we examine the issues associated with freezing of human embryos and the suggested approaches to resolve them. Our chief conclusion is that the United States should, very promptly, launch a comprehensive deliberative process with respect to further developments associated with in vitro fertilization, before establishing binding public policy at any level.

Since the first birth following in vitro fertilization occurred in England in 1978, the original procedure or modifications of it have been adopted by a rapidly increasing number of infertility clinics around the world. With respect to frozen embryos, the first births following uterine implantation of a frozen and thawed embryo have been reported in Australia and the Netherlands. The available information indicates that three normal infants (including one pair of twins) have been born in Melbourne after freezing and thawing, and two other twin infants born in the Netherlands may also have been from frozen and thawed embryos. Two similar pregnancies terminated spontaneously, and several others with unknown outcomes have been mentioned. No such births have yet been recorded in the United States, but at least one clinic has acknowledged that it has trials in progress.

Freezing of embryos is attractive in connection with in vitro fertilization for several reasons. First of all, pharmacologically induced superovulation has been found to increase the efficacy of the in vitro fertilization procedure. Frequently, more fertilized eggs are produced than can be usefully transferred to the uterus in a single attempt. Surplus embryos, if frozen, can be used in later attempts if the first transfer does not result in pregnancy—which is more often the case than not. Freezing can avoid the discomfort and cost of repeated laparoscopy.

Secondly, at least theoretically, freezing can further increase the efficacy of in vitro fertilization, which results in much less than one birth per four embryo-transfer attempts. The pharmacologic induction of superovulation may, through indirect hormonal effects on the uterus, reduce implantation rates. If so, frozen storage of embryos could allow transfer to the uterus in a later, pharmacologically undisturbed cycle, with possibly higher efficacy.

Thirdly, freezing allows greater latitude and logistic convenience in determining the time of transfer to the uterus. It expands treatment options as well.

DOES FREEZING RAISE ISSUES BEYOND THOSE OF IN VITRO FERTILIZATION?

Freezing of human embryos raises two issues that go beyond those raised by in vitro fertilization in general. The first concerns a possible increased risk to the embryo as a result of thermal manipulation. The second arises from the fact that freezing indefinitely lengthens the period of embryonic existence outside and independent of the maternal body. This heightens the autonomy of the embryo and increases the options regarding its subsequent fate.

With respect to the risk to the embryo, there are only limited data on human embryos, since systematic study has been inhibited by policy restrictions on their investigational use. Beyond the Melbourne experience already referred to, there is only brief mention of continued development of frozen and thawed embryos under culture conditions. The limited number of observations provide no statistically reliable conclusions about the risk to offspring associated with transferring frozen and thawed human embryos back to the uterus for development.

Considerable data are available, however, on other mammalian species. Research on cryoprotection and freeze-thaw regimens has led to a steady improvement in methods. Over the past decade, an increasing proportion of frozen and thawed embryos of both farm animals and laboratory mice have remained viable and normal after transfer to the uterus. For example, as many as 90 percent of frozen eight-cell mouse embryos develop in vitro after thawing, and fully two thirds of frozen and thawed embryos transferred to the uterus yield offspring, with no evidence of an abnormality attributable to freezing and thawing.

Data are also available on possible deterioration of embryos in long-term frozen storage. In a recent study of eight-cell mouse embryos exposed to the equivalent of 2000 years of radiation at normal background levels, there was no detectable effect on their development.

Animal studies, therefore, are reassuring with respect to the risk of abnormalities induced by freezing of embryos. It is not clear,

however, whether these studies can be projected directly to the human species. The criteria for judgment of embryo damage in human beings are necessarily more stringent because of special concern about effects on the human brain and because of ethical considerations.

The second issue raised by freezing is that, in providing an indefinite but reversible cessation of development, it not only offers advantages but also introduces options that may or may not be beneficial. In effect, freezing not only disconnects an embryo from its production cycle in the donor but greatly facilitates transfer to nondonors, thereby expanding the possibilities enormously.

Disconnection from the particular cycle of the donor offers other benefits to the donor. If the first effort has been successful, frozen spare embryos could be used for a second child; in vitro fertilization does not cure infertility (for example, blocked oviducts) but merely circumvents it. The second effort could be made at the convenience of the patient, permitting family planning. If the success rates of in vitro fertilization were greatly enhanced, a young fertile couple might wish to store frozen embryos obtained through in vitro fertilization early in their marriage. By practicing effective contraception (sterilization?) they could request transfer of their own frozen and thawed embryos when they chose to.

It has also been suggested that one cell might be removed from an early embryo, and the remainder frozen. the one cell might be used for genetic diagnosis when a family history appeared to require it. If the diagnosis was favorable, the remainder of the embryo (which according to animal experiments would presumably be able to continue normal development) might be returned, after thawing, to the uterus of the donor.

Isolation of embryos from the genetic parents as a result of embryo freezing was illustrated in the Melbourne case. The embryos' only chance of continued development in this situation depends on transfer to the physiologically prepared uterus of another woman. In a recipient who was anxious to have a child but unable to, this would in effect be embryo adoption—an option also available whenever spare embryos are produced that the donor no longer wants. There has been one report of the successful transfer of an embryo (not previously frozen) to the uterus of a nondonor. This required that the menstrual cycles of the donor and recipient be matched to ensure that the recipient's uterus was physiologically receptive. Frozen embryos can be thawed and transferred at the optimal time in the recipient's cycle. The same applies to any transfer to nondonors, whether for purposes of surrogacy or for transfers over long distances, as might be useful in extraterrestrial colonization.

SOCIAL AND ETHICAL IMPLICATIONS OF FREEZING

The technical possibilities generated by freezing of human embryos raise major social and ethical issues. Perhaps most fundamental is the fact that lengthening the embryo's external existence increases its independence from its parents. In an abortion the embryo's survival is immediately opposed to the interest of a woman who wants to terminate the pregnancy. In in vitro fertilization, embryo survival and maternal interest are not opposed, since the embryo's development, at least theoretically, can continue in a uterus other than that of the genetic mother. Without freezing, however, the option is restricted, since the external embryo ordinarily develops for only two to three days—generally too short a period to locate a synchronized recipient.

The frozen embryo, moreover, not only acquires greater independence but is unchanged over an extended period. The connection to the parents may be further attenuated by time. For example, the embryo will presumably not undergo substantial biologic changes over a period of 30 years, but the egg donor will be aging and losing the capacity to receive the embryo back for intrauterine nurture. Does the passage of time alter the social, moral, and legal status of the frozen embryo? Is the donor's status as mother and decision maker changed?

Another important issue, raised earlier by in vitro fertilization itself, is heightened by embryo freezing: Should research be carried out on early human embryos? Freezing allows accumulation of embryos for later use in research, which is important both logistically and for the provision of increased numbers for statistically reliable comparisons. However, the impact of freezing on research is not easily assessed. Britain's committee of inquiry concluded that the practice of freezing would actually reduce the number of spare embryos available for research. Indeed, this expectation was one justification for the committee's decision (by a nine-to-seven majority) to sanction deliberate creation of human embryos for research.

Whether in terms of research or of other possible uses of human embryos, the issues raised by freezing go beyond those of in vitro fertilization itself. Given the potentially indefinite duration of the frozen state, it is desirable to specify permissible uses in advance. Without freezing, options are restricted by the short time span of external development. With freezing, choices may be presented months or even years after storage. Also, these is the matter of the relative decision-making roles of the mother, father, professionals, and government. Even more complex is the question of the social, moral, and legal status or personhood) of the early human embryo. Though the embryo is frozen and thus for the moment inanimate, both the embryo and the issue of its status remain very much alive.

PUBLIC POLICY CONSIDERATIONS

The inheritance rights of the human embryo were raised publicly with respect to the two frozen embryos in Melbourne, but does an external human embryo have any rights at all? Embryo status and rights have been a major issue in connection with abortion. In vitro fertilization presents the issue in a new context, one in which the mother's rights are not nearly so immediately involved. The frozen embryo, isolated in developmental stasis for an indefinite period, raises a number of difficult questions that appear to be unprecedented.

For example, to whom do such embryos "belong"—to living parents, to the estate of deceased parents, to the storage facility that maintains them, to the state? If they are not "property," what are their social relationships? Who is responsible for their welfare? Do they, under some circumstances, become wards of the state? For the first time, we are directly confronting such questions about embryos as immature entities that are capable of maturing into adults but are physically independent of their parents.

Frozen human embryos are not the only novelty that may be presented to policy makers by the technological progression under way in human reproduction. What should be the broad objectives for public guidance and policy in this emerging complex area? What criteria should be used in choosing amont the proposed alternative policies? Before examining specific steps, a number of considerations are worth mentioning.

(1) The early human embryo has only recently become visible and susceptible to intervention. Public bodies in several countries agree that the human embryo is entitled to "respect," but they have articulated no consensus on what "respect" means as a limit to specific treatment or use. Moreover, changing states in the developmental transition from a fertilized egg to an infant have not been distinguished.

(2) In the United States adults have constitutionally protected rights to reproductive choices without interference by the state. Moreover, an embryo formed from the gametes of an adult couple has a strong continuing relationship to the couple, who are recognized socially and legally as the parents. The role includes a prima facie involvement of genetic parents in decisions about the welfare of their offspring.

(3) Production of offspring is recognized and approved as a legitimate adult aspiration. Infertility is regarded as a misfortune and, increasingly, as an impairment of health. Despite a world tending toward overpopulation, the majority of U.S. citizens favor medical efforts (including in vitro fertilization) to relieve or circumvent infertility in married couples.

(4) The approved medical emphasis on reproductive health also appears to extend to mitigation of genetic disease and birth defects. Thus, in vitro fertilization is part of a broader front of genetic and developmental techniques.

(5) Effective and safe application of scientific knowledge to medical practice (e.g., in vitro fertilization) requires suitable clinical trials. Such trials are a form of experimentation on human subjects and require special attention to ethical principles and human rights.

(6) Public policy that is unclear or deficient with respect to emerging reproductive options puts an excessive burden on the courts, which are not necessarily well equipped to resolve issues that are simultaneously ethical and technical. A suitable deliberative and nonconfrontational forum may be better able to propose policies to anticipate and minimize legal controversy and conflict.

(7) In decision making with respect to health, patients and physicians are the primary participants—particularly in dealing with details of individual cases. Where a public interest must be brought to bear, it should not displace or constrict the parental and professional roles.

(8) The medical interest in better reproductive health rests on a half century of scientific advance. There are circumstances that justify restrictions on research, especially involving human beings, but restriction carries its own risk and cost, which must also be assessed.

THE IMMEDIATE POLICY OPTIONS

What public-policy steps are needed now to deal with embryo freezing and other foreseeable technical advances? In general, public-policy options in response to new techniques range from active promotion through laissez faire to statutory prohibition, with many intermediate choices. When

constraint is thought to be necessary, a regulatory process is initiated.

Clinical use of in vitro fertilization, including embryo freezing, began several years earlier in Britain and Australia than in the United States. Similarly, public-policy formation with respect to these matters began earlier in Britain and Australia, and the two countries have conducted studies and taken some action. The British government's committee of inquiry eschewed total prohibition of embryo freezing or of in vitro fertilization but proposed "the establishment of a new statutory licensing authority to regulate both research and those infertility services which we have recommended should be subject to control." The committee spelled out a number of conditions and limitations—for example, that human embryos should not be cultured or subjected to investigation more than 14 days after fertilization, and that any unauthorized uses of a human embryo in culture should be regarded as a criminal offense. In fact, the committee made 63 recommendations, some of which bear on questions raised here. The recommendations amount to a full-fledged regulatory system, both for clinical reproductive services and for research using human embryos. Comparable but not identical steps have been taken in Australia. In the United States, the only government report on in vitro fertilization was issued in 1979 by a short-lived Ethics Advisory Board within the Department of Health, Education, and Welfare (now Health and Human Services).

That department's regulations on fetal research require approval by an ethical body before any research on in vitro fertilization can be supported by the department. When such a research proposal was accepted on scientific grounds by the National Institutes of Health, the secretary asked the Ethics Advisory Board to examine all aspects of the matter with the widest possible public participation. The board concluded, among other things, that research on embryos less than 14 days after fertilization was ethically acceptable though there were also valid ethical objections. The board avoided dealing with other issues, and in any case, freezing was not considered an option at that time. Four successive secretaries chose not to act on the report of the Ethics Advisory Board (presumably because of political tension surrounding the abortion issue), and the board itself was dissolved not long after it had issued the report. In consequence, a de facto ban on federal support of in vitro fertilization research has existed since then. The history reflects the controversial nature of reproductive options, including in vitro fertilization, in the current U.S. political climate and, possibly, the reluctance of policy makers to become involved in another divisive struggle similar to that over abortion.

Meanwhile, there has been growing concern in the United States about a related biomedical advance: gene transfer. This is considered to be a possible approach to genetic disease that also carries unevaluated potential for eugenic application. Congressional hearings on this subject were held in 1982. Subsequently, legislation was passed by the House to create a national deliberative commission on the subject. More recently, the same House subcommittee held hearings on in vitro fertilization and embryo freezing, and its chairman, then Congressman (now Senator) Albert Gore, Jr., indicated an interest in having these subjects included in the charge to a national commission as well.

These events in Britain, Australia, and the United States suggest a common view that a comprehensive deliberative approach should precede specific policy decisions in the complex and controversial area of reproductive options. Does the effort already made abroad render superfluous a comparable deliberative effort in the United States? Certainly, the British and Australian experience will help to illuminate the U.S. discussion. It is equally clear, however, that the circumstances here—social, legal, and political—are sufficiently different to require independent deliberation. Moreover, the deliberative process is itself important, not only because of the possibility of generating new approaches, but because it can better inform all parties, help move toward a consensus, and establish the credibility of the process in the national community.

One of the first items on the agenda of a national commission clearly should be to determine whether the government is to be involved at all in decisions about new reproductive options and, if so, at what level. In the United States, unlike Britain, the usual locus of authority for laws relating to reproductive matters is the state, not the national government. It is not unlikely, therefore, that state legislatures may wish to consider regulation of in vitro fertilization or embryo freezing. The possibility is a strong argument for establishing a national deliberative body to inform policy development at all levels of government. Such a commission should encourage deliberation by all groups, public and private, so that the pluralism of our values can be reflected both in whatever public policy emerges and in the mechanisms for its implementation. An underlying consensus will be necessary to buttress any public policy in so fundamental a matter as human reproduction.

Assuming that a national focus is being established, are additional steps required? Major concern about freezing centers on the uses to which frozen and thawed embryos might be put, beyond transfer to the uterus of the egg donor. If a national commission were established, it would be several years before recommendations could be made and considered. This has been the timeframe in both Britain and Australia. Meanwhile, increasing numbers of frozen embryos may be produced, with increasing uncertainty about their status and fate.

To minimize the problem, we suggest the following steps. The clinical community involved with in vitro fertilization should voluntarily limit use of embryo freezing to the initial purpose—i.e., to circumvent infertility in patients. Freezing should be carried out only with surplus embryos obtained from a clinically justifiable laparoscopy, and on thawing, embryos should be returned to the uterus of the donor, usually after an unsuccessful first attempt to transfer unfrozen embryos. Thawed embryos should be transferred to a nondonor only with the consent of the donor and an institutional review board or hospital ethics committee. Frozen embryos should be kept in storage for not more than five years or until the establishment of relevant public policy. Under such a voluntary arrangement, experience could be gained with freezing through clinical trials as an adjunct to in vitro fertilization but without public anxiety that other purposes might be served that had not been carefully considered. The purpose of the arrangement would be to avoid precipitate limitation of freezing for purposes that appear to be publicly acceptable, out of suspicion and fear of unsanctioned purposes, such as uncontrolled experimentation.

ARKANSAS WINNERS OF THE 36TH ANNUAL INTERNATIONAL SCIENCE AND ENGINEERING FAIR

● Mr. PRYOR. Mr. President, each of my colleagues is aware of the annual International Science and Engineering Fair [ISEF], dedicated to inspiring greater interest among students in the fields of pure and applied science. This year's competition, held the week of May 12 through May 18 in Shreveport/Bossier City, LA, marked the fair's 36th year. I am especially proud to recognize the three project winners from my State, all of whom were awarded multiple honors in the competition.

Todd Harrison Rider, a 16-year-old junior at Old Main High School in North Little Rock, was the recipient of several honors in the engineering category, for his project entitled, "How Can Rocketry Staging Be Improved?" Todd sought to design and evaluate a more efficient system of rocketry staging. For his efforts, this young man was presented the First Award sponsored by the American Astronautical Society, the National Aeronautics and Space Administration's [NASA] First Award, and the General Motors ISEF Fourth Award.

In the physics division, 17-year-old Rudolph (Rudy) J. Timmerman, a senior at Wickes High School in Wickes, was presented the First Award sponsored by the American Association of Physics Teachers, the General Motors ISEF First Award, and from the American Vacuum Society (Vacuum Technology Division), yet another First Award. Rudy's project, involving the Rutherford alpha scattering experiment, performed this process using new techniques to detect and count alpha particles. The gathered data was used to verify the Rutherford scattering formula. The magazine, Scientific American, plans to publish Rudy's project in a later issue.

The third Arkansas winner at this year's competition was also a multiple honoree in the engineering category. Eighteen-year-old Eugene Sargent, of Fayetteville, AR, received First Awards from the Bell Electronic Systems Division, General Motors Corp., the Junior Engineering Technical Society, and the General Motors ISEF Division. This Fayetteville High School senior was also presented a Third Award sponsored by the American Intellectual Property Law Association and the Grand Award from the Patent and Trademark Office/U.S. Department of Commerce. Eugene developed a system for the acquisition of three-dimensional images. The excellence of his project secured his slot as one of two winners of the Glenn T. Seaborg Nobel Prize Visit Award. The recipients of this prestigious honor travel to Stockholm, Sweden, all ex-

penses paid, to attend the Nobel Prize ceremonies in December. I am extremely proud that this outstanding young man captured this top honor from among 618 student winners from each State and 14 foreign countries.

Each of these fine young people is especially deserving of our recognition and continued support. My sincerest congratulations to Arkansas' three award-winning young scientists.●

NEW DEVELOPMENTS ON CYPRUS CAUSE FOR CONCERN

● Mr. LAUTENBERG. Mr. President, I rise to express my concern over recent developments in the occupied area of northern Cyprus, including the approval of a new constitution by the Turkish Cypriots and their holding of parliamentary and Presidential elections.

These actions represent an attempt by the Turkish Cypriots to consolidate their illegal republic in the occupied area of northern Cyprus. This goal was openly acknowledged by Rauf Denktash, landslide victor in the republic's first Presidential elections on June 9, who said, after casting his vote in northern Nicosia on June 23 that "This election completes the final circle in the establishing of this republic."

These actions violate the spirit of United Nations Security Council Resolutions 541 and 550, which declare that the attempt to create a Turkish Republic of Northern Cyprus is invalid and will contribute to a worsening of the situation in Cyprus. Moreover, attainment of this goal will not be helpful to the resolution of the Cyprus conflict. The continued steps to legitimize the secession of the Turkish Cypriot community from the Republic of Cyprus could seriously damage efforts of the U.N. Secretary General to bring about a fair and final negotiated settlement to the problems of the country by solidifying the Turkish Cypriot commitment to a separate state.

On a subtler level, the attempted establishment of a Turkish Cypriot Republic reinforces the separation of the Greek Cypriot and Turkish Cypriot communities which in itself is counterproductive to a negotiated settlement on Cyprus.

Despite these disturbing developments, I am encouraged that the Secretary General of the United Nations made public on June 11 his receipt of a positive response from the Greek Cypriots on Cyprus about their acceptance of a documentation which will provide the basis for a U.N. sponsored settlement. The documentation outlines how the negotiations will proceed, and is a positive step toward a resolution of the Cyprus conflict.

I sincerely hope that the holding of elections and the adoption of a Turkish Cypriot constitution will not damage the search for peaceful resolution of the conflict on Cyprus.●

A NEW ERA FOR NATIONAL PARKS

● Mr. DURENBERGER. Mr. President, we have reached a watershed mark in policies related to the National Park System. Since its inception, the National Park System has grown from 35 units to 334 units which not only includes 48 national parks, but national monuments, national historic areas, national parkways, national recreation areas, national wild and scenic rivers, national preserves, national seashores and lakeshores, national scenic trails, and the national capital system here in Washington, DC.

In the 1960's and 1970's the public demand for recreation grew and the Federal Government responded by establishing over 125 new units of parks and recreation areas, setting aside bits and pieces of cities, rivers, lakes, hills, mountains, and plains to provide recreational opportunities for the American people.

The demand for recreation continues today—if you can do it outside, people are doing it. But the Federal Government's response is markedly different. We can no longer afford the expansion policies of the 1960's and 1970's. In 1980, Congress authorized the addition of 15 new units, 10 of these were part of the Alaska National Interest Lands and Conservation Act, the remaining five were monuments and historical sites.

In 1982, Congress established the Harry S. Truman National Historic Site, and in 1984 the Illinois-Michigan Canal National Heritage Corridor Act was enacted.

We're hard pressed to keep up with the recreational demands of the American public. Land acquisition has slowed, and while park facilities have been repaired and improved other resources within the park have suffered.

The Park Service has done a commendable job with limited resources. But the millions who visit the parks every year leave their undeniable imprint and we're hard pressed to keep up.

We're at a watershed—the beginning of a new era in how we fulfill the National Park Service's mandate to preserve and protect the wonderful resources of the parks for the enjoyment of present and future generations.

Mr. President, we have a new Director down at the National Park Service, William Penn Mott. He brings with him the wisdom of experience as well as new ideas—ideas on how to fulfill the Park Service's mandate in a new era.

Mr. President, I ask that Mr. Mott's speech at Yellowstone National Park on June 8 be inserted into the RECORD. I would urge all of my colleagues to read his remarks and think about how we can best begin this new era.

The speech follows:

REMARKS BY WILLIAM PENN MOTT, DIRECTOR OF THE NATIONAL PARK SERVICE, BEFORE THE GREATER YELLOWSTONE COALITION, SATURDAY, JUNE 8, AT YELLOWSTONE NATIONAL PARK

It is with great pleasure and honor that I am here today to address such a distinguished and important gathering of people. You represent people who are concerned about and committed to one of the most important undertakings of humankind—the preservation of the natural world—a rapidly diminishing and finite resource.

Through the centuries before our time, civilizations with growing numbers of people and with ever advancing technologies have moved across the face of the Earth, leaving in their wake an increasingly transformed landscape. Sometimes good, sometimes bad. We have perhaps all too slowly, but certainly more surely, come to recognize the finite limits of the Earth. If there is any question, views from outer space have confirmed this fact. We have come to appreciate the importance of retaining some portion of our world in its natural state, not only for its sheer esthetic, spiritual, and emotional appeal, but more importantly to preserve for the future the opportunity to discover relationships and benefits to mankind, animals, and plants.

We all know that the geography on which we meet today represents the victory of an idea whose time had come. One hundred and thirteen years ago marked the legal recognition of an important idea by the establishment of Yellowstone National Park—the first of its type in the Nation—and perhaps even more importantly, the first of its type in the world. You all know the story of the proliferation of the idea—to the point where now there are about 2,618 national parks and equivalent reserves in 137 nations of the world. "One of the greatest ideas we ever had," as I believe Wallace Stegner once put it. Certainly, it is one of the greatest and noblest causes to evolve in the history of humankind. And you—we—are a part of its continuation.

But we must not rest on our laurels. No sooner than the first national park was born, and as others came forth to flesh out a budding system, problems and threats to their ideals—to their integrity and welfare, became apparent. Clearly, the new laws alone did not solely safeguard the budding system and its guiding ideal, nor will the old laws or the new laws of the future provide complete safeguards. There will and must always be eternal vigilance springing from those guardians who care, and that is what is represented by those assembled here today. Caring.

I want to talk more about the Yellowstone situation later. But first I want to step back and share some thoughts on the bigger picture—the National Park Service as an organization designed to protect the natural scene and to provide a means to accommodate the human enjoyment of it.

". . . To conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

That's what the 1916 Organic Act, which established the National Park Service and the National Park System, mandated as a

purpose. The act is known well to most of you. Some of you know it by heart.

That act has been interpreted, disected, written about, argued over, and given about every conceivable scrutiny one could imagine. I think that most who have been through those gyrations and exercises have generally agreed that the act boils down quite simply to some point of balance between preservation and public enjoyment. But that still doesn't totally solve the problem. What is the proper balance?

Let me suggest that there is an important part of that phrase which hasn't seemed, heretofore, to capture enough attention, and that is the last phrase which says, ". . . . as will leave them unimpaired for the enjoyment of future generations." This phrase needs to be given much more weight in the equation, and by so doing, I want to say that I believe it means exactly what it says—unimpaired for future generations! Which I translate simply to mean as stewards we must not and should not use up the resource or diminish its inherent natural and historic values. When in any doubt, we must err on the side of preservation. Should we subsequently find ourselves wrong, we can always provide for more use. But overuse now or in the future will not let us easily restore a loss of resource value or character which, once gone, is irretrievable. Research can provide the data to establish the carrying capacity of a park limiting its use to protect its natural and cultural values.

This is not to say that we cannot and should not provide for public enjoyment of the park. It is my heartfelt commitment to see the NPS provide for the greatest amount of high quality public enjoyment of the resource that can be supplied. But we must be absolutely assured that we are operating, with no significant, and particularly no irretrievable, loss of resource quality.

There still remains a great challenge in the application of that magic "purpose" phrase of our Organic Act. We must identify the appropriate use capacities of the parks. But the tilt, if any, must be to the preservation side, if there is any doubt, until we are sure otherwise. I believe the National Park Service has a great and central challenge ahead in assuring that we manage our natural and historic resources in such a careful manner as to assure that we "leave them unimpaired for the enjoyment of future generations," and I want to provide major emphasis in this area. There is another subject that I want to share with you that relates to the historic beginning of the NPS which has to do with the phrase "Crown Jewels" (describe and complete story).

With these thoughts in mind, I would like to turn to our local environment—Yellowstone. The Greater Yellowstone Coalition has often made reference to the Yellowstone ecosystem as representing "the largest essentially intact ecosystem remaining in the temperate zones of the Earth." This is a critically important statement! Be that the case, it should tell us something. The area's special natural attributes, coupled with the threats to its integrity due to humankind's proliferating activities, demands national attention. We recognize our controversies. The management of the Part's elk and bison has been volatile for over 80 years. We have gas, oil, and geothermal leases abuting the park boundry. We have more recently become aware of the dire straights of the grizzly bear—one of the last remaining great symbols of the wild beauty of our Nation. We absolutely cannot stand idly by and permit the loss of this magnificent animal from the confines of our lower 48 States. The saving of the grizzly must be elevated to the level of a national campaign! It is a campaign we must win! Or we may not be able to save ourselves.

Now I would appear to be totally naive and unfair to say all of the foregoing and not recognize that there are some very serious competing concerns to the contrary in all of this. The presence of man is now very much a part of the greater Yellowstone scene, and that is not likely to change. There are a lot of interests at stake in any final resolution of securing a healthy, relatively natural functioning sustainable ecosystem amid man's development and use of that same general environment. There are private and governmental entities with major interests at stake and roles to play.

Therefore, a prompt development and adoption of a regional plan for the management of the Greater Yellowstone Ecosystem is critical. The preparation must be accomplished by the concerted effort of all major affected entities, keeping in mind that maintaining a wild natural environment must be the foremost objective. This idea has been talked about for decades. It is not my idea. A fair amount has been accomplished through the years to work towards this, but in all too narrowed and fragmented ways. We now have a great deal more scientific information. The time has come to take positive, creative and forceful steps to set an example of how even with human pressures a total ecosystem can preserved and managed. If we don't start it now, it will never be done—the time is right. Let's forget our petty differences and all work to solve the big picture.

This type of planning needs to be instigated for many park system units. Yellowstone can be an ideal prototype.

Now lest some feel that I am stressing preservation, let me reveal to you the commitment I have to public use and enjoyment of the superlative natural and historic resource represented in our great National Park System.

Of course, providing for public enjoyment is an essential part of the 1916 act's mandate. I endorse public use of the parks, and I want to promote as much public enjoyment as possible without irreplacable loss of the natural and cultural value—but I want that public use to be a quality experience. I am convinced that the American public desires a high quality experience from their park visits—not a mediocre one. If the public demand is greater than the park supply, I feel confident that the public would rather visit a little less often but know that when their turn comes they will be assured a high quality, uncrowded experience, rather than be able freely without restriction to visit as often as they like an find mediocrity. The National Park Service must get on with the research to determine carry capacity for its units so that we can with facts support maximum use numbers. With the help and advice of groups like yours and the American public, I hope that we can work toward the more rapid achievement of identifying that optimum park capacity so that we can assure future generations a high quality visitor experience.

I feel that the parks offer a splendid opportunity for all of us to become reunited and related with our natural environment, as well as with our historical past. I'm not sure who gets the credit for having said it first, but our parks represent a splendid "university without walls." The opportunities afforded by the parks as a displayer and teacher of how to be better citizens in our environment—are unmatched by other institutions. I believe that the public education and intepretative programs of the National Park Service need to be made a very important element in the operation and budget of every one of the 343 units of the system. It is my intention to support and work with intensity in this area.

There are a lot of ideas in my mind which I would like to further share with you, but my time and your patience is running out. But I leave you with this thought.

Aside from my own ideas and observations which I bring to this job, based on over 50 years of working professionally in the parks and recreation field, I have come to recognize the importance of process. There are a lot of people—both outside and inside of the National Park Service who care, and care deeply, about the parks. And that's just wonderful! We must capitalize on that care, and put it to work. I really want to engender a team effort in our setting forth the precepts of our stewardship of the parks. The 10 regional Directors will act as a board of directors helping and developing our goals and objectives.

Some of you have heard that in my discussions with Secretary Hodel before being selected for the position of Director of the NPS. I identified 12 key points which I would hope to pursue. Mr. Hodel has endorsed these ideas. But they really don't yet represent specific final policy or decisions. Rather, they represent key concepts and processes and a few general objectives. None of them are unalterable. All of them need fleshing out, adding to and subtracting from.

I have shared these 12 points with key members of the National Park Service team, and they in turn are, or will be, sharing them with all of our National Park Service employees. I deeply believe in a team approach to management objective identification and problem solving. An involved employee is more often than not a strongly committed employee. That trends to be just plain human nature. And so I believe it applies equally outside the Service. As we move along, I want to solicit your ideas by some process yet to be put into place. I will look forward to your input.

I deeply believe that there is a widespread sentiment across the Nation which favors the strong protection of our parks, and also one which thrills at the experiences and the inspirations they offer. We want to capture that nationwide commitment and put it to work for us. We look to all of you here for playing a major role in that process.

Together, we can accomplish a great deal and further assure the prospect of being able to pass the units of the system on ". . . in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

Thank you.●

SOVIET JEWRY

● Mr. GORE. Mr. President, I once again call your attention, and that of my colleagues, to the plight of Soviet Jewry.

Many of us have been active in the crusade for their freedom; many words have been spent on this cause. Yet, so much more is needed. We must tell

the world just how desperate their situation has become.

Over the last 10 years, Jewish emigration has dropped drastically. Today, it is virtually nonexistent. Imprisonment for petty or fabricated violations is on the rise. Harrassment and torture is widespread. False hopes for freedom are raised then cruelly destroyed.

Such is the case of the Berengut family from Baku, Russia's fourth largest city. Three members of the family, Sam, Asya, and their 17-year-old son, Mark, applied for and were granted permission to leave Russia in 1981. They now reside in Memphis, TN.

According to their plan, upon the safe exit of Sam and Asya, the Berenguts' middle son, Boris and his wife Bachrus would apply for an exit visa. Boris and Bachrus are promising young physicians with one child. In the next stage of the plan Isya, 34, the Berenguts' elder son, and his wife Katherine, both engineers, would apply for permission to leave. Isya and Katherine have two children.

Upon the exit of Sam, Asya, and Mark, Boris and Bachrus applied for and received permission to emigrate. In order for Jews to leave Russia, they must secure an invitation from a first-degree relative in Israel. Israel is the only country to which Russian Jews may emigrate. Their law requires that Jews waiting to emigrate must give up their jobs and homes and take their children out of school. In anticipation of their spring departure, Boris and his wife relinquished their professional positions, took their son, Emil, out of school, and sold all their belongings, including furniture.

On April 6 their hopes were shattered. The family's permission to leave was revoked, without any explanation. Boris and Bachrus were told they would never be allowed to work in Russia again. Their son would not be allowed to attend school. They were left without any means of supporting themselves in an apartment without furniture. They survive with the help of Isya, the oldest son, and an aunt who brings them food and gives them money.

The Berengut case is tragic and is, sadly, not unique. It is up to us to alert the world to their plight and so many other people like them, struggling desperately to escape persecution and injustice.

The Berenguts' application for emigration will be reviewed in September. I urge you to speak out on their behalf in hopes that this year may bring an end to their suffering.●

TRIBUTE TO LYDIA VINS

● Mr. D'AMATO. Mr. President, on May 19 of this year a brave and noble lady, Mrs. Lydia Vins, passed from our midst. Mrs. Vins was a leader in the Ukrainian Evangelical Baptist movement in the Soviet Union. For her defense of civil rights of Christians in her homeland, she spent 3 years, from 1971-74, in a labor camp. In 1979, she joined her son, Pastor Georgi Vins, in the United States after the United States exchanged two Soviets agents for Pastor Vins and four other Soviet human rights activists.

In her new home in Elkhart, IN, Mrs. Vins continued her tireless efforts on behalf of her coreligionists in the Soviet Union. She was active in the International Representation for the Council of Evangelical Baptist Churches of the Soviet Union, founded by Pastor Vins. She also served as director of external representation for the Council of Prisoners' Representatives, an organization that attempts to aid the families of evangelical Christians imprisoned for their faith in the Soviet Union. Even in her advanced years, Mrs. Vins traveled extensively in the free world, calling attention to the suffering of Christians in the Soviet Union. She worked tirelessly to expose the fraudulent facade of lofty pronouncements behind which Soviet authorities strive to mask the persecution of those citizens who continue to practice their religious faith.

Lydia Vins' entire life was one of spiritual devotion and earthly trial. Her husband, Pastor Peter Vins, was arrested three times in postrevolutionary Russia and finally disappeared in one of Stalin's labor camps during the great terror of the late 1930's. Her son, Georgi, served 3 years in a labor camp from 1966-69, another year at mandatory labor in 1970, and was sentenced in 1975 to a total of 10 years in prison camp and exile. Georgi's eldest son Peter spent a year in prison camp for having been a member of the Ukrainian Helsinki Monitoring Group and was beaten and threatened on several occasions by KGB thugs.

Mr. President, the persecution of the Vins family and their endurance in the face of this persecution is but one chapter in the tragic experience of the Evangelical Baptist movement in the Soviet Union. It is, unfortunately, an unfamiliar chapter to most Americans. We hear too little of the fates of persons like Pastors Gennady Kryuchov, Dmitri Minyakov, and Nikolai Baturin, or Vitaly Varavin and Mikhail Khorev, to name just a few. At last count, the Soviet Union had imprisoned more than 200 Evangelical Baptists.

Through the efforts of Lydia Vins and Pastor Georgi Vins, we have learned much of what we now know about the systematic Soviet persecution of Evangelical Baptists. Now, knowing, we must not remain silent. We must call the Soviet Government to account for these and many other violations of the religious and human rights provisions of the Helsinki accords, and we must demand that the Kremlin live up to past agreements before we accept their signatures on new ones.

The greatest possible tribute to Lydia Vins, in my opinion, would be to further the cause of religious freedom to the best of our ability, so that her dream that her countrymen may someday enjoy the exercise of this fundamental freedom may be realized. After all, if the leaders of the Soviet Union will not keep this basic promise they made to their own people when they signed the Helsinki Final Act, how credible can be any promises they make to us?●

THE ENDANGERED SPECIES ACT

● Mr. CHAFEE. Mr. President, one of my top priorities as chairman of the Subcommittee on Environmental Pollution is to have a bill extending the Endangered Species Act [ESA], one of the world's strongest and most important environmental laws, passed by the Congress and signed into law. As we make progress in our efforts to clean up our rivers and toxic dumps, we must not lose sight of the need to maintain biological diversity. That is what the ESA is all about.

Earlier this year we held several hearings in Washington, DC, to examine how well the act is working. During the first week of July, we continued this process with a hearing in Montana to review the plight of the grizzly bear in the Northern Continental Divide ecosystem. The grizzly is classified under the ESA as a threatened species in the lower 48 States. Since the bear is the subject of some controversy in both the Yellowstone ecosystem and the northern ecosystem, I spent several days in Montana meeting and talking about grizzlies with experts from the U.S. Park, Fish and Wildlife, and Forest Services, as well as the Montana Fish and Wildlife Department. Representatives from environmental groups, backcountry guides, local landowners, ranchers, and businessmen also had an opportunity to explain how they thought the law was working and whether the grizzly bear is making a comeback in the northern ecosystem.

As you know, the goal of the ESA is recovery. After identifying a particular species as endangered or threatened, we work on improving the habitat and health of that species so that it can exist on its own without the need for management under the act. In contrast to what I discovered about grizzlies in the Yellowstone ecosystem 2 years ago, the news from Montana and the Northern Continental Divide ecosystem is encouraging. We are making significant progress.

The ability and willingness of people in that area to coexist with this majes-

tic, albeit powerful and potentially fierce, animal are living examples of a true conservation ethic. Unfortunately, the existence of some "nuisance" bears is a reality. People living 40 or 50 miles away from what is generally recognized as "bear habitat" occasionally need to have Government officials trap or kill a particular bear that is threatening their families and homes. This doesn't happen often but when it does the Government should respond quickly in an attempt to trap and relocate the bear to an area where he cannot do harm and will not be harmed. Only as an absolute last resort, after several relocation tries have failed, do officials even consider killing the problem bear. This is as it should be.

Government officials and other experts are now working on various test methods to make grizzlies more wary of people. These experts should be encouraged to continue such tests because, if they are successful, the number of conflicts between humans and bears will decrease and the need to trap and relocate grizzlies will also decrease.

This report on grizzlies in Montana is upbeat. The ESA is working well and the bear is doing well. With the assistance of trained, responsive Government officials, people can peacefully coexist with grizzly bears. The law does not need to be changed and I will continue to work for extension of this important law, the Endangered Species Act.●

PENTAGON PURCHASES

● Mr. GOLDWATER. Mr. President, much has been said on the floor of this Senate about the wasteful habits of the Pentagon and so much has been written in the Washington newspapers that I have not always agreed with, but I feel strongly inclined to put into the RECORD an article written by Mr. Fred Hiatt and Mr. Rick Atkinson, both of the Washington Post, on a subject explaining, in very thorough detail, exactly what has happened to the problems of the Pentagon as a result of some of these over-identified and over-publicized bad mistakes in buying.

No one can understand a $600 toilet seat; a $3,000 pair of pliers, or a $400 hammer. But, in reading this article that I am going to put into the RECORD, one can see just how much abuse this Congress has heaped on the Pentagon, and how much it has cost the taxpayers of this country just to force the Pentagon into these unneeded expenditures. I think a reading of this article would supply many answers to many constituents' letters. I think a reading of this article will provide my colleagues with a much better understanding of the many problems the Pentagon faces in providing adequate defense for this country.

I ask that this article, from the Washington Post of July 4, 1985, be printed in the RECORD.

The article follows:

TO PENTAGON, OVERSIGHT HAS BECOME OVERKILL

(By Fred Hiatt and Rick Atkinson)

Along with the Pentagon's wish list in the 1985 defense budget, Congress asked for a little paper work on the side.

First, the Defense Department had to supply more than 20,000 pages of detailed justifications for the money requested.

Piled atop that were 440 reports and 247 studies demanded by Congress on such national security arcana as "Military Jacket Linings," "Protection of Marine Corps Name and Insignia," "Hawaiian Milk," and the lyrical "Acquisition of Power Operated Collators for Use in Facilities Other Than Printing Plants."

Furthermore, before a dispirited Pentagon stopped counting in 1983, Defense Department witnesses in one year logged 1,453 hours of testimony before 91 congressional committees and subcommittees. During the same year, the military responded to 84,148 written queries from Capitol Hill and 592,150 telephone requests, numbers most officials believe are on the rise.

As viewed from the Pentagon, Congress is more problem than solution in the controversial art of arming the armed forces.

"It has ceased to work over the last 10 to 15 years. It's anarchy up there, total anarchy," Navy Secretary John F. Lehman Jr. said of Congress. "It is by no means carrying out its constitutional responsibilities."

Congress meddles in the defense of the United States to an extent unimaginable in the parliaments of other western democracies, dictating everything from the type of coal the military can burn to which engines can be overhauled on Navy ships.

Many critics, including more than a few on Capitol Hill, believe that micromanagement of the military has cost billions of dollars and led Congress to scrutinize trees rather than forests, minutiae rather than the broader strategy of American defense.

But those stricken with the urge to tinker point to such horror stories as $600 toilet seats and contend they are actually saving billions, whereas the Pentagon and White House have bungled effective oversight.

"Given the track record over at the Pentagon, I think they can use some outside help," said Sen. Carl Levin (D-Mich.), "particularly if it comes free."

Congressional fiddling partly also reflects classic pork barrel politics. While the defense budget gobbles up one-third of all federal spending, it accounts for nearly 70 percent of the money that Congress can control (as opposed to untouchable entitlement programs such as Social Security).

As congressional oversight of the Pentagon has expanded, so has the orbiting flock of lobbyists, industry associations, political action committees, think tanks and journalists. If America's business is business, as Calvin Coolidge once remarked, then it can be argued that much of Washington's business has become defense business.

In recent weeks, Congress again weighed in on national defense with the fiscal 1986 defense authorization. The House alone pondered 170 reforms and other amendments, including such nitty-gritty as requiring Pentagon reports on all contracts signed by businesses on Indian reservations and barring the move of an induction center in Wilkes-Barre, Pa.

"Now they're really screwing things up," said Richard D. DeLauer, the outspoken defense undersecretary who recently resigned to become an industry consultant. "What the hell do they know?"

In truth, some of the best-intentioned reforms have thickened the procurement mire by inserting additional layers of bureaucracy and triggering unforeseen consequences.

"I think a large number of today's procurement problems were yesterday's procurement solutions," Sen. Sam Nunn (D-Ga.) said in a recent interview. "I think every time we have a procurement problem, we pass a new rule or regulation and so forth.

"And I really think what they've got over there [in the Pentagon], if you're a smart bureaucrat, is a checklist of about 200 things. And once you've checked those off, there's nothing in there that says you've got to have common sense."

$10 BILLION IN IMPEDIMENTS

Last month, the Navy noticed a remarkable amendment that had been quietly added to the 1986 defense bill by Rep. Duncan L. Hunter (R-Calif.). It would have required many of the U.S. warships based in Japan to sail 8,000 miles to the West Coast for maintenance overhauls.

The proposal "would have destroyed foreign home porting, disrupted 5,000 families and would have increased the cost of maintenance 10 times," according to one Navy captain. Although the Navy suspects West Coast shipyards put the idea in Hunter's head, an aide to the San Diego congressman insists "it came to him in a vision."

To counterpunch, the Navy deployed a large squad of lawyers, cost analysts, senior officers in Hawaii and Washington, political advisers and the U.S. ambassador to Japan, Mike Mansfield.

Hunter finally agreed to scuttle the idea. In return, the Navy promised to bring one destroyer home early for overhaul on the West Coast, a move that will add $14 million to the cost, according to John P. Palafoutas, Hunter's administrative assistant.

An ancient congressional axiom holds that every legislator covets a slice of the defense pie—now a $300 billion pie—for the folks back home. Sen. Levin of Michigan is typical in his practice of issuing frequent press releases cataloguing his efforts to promote M1 tanks, Marine Corps armored vehicles and other Michigan-made weapons.

But the combination of defense pork barrel and other "legislative impediments" tacks an extra $10 billion onto Pentagon spending every year, according to Lawrence J. Korb, assistant secretary of defense.

"You can't have it both ways," Korb said. "You can't have a completely efficient Defense Department and still have political decisions determining how you buy things."

Among inumerable examples of "impediments":

Since 1973, as a subsidized favor to the U.S. coal industry, Congress has required that American military bases in Europe burn American coal, a gesture the Pentagon says adds at least $45 per ton just in shipping costs.

In the same vein, Congress last year forbade U.S. military bases in West Germany to convert any of 3,000 pre-World War II coal boilers to oil, thus requiring continued operation of "antiquated, inefficient and environmentally damaging equipment at a

much greater cost," according to Pentagon documents.

The Senate version of the 1986 defense budget includes $60 million for 150 Captor mines, which is 150 more than the Navy requested. Despite Navy assurances that its 1,750 Captors on hand are enough, Sen. John Glenn (D-Ohio) insisted that the mines would be a wise addition to the U.S. inventory. Captor mines are made in Akron.

The House version of the 1986 budget includes $31.3 million for research into a submarine communications system called blue-green laser. The Pentagon requested only $18 million. Rep. Robert W. Davis (R-Mich.) pushed the extra money as a kind of inverse pork barrell because his constituents dislike the current communications system, a huge and intrusive thatch of wires and antennae called ELF running through vast stretches of the Michigan forest.

Davis hopes that by accelerating blue-green, he can render ELF (for extremely low frequency) obsolete; the Navy says that may prove true, since the House leached the extra $13 million out of the ELF budget.

The Navy has informally proposed saving money by moving 100 servicemen and a handful of civilians working for the chief of naval education from Pensacola, Fla., to Nashville. Just the hint of such a move has the Florida delegation "beside themselves," barraging Lehman with telephone calls, according to a Navy official.

"I don't think we can get into the minute details [of the budget]," said Rep. Earl Hutto (D-Fla.), "but it's true that nobody wants a base closed."

In fact, Congress has taken extraordinary pains to block Pentagon efforts to close or scale down dozens of bases. Laws have been enacted to prohibit the closing of Fort DeRussy, a sandy patch west of Waikiki Beach in Honolulu, and the U.S. Naval Academy dairy farm.

When the Army took aim at its obsolete post at Fort Monroe, Va., Congress declared the place a national historic monument.

THE SHEPHERDS ON THE HILL

Ten years ago, four congressional committees wrote legislation on defense. Today, according to a Navy tally, the Pentagon is shepherded by 24 committees and 40 subcommittees.

Defense is no longer a cottage industry in the nation's capital. The House Armed Services Committee alone fields a professional staff of 54, reflecting the elevenfold growth in House staff members since 1946.

The top dozen defense contractors list 125 Washington representatives, which doesn't count the independent consultants they hire to lobby on specific issues.

Competition on Capitol Hill for a piece of the defense action—particularly if an issue has snared media interest—is so intense that Pentagon witnesses may appear again and again before different panels, often repeating the same testimony. Since January 1982, Defense Secretary Caspar W. Weinberger has spent 147 hours—the equivalent of nearly four work weeks—testifying in 54 appearances on the Hill.

At the same time, congressional military experience has declined, which Pentagon officials believe has widened the gulf between the military and legislative points of view. Ten years ago, 71 percent of the House Appropriations Committee members and 73 percent of the House Armed Services Committee members had military records; today, the numbers have dwindled to 55 percent and 63 percent, respectively.

And many less-experienced members, the Pentagon complains, are egged on by a fickle press corps that seizes on partial test results to raise doubts about weapons in development but rarely reports on those weapons if they end up working well in the field.

"I think Mel Levine's father bought his automobile for him, and the most Barbara Boxer ever bought was a hot tub. Now they're both procurement experts," DeLauer said caustically of two reform-minded Democratic representatives from California.

"Are there too many people involved? It's part of democracy, is my answer," Sen. Levin said. "It's better than the Pentagon on an unchecked rampage."

THE FORKLIFT FACE-OFF

When the Founding Fathers designated Congress "to make rules for a government and regulation of the land and naval forces," it is doubtful they ever envisioned anything quite like the Air Force bomb loader.

In the late 1970s, the Air Force bagan buying a glorified forklift to hoist nuclear munitions into B52 bombers. Because the B52 bomb loader "was expensive and was a maintenance nightmare," according to Air Force documents, Congress last year insisted that a competition be held to determine who would build the new bomb loader for the B1 and Stealth bombers.

The Air Force dutifully complied and found a "clear winner" in Pacific Car and Foundry, a firm in Washington State.

The runner-up model, made by AAI Corp. of Cockeysville, Md., which built the old B52 loaders, would cost 44 percent more, according to the Air Force.

Skeptical of the Air Force analysis, Congress waded into the fray.

With the three Maryland representatives on the House Armed Services Committee and powerful committee staff member Anthony R. Battista supporting AAI, a subcommittee spent a full day hearing testimony on the matter—which accounted for about one-hundredth of 1 percent of the Pentagon's budget request—before bucking it up to the full committee for more hearings on May 22.

The competition results were shunted aside, and the issue awaits resolution in conference committee with the Senate later this summer.

"I don't think it was the most burning issue to everybody on the committee," one Maryland staff member admitted. "There were lots of perplexed looks from members wondering why the hell they were spending so much time on a relatively innocuous matter."

The bomb loader was hardly an exception. Of 1,860 line items submitted by the Pentagon in the 1984 budget, the House changed 1,190 and the Senate 1,160, according to a study by Armed Forces Journal.

The annual whittling, padding, stretching or truncating of virtually every program led former defense undersecretary Frank C. Carlucci to say in an interview, "You have thousands of ideas of what to do to reform the system, many of them very good ones. But without some stability in the budget, damn few of them will work."

The standard response from Capital Hill is that Congress must trim the Pentagon's requests like a butcher trims fat.

In the past three years, according to the Senate Appropriations Committee, Congress has lopped $53 billion from Defense Department wish lists without killing a single major weapons system.

"They're right about the micromanagement, and it saves the taxpayers billions of dollars," said Richard Seelmeyer, an aide to Rep. Joseph P. Addabbo (D-N.Y.), chairman of the House Appropriations defense subcommittee.

RULES BEGET MORE BUREAUCRATS

But the micromanagement goes beyond cutting and adding funds.

Pentagon officials complain that, while attacking their bloated bureaucracy, Congress continually swells the works force with new requirements, reforms and positions.

Consider, for example, section 203 of Public Law 91-441, which regulates how the government reimburses defense contractors for military-related research.

To obey it, the Pentagon has seven technical reviewers, 12 negotiators, 11 on-site reviewers, 18 technical evaluators, 15 administrators, six documentors, and 17 auditors. Total cost in one year: $4.6 million.

The defense industry has 1,450 other workers preparing technical brochures, 45 negotiators and 30 people hosting the government evaluators, and additional annual charge of $93 million billed to the government.

The Grace commission, finding little benefit in all that regulation, said of PL 91-441, "The law and implementation procedures have established a large and cumbersome paper flow."

In February, Georgetown University's Center for Strategic and International Studies issued a blueprint for Pentagon reform, endorsed by all but one living defense secretary, that said Congress "is lost in the trees of program management, unable to see—far less to influence—the policy forest."

Many in Congress concurred. Meanwhile, the House and Senate Agriculture Committees are waiting for the Pentagon's semi-annual "Report on Dairy Products." The Small Business Committees are demanding their monthly "Procurement From Small and Other Businesses."

And someone, somewhere in Congress, has instructed the military to submit R00403-071, "Proposed Minor Construction Projects Costing More Than 50 Percent of the Maximum Amount Specified by Law for Minor Construction Projects."●

FLAG DAY

● Mr. HATCH. Mr. President, recently our country celebrated the 21-day period from Flag Day, June 14, to Independence Day, July 4, which had been set aside by Congress "as a period to honor America in public gatherings and activities at which the people can celebrate and honor their country in an appropriate manner." (Public Law 94-33).

This past weekend, Americans everywhere had an opportunity to pay tribute to this country and the ideals for which it stands, and to pause and reflect for a moment upon the significance of our flag and our freedom.

Henry Ward Beecher wrote more than a century ago:

A thoughtful mind when it sees a nation's flag, sees not the flag only, but the nation itself; and whatever may be its symbols, its insignia, he reads chiefly in the flag the government, the principles, the truths, the history which belongs to the nation that sets it forth.

The flag which is so prominently displayed during this time of year has

always been the living symbol of our Nation and its people. The Stars and Stripes symbolize the 50 States in the Union and the Original Thirteen Colonies, but the true meaning of the flag is not found in its colors or patterns or fabric, but rather, in the historic legacy of the American people.

As Americans, we can be proud of our hard-won heritage. This country was founded upon the principles of freedom, liberty, and justice for all, and our Government was established as a government of the people, by the people and for the people. Today, these same founding principles which guided the early colonists have made our Nation strong. Over the years—from the first shot at Concord and the early battles of the American Revolution to later battles fought in Europe, Asia and on the seven seas—the flag has continued to represent a nation comprised of people who have never ceased in their devotion to liberty and freedom and truth. The flag has been a symbol for every generation which has marched and fought and died in order to preserve the sovereignty of this Nation.

As a child, I was thrilled to see the flag waving, as we sang the "Star Spangled Banner," at parades, ball games, or public gatherings. And today, I still have that same thrill here in Congress as I watch the flag flying over the Capitol and realize that as a governing body we are committed to what this country stands for: freedom, equality, opportunity, and most importantly, justice for all.

Our forefathers sacrificed everything they had—even their lives—to make sure we live in a land of freedom and choice. It is our responsibility to make sure this freedom and opportunity are preserved for our children and our children's children.

At this patriotic time of the year, let us pause and reflect upon the founding principles of this Nation and what it means to live in the land of the free and the home of the brave.●

WHITE HOUSE MEETING ON THE DEFICIT

Mr. DOLE. Mr. President, I would just say as we leave that we had a very good discussion this afternoon at the White House. The distinguished minority leader and myself, the Speaker of the House, the distinguished majority leader, Mr. WRIGHT, and the distinguished ranking Republican leader, Mr. MICHEL, were present. I believe I can correctly state that we left there with some feeling of optimism. But I would also indicate that when you put together a compromise, it is not together until it is together.

So far as this Senator is concerned, there was not anything agreed to. There was discussion about Social Security COLA's, discussion about defense, the House numbers and the Senate numbers. I think it is fair to say there were statements by some who indicated they would not support COLA freezes, but I believe I correctly made the point that if we are going to talk about something being off the table, we have to find some way to substitute a portion of its, a rather significant portion of it.

I was encouraged by the meeting, when the President of the United States takes 1 hour and 45 minutes and the leaders of the Congress take 1 hour and 45 minutes to sit down and discuss the most important issue in this Nation, the deficit, and everybody comes out with a lot of good feeling. There were no agreements but not too many disagreements, though no positions were stated.

I hope all the conferees will be present tomorrow, all the conferees of the House and the Senate. I hope this is the beginning of a successful conclusion which will bring us meaningful deficit reduction without any increase in taxes. I am very optimistic that we can achieve that goal in the next 10 days.

Mr. President, I have just been reminded that we are going with the conferees tomorrow.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. tomorrow, Wednesday, July 10.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] and the Senator from California [Mr. CRANSTON] for not to exceed 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. At the hour of 12 noon under the provision of rule XXII, the Senate will begin a live quorum to be followed by a cloture vote on the motion to proceed to S. 995, South Africa. Rollcall votes can be expected throughout Wednesday's session in connection with S. 995, the African bill.

RECESS UNTIL TOMORROW AT 11 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that, in accordance with the previous order, the Senate stand in recess until Wednesday, July 10, 1985, at 11 a.m.

The motion was agreed to, and the Senate, at 8:38 p.m., recessed until Wednesday, July 10, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate July 9, 1985:

DEPARTMENT OF STATE

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Joe M. Rodgers, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Leonard H. Perroots, xxx-xx-... FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. James A. Williams, xxx-xx-xxxx, age 52, U.S. Army.

The following-named officers, under the provisions of title 10, United States Code, section 3037, for appointment as the Judge Advocate General and Assistant Judge Advocate General, respectively, U.S. Army, in the grade of major general:

Maj. Gen. Hugh R. Overholt, xxx-xx-xxxx, U.S. Army.

Brig. Gen. William K. Suter, xxx-xx-xxxx, U.S. Army.

IN THE AIR FORCE

The following officers for Reserve of the Air Force (non/EAD) promotion in the grade indicated, under the provisions of section 8371, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Anderson, Lawrence B., xxx-xx-xxxx
Chalkley, Craig W., xxx-xx-xxxx
Ford, Clayton, H., xxx-xx-xxxx
Gay, Roy C., xxx-xx-xxxx
Goldsmith, Arnold S., xxx-xx-xxxx
Gonshor, Bobby L., xxx-xx-xxxx
Harvey, John F., xxx-xx-xxxx
Hurley, John A., xxx-xx-xxxx
Lawson, William H., xxx-xx-xxxx
Lee, Michael R., xxx-xx-xxxx
Lorentz, Donald P., xxx-xx-xxxx
Lucas, James W., xxx-xx-xxxx
Lyle, Clayton B., III, xxx-xx-xxxx
Maril, David R., xxx-xx-xxxx
Mayhugh, Gilbert M., xxx-xx-xxxx
McIntosh, Robert A., xxx-xx-xxxx
Putnam, Bobby R., xxx-xx-xxxx

Rambo, Stephen W., xxx-x...
Savena, James R., xxx-x...
Sehorn, James E., xxx-x...
Smith, Craig R., xxx-xx-xx...
Strones, Martin E., xxx-xx-xxxx
Utterback, Ralph M., Jr., xxx-xx-xxxx
Venett, Emmett, Jr., xxx-xx-xxxx
Webster, Ernest R., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Blankenbaker, Ronald G., xxx-xx-xxxx
Bryan, Donald W., xxx-xx-...
Massello, Thomas P., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

To be colonel

Parker, Frank M., III, xxx-xx-xxxx
Rich, Robert O., xxx-x...

JUDGE ADVOCATE

To be colonel

Scott, Jerry, xxx-xx-xxxx
Tammen, Roger T., xxx-xx-xxxx

DENTAL CORPS

To be colonel

Sabino, Anthony D., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Pickens, James F., II, xxx-xx-xxxx

NURSE CORPS

To be colonel

Atchison, Jean C., xxx-xx-xxxx

IN THE ARMY

The following-named Reserve Officers' Training Corps, cadets for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531, 532, 533, 2106, and 2107:

Algermissen, Francis E., xxx-xx-xxxx
Allison, James G., xxx-xx-xxxx
Alvarez, John G., xxx-xx-xxxx
Ames, Curtis L., xxx-xx-xxxx
Analla, Anthony W., xxx-xx-xxxx
Arritt, Anthony C., xxx-xx-xxxx
Austin, Douglas R., xxx-xx-xxxx
Baird, Hal D., xxx-xx-xxxx
Baker, Chirstopher C., xxx-xx-xx...
Baker, Douglas L., xxx-xx-xx...
Ball, Shawn D., xxx-xx-xxxx
Bass, David E., xxx-xx-xxxx
Bates, Christopher A., xxx-xx-xxxx
Benavides, Jesus G., xxx-xx-xxxx
Besso, Michael J., xxx-xx-xxxx
Boddie, Joseph H., Jr., xxx-xx-xxxx
Bokor, John E., xxx-xx-xxxx
Bonn, Barton D., xxx-xx-xxxx
Bowman, Robert V., Jr., xxx-xx-xxxx
Boyd, Leona S., xxx-xx-xxxx
Braley, Keith W., xxx-xx-xxxx
Bratina, Steven, xxx-xx-xxxx
Brew, Mitchell E., xxx-xx-xxxx
Brewer, R. C., xxx-xx-xxxx
Brice, Victor J., xxx-xx-xxxx
Brown, Federick, xxx-xx-xxxx
Bucher, Richard A., xxx-xx-xxxx
Buchholz, Brent J., xxx-xx-xxxx
Bullion, John W., xxx-xx-xxxx
Burton, Paul S., xxx-xx-xxxx
Bush, Hans E., xxx-xx-xxxx
Butler, Mark L., xxx-xx-xxxx
Caddell, Scott J., xxx-x...
Calonder, Dean C., xxx-xx-xxxx
Calvo, Mark G., xxx-xx-xxxx
Cannon, Malcom P., Jr., xxx-xx-xxxx
Carpico, Lawrence D., xxx-xx-xxxx
Carson, Charles A., xxx-xx-xxxx
Castrinos, Nichloas L., xxx-xx-xxxx
Celentani, Christina M., xxx-xx-xxxx
Cepeda, Paul G., xxx-xx-xxxx
Chance, Kenneth A., xxx-xx-xxxx
Chapa, Jose G., xxx-xx-xxxx
Christopher, Gordon, xxx-xx-xxxx
Coleman, Gerald P., xxx-xx-xxxx
Coley, David W., xxx-xx-xxxx
Colondres, Jose R., Jr., xxx-xx-xxxx
Conklin, Daryl L., xxx-xx-xxxx
Conway, Jay J., xxx-xx-xxxx
Conyers, Robert J., xxx-xx-xxxx
Cooper, William B., xxx-xx-xxxx
Couch, Jeffrey S., xxx-xx-...
Cox, Karen R., xxx-xx-xxxx
Crawford, Anthony K., xxx-xx-xxxx
Cromwell, Kevin E., xxx-xx-xxxx
Cuddy, Albert P., Jr., xxx-xx-xxxx
Curtis, Steven P., xxx-xx-xxxx
Czarnecki, John F., xxx-xx-xxxx
Dailey, Steven G., xxx-xx-xxxx
Darden, Darryl C., xxx-xx-xxxx
Davidson, Mark C., xxx-xx-xxxx
Davis, Diana L., xxx-xx-xxxx
Derr, Darryl L., xxx-xx-xxxx
Derzanski, Andrew, xxx-xx-xxxx
Deuel, Alissa B., xxx-xx-xxxx
Dick, Michael G., xxx-xx-xxxx
Donnelly, Patrick, xxx-xx-xxxx
Drayton, Anita M., xxx-xx-xxxx
Duffy, Colleen E., xxx-xx-xxxx
Dunham, James B., xxx-xx-xxxx
Duplechin, Richard E., xxx-xx-xxxx
Durham, Stephen J., xxx-xx-xxxx
Dyke, Dwayne R., xxx-xx-xxxx
Encarnacion, Carlos, xxx-xx-xxxx
Fellone, Victoria J., xxx-xx-xxxx
Fennell, Michael D., xxx-xx-xxxx
Fisher, Dallen E., xxx-xx-xxxx
Fish, Roger G., xxx-xx-xxxx
Flowers, James P., xxx-xx-xxxx
Frost, Ronald A., xxx-x...
Gambrel, Paris A., xxx-xx-xxxx
Gibbs, Richard A., xxx-xx-xxxx
Godfrey, Michael, xxx-xx-xxxx
Godfrey, Michael K., xxx-x...
Hall, Bruce T., xxx-xx-xxxx
Hamm, Michael K., xxx-xx-xxxx
Hankins, Luther S., xxx-xx-xxxx
Harmon, Mark C., xxx-x...
Hayden, Paul A., xxx-xx-xxxx
Haynes, Ronald N., xxx-xx-xxxx
Hearn, Stephen W., xxx-xx-xxxx
Henson, Dexter Q., xxx-xx-xxxx
Hernandez, Steven P., xxx-xx-xxxx
Herring, Curtis W., xxx-xx-xxxx
Hickman, Kyle D., xxx-xx-xxxx
Higgins, William D., xxx-xx-xxxx
Hildebrand, Jay R., xxx-xx-xxxx
Hill, Alex E., xxx-xx-xxxx
Hiner, Frank P., IV, xxx-xx-xxxx
Hinkley, John C., xxx-xx-xxxx
Holsworth, Douglas M., xxx-xx-xxxx
Holt, Steve L., xxx-xx-xxxx
Hood, Thomas M., xxx-xx-xxxx
Hosman, David R., Jr., xxx-xx-xxxx
Hunt, Mark W., xxx-xx-xxxx
Hurst, Kenneth J., xxx-xx-xxxx
Hutchinson, Scott T., xxx-xx-xxxx
Ivey, Anthony L., xxx-xx-xxxx
Jackson, David M., xxx-xx-xxxx
Jackson, Edward A., xxx-xx-xxxx
Jafry, Marilyn A., xxx-xx-xxxx
Jennings, William M., xxx-xx-xxxx
Jimenez, Michael L., xxx-xx-xxxx
Johnson, Barry A., xxx-xx-xxxx
Johnson, Timothy M., xxx-xx-xxxx
Jones, Dana L., xxx-xx-xxxx
Jones, Warren T., xxx-xx-xxxx
Jordan, Patrick F., xxx-xx-xxxx
Juchem, Philip E., xxx-xx-xxxx
Kelley, Lionel P., xxx-xx-xxxx
Kerr, Donald J., xxx-xx-xxxx
Kieffer, Chris M., xxx-xx-xxxx
Kim, Henry Y., xxx-xx-xxxx
Kohl, Ernest R., xxx-xx-xxxx
Kuehl, Strep R., xxx-xx-xxxx
Landsman, James J., xxx-xx-xxxx
Langford, Robert G., xxx-x...
Laskey, Thomas J., xxx-x...
Lavallee, Jeffrey S., xxx-x...
Leadholm, Jane L., xxx-xx-xxxx
Lee, Bobby E., Jr., xxx-xx-xxxx
Leister, William F., xxx-xx-xxxx
Leong, Bobby D., xxx-xx-...
Luck, Gary E., xxx-x...
Lull, Kenneth J., xxx-xx-xxxx
Macartney, Stephen C., xxx-xx-xxxx
Mahoney, Michael T., xxx-xx-xxxx
Manners, Patrick M., xxx-x...
Manning, Michael J., xxx-xx-xxxx
Markham, Ronald L., xxx-x...
Martin, John P., xxx-x...
Marx, Michael J., xxx-x...
McCarty, Mark W., xxx-x...
McClelland, Kyle M., xxx-xx...
McConville, James E., xxx-x...
McCormick, James L., xxx-x...
McCormick, Kip A., xxx-x...
McCoy, Reginald C., xxx-x...
McDaniel, Larry D., xxx-x...
McDavid, John W., xxx-x...
McElmoyl, Michael S., xxx-x...
McFarland, Scott D., xxx-x...
McKitrick, John H., xxx-xx-xxxx
McLaughlin, Steven J., xxx-xx-xxxx
McNamee, Gary S., xxx-xx-xxxx
McPherson, Timothy B., xxx-xx-xxxx
Mitchell, Lance R., xxx-xx-xxxx
Monteith, Alexander E., xxx-xx-xx...
Montvazquez, Octavio C., xxx-xx-xx...
Moon, Lawrence J., xxx-xx-xxxx
Moore, Clarence O., xxx-xx-xxxx
Moore, Garry E., xxx-xx-xxxx
Moore, Phillip E., xxx-xx-xx...
Moore, Robert R., xxx-xx-xxxx
Morales, Norberto, xxx-xx-xxxx
Mountain, Matthew C., xxx-xx-xxxx
Mulford, Wayne W., Jr., xxx-xx-xxxx
Mulloy, Richard L., xxx-xx-xxxx
Murray, Bret D., xxx-xx-xxxx
Musgrove, Sean G., xxx-xx-xx...
Neville, Paul R., xxx-xx-xxxx
Newton, Clayton T., xxx-xx-xxxx
Newton, Lester D., xxx-xx-xxxx
O'Day, Steven, xxx-xx-xxxx
Odonell, Warren N., xxx-xx-xxxx
Ozoroski, Joseph M., xxx-xx-xxxx
Pak, Chinhak, xxx-xx-xxxx
Park, Kevin, J., xxx-xx-xxxx
Patrick, David T., xxx-xx-xxxx
Paugh, John D., Jr., xxx-xx-xxxx
Payne, Collin L., xxx-xx-xxxx
Pendergrass, Timothy L., xxx-xx-xxxx
Phifer, Jerald L., xxx-xx-xxxx
Phillips, David J., xxx-xx-xxxx
Pine, Shawn M., xxx-xx-xxxx
Pirtle, Christine A., xxx-xx-xxxx
Pitcairn, Douglas J., xxx-xx-xxxx
Poehlitz, Michael W., xxx-xx-xxxx
Presnell, Michael C., xxx-xx-xxxx
Pusateri, Anthony E., xxx-xx-xxxx
Quinton, Jimmy D., xxx-xx-xxxx
Rangel, Gary W., xxx-xx-xxxx
Rice, Patrick M., xxx-xx-xxxx
Richards, Timothy J., xxx-xx-xxxx
Riddle, Thomas C., xxx-xx-xxxx
Roberts, Brian F., xxx-xx-xxxx
Robertson, David G., xxx-xx-xxxx
Robinson, John C., xxx-xx-xxxx
Robinson, Kenneth L., xxx-xx-xxxx
Ruhl, John E., xxx-xx-xxxx
Rush, Edward J., xxx-xx-xxxx
Ryan, John T., xxx-xx-xxxx
Salvitti, Gino, xxx-xx-xxxx
Sawyer, Gregory L., xxx-xx-xxxx
Seal, Terrance C., xxx-xx-xxxx
Sether, Todd W., xxx-xx-xxxx
Shell, Andrew S., xxx-xx-xxxx
Shrout, Ray L., xxx-xx-xxxx
Simmons, Gerald R., xxx-xx-xxxx
Smith, David F., xxx-xx-xxxx

Smith, Jeffrey F., xxx-xx-xxxx
Smith, Peyton E., xxx-xx-xxxx
Soboleski, James W., Jr., xxx-x...
Spratt, James G., xxx-xx...
Stears, Paul J., xxx-xx-xxxx
Stewart, John R., xxx-xx-xxxx
Sutherland, Christopher A., xxx-xx-xxxx
Tarver, Ashley B., Jr., xxx-xx-xxxx
Thames, David B., xxx-xx-xxxx
Thelen, Mary J., xxx-xx-xxxx
Thorpe, James N., xxx-xx-xxxx
Twitty, Stephen M., xxx-xx-xxxx
Upchurch, Ireland S., II, xxx-xx-xxxx
Vincent, Curtis J., xxx-xx-xxxx
Voller, Patrick W., xxx-xx-xxxx
Walker, Curtis W., xxx-xx-xxxx
Waller, Warren J., xxx-xx-xxxx
Wasilko, George, Jr., xxx-xx-xxxx
Wason, John D., xxx-xx-xxxx
Welch, Mark A., xxx-xx-xxxx
Wenger, Anthony N., xxx-xx-xxxx
Whitaker, Marvin S., xxx-xx-xxxx
Whitney, Daniel G., xxx-xx-xxxx
Williams, Brian L., xxx-xx-xx...
Williams, Joe H., xxx-xx-xx...
Williams, Ronell., xxx-xx-xxxx
Willis, Paul J., xxx-xx-xxxx
Wiltse, Jeffrey S., xxx-xx-xxxx
Winningham, Robert D., xxx-xx-xxxx
Wojcik, Michael A., xxx-xx-xxxx
Woodruff, Maureen., xxx-xx-xxxx
Wright, Mary A., xxx-x...
Wyrtki, Oliver K., xxx-xx-xxxx
Yoder, Keith R., xxx-x...
Zajac, Joan M., xxx-xx-xxxx
Zimmerman, Neal O., xxx-xx-xxxx
Zizza, Michael M., xxx-xx-xxxx

IN THE NAVY

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of commander in the line, in the competitive category as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

Adams, Charles Llewellyn
Adkins, Raymond Joseph, Jr.
Ahern, Thomas Charles
Albertson, Robert Rayburn
Andersen, George Michael
Anderson, Thomas Edward, Jr.
Andresen, Lawrence J.
Armstrong, William Shaul
Battinger, Eric Wayne
Barker, Jimmy Lester
Barnum, Kenneth Paul
Barrick, Harry Welling, III
Bassler, Ned Holliger
Bast, William V.
Beacham, Frederick Brou
Beck, Geroge Harris
Behling, Raymond Joseph
Belotti, Joseph Peter, Jr.
Bender, Edmund Frank, Jr.,
Bennett, John B.
Bensing, Donald Ray
Bergh, Gregory H.
Best, Frederick Roy
Birge, John Heflin, Jr.,
Bivings, Albert Eugene
Blaisdell, James Harling
Blake, Richard Dale
Blomquist, Roger Neil
Bolduc, David T.
Boston, Bruce Dennis
Bowen, Daniel John
Boylan, Christopher
Bradford, Cary Scott
Brady, Peter Douglass
Brewer, Donald Stokes
Brians, Wallace S.
Briggs, Bruce Kenneth
Bronson, Terrence Philip
Brooks, David A.
Brooks, Michael Keith
Broun, Charles W.
Bruce, Stephan Robert
Bruwelheide, Dennis Raymon
Budds, James Garrett
Burback, Brian Merritt
Burr, Frederic Worthington
Burroughs, Niles Philip
Buschbaum, Dennis E.
Bussard, Clifford Barry
Butler, Thomas Albert
Bynum, Thomas Lee
Cagle, Jerry Dwight
Cahill, John J.
Campbell, Bruce A.
Capra, Robert Arthur
Carlin, Stephen Roger
Carroll, Patrick William
Carson, Phillip Roy
Carter, Joseph John, Jr.
Casey, John Steven
Chaney, David Allen
Chesipe, John R.
Childress, George David, II
Cichucki, Jon L
Clark, John Joseph
Clarke, Kathryn Marie
Closs, John William
Cohn, Donald Tucker
Colquitt, Richard Edward, Jr.
Colt Marshall
Colton, Rodney A.
Comins, John Raymond
Connell, Mary Kay
Conner, Frankie Weldon
Coolbaugh, Robert John
Cooley, Byron Lester
Copper, Bruce D.
Costas, John Nicholas Hantse
Cox, Nolan Mackey
Cruz, Ramon Michael, Jr.
Culhane, Edward Carroll
Curtis, Grant Bradley, III
Cusick, Stephen Kent
Custer, Robert Christopher
Damato, Charles Richard, Jr.
Daniels, David Gray
Davis, Gregory Evester
Davis, John D.
Davis, Leroy William, II
Dean, Jeffrey Stuart
Derego, Charles Albert
Dereniuk, Harry Michael
Dibello, Michael Frank
Dierks, Kenneth A.
Dies, Gregory Baird
Dipadova, Arthur Anthony
Dixon, Gerald Arthur
Dodge, Marvin Michael
Doegey, Jay Brooke
Doherty, James Edward, Jr.
Donges, William H.
Dorsch, Brian Vern
Dorsey, Danny Eugene
Downey, Philip Edward
Dubinsky, Donald Dennis
Durkee, Kendall Grove
Eckstrom, Richard Allan
Elleson, Stephen D.
Ellis, Joseph C.
Erickson, Charles Albert
Esget, James Arthur
Esterl, Charles Thomas
Evans, James Ira
Faanes, William K.
Farrand, Thomas Walter
Farrar, David Richard
Fauber, Stuart Carter
Fehlis, Emmett Donald
Felts, William S., Jr.
Ferguson, Bruce Collier, Jr.
Ferguson, James Lester
Ferguson, Jere Claude
Ferranto, Dale Anthony
Finch, Randal Craig
Findeiss, Lawrence William
Fisher, Elphin Barrett
Fisher, Raymond Theodore
Foltz, Peggy Diane
Foust, Gary Lee
Frame, Terrance Craig
Francis, David Louis
Francis, Robert MacKenzie
Franklin, Nicholas William
Franssen, Roger Allen
Frantz, Richard Lamar
Frazee, Ronald Leroy
Frederick, Lance Andrew
Freeman, Parker C.
Fritz, Robert Wayne
Fry, Richard Lee
Gannon, Thomas Hugh, III
Garcia, Frank Charles
Garden, Bruce William
Gardner, Brian Martin
Gaskell, Michael Lee
Gebhardt, Robert Edward, Jr.
Geci, Karl Edward
Germann, Glenn Roger
Gershon, David Lawrence
Gibson, Richard Duval
Glisson, Patrick Calvin, Jr.
Glynn, William Charles
Goodlatte, Peter Roe
Gorton, Grant John, II
Gosma, James Allen
Grant, George Michael
Green, Gerald Le Roy
Gregory, Edward Alexander, Jr.
Grimard, Gregory Paul
Grinspoon, Alan Marshall
Gross, Thomas M.
Grosscup, Richard K.
Gunter, Wilkin J., Jr.
Gunther, Donald Louis
Hall, James Curtis
Hansen, Philip Raymond
Happ, David Richard
Harrer, Max Warren
Harris, Eldon D.
Harris, Jodie R., Jr.
Harris, Wade
Hawkins, Charles Frederick
Hawkins, Kenneth Bradley
Hawley, Robert Lyman, Jr.
Heath, Donald Edward
Hebert, Joseph Nelo, III
Hedman, Kent Sheldon
Hess, Glenn E.
Hichak, Michael Joseph
Hiers, Preston Henry
Hinz, Donald Eugene
Hirsh, Louis Meyer
Hodges, James Edward
Hofer, Jeffrey Ritter
Holcombe, James Lawson
Holeva, Carl
Holstrom, Marshall V.
Hooper, James Ernest
Horals, Brian John
Howe, David Blais
Hulsey, Frederick Robert
Hunt, John Allen
Hupp, Alfred Rector, Jr.
Hura, Leo C.
Hutchins, Stephen Cullen
Hynes, Michael W.
Jackson, David Allen
Jackson, John Adrian
Janiec, Jan David
Johns, Joseph Howard
Johnson, David Patrick
Johnson, Robert Borden
Johnston, Phillip Lee
Johnston, Steven A.
Jones, James Moran, Jr.
Jones, Roger Alan

Jorgensen, Randolph Alan
Josephson, Hardy Richard
Katterich, Richard Alan
Kaufman, Ronald Melvin
Keil, Allen Wilson
Kellas, John Calvin
Kidder, Jeffrey Brian
King, Walter Albert
Kloeppel, Daniel Lawrence
Kobayashi, Kenneth
Kochey, John Gentel
Koths, Isabel Margaret D.
Kyzer, Braddock Kennrick, Jr.
Lacy, William Nelson
Lakefield, Bruce Richard
Lancaster, George Bonner, Jr.
Lange, Richard Herbert
Lattomus, Thomas Steele
Lausten, Jean Ann
Lavin, Mark Anthony
Lawson, William Franklin, Jr.
Leary, George E.
Lee, David Lawhon
Lehmann, Ralph Hans
Leighty, William Eric
Lessner, Dennis William
Letts, John Francis, Jr.
Levy, Edmund B, III
Lewis, John Royal
Linn, David Auen
Losh, Dennis Michael
Loustaunau, Paul Jeffrey
Lowe, George Edward
Lubrano, Joseph Anthony
Luten, James Griffin
Lutz, Michael Hilton
Lyon, Allan White
Macbain, Richard Dennis
Maloney, Michael John
Maloney, Timothy
Maniscalco, Ronald John
Martin, David Parker
Martin, Harry John
Martin, Ronald Reid
Martinez, Alexander H.
Mason, Obie O.
Matthews, Robert Brodnax, Jr.
Maturi, Harold John
Maxfield, Dennis Wayne
Maxwell, Daniel Leslie
Maxwell, John Eddie
May, Robert Michael
Mayon, Michael Howard
McAllister, Edward Cain
McCants, Bobbie E.
McCray, John Henry, Jr.
McDonald, Gregory David
McDougall, John Scott
McEliece, Robert Devereux
McGaha, John Robert, Jr.
NcGee, Bruce Briden
McGree, Mark Patrick
McKee, Stanley Walter
McKenzie, James Harvey
KcKewon, Ray Walton, Jr.
McLemore, Albert Sydney, Jr.
McManus, William Martin
McMillen, Cameron Kay
McMillian, Nancy Wood
McPheter, Gordon Lee
McWhirter, Janice H.
McWilliam, John D., Jr.
Meldrum, Thomas Wilson, Jr.
Meo, Joseph Michael
Metivier, Marion Eleanor T.
Metzler, Larry Edward
Muerer, John W.
Mills, Nile Dean
Miner, John Boyd
Mingledorff, George E., III
Minnich, John Holloway, III
Mitchell, James A.
Mocock, William Ralph
Monson, Scott Anthony
Montague, Francis B.
Morgan, Gregory Charles
Moriarty, Christopher Paul
Morin, Roger A.
Murphy, Dennis Anthony
Murphy, Edmund Dennis, III
Murphy, Michael Thomas
Murray, Steven Allen
Mytinger, Helen Ann
Nachand, Clyde Raymond
Neal, John Steven
Nelson, Frederick Dan
Nevitt, William Renwick, Jr.
Niles, James Hastings
Nise, James Richard
Noren, John Walton
Norton, Edward James
Norwood, Bryan Bernard, Jr.
O'Brien, William Stanley
O'Chmanski, Stanley P., Jr.
O'Connor, Joseph Michael
Odland, David John
O'Gurek, Robert Francis
Okerson, John Russell
Oliver, Larry Lee
Olson, Thomas Paul
Opsal, James Kenneth
Oshiro, Richard Joseph
Osier, Christopher
Oswald, Louis John, III
Overend, William Jones
Owens, John Richard, Jr.
Page, Steven George
Palmer, Daniel Curtis
Palmer, William Ware, III
Parks, Steven Greg
Passman, Frederick Jay
Patterson, Daniel J.
Patterson, Ricky Lee
Pecic, John Wayne
Peck, William Leonard
Peloquin, Peter Joseph
Pepe, Raymond Alan
Peterson, Glen L.
Petit, Noel Julien
Petitte, Mark Henry
Phelps, Roy Leon
Phillips, Marc Stephen
Pickens, James McCaughrin
Pignataro, Ronald Allan
Pinkney, David Timothy
Ploss, Craig Richard
Poleshaj, Valentin
Porter, Stuart Thomas
Pottkotter, Raymond J., II
Powell, Robert H. W.
Pradon, Stephen Dan
Price, John Dudley
Pritchard, Robert Arthur
Prokasky, Stephen Scott
Prunty, Robert Wayne, Jr.
Pugh, David Charles
Rand, Michael M.
Rankin, Richard James
Ratner, William David
Red, James Neal
Reed, Wallace Litchfield, Jr.
Rehkopf, James Alan
Rehwaldt, Anthony James
Reinertsen, Donald Grant
Resch, Philip Ray, Jr.
Rhodes, Darryl Wayne
Ridgeley, Owen Joseph, Jr.
Ridgeway, Jessie D.
Rightmire, James William, Jr.
Rightmyer, Richard Lee
Riley, Stephen E.
Rineman, Jon Richard
Robart, Gregory Paul
Robertson, Larry Wesley
Robinson, William Alan
Rogers, Roy Richard
Rome, Daniel Curtis
Roshelli, Ronald Joseph
Ross, John Clyde
Rothwell, Jeffrey T.
Rottler, Howard Colby, Jr.
Royall, Michael Bruce
Russell, Howard Streeter
Ryan, Daniel Kevin
Sacia, Roger Ethan
Sage, Michael Joseph
Samples, Ted Dean
Santana, Joshua Eliel
Santoni, Frank Peter, Jr.
Sato, Stanley Kazuo
Scattergood, Robert Alan
Scharfe, Mark C.
Schaumann, Robert Charles
Schiano, Richard James
Schierer, Leon Arthur
Schneider, Peter Paul, Jr.
Schofield, Robert Scott
Schott, Frank Theodore, Jr.
Schultz, Ronald Haygood
Schwedhelm, Martin Henry
Scoffield, William Thurgood
Scott, Robert Warren, Jr.
Seabrooks, John Robert
Seck, William John
Seil, John W.
Sein, Lorenzo
Senior, Michael William
Senness, David Mark
Seth, Roy Allen
Shelley, Marke Robert
Shelton, Michael Chase
Sherrill, George Thomas
Shirkey, Jack Michael
Siddon, Robert L.
Simonitsch, Mark Andrew
Simons, Henry M., III
Simpson, Michael K.
Simpson, Paul L.
Sitz, Joe Harvey, III
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EXTENSIONS OF REMARKS

ANTI-DESECRATION BILL H.R. 2611

HON. BOBBI FIEDLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Ms. FIEDLER. Mr. Speaker, 4 years ago, I introduced legislation to stop the wave of desecrations of churches and synagogues. That very serious problem has not gone away. So I have reintroduced the bill, H.R. 2611, and joined with my colleagues on the Judiciary Committee to work toward the enactment of legislation to address this issue.

In 1984, after a 2-year decline the hateful acts of desecration were on the rise again, 715 against Jewish communities alone. That means swastikas splashed on the walls of synagogues, graves destroyed, sacred books burned, and hate posters plastered on the walls of schools for young children to see.

Last summer, on the Jewish holy day of Tish B'Av, hatemongers placed anti-Semitic posters on the walls of five synagogues in my home State of California. Maybe it was irony, maybe those twisted minds had done their homework: Tish B'Av is the day when Jews commemorate the destruction of their ancient temples in Jerusalem.

These crimes of hate are occurring nationwide. Though New York and California have been most affected, 30 other States and the District of Columbia have their own ugly incidents to report. Nor are Jews the only victims. Catholics, Baptists, Buddhists, and members of other faiths have found their places of worship torched, ransacked or vandalized. These incidents take on even greater meaning today, when we read of rightwing extremist networks plotting race war and killing policemen.

To meet this threat, H.R. 2611 would, under certain circumstances, make it a Federal crime to commit an act of religious desecration. My bill would make it a Federal crime to desecrate a grave or religious structure, or place swastikas, burning crosses or other antireligious articles on a person's property, without their consent, when this is done to interfere with that person's right to free exercise of their religion. H.R. 2611 would also make it a Federal crime to use the instrumentalities of interstate commerce, such as the telephone system or a federally funded highway, to plan or commit such acts. These crimes would be punishable by up to 2 years in prison, and a fine of up to $25,000, or if bodily injury results, up to 10 years in prison and a fine of up to $25,000.

Why do these crimes belong in the Federal jurisdiction? For several reasons. Religious hate crimes strike at one of the very pillars of our identity as a nation: the right to religious freedom. My ancestors, and I'm sure many of yours, came to the United States seeking that freedom. When vandals paint their swastikas, they identify themselves with an evil cause that over 400,000 Americans died to defeat. An assault on religious freedom is more than mere vandalism, more than mere arson, it is an assault on an American ideal.

Furthermore, many acts of desecration are linked with the spread of organized hate groups across the Nation. These people use our telephone system, our mail, our highways to incite others to burn Torah scrolls, destroy graves, and burn crosses. Surely that should be considered a Federal crime.

Finally, local prosecutors are already overwhelmed with enormous caseloads while State lawmakers are busy with their own statewide agendas. There is need for the kind of coordinated, bridging action that only the Federal Government can provide.

H.R. 2611 will amend chapter 65 of title 18 of the United States Code by adding the following new section.

"§ 1365. Desecration of religious structures and consecrated graves and placement of antireligious symbols on property of another

"(a) Whoever—

"(1) travels in interstate or foreign commerce or uses a facility or instrumentality of interstate or foreign commerce with intent to injure, destroy, or desecrate any consecrated grave, religious structure or religious article contained therein, or to place a swastika, burning cross, or other antireligious symbol or article on the property of another without such person's consent; or

"(2) with an intent to injure, intimidate, or interfere with any person or any class of persons in the free exercise of religion secured by the Constitution or laws of the United States, or because of having so exercised the same, willfully injures, destroys, or desecrates any consecrated grave, religious structure or religious article contained therein, or places a swastika, burning cross, or other antireligious article on the property of another without such person's consent, or attempts to do any of the same;

shall be fined not more than $25,000, or imprisoned not more than two years, or both; and if bodily injury results, shall be fined not more than $25,000, or imprisoned not more than ten years, or both; and if death results, shall be subject to imprisonment for any term of years or for life.

"(b) As used in this section—

"(1) the term 'religious structure' means a building or other structure owned or operated by a church, synagogue, or other religious organization; and

"(2) the term 'consecrated cemetery', 'religious structure or religious article contained therein', and 'property of another' shall apply only to property located in the United States, any territory of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States.

"(c) In any prosecution under paragraph (1) of subsection (a), proof that a defendant engaged or attempted to engage in one or more of the acts of injury, destruction, desecration, or placing of antireligious symbols described therein and (1) has traveled in interstate or foreign commerce, or (2) has use of or used any facility or instrumentality of interstate or foreign commerce to communicate with or broadcast to any person or group of persons prior to such acts, such travel or use shall be admissible proof to establish that such defendant traveled in or used such facility of interstate or foreign commerce.

"(d) Nothing in this section shall be construed as indicating an intent on the part of Congress to prevent any State, any possession or Commonwealth of the United States, or the District of Columbia, from exercising jurisdiction over any offense over which it would have jurisdiction in the absence of this section; nor shall anything in this section be construed as depriving State and local law enforcement authorities of responsibility for prosecuting acts that may be violations of this section and that are violations of State and local law.

"(e) If any provision of this section or the application thereof to any person or circumstance is held invalid, the remainder of this section and the application of such provision to any other person or circumstance shall not be affected thereby.".

SEC. 2. CLERICAL AMENDMENT.

The table of sections of chapter 65 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"1365. Desecration of religious structures and consecrated graves and placement of antireligious symbols on property of another.".●

WHY WE DON'T RECOGNIZE THE BALTIC TAKEOVER

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MICHEL. Mr. Speaker, how many Americans know that the U.S. Government has never recognized the Soviet Union's brutal domination of the nations of Lithuania, Latvia, and Estonia? I asked the Research Service of the Library of Congress to provide information on this important foreign

policy issue. At this point I wish to insert in the RECORD the two questions I asked the Library of Congress and the answers I received:

1. What is the historical background to the decision by the United States not to recognize the takeover of Lithuania, Latvia and Estonia by the Soviet Union? Is there a document or executive order on which this decision is based?

The Soviet takeover of Lithuania, Latvia and Estonia was effected in several stages between September 1939 and July 1949. At that time (the first phase of World War II), the U.S.S.R. claimed to be neutral, but in certain important respects was cooperating with Nazi Germany. Secret articles of the German-Soviet Non-aggression Pact of August 23, 1939 provided for the Soviets to join Germany in conquering and dividing Poland, and also for dividing the Baltic Republics between them. A subsequent secret Soviet-German agreement recognized the three Baltic Republics as falling within the Soviet "sphere of influence." At the same time, the U.S.S.R. attacked neutral Finland and seized the Finnish Karelian Peninsula.

This was the historical context in which the Soviet annexation of Lithuania, Latvia, and Estonia occurred. Opinion in the western democracies was strongly anti-Soviet at that time. Great Britain reportedly considered attacking the U.S.S.R. over the Finnish affair. U.S. public opinion was highly critical of these Soviet seizures of territory, accomplished apparently in concert with Germany. On December 2, 1939, President Roosevelt declared a "moral embargo" on U.S. exports to the U.S.S.R.

On July 23, 1940, a few days after the Soviet annexation of Lithuania, Latvia, and Estonia, the acting U.S. Secretary of State, Sumner Welles, issued a formal statement deploring the Soviet annexation. The following year, President Roosevelt and Prime Minister Churchill articulated principles in the Atlantic Charter that clearly rejected such actions as the Soviet annexation of the Baltic Republics.

2. Is it the case that the Helsinki Accords recognize the territorial boundaries of the Soviet Union? If so, how does this fit into the U.S. policy of nonrecognition of the Baltic States takeover? Do the Helsinki Accords in any way contradict the non-recognition of the Soviet claim to the Baltic States?

The United States adherence to the Helsinki Final Act (August 1, 1975) does not formally invalidate or contradict the U.S. policy of non-recognition of the Soviet annexation of the Baltic Republics. First of all, the Helsinki Final Act is not an international treaty, but an agreement, with no enforcement provisions. Furthermore, although this agreement is often characterized as providing legal recognition of the boundary changes of 1945, it speaks not of "recognition" or "legality" of boundaries, but of the "inviolability" of the boundaries, i.e., of the signatories' agreement to renounce forceful change of the boundaries.

The United States still extends diplomatic recognition to the Republics of Lithuania, Latvia, and Estonia, each of which maintain legations in Washington staffed by representatives or officials of the former independent governments of those Republics. The U.S. State Department has an official responsible for "Baltic States Affairs" who deals officially with representatives of those legations. He is a member of the East European Desk, not the Soviet Desk, at State.●

DEHUMANIZING A PEOPLE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Ms. OAKAR. Mr. Speaker, Washington Post columnist, Richard Cohen, is to be commended for his recent article where he discusses the disturbing practice of dehumanizing entire groups of people. Our history, unfortunately, has many ugly examples of prejudice directed against ethnic groups, races and religions. The result of these attitudes was hatred, violence and shame. Mr. Cohen's article warns us about the dangers of stereotyping and counsels us to see things clearly, for only then can we make correct decisions that are worthy of our great Nation. I commend the article to my colleagues' attention and ask that it be printed in the RECORD.

ARAB BASHING

(By Richard Cohen)

A newspaper prints a panel of cartoons in which President Reagan is shown standing at a lectern, making a speech about "Moslem terrorism." The cartoon is supposed to be about the president's inaction in dealing with such terrorism, but what it's really about is Arab bashing.

It is another example of how some people have used the TWA hijacking to declare open season on all Arabs. A cartoonist thinks it's permissible to talk of "Moslem terrorism" when he would never use the term "Christian terrorism" to describe events in El Salvador or Chile or even the bombings, killings and other outrages of the Irish Republican Army.

Similarly, others have not hesitated to recommend some sort of retaliation for the TWA hijacking in which the innocent would suffer along with—or even more than—the guilty. It seems not to matter which is the case. All that seems to matter is that Arabs get punished for the crimes of other Arabs. It is as if all Arabs are guilty of the acts of a few—a conspiracy of several hundred million people, depending on whether you think all Moslems or just Arabs ought to suffer.

Even the Reagan administration has joined the bandwagon of Arab bashing. It has, for instance, asked the civilized world to join it in staying away from the Beirut airport and has turned that sorry strip into a symbol of terrorism and lawlessness. It seems that no one in the administration remembers that TWA flight 847 took off from Athens, landed once in Algiers and was, on its second trip to Beirut, refused permission to land: "I am unable to give you landing instructions due to the closure of the airport, sir," said the tower to the plane on June 14. "Advise the hijackers that. I think they understand English." A bit later in the same conversation, the tower flatly told the plane that it did not have permission to land. "It's up to you and the hijackers to go on."

The hijackers insisted otherwise. "Beirut," said the plane to the tower, "the hijacker has pulled the pin on his hand grenade. He will land at Beirut. He is desperate."

Of course, it is true that Beirut itself has a mess of warring factions and that the area around the airport is controlled by Amal and not what's left of the central government. But if TWA 847 had been coming into John F. Kennedy in New York and the hijackers had threatened to blow up the plane with a hand grenade, it would have been given permission to land. In fact, for all that is being said now, that plane could have landed at Andrews Air Force base, next to Air Force One, if the terrorists had so insisted.

It's probably true that the administration had to do something after the hijacking and maybe, given the bomb-'em-kill-'em suggestions pulsing from the typewriters of 100 literate Rambos, a boycott of the airport was the most reasonable act suggested. But it is also true that the airport itself had almost nothing to do with the hijacking and that boycotting it and Middle East Airlines amounts to punishing the innocent just because they happen to be in the same neighborhood as the guilty. When it comes to satisfying the demand for a lynching, it sometimes doesn't matter who gets hanged.

But it matters to the hanged—and to their relatives. Arabs are already troubled by an atmosphere in America where it seems reasonable to propose punishing people whose only "guilt" is their religion or their language. They wonder with some apprehension about a political atmosphere in which the value of human life seems to be diminished by color of skin, the manner of worship or the language spoken. It is as if Arab life is not the equal of non-Arab life—as if the constant killing of the innocent in the Middle East, Lebanon in particular, gives us the right to do the same.

The Middle East is perplexing and frustrating. But things become no clearer when a region or a people gets labeled as bad or evil—dehumanized by rhetoric so that their deaths are not supposed to matter. That says nothing about them. It does, though, say a lot about us.●

UNIVERSITY OF MASSACHUSETTS' INNOVATIVE PROGRAM TO TRAIN MATHEMATICS AND SCIENCE TEACHERS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. CONTE. Mr. Speaker, I rise today to bring to your attention the success of a new program designed to bring qualified mathematics and science teachers to the public schools in Massachusetts. With the recent increase in the number of college graduates with degrees in math and science taking high paying, high tech jobs, the pool of qualified teachers has been diminishing. To counter this trend, the University of Massachusetts has come up with a plan that combines high tech industry, public schools, and the university's School of Education to encourage students seeking master's degrees in science or math to try their hand at teaching in public schools. The "Math-Science-Technology Education Project"—better known as M/S/TEP—was launched in June 1983. Since then, it has shown considerable

success in encouraging graduate students to teach. It has also attracted private high tech corporations like the Digital Equipment Corp.

Graduate students participating in M/S/TEP spend a summer learning how to handle a classroom of high-schoolers. At the beginning of the academic year, half of the graduate students start working in the education services division of one of the high tech companies, while the other half begin teaching in schools throughout Massachusetts—paid at the rate of a first-year teacher. At the mid-year, the two groups switch places to give all of the students the opportunity to teach. During the time that students are involved in M/S/TEP, they complete requirements for a master's degree in the area of their major. At the same time, the public schools benefit, because graduate students teach a minimum of 3 years at the schools. But in the long run, the real winners are the high school students because M/S/TEP has shown considerable success in bringing a steady flow of capable and enthusiastic teachers to the ranks of high school science and math classrooms.

I commend the University of Massachusetts for creating M/S/TEP. M/S/TEP has proven it can be successful in attracting intelligent young men and women to the teaching profession. I can only say that I hope other educational institutions follow the example that UMass has set, because there is nothing more important than making sure the high school students of today—the leaders of tomorrow—are well-educated and receive a strong foundation in the sciences and mathematics. I would also urge my colleagues to read the following article which explains in more detail the merits of this fine program.

GOING TO THE HEAD OF THE CLASS

"She's small, she's slight, and if you saw her walking down the hall you wouldn't be able to tell if she was a senior or a teacher. But she has such rapport with the students!" says Lawrence High School principal Margared Horner. "Of course, it helps that she's bilingual. If I had an opening for a science teacher and she were available, I'd snap her right up."

The subject of this lavish praise, teaching intern Victoria Borden-Muñoz, is almost invisible at the front of the classroom, surrounded by a thicket of students who have brought in cake, balloons, and other party supplies to bid their biology teacher Godspeed on the last day of her half-year internship.

The following period, in another Lawrence High classroom Borden-Muñoz, is helping students review for the next week's mid-term. Her fellow intern Rodney Bowers, who will be taking the class for the second half of the year, is also on hand to help with the review. Who knows how many different kinds of joints there are in the human body?

Hands fly up all over the room; a lot of the students know the answer to this one. There are two kinds—hinge joints and ball-and-socket joints. Extending his arm from the shoulder, Bowers tries out an idea on them: "Imagine what it would be like if we only had ball-and-socket joints." He joins in their laughter as they try to imaging, animatedly flopping their wrists and elbows around like a roomful of hyperactive marionettes.

Brian Telfair recalls his internship at Pentucket Regional High School in West Newbury, trying to find ways to make the principles of physics come alive for his students: "If I say, 'You throw a ball at a certain speed . . .' they don't care. But if I say, 'Goose Gossage takes a baseball and throws it at 90 miles per hour' they really get into that. So they got a lot of Goose Gossage problems. They got a lot of Doug Flutie problems also. Then the girls said, 'You're being sexist, you're always talking about baseball and football.' So I put a problem on the board about Mary Lou Retton, and the girls suddenly got interested in physics."

In Ellen Walen's biology class at Brookline High School the students weren't always perfectly sure of themselves when it came to such genetic questions as predicting the offspring of homozygous and hetrozygous parents. But there was some genetic lore that seized their attention in a big way. Walen remembers the reaction when she told the class about Klinefelter's Syndrome, a genetic abnormality characterized by, among other traits, enlarged breasts in the male: "All the boys went 'Eeeewh!' and were looking down at themselves."

Another genetic issue that hit them where they lived was the connection between radiation and mutation. "I think I scared them one day," Walen confesses. "I told them, 'If you have to have an X-ray, wear a lead bib over your genital area.' They wouldn't stop asking me questions. 'Oh, Mrs. Walen, I had an X-ray on my thigh, do you think I'm going to have normal babies?' "

These efforts to add immediacy, fun or relevance to the study of science all spring from a new training program for prospective high school teachers, Borden-Munoz, Bowers, and Telfair are members of the second class of teacher trainees enrolled in the Math/Science/Technology Education Project at the University's School of Education. By the end of this summer they will have their Master of Education degrees and be certified to teach high school in Massachusetts. Walen is a graduate of the first M/S/TEP (pronounced EM-step) class. She interned at Brookline High during the 1983-84 school year, and the administration was sufficiently impressed to hire her as a full-fledged teacher once she got her degree.

M/S/TEP aims to address a problem that has arisen in Massachusetts and throughout the country in the wake of the celebrated high-technology business boom. With corporate money available by the megabite to lure bright young scientists and mathematicians into high-tech industry, it has become steadily harder to attract promising graduates into the teaching profession. Left unchecked, this trend away from careers in education could help to scuttle the very high-tech revolution that produced the trend in the first place. A steady flow of talent into the ranks of high school math and science teachers is essential if the torch is to continue being passed to new generations of thinkers and innovators.

Even before the recent upsurge of career opportunities in high-tech industry, educators were worried about the teaching of math and science at the high school level. From 1963 to 1980, mean scores on the mathematics portion of the Scholastic Aptitude Test suffered a 36-point drop. Nationwide surveys during the same period revealed a steady decline in both math and science achievement among high school students. Experts spoke ominously of a "crisis" in the classroom, of a creeping epidemic of "scientific illiteracy."

The National Science Foundation, the National Academy of Sciences, and the National Academy of Engineers were some of the professional organizations that sponsored conferences to study the nation's math and science teaching emergency. It was after attending such a professional conference in 1982 that Klaus Schultz, associate professor in the School of Education, and now director of M/S/TEP, became passionately interested in the issue. Schultz recalls, "I came back from that conference saying to anybody who would listen, 'Hey, we have to do something!' "

The creation of M/S/TEP involved a cooperative effort among four parties with a stake in the future of education—the University, where M/S/TEP enrollees take classes at the School of Education; a number of Massachusetts public school systems, which provide classroom experience through teaching internships; the Bay State Skills Corporation (BSSC), and the Digital Equipment Corporation (DEC).

BSSC is a state funded, quasi-public corporation which is supporting M/S/TEP to the tune of $95,000. Most of that money is earmarked for payments to "mentors," experienced teachers who work with the student teachers during their training Kathleen Scherek, manager of innovative programs for BSSC, explains her organization's interest in the program: "We are set up primarily to provide funding to educational and training institutions throughout the state of Massachusetts to develop curriculums that directly pertain to what's happening in industry in Massachusetts. Our mandate is twofold. Number one is to provide industry with the type of people that it seeks, with the type of skills that it seeks in people. Number two is to enhance the educational capacity of institutions throughout the state."

The rules governing BSSC grants require that private industry provide dollar-for-dollar matching support, either in the form of funds or in access to equipment and facilities. The grant to M/S/TEP is being matched by DEC, one of the state's major high-tech employers. During their training, M/S/TEP enrollees spend half a school year in a high school classroom as teaching interns paid by the participating school systems, the other half working at one of the DEC's many locations in the state as interns paid by the corporation. Once they became certified teachers, DEC undertakes to offer them summer employment as a way to supplementing their teaching income. Furthermore, the company pledges not to try recruiting M/S/TEP graduates away from their treaching jobs for a period of three years.

When M/S/TEP was in the planning stages, according to program director Schultz, a number of corporations expressed a willingness to serve as partial sponsors, taking on limited numbers of interns. DEC offered to take up to 24 per year, which means, at current enrollment levels, that the company takes everybody. Says Schultz, "They gave us the impression, which has since been borne out, that they were really interested in aiding education, and not just

in a PR gesture or in sneaky recruiting of workers for themseleves."

Before M/S/TEP trainees commence their teaching internships, they spend a summer of student teaching combined with courses and seminars at the University. After their internship year, they have another summer of study at the University, concentrating primarily on educational applications of computers and other new technologies. To complete the internship year and two summers of study takes 15 months in all.

M/S/TEP is designed to attract people who might not otherwise have considered a teaching career. Victoria Borden-Muñoz, for example, worked as a photojournalist in her native Puerto Rico after completing her undergraduate work in biology, film, and photography at the University. Ellen Walen, looking for a way to use her degree in biology from Smith College, had applied to a couple of nursing schools. Brian Telfair, although he had done some substitute teaching in his home town of Richmond, Virginia, was considering following up his undergraduate work in chemistry with graduate study in medicine or biomedical engineering. Judy Dorfman, a Smith College graduate who interned as a math teacher at Longmeadow High School, was planning to attend business school.

All M/S/TEP graduates are pledged to devote a minimum of three years to teaching. How many will pursue an educational career beyond that three-year requirement is impossible to predict. "I've found teaching a combination of very good moments and very bad moments," says Mike Conwill, an MIT graduate who interned as a math teacher at Brookline High School.

Many veteran teachers would probably agree with his assessment of the profession. There's no way of knowing this early in the history of M/S/TEP whether the good moments will seem to outweigh the bad when the young teachers reach the end of their three-year commitment and become available for corporate recruitment. Some students in the program say that a teacher's salary is enough for them while they are young and single, but that they might lean toward more lucrative careers once they marry and start families.

Borden-Muñoz points out that three years of classroom experience is the requirement for certification as a principal or vice-principal, administrative positions in which educators can earn higher salaries than they can as classroom teachers. She adds, however, "You don't go into teaching for the money. That's not my motivation. There have to be good teachers. There has to be someone to tell these kids about life."●

THE SITUATION ON TAIWAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. LAGOMARSINO. Mr. Speaker, in Northeast Asia, several challenges confront the attainment of U.S. foreign policy and national security objectives. On the Korean Peninsula, almost 40,000 U.S. troops stand shoulder to shoulder with their South Korean counterparts in order to deter aggression by the North. In Japan, we work to safeguard that nation's political freedoms from an ever-growing Soviet military threat. One of the most important dilemmas we continue to encounter, however, is how best to support our friends on Taiwan, while expanding our so-called strategic dialog with the leaders of the People's Republic of China. It is my firm belief that this country should proceed cautiously in our dealings with our newfound ally, the PRC, while maintaining a strong and public commitment to the people of Taiwan.

The ROC on Taiwan has made significant progress toward greater democratization and a broadening of human rights, Mr. Speaker. The ROC has greatly expanded the number of elective offices in each of the three national elective bodies, and supervision of the high court and the district court has been transferred from the Ministry of Justice in the political branch, to the separate jurisdiction of the judicial branch. Progress has also been made in other areas as well, including the enactment of the public officials election and recall law, the enactment of the state compensation law, the revision of the code of criminal procedure to give suspects the right to have a lawyer present during interrogation and the decision to eliminate vacancies left by the demise of members of the central legislature who were elected on the mainland in 1948.

The United States applauds these actions as a sincere signal of the Taiwanese political leadership's desire for further democratization and the expansion of a wide range of human and political freedoms.

In another area of great concern to the United States, the Henry Liu murder, progress has been witnessed and justice appears to have been served. As my colleagues are aware, Mr. Henry Liu, a U.S. citizen, was murdered at his home in Daly City, CA, by members of the Chinese criminal gang, known as the Banboo Union. In a bizarre series of developments, Mr. Liu was found to be an agent of the ROC Intelligence Bureau as well as an agent of the intelligence apparatus of the PRC. Subsequently, it was revealed that Mr. Liu had also worked for our own Federal Bureau of Investigation.

Following the murder, law enforcement authorities on Taiwan moved rapidly to locate and apprehend the perpetrators of the Liu murder. Those brought to justice include Adm. Wong Hsi-ling, director of the Defense Intelligence Bureau, Maj. Gen. Hu Yi-min, his deputy, and Col. Chen Hu-men, deputy chief of the bureau's third department. With the exception of Tung Kui-sen, one of the murderers who is at present a fugitive from justice, all of the conspirators have been brought to justice after speedy public trials and all convictions have been sustained by the appellate courts. Our State Department has recognized and applauded the cooperation displayed by the Taiwanese authorities in bringing these murderous thugs to justice.

Mr. Speaker, the Taiwanese Government has recently taken steps to allow greater political freedoms in that country, and has brought to justice those individuals responsible for the murder of an American citizen on American soil. Instead of turning our backs on our long-trusted allies, the United States should continue to press for, and approve when they occur, significant strides in the area of human rights and democratization. After all, the United States has an enduring interest in promoting freedoms and enhancing our security as well as that of our friends and allies throughout the region.

Finally, Mr. Speaker, I would like to bring to the attention of my colleagues a recent editorial from the Santa Barbara News-Press entitled, "Stand by Taiwan."

[From the Santa Barbara (CA) News-Press]

STAND BY TAIWAN

So far the Reagan administration is not going along with Chinese officials who want the United States to pressure Taiwan's noncommunist Nationalist Party leaders to return to the national fold they abandoned more than 35 years ago. But it does seem to have climbed on a fence, which looks to us like something of a retreat from the longstanding ideological and military support America has always given feisty, pro-Western Taiwan.

The little island's successful brand of capitalism contributes substantially to the Far East's growing economic strength, which in turn bolsters political stability in a region where flourishing non-communist governments can be helpful to the United States. But recent economic stirrings in China have clouded the traditional delineation of U.S.-China interests regarding Taiwan.

The United States views China's apparent embrace of some free-market practices as a hopeful sign that a new, billion-customer market may close some of the gaping U.S. trade deficit. This legitimate hope should not, however, lead to a new Taiwan policy.

As Newsweek magazine's Peking bureau chief noted in a recent issue, China's flirtation with capitalism may not last beyond the life of its new economic pragmatist, 80-year-old Deng Xiaoping. Deng's political opponents are waiting in the wings—and they may not be off stage for long.

It would be best if the United States built no new Asian policies on the shifting sands of a Chinese experiment that could at any time be declared a failure, and halted.●

WITHOUT GUNS DO PEOPLE KILL?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. EDWARDS of California. Mr. Speaker, I thought our colleagues

might be interested in an article, "Without Guns, Do People Kill People," which appeared in the June 1985, issue of the American Journal of Public Health, so I am submitting it for the RECORD today.

WITHOUT GUNS, DO PEOPLE KILL PEOPLE?

Firearms killed 33,000 Americans in 1982, accounting for one injury death out of five: 1,756 of these deaths were classed as unintentional, 16,575 as suicide, 13,841 as homicide, 276 as legal intervention, and 540 of undetermined intent [National Center for Health Statistics (NCHS) unpublished data].

Firearms are the second leading cause of death in the United States for ages 15–34, with motor vehicles in first place and cancer a distant third.[1,2] For ages 30 to 54, firearms generate as many deaths as motor vehicle crashes.[1] Despite the severity of the problem, data on non-fatal firearm injuries are virtually non-existent.[3]

As with deaths from other causes, the risk of death from firearms is not equally shared by the population. The death rate from unintentional injury is almost 10 times as high in low-income areas as in high-income areas; rates are especially high among White teenagers, Blacks age 15–34, and Native Americans.[1]

Firearm homicide, accounting for two-thirds of all homicides, has a rate among Blacks that is more than six times the White rate.[1] One Black out of 40 will be murdered with a gun between ages 20 and 44. In urban areas, the statistics are even worse; firearm homicide rates for Blacks in large cities are more than 10 times the overall rate for the US population (unpublished data).

Firearms cause 57 percent of all suicides. These differ from other suicides in that the rates are highest in low-income areas. Firearm suicide rates are highest in elderly males, especially White males; a lower peak is seen among males in their 20s.[1]

For any population group, the availability and lethality of firearms are major determinants of such death rates. This is vividly illustrated by data from the Aarhus region of Denmark published in this issue of the Journal.[4] There, the rate for all assaultive injuries treated at hospitals is almost as high as the rate in Northeastern Ohio: six vs eight per 1,000 population.[4,5] [Comparable data are not available for other US areas]. The Danish homicide rate, on the other hand, is only one-fifth the rate for Ohio, 1.4 vs 7.2/100,000.[1,6] The discrepancy is largely explained by two facts. First, firearm injuries have an extremely high case fatality rate (15 times the rate for knife assaults in the Danish study). Second, private ownership of guns is permitted only for hunting in Denmark but is common in the US, where half of all households have guns and one in five has a handgun.[7] South Carolina data suggests that gun homicide rates are highest in localities where gun ownership rates are highest.[8]

We often hear that "Guns don't kill people, people kill people." Especially relevant to this statement is the observation by Hedeboe and his colleagues[4] that injuries were inflicted by whatever was most available—most commonly fists or feet, followed by other objects likely to be close at hand. Sometimes, no doubt, a person who is intent upon killing someone seeks out a lethal weapon. Far more often, gun-inflicted deaths ensue from impromptu arguments and fights: in the US, two-thirds of the 7,900 deaths in 1981 involving arguments and brawls were caused by guns [unpublished data, Federal Bureau of Investigation]. These deaths would largely be replaced by non-fatal injuries if a gun were not handy.[9] Thus, a far more appropriate generality would be that "People without guns injure people; guns kill them."

Despite the overwhelming importance of gun availability, the problem of firearm injury and its solution are far from simple. Much attention has been given to the possibility of restricting the sale and ownership of handguns and handgun ammunition, because of their very low benefit-risk ratio. Although the size and concealability of handguns is of no benefit except for killing people, proposals to limit private ownership or use of small, easily concealed handguns evoke strong reactions from the firearm industry, the National Rifle Association, and many gun owners.[10] Lawsuits against manufacturers, based on their having introduced unreasonably hazardous products into the stream of commerce, may eventually help stem the tide of handgun production and sales.[9] Other approaches to reducing firearm injuries include development of less lethal handgun ammunition and design of firearms so they cannot be discharged easily by young children, or inadvertently by teenagers and adults. Given the magnitude of this public health problem, the time is past due to attack it on many fronts.

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UNDER GORBACHEV, THE OLD REPRESSION

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. GREEN. Mr. Speaker, next month marks the 10th anniversary of the signing of the Helsinki accords. As we approach that anniversary, I would like to bring to my colleagues' attention an opened piece published in the July 8, 1985 New York Times.

This piece, by Robert L. Bernstein, chairman of Helsinki Watch, correctly points out that despite the change in Soviet leadership and the hope that the Soviet Union's stance on Soviet Jewry might be improving, the reality is quite different. We must not be derailed in our fight for human rights by public relations ploys. We must hold the Soviets to the Helsinki accords, now more than ever.

[From the New York Times, July 8, 1985]

UNDER GORBACHEV, THE OLD REPRESSION

(By Robert L. Bernstein)

Articles appeared in the press last month about Mikhail S. Gorvachev's first 100 days. They described the Soviet leader as energetic. They told about his willingness to get out among the Soviet people and exchange views with them. They portrayed him and his family as attractive and intelligent. Yet what have these same 100 days brought for Soviet citizens who tried to express their ideas freely?

During this time, Andrei D. Sakharov and his wife, Yelena G. Bonner, disappeared. Their apartment in Gorky is dark and the shades are drawn. It is known that Dr. Sakharov announced that on April 6 he would start a hunger strike, because Miss Bonner was going blind and was unable to get the treatment she needed in the Soviet Union.

It is not known whether Dr. Sakharov is still on this hunger strike or what has happened to either him or his wife. A letter mailed in November to his family in Massachusetts has only just arrived—it describes what happened to Dr. Sakharov on his previous hunger strike. He was fed, first intravenously and then through a tube put in through his throat.

I remember the late dissident historian Andrei Amalrik sitting in my office and describing what it's like to have a tube put into your throat. After a few days, your throat becomes so raw it is torture to have the tube inserted and removed, and you frequently pass out from the pain. The letter also stated that Dr. Sakharov, who has a heart problem, passed out during these feedings. Now a film has suddenly appeared from unknown sources trying to prove that Dr. Sakharov is all right. He looks very ill.

Surely, Mr. Gorbachev, an energetic man with an attractive and intelligent family, should understand the importance of keeping the world informed about whereabouts and health of the Sakharovs in an open, civilized way.

Yuri Orlov, founder of the original Helsinki Watch Committee, who has completed seven years in Soviet prisons and labor camps, is in exile in Siberia. It was reported recently that he was beaten by hooligans in the streets of his village and that no one will speak to him. He cannot even buy a house to live in and must reside in a public facility. Photographs of Mr. Orlov that have reached the West since his release from camp show that his health deteriorated dramatically during his seven-year sentence.

Beatings do not occur without the knowledge and approval of the K.G.B. It is apparent that during his first 100 days, Mr. Gorbachev has given no orders to the K.G.B. not to molest Mr. Orlov.

Valery Chalidze was exiled 13 years ago. He is now an American citizen and has just been awarded a MacArthur Fellowship, a grant to encourage research or artistic endeavors. For years, Mr. Chalidze unsuccessfully tried to get his mother, who was ill with cancer, to join him. Never permitted to leave, she died last summer. Mr. Chalidze's last remaining relatives—his sister and her young child—live in Moscow. The sister has applied to emigrate to live with Mr. Chalidze. For doing so, she lost her job as a scientist and now works as a maid, trying to scrape out subsistence until there is some word on her application. Hers, of course, is only one example among thousands of a policy that does not allow citizens of the Soviet Union to leave when they wish and punishes them severely for making such requests.

There was no significant change in this policy during Mr. Gorbachev's first 100 days.

Nor was there any new word about Anatoly B. Shcharansky, who still drifts between prisons and labor camps, his health broken, after seven years of the worst the Soviet penal system has to offer. Mr. Shcharansky is a symbol of what happens to a human rights activist in the Soviet Union, and what happens to a Jew who wants to leave that country.

This is a time when one can sense a desire for change among many who are not involved in the day-to-day governmental disputes between the superpowers. Scientists, lawyers, book publishers are looking for new ways to make contact, in the hope that this will bring understanding or a more civilized relationship between two great nations that disagree on so many things.

Yet none of these attempts to improve relationships is likely to bear fruit without some moderation from Moscow toward those who wish to express their opinions publicly or, if those opinions are unacceptable, to leave Soviet society.

A change in attitude toward Soviet respect for the human mind would do more for progress on disarmament, economic cooperation and mutual trust than any other single act that Mr. Gorbachev could perform. It would be the most effective demonstration that the Soviet Government believes in its strength and not in its weakness.●

WHY SHOULD U.S. AID MARXIST MOZAMBIQUE?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MICHEL. Mr. Speaker, one of the more perplexing issues that has troubled our Nation's foreign policy is the question of our relationship to Marxist-Leninist controlled Mozambique. Our colleague, MARK SILJANDER of Michigan visited that nation and returned with a first hand account of exactly what is going on in the nation ruled by Marxist-Leninist ideologue Samora Machel. The report is a sobering and disturbing one for anyone who believes that Mozambique is turning toward the West.

At this point I wish to insert in the RECORD, "Why Should U.S. Aid Marxist Mozambique?", by Representative MARK D. SILJANDER, published in Human Events, July 6, 1985.

[From Human Events, July 6, 1985]

WHY SHOULD U.S. AID MARXIST MOZAMBIQUE?

(By Representative Mark D. Siljander)

On May 20, 1982, President Reagan said, "Lincoln was a simple man, but he spoke great truths. He said, 'No man is good enough to govern another man without that other's consent.' This expresses my idea of democracy. What-ever differs from this is not democracy."

The U.S. State Department wants Congress to send $3 million in military aid to the Marxist government of Mozambique. President Reagan agrees. I not only disagree, but also am amazed that this Administration could even consider such a ludicrous and inconsistent policy.

I recently returned from the Peoples Republic of Mozambique. I saw first hand why it would be absurd for the United States to make such a move.

Flying into Maputo, Mozambique's capital city, I saw rising skyscrapers and beautiful buildings. Tall cranes flanked towers under construction as though a massive building boom were under way.

Walking the streets, however, I saw that the buildings were empty, the crane engines cold—a stone and steel ghost town.

Mozambique is ruled by Samora Machel, a man described by the New York Times as a "fanatical Maoist" trained in China and Algeria who has grown into an avowed Marxist-Leninist.

Machel's supporters in Washington say he's a man who's waiting to be weaned from the Soviet Union, a man longing to embrace the West.

The truth is that his SNASP Secret Police were trained in East Germany and mirror the Soviet KGB. The bodyguards surrounding him are East Germans and Cubans. Libyans pilot Machel's private plan. His power is secured by the presence of an estimated 18,000 Cuban, East German, Tanzanian, North Korean, Zimbabwean and Soviet troops and advisers.

While hundreds of thousands of his people starve to death, Machel lets the Soviets take all the good fish out of Mozambican waters and sell back inferior fish to its government. Some of the food sent by Mozambique by compassionate people in the United States and around the world ends up in the bellies of Machel's soldiers.

To repay his growing debt to the Soviet Union, Machel has sent 12,000 children, aged eight to 18, to work as slave labor in East German mines and factories. When I asked our officials about this, they said the children were there "on educational scholarships."

The same Soviet M-124 assault helicopters that have been blasting freedom fighters out of the Afghan mountains fly through friendly Mozambican skies.

Addressing the Committee for a Free World in London last March, former U.N. Ambassador Jeane Kirkpatrick said, "The United States approved food aid and $10 million in supplementary military assistance to Mozambique in the same week that 17 MiG fighters arrived in Maputo."

It is interesting to note that Machel's government voted against the United States 100 per cent of the time in the United Nations until 1983. Then, say congressional supporters, it changed dramatically in our favor. Their "dramatic change" was the fact that Mozambique abstained from voting several times.

The people of Mozambique enjoy no freedom of religion, speech, press or assembly. Amnesty International reports that public executions and floggings continue. Between 200,000 and 300,000 Mozambicans are behind barbed wire in so-called re-education camps.

This does not sound to me like a man and a nation that are moving toward the West.

On February 11, President Reagan signed a memorandum to the secretary of state in which he stated, "I hereby find that the furnishing of defense articles and defense services to the government of Mozambique will strengthen the security of the United States and promote world peace."

Ten days later, in a communique between the governments of Mongolia and Mozambique, the two nations congratulated one another and boasted of their Marxist goals and achievements. They spoke glowingly of their brethren in the Palestinian Liberation Organization and criticized imperialist forces in the world (translated: the United States) and the deployment of the INF in Europe. They praised the Soviet "liberation" of Afghanistan and the successes of the Sandinistas in Nicaragua.

As in Nicaragua, there are freedom fighters in Mozambique, The "Renamo" forces number more than 20,000 and operate in all 10 provinces of the Peoples Republic of Mozambique.

Unlike the Nicaraguan Contras, however, the Renamo forces are close to victory. These pro-West freedom fighters stand a good chance of making Mozambique free again, ending human rights atrocities and bringing an independent government to that nation. They are close to providing another critical ally to the United States in that region.

Giving military aid to the Marxist government of Mozambique, regardless of how "token" $3 million may seem, would be the same as waiting until the Contras were close to victory and then sending guns to the Sandinistas.

". . .[W]hat we're supporting are the people of Nicaragua who have now been subjected to a totalitarian, Marxist-Leninist state," President Reagan said in a December interview with Human Events.

"We believe. . .," he said in a February news conference, "that we have an obligation to be of help where we can to freedom fighters, lovers of freedom and democracy from Afghanistan to Nicaragua and wherever there are people of that kind that are striving for that freedom."

Hundreds of thousands of Mozambicans are striving for that freedom, Mr. President.

When the Foreign Affairs authorization bill comes to the floor of the House of Representatives, I am proposing an amendment to the $43-million authorization for Mozambique.

The amendment would, first of all, eliminate the $3 million in military aid to the Peoples Republic of Mozambique.

Second, it would restrict economic assistance to food aid and would allow other economic aid only if the Cubans, Russians, East Germans and North Koreans are limited to 55 "advisers" in Mozambique as we limit ourselves in El Salvador.

I completely support aid to help children, women and men who are starving and in need. But what kind of sense does it make to send military and other economic aid to a Soviet bloc country like Mozambique knowing that it serves only to free up Soviet re-

sources to continue expansionism in Poland, Afghanistan and Nicaragua?

Historian Arthur Schlesinger wrote, "If you really want to find racism in America, you'll find it in the fact that they [certain Americans] think communism is tolerable for people of a different skin color."●

THE OCCASION OF A VISIT TO TAIJI, JAPAN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. DYMALLY. Mr. Speaker, having the good fortune to represent the largest Nikkei population in the Continental United States, I was gratified to be invited and hosted by the people in the village of Taiji on my recent trip to Japan! It was a most enlightening and important visit in which Mrs. Dymally and I received exceptionally fine hospitality from the people of Taiji, Japan.

Mr. Speaker, as I observed the large majority of humble folks in Taiji, I could not help but recall how the simple lives of villagers may be affected by what we in the United States do in organizations such as the International Whaling Commission [IWC]. For these people make their livelihoods and depend on the annual taking of whales, a tradition dating back to over 700 years of their village's livelihood. As you may well be aware back in 1982, the IWC voted to approve a worldwide moratorium on commercial whaling to go into effect during 1985; the Japanese Government filed a formal objection, which under the IWC charter allows Japan and any other member nations to exempt itself from the total quotas enunciated by the IWC for all species of whales. The total ban and the possible implementation of punitive sanctions by the United States has worried not only the people of Taiji, but other villages in other countries whose traditional customs and dietary habits depend on the whaling industry to meet their needs.

Mr. Speaker, I should like to put into the CONGRESSIONAL RECORD the petitions and appeals from the people of a simple village, who are requesting Congress to review and reevaluate our adopted policies in support of a total moratorium on the taking of whales and in applying sanctions which would hurt people like the villagers of Taiji. In translation, the verbiage is simple and plain, but these words speak eloquently and forcefully of our cultural diversity and the sensitivity to which all people and governments should practice in respecting each other. I am grateful to the people of Taiji for their lesson of humility and earnestness which were genuinely impressed upon me during my brief visit to Taiji.

Following are the petitions which were given to me to present to Congress.

A PETITION

We express our heartfelt gratitude for coming to Taiji township today.

We are the Taiji Whaling OB Association, which has a long tradition of engaging in the whaling industry. Our passion for whaling concerns not only whaling in present society, but whaling in Taiji—the cradle of Japanese whaling—where whaling is the sole industry. From of old, our [whaling] ancestors have toiled and toiled, have overcome many adversities, and have handed down to us citizens of Taiji their cultural values.

The present whaling environment is very critical but, fortunately, the citizens of Taiji have expressed their desire to strongly further the continuation of whaling, and we of OB have joined wholeheartedly in their endeavors. We are determined to protect our 700-year old tradition, but we earnestly request that you take into consideration various circumstances and make known to the U.S., the American people, and Congress the unanimous intent of our whaling OB.

We wish Your Excellency and your wife happiness, and pray for prosperity in the United States.

A PETITION

We express our heartfelt gratitude to Your Excellency, who has shown great concern for whaling, for your efforts in the area of Japan-U.S. whaling issues, and for coming here to observe Taiji township, which has a long history of whaling.

As you well know, in face of the great storm of unreasonable international politics, and without an adequate basis of scientific discussion, the Japanese whaling industry, which has long been nurtured in history and tradition, is now on the verge of being shut down.

Moreover, we and our family, who have worked solely by whaling, will be cut off from our source of livelihood and pride in our work, and are now on the verge of losing our future means of livelihood.

We very much regret that on the whaling issue, the position and views between Japan and the U.S. do not necessarily agree. However, in the context of Japan-U.S. relations, where freedom and harmony are professed, we believe that a mortal problem that affects the industry of both countries must be dealt with calmly and fairly, by observing the objectives of treaties and regulations based on international covenant.

We who are engaged in whaling, and who live with the whale and know better than anyone else the importance of whale resources, request Your Excellency, who has a special understanding of Japan's whaling, for your consideration and guidance.

A PETITION

The people of the township of Taiji are happy to welcome Representative Dymally here today.

We express our heartfelt gratitude for your great efforts in the United States for the continuation and understanding of Japanese whaling.

At the 34th annual meeting of the IWC in 1982, a decision was made to place a total ban on commercial whaling. That action trampled on the spirit of the International Whaling Treaty, and ignored the customs of a country's history, culture, and food habits pertaining to whaling. The Japanese government raised an objection to this decision, as provided in the International Whaling Treaty as a regular course of action. There is also the fact that the U.S. government has raised an objection to the 1954 ban on Pacific Ocean blue whales. However, on Japan's objection in this instance, the U.S. government has used as weapons the Packwood-Magnuson revised bill and the Perry revision to pressure Japan to withdraw from whaling.

Even though the bow-head whale, which the Alaskan Eskimo is catching, is on the verge of extinction, the U.S. approves of it as native whaling. On the other hand, we cannot understand the morality of whaling ethics of the U.S., which demands a total ban on Japan's whaling industry which is rich in resources.

Taiji has been the cradle of Japan's whaling, having a 700-year history, and even after having gone through many changes, its tradition has continued to today. At the present time, approximately 20% of the town's entire labor force, that is, nearly 400 people are engaged in whaling-related industries. While whaling is a vital industry to Taiji, the pride and boundless enthusiasm shown toward whaling has been a source of great strength to Taiji township.

We petition that, from the viewpoint of establishing friendly Japan-U.S. relations, you give particular consideration to the various circumstances surrounding Taiji whaling.

In conclusion, we wish Rep. and Mrs. Dymally well, and pray that you will work for the cause of Japan-U.S. friendship in the future.

A PETITION

We are very happy to have met Your Excellency and your wife today.

The proposal made by Congressman Dymally at the 36th IWC General Meeting last year has given us great strength. Further, we wish to express our heartfelt gratitude for not only exercising your good sense in matters of whaling, such as the announcements in the Human Rights and International Subcommittees, the letter addressed to Secretary of State Shultz, but also your esteem of the Japan-United States partnership.

Happily, we have now been able to meet Your Excellency here today. I wish to heartily welcome you on behalf of the Taiji town assembly. I am the head of Taiji town assembly as well as the head of the town's Liaison Body in Opposition to the IWC's Total Ban on Whaling.

In the midst of all Your Excellency's efforts with regard to whaling problems, you have come to observe our concerns. There is not a page in history of an example of one country's food culture having been destroyed by another country's culture. The mutual agreement reached at the recent Japan-U.S. fishery negotiations has deeply grieved the hearts of countless people. Regrettably, the U.S. has made a declaration of intent, beginning December 31, 1990, to impose a total ban on foreign fishing within 200 nautical miles of the U.S., as well as to prohibit foreign fishing within 200 nautical miles of back-flow repuarian fishery and continental-shelf fishery resources.

Despite the fact that fishing in the North Pacific Ocean faces the same fate as whaling, our government is attempting to sacrifice whaling for the sake of North Pacific Ocean fisheries.

In order to grasp the realities of Japan-U.S. relations, and to offset this harsh and inhumane situation, our legislative-government representatives have, at the suggestion of Diet Member Tamaki, formed a "Diet Members Whaling Federation," which includes Diet Member Nikai[sic] Nikaido.

If we can join with Rep. Dymally's action in the U.S., we believe that a new dimension will be assuredly added. We, too, will embark on a continuing movement for the revocation of the decision for a moratorium on commercial whaling.

We earnestly request Rep. Dymally's active support and understanding for the continuation of whaling in the days ahead.

PETITION

We thank you, from the bottom of our hearts, for your coming all the way over to our town of Taiji for inspection.

As you know, our town, Taiji, historically has been *the* whaling town. For some 700 years, we have developed whaling as the means of our livelihood. Right now, this whaling business, with its age-long tradition and of vital importance to our livelihood, is on the verge of extinction under international pressure.

We, as much as any others, wholly agree that we should pay full attention to the protection of all species on earth from extinction, especially the species of whales. However, we can never agree with the ideas of those people who try to steal away from us our profession and livelihood based on a long tradition, by condemning whaling on the ground of humanitarianism.

Various countries have developed different emotional views of things in accordance with their own natural environments and [respective] histories. As an example, the Hindus regard, even today, the slaughtering of cows as a sin against their gods. Their view is incompatible with the view of many people of your country and many other countries of the world, where cows are the greatest source of nutrition.

We, as members of a free society, can never agree with those people of the Green Peace Party, who force their emotional ideas on people of other countries, disregarding the historical background of such other countries. It is the teachings of God that we should mutually respect the feelings and beliefs of others. We think that tolerance and consideration of other human beings are the basis of a free society. We do not deny, of course, that commonly shared feeling and ideas might develop among different races through long international relationships.

We believe that a majority, at the least, of the people of the United States of America, the country of continued great prosperity and the great vanguard of free society, would not agree with the way the International Whaling Commission forces its ideas unilaterally on us common people and tries to deprive us of our livelihood and profession that we have developed through generations from our ancestors to the present over many centuries.

It is a great honor for us to be able to present our views directly to you here in person. It is our sincere hope that you will convey our views to as many Americans as possible upon your return to your country.

We pray for the continued prosperity of your family and your country. We, all the people of the town of Taiji, sincerely hope that you and your wife will visit our town again.

[From the Japan Times, June 3, 1985]

CONGRESSMAN SEES WHALERS OF TAIJI

SHINGU, WAKAYAMA PREF. (KYODO).—A U.S. congressman visited the whaling town of Taiji near here Sunday and expressed his sympathy with the town's objection to a total ban on whaling decided by the International Whaling Commission (IWC).

Mervyn Dymally, Democrat representative from California, was invited to the town by Lower House members from Wakayama to meet the town officials and whalers.

Dymally said there are some whale species which are increasing and they would increase to excess when whaling is totally banned.

Criticizing the IWC's decision in 1982 on the total ban on commercial whaling after a three-year moratorium, Dymally said he would propose to the U.S. Congress to control whaling by selecting certain species.●

COMMEMORATING THE 30TH ANNIVERSARY OF ROLL CALL

SPEECH OF

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1985

● Mr. DE LA GARZA. Mr. Speaker, I came to the Congress 20 years ago, and Sid Yudain had already been plunking away on the Roll Call typewriter for 10 years. I figure anyone who can stick it out for 30 years deserves a hat tipped in his direction.

And tip my Stetson I will. The Roll Call paper is uniquely Capitol Hill. Businesses and corporations have their in-house newsletters where employee feats and foibles find their way into print—but Roll Call is the king of them all.

You can find items in Roll Call that you'll never find in any other newspaper in the country. It's a more or less discreet microphone along the corridors of Congress—and the discreeter the better. Mr. Yudain has kept the personal touch—letting us know what's going on with us.

June 26 marked Roll Call's 30th anniversary and I, for one, hope Sid Yudain pulls it off for another 30 years. He has put out a first-rate professional publication that over the years has earned the respect of Members, Senators, and their staffs. We congratulate him on his achievements.●

APARTHEID SITUATION

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. RUDD. Mr. Speaker, the House recently passed legislation to impose strict economic sanctions against South Africa in an effort to move that nation away from its practice of apartheid.

There is no question that that country's apartheid policies are reprehensible, and that we have a moral obligation to encourage their end. But I question our imposing sanctions against a proven ally like South Africa, which is vital to U.S. defense and economic interests, while according trade and other benefits to proven enemies, like the Soviet Union, with its blatant disregard for human rights and human life. Imposing economic sanctions against South Africa is a policy bound to failure for we not only risk driving South Africa into the enemy camp, but we seem to be selective in condeming South Africa while ignoring problems of extreme injustice in black African nations across the continent.

According to recent press reports, more than 50,000 people were killed during Idi Amin's reign of terror in Uganda from 1971 to 1979. Since Apollo Milton Obote assumed the presidency in 1980, more than 100,000 Ugandan civilians have died in a campaign against antigovernment activities.

Last year, Kenya sent government troops into its turbulent northeast province. Thousands of Degodia men were rounded up and faced torture. Degodia women and children were told to vacate their homes, which were then burned. More than 300 people died in 1 day—February 10, 1984.

Since a group of military officers seized control in Nigeria more than a year ago, that country's media—once the freest in Africa—has been severely restricted. Because the restrictions were also made retroactive, journalists became liable for what they had already written or broadcast. The accused, who must prove their innocence, can be jailed for a period of up to 2 years; news organizations face a minimum fine of $13,000 or can be closed for up to a year.

Since the overthrow of Haile Selassie in Ethiopia in 1974, the Communist Moscow controlled government has closed or taken over more than 2,000 churches. Many priests and pastors have been jailed.

Repression is not unique to South Africa. The overwhelming majority of African nations have a dismal record on terror, human rights, justice and equality. We cannot be selective in expressing our outrage over such problems.●

THE EMPIRE STRIKES FIRST

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. LAGOMARSINO. Mr. Speaker, we hear a lot these days about alleged "violations of the ABM Treaty" by the

United States in pursuing its "star wars," or strategic defense initiative [SDI] research program designed to ascertain the feasibility of destroying Soviet ballistic missiles in flight before they detonate on American and European soil. Much propaganda emanates from the Kremlin about how President Reagan's Star Wars Program is scuttling any hopes for an arms control agreement in the near future. The Americans, we are told, are to blame for this undesirable state of affairs.

Such arguments are nonsense, Mr. Speaker, and we all know it. Not only is the SDI treaty-compliant—and will remain so—as President Reagan, Cap Weinberger, George Shultz, and Paul Nitze, and others have told us, but the Soviets are also pursuing their own SDI, and are ahead of the United States in ballistic missile defense [BMD] capabilities. In fact, the Soviets have poured billions of dollars into strategic defenses, and maintain and are upgrading the world's only operational BMD site around Moscow. They have also violated the ABM Treaty by building a huge ABM radar complex near Krasnoyarsk.

As the following Washington Times editorial points out, Soviet Defense Minister Sokolov recently "handed out research contracts for a space defense system to his East Bloc colleagues at the April 26 summit in Warsaw." So much for a "unilateral U.S. program to destroy the delicate nuclear balance" or "Reagan's plans to militarize the heavens." I urge my colleagues to review the Times editorial and consider the amount of propaganda flowing from Moscow on this topic versus the true motives of the Soviets regarding strategic defenses.

[From The Washington Time's, July 9, 1985]

THE EMPIRE STRIKES FIRST

Yuri Zhukov, chariman of the home (i.e. Soviet) chapter of the World Peace Council, told his group last March 30 that "mankind is menaced by the Star Wars plans on whose implementation U.S. military specialists are working so zealously . . ." This is the keynote of a campaign being pursued worldwide by Soviet fronts and useful idiots.

Last month, Juergen Todenhoefer, a nuclear arms adviser to West German Chancellor Helmut Kohl, told the Associated Press that "Moscow's Defense Minister [Sergei] Sokolov handed out research contracts for a space defense system to his East bloc colleagues at the April 26 summit in Warsaw" and that East Germany "among other things, is being relied upon in the areas of photoelectronics, technical measuring, and precision engineering. Another main supplier is Czechoslovakia." Mr. Todenhoefer's sources, according to the newspaper Bild, are "secret Soviet documents at NATO" headquarters in Belgium.

Mr. Todenhoefer called it "a political scandal that, while West Europe is bickering about whether to take part in research on a space weapons system, Moscow has been working on its own for about 10 years and is moving forward with the help of its pact partners." Meanwhile, "'the U.S.A. is accused of wanting to militarize outer space."

What else can be said, except perhaps that a CIA report shows the Soviets moving rapidly toward a nationwide missile defense system? The ABM Treaty allowed each superpower to put a missile shield over one city. The U.S.S.R. already had one—the Galosh system—around Moscow. The U.S. had none—and still doesn't. The Soviets are now upgrading their radar and missile interceptor hardware so as to extend the Galosh system far beyond Moscow—all of this, mind you, quite apart from Soviet Star Wars reseach.

Something for President Reagan to ponder as he perpares to meet Comrade Gorbachev at the summit.●

ONE OF THE CITY'S BEST

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SNYDER. Mr. Speaker, while we are back home for the Fourth of July district work period, a significant event occurred which should not be allowed to go unnoticed. Stanley Johnson, one of Washington's true professionals, retired from Texaco after a long and illustrious career as Texaco's chief lobbyist on environmental issues. In that capacity, Stanley Johnson has been one of the finest, most outstanding, most responsible individuals that I and my colleagues have had the pleasure of interacting with over the course of almost 15 years.

It might be worthwhile to focus for a minute on the tremendously important, even essential, role that true professionals like Stanley play in the development of our Nation's laws.

No matter what the issue or what side of the issue, the profession of lobbyist is much maligned in some corners. But those of us who deal on a daily basis with the responsibility of making legislative decisions affecting the present and future welfare of our Nation and its people understand the critical role that people like Stanley play in helping us understand the importance of the issues we deal with and the impact of the decisions we are called on to make. Without the Stanley Johnsons of the world, the Congress would not have all of the kind of information it needs to knowledgeably develop and pass laws that are truly reflective of the best interests of the Nation.

It is true that Stanley and others like him are not just information providers. They are also advocates who bring a certain predefined position to the legislative table. This advocacy function is one that is basic to the role played by lobbyists and that is understood—and accounted for—by those of us in the Congress who deal with lobbyists on a daily basis. The important point, however, is that a good lobbyist is critically important to the legislative process.

And Stanley Johnson has been, quite simply, one of the very best.

Stanley's honesty and integrity have been of the highest order. His responsiveness had been unrivaled, his wit infectious, and his wits first rate. No matter what time or what the level of difficulty, Stanley has been so often the one that we in the House and our colleagues in the Senate have turned to for factual or analytical work. He always delivered.

Stanley Johnson's career and specific responsibilities have spanned the period during which virtually all of the Nation's major environmental laws were written: The 1972 Federal Water Pollution Control Act Amendments, the 1974 Safe Drinking Water Act and Ocean Dumping Act, the 1976 Resource Conservation and Recovery Act, the 1977 Clean Water Act and Clean Air Act Amendments, the 1980 Superfund law, and the 1984 Resource Conservation and Recovery Act Amendments. And this is only a partial list. Stanley's involvement in the development of all of these laws was significant. His impact, in every instance, was substantial. He leaves a legacy and record of accomplishment that speaks for itself, that—in a word—is remarkable.

As Stanley Johnson closes this chapter in his life and begins the next, I'd just like to take this opportunity to say—on behalf of all of us who have already benefited and, by virute of his impact on the laws he leaves behind, will continue to benefit from his true professionalism: Thanks, Stanley Johnson, for a job well done and best of luck in whatever you choose to do with the remainder of what already has been a rare and truly impressive life.●

FOR THE ESTABLISHMENT OF THE POCONO MOUNTAIN CENTER OF THE ARTS

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. McDADE. Mr. Speaker, today I am introducing legislation that will directly benefit over 10 million people living in the Pennsylvania, New York, and New Jersey corridor—and this benefit will be at no cost to the Federal taxpayer.

The bill I am introducing today authorizes the transfer, at the request of the Governor of the Commonwealth of Pennsylvania, of 110 acres of the Delaware Water Gap National Recreation Area to the Commonwealth for the purpose of establishing the Pocono Mountain Center of the Arts.

This project, similar to the Wolf Trap Center for the Performing Arts in concept, will be built by the Commonwealth. The center is projected to be self-financing. My legislation specifically prohibits any form of Federal funding for the project, including the use of funds for routine maintenance, security, utilities, site construction, planning, or parking areas. This project must compete on its own substantial merits.

There are several reasons why the Pocono Mountain Center of the Arts should be established:

The facility would be a direct benefit to over 10 million people living within a 90-minute drive of the center, providing unmatched cultural and educational opportunities for both performing artists and art patrons.

The economic benefit of the project is substantial. The Delaware Water Gap National Recreation Area relies heavily on tourism. It has been estimated by the Commonwealth of Pennsylvania that for every $1 invested in the facility, $1.80 will be returned to the local economy.

Because of the nature of the arts center, it will dramatically round out the recreational, educational, and cultural attractions of the region. In addition, more people would be drawn to the other fine facilities of the Delaware Water Gap National Park which is currently defined by the National Park Service as being underutilized.

This project is in demand. Already, the mere mention of this arts center has sparked the interest of four symphonies and an opera company who would like to make the Pocono Mountain Center of the Arts their summer home. Nearby East Stroudsburg University has expressed interest in establishing a curriculum program in performing arts education at the center.

One of the most telling arguments for this legislation is the fact that the Commonwealth of Pennsylvania is eager to build the arts center. The State is standing by with $6 million ready to invest in the construction of the Pocono Mountain Center of the Arts. In addition, the State has established a private, noprofit organization to operate and manage the facility.

Only one thing is asked of the Federal Government: Can we transfer unused land in an existing national park to enhance the use and beauty of the entire region? Can we contribute as much to the region as the Commonwealth of Pennsylvania has contributed to the National Park System? I think we can. I urge my colleagues to support me in this effort.●

H.R. 2557

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. DYMALLY. Mr. Speaker, I recently testified before the Subcommittee on Postsecondary Education regarding H.R. 2557. I wish to share my testimony with the Members of the House.

The testimony follows:

H.R. 2557

Mr. Chairman, distinguished colleagues of the Subcommittee on Postsecondary Education. I appear before you in support of H.R. 2557, a piece of legislation which I introduced, and which I hope will be included in the Higher Education Act of 1985. The university-high school partnership bill has the capability of making significant impacts on the quality of education which will be afforded to very special groups of nontraditional students—the educationally disadvantaged, potential dropouts, pregnant adolescents and teen parents, and the gifted and talented students of this great and prosperous nation of ours.

The Honorable Mario Biaggi, the distinguished gentleman from the 19th Congressional District of New York, expressed extremely cogent remarks on the topic of nontraditional students in a July 3rd article which appeared in "The Chronicle of Higher Education." Discussing his personal education experience, Mr. Biaggi stated, "In some ways, I think maybe there's a greater reason to support them (nontraditional students) than the traditional." And, while the bulk of his text was geared to the adult student, his logic for support of the nontraditional student appropriately applies to large numbers of special students for whom this legislation was created.

The university-high school partnership bill will give support to partnerships by providing grants to institutions of higher education and local education agencies that have agreements to develop activities which will enable secondary students to improve their academic skills, to increase their opportunities to continue education after high school, and to improve their prospects for employment after high school. Businesses, labor organizations, professional associations, community-based organizations or public or private associations or agencies may also sign onto the partnership agreement.

The phenomenon of dropouts (persons who are not enrolled in school and who have not graduated from high school or received the G.E.D. certificate) from our educational systems is not a new one, and, indeed, it is one which the Federal Government at one time provided financial assistance to a small number of school districts for the purpose of preventing students from dropping out of high school.

Today, however, Title VIII of the Elementary and Secondary Education Act is no longer authorized and some 16,000 school districts of our Nation are faced with a 25 percent dropout rate for all students ninth through 12th grade.

In its heyday (1969–1976) the Elementary and Secondary Education Amendments of 1967 (Public Law 90–247) was authorized to make grants available to local educational agencies for demonstration projects which were designed to prevent high school dropouts. These programs were located in rural and urban areas which had a high percentage of children: (1) from low income families, and (2) that did not complete elementary or secondary schooling. The projects were based on an analysis of why students were dropping out and had to be approved by the State Education Agency. Appropriations ranged from $30,000,000 in 1969 to $33,000,000 in 1976.

Title VIII—the dropout prevention program—was authorized under section 807 of the Elementary and Secondary Education Act. For fiscal years 1969 and 1970, Congress appropriated $5,000,000 annually. These funds supported 10 projects. In 1971, the appropriation was increased to $10,000,000 and a total of 19 projects was supported.

The Title VIII projects followed many different strategies to reduce the dropout rate. Some organized alternative schools, learning centers and began work-study programs. Others offered after-school programs and summer camps. Still others established special academic programs, individualized instruction, reading labs, community liaison assistance, and teacher-student "buddy" systems.

However, none of these programs attempted to merge several approaches, and as a result, none sought the goal of the university-high school partnership bill—which is to merge successful concepts and approaches onto a total pattern of addressing the dropout rate.

A recent report by President Reagan's Commission on Industrial Competitiveness (A 30 member panel composed of business leaders, labor leaders, and educators) stressed two vital and extremely significant points about our youth:

1. That the high school dropout rate in our secondary schools is contributing to the development of a growing, permanent underclass in our society. Twenty-six percent of all students enrolled in school dropout. At this rate, our Nation is producing in excess of 1 million dropouts annually. In addition, the dropout rate among minorities is substantially higher—40 percent for black Americans and 43 percent for Hispanics. One out of three of all American Indians and Alaskan Natives leaves school before graduating.

2. New approaches are required to address the problem of school dropouts and stem this loss of human resources. National attention must be focused on the severity of the problem, and if the dropout rate continues to accelerate, part of an entire generation could be lost to the productive processes of creating workers for and contributors to this society.

The overriding recommendation of the Commission was for a national partnership to be established between the Federal Government and the private sector to address the dropout problem. The purpose of this partnership would be to coordinate special services in the school setting, and to give intensive help to those students most at risk. This legislation, the university-high school partnership bill, specifically addresses this recommendation and goes a step further by providing an avenue of totally coordinated educational services for high school dropouts which could be offered in a variety of settings all of which would be academic.

In addition, the university-high school partnership bill is based on a provision of the children's survival bill (S. 1237), a comprehensive blueprint for Federal investment

in education and other programs designed to bolster the self-sufficiency of our Nation's children, youth and families.

Recent studies, conducted by the national center for educational statistics, reveal that in 1981, approximately 16 percent of all persons in their late teens (18 and 19 years of age) had dropped out of high school. Of the approximately four (4) million persons who turned 18 in 1981, more than 600,000 were dropouts, and the dropout rate has experienced a significant increase since 1981.

In a recent article published by the Los Angeles Times, it was reported that half of the students who were enrolled at 10 of the District's 49 high schools, in Los Angeles, eventually left without diplomas.

In the mid-1970's, 24 percent of those who started high school in Los Angeles did not finish; in 1984, the figure rose to 44 percent, 4 percent higher than the 1983 State average.

In 1980, according to the Census Bureau, for the State of California, 14.7 percent of all persons 16-19 years of age are not enrolled in high school. For Compton 18.4 percent are not enrolled in high school, and in Bellflower 17.1 percent are not enrolled in high school. These two cities have significant numbers of minorities enrolled in the high schools and these rates affect the numbers of dropouts enrolled in the public school systems in those two cities in the 31st CD which I represent.

In addition, 45 percent of all Hispanics (Mexican-Americans and Puerto Ricans) who enter high school in California never finish school and these students tend to dropout before reaching the 10th grade. In the Los Angeles area, 52 percent of the student body is Hispanic.

According to a recent report from the California State Assembly Office of Research, California experiences a dropout rate of 31 percent of all teenagers between the ninth and 12th grades and, in 1983, the graduating class experienced a 40 percent dropout rate. California has a compulsory school age of 18, whereas most States have set 16 as the compulsory age. But, even this seems to have an insignificant impact on curtailing the dropout phenomenon.

When questioned, students give a host of reasons for dropping out of high school. Their problems are school related, family related, peer-group related and/or health related. However, the overriding reasons for most dropouts leaving school are:

1. They had poor grades;
2. School does not appeal to them;
3. They could not get along with their teachers;
4. Marriage (and pregnancy); and,
5. They were offered a job, and they wanted to work.

One particular category of dropouts who need immediate attention by the university-high school partnership bill is the pregnant adolescents and teen parents.

In 1980, national statistics revealed that 48 percent of all teen births were out of wedlock. In 1982, 14.2 percent of all babies born were born to women under the age of 20, and today (1985) the figure approaches 16 percent.

In California (1982), 55,365 babies were born to teenagers 15 to 19 years of age (12.4 percent of all births), and 773 babies were born to babies—teenagers under 15 years of age. For black Americans the statistics are more dramatic as 19.6 percent of all black babies were born to mothers 15 to 19 years of age. It is no secret that high school dropouts are more likely to be poor and more often unemployed than high school and college graduates. Coupled with the fact of being an unprepared parent, teenage dropout mothers are at an extreme economic and social risk in this society and this fact is true for their offspring who immediately inherit the socio-economic status of their teenage parents.

At a "working conference" on the problem of high school dropouts which was held in April of this year here at the U.S. House of Representatives, and was composed of members of teachers' groups, the Carnegie Corporation of New York and several congressional offices, it was concluded that:

1. There needs to be improved data collection regarding dropouts;
2. More information on what happens to a student after he or she drops out of school needs to be made available;
3. More careful examination of the relationship between early-childhood education and the dropout problem needs to be made available.

The concepts and approaches proposed in the university-high school partnership bill are not only reflective of research and demonstration projects which have proven to be successful in the past, but also representative of a present growing phenomenon which need had dictated.

More than 60 school and college districts representing collaborative projects in 16 major cities have united to form the Urban University-Urban School Collaborative Program under the coordination of the National Association of State University and Land Grant Colleges. In addition to coordinating educational services for the benefit of dropouts, the role of school principals as an essential link in partnership arrangements is being clearly developed, established and defined. The main purpose of this partnership is to better prepare inner-city students for work and college; and, to develop a teacher-education program that brings 9th graders into a curriculum track that leads to a degree from a four-year institution and a teaching position in eight years.

Public/private ventures, a non-profit organization in Philadelphia, which manages and evaluates efforts to improve the education and employability of disadvantaged young people, created a program for potential dropouts which combined jobs and remedial education. The Summer Training and Education Program (STEP) was in three pilot sites and based on the positive and productive results which were attained, multi-year national demonstration projects began in June of this year in Boston, Seattle, Broward County (Florida), Portland (Oregon), San Diego and Fresno (California).

The State of North Carolina runs two major dropout specific programs. One program, the dropout prevention/job placement program operates in 73 secondary school districts. This program serves 14 to 21 year olds who are experiencing academic and other difficulties associated with a high probability of dropping out. Each of the participating local education agencies has formed partnerships with private sector organizations, and education and social services agencies.

The other program, the Extended Day Program, helps dropouts complete their schooling. It serves persons with financial problems or those unable to succeed in traditional school settings. Districts receiving funding under this program are determined on a "need" basis which is determined by a formula applied by the State Department of public instruction.

In Los Angeles, a large corporation granted $50,000 to Garfield High School through the districts adopt-a-school program in order to create a program which specifically addresses the dropout problem.

What has been learned in California is that dropouts are products of many factors. Most dropouts come from families and communities with so few life chances and opportunities for them that they see no purpose for education. Most dropouts have parents who have poor jobs, or no jobs, and these youngsters see no better prospect for themselves. Others drift away from even the most understanding of parents, friends and/or teachers because they have lost faith in the system.

The university-high school partnership bill will address this modern day crisis, this potential devastation of an entire generation, and help to rescue our future—our youth. The time is now to include this bill as a part of the higher education reauthorization legislation of 1985 and establish this bill as an act in that all important legislation.●

CENTRAL AMERICAN PRIORITIES

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mrs. SCHROEDER. Mr. Speaker, I have just received a letter from a constituent who is a Peace Corps volunteer in Honduras. She describes the life of the children and people she has met. It is important that we remember that these are the ones who will be affected most when we vote on aid to the Central American countries.

DEAR REPRESENTATIVE SCHROEDER: "I am a Peace Corps Volunteer working in Honduras. I have been here two and a half years now. (my time was up in December but I extended for extra year.) Maybe some of my day to day experiences could help you direct our central American policy . . .

Today I visited a two teacher school house in El Cerón, Conceptión, Intibucá. It is close to the border with El Salvador. There are 125 students, grades 1-6 registered in the school. One teacher has first and second, the other has 3-6.

Today only about 80 kids showed up because it is the planting season and the kids must help in the fields so the family can eat. Even with one third of the students missing there were not enough benches for all the kids to sit down.

This school is different from many because there were a few books visible in the classroom. Usually there are no books. The teachers made the 12 hour trip to Tegucigalpa to get books for their students. They were hoping for another teacher this year—but with 20,000 unemployed teachers and thousands more graduating each year Honduras can afford to hire only about 100-200 new teachers a year for the whole country.

They were promised a new school last year. The town gathered the sand, gravel and rocks and raised about $1500 for labor, but so far the promised materials, etc. have not appeared. Since this is a political year there is not to much hope they will appear.

For the cost of one helicopter flight those kids could have new desks. Of course that many desks wouldn't fit in the existing building . . . For the cost of one day in Tegucigalpa for one soldier you have ½ a month's pay for a teacher

The amazing thing is how hard the kids try. Most of the kids today had rubber flip flops on. In many schools they are barefoot . . . Few have more than one change of clothing. Some have just the clothes on their backs.

I'm not trying to tell you a sob story. In many ways it is not sad because although the people are poor, hungry, etc. etc. they always have the goodness, the richness of human spirit to offer food, drink, rest to visitors. Sometimes it shames me. Today I went to check on Donna Sheila who has been sick for two days. She got up from her chair to give it to me and then tried to give me mangoes. The woman is old, sick, because she can't afford to eat enough variety of food, and yet she gives joyfully and freely to me. And I must take at least part of what she gives because otherwise I'll offend her, insult her. Honduras needs jobs, education, jobs, health care, jobs, fairer distribution of land not military "aid." This just plunges them deeper in debt. Sometimes I think if all of us, me included, would just pull out and let them alone they would do much better.

Any way thanks for hearing my rantings. I've come to love Honduras these years here, and admire and respect the people. It make me sad, ashamed, angry to see how the US manipulates Honduras. It makes no sense to me to be spending and lending so many millions of dollars here to defend against communism by aggravating the situation. A well educated, healthy country where there are job opportunities is not likely to fall prey to communists. I could go on and on but I won't. Please do what you can to change our policy here in Central America. Thank you.

Sincerely,

MARY SHOEMAKER,
Conception Intibuca, Honduras.●

BILINGUAL EDUCATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SHUMWAY. Mr. Speaker, the Washington Post has just completed a three-part series concerning the application and effectiveness of bilingual education as a means of bringing students with limited English proficiency into the American mainstream. As the primary House sponsor of legislation providing for a constitutional amendment that English be declared the official language of the United States, I read the series with much great interest.

To my way of thinking, there can be only one conclusion drawn after carefully reviewing those three articles: There continues to be absolutely no consistent evidence that dual language instruction is achieving the desired goal, or that it is improving students' academic progress.

In 1983, the Twentieth Century Fund reached the following conclusion in its report on Federal elementary and secondary education policy:

School children to whom English is an alien language are being cheated if it remains unfamiliar to them; they will never swim in the American mainstream unless they are fluent in English.

Why, then do we continue to pour scarce Federal dollars into the unproven bilingual educational approach? To continue to rely on a concept which may actually inpede the assimilation of young people with limited English into American society has a tragic result; it keeps many linguistic minorities forever on the fringes of our society.

I am not claiming that special assistance should not be given to those with limited English. Indeed, since the decision to admit large numbers of immigrants and refugees to our country was a Federal one, clearly the Federal Government has an obligation to provide training and services to those who are new to our shores. However, that service should have as its goal integrating the new individuals into our society, not promoting the segregation of immigrants.

If bilingual education has been tried for 10 years and found wanting, then intensive training in English has demonstrated great effectiveness in but a short, experimental period. To quote the Washington Post,

No approach (as immersion) has been so carefully monitored, so widely praised for its effectiveness, and, in one of the more complicated ironies of this whole controversial field, so disturbing to advocates of • • • bilingual education, which insist that a child should learn to read and think first in his native language.

And, as the third article quoted University of Southern California linguistics professor Stephen D. Krashen as saying, the immersion approach "may be the most successful program ever recorded in the professional language—teaching literature."

The articles underscored one seldom mentioned but terribly important aspect of children learning languages. Children are remarkably flexible, openminded, and eager to learn. It is a positive experience for them to achieve proficiency in another language and not, as a few detractors would have us believe, an indication that their native tongue is inadequate. English is not superior to Spanish or French or Cantonese or German or Khmer. Nonetheless, in the United States, it is the dominant language, and those who wish to succeed in the United States must be fluent in English.

The English Language Amendment, or ELA, which I have introduced, would do nothing to undermine the cultural background of newcomers to America. It would simply help to guarantee that those newcomers gain confidence as they fully assimilate the culture of their adopted Nation.●

A CONGRESSIONAL SALUTE TO ROY FERRIN, OUTGOING PRESIDENT OF THE HARBOR CITY CHAMBER OF COMMERCE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. ANDERSON. Mr. Speaker, on July 12, the Harbor City Chamber of Commerce will hold its installation dinner for 1985–86 officers and directors. Among those to be honored is Roy Ferrin, outgoing president of the chamber.

A native of South Dakota, Roy is a graduate of San Pedro High School and California State University at Long Beach. Today, Roy is president of Ferrin Woodworking, a family-owned business in the Harbor City/Lomita area since 1947.

In addition to his service at the chamber, Roy is past district governor of Lions International (1973–74) and is in his 10th year of service as treasurer of the Lomita/Harbor City Lions Club. It's important to note that it was Roy who founded the successful Lions "Hear" program for the hearing impaired.

Mr. Speaker, Roy Ferrin has contributed a great deal to his community over the years. His dedication and leadership has greatly assisted in making our area of southern California such a special place in which to live and work. Although the job of a civic leader can sometimes be frustrating and lonely, you can be sure that Roy's efforts have not gone unnoticed by his peers.

My wife, Lee, joins me in congratulating and commending Roy Ferrin on this occasion. We wish him and his wife, Darlene, and their three children, Debbie, Diane, and Doug, all the best in their future endeavors.●

THE PEACE PRIZE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. FASCELL. Mr. Speaker, in complex times such as these when peace is becoming increasingly elusive, it is helpful to look to the youth of this Nation for hope.

"How Can We Help Build A Peaceful World?" was a question asked of Dade County students in a recent essay contest.

In an introduction to the "Essays on Peace," Shirley Bryce, the social stud-

ies chair at Palmetto Junior High School reflects that:

The need to master language as a weapon for peace has never been more urgent, for language's role in the creation of conflict is becoming increasingly greater . . . . Words are . . . the only tools available to bring the change in the minds and hearts of men and women and children around the world that must occur if there is to be peace.

Having recently met with the Reisman family, I am pleased to insert in the RECORD at this time the words and thoughts of Jill Reisman, a ninth grader at Palmetto Junior High School, one of the winners of the 1985 Dade County Student Essay Contest. In her essay, "The Peace Prize," Jill points out that:

The most important thing needed to achieve peace is the desire to have it . . . . Second is the willingness needed to make the changes and the compromises peace requires.

I hope and trust Jill will maintain her convictions and work to bring them to fruition. Her insight and those of the other essay winners is sorely needed in these troubled times.

THE PEACE PRIZE

(By Jill Reisman)

The date is January 7, 1985. U.S. Secretary of State George Shultz and Soviet Defense Minister Andrei Gromyko are seated in a small room in Geneva, Switzerland discussing arms reductions and U.S.-Soviet relations. It has been almost two years since leaders representing the two superpowers have met.

Sitting in between them is Nobel Peace Prize winner Jill Reisman, who begins to speak:

Although from the outside your nations look tough and hardened, you are brought together time and time again by a secret desire for peace that stabs you from within. You become excited when the sound of negotiations catches your ears, but when the music dies down you ask yourselves, "What has really changed?" To say the least, nothing much at all has changed. You sit through hours of talks pretending to compromise with each other, but in reality, you are doing nothing at all. In reality you are fooling yourselves, thinking you can have it all without giving up a little first.

The most important thing needed to achieve peace is the desire to have it. Without an intensely burning desire nothing can be changed. Second is the willingness needed to make the changes and the compromises peace requires. Once that has been accomplished by both nations individually, the détente concept, or easing of tensions, must be established. This opens the door for the exchange of knowledge. Trading of ideas, technology, and culture is an important part of the peace-making process because once the people of your nations have realized how similar and interesting they both are, a sense of closeness can arise between them. None of these goals though, can be reached without trust in one another. This main ingredient makes possible a state of détente which in turn brings about many other benefits. As soon as suspicion is removed and belief in each other fills the gap, peaceful relations will fall into place naturally.

Once peace has been reached it cannot be left alone with no one to nurture it. It must be fed just like a car. When it is filled with gas it will go anywhere, but as soon as the tank nears empty it must be refilled. In order to retain friendly relations, an administrative policy must make keeping the peace alive a high priority for each new leader.

This is how to establish peace, Mr. Gromyko and Mr. Shultz, but just like the car, if it is not fed with new ideas and friendly actions, it will sit in the driveway and rot away.●

EARL BASCOM: AN AMERICAN HERO

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. LEWIS of California. Mr. Speaker, it is with great pride that I rise today to recognize the achievements of a man I truly admire; a man whose accomplishments have served as inspiration to countless young Americans over the years. On June 19, 1985, Mr. Earl W. Bascom of Victorville, CA, celebrated his 79th birthday. His son, John, wrote me to tell me about the birthday celebration, and in his letter, he told me about Earl's latest honor: During recent ceremonies at the Canadian Finals Rodeo in Edmonton, Alberta, Earl Bascom was inducted into the Canadian Rodeo Hall of Fame. Very few Americans have been honored in this manner, and Mr. Bascom is the first Californian ever to be inducted. Ten thousand rodeo fans were on hand for the ceremony which was broadcast for Canadian television viewers.

Alberta province was the site of Bascom's first rodeo in 1916. Since then, he's been traveling the rodeo circuit in the United States and Canada. His special events included saddle bronc, bull and bareback riding and steer wrestling. In 1933, Earl was named Reserve North American Champion at Calgary and set a new world record time for Steer Decorating. That year, Bascom placed third in the world rodeo standings.

Earl's experience with horses and riding began when he was a boy. One of 11 children, he was raised on a ranch and worked with stock and horses for as long as he can remember. For fun, Earl and his brothers would stage their own rodeos. Bascom recalled, "We got a lot of practice riding anything that walked, crawled, or bucked."

Early in the 1920's, the young rodeo star created two pieces of rodeo equipment that have become standard in all professional rodeos throughout the United States, Canada, and Australia. Rodeo's first hornless bronc saddle was designed and made by Bascom in 1922, and in 1924, he introduced the first one-handed bareback rigging.

The 1930's brought the Great Depression, and jobs were hard to come by. Earl's only way to make a living for himself was the rodeo. Although there was much work to be done as a ranch hand, there was no money with which to pay the hands. More often than not, a ranch hand would be paid with a meal, or with livestock. In the rodeo, a good month's wage could be made with a 60-second ride. But, according to Earl, you had to be "good to win and you had to win to keep going." Earl was a winner.

In addition to riding in rodeo events, Bascom tried his hand at being a rodeo clown. The job of a clown is particularly more dangerous than actual riding, for it was the clown's responsibility to protect the rider from a raging bronco or bull. But Earl's love for riding prevailed, and in the mid-thirties, he took the rodeo on the road and directed the first one in the State of Mississippi.

Along with his many other honors and titles, Earl was named "Rodeo's First Collegiate Cowboy" in 1940. Acting on his strong desire to further his education, Bascom used the money he earned by riding in rodeos to finance his entire 4-year course of study at Brigham Young University. Earl now spends his time on his ranch in Victorville, CA, translating his rodeo experience into magnificent works of art. Working in bronze, Bascom's sculptures depict, for the most part, rodeo scenes. He has also done exceptional works of general western culture.

Mr. Speaker, in light of Earl Bascom's extraordinary career, his remarkable talents and the example he has set as an inspirational American, I take great pride in commending this great man to my colleagues here in the House of Representatives. Earl Bascom's contributions to our national heritage will be remembered for many years to come.●

SPECIAL TRIBUTE TO MONTANDON EAGLE SCOUT AWARD RECIPIENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. GEKAS. Mr. Speaker, today I would like to recognize the achievement of Mr. Todd David Whitmyer, a constituent of mine from Montandon, PA. On Sunday, July 14, 1985, family and friends will gather at the Montandon Baptist Church to witness the presentation of the highest achievement in Boy Scouting—the coveted Eagle Scout Award—to Mr. Whitmyer, a member of Troop 522.

As a young citizen, Mr. Whitmyer has displayed his energetic capabilities

by participating in many different projects and community services which have won him special merits of honor.

I am proud to congratulate Mr. Whitmyer, a recent graduate of Milton High School, for his outstanding contributions to the community. His unselfish attitude toward others has set an example for the rest of us to follow. I am honored to have an individual like him in my district.●

AMENDMENT TO DEFENSE AUTHORIZATION BILL

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. PEASE. Mr. Speaker, I want to note the passage of an amendment to the fiscal year 1986 defense authorization bill which I offered last week. My amendment will require the Secretary of Defense to adopt a fuel conservation plan and send to Congress within 90 days a report on its progress. The savings over 3 years is projected to be $1.2 billion.

The Department of Defense used 7.5 billion gallons of gasoline in fiscal year 1981. This is 80 percent of the total Federal Government usage. In the same year, they spent $5.7 billion for aviation fuel alone. Despite the magnitude of money involved, the Department did not have an aircraft fuel management program. My amendment will correct this oversight and require the Department of Defense to design and implement a fuel conservation program.

This amendment is a result of one of the five bills that I introduced earlier this session to implement various recommendations of the Grace Commission.

I want to thank the chairman, Congressman LES ASPIN, and the other members of the House Armed Services Committee for accepting my amendment. I hope they will stand by it without change when they go to conference.●

CROSSROADS AT THE HIGHER EDUCATION DEBATE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MURTHA. Mr. Speaker, America is engaging in one of the healthiest and most important debates of recent decades on the relationship between Government and higher education.

No one in the debate is challenging the cornerstone of college education in America—we have the finest education system in the world, and it has helped tremendously to give us a research and technological edge that has been vital to America's national and international economic well-being.

But the questions are now being considered on how we best protect that role in an age of tight Government budgets.

The Carnegie Foundation for the Advancement of Teaching issued a recent report which stated:

> The current debate about national priorities has focused almost exclusively on budget numbers and on the negatives of higher education. The larger perspective has been lost * * * Educational obligations are increasing, and Federal support for colleges and universities must increase too * * * For the Washington debate to focus almost exclusively on how much education costs is to neglect the larger questions: How much of America's human resources can we afford to waste?

Weighing in with another point of view was an editorial in the Greensburg Tribune-Review which concluded:

> Higher education deserves strong backing. Our future depends on it. But the support should come primarily from those using the colleges and universities. Society benefits in a general way and this justifies some general help. But the chief beneficiaries are individuals. They should pay their bills directly, while making sure they are getting a solid return on their investment. The control should lie with the consumer, not the government.

With such differences of viewpoint, it is essential that Congress get a firm handle on the direction we want to go. The decisions for at least the remainder of the century are before us now.

In budget deliberations, how will the student aid and loan programs be structured, and what families in America will qualify for these funds? In the tax debate, what incentives shall remain for charitable contributions as colleges try to offset government aid with private donations, and what incentives shall there be for basic research at universities and for corporate donations advancing this research?

In the research field, how can government grants be used best and divided among the widest range of qualified schools? In the civil rights field, we face legislation in coming weeks to insure the continued adherence of title IX, and what role shall the government play in working for nondiscrimination and equal educational opportunities?

We dramatically face these problems in Pennsylvania. The typical minimum cost of a year's education at the Pennsylvania State University—our landgrant college designed to insure an educational opportunity for the sons and daughters of the working people of the Commonwealth—is $6,500 a year, or $26,000 for a 4-year education. How can the State and Federal Governments, work together with industry, individuals, and communities to insure a continued educational opportunity for all and a continued national drive toward educational excellence?

All sides of the debate agree on the key role of education, and agree on its continued development. But the gap is wide in how to reach this goal. The debate is a good, healthy one for our Nation and our education system. But the stakes are extremely high, thousands of lives and our national economic future will be affected. This debate demands our attention and resolution.●

BOB GARCIA ON BOOSTING PUERTO RICO

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. KEMP. Mr. Speaker, Puerto Rico's Governor, Rafael Hernandez Colon, has recently unveiled a proposal that promises to help revitalize Puerto Rico's economy and give a much-needed boost to the Caribbean Basin Initiative. My friend and distinguished colleague, BOB GARCIA, explained this proposal in a piece in the Washington Times, and noted the crucial role the utilization of section 936 of the Internal Revenue Code will play in its success. I commend this article and the sound thinking behind these ideas, to my colleagues.

BOOSTING PUERTO RICO

In his inaugural address this January, the governor of Puerto Rico, Rafael Hernandez Colon, announced an innovative plan that would give the Caribbean Basin Initiative a much needed shot in the arm, as well as help Puerto Rico's ailing economy.

The governor intends to achieve this goal by making available a portion of corporate funds accrued by utilizing section 936 of the Internal Revenue Code.

Section 936 is a tax break which permits U.S. mainland corporations to earn tax-free profits from their Puerto Rico-based affiliates. In addition, most of these corporations often deposit their 936 earnings in Puerto Rican banks to take advantage of a Puerto Rican tax law which reduces the tollgate tax that would otherwise be levied on the repatriation of these profits to the mainland.

As of last September, there were $6.7 billion in deposits in Puerto Rican banks as a result of this program. The depository banks under Puerto Rican law are required to redeposit 10 percent of these funds—some $670 million at the moment—in the Puerto Rican Development Bank. Until now, that bank has used these funds for investments in the mainland, which has little direct benefit for development in Puerto Rico. The governor intends to make these funds available on a concessionary basis to Puerto Rican companies willing to set up twin plants in Puerto Rico and Caribbean Basin nations.

The twin-plant concept is fairly simple: a corporation would begin manufacturing a product in a CBI nation—the labor-intensive portion of that product—and complete the

process in Puerto Rico—the capital-intensive or more technical part of the manufacturing process. At least 20 percent of the value of the product must come from Puerto Rican plants.

This concept makes it even more crucial to preserve the 936 tax break in the face of Treasury Department and congressional threats to eliminate or moderate it in a tax reform package. The importance of 936 to Puerto Rico's economy cannot be overestimated. Approximately 25 percent of all salaries paid in Puerto Rico are derived from 936 firms either directly or indirectly, and this is at a time when the unemployment rate of Puerto Rico is hovering around 20 percent.

Further, 936 firms account for 34 percent of Puerto Rico's gross domestic product, 20 percent of its gross national product, 19 percent of personal income, and 14 percent of government income.

The governor's plan is not completely new. A similar program is already being used by the Japanese. They have actively developed a manufacturing process that emphasizes captial-intensive or higher-value-added manufacturing. The Japanese farm out the labor-intensive portion of the process to other nations in the region which are better equipped to produce that part of the product.

Puerto Rico would like to become the Japan of the Caribbean Basin, and Gov. Hernandez Colon believes it is possible. The key to Puerto Rico's success is the preservation of 936.

The CBI was developed on two basic principles, duty-free access to U.S. markets and tax incentives. While the duty-free access was written into the legislation—nations get 12 years of access to U.S. markets—the tax incentives have never materialized. By using 936-related funds, tax incentives—that is, investment incentives—would finally become a part of the CBI.

Finally, the worthiness of any program can be measured by the willingness of people to try it out. The governor of Puerto Rico decided to put his brainchild to the test by taking a trip to Grenada with a group of executives representing potential twin-plant investors. This group met with Grenadian Prime Minister Herbert Blaize. As a result of that meeting, Johnson & Johnson, Schering-Plough, and Smithkline Beckman corporations, as well as Prime Minister Blaize, have all committed themselves to participating in the governor's program if 936 is left intact.

Gov. Hernandez Colon recently stated that Puerto Rico ". . . share[s] [with] the United States [a] stake in the political stability of the entire Caribbean and Central America. We must become creative participants in the region. By assisting our neighbors and the United States, we can also assure our own prosperity."

The governor is right: we all have a stake in regional stability, and that stability can be best achieved by working toward economic prosperity.

His program holds out hope for that prosperity. It costs nothing in direct aid, and it offers a great deal of promise.●

SKIN CANCER—PROGRESS IN SCREENING PROGRAMS

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SHELBY. Mr. Speaker, as sponsor of "National Skin Cancer Prevention and Detection Week," which garnered the cosponsorship of 252 of my colleagues, and which set aside March 24-30 of this year to heighten our collective awareness of skin cancer, I am pleased to highlight a recent article on this subject appearing in USA Today.

Nearly 400 skin cancer screening programs are being carried out across the Nation by local and State affiliates of the American Academy of Dermatology, assisted by many volunteers—both dermatology physicians and lay persons. In my own State of Alabama, a number of clinics are scheduled to operate throughout the summer.

In Gadsden, AL, over 400 people were screened, illuminating several cases of skin cancer. The number of cases diagnosed was larger than expected from the size of the population and when viewed in comparison with the national average for skin cancers. The cities of Huntsville and Birmingham will serve as screening center locations later this summer.

Also of interest is a provocative new technique in the screening effort now being demonstrated on channel 6 nightly news in Birmingham. The meteorologist uses a sunburn meter to measure ultraviolet light and to indicate a sunburn index—from low to dangerous. Dr. W. Mitchell Sams, Jr., professor and chairman of the Department of Dermatology at the University of Alabama in Birmingham, was active in the development of the sunburn meter. He is attempting to implement the idea throughout the State and Nation.

As the USA Today article illustrates, the American Cancer Society has become extaordinarily active in publicizing the issue of skin cancer. We are now seeing serious prevention efforts take hold—the increasing use and popularity of the self-test for skin cancer is an example of this. Recognition is certainly due the dermatology profession, cancer specialists and lay persons who are so prominent in the nationwide prevention screeing programs.

I submit the following article for my colleagues' and their constituents' enlightenment.

[From USA Today, June 18, 1985]

SELF-TESTS FIND SKIN CANCER EARLY

(By Sally Ann Stewart)

Alarmed by the dramatic rise in malignant melanoma—the second-fastest growing cancer in the USA—experts are urging monthly self-examinations.

Just as doctors ask women to check breast for cancer, the American Cancer Society and American Academy of Dermatology say everyone should examine their skin monthly.

Most cancers can be surgically removed, but early detection is critical to a cure, says Joann Schellenbach, American Cancer Society spokesman.

To aid detection, the groups offer What You Should Know About Melanoma, including symptoms and photos of cancerous moles. The free pamphlet is available from cancer society chapters. Danger signs:

Any change in existing moles or beauty marks.

Irregular borders around moles or other markings.

Moles that grow bigger than a standard pencil eraser.

This year, more than 22,000 in the USA will develop malignant melanoma; 5,500 will die.

"By the year 2000, 1 person in 100 will develop malignant melanoma sometime in their lifetime," says American Academy of Dermatology spokesman Gilbert Martin. It can take 30 years of suntanning before skin cancer shows up.

Ultraviolet rays are the major cause of skin cancers. The best protection is to avoid the sun, and that's been the point of the group's ad campaign "Fry Now, Pay Later."

Since March, the American Academy of Dermatology has sponsored 286 free detection clinics; 100 more are planned.●

THE "JUSTICE" DEPARTMENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. HUBBARD. Mr. Speaker, more and more Americans are becoming aware that the U.S. Justice Department is the most politically conscious, politically active agency in our Federal Government.

Newspapers across the Nation contain articles about the activities of the Justice Department on an almost daily basis. Recently, stories appeared in Washington and Texas newspapers about the timing of a special election in Texas' First Congressional District vacancy that was created when the Democratic incumbent in the House of Representatives, Hon. SAM B. HALL, JR., was appointed to a Federal judgeship.

As reported, a letter was sent to Texas Governor Mark White—a Democrat—by William Bradford Reynolds, Assistant Attorney General for Civil Rights at the Justice Department, in which unspecified legal action was threatened because Texas had not sought clearance from the Department for the date of the election, an action Reynolds maintained is required by the Voting Rights Act.

The Justice Department's letter was received by Governor White on June 27.

Although Texas officials claimed such notification was not required, they agreed to the review by the Jus-

tice Department and the election was held on June 29. The letter from Assistant Attorney General Reynolds produced confusion about the election and prompted complaints that it was a political ploy to hold down voter participation, as maintained by Texas State Democratic Chairman Robert Slagle.

I believe my colleagues will be interested in reading some portions of news accounts from various respected newspapers regarding another blatant, politically motivated act by the U.S. Justice Department.

First, the Dallas Morning News of June 29, 1985:

AUSTIN.—Despite a last-minute threat by the U.S. Justice Department, Gov. Mark White and Texas election officials said Friday that the special election in the 1st Congressional District will be held Saturday as scheduled.

The threat by the Justice Department to seek legal action that could have delayed the election and Democrat White's terse reply that it was "misguided" brought a last-minute twist to the nationally watched race.

Secretary of State Myra McDaniel, noting reports of relatively heavy absentee voting, predicted a turnout of 25 percent of the 339,158 registered voters.

In announcing that the election will be held as scheduled Saturday, Ms. McDaniel agreed with White that the concern by the Justice Department was unwarranted.

Late Thursday, White received a letter from Assistant Attorney General William Bradford Reynolds saying that the governor's setting of the date for the election was not "pre-cleared" with the Justice Department.

In a brief reply to Reynolds Friday, White said he appreciated the assistant attorney general's "interest in this election" but it does not require pre-clearance.

Reynolds told White in his letter that if the governor does not voluntarily comply, legal action might be necessary.

White insisted in a statement distributed to reporters Friday afternoon that he had "acted properly" in calling the election and that he felt the Justice Department was "misguided in insisting on the need for federal pre-clearance.

"I cannot understand why the Justice Department waited until less than 48 hours before this highly contested election to raise the issue," said White.

State Democratic Party Chairman Bob Slagle called the threat by the Justice Department a "political ploy" by the Republicans to try to "hold down voter participation in a last desperate effort to help the Republican candidate Edd Hargett."

Next, the Washington Post of June 29:

Texas and federal officials resolved a last-minute squabble yesterday that briefly cast doubt on the timing of a special election today in Texas' 1st Congressional District, but not before Democrats accused the Justice Department of last-minute "meddling" to dampen voter turnout.

The doubt arose Thursday when William Bradford Reynolds, assistant attorney general for civil rights, wrote Gov. Mark White (D) threatening unspecified legal action because Texas had not sought clearance from the department of the date of the election, an action Reynolds maintained is required by the Voting Rights Act.

White, who said such notification is not required, nonetheless agreed yesterday to submit to the review, and the election will be held on schedule today.

The snafu over the notification rule, designed to ensure that the timing of an election does not have a discriminatory effect, produced news stories in Texas yesterday about the confusion and prompted state Democratic Chairman Robert Slagle to denounce Reynolds' letter as "a political ploy to hold down voter participation."

The special election in the rural northeastern part of the state is being watched by Democrats and Republicans alike as a barometer of realignment in the conservative, solidly Democratic South.

A Republican has not represented the district in more than a century, but the leading candidate in the eight-man field is Republican Edd Hargett, a farmer, engineer and former football star at Texas A&M.●

PROMISING CLEAN COAL TECHNOLOGIES

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SHARP. Mr. Speaker, I would like to call to my colleagues' attention an article in today's New York Times on some of the new clean coal technologies. Written by Stuart Diamond, it describes a few of the promising technologies that place the Nation at a threshold of fundamental change in its technological base for coal-fired generation.

These technologies should be of more than routine interest to us, because we have the opportunity to ensure that they are brought into commercial use in time for the retrofits and/or additions to electrical generating capacity expected to be needed in the 1990's.

They can contribute to better air quality, lower electricity costs, and increase the use of our abundant coal reserves.

In hearings before the Fossil and Synthetic Fuels Subcommittee, a variety of witnesses have made it clear that it is not in the financial interest of any single electric utility to build the first commercial-scale unit using these new technologies.

It is equally clear, however, that it is in the interest of the Nation as a whole and all of us as consumers of electricity, to commercialize these technologies before we are required to build new plants with expensive, inefficient scrubbers.

Congress last year authorized a $750 million Clean Coal Technology Reserve with funding authority taken from the Synthetic Fuels Corporation, to assist in the commercialization of these promising technologies.

Because the private sector will have to share the cost of projects assisted from the Reserve, the choice of which technologies are most worthy of advancing will be made largely by those in industry who will have to adopt them for subsequent use.

We will have an opportunity to appropriate funds for this program in the fiscal year 1986 Interior appropriations bill recently reported by the subcommittee of the gentleman from Illinois [Mr. YATES].

I commend Mr. Diamond's article to my colleagues' attention as an aid to understanding the importance of implementing the Clean Coal Technology Reserve.

TECHNOLOGY—NEW METHODS TO CLEAN COAL

The technology of burning coal is undergoing what energy experts say is the largest advance in more than a century. Hundreds of companies are researching and applying methods to burn the traditionally dirty fuel as cleanly as oil. They include large boiler makers, utilities and engineering companies as well as small industries.

Some of the impetus stems for stricter environmental laws to combat acid rain and toxic waste. Also, Congress late last year approved a $750 million clean coal fund—a major new program in a shrinking energy budget. The Electric Power Research Institute, the utility research arm, plans $582 million for clean coal projects. Finally, it is believed that other conventional fuels—oil, gas, nuclear and hydropower—face uncertain futures.

"The nation stands at a threshold of fundamental change in its technological base for coal-fired generation," said Kurt E. Yeager, the research institute's coal vice president.

Coal is the nation's most abundant conventional energy source, with reserves for 500 years at current use. Demand has risen rapidly amid recent oil shocks. Coal now provides 56 percent of domestic electricity, up from 46 percent in 1973, and 23 percent of all energy, up from 17 percent in 1973.

But traditional coal burning emits sulfur and nitrogen oxides, both acid rain components. Soot and fly ash cause further pollution.

Recent efforts to clean the burning of coal have been costly or imperfect. Electrostatic precipitators trap flue gas particles on metal plates like dust to a cloth, but many particles escape. Scrubbers can remove sulfur from smokestack gases by injecting limestone and water, but each year one scrubber generates enough paste-like waste from a single large plant to cover a square mile one foot deep. It also can add 40 percent to a plant's cost and use up to 8 percent of the power output.

The major new technology for sulfur removal is a fluidized bed. It extracts the sulfur during combustion instead of in the stack. Conventionally, finely ground coal is shot into a furnace and burns in midair. In the new method, coal burns in a limestone bed agitated by air from below. Sulfur combines with the linestone without water. Less waste and furnace slagging results. Low-quality fuel such as lignite, peat, garbage, wood waste and cow manure can be used, without violating clean air laws.

After a decade of research, commercialization is starting, and it is estimated that 200 existing plants can use it. In Burnsville, Minn., a $50 million, 125-megawatt unit is to open at a Northern States Power unit next

year, with Foster Wheeler boilers. In Nucla, Colo., a $35 million, 100-megawatt unit is to open in 1987 at Colorado Ute Electric, with Pyro-power Corporation boilers. Near Paducah, Ky., a $220 million, 160-megawatt unit at a Tennessee Valley Authority plant is to open in 1989, with Combustion Engineering boilers. At least 20 American and 32 foreign companies are competing for the market, as are engineering concerns such as Stone & Webster, Wormster,, Burns & Roe, and Pope, Evans & Robbins. Several dozen industries have also built on planned units.

Another technology is known as combined cycle coal gasification. Coal, steam and oxygen combine under pressure at very high temperatures, gasifying the coal. The gases do double work. They turn a turbine to generate electricity, and then are burned in a boiler, turning water to steam to generate more electricity in another turbine. The sulfur combines with hydrogen and can be removed for sale. One plant, Texaco's $284 million, 100-mega-watt Cool Water unit in Daggett, Calif., opened last year. Shell and CE-Lummus Crest are building one in Deer park, Tex., and Potomac Electric Power of Washington is planning one.

To minimize nitrogen oxides' formation, utilities are adding newly developed burners that lengthen the combustion zone and lower the temperature and oxygen concentration.

New flue gas cleanup methods include capturing sulfur with magnesium oxide that can be re-used after the sulfur is separated for sale. Philadelphia Electric and Essen Chemical of Clifton, N.J., are using that method. Other utilities are injecting a substance similar to baking soda to capture the sulfur. Indiana Power and Light, Research-Cottrell and others are testing electron beams to break up sulfur dioxide and nitrogen oxides and combine them with ammonia to produce fertilizer for sale.

More utilities are also using baghouses, which act like big vaccum cleaners, to remove particulates in higher-ash, lower-quality coals.

New methods to clean coal before burning include an emulsion that separates coal from impurities. General Electric is experimenting with microwaves, and TRW is using molten sodium hydroxide to remove impurities.●

THE ANNUAL ISSUES QUESTIONNAIRE RESULTS

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MYERS of Indiana. Mr. Speaker, each year, since coming to this body I have asked my constituents their views on issues before the Congress. Therefore, I am happy to insert in the CONGRESSIONAL RECORD my weekly newsletter for July 2, 1985, listing the results of my 1985 poll.

The results of my annual issues questionnaire are in! This year almost 20,000 residents of the Seventh Congressional District responded to the poll which contained 12 questions on topics ranging from taxes, the deficit, and foreign affairs.

The large number of responses shows an active interest among Hoosiers in national issues and a determination to make their opinions known to those of us representing them in Washington.

The following is the results of the 1985 questionnaire:

First, to reduce the budget deficit, do you support spending reductions in all parts of the budget, including aid to cities, health, farm programs, education, student aid programs, and defense? Yes, 70 percent; no, 30 percent.

Second, in an effort to reduce the deficit, would you support a 1-year, across-the-board freeze on Federal spending at 1985 levels, including both domestic and defense programs? Yes, 82 percent; no, 18 percent.

Third, have you or your family been hurt as a result of Federal cutbacks in spending? Yes, 27 percent; no, 73 percent.

Fourth, should the annual Social Security cost-of-living increase (COLA) be frozen if Congress adopts a budget freeze? Yes, 54 percent; no, 46 percent.

Fifth, should taxes be increased to reduce the Federal budget? Yes, 23 percent; no, 77 percent.

Sixth, would you support a simplified, flat rate income tax system which lowers most tax rates but also eliminates most credits and deductions? Yes, 73 percent; no, 27 percent.

Seventh, in order to reduce the trade deficit, do you believe the United States should impose the same restrictions on its trading partners as they impose on U.S. exporters? Yes, 89 percent; no, 11 percent.

Eighth, should the United States subsidize farm exports to meet competition from government who subsidize exports from their farms? Yes, 39 percent; no, 61 percent.

Ninth, in writing the 1985 farm bill, should Congress move toward a market-oriented policy, phasing out farm subsidies? Yes, 83 percent; no, 17 percent.

Tenth, do you support President Reagan's strategic defense initiative to develop the capability to stop enemy ballistic missiles and their warheads before they strike the United States? Yes, 80 percent; no, 20 percent.

Eleventh, do you believe U.S. vital interests are threatened by Soviet/Cuba involvement in Central America? Yes, 79 percent; no, 21 percent.

Twelfth, should the U.S. Government provide assistance to famine-stricken nations in other parts of the world? Yes, 60 percent; no, 40 percent.●

OIL INDUSTRY RESTRUCTURING RAISES QUESTIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. FLORIO. Mr. Speaker, the withdrawal of a major oil company from significant refining and marketing operations in the region that includes my district raises a number of questions. An article from the Philadelphia Inquirer that I am here inserting in the RECORD describes a possible swap of gas stations on the east coast for those owned by another oil major on the west coast.

Recent oil industry restructuring has raised a variety of questions concerning the impact of mergers, liquidations, and market withdrawals on jobs, energy supplies, and competition. There has been a good deal of debate lately regarding oil company mergers, but there are other issues that also deserve attention. One question raised by transactions involving the swapping of assests in different markets is whether there could be a lessening of competition as a result of withdrawal from certain markets by one company and enhancement of the market position of the company that displaces ti. If a situation amounting to market allocation arose, that could raise serious additional antitrust questions.

Mr. Speaker, the restructuring going on now in the oil industry is having troubling consequences in many areas of the country. This situation deserves greater attention from public officials and I urge Members of the House to examine carefully the developments described in the article to which I have referred.

The article follows:

[From the Philadelphia Inquirer, May 30, 1985]

ARCO AND MOBIL DISCUSSING SWAP OF SERVICE STATIONS

(By Arthur Howe)

Atlantic Richfield Co. yesterday confirmed that it was holding talks with Mobil Corp. over a possible swap of some of Arco's 2,000 service stations on the East Coast for some of Mobil's West Coast stations.

In April, Arco, the nation's largest domestic gasoline marketer, announced that it planned to sell 1,000 service stations east of the Mississippi River and its 125,000-barrel-a-day refinery in Philadelphia as part of a major restructuring.

Since then, several potential buyers have approached Arco. They include at least three major oil and convenience-store companies: Southland Corp., which franchises the 7-Eleven convenience stores; Sun Co. of Radnor, which markets Sunoco gasoline, and Shell Oil Co.

Yesterday, Mickey Parr, a spokesman in Arco's Los Angeles headquarters, confirmed that Mobil Corp. had approached the company about a potential swap. He characterized the talks as being in the intial stage.

"We're obviously taking to a number of parties. We're anxious to sell. Our policy is not to discuss them until there is something definite," he said.

A spokesman for Mobil, which is ranked fifth among U.S. gasoline marketers, said: "We are in very preliminary talks with Arco. We are looking at some of their stations, and they are looking at some of ours in terms of a swap between East Coast and West Coast outlets," he said.

"This is absolutely standard procedure in any market withdrawal," the Mobil spokesman said. "All those companies in a market look at the withdrawee's assets and properties."

A spokesman for Shell Oil Co. of Houston, the second-largest domestic gasoline marketer, also confirmed that it is considering acquiring Arco's properties.

"We are looking at Arco's properties to see if any fit into our plans. We're always interested in good properties and will review them when they come to our attention," he said.

Neither Sun nor Southland said it has disucssed an offer for the stations with Arco. But both said they were not interested in buying the Arco refinery in South Philadelphia, where 600 people are employed.

"We will certainly take a look" at the Arco stations, said Henry Stanley, vice president of Dallas-based Southland. "We always take a look at these things."

Officials of Sun Oil Co. said that they are also looking at Arco's gasoline stations but that the company has made no offer to acquire them. Sun pulled out of the gas-station markets in the Southeast last year, explaining that it intends to concentrate its marketing efforts closer to home.

Tom Wizda, executive director of the Pennsylvania-Delaware Service Station Dealers' Association, said he doubted that Mobil would be able to orchestrate a gas-station swap with Arco.

"What stations would they [Arco] give up? I think Arco's major concern is to sell the whole lot," he said.

Arco has not said whether its network of gasoline stations would be sold as a unit or broken up.●

H.R. 44

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SHELBY. Mr. Speaker, I rise today on an issue of critical importance to millions of Americans who benefit from inexpensive hydroelectric power. Due to confusion surrounding the 1920 Federal Power Act and conflicting rulings by the Federal Energy Regulatory Commission, the power benefits from our Nation's water resources risk being arbitrarily shifted from the vast majority of the electric consuming public to a relatively few number. Over 160 cosponsoring Members of this body support legislation I have introduced, the Electric Consumers Protection Act (H.R. 44), to clarify this situation; and public interest has sprung up throughout the Nation. Recently, the New York Times editorialized that "common sense and economic analysis argue for the broadest possible distribution" of hydroelectric power and called H.R. 44 the fair and sensible remedy. I would like to submit a copy of the June 14, 1985 editorial for the RECORD.

Mr. Speaker, thank you for this time to remind my colleagues of this matter of vital importance to consumers throughout the Nation.

[From the New York Times, June 8, 1985]

LET PUBLIC POWER BE TRULY PUBLIC

Dams on rivers subject to Federal regulation produce $5 billion worth of electricity each year at virtually no cost. Who should benefit?

Common sense and economic analysis argue for the broadest possible distribution. But because of a quirk in a 65-year-old law, the windfall may eventually go to a tiny fraction of Americans served by municipally owned power companies. That is why a reform proposed by Representative Richard Shelby of Alabama and Senator Malcom Wallop of Wyoming deserves speedy passage.

During the 1930's and 40's private utilities built hundreds of hydroelectric dams on Federal waterways. The original permits typically ran for 50 years, with provision for relicensing later. Until recently, it was assumed that the companies that built the dams would be allowed to renew the licenses unless new management were clearly shown to be in the public interest.

But in 1980, the Federal Energy Regulatory Commission decided that the Water Power Act of 1920 gave preference in relicensing to municipally owned utilities. The commission reversed itself in 1983, but municipal authorities cling to its first judgment and still demand the power from 11 hydropower projects now scheduled for relicensing. If they win in court, as some experts predict, a total of 178 projects will be transferred from private to public power authorities over the next nine years.

What would be so terrible about that? The taxpayers would lose $5 billion a year and a sizable amount of energy would be misused, with too little regard for efficiency.

Ideally, the Federal Government should auction use of the dams to the highest bidders and assure the Treasury a steady income. The power would then be consumed by the homes and businesses that most value it. But that appears politically impossible; just last year Congress voted overwhelmingly to give away the billions of dollars worth of power produced by Hoover Dam. The only remaining choice is whether a small or large number of Americans will share in the newly available benefit.

The 11 contested projects serve 8.5 million customers of private utilities, reducing their average power bill by $29 a year. The petitioning municipalities, however, would divide the windfall among only 947,000 customers. That's not only unfair, it's inefficient: power sold so cheaply would sharply reduce incentives to conserve energy.

The Shelby-Wallop bill, now in committee hearings in both houses, would eliminate the law's implied preference for municipal control. And where the Federal Energy Regulatory Commission nonetheless chose to change licensees, the law would require compensation for utilities adversely affected. That is a fair and sensible remedy.●

SUPPORT PRESIDENT REAGAN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. HUBBARD. Mr. Speaker, last month I received an excellent letter from my constituent, Michael L. Keller of Salem, KY, which I believe will be of interest to my colleagues. Mike Keller, a registered pharmacist at Clinic Pharmacy in Salem, has taken the time to share his comments with me in support of President Reagan's initiatives to reduce individual income taxes and the Federal deficit.

At a time when the House and Senate conferees are trying to agree upon a compromise for the fiscal year 1986 budget for Federal Government spending, I believe Mike Keller's views about the need to put partisan actions aside are indeed timely and worthy of our consideration.

The June 21 letter from Michael L. Keller follows:

JUNE 21, 1985.

Hon. Carroll Hubbard,
Washington, DC.

HON. CARROLL HUBBARD: I urge you to fully support President Reagan's stance on the many important bills coming to Congress. Foremost in my mind are simplifying and hopefully reducing individual income taxes and reducing the federal deficit.

President Reagan is a strong leader and has restored respect in the United States of America. I am in almost total agreement with him on every issue. I feel that his plans for the future of America are sound. More importantly, his plans are the only ones that stand a chance of passing without being watered down to the point that they would be ineffective. We need unity behind a strong leader in times like these, not the disunity of partisan politics. I have enclosed an article regarding balancing the budget which I believe is pertinent.

I think you have done a fine job of representing the people of Kentucky in the past. Now I urge you to vote for the common good of all the people of the United States of America even at the expense of special interests in Kentucky and elsewhere. I believe that this can most effectively be accomplished by supporting President Reagan. Thank you for this opportunity to communicate my thoughts and feelings to you.

Sincerely,

MICHAEL L. KELLER.[1]

LAW WEEK ESSAY WINNERS

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SUNDQUIST. Mr. Speaker, recently I had the privilege of attending the Memphis and Shelby County Bar Association Law Week Naturalization Ceremony. As part of the week's festivities an essay contest on "Law Makes Freedom Work" was held for

Memphis and Shelby County High School students. The first place winner of the contest was Tina Marie Rhodes of Kirby High School; second place went to Judith Marie Farris of Briarcrest High School; and third was awarded to Angela Middleton of Central High School. The text of the above-mentioned winners' essays is as follows:

FIRST PLACE ESSAY—TINA MARIE RHODES

To explain how law makes freedom work, one must make clear several things. We must first define freedom. Freedom is one's right to choose. Without freedom, our world would be one of insensitive persons without personality, goals, or compassion. Next, what is a law? Can you see it, or touch it? Law is an idea of how we think we can insure every man or woman justice. Justice can be seen as getting what one is due, or one's personal freedom. All of these things affect our lives, environment, and how we live and adapt in our environment.

To live in a perfect environment and society is quite impossible, because of conflicting opinions within. Therefore, laws are needed to regulate disputes among people. Any law limits your freedom, but most laws are directed toward bad behavior and made to insure what is considered the common good. Everyone needs law. Law sets boundaries which are necessary in a society and points one's choice (freedom) toward the good.

Law is an opinion of what is good and bad, hoping to insure the good. By doing this, it protects one's personal freedom from being infringed upon by another. For example, the law strictly forbids the murdering of a human being. If one commits murder, they are taking away another's freedom to live. One has the freedom to choose between good or bad. Law insures not only personal freedom, but also, freedom for others.

SECOND PLACE ESSAY—JUDITH MARIE FARRIS

Quite contrary to the beliefs of some citizens, this country could not be the "land of the free" without laws. Without some form of order the nation would be in a chaotic state. There must be an accepted governmental system in which someone has an authoritative position. John Locke explained this situation as the theory of popular sovereignty. This theory explains the fact that people must give up some of their rights and freedom in order to live in harmony with other people. By giving up some of their rights, people are able to obtain together what they might not be able to obtain alone. For example, if there were no laws, simple subjects such as property rights would become major issues. People would claim that they could live anywhere they wanted and conduct themselves in any manner which they saw fit. The laws are set up to protect the rights of every citizen, not to limit them. Americans must recognize some people to have higher authority than themselves in order to protect these rights. Without an established group of people with higher authority, anyone could claim power. Although there is a presidential office, no one person has enough power to decide the fate of the nation. The House of Representatives and the Senate were set up as authoritative organizations in order to prevent the Executive of the nation from having absolute power. Thus we are protected from living under any type of dictatorship. Yet, at the same time, we are not in an unruled anarchy situation. As a result, we are "free".

THIRD PLACE ESSAY—ANGELA MIDDLETON

The precept perhaps most cherished in America is the idea that this country is the home of the free. Americans believe themselves to be one of the last bastions of democracy in a world quickly becoming socialistic and communistic in nature.

The idea of this country as a "free" nation has its roots in the American Revolution. The war was fought to "free" people from the tyranny of the British government. However, the revolutionary leaders soon realized that freedom must be protected if it was to continue. Freedom in name was much different from freedom in fact.

The Founding Fathers discovered that well-constructed laws were a good way to protect freedom. These laws insure that each person is free to do as they wish but not free to interfere with the wishes of others. No person is "free" if they cannot think and act for themselves. Laws protect freedom by protecting society from overbearing and malicious individuals. If too much freedom is given to each individual, their own personal desires might bring harm to other persons.

In essence, law makes freedom work by restricting freedom. Unquestionably, everyone values their freedom very highly. Society has developed a variety of ways of protecting this prized possession. The construction of good laws is one of the best methods.●

TRIBUTE TO BOB SWAIN AND THE LAST MAN'S CLUB

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MILLER of California. Mr. Speaker, I would like to take this opportunity to bring a touching story of friendship and patriotism to my colleagues' attention. Over 60 years ago, the United States sent its young men to Europe to fight for the freedoms and principles for which we stand. During the tribulations that those men endured, bonds of friendship were forged that were destined to last as long as the friends lived.

One group of 13 World War I veterans that met on July 11, 1934, made a solemn pact to meet annually on that date. They invested their pledge in a symbolic bottle of champagne which was to be opened by the last member still alive, so that he could drink a toast in remembrance of his 12 friends. For exactly 50 years, these men met to share anew their stories, and to think of the members who had passed away.

The men met each year at the same table with 13 chairs. After the death of a member, the chair of the deceased was tipped up against the table. Never once did any of the survivors miss even one meeting, and until this March there had always been at least two left. But now there remains only Mr. Bob Swain. The Last Man's Club, as they called themselves, is down to its last man.

According to the vow, Bob should now take that champagne to a fancy restaurant and toast his twelve departed friends. But instead he has chosen to preserve a symbol of friendship borne in patriotism—that very bottle of champagne. Bob has decided to accept an offer to have the bottle placed in the archives of the Contra Costa County Historical Society, located in the district which I am privileged to represent. That champagne bottle will serve for generations as a reminder of the dedications to one another that these men found in the service of their country.

Mr. Speaker, I commend Bob Swain and his 12 companions. By risking their lives in the great battles of World War I, these men answered the highest call that their country can make. Our country and the world benefited immeasurably from their courage, and they personally reaped the rewards of lifelong friendships.●

CIVIL RIGHTS ABUSES IN PHILIPPINES CONTINUE: LAWYER MURDERED SATURDAY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. DYMALLY. Mr. Speaker, I have given a good deal of thought over the past several years to how we should give support to the Philippines. We have legitimate security concerns that justify support in the Philippines. The question that bothers me is when should the line be drawn? How much human rights abuse must we tolerate to assure the well-being of our own strategic interests? I am beginning to think we have already exceeded the limit. Today, Mr. SOLOMON offered an amendment to the Foreign Aid Authorization that would increase our level of military spending in the Philippines. At this point, far from being prepared to support an amendment which would increase military aid to that country, I would prefer to be offered an amendment to reduce such spending.

My conviction on this matter was reinforced by events that have happened in the Philippines during the last several months. I am particularly disturbed about acts of violence which have befallen lawyers who are part of the Free Legal Assistance Group. These Philippine lawyers are civil rights lawyers involved in investigating alleged cases of civil liberties violation. In the past year three of these lawyers have been murdered. The latest murder occurred over the past weekend. Five other lawyers from this group have been arrested and imprisoned. Three of them were ordered to be released by the Philippine Supreme

Court. Yet all of them remain imprisoned. One of the five, Antonio Arellano, is in extremely poor health and needs to be hospitalized.

It was recently discovered that the names of four other civil rights lawyers are listed on a Philippine order of battle. This appears to mean that they are considered legitimate military targets. That is a chilling thought. It means that in the Philippines, if you try to help people gain their legal civil rights you are quite literally risking your life.

If a government is using its military to deny citizens their civil rights by liquidating those who might represent those citizens in the courts, I just have to question the wisdom of increasing military aid to that government. I hope this body will take some time and seriously consider the international repercussions for our image if we choose to continue high levels of military support to a government that continues to fail to protect the human rights of its citizens.●

KOREAN WAR REMEMBERED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. FLORIO. Mr. Speaker, I would like to insert this recent column from the Washington Post into the RECORD. James R. Dickenson very aptly traces the fears and concerns which were provoked by the North Korean invasion of South Korea over 30 years ago. It is a tribute to Mr. Dickenson and to the veterans of that war that we are able today to remain free and strong as a people.

Mr. Speaker, the date July 10, 1985, will also become an important date for Korean War veterans. The Task Force on Libraries and Memorials of the House Committee on Administration will hold a hearing on a bill which I introduced last spring. H.R. 2205, the Korean War Memorial Act, would honor the forgotten veterans of that brutal conflict with an appropriate memorial in Washington. It is, indeed, a timely piece by Mr. Dickenson which seeks to focus the attention of his countrymen upon a largely forgotten war. The words inscribed high above Constitution Avenue upon the granite facade of the National Archives read: "the past is but a prelude to the future." If this is true we must begin by remembering. I commend Mr. Dickenson's article to the attention of my colleagues.

"WAKE UP, JIMMIE D, WORLD WAR III"

(By James R. Dickenson)

June 25 came and went without notice except by a relatively small segment of the population—middle-aged males who constitute the Korean War generation—and none of us made enough noise to disturb anyone's reverie.

That's too bad. Although limited in its goals, Korea was, by any definition, a major war. In three years and one month nearly 34,000 Americans were killed in action or died in captivity, and more than 20,000 others died of noncombat causes. By comparison, about 56,000 Americans died in Vietnam.

The North Korean and Chinese communist forces suffered an estimated 1.6 million combat casualties, about 60 percent by the Chinese, plus another 400,000 deaths from disease. An estimated 3 million North Korean civilians and 500,000 South Korean civilians died as a result of the war.

However obscure the Korean War is now, it was vivid enough to those involved at the time. My first inkling of it came on that dazzling sunny Sunday 35 years ago when I was an 18-year-old in western Kansas sleeping the sleep of, if not the just and innocent, at least the uncaught.

My grandmother was making her usual preparations for church and Sunday dinner (fried chicken) when she heard the early, fragmentary reports on the radio that North Korean infantry and tanks had invaded South Korea. There was the usual commentary that such a conflict carried the seeds of possible conflict between the United States and the Soviet Union.

Grandmother gave me the wake-up call of my life: "Wake up, Jimmie D, World War III is about to break out." Now there's a reveille that will rouse even a night-owl adolescent. Particularly in those days of Cold-War, early-atomic-age hostility in which every U.S. reconnaissance plane that was shot down over East Germany or the Baltic Sea inspired speculation that Armageddon was at hand.

I headed for the drugstore to get the Sunday papers with, for once, more than the sports and comics in mind. Because of the papers' early closing times—we got the boondocks editions—none had a word about the invasion.

I made my bemused way back home speculating gloomily on where in Russia I might be at that time the following year. When I passed the bench in front of the People's State Bank on the corner on Main Street, the usual half-dozen elderly loafers, including a Spanish-American War veteran, were taking the morning sun, chewing and spitting, whittling and telling each other lies. They, too, had heard the radio.

"Hee, hee, hee, boy, get your fightin' clothes on," the Spanish-American War vet called out. Trust me that this quotation is exact: "We done whomped up a war for you."

My response, in tribute to my training in respecting my elders, was inaudible. Later, in my first days at the Marine Corps recruit depot at San Diego, I had reason to recall it.

No one was gung-ho about the war in Korea although there was no opposition to it as with Vietnam. There was little question of its necessity. And unlike the guerrilla war in Vietnam, it was a conventional war with armies opposing each other.

Conditioned by the Depression and World War II, we accepted our lot as just another of life's random deals of the cards. With the memory of Adolf Hitler and Nazi Germany still vivid, it was generally accepted that we had to stand up to aggression, although the fact that it ended in effect as a tie, after all that suffering, caused great frustration.

The pressure of the draft was enormous because the draft-eligible manpower pool was relatively small; the birthrate in the first years of the Depression had been the lowest in the nation's history.

There were college student deferments, but a lot of guys whose grades were below a certain level or who let their class load slip below the 12-hour minimum found themselves snatched unceremoniously off campus. There also was a remarkable liberal deferment policy for fathers, even for those who got married for that reason.

Many opted for four-year enlistments in the Air Force or Navy, figuring the extra two years' obligation was worth the guarantee of not winding up in the infantry.

There was no question at the time that it was a real and lethal war. And it featured some of America's finest feats of arms.

MacArthur's landing at Inchon still stands out as a strategic masterpiece. The First Marine Division's skillful and courageous fight out of the Chosin Reservoir under the most horrendous winter conditions imaginable is a performance unexcelled by any fighting force. The campaigns of maneuver by Matthew Ridgway and James Van Fleet in the months following the withdrawal from the north are generalship any nation can be proud of.

But the last two years saw trench warfare more reminiscent of World War I than World War II, with bloody small-unit fights for the hilly outposts in front of the main line of resistance. It ended after millions of casualties with the boundary between North and South Korea essentially unchanged, as the United States concentrated on keeping the war from spreading into a global conflict.

There's not much glory in limited wars. As a child excited by World War II, I had wondered what it would be like to be a veteran of the Spanish-American War or the War of 1812. I was to find out.●

CONGRESSIONAL ART COMPETITION

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. DOWNEY of New York. Mr. Speaker, for the second year General Motors Corp. has sponsored the opening festivities of the Congressional Art Competition currently displayed in the Cannon tunnel. Roger Smith, General Motors chairman, delivered the following remarks which reaffirm the importance of the competition:

CONGRESSIONAL ARTS CAUCUS, WASHINGTON, DC

General Motors is proud to be associated, for the second year, with this magnificent collection of student artworks from around the country.

And it's heartening to see the exhibition growing in size, as more congressmen hold competitions in their districts.

A number of years ago, perhaps the greatest artist of the 20th Century, Pablo Picasso, offered some memorable words about the creative process.

He said that "to draw, you must close your eyes and sing."

Looking around us today at this exhibit, we can almost hear America singing through the works of these student artists.

They give us a fresh and original sense of ourselves, as a nation.

And it's a pleasure to join the Arts Caucus in supporting a program that tries to encourage that originality and to nurture it.●

CHECKHOLDS: LET'S END THIS UNNECESSARY PRACTICE!

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. ST GERMAIN. Mr. Speaker, we are all acquainted with the expensive, annoying and unnecessary practice of checkholds that many banks employ to earn additional income at their customers' expense. It is time to bring an end to this practice by enacting H.R. 2443, the Expedited Funds Availability Act.

H.R. 2443 draws on committee hearings and nearly 2 years of technical analysis of the U.S. check clearing system. H.R. 2443 would bring about major improvements in check clearing and would benefit every household in America.

My staff is now in the process of recontacting every Member of the House regarding cosponsoring H.R. 2443. I urge all Members to add their names to the growing list of cosponsors of H.R. 2443, and help me bring an end to the practice of checkholds.

Mr. Speaker, this subject is now becoming a matter of significant press attention. The Jack Anderson article below, from the July 9 Washington Post, H.R. 2443, the Expedited Funds Availability Act.

BANKS READY TO BATTLE CHECKING REFORM

(By Jack Anderson and Joseph Spear)

The holdup men are on the other side of the counter these days at your friendly neighborhood bank—and the money moguls of the banking industry are determined to see that it stays that way.

They're gearing up for a massive lobbying effort against a proposed law that would let customers use the money they deposit right away instead of a week or two later.

For years, bankers have insisted that "clearing" a deposited check—making sure there are funds to cover it in the bank account on which it was drawn—is a time-consuming process that can't be telescoped without shaking the foundations of the banking industry. But in this era of computers and high-tech communications, the image of quill pens and celluloid sleeveguards is distorted.

It's no mystery why the bankers cherish the clearance myth. When they can clear a deposited check in a matter of hours but make the customer wait 10 days to two weeks before he can write checks on his deposit, the banks get free use of the money for a while. Multiplied by millions of checks and millions of days, this gives the bankers interest-free loans from their customers amounting to billions of dollars a year.

The difference between the time a check is deposited and the time the customer is allowed to use it is called the "float", and the bankers' slogan is "Vive la difference!"—as long as they're the only ones allowed to use the technique.

The way the law stands now, the bankers are the only ones who can legally use the float. You'll recall the pious horror the banking industry expressed when the brokerage firm of E.F. Hutton was caught floating checks on a systematic basis to get millions of dollars' worth of interest-free loans at the banks' expense.

A few perspicacious observers pointed out that the bankers' indignation was hypocritical, a self-serving exercise in outrage at the idea that a mere stockbroker had the effrontery to pirate the banking fraternity's exclusive swindling technique.

Such diverse politicians as Sen. Alfonse M. D'Amato (R-N.Y.) and Rep. Fernand J. St Germain (D-R.I.) agree that it may be time to put an anchor on the bankers' float.

St Germain cited these typical abuses to our associate Les Whitten:

A Pennsylvania man deposited a federal tax-refund check for more than $1,000, waited nine days for it to clear and then wrote a check on it. The bank bounced his check and charged him a $30 overdraft fee. It was poetic justice: He was a retired banker and his wife had been a bank regulator.

In a small California town, a customer deposited in his checking account a check for $1,295 drawn from his savings account in a bank just down the street. He had to wait seven days for the deposited check to clear.

A New York City man got a $1,000 check from his credit union and deposited it in his checking account a bank a few miles away. Six days later he wrote a check for $800 to pay a credit-card bill. The check bounced, and he had to pay not only the overdraft charge but a month's interest on his credit-card balance.●

NEW LEGISLATION

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. KOLTER. Mr. Speaker, I rise today to introduce legislation that will correct an unfortunate situation in my district which is an unpredictable aftereffect of the devastating tornadoes which struck the area 6 weeks ago. In the aftermath of those tornadoes, there was a great deal of heroism and good, old-fashioned neighborliness. Many individuals volunteered their efforts to help those who had lost homes and businesses to the tornado. Many of those who helped their neighbors were themselves victims of earlier disasters, such as plant closings and layoffs.

The unfortunate situation which I hope to address is the fact that many of the unemployed people who pitched in to help their homeless neighbors have now lost their Federal supplemental unemployment compensation benefits because some of them received some payment for the work they did that week. The clearest examples are those members of the National Guard who answered the call of the Governor to perform disaster relief and who now can no longer collect Federal supplemental benefits because for 1 week they received temporary payment.

The current law states that an individual must be eligible for consecutive weeks in order to continue to qualify for benefits. The law was meant to prevent payment to individuals who had found new employment. It was not meant to punish these guardsmen and volunteers. Since Federal supplemental compensation benefits expire soon, and since the only area declared a Federal disaster in the period before expiration is very small, the cost of this legislation is minimal.

I urge my colleagues to join me in supporting this measure. I feel it is the least we can do.●

TRIBUTE TO JACK STUBBS

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MOORHEAD. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives the retirement of Mr. Jack Stubbs from the Southern California Rapid Transit District, where he has been employed for the last 19 years.

A good friend and fellow resident of Glendale, CA, Jack Stubbs began working for the Rapid Transit District on August 19, 1966. Initially, he served as the liaison officer for the Rapid Transit District to the California State Legislature. Later on, he rose to the position of assistant general manager for the SCRTD. Prior to his employment with the RTD, he was the administrative assistant for the rules committee of the State assembly. It was in this capacity that I originally became acquainted with Jack Stubbs and learned to admire him as a man of capability and conviction.

He began his public service by enlisting in the U.S. Navy during World War II. After his discharge, he attended the University of Minnesota and Loyola University in Los Angeles, receiving a bachelor of science degree in American history. He worked a variety of jobs before coming to the SCRTD.

Jack Stubbs is a member of the Incarnation Catholic Church, the Knights of Columbus, the Glendale Chamber of Commerce, the Glendale Republican Assembly, the National Trust of Historic Preservation, and the American Numismatic Association. He and his wife, Genevieve, have 10 children and 8 grandchildren.

Mr. Speaker, I trust that retirement for Jack Stubbs will be as rewarding and productive for him as were his nonretirement years. I wish him and his wife the very, very best.●

A MEMORIUM FOR SHU KUANG HU

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. DYSON. Mr. Speaker, I rise today to honor the memory of Shu Kuang Hu, a widely respected and admired public servant for the Republic of China. At the time of his passing last month, Mr. Hu was deputy representative of the Coordination Council for North American Affairs, the former Embassy of the Republic of China, which represents the Government on Taiwan.

Throughout his long and illustrious career Mr. Hu was known for both his personal warmth and professional acumen. Born in Shaghai in 1918, Mr. Hu was graduated from Chiao Tung University and later took a master's degree in aeronautical engineering at the University of Michigan.

Upon his return to China, Mr. Hu embarked on a career in his country's air force. He was a production manager and superintendent of aircraft factories until 1949 when the Communists came to power on the mainland.

From 1954 to 1965 Mr. Hu was Chiang Kai-shek's personal military secretary, and also served as chief of protocol, military spokesman and director of the liaison bureau of the Ministry of National Defense. In 1965 he joined the National Chinese Embassy here as chief of the military procurement division. He remained a minister until 1978 at which time the United States ended official relations with Nationalist China.

From 1979 until his death last month, Mr. Hu served as deputy representative of the Coordination Council for North American Affairs. He will be missed by his fellow countrymen whom he served so faithfully, as well as by many of us here in Washington, DC.●

AMENDING THE FOREIGN SCHOLARSHIP BILL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. COURTER. Mr. Speaker, on behalf of Mr. WRIGHT of Texas and myself I will soon propose an amendment to H.R. 1555, the foreign assistance bill, and wish now to include the full text of that amendment in the RECORD.

Our proposed addition would be made to title 6, section 604, the guidelines, and would read as follows:

(11) The United States Information Agency shall explicitly recommend to each student, who receives a scholarship under this Act for study at a college or university, that the student enroll in and pass a course which studies the classics of American political thought or which otherwise emphasizes the ideas, principles, and documents upon which the United States was founded.●

DEFENSE VOTES EXPLAINED

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. FORD of Michigan. Mr. Speaker, since taking office in 1981, President Reagan has requested huge increases in military spending—far beyond the actual needs of the United States for defending our Nation. Part of this money has gone for unneeded nuclear weapons systems like the MX missile. The share of strategic nuclear forces has risen from less than 8 percent in 1980 to more than 12 percent in 1985 of the overall defense budget.

It makes no sense to drive the Nation deeper into debt by buying more and more weapons and ignoring the disastrous effects of excessive defense spending on the budget and the economy. There is no amount of defense spending that would guarantee absolute security for the United States. Real security comes from a combination of sufficient military readiness to deter attack, a healthy economy, and the well-being of our citizens. The Reagan administration seems to believe that larger defense budgets are the sole measure of national security. This concept is clearly not in line with American history or public support for a multitude of domestic programs that improve the lives of most Americans.

During consideration of H.R. 1872, the Department of Defense Authorization Act for fiscal year 1986, I supported the amendment offered by Congressman BENNETT which would eliminate all fiscal year 1986 MX missile procurement funding and all unobligated prior year MX appropriations, thereby terminating the program.

This year we have a budget deficit that may exceed $200 billion. Yet we are being asked to continue the pattern of throwing billions of dollars at a missile that remains extremely vulnerable to attack and that can only be used as a first-strike weapon. The United States does not need more MX's for arms control leverage. Congress has already authorized 42 MX missiles and the rest of the U.S. nuclear arsenal is enormous enough to persuade the Soviets that their own best interests are served by serious arms control negotiations.

During consideration of this bill I voted against the Skelton amendment to authorize the appropriation of $124 million to produce binary chemical weapons. I feel that the United States should not break the moratorium it has observed since 1969 on production of these weapons, which are among the most vicious and least controllable to mankind. Nerve gas production is simply unnecessary in view of huge stockpiles of chemical weapons the United States possesses. Just last year a blue ribbon panel established by the Secretary of Defense found that the current U.S. chemical stockpile provides a credible chemical retaliatory deterrent into the 1990's.

The Defense Department authorization bill for fiscal year 1986 would have nearly doubled spending for the Strategic Defense Initiative Program in just 1 year. This would have been an increase from $1.4 to $2.5 billion. Such a massive increase would result in the kind of huge waste in defense programs that has been characteristic under the Reagan administration.

Just a few weeks ago it was revealed that less than 5 percent of the funds authorized for the strategic defense initiative in the current fiscal year had actually been spent, even though the year was more than half over. This demonstrates that even $1.4 billion is far too much for the scientific community to digest, must less the $2.5 billion in this bill. Therefore, I supported the Dellums amendment which would reduce the authorization for the strategic defense initiative from $2.5 billion to $954 million which is more than adequate to continue research for this program.

A great deal of basic research on antiballistic missile technologies is permitted under the—Antiballistic Missile [ABM] Treaty, and Congress has funded that research for more than a decade. However, the strategic defense initiative is a clear break with the past. Under the administration's Strategic Defense Initiative Program the goal of research is not to prevent technological surprise by the Soviet Union or another nation, but to build and deploy an antiballistic missile system.

The ABM Treaty does not prohibit research, such as that on lasers and related technologies, however, the administration wants more, and the bill provides it. This includes funding for demonstration projects, space-based weapons research, and similar activities that would violate the 1972 treaty. By withholding funding from areas of the strategic defense initiative which would violate the ABM Treaty and funding the rest of the program at the 1985 level, the Dellums amendment would continue a research program allowable under the terms of the ABM Treaty.

Mr. Speaker, despite the tremendous increase in U.S. spending on strategic systems since 1981, the Reagan administration has not reached a single arms

control agreement with the Soviet Union. The United States does not need more MX missiles, new chemical weapons or the strategic defense initiative to succeed in arms control negotiations; we need genuine commitment on both sides to mutual, good-faith reductions.●

WE HAVE AN OBLIGATION TO NATURE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. MARKEY. Mr. Speaker, the management of our public lands and reservations is a sacred trust which our Government must implement with the utmost care and good conscience. We have an obligation to nature and to our children and grandchildren that we do all that we can to preserve the gentle balance of nature and take the least intrusive action whenever man's interests runs up against the balance of nature.

I have great concern that the Federal Government may have gone too far recently in dealing with nature and in the process destroyed that gentle balance.

Mr. Speaker, I am referring to the Crane Reservation in Ipswich, MA. This reservation is managed by the Department of the Interior. Recently, the Fish and Wildlife Management Office decided that deer had become too plentiful in this area. The deer had become too plentiful because man has disrupted the natural habitat and balance of nature. And because man has caused that disruption, then man has an obligation to correct that imbalance in the least intrusive manner possible.

Unfortunately, the Office of Fish and Wildlife Management did not follow this principle. Instead, the office chose to bring in a rifle sharpshooter to kill the deer on Crane Reservation. This action was taken despite protests by local citizens who thought that the action was extreme. Furthermore, the sharpshooter was enlisted and the possibility of relocating the deer was not explored adequately.

I raise this example of the slaughter of deer on Crane Reservation to call the attention of my colleagues to the serious responsibility we hold to manage our natural resources. In order to survive on this planet, we must coexist with nature, not rule it and subject it to our every whim. Man will intrude on the parameters of nature; that is to be expected. But when we do so, there must be a commitment to manage the resources in a careful and compassionate manner.

In nature, we cannot rebuild that which we destroy. This principle must guide all our actions. I regret to report that this principle was violated on the Crane Reservation in Ipswich, MA.●

DAN CRYSTAL, CIVIL LIBERTARIAN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. CONYERS. Mr. Speaker, for as long as I have known him—and that has been many years—Dan Crystal of New Jersey has been an active and tireless defender of civil liberties and advocate for human rights. In recent years, he has become an equally active and tireless promoter of world peace, serving as publicity chairman of Lawyers for Nuclear Arms Control.

Dan was recently honored by the Essex County branch of the National Alliance Against Racist and Political Repression for his devotion to the struggle for progressive ideals and policies. Dan richly deserves this recognition, and I applaud the Essex County branch of NAARPR for giving Dan this award. Despite his many activities, Dan finds time to write for, and serve as associate editor of the Reporter, a publication of the Passaic County Bar Association. One of his recent contributions to that publication is a whimsical account of this year's Gridiron Dinner, which I am inserting at this point in the RECORD so that my colleagues will have an opportunity to read and enjoy it.

GRIDIRON MADNESS

(By Daniel Crystal)

It comes on finally to be spring, as my good friend Damon Runyon, God rest his soul, might have said, and I start getting visions of the magnolia trees flowering along the Hackensack River which most certainly ain't the purest stream in the world but then I served in the Occupation Forces in Europe after World War II and I can tell you that the Beautiful Blue Danube ought to be called the Big Muddy.

So spring fever hits me real bad, and I start thinking about the Jersey Generals, the New York Giants and the New York Jets all of which teams play on different occasions on the gridiron in Giant's Stadium in East Rutherford, New Jersey, and a cab from midtown will take you there in no time along Route 3 which also passed Secaucus which used to have the pig farms and what with the scent of magnolias and of hogs getting all mixed up in my memory and thinking of the Secaucus pig farms makes me think also of the stables at the Meadowlands where I have often been given valuable tips by the stable hands and those tips can be very welcome indeed when the nags start running and it's time to lay your bets on which nag will wear the roses in the winner's circle. And so, what with wondering how good Phil Simms' arm will be this season in the NFL and how well Doug Flutie is learning his signals with the Jersey Generals, I hop a cab to the Meadowlands and have a good time exchanging greetings with one and all and picking up whatever inside information I can to have a little edge in laying my bets on football and basketball and on the nags.

So after this welcome saying of hello and how are you to my good friends and buddies at the Meadowlands, I drop in at the boat called the Aratusa Supper Club, that is moored there on the banks of the good old Hackensack River right there in Secaucus, New Jersey, on the Meadowlands Parkway, to have a juicy steak and some chilled ale, and who do I run into there at that seafaring restaurant but my old friend, Joe the Barrister, who is a well known lawyer in those local parts and a big wheel, or so he tells me, in the lodge that the barristers have that they call the Passaic County Bar Association.

So I make again with the hello's and how are you's and what have you been up to and who is the new doll in your life and all the other chit chat that friends exchange when they haven't seen each other for a long time and Joe sits down with me and we both order up juicy steaks and Joe fills me in on how he is not only being a success in the legal fraternity in New Jersey, but he has also expanded his activities to get a piece of the action in Washington, D.C., where President Ronnie Reagan and the other pols hang out when they're not meeting at Camp David or visiting Ronnie's ranch in California.

Seems as if Joe now represents some companies that got themselves into temporary hot water with the Pentagon and the Air Force what with charging more than a thousand bucks for wrenches that they order wholesale for $8.99 at a joint on Canal Street and charging also nine hundred and sixty nine bucks for a toilet seat cover that they purchase for $5.73 from Sears Roebuck, Joe tells me also that he goes down to Washington, D.C. as to try to smooth out the ruffled feathers of the Pentagon and the Air Force and while he is down there he wangles two tickets to go to the Gridiron Dinner that the scribes who write from Washington run each year. The tickets are $120 each which doesn't faze Joe who is billing it all to his clients anyhow and, besides business is business, and who knows, he may be able to talk to a general or an admiral at the bar and put in a good word for one or another of his clients with no animosity about the wrenches and the toilet seat covers because everybody in the business is doing the same thing and so will the generals and the admirals when they retire and start using their own connections to get a job with some company they used to regulate.

So Joe calls up a doll he knows with whom he shacks up sometimes when he is in Washington, who is a secretary to a colonel in the Air Force, and they dress up in their fancy evening clothes and go to the Gridiron Dinner which is a special occasion this time when it is held on March 23rd on a Saturday evening on a very rainy night because it turns out that this is the hundredth time that they have held the Gridiron Dinner and even the old pols in the District of Columbia like Ronnie Reagan and Tip O'Neill don't claim to go back that far.

So everybody who is anybody is there at this hundredth running of the event and all the faces you see on Hot Line or Meet the Press are at the bar lapping it up and their dolls are there too looking very pretty and wearing dresses that cost enough to be a worthwhile and very acceptable purse for a big stake event. Seated at the head table are the President, Ronnie Reagan, and Nancy,

his buddy, Jim Baker, also Geraldine Ferraro who lost to Ronnie in the last election so bad that she can't even claim to have placed in the event. All through the ballroom are more ambassadors, governors, tycoons, Supreme Court Justices and the like than you can shake a stick at.

So Joe the Barrister and his doll mingle with the crowd, and join in the festivities and Joe gets a chance to put in a word for his clients here and there with some generals and colonels of influence an they have a good meal and after a while the entertainment starts.

Seems as though the Gridiron Club is made up of sixty newspaper people who make with the news analyses all year long, 365 days a year, less vacation time, and who rip up the national politicos or tout their virtues, depending upon how they figure their bread is buttered, but this one time a year they make with the jokes and sing songs about the famous men and women of the country and a good time is had by all, ho, ho, ho, except that even though these scribes are all top newspapermen and newspaperwomen none of them is another Ira Gershwin or Oscar Hammerstein, and they haven't ever made it in show biz, and to tell you the truth, the way Joe the Barrister tells it to me while we're eating our thick steaks, he's heard much better lyrics in shows that closed in Philadelphia and never made it to Broadway.

Joe has a very good memory indeed and he has no trouble remembering some of those forgettable lyrics which probably ain't all that much of a feat for a barriser who can do a look-innocent act and persuade the Pentagon that a wrench you bought wholesale on Canal Street in lower Manhattan for $8.99 is worth more than a thousand bucks to the Air Force.

He tells me, for example, that they rewrote the lyrics for that old goodie, "St. James Infirmary Blues," to kid the Democrates, and it went like this:

"I went down to the Demo-crate in-firm-a-ry
"I found my party there.
"It was stretched out on a long white ta-ble.
"So beat. So broke. So bare."

Well, in my opinion nobody is going to win a Tony or an Oscar for writing lyrics like that and Joe says he fully agrees with me.

Joe also tells me that the first act of the show the scribes put on was a review of songs from the dinners in the past, and even though I am not a student of history I decided in a hurry that they may have gotten a chuckle or two in their time but that time has long since passed.

The songs go way, way back to when a fat old geezer named William Howard Taft was President. Seems that he got that way by liking to eat, and so the songsters from the Gridiron Club sounded off with this ditty which most certainly won't make the Hit Parade with the Gourmet Club:

"Sound the good old dinner horn, we'll sing another song
About the trip Taft once made when the digestion strong,
He ate his share of everything that they would bring along.
As he went eating through Georgia."

Well, Taft came in to the list of Presidents somewhere half way between George Washington and Ronnie Reagan according to my reckoning, and even Methusaleh was a whiz with the dolls in those distant times.

They also go back closer to modern times, to my own days of youth when I was a kid in grammar school and they sing about good old Calvin Coolidge whom the papers in my day referred to as "Silent Cal." Coolidge is still a hero, the papers of today inform me, to Ronnie Reagan which confirms my feeling that Ronnie is often sour in the good judgment department. Their lyric for Silent Cal ain't so hot either: "Little Boy Coolidge, come blow your horn, there's woe in the meadow and slump in the corn; where is the man that looks after the sheep? He's down in the White House fast asleep."

Next the Gridiron Club choristers belt out with a song about Herbert Hoover. When I was a somewhat older kid during the depression, Hoover was very such disrespected by maybe twenty million heads of families who didn't have jobs and some of whom were trying to peddle apples because in those days no one had ever heard of food stamps. He wasn't too popular either with their wives and kiddies which may explain why F.D.R. won four elections in a row.

Joe tells me that the top of the Hit Parade in those long-ago days, according to the Gridiron Club, went like this: "Rock-a-bye Hoover, on the tree top, when the wind blows, the market will drop, when the boom breaks, the prices will fall. Down will come Hoover, Curtis and all."

Those three sets of lyrics that Joe recounts amply confirm my judgment that the lyric writers for the Gridiron Club ought to stick to writing about the MX missile or how the farmers of the land are taking to being told that they'd better get used to going bankrupt because Ronnie and the Reagan Administration won't help them get mortgage money to start in on their spring planting after hard months of blizzards and hail storms and other whims and caprices of Mother Nature this past winter.

I got more interested though when Joe the Barrister tells me about the songs they sang cutting up the guys in Ronnie Reagan's cabinet.

Caspar Weinberger who heads the Army and the Navy and the Air Force came in for lots of ribbing. Some scribe acting his part sang:

"Thank heaven for neutron bombs! They blow up in the most constructive way. Thank heaven, for neutron bombs! They'll save our cities for another day.

"Those little bombs, so subtle and appealing; their dreadful blast won't crack the plaster on your ceiling."

It seems like the Gridiron Club must think that Cap Weinberger is a special target. They make him Ground Zero for yet another ditty, this one sung to the tune of "High Hopes":

"We got 'Star Wars', we got 'Star Wars',
"We got high apple-pie in the sky wars."

Jim Baker, one of Ronnie's special cronies who used to be his Chief of Staff, gets a good needling too. They rewrote the lyrics for him to that golden oldie, "When I'm Not Near the Girl I Love," so that it went this way:

"First with Ford and then the preppie
I ignited Reagan fear
When I'm not near the pol I love
I love the pol I'm near."

The singer a writer named John Hall who was acting the part of Jim Baker, continued:

"I spent four years in the White House.
As a most pragmatic man.
When I couldn't fix programs, Reagan might favor.
I favored the fix at hand."

Joe tells me he winced and thought that his whole trip to D.C. was ruined when the Gridiron Club put on a skit about military procurement. Seems as though several of the scribes showed up on stage in cone-head costumes with gold-glittered toilet seats hanging from their necks. They sang pretty much on key to the tune of that other golden oldie, "I Found a Million Dollar Baby in a Five-and-Ten-Cent Store":

"We buy our toilet seats at Tif'ny's;
We drive Mercedes by the score.
They found a million-dollar hammer
In a five-and-ten cent store."

Gerry Ferraro was there, both in person and in song. A lady scribe impersonating Gerry sang a song that went like this:

"Now that I've got payola
Pushing Pepsi-Cola,
I'm full of beans,'
I'm Gerry from Queens."

After the songs and skits were over, it was time to make with the speeches and the gags. They had Jim Baker and Gerry Ferraro and Ronnie Reagan. The way Joe the Barrister tells it to me, Jim Baker stole the show, Gerry's gag writers were good but not as good as Baker's and Ronnie Reagan blew at least two jokes very, very badly indeed.

Gerry did her own share of roasting this way:

"I see the president has relented on emergency relief to the farmers. He's opened a special line of credit for them to be drawn on any Ohio savings and loan."

"It appears that over the next five years there will be nearly 20 votes on 'Star Wars' in the House. Twenty votes! Can you imagine? That's 40 different positions for Les Aspin to take."

Joe told me that Les Aspin is chairman of the Armed Services Committee of the House of Representatives and used to be a peacemaker but now he's for the MX missile. Apparently, he's been trying to play both ends against the middle, which ain't so easy as many a married man or woman has found out.

She was gutsy enough too to laugh at her own Diet Pepsi endorsement. She quipped, "To tell you the truth. I really wanted to endorse diet Perrier, but the Perrier people said George Bush or nobody."

Jim Baker though, according to Joe the Barrister, was the real hit of the evening. Joe recalled examples of the wit that Baker passed on to the audience from his gag writers:

"There are a lot of well-known people at the head table tonight. The president is here, the chief justice is here, the secretary of state is here . . . (he looked under the table and then went back to the mike at that point) . . . John Riggins is here?"

The president called me very excited the other night when he got back from Canada. He'd heard about the bank holiday in Ohio. He wanted to know if we all got the day off.

Joe the Barrister told me about another story that Jim Baker told, but in my book it should have gotten F-minus in the form book. I thought it was very disrespectful of the dead and who knows when any of us won't need some respect after we're gone. I don't expect good taste from a politician and I know that it gets pretty rough out there in the clinches just like in the pileups in the NFL, but I thought that one of Baker's cracks smelled and was insulting to the feelings of the Russians, whatever the guys and dolls at the Gridiron Club dinner thought of it. He told the crowd:

"Speaking of people 'low down on the list,' the vice president is here tonight. But we should all be proud of George Bush. Bush did so well at the first Soviet funeral that they keep calling him back. In fact, his motto is 'You die—I fly!' "

Joe the Barrister tells me that Jim Baker got a real belly laugh though from the whole crowd with this other yarn; also about people deceasing:

"I had a terrible dream last night. I dreamed the three most powerful Americans—the president, the speaker of the House and the chairman of the Federal Reserve—suddenly passed away. All three appeared in St. Peter's waiting room.

"A voice came over the intercom telling the president to go to Room One. He went inside and found himself with a huge gorilla. The voice then said, 'Ronald Reagan, you have sinned, and you must spend eternity with this gorilla.'

"The voice over the intercom then sent Tip O'Neill to Room Two, where the speaker found a mad dog. 'Mr. Speaker,' the voice on the intercom said, 'you have sinned and must spend eternity with this mad dog.'

"Then the voice sent Paul Volcker of the Federal Reserve to Room Three. He went in, and to his surprise he found himself with Bo Derek. Then the voice came over the intercom and said, 'Bo Derek, you have sinned . . .'."

According to Joe the crowd went bananas.

That old pro, Ronnie Reagan, spoke there too. Most of the time he was in his usual top form. He told his audience at one point, "I got some news from Geneva, Nancy, your watch is ready."

He described what he called the tedium of his job and said that to break the monotony, "every few days, I call CBS and ask for Jesse Helms."

What Joe told me further though was that two of President Reagan's punch lines not only did not sit so well with some of the guests, but that in fact they produced a chorus of groans followed by a deafening silence.

So, if you get the picture, there is Ronnie Reagan who went from being a Grade B movie actor cavorting with the likes of Bonzo the Chimp to being President of the United States and having Air Force One at his disposal, and he's making with the jokes as usual, and the 600 or more in the ballroom are chuckling politely or roaring with laughter, depending on whether they're good Domocrats or good Republicans.

And then, so help me, he gets that silent boo from a large part of the crowd—not just once but twice.

One time was when Reagan talked about "rumors" that he was seeing a therapist "three times a week." He went on to tell the audience not to worry.

As he explained it to the crowd, he just had a "problem" with pushing buttons.

Also, in speaking of the farm issue, he told the crowd, many of whom come from states where farmers have very large numbers of votes indeed: "I think we should keep the grain and export the farmers."

That last crack didn't sit at all well with those who understand that the farmers these days just ain't too happy about going bankrupt.

To put it mildly, according to Joe the Barrister, the old Gipper really blew that play too just as he did with his equally bum joke about the little red button and the shrinks.

Joe told me that the Washington Post later had an interview with that wise old pol, Tip O'Neill, later who speaks for the House or is the Speaker or something. Tip was quoted as saying that he hadn't attended the Gridiron Dinner and so he didn't know anything about Ronnie's booboo about "export the farmers" until reporters told him about it. When they did, the Post quoted him as booming out in his North Boston voice, "He didn't say that. He's too politically smart to say that."

Joe said that he was fascinated by the whole thing because it beats him too as to why the President would take a political risk like that. It may be OK to make with the jokes about hayseeds and farmers for city folk, but farmers have lots of votes too and even someone who ran up all the points the way Ronnie did in the last election still has a thing for votes and for not making important voters sore at him or his party.

Predictably enough, Joe went on, the PR people in the White House starting manning and womaning the barricades once they realized that Ronnie's jokes had laid a bomb about the farmers. Joe pulled out another clipping from the Washington Post (his pockets were bulging with the stuff because as an old pro in politics himself he was interested in what happens when the big enchilada himself blows his lines). This one quoted Larry Speakes, the President's press secretary as saying in hifalutin language that even I could see no farmer I ever knew would cotton to: "The president regrets his intentions have been misinterpreted by some. As we all know, the Gridiron is a night for political harpoons. Barbs are thrown in many directions—most of them the other night seemed to be coming at the president himself.

"His remarks are in no way indicative of the sympathy and understanding he has for many American farmers who face difficulties."

I guess your *Reporter* is a family newspaper for lawyers and their wives and girlfriends or boyfriends, so I won't use the language I think a lot of farmers will use when they read that so-called explanation of what Ronnie did or didn't do or say about the farmers. Most people who have been around a barnyard know all the words anyhow.

Well, my happy reunion with Joe went on and on, and Joe told me lots of other interesting yarns, all of which made me feel as if I was improving my street smarts, and I gave him some tips I had just picked up from my buddies at the Meadowlands, and after a while we finished our steaks and had another round of ale, and then it was time to make with the goodbyes and keep in touch and the other fond farewells.

I flagged a cab to get back to Manhattan. So I was sitting there in the back of the cab which was cruising along good old Route 3 on its way to the Lincoln Tunnel. I was reflecting on what Joe the Barrister had told me about watching Ronnie Reagan get into real political trouble with the farmers of the land. I was thinking too about what he had said about the little red button and that it was surprising that hip outfits like SANE and the Lawyers Alliance for Nuclear Arms Control that Joe tells me he is active in haven't gotten into the act of blasting Ronnie for what he had said. That in turn made me think even more about Ronnie's crack about playing too much with that little red button and about his seeing a shrink three times a week. Just as we hit the Lincoln Tunnel I was thinking that I don't have much education and I don't know anything about throw weight and SDI and whether Star Wars will work but that I still get scared when I think of how easily Ronnie Reagan or someone else I've never seen can push a button and then we can all get ready for "The Day After" which I saw on TV and if that does happen the chances are that I will never again see the nags run or watch Phil Simms or Doug Flutie zip in a 50-yard pass and it all made the spread on any game seem like very small potatoes indeed.●

FAIR RATE OF EXCHANGE ACT

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. BEDELL. Mr. Speaker, I am today introducing the Fair Rate of Exchange Act. This is legislation on which I have been working for some time. However, its importance was made even more clear to me during a recent trip to Japan. In Japan, almost everyone with whom we met told us that the overvalued dollar was a large part of our trade problem.

The Fair Rate of Exchange Act will address the problem of the overvalued dollar. The Federal Reserve Board computs monthly the current value of the dollar as compared to March 1973 when currencies were deregulated. This comparison is with the value of 10 major currencies. The Fair Rate of Exchange Act would provide that an additional charge would be made on all imports equivalent to one-half the overvaluation of the dollar, and a payment would be made on all exports equivalent to one-half the overvaluation of the dollar. The amount of charges and payments would be adjusted monthly according to the value of the dollar.

Since our imports currently exceed our exports by more than $100 billion, and the dollar is overvalued by 40 percent, the 20 percent adjustment in this legislation would bring in more than $20 billion at this time, and reduce the Federal deficit by such an amount. Future revenues would be dependent upon the effect of reducing our unfavorable balance of trade.

Since this bill only adjusts for one-half the overvalued dollar, it will not remove pressure on U.S. producers to improve their efficiency and ability to compete, but it will go a long way toward enabling them to compete on a more even playing field.

I hope my colleagues will recognize the magnitude of this problem and the importance of this legislation.

To get further information or cosponsor, call Mike or Ralph at 225-5476.

The text of the legislation follows:

H.R. 2934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Rate of Exchange Act".

SEC. 2. FINDINGS.

The Congress hereby finds that—

(1) the United States dollar has become so overpriced in international financial mar-

kets that it is destroying the vitality of the United States economy and its ability to serve as a locomotive for world economic growth;

(2) the overpriced United States dollar is a major factor leading to the deindustrialization of the United States and to the worst crisis in the history of American agriculture;

(3) the overpriced United States dollar is a major factor causing the unprecedented and worsening trade deficits, reaching $123,300,000,000 in 1984 with current account deficits exceeding $100,000,000,000, that have made the United States a debtor nation for the first time since 1914 and will make the United States the world's largest debtor nation by 1986;

(4) the overpriced United States dollar is severely distorting world market forces and inefficiently misallocating United States and world resources;

(5) the framework established for international trade under the General Agreement on Tariffs and Trade (GATT) assumed fixed exchange rates and has recently been faced with unnecessary pressures due to severe distortions and volatility of exchange rates;

(6) of the 148 countries in the International Monetary Fund, only 12 countries have currencies that officially "float" independently and approximately one-third of the members engage in multiple currency practices;

(7) the economic vitality and security of the United States and the world would be greatly enhanced by a more reasonable and stable exchange rate for the United States dollar.

SEC. 3. DEFINITIONS.

As used in th is Act—

(1) The term "base month" means the second month occurring before the month for which the currency equalization percentage is determined.

(2) The term "currency equalization contribution" means, with respect to any article of foreign origin, the amount obtained by multiplying the customs valuation of that article determined under section 402 of the Tariff Act of 1930 (19 U.S.C. 1401a) by the currency equalization percentage (determined under section 4) in effect for the month in which the article is entered.

(3) The term "currency equalization payments" means, respect to any product of the United States that is exported the amount obtained by multiplying the free alongside ship value of that product at the United States port of export by the currency equalization percentage (determined under section 4) in effect for the month in which the article is exported.

(4) The term "dollar appreciation percentage", with respect to a base month, means the average trade-weighted and inflation-adjusted appreciation of the United States dollar, as determined by the Federal Reserve Board, against the aggregate currencies of Belgium, Canada, England, France, Italy, Japan, the Netherlands, Sweden, Switzerland, and West Germany during the period beginning March 1973 and ending with the base month.

(5) The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(6) The term "Secretary" means the Secretary of Commerce.

SEC. 4. DETERMINATION OF CURRENCY EQUALIZATION PERCENTAGE.

(a) TABLE.—The currency equalization percentage for any month is that percentage appearing opposite the dollar appreciation percentage for the base month in the following table:

DOLLAR APPRECIATION PERCENTAGE FOR BASE MONTH

Not less than	But not more than	Currency equalization percentage
85	100	45
75	84	40
65	74	35
55	64	30
45	54	25
35	44	20
25	34	15
15	24	10
5	14	5
0	4	0

(b) DETERMINATION.—As soon as practicable before the beginning of each month the Commissioner of Customs shall determine the currency equalization percentage for that month and publish notice of that percentage in the Federal Register.

SEC. 5. IMPOSITION AND PAYMENT OF CURRENCY EQUALIZATION CONTRIBUTION.

(a) IN GENERAL.—No article may be entered during any month unless the importer of record of that article pays to the customs officer concerned the currency equalization contribution for that article."

(b) TREATMENT.—(1) The currency equalization contribution imposed on an article is in addition to any duty or fee imposed by statute or proclamation on that article.

(2) The provisions of the Tariff Act of 1930 relating to the ascertainment, collection, and recovery (including drawback and refund) of duties, and the enforcement of the customs laws, apply to the enforcement of the customs laws, apply to the currency equalization contributions in the same manner and to the same extent as they apply to regular customs duties.

(c) DEPOSIT OF CONTRIBUTIONS.—All currency equalization contributions collected by the Customs Service shall be deposited into the Exchange Rate Equalization Fund established under section 6.

SEC. 6. EXCHANGE RATE EQUALIZATION FUND.

(a) ESTABLISHMENT.—There is established within the Treasury of the United States a trust fund to be known as the Exchange Rate Equalization Fund (hereinafter in this section referred to as the "Fund"), consisting of the currency equalization contributions required to be deposited into the Fund under section 5(c).

(b) PURPOSE OF FUND.—Amounts in the Fund shall only be available, as provided for in advance by appropriation Acts, for the making of currency equalization payments by the Secretary under section 7.

(c) EXCESS MONIES TO GENERAL FUND.—The Secretary shall deposit into the general fund of the Treasury as miscellaneous receipts those monies, if any, in the Fund at the close of each fiscal year quarter that the Secretary does not consider necessary for the operation of the Fund.

(d) REPORT ON FUND OPERATION.—The Secretary shall report to Congress annually regarding the financial operations of the Fund, including the aggregate amounts of currency equalization contributions received, and currency equalization payments made, during the reporting period and a breakdown of those currency equalization payments by manufacturing and agricultural sectors.

SEC. 7. CURRENCY EQUALIZATION PAYMENTS.

(a) IN GENERAL.—A manufacturer, producer, or grower of a product of the United States may, upon the exportation of that product from the United States, apply to the Secretary for a currency equalization payment for that product.

(b) APPLICATIONS.—Applications for currency equalization payments shall be made in such form and manner, and include such documentation, as are prescribed by the Secretary.

(c) PAYMENTS.—Subject to the applicable appropriation Acts, the Secretary shall make currency equalization payments from the Exchange Rate Equalization Fund established under section 6.

SEC. 8. REGULATIONS.

The Secretary and the Commissioner of Customs shall each prescribe such regulation as may be necessary or appropriate to carry out his respective functions under this Act.

SEC. 9. TAKING EFFECT OF ACT.

This Act shall apply with respect to articles entered, and products of the United States exported, on or after the first day of the month beginning more than 30 days after the date of the enactment of this Act.

SEC. 10. TERMINATION OF ACT.

This Act shall cease to have effect on whichever of the following days first occurs:

(1) The first day of the first month occurring after date of the enactment of this Act for which the dollar appreciation percentage for the applicable base month is not more than 4 percent.

(2) The first day of the month after the month in which the Secretary finds that for any year after 1985 the ratio of—

(A) the United States merchandise trade balance; to

(B) the gross national product of the United States;

is less than one percent.●

THE TERROR NETWORKS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. COURTER. Mr. Speaker, Americans all know what damage truck bombs have done to American citizens and properties in Lebanon, but how many know that Bulgarian instructors in a special Syrian camp teach terrorists the art of truck bomb assembly? We have all been told of state sponsored terrorism, but how many of us give thought to the time, effort, and purposefullness state officials must invest to plan for such acts?

Strategic and tactical indicators—the facts about finance, planning, training, and targeting—are often lost or carelessly buried within what we read, hear, and see about terrorism. Yet they are the bones and sinews of terrorists acts; while not always visible, they are necessary to and inseperable from the spectacular and emotional aspects which more easily take our attention.

Of the hundreds of articles which appeared in the press during the recent crisis, several were memorable for their placement of the TWA hijacking within a broad strategic frame-

work, and thus are especially deserving of preservation. They focused not on the present crime but on planning for future crimes.

One of these is by Mr. Arnaud de Borchgrave, who first distinguished himself at Newsweek and has since become one of the Nation's two or three most knowledgeable students of terrorism and its patterns. His work has always been meticulous; if anything in his many published reports has been disproven by contrary evidence, I am unaware of it. The second attached report is the work of the Wall Street Journal, which has commonly devoted close attention to the strategic and tactical indicators so often ignored by other commentators on terrorism. It is with due appreciation to the authors, and especially with deep concern for this country's citizens as we go abroad in the future, that I place both articles before my colleagues.

[From the Washington Times, July 2, 1985]

WHAT WE'RE NOT BEING TOLD ABOUT TERRORISM IS KILLING US

(By Arnaud de Borchgrave)

With all the pap and pabulum about the moderation of Syria's President Hafez Assad and Lebanon's Minister of Justice Nabih Berri, the time has come to explain, in detail, what the intelligence community, on both sides of the Atlantic, knows about state-sponsored terrorism.

Fact 1—Shi'ite terrorists, working hand-in-glove with the Syrian and Iranian secret services, have struck U.S. targets 16 times since April 1983—from the kamikaze attack against the Marine compound that killed 241 to the kidnapping of seven Americans in Beirut who are still being held. It's what the specialists call low-level, low-intensity, low-risk and high-payoff warfare.

Fact 2—The latest hijacking was not the work of extremists working in isolation. The Israeli Mossad, after many interrogations of Shi'ite prisoners, knows that Nabih Berri himself was involved in the planning of eight hijackings and two car bombings.

Fact 3—The key supervisory role for Shi'ite extremists in Lebanon belongs to Col. Ghazi Kana'an, a Syrian intelligence operative who also functions as President Assad's pro-counsul in a country Syria regards as its own. Col. Kana'an has worked closely with the KGB in Syria and in Lebanon. French counterintelligence discovered in 1983 the existence of a terrorist training camp near Damascus that specialized in car bombings and where the trainers were members of the Bulgarian DS.

Fact 4—Col. Kana'an was in charge of the Hama massacre in February 1982 when 20,000 opponents of the minority Assad dictatorship were killed by Syrian special forces and the town virtually leveled.

Fact 5—It was President Assad who originally authorized the installation of Iranian terrorist squads in Lebanon's Bekaa Valley. Mr. Assad has been profoundly impressed by the success of Lebanese Shi'ite suicide squads in forcing a hasty U.S. withdrawal from Beirut in 1984 and in "breaking Israel's fighting spirit"—as he has expressed himself in recent conversations with his brother Rifaat and his top intelligence aide, Gen. Mohammed al-Kholi. Electronic surveillance—from the ground and from orbiting satellites—does produce known results.

Fact 6—President Assad, a master of deceit and hypocrisy, underwent a dramatic psychological change in recent months. He is now inspired by the Islamic cult of Shahadah (martyrdom in a holy cause), which is characteristic of the Shi'ite extremist terrorists. This appeared to receive confirmation in an extraordinary speech he delivered to the ninth Congress of the National Federation of Syrian Students on May 4. The key excerpts:

"I have believed in the greatness of martyrdom and the importance of sacrifice since my youth. My feeling and conviction was that the heavy burden on our people and nation . . . could be removed and uprooted only through sacrifice and martyrdom. . . . Early in my military life, I used to discuss with my colleagues the necessity for the state to form suicide squads from among the pilots. We used the word 'suicidals' and the well-known Japanese word kamikaze. We used to say: True, every pilot is already a commando [fida'i] by virtue of his profession. Still, we must differentiate between the ordinary mission and the fida'i mission which requires the pilot to pounce on the enemy target and strike enemy ships, airports and other targets by turning himself, his plane and the bombs into one single fireball. Such attacks . . . guarantee results . . . in spreading terror among enemy ranks, raising people's morale, and enhancing citizens' awareness of the importance of martyrdom. Thus, waves of popular martyrdom will follow successively and the enemy will not be able to endure them."

President Assad concluded his advocacy of state-sponsored terrorism by saying that "My conviction of martrydom is neither incidental nor temporary. The years have entrenched this conviction. . . . I hope that my life will end only in martyrdrom."

Fact 7—Mr. Assad, in person, with the assistance of Gen. Kholi, has supervised the training of handpicked kamikaze squads, including a group of fighter pilots who are now in the final phase of their training—and rehearsals—at Minakh air base north of Aleppo

Fact 8—A recent analysis completed on behalf of the CIA is titled "Expelling America—A New Coordinated Radical Strategy." President Assad has reached agreements with Iran and Libya for coordianted operations between the Syrian kamikazes and two other similar squads: a Libyan-controlled group, based at Tobruk, including Iranian, Palestinian and Libyan pilots, and an Iranian squad at Bandar Abbas, at the entrance to the Straits of Hormuz.

Fact 9—West European counter-terrorism operatives have discovered that Syrian-controlled networks are now in place in Athens, Madrid, Lille, and Marseilles. Iranian terrorists, disguised as mullahs, have used French mosques as safehouses.

Fact 10—Mr. Assad's controllers for terrorist operations include Sabah Noun, who helped coordinate the Shiite campaign against Israeli forces in southern Lebanon, and who has now been given overall charge of operations against Israel and Jordan; Issam Kansuq, a Syrian intelligence officer; and Hossein Mansouri, the Iranian who commanded the Ayatollah Khomeini's Revolutionary Guards in Lebanon until six months ago. These are the agents who have been made responsible for liaison between Damascus and networks in West Europe and the Gulf.

Fact 11—President Assad is convinced that he has a personal mission to harness Arab radicalism to Iran's fundamentalist fury in order to overcome moderate forces in the region. Mr Assad's grand design dovetails neatly with Soviet plans. There is no central war room in the bowels of the Kremilin directing these operations, but Mikhail Gorbachev can see how a worldwide decline in Soviet prestige has been accelerating, and state-sponsored terrorism is a low-risk course to change the correlation of forces back in Moscow's favor.

Fact 12—In the past two months, West German counterintelligence has uncovered links between East German agents based in West Germany and the alliance between the Red Army Faction, the Belgian "Fighting Communist Cells" and France's Action Directe, three extreme leftist terrorist groups. This is the alliance that has taken credit for a wave of terrorist bombings against NATO and U.S. military installations in several West European countries. Anti-U.S. and anti-NATO terrorism clearly encourages neutralism in West Europe and opens the way for an SPD-Green coalition to succeed the Christian Democrats now in power in West Germany. Eastern secret services drew one very important conclusion from what happened in Beirut October 23, 1983. Two kamikazes, driving five-ton trucks loaded with explosives, triggered the unraveling of the entire Western position in Lebanon—and changed the course of history. It does not require an overwhelming effort of imagination to figure out how we might get similarly discouraged in West Germany. After prolonged harassment by terrorists, a growing number of people would be tempted to conclude that we're not wanted over there.

Fact 13—In May 1984, key international terrorist leaders, including Mrs. Fusako Shigenobu, who heads what's left of the Japanese Red Army network, met with Col. Muammar Qaddafi in Tripoli. Shortly thereafter, Col. Qaddafi announced, upon the 14th anniversary of the closing of the U.S. Air Force at Wheelus Field outside Tripoli, that Libya was "now in a position to export terrorism, arson and liquidation to the heart of America and we shall do so if necessary."

Fact 14—Libyan plots to mine the Red Sea; sink a ship in the Suez Canal; bomb the Aswan High Dam (which would wreck the Egyptian economy); take over the holy city of Mecca with 2,000 terrorists disguised as pilgrims (which Morocco's King Hassan managed to stop after calling Col. Qaddafi when King Fahd told him his intelligence service had discovered what was about to happen); and assassinate moderate Arab leaders have all been uncovered in the past 18 months.

Fact 15—There are 66 identified training camps for international terrorists in Marxist or pro-Marxist countries; 20 in Libya alone. The Libyan Mukhabarat (secret service) is supervised by the East German MFS on behalf of the KGB. The KGB knows precisely how this entire network operates and what its objectives are.

Fact 16—About half of all terrorist actions in the world are aimed directly at U.S. targets—about 500 in 1983, up 20 percent in 1984. Most of the others were directed against U.S. allies or pro-Western Third World countries.

Fact 17—Former Secretary of State Alexander Haig was the first high-ranking administration official since World War II to warn about Soviet and Soviet proxy links to international terrorist groups, during his first press conference in February 1981. His successor, George P. Shultz, repeated this

warning at the Jonathan Institute Conference on International Terrorism in Washington in June 1984.

Fact 18—According to a lengthy French intelligence report dated May 11, 1978, it was in Havana, in January 1966, at the first Tricontinental Solidarity Conference, that the Soviet bloc secretly decided on a two-track approach for destabilizing the West. On a government-to-government level, it was to become "peaceful coexistence," a sort of smokescreen behind which the Soviet Union was to achieve global military supremacy, while the West was being disarmed psychologically. On another level, the Havana 66 compact agreed to organize, fund and train international terrorist groups through a variety of proxies.

The introduction of the French intelligence report said "the analysis of intelligence collected since 1972 establishes that the international solidarity of revolutionary movements on different continents and, for some of them, their terrorist emanation, stems from the [1966] Havana conference. In six years time [that is by 1972], the structures of this new terrorist international became operational. The 'mother cell' is in Cuba. The external ramifications, centers of coordination and action impulses of various 'anti-imperialist' movements of the Third World, as well as European terrorist groups, are, for the most part, made up of the networks that the KGB and its surrogate services have established abroad. Since 1972, sheltered by detente and peaceful coexistence, the actions of this new network of terrorism are detectable throughout the Western world."

One recent example: Barricada, the official Sandinista organ, confirmed the presence in Nicaragua of a Basque ETA "brigade" while Interior Minister Tomas Borge, then on a visit to Spain, was busy denying it to the Spanish press. The Cuban DGI supervises camps that have trained terrorists from all over the world, including members of the IRA, ETA and Italy's Red Brigades.●

Fact 19—Turkey, as a member of NATO, was the victim of a reign of terror for six years at the height of the so-called detente period, all masterminded by the KGB, via the Bulgarian DS, which operated a multi-billion-dollar heroin-for-guns ring based in Sofia. It supplied tens of millions of dollars worth of weapons, ammo and explosives to terrorists on both the extreme right and extreme left—until the military were reluctantly forced to take over in 1980 to put an end to Soviet-manipulated terror in a member country of the Atlantic alliance.

Fact 20—In his political testament smuggled to the West in the spring of 1980, Dr. Andrei Sakharov warned us to take seriously allegations of links between the KGB and its integrated surrogates, on the one hand, and international terrorist groups on the other. The media ignored this part of this 7,000-word message.

It is a war, albeit undeclared and by proxy, against Western democracies. Terrorism is but one of the weapons. The others are penetration, subversion and disinformation. Lenin said the purpose of terror is to terrorize. He practiced what he preached. He also said in 1921 that to tell the truth is a petty bourgeois habit.

The time has come for tough warnings and tough action against known terrorist states, those that act as terrorist proxies for Soviet objectives. Syria is one of them. So far, all the Reagan administration has done is apply a Band-Aid to a hemorrhaging wound. Unless its deeds match its words, we are condemned to watch the slow erosion of our still free societies.

[From the Wall Street Journal, June 19, 1985]

LIBYA, SYRIA AND IRAN COORDINATE SCHEMES TO STRIKE U.S. TARGETS, ARAB SOURCES SAY

BEIRUT, LEBANON.—While attention is focused on the hijacked American jetliner held hostage here, a much broader terrorist network aimed at America and moderate Arabs is taking shape in the Middle East.

The region's radical states of Libya, Syria and Iran all share a desire to strike out at American targets right now. Their motives are different, but their common interest in terrorist action has given rise to a series of troubling moves suggesting that an upsurge in state-sponsored terrorism could be in the offing.

Among the indicators:

The foreign ministers of Libya, Syria and Iran met in January in Tehran and laid the groundwork for a new "anti-American strategy," Arab sources close to the Syrian government say. The countries agreed to escalate terrorism against U.S. interests and personnel on a world-wide scale, the sources say.

More recently, Libyan leader Muammar Qadhafi formally formed and agreed to finance his first pan-Arab terrorist organization, called the Organization of Arab Revolutionary Forces. The organization, with headquarters in Tripoli, pledged to "conduct the Arab struggle for liberating all Arab territories" and "confront American imperialism."

Other organizations aimed at overthrowing Jordan's King Hussein and Iraqi leader Saddam Hussein recently set up operations in Syria.

Several weeks ago, Egypt announced that it had uncovered and foiled a Libyan plot to blow up the U.S. Embassy in Cairo with a truck loaded with explosives smuggled into the country. Egyptian officials said the incident was part of a broader Libyan terrorism campaign.

There isn't any evidence linking the latest hijacking of an American jetliner to these new organizations. But Shiite terrorists—such as those holding the American jet and its passengers hostage—acquire inspiration, guidance and often material assistance from radical states, particularly Iran.

Unless the U.S. finds some clear link between the current hijacking and terrorist efforts sponsored by radical states, however, it will have a difficult time retaliating. The U.S. has had to refrain from striking back after previous terrorist episodes because it lacked clear evidence that any government or groups of governments had sponsored terrorists that hit American targets.

Hard-line states in the Middle East, of course, share a general anti-American sentiment that always makes them eager to undercut American interests. Now, though, they have special reasons to want to lash out at the U.S.

Iran is enraged at the American tilt toward Iraq in the Persian Gulf war. Syria wants to demonstrate that it won't allow the U.S. to engineer an Arab-Israeli peace package that satisfies moderate Arabs and Palestinians but doesn't satisfy the region's hard-liners. Libya wants to encourage radicals to disrupt the new "moderate Arab axis" of Jordan, Egypt and Iraq that the U.S. is fostering.

"There is something in common" among these states, says one knowledgeable Lebanese. "Blackmail the Americans."

Moreover, the Shiite fundamentalist movement that has sprung from the anarchy in Lebanon has given the radicals a new stock of young Moslems willing to carry out terrorist actions.

Perhaps the most ominous of the new movements in the region is the loose agreement apparently struck by Libya, Syria and Iran early this year. Arab sources close to the Syrian government say that Syria and Libya spearheaded the drive. At Iran's urging, the group avoided forming a formal alliance that would appear to put the group on the side of the Soviet Union; Iran doesn't want to appear to be on either side of the superpower struggle.

But the sources say the three countries did agree on a strategy to coordinate policy on Middle East issues and to strengthen relations with Soviet-backed states like South Yemen and Ethiopia.

Syria and Libya also agreed to whip up Palestinian terrorism by radical Palestinian factions opposed to Palestine Liberation Organization leader Yasser Arafat. Mr. Arafat has angered the radicals by his apparent willingness to participate in a peace process led by moderate Arabs and the U.S.

Iran, the sources say, pledged to encourage terrorism by Moslem extremists.

All three countries have agreed to cooperate in the exchange of intelligence information, forging passports for their operatives and providing them with finances and transport facilities, according to the sources. The countries also reportedly ordered their diplomatic missions abroad to cooperate closely.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. CRANE. Mr. Speaker, today, I am including another segment of a series of discussions on the concept of expanded capital ownership. Today's material is the conclusion of yesterday's article, written by Louis Kelso, the leading proponent and ideological founder of the idea of expanded capital ownership. In this essay, entitled "Karl Marx: The Almost Capitalist," which appeared in the American Bar Association Journal of March 1957, he addresses the third of Karl Marx's major ideological errors. It would be well for each of us to remember that the entire purpose of the human right of equal access to productive ownership is the transcendent human right of dignity through freedom and justice. We must therefore be vigilant in assuring that private ownership of the means of production remains the ideological high ground in our battle with collectivism and oppression around the world.

[From American Bar Association Journal, March 1957]

ERRORS OF KARL MARX

(By Louis O. Kelso)

Each of the three critical mistakes which Marx made in his study of capitalism arose from the fact that he began his analysis with a study of distribution, *rather than with a study of production.* At the distributive end, something less than a tenth of the population, for the most part owners of land and capital, were faring infinitely better—receiving a proportionately greater share—than were the other nine tenths, whose only participation in economic activity was as workers or as recipients of public charity under the poor laws. The pattern of distribution was bad from whatever standpoint it might be judged. Those who were receiving the great share were the capitalists, the owners of the expanding industrial and commercial enterprises.

For Marx, capitalism was simply what he observed in the European world around him, and primarily in Great Britain. Since the distributive pattern was unsatisfactory, capitalists and capitalism, he concluded, must be at fault. Labor had "historically" been the source of all production of wealth, and the workers were now receiving a progressively smaller proportion of the proceeds of production. Down the capitalism!

Had Marx started with an objective analysis of production and a deeper insight into the property-freedom relation, he might well have concluded with a declaration of war against capitalists for *hoarding capitalism.*

Error No. 3: Mistaking the Wealth Created by Capital for Wealth Created by Labor and Stolen by the Capitalists.

Let us now examine once more the principles of capitalistic production that Marx might and should have used as a starting point. In an exchange economy, and particularly in an economy of freely competitive markets, each service and each commodity is valued for its peculiar ability to satisfy a certain desire of the consumer. Whether the service or commodity is produced by labor alone or by capital alone or by the co-operation of these two, is unimportant to the potential purchaser except as the method of production implants specific characteristics in the thing marketed. It is the finished product which is demanded by the purchaser, not the knowledge that it is produced in one way or another—a mere means by which the product was brought forth. Contrary to what some sentimentalists think, there is nothing sacred about the products of labor that is not equally sacred about the products of capital or those produced jointly by capital and labor.

To effect any change in the nature or position of material goods or to perform any kind of a service, material goods must be acted upon. Marx recognized this; but, because of his obsession with the labor theory of value, he contended that only labor could be credited with the value of material goods produced or services performed. "Useful labor" he said, "is an eternal necessity imposed by Nature, without which there can be no material exchanged between man and Nature, and therefore no life." (Ibid. page 50.) To effect such changes in matter, or to perform such services, purely physical, i.e., mechanical means, must be used. With rare exceptions, pure thought is not economically compensable. Speech, writings, mechanical action—all these things, performed by man, are capable of entering into economic transactions. The thought behind such speech, writings, mechanical action, is not by itself capable of entering into ordinary commerce.

Man as a non-scientific and non-managerial subsistence-laborer is, from the standpoint of economics (aside from his separate nature and position as the consumer), a primitive, low-horsepower engine, relatively clumsy and of brief durability, for the production of economic goods. Man the worker, except in the fields of science and management, has grown steadily less impressive since the onset of the industrial revolution. He can work eight, ten or twelve hours at a stretch and then must rest. His strength and speed of action are quite limited. He is subject to numerous ailments, often adversely affected by climate, temperamental and not infrequently lazy. He makes many mistakes. As a factor in the production of wealth, man is progressively less successful in competing with capital instruments, except, again, as a scientist or as manager.

It is not as a worker that man is master of the earth. It is as the intelligence behind all production, and as the consumer—the reason for production and the destiny of the things produced—that he is supreme.

It may well be that confusion between man the worker and man the thinker—the source of all ideas and plans—contributed as much as any cause to Marx's failure to recognize capital as a producer of wealth in the same sense that labor is. Mental activity enters into economic transactions primarily in two ways: (1) the mental activity of the scientist and manager is responsible for the invention, development, improvement and production of capital instruments, and the supervision of productive activity of both laborers and capital instruments. Scientists and managers are in general the top echelon of labor—the professional level. Their services include entrepreneureal activities, in which they provide the initiative in organizing the capital and labor to institute or expand particular business activities. A substantial portion of their services is rendered in improving the productivity of capital instruments, thus promoting the substitution of machines for men and otherwise reducing labor requirements, where to do so will reduce the costs of production and render the businesses in which they are engaged more efficient and competitively better. The steady improvements in capital instruments, systems of production, and organization of productive processes, are the results of the mental activity of the scientists and managers. Their ability to produce in these fields is the secret of their rising productiveness and the increased demand for their services.

(2) Mental activity enters into non-scientific work and non-managerial work in varying degrees. The intelligent direction by the worker of his own activities is incidental to the mechanical work performed by him. Labor is compensated for a particular type of service of a physical nature which could not be rendered in the absence of intelligent direction on the part of the worker himself.

Marx recognized that machines and men are competitors in the sense that scientists and managers, in carrying out their function to produce goods and services in a competitive market, strive to eliminate labor costs and to improve upon hand methods of production. "The instrument of labour [meaning, of course, machines, the instruments of the capitalist] when it takes the form of a machine, immediately becomes a competitor of the workman himself." (Ibid. page 470.) In speaking of this competition, Marx comes as near as possible to recognizing that capital instruments are active forces in the production of wealth, performing an economic function of the same sort as labor, and frequently performing functions which can interchangeably be performed by either.

Marx observes that in the case of the handcraft industries, "the workmen are parts of a living mechanism. In the factory we have a lifeless mechanism independent of the workman, who becomes its mere living appendage. . . . By means of its conversion into an automation, the instrument of labour confronts the labourer, during the labour process, in the shape of capital, of dead labour, which dominates and pumps dry living labour power. The separation of the intellectual powers of production from the manual labour, and the conversion of those powers into the might of capital over labour, is, as we have already shown, finally completed by modern industry created on the foundation of machinery. The special skill of each individual insignificant factory operative vanishes as an infinitesimal quantity before the science, the gigantic physical forces, and the mass of labour that are embodied in the factory mechanism and, together with that mechanism, constitute the power of the 'master'." (Ibid. page 462.) It may well have been Marx's failure to recognize that capital instruments in practice supplant not only physical forces, but intelligence, that deterred him from recognizing that capital "works" just as labor works.

Whether Marx could have closed his eyes to the facts of production in the now-dawning age of automation is an interesting speculation. Yet even in Marx's own day it should have been possible for him to recognize that the scientists (engineers) in designing capital instruments build into these instruments the capability of performing operations which, if performed by labor, would require the application of brainwork. His obsession with the labor theory of value rendered him incapable of this insight.

But today, with the development of feedback, self-correcting and self-programming machines, capable of automatically performing a sequence of logical operations, correcting their own errors as they perform their productive tasks, choosing from built-in instructions or characteristics their proper functions, it is likely that even Marx would have broken through his barrier-obsession that labor does all the work.

Human minds ultimately direct the production of goods and services. This is true of the functions of capital instruments as it is of workers. As a production process uses more and more capital instruments, more of the human mental control of the process of production is shifted away from workers to scientists (and their mechanical progency) and to management. Thus the private ownership of labor is not, in action, essentially different from the private ownership of capital. Each involves the right of control of an active means of production, the right to take the fruits of such production, to produce where and when the owner desires, and to accept or reject conditions of production. The most significant difference is that the owner of capital instruments is not required to be personally present in the productive process; he produces, or in any event he may produce, vicariously. Mental activity as such is not the basis of the property rights of either labor or capital owners in wealth produced.

What difference would it have made to Marx's theory of capitalistic economics if he had recognized both the power of labor and

the power of capital instruments to create wealth? It would have made all possible difference.

If all wealth is created by labor, and if the total wealth created is in excess of that distributed to labor on the basis of the market value of labor, then the excess is "surplus value". This surplus value, according to Marx, is something really stolen from labor by the capitalist. It is elementary that wealth belongs to him who creates it, and if only labor can create wealth and capital instruments cannot create wealth, then the owners of capital have no possible claim to a share in the proceeds of production. The most they could legitimately claim would be to have the value of their original capital, which has been partly or wholly consumed in the productive process, restored to them. In the socialist state, this "surplus value" is something that would belong to society as a whole, to be distributed as the administrators of the state decide.

In short, if labor is the only possible creator of wealth, then capital cannot be a creator of wealth, and there can be no legitimate return to capital other than a return of the original investment. The recognition by Marx of capital as one of the two active factors creating wealth would have exposed the falsity of his own basic theories. More than that, he would have been led inevitably to exactly the opposite conclusions. If labor is entitled to a return in the form of wages for wealth created by labor, then the owners of capital should be entitled to a return for the wealth created by capital.

Strange as it may seem, Marx recognized the technological trend and even acknowledged that it appeared to be the case that the net wealth remaining after payment for raw materials and labor was wealth created by capital. Yet he refused to believe this appearance, and simply asserted again and again that this excess was "surplus value". With regard to the increasing productivity of capital, he noted that "every introduction of improved methods . . . works almost simultaneously on the new capital and on that already in action. Every advance in chemistry not only multiplies the number of useful materials and useful applications of those already known, thus extending with the growth of capital its sphere of investment. . . . Like the increased exploitation of natural wealth by the mere increase in the tension of labour power, science and technology give capital a power of expansion independent of the given magnitude of the capital actually functioning." (Ibid. pages 663-664) With respect to the apparent production of wealth by capital instruments, Marx acknowledged that there appeared to be, as Sismondi had said, a "revenue which springs from capital". But he refused, to the very end, to believe that it was the wealth created by capital—a possibility he saw but never understood or appreciated. To Marx, the wealth created by capital remained "surplus value" to which the owners of capital had no claim—surplus value stolen by the owners of capital from the owners of labor.

MARX'S THREE ERRORS . . . A FATEFUL NEAR MISS

But for the basic and demonstrable errors in his theory of capitalism—the three errors discussed above—Marx would have reversed his views about capitalism and socialism. His writings leave no doubt that he was making an honest search for the truth about capitalism and the causes of maldistribution of wealth under capitalism. But it is also true that his writings leave no doubt that, had he caught and prevented himself from falling into his three foundational errors, he would have become as defiant in his espousal of capitalism as he erroneously was vehement in its denunciation.

If labor alone is a creator of wealth, there must be, as Marx and Engels said in the *Communist Manifesto*, equal liability of all to labor. But if capital is a creator of wealth, one may participate in the production of wealth either as an owner of labor or as an owner of capital. Similarly, if land is a source of wealth, one may participate in the production of wealth as an owner of land. But this basic capitalistic principle goes further. If, as we know, the productivity of capital is increasing in relation to that of nonmanagerial and non-scientific labor, and if the right to participate in the distribution of the proceeds of production follows from the fact of participation in production, the social justice which Marx sought lies *in regulating the capitalistic economy so that there emerges an ever-increasing proportion of capitalists.*

The uneasy ghost of Marx must suffer the torments of the damned at the truth glaring from the pages of history that one does not abolish property by transferring it to the state. To put an end to private property in capital and land by establishing the socialist state is to concentrate the vast aggregate of property rights in the wielders of political power. There is no mystery in the fact that through a literal application of the theories of the great seeker after social justice, the communist countries have achieved the exact opposite of what was promised. Marx wailed over the plight of the helpless worker under the merciless lash of the powerful factory owner. What would he say of the plight of the worker before the inescapably crushing power of the dictator, the political clique, or the party which in fact (though never in name, since everything is always done in the name of "the people") owns all factories, all instruments of production, all land, and fuses this power with political power?

There can be only one answer. The safety, the security, the dignity of the individual which Marx sought in socialism can be found only under capitalism. The answer to the charge that ownership of capital instruments is too concentrated lies in the proper use of governmental regulation to reduce the concentration and to continuously broaden the private ownership of the means of production.

What Marx almost discovered was that both the benefits and the success of capitalism grow with the number of men who are capitalists. His error in failing to discover this truth was the most fateful near-miss in history.●

THE AIDS EPIDEMIC

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. WAXMAN. Mr. Speaker, for the week ending July 7, the Centers for Disease Control report 133 confirmed cases of AIDS among children. On July 1, the New York Times reported an estimated 600 cases of AIDS or AIDS-related illnesses among children. These numbers are not contradictory: Everyone agrees that a great many more people are victims of the epidemic than are reflected in official, confirmed statistics.

The story of children with AIDS is not told often. Their plight is pathetic and their numbers are growing. The number of confirmed cases has more than doubled in less than a year.

Mr. Speaker, I would ask that the New York Times article be reprinted in the RECORD, followed by the most recent statistics on the epidemic.

AIDS CHILDREN STRUGGLE WITH TRAGIC LEGACY

(By Jane Gross)

Dr. James Oleske pulled a plush rabbit from the pocket of his lab coat, but was unable to quiet his 4-year-old patient.

Instead, Dr. Oleske turned the restive boy from his back to his stomach and prescribed Valium as a sedative.

"See you, old buddy," Dr. Oleske said, leaving the hospital room with a salute and a strained smile. Then he approached a staff physician.

"Resuscitate," Dr. Oleske said, "but no respirator."

The child was dying of AIDS, the viral disease that destroys the immune system of both its adult and its child victims. Last fall the boy had been holding his own, walking and talking, until the virus attacked his central nervous system.

Now, he lay at Children's Hospital in Newark, mute but for intermittent weeping, immobile but for spasmodic movements in his stiffened legs.

He is 1 of the about 600 children nationwide who health experts estimate have either AIDS, acquired immune deficiency syndrome, or preliminary symptoms of the disorder. More than 300 are in the New York area, most born to mothers who are intravenous drug users. Many of the mothers do not display symptoms but may themselves eventually sicken and die.

Since AIDS was identified in adults in 1981, the Federal Centers for Disease Control in Atlanta have reported 11,271 cases and 5,641 deaths, most of them male homosexuals and intravenous drug users.

According to the Federal definition of pediatric AIDS, which requires the presence of "an opportunistic, life-threatening infection" and the elimination of all other possible immunological disorders, 132 of these victims were children, 97 of whom have died.

Doctors, researchers and health-care professionals say that for every child with AIDS, there are three or four with a condition known as AIDS-related complex. The related condition tends to precede AIDS, the doctors say.

These children are often born to disintegrating families, already riddled by poverty and drug addiction.

Sometimes their parents are incompetent or too sick to raise them, and they are placed in foster care before their illness is diagnosed. Other times, they are abandoned in the hospital by natural or foster families unwilling or unable to nurse them.

And even if the natural parents struggle to manage their ailing families, often they do not live long enough to complete the task.

Dr. Arye Rubinstein, who has treated 92 such youngsters at the Albert Einstein College of Medicine in the Bronx, calls them

the children of "fractured" families. "Sometimes," he said, "the whole family is dying."

"The people we take care of are a very disenfranchised group," said Dr. Oleske, a pediatric immunologist, who noted that drug abusers were a population less organized and more scorned than other groups at risk for AIDS.

With two or three new cases of pediatric AIDS diagnosed locally each month, policy makers are taking action. Dr. Rubinstein was awarded $400,000 by New York City last month to establish a day-care center in the Bronx for the children.

This summer, with the advice of health-care professionals who stress their strong belief that the disease is not contagious through casual contact, both New York City and New Jersey will promulgate guidelines that could admit AIDS children to public school next fall.

"If they're well enough to go to school, they're not a risk to other children," said Dr. David J. Sencer, the Health Commissioner of New York City, where last year a handful of AIDS children were instructed at home. "But it's going to take a lot of patient discussion, not only with the Board of Education, but with the community at large."

ROLE OF DRUG ADDICTION

"Everyone agrees that under proper circumstances, these children should be mainstreamed," said Joseph Mancini, a spokesman for the New York City Board of Education.

One foster mother of a 3-year-old child with AIDS-related complex who had been abandoned in a hospital for 20 months after being diagnosed said she was more afraid of society than of her foster daughter's illness. The 44-year-old woman said she had considered lying, as she has to neighbors and friends, in order to enroll her child in a regular nursery school program.

"Some people think that's evil," said the woman, who has been shunned by family members and friends. "But if she's going to have a short life, I want it to be a full life."

The woman's foster daughter, like most AIDS children in the New York area, was infected by a drug-addicted mother. Nationally, about half the AIDS children are born to women who were intravenous drug users or who were infected, through sexual contact, by drug-using mates. In New York, 80 children have been diagnosed as having AIDS, according to the Centers for Disease Control definition, and 70 percent of the cases have been traced to drug use, usually by the mother.

Local doctors report that they are seeing more cases from middle-income families, often in situations where the woman was unaware of her mate's drug habit. "There's social chaos on all levels of society," said Dr. Jane Pitt, who has treated about 35 children with AIDS or AIDS-related complex at Columbia-Presbyterian Medical Center.

Less frequently, children have been infected with AIDS because of a mother's sexual contact with a bisexual man, or because of contaminated transfusions.

Medical experts are unsure whether AIDS children are infected in the womb or during birth, or what percentage of children born to infected women are affected.

Local doctors tell many stories about mothers who give birth to more than one AIDS child. But, in the face of limited data that seem to indicate a substantial risk in a second pregnancy, the doctors are divided on the ethics of encouraging abortion. Many doctors say that in general, pregnancy affects a woman's immune system, and therefore increases the risk of developing AIDS for women who are carrying the virus.

"They want a survivor," said Dr. Rubinstein, explaining why women often shun his advice not to have another child.

Only 12 percent of the mothers of AIDS children nationwide actually had the disease during pregnancy, according to the Centers for Disease Control. But the birth of an AIDS child is a signal that the mother is carrying the virus, said Dr. Polly Thomas, a pediatric immunologist in the New York City Health Department.

Many AIDS children born to addicted mothers are already in foster care when their illness is diagnosed, and such foster parents often keep the children.

"The goodness of these parents, I can't tell you," said Anita Septimus, a social worker in Dr. Rubinstein's unit, who said foster mothers were much more likely to attend support groups than natural mother's, whose "guilt and denial is unbelievable."

Abandoned AIDS children are extremely difficult to place with families, according to Harry Silverstein, the director of placement at the Office of Special Services for Children, a division of the city's Human Resources Administration.

Sixteen AIDS children have come to the attention of Mr. Silverstein's agency in the last two years. Two have died, three live with relatives, one was returned to a foster family and three have been placed after publicity campaigns. Seven homeless AIDS children remain in New York City hospitals, although they are not sick enough to require inpatient care.

Most doctors and social workers say fear—of contagion and of loss—is what inhibits prospective foster parents. New York City pays foster parents $250 to $350 a month, and certain categories of children entitle a foster parent to $5 a day extra, which Mr. Silverstein said was not "automatic" for AIDS children until recently.

AFTER THE DIAGNOSIS

Dr. Rubinstein and Dr. Oleske disagree about how to deal with children who are still with their natural parents at the time of diagnosis.

Dr. Rubinstein said, "I always send them back, because a bad family environment is better than no family environment." His social worker, Mrs. Septimus, said some addicted mothers responded to their children's illness by reshaping their lives, while others became "more irresponsible" under the new stress.

Dr. Oleske said, "The worst possible care provider is a drug-addicted woman." He occasionally urges social workers to remove a child from its natural mother. The Newark doctor is treating 22 AIDS children; nine are in foster care, six because the natural mothers died and three because the mother was judged unfit.

One 2-year-old girl at Children's Hospital has been hospitalized for 16 months because her teen-age mother is not capable of caring for her. The child, in the final stages of the disease, which often ends with pulmonary or neurological failure, was put on a respirator and the mother has stopped visiting.

WAITING FOR A CURE

Often, the children are initially labeled as "failure to thrive" babies, with symptoms of immunological failure usually appearing by six months. In children with AIDS, an infection—often pneumonia—usually occurs by the age of 12 months. In 80 percent of those cases, the child is dead within two years.

Both Dr. Oleske and Dr. Rubinstein vigorously treat infections in AIDS, children and subscribe to an experimental program in which gamma globulin, a blood product containing antibodies, is administered intravenously.

Dr. Oleske reports that five children on the program are alive four years after diagnosis, and three of those are showing improvement in their immune systems. Dr. Rubinstein said his star patients are two 7-year-olds, whose symptoms were detected at 12 months and subsequently diagnosed as AIDS.

Neither doctor cites these cases as an indication that the progress of the wasting disease can be halted; their goal is to keep patients alive as long as possible in the hope of a cure. "Every month we gain, every day we gain, is worthwhile," Dr. Rubenstein said.

"But there's no delusion that we're doing anything dramatic," Dr. Oleske said, "All we can give these children is good supportive care."

WHEN HOPE EBBS

At the stage of severe neurological impairment, both doctors cease the most aggressive treatment. "The brain just shrinks away, like Alzheimer's," Dr. Rubinstein said. "They lose milestones and stop talking, walking, sitting. Once that happens, we throw up our hands. That sounds terrible, but you have to draw the line somewhere."

Dr. Oleske set a similar standard when he decided against a respirator for his 4-year-old patient at Children's Hospital, after neurologists advised that the AIDS virus had irreversibly affected the brain. "When it hits the vital centers, we fail," he said.

Parents, Mrs. Septimus said, are loath to confront the severity of the disease, in their offspring or themselves. She considers this reluctance a blessing because, she said, a fearful woman is more likely to abandon her child.

Typical, she said, was the foster mother of the 3-year-old child with AIDS-related complex, who has been hospitalized once in the last six months with pneumonia, recently contracted a skin infection after a swim in a hotel pool and has chronically enlarged organs and glands. The foster mother, a hospital administrator, said, "I'm convinced she's going to lick it," and she bristles at what she considers alarmist doctors.

A believer in "therapeutic touch," the mother said that each night she rubbed her daughter's belly and back. "I say, 'Spleen, go down' and it's already gone down," she said. "Next I'll do the liver and then the lymph glands."

"MY HEART GOES BANG"

For the doctors, such hope is more elusive. Dr. Oleske said there were days when it was nearly impossible to put on his optimistic face, that he had not anticipated dealing with so many dying children and "wasn't emotionally ready for it."

Dr. Rubenstein said that he protected himself from "burnout" by delegating many emotional chores to his social workers. But Mrs. Septimus said the doctor was always the one to tell parents that their child was about to die. "I've heard it time and again," she said, "and each time my heart goes bang." "

Lately, Dr. Rubenstein said, staff members regularly weep in his office. "There is so little hope at the end of the tunnel," he said. "And the misery of the family—everyone is involved. I don't know of any other disease that does this."

"It's good in your head to think you can walk out on the job." Mrs. Septimus said, "but even if you wanted to go back to the same little life, you couldn't do it, because you look at your own humanity in a different way. But, there are days when I feel like screaming, 'What did they do to deserve this?'"

ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) WEEKLY SURVEILLANCE REPORT, JULY 1, 1985, U.S. CASES

	Reported cases	Reported deaths
Adult/adolescent	11,219	5,586
Pediatric (under 13 at diagnosis)	133	97
Total	11,352	5,683
Age of AIDS patients:		
Under 13	133	
13 to 19	62	
20 to 29	2,386	
30 to 39	5,374	
40 to 49	2,377	
Over 49	1,020	
Total	11,352	
Residence:		
New York	4,071	
California	2,615	
Florida	808	
New Jersey	703	
Texas	576	
Pennsylvania	240	
Illinois	234	
Massachusetts	217	
District of Columbia	179	
Georgia	179	
Maryland	147	
Connecticut	127	
Louisiana	127	
Puerto Rico	127	
Washington	115	
Virginia	101	
Colorado	88	
Michigan	69	
Ohio	68	
Missouri	54	
North Carolina	53	
Arizona	48	
Hawaii	37	
Indiana	35	
Oregon	34	
Minnesota	27	
South Carolina	27	
Kentucky	25	
Wisconsin	25	
Alabama	24	
Tennessee	20	
Oklahoma	19	
Rhode Island	15	
Delaware	14	
Nevada	14	
Utah	13	
New Mexico	10	
West Virginia	10	
Other States (10)	57	
Total	11,352	

ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) WEEKLY SURVEILLANCE REPORT, JULY 8, 1985, U.S. CASES

	Reported cases	Reported deaths
Adult/adolescent	11,372	5,617
Pediatric (under 13 at diagnosis)	133	97
Total	11,505	5,714
Age of AIDS patients:		
Under 13	133	
13 to 19	62	
20 to 29	2,418	
30 to 39	5,450	
40 to 49	2,410	
Over 49	1,032	
Total	11,505	
Residence:		
New York	4,143	
California	2,656	
Florida	808	
New Jersey	705	
Texas	576	
Pennsylvania	240	
Illinois	235	

ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) WEEKLY SURVEILLANCE REPORT, JULY 8, 1985, U.S. CASES—Continued

	Reported cases	Reported deaths
Massachusetts	218	
District of Columbia	181	
Georgia	179	
Maryland	149	
Puerto Rico	132	
Connecticut	127	
Louisiana	127	
Washington	125	
Virginia	102	
Colorado	88	
Michigan	69	
Ohio	69	
North Carolina	55	
Missouri	54	
Arizona	53	
Hawaii	38	
Indiana	38	
Oregon	35	
Minnesota	27	
South Carolina	27	
Alabama	26	
Kentucky	26	
Wisconsin	25	
Tennessee	20	
Oklahoma	19	
Rhode Island	15	
Delaware	14	
Nevada	14	
Utah	13	
New Mexico	10	
West Virginia	10	
Other States (10)	57	
Total	11,505	●

MISSING IN ACTION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday July 9, 1985

● Mr. GILMAN. Mr. Speaker, I am pleased to join with my distinguished colleague from New York [Mr. SOLOMON], the chairman of the House Task Force on our Missing in Action, in noting for our colleagues that recent revolutionary developments indicate that 1985 will be remembered as the pivotal year in the resolution of this issue—an issue which has haunted America since the last of our troops supposedly left Southeast Asia in 1973.

This year, it has been alleged that interest in our missing Americans reached a greater peak than at any time since the conclusion of hostilities. This public interest, stirred by popular motion pictures and television presentations, is certainly most welcome by those of us both in this House and in the private sector who have struggled for years to obtain a full accounting of our missing Americans.

Although we welcome the public interest, we did not and do not welcome those who, for whatever purpose, oversimplified and in many ways sullied the cause of our quest for a full accounting. Many persons throughout this Nation, undoubtedly patriotic and well-meaning, took up the hue and cry: "Why aren't we doing more? Why aren't our live Americans brought home?"

Throughout this ever-increasing clamor, our President and the House task force kept a steady but firm course. It was the belief of this administration—a belief shared by a majority of task force members—that the only feasible path that could be followed for a full accounting was by government-to-government negotiations, not through any independent or otherwise nongovernmental mercenary action.

Americans who have seen motion pictures depicting a single hero, with adequate firepower, obtaining the release of many live Americans, were sadly deluded. While we have received a number of reports or sightings of live Caucasians in actuality, we have not been able to substantive evidence of any live Americans being held captive that part of the world. Indeed, if we did, I dare say a vast majority of our colleagues would take to the floor demanding immediate action.

However, the events of the last few weeks prove that it is our reasonable, realistic approach that is beginning to reap dividends in this quest, not the Hollywood histronics.

In February of this year, for the first time in history, the Government of Laos allowed an American technical team to excavate a known crash site within Laotian territory. That crash site, near the point where Vietnam, Cambodia, and Laos meet, about 24 miles from the village of Pakse, was the point at which an AC130 gunship, with 16 crewmen aboard, crashed after being struck by enemy firepower. Two Americans escaped alive, and the body of a third was recovered shortly thereafter, but the whereabouts of the other 13 remained a mystery.

Our excavation this February produced fragmentary and severely burned remains. Long and arduous examination by our U.S. Army Central Identification Laboratory resulted in the positive identification of those remains as those of our 13 brave American servicemen.

Last week, while the attention of the world was focused on the crisis in Lebanon, our heroes were finally returned to their loved ones. Their families receive our condolences, now that the long wait is at last over, and these men have earned an eternal place in our hearts.

At about the same time as our Laotian excavation, a breakthrough in our talks with Hanoi took place. The Government of Vietnam, long isolated from the civilized world and faced with internal chaos and bankruptcy, agreed to fuller cooperation with the United States. To a great part, this breakthrough signifies the determination of our President and our Secretary of State and his staff, who have insisted that the MIA issue be a condition for any normalization of relations. At that time, six sets of remains

were repatriated, as a gesture of cooperation.

This week, we received the long-sought news that the remains of 26 more Americans will be returned to us as soon as possible. In addition, the Hanoi government has indicated their goal of resolving this issue once and for all "within 2 years." Hanoi is currently considering the admission of U.S. technical search teams into Southeast Asia.

This development offers the most promising ray of hope yet offered on this priority issue since the end of the Vietnamese conflict. Although we all look forward to the day when we have a full and total accounting of our 2,400 servicemen still missing in action, these recent developments should make it clear to one and all that the most effective means of obtaining a full accounting is by way of government-to-government cooperation and not by any private initiatives.

Undoubtedly, there will be those who will say that this was not enough. There will be Americans who insist that there are live Americans still being held captive and that we cannot rest until they are freed.

Although no evidence has been gathered to date proving that there are live Americans in Southeast Asia, all Americans can rest assured that we will not rest until every conceivable means has been exhausted to obtain the final and full answers to this issue.

Mr. Speaker, our House Task Force, and the Subcommittee on Asian and Pacific Affairs, under the able leadership of the distinguished gentleman from New York [Mr. SOLOMON] and the distinguished gentleman from New York [Mr. SOLARZ], conducted hearings 2 weeks ago to bring the Congress up-to-date on this issue. We took testimony from a host of administration and military officials in open session, and in executive session interrogated Marine Pfc. Robert Garwood, because we do not intend to leave any stone unturned in our quest for a full accounting.

The developments since those hearings adjourned are a clear signal that the administration and Congress are on the right track on this issue, and that now is not the time to be swayed by any sensationalist and the oversimplificationists who are proposing all sorts of schemes to resolve this issue rather than the realistic and the productive path.

Mr. Speaker, in 10 days, Americans will be marking National POW/MIA Recognition Day. This date, July 19, established by Congress, should be the occasion of solemn ceremonies reminding all Americans that 2,400 of our brethren are still missing and the occasion for educational programs advising all Americans of the complexity of the problem.

Accordingly, Mr. Speaker, let us be grateful for recent developments, at the same time not forgetting that much more work remains to be done. For those who gave so much, we can do no less.●

HOMECOMING FOR MIA'S

HON. GERALD B.H. SOLOMON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1985

● Mr. SOLOMON. Mr. Speaker, never were the words "Welcome Home" so affectionately spoken as when President Ronald Reagan uttered them at Andrews Air Force Base to the 39 hostages who had returned to America after 17 days as prisoners of Shiite terrorists.

The sight of this homecoming was indeed welcome. But equally welcome, if less noticed, was another homecoming of sorts which took place that very same day.

On the day the hostages landed home on American soil, the White House also released news that the remains of 13 American servicemen shot down over Laos in 1972 had been positively identified.

Thus a long and agonizing wait ended for the families of these brave Americans, a wait that began when an AC130 gunship with 16 crewmen aboard crashed in rugged terrain about 24 miles northeast of Pakse, in southern Laos, just 4 days before Christmas 1972.

Two crewmen escaped; the body of another was recovered the next day. But the other 13 were eventually listed among the 576 Americans missing in Laos since the Vietnam War.

In September 1982, a decade after the crash, the Government of Laos, after some prodding, agreed to permit representatives of the National League of Families to visit various suspected crash sites. This visit was followed up in December 1983 by a team of technical experts who surveyed the Pakse site.

On February 14, 1985, the remains were excavated. Then, finally, came that Tuesday in July, homecoming day, when the identity of these remains were released.

I relate all these details for three reasons.

First of all, I think it is instructive for all Americans, and especially to those who are skeptical, to see that this kind of task can be accomplished if we are determined enough to accomplish it.

Second, I think this announcement is, in my view, a clear vindication of the policies of President Reagan and concerned members of his administration, who have made the fullest possible accounting of American MIA's "the highest national priority."

As chairman of the House Task Force on American Prisoners and Missing in Southeast Asia, I applaud the President's commitment.

I wish also to commend the work of the U.S. Army Central Identification Laboratory, which performed nothing short of a technical miracle in identifying the fragmentary and severely burned remains.

I wish also to thank all those concerned and patriotic Americans, most notably the National League of Families, who have supported us every step of the way.

Third, I want to highlight the news about the identification of these 13 sets of remains because it now appears there is a good possibility that such announcements may soon become, if not routine, at least more commonplace.

Over the weekend of the Fourth of July, the Government of Vietnam announced that it is willing at long last to enter into joint, high-level discussions with the United States about the fate of the 1,375 servicemen still listed as missing in that country.

I take this announcement as another vindication of the Reagan administration policy of keeping the MIA issue as a top humanitarian concern which must be resolved before reconciliation or diplomatic recognition can take place.

As a symbol of their good intentions of resolving this issue over the next 2 years, Hanoi officials have already agreed to return the remains of 26 servicemen.

For the families of those 26, the long and agonizing wait now begins. We can only hope and pray that over the coming years, the same process just beginning for those 26 families, and now ending for the families of the 13 servicemen returned from Laos, will be resolved for the remaining families.

Let us also hope and pray that we continue to show the resolve we have displayed so far until all those brave Americans, missing so long, come home to be interred in native soil and to have their names inscribed beside their fallen comrades on the rollcall of American heroes whose courage and sacrifice have enabled us to enjoy the blessings of freedom today.●

SENATE—*Wednesday, July 10, 1985*

(Legislative day of Monday, July 8, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, the release and return of the TWA hostages deepens our concern for those who have been hostage for more than a year and their families. Our gratitude is boundless for those who have been released and we praise and thank Thee for this wonderful fact—but our hearts go out to those still captive and their loved ones, who, though they rejoice for those who have been freed, find their joy mixed with unprecedented frustration and aggravation.

Gracious God, we pray that Thou will overrule the forces which perpetuate this mindless evil. Give wisdom to all who are involved in any way in freeing the captives. In human extremity, Lord, direct every effort and bring it to success. Give comfort and encouragement to the hostages and their families, lest they be overcome with the helplessness and despair and the temptation to feel that no one cares and hope is futile. God of truth and justice, bring to pass Your righteous will in this situation.

And, Eternal Father, we pray for those who have been devasted by fire in the Western States. We thank Thee for the thousands of firefighters who though exhausted persevere in their heroic effort. Dear God, we pray that Thou will send rain that will put out the fires and end the devastation. In the name of the Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. CHAFEE. Thank you, Mr. President.

SCHEDULE

Mr. CHAFEE. Mr. President, the two leaders under the standing order will have 10 minutes each. Then there will be special orders in favor of the following Senators not to exceed 15 minutes each: Senator PROXMIRE and Senator CRANSTON.

Following that, there will be a period for routine morning business not to extend beyond the hour of 12 o'clock with statements limited therein to 5 minutes each.

Mr. President, at 12 noon the Senate will begin a live quorum under the provisions of rule XXII to be followed by a cloture vote on the motion to proceed to S. 995, South Africa. Rollcall votes can be expected throughout today's session in connection with S. 995, the bill dealing with South Africa.

Mr. President, I do not care to use my 10 minutes at this time. We are prepared to move now to the special orders. I see the distinguished Senator from Wisconsin is here. If the Senator is prepared to either move forward with his 10 minutes as acting minority leader or use his 15 minutes under his special order, that is up to the Senator.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. NICKLES). The distinguished acting minority leader, the Senator from Wisconsin, is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the minority leader be reserved for his use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

GAYLORD NELSON—HOW TO BE A HAPPY EX-SENATOR

Mr. PROXMIRE. Mr. President, all of us who have served in this body cherish memories of the wide variety of former Senate colleagues, many of whom have been defeated for reelection. Most of us also share the apprehension that some day we will be defeated for reelection to this great institution. Because of both these sentiments I want to call the attention of my present Senate colleagues to a remarkable—I might say brilliant story—that appeared last Sunday in the Milwaukee Journal by reporter Frank Aukofer. This is a story about one of the most popular men ever to serve in this body, and in my judgment one of the very best Senators in the nearly 30 years I have served in the Senate. Of course I am talking about Gaylord Nelson. Everyone who served in this body prior to 1981 knows of the many contributions made by Gaylord Nelson. He was the supreme environmentalist Senator. And he was much more. In taxation, in labor, and health legislation, and in the field of congressional ethics he was a strong leader.

But the great thing about this Aukofer article is not in a recitation of what Gaylord Nelson accomplished in his 18 years as a U.S. Senator. The message in this article comes from the exuberant joy that Senator Nelson has experienced since he left the Senate nearly 5 years ago. Like everyone else who has left the Senate—as Aukofer reports—Nelson lost "power, position, prestige, perquisites, staff and all the other things that go with occupying one of the highest offices in the land."

But did this depress Nelson? No indeed. Stan Kimmitt, who served in the Senate as secretary to the Democratic majority is reported by Aukofer to have said, Nelson "made the transition better than any ex-Senator I've ever seen." Senator TOM EAGLETON is quoted at some length in the story, describing how Nelson's sense of humor, his devotion to his family, and his absorption in his love for advancing the cause of conservation have contributed to making him an even happier man out of the Senate than he was in it, although Senator Nelson is quoted as saying of his tour in the Senate: "It was a wonderful era and I had a marvelous time."

Trusting that this story will bring solace to those Members of the current Congress who suffer nightmares about the grim specter of defeat down the road, I ask unanimous consent that the article to which I refer headlined "Nelson in Debt to Kasten" from the July 7 Milwaukee Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal, July 7, 1985]

NELSON IN DEBT TO KASTEN

(By Frank A. Aukofer)

WASHINGTON, DC.—How's that? Gaylord Nelson owes Sen. Robert W. Kasten Jr. a thank-you? For what?

For beating him.

Who says so?

Nelson does. So do his friends.

In fact, Nelson says that if Wisconsin had a US Senate vacancy tomorrow, and Gov. Earl offered him the appointment, he wouldn't touch it.

"It was a wonderful era and I had a marvelous time," he said of his 18 years in the Senate. "But I wouldn't go back. I've been there."

With 32 years of public life behind him as a senator, governor and member of the Wisconsin Legislature, Nelson may well be more content and happier now than he has ever been.

He's 69, but looks 10 years younger. That's despite having gained a little weight during

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the good life since he left the Senate 4½ years ago. Though he smokes cigarets occasionally, his health is fine.

He recently made a commitment to stay on as counselor to the Wilderness Society for a least three more years, with the promise of an office and staff beyond that if he wants it, and he doesn't even think about retirement.

"I suppose I'll retire at least by the year 2000," he said with the famous laugh that sounds something like a Model T Ford backfiring.

Nelson lost to Kasten in 1980, when President Reagan led Republicans to control of the US Senate for the first time in 26 years. Though initially stunned, Nelson says he had a premonition of defeat, and that he did not dwell on it when it happened.

"You know how these self-contained Norwegians are," said his wife, Carrie Lee. "Gaylord's the most well-balanced human being I know. He's in charge of his life. We've been married 38 years and I've never heard him bitch much about anything. He just seems to take things in stride."

According to a longtime Senate insider, defeated senators often react with shock, disbelief and even loneliness. They lose their power, position, prestige, perquisities, staff and all the other things that go with occupying one of the highest offices in the land. But Nelson had none of those reactions, according to friends.

"He made the transition better than any ex-senator I've ever seen," said Stan Kimmitt, who served 11 years as secretary to the Democratic majority and four years as secretary of the Senate before losing his job after the 1980 election.

"He adjusted in his own style, which is doing what he wants to do with a mission he would have selected himself, at considerably less income than he could have gotten in law firms or as a Washington representative," Kimmitt said. "He moved out gracefully. I don't think there's a happier man in Washington."

Said Nelson: "You've got to have the right attitude about politics. From the day you're elected you have to keep in mind that somebody's going to beat you."

When Nelson was defeated, the Wilderness Society went after him. The society is a national organization dedicated to protection of wilderness and proper management of public lands. It has about 140,000 members and an annual budget of $6.5 million.

Nelson was a natural for the society. He was the father of Earth Day, regarded as the beginning of the modern environmental movement, and had a long record of leadership on environmental issues.

"Sen. Nelson, I think, is perhaps the most distinguished public person ever to become a full-time staff member of an environmental organization," William A. Turnage, the society's president, said in a recent interview. "He brought the society prestige, visibility, credibility; he brought us tremendous experience and a remarkable imagination. He's played a very important role in what you might call the renascence of the society."

There was some concern initially when the society created the job for Nelson and gave him the title of chairman. It has since been changed to counselor, but Nelson remains the co-leader with Turnage.

A former staffer said doubting Thomases worried about whether the society would get its money's worth, or whether it was merely giving a big pension to a big name. But by all accounts those concerns proved unfounded as Nelson plunged into the job with enthusiasm and expertise.

"Gaylord is a lot of things to the organization," said Sumner Pingree, a vice president and Turnage's deputy. "As the father of Earth Day, he remains a conscience for the environmental community as well as the entire staff. He is someone who provides advice and counsel to all aspects of the organization and its programs. In very real terms, Gaylord, with his long career in public service, provides us with a political perspective that is invaluable to us."

Nelson also provides the society with that most prized Washington commodity: access. Though he has a fundamental distaste for lobbying with his former colleagues on Capitol Hill, he makes an exception on environmental issues. Last year, when Congress was considering the Alaska Lands Act, Nelson set up a meeting between the society and six key senators.

"I would not want to lobby for corporations, which are well able to take care of themselves," he said. "But lobbying to preserve the Lord's work is quite another thing."

Nelson says he loves the job because he is free to concentrate on environmental issues such as conservation and forest planning, but has no responsibility for the nitty-gritty of administration, management, budgets or hiring and firing.

He has a maroon-carpeted, airy and spacious office that overlooks the trees and flowers of Franklin Square, a small park about four blocks from the White House. It is in a transition area that formerly was Washington's "strip" of pornographic bookstores and clubs with nude dancing. But they are being replaced by new office buildings.

Nelson says his annual salary is $60,000, about what he was making when he left the Senate. Senators now are paid $75,100 a year. With his $36,000-a-year Senate pension and some other income from his years of public service in Wisconsin, Nelson is not hurting financially, though he is not wealthy.

He could have made a pile of money by going back into law practice or working as a Washington lobbyist, and says he had such offers when he left the Senate. But he never seriously considered them, saying he did not want to get up in the morning dreading the day.

"Three times as much money and no fun is not nearly as good as one-third as much money and a lot of fun," he said. "I can't think of anything I'd rather be doing."

He works five days a week from about 8 a.m. to 5 p.m., visits with friends over lunch and spends much of his spare time and weekends at home relaxing, reading and gardening. Sometimes, when the Senate has a late-night session, he telephones his old pals there, scotch and soda in hand.

"He'll call me at night to razz me," said his close friend, Sen. Thomas Eagleton (D-Mo.). "He'll say something like, 'Carrie Lee and I are home, we've just had a marvelous dinner, we're sitting on the patio having a drink and we miss you.' "

That's part of what Eagleton calls Nelson's "delightful sense of humor . . . his almost pixieish quality." Eagleton and his wife, Barbara, are frequent vacation partners of the Nelsons, and in August the four of them will take a motor tour through Scottland.

Nelson is a renowned storyteller, and Eagleton recalled that the two of them had entertained friends at a recent party for about 40 minutes with can-you-top-this stories about former Sen. James Eastland of Mississippi. Though their political philosophies differed greatly, Nelson and Eastland were members of a closeknit group of senators who met regularly during their Senate years in the office of former Senate official Kimmitt for drinks and conversation.

Kimmitt says that even if Nelson had been re-elected, he would be miserable in the Senate today—an assessment with which Nelson agrees. The main reason is that the Democrats are no longer in power, and Nelson would be in a minority role.

Nelson says that when he was in the Senate he never realized that 85% of his time was dominated by the institution or his constituents. Now, he says, he does whatever he wants 85% of the time. His duties include giving occasional speeches and traveling to wilderness areas aroung the country.

Nelson retains a lively interest in issues and has been watching the current debate over tax simplification with some amusement.

"All the arguments are the same as they were in the '60s and '70s," he said. "Everyone is for fairness, and then all the economic interest groups get in. . . . I'll be astonished if they pass a tax bill this year, and if they do, it won't amount to much. "

Nelson faintly praises Washington as an interesting town, but says he'd rather live in Wisconsin than anywhere, and will move back there if he ever retires. But Mrs. Nelson, although she says they both love and miss Madison, doubts that they will move.

With everyone, including Nelson describing his life these days in such idyllic terms, Mrs. Nelson was asked if there were any clinkers.

"There might be one somewhere," she said, "but I don't know about it. I ain't got on horror stories."

HOW SMALL NUCLEAR WEAPONS THREATEN OUR SURVIVAL

Mr. PROXMIRE. Mr. President, now we are told that the Defense Department has sharply increased its request for mini nuclear weapons—not many, but mini, little nuclear weapons. The Washington Post has reported that Congress has intensely debated nuclear weapons such as the MX and defenses against ICBM's like star wars. Meanwhile the Defense Department has quietly slipped in requests for Congress to fund small nuclear weapons such as 155 millimeter artillery shells, nuclear antisubmarine torpedoes, ship-to-air antiaircraft missiles carrying nuclear warheads, nuclear demolition mines light enough to be carried by troops and small aircraft-to-surface missiles with nuclear warheads. Walter Pincus the Post expert who writes the story points out that this acceleration of tactical nuclear war capability comes on top of the biggest U.S. nuclear weapons building program in nearly 30 years.

Mr. President, it is time the Congress thoroughly debated the wisdom of pouring hundreds of millions of additional funds into this extraordinarily dangerous sector of nuclear weapons.

We have debated strategic offensive and defensive nuclear weapons at length and we should. But Congress has gone along with the tactical nuclear buildup with barely a whisper or a whimper. How about that? What is so special about these mininuclear weapons? Why can we not handle any consideration of this buildup in the context of the debate on general nuclear deterrence and arms control? The answer is that these relatively little tactical nuclear weapons may serve a useful military purpose but they carry with them at least three distinct and serious dangers. First, the use of tactical nuclear weapons represents one of the most likely triggers for a nuclear war that could swiftly and uncontrollably escalate into the full scale final disaster of a total holocaust. Of course, we have already produced and deployed some of these tactical nuclear weapons in Europe and elsewhere. But where is the debate that is supposed to be the pride of the U.S. Senate?

This Senator has served in the Senate for nearly 28 years. During almost all of this period I have served as a member of the Appropriations Committee and the Defense Subcommittee of the Appropriations Committee. I have attended virtually all of the hearings of that subcommittee and have voted in the subcommittee, the full committee and on the floor on every military procurement issue that has come before this body. There have been occasional, passing references to tactical nuclear weapons in committee and on the floor but never has the Senate faced up in debate to the peculiar danger these weapons represent. The prospect of escalating a conventional war into a nuclear war is only one of them.

Danger No. 2—these tactical nuclear weapons answer a terrorist prayers. Just one of these small demolition mines ignited in a car parked just outside the Capitol when the President delivers his State of the Union Message and the terrorist totally decapitates the executive, judicial, and legislative branches of the U.S. Government. Yes, indeed it could happen right now with the present tactical nuclear arsenal. But the more of these little brothers we produce the greater the variety of them we create, and the more widely we deploy them, the greater the danger that sometime, some place, someone will beg, buy, borrow, or steal one.

And then there is the third danger of this particular explosion of the nuclear arms race. What kind of nuclear weapon would best suit the military and economic capability of a Qadhafi in Libya or a Khomeini in Iran or leaders of their ilk elsewhere? Answer: An arsenal of tactical nuclear weapons that could terrify and intimidate neighbors and destroy a superpower government. Think of it. Here is a weapon that is cheap, and fits state-directed terrorism perfectly.

The Senate should insist that the administration fully justify this buildup of nuclear miniarms and explain in detail why they are necessary for our national security. Before we authorize or appropriate funds to proceed with this headlong expansion we should have a full explanation of exactly how the Defense Department proposes to contain a tactical nuclear defense so it does not swiftly escalate out of control into the final all-out nuclear war. The administration also owes the Congress a convincing explanation of how they intend to prevent both the tactical weapons and the research from which they have developed from falling into the hands of terrorists and out of the control of other countries. The Congress should insist that the burden of proof is on the Defense Department to establish the case for moving ahead.

Mr. President, I ask unanimous consent that the article by Walter Pincus headlined "U.S. Military Seeking Small Nuclear Weapons" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. MILITARY SEEKING SMALL NUCLEAR WEAPONS

(By Walter Pincus)

While congressional attention is focused on strategic nuclear programs such as the MX intercontinental missile, the three military services are seeking authority for a handful of smaller nuclear weapons.

Among the new nuclear devices in next year's Pentagon spending bill, now before the House, are 155-mm artillery shells, antisubmarine torpedoes, ship-to-air antiaircraft missiles, small demolition mines that could be carried by troops and tactical aircraft-to-surface missiles.

In addition, the Navy told Congress earlier this year that it will expand its nuclear warfare capabilities by "hardening our ships and aircraft against the effect of nuclear weapons." The new Navy view—that a nuclear war could be contained at sea—reverses past policy, according to congressional aides.

These programs come on top of the largest U.S. nuclear weapons building program in almost 30 years.

Already included in next year's $4.6 billion Department of Energy weapons program are production funds for D61 tactical bombs; Trident I submarine-launched missile warheads; MX ICBM warheads; B83 strategic bombs; ground-launched, sea-launced and air-launched cruise missiles; Pershing II missile warheads, and final production of 8-inch artillery shells. The budget also contains money to improve already-deployed Poseidon ICBM warheads and development money for the new Trident II and Midgetman ICBM warheads.

Several of the proposed nonstrategic weapons are modern versions of nuclear systems developed in the 1950s.

Two of the proposed systems were voted down in the past year by Congress: the Army's nuclear 155-mm shell and the Navy's Standard (SM2) missile, a nuclear-tipped version of its ship-to-air missile designed to shoot down incoming bombers or cruise missiles.

Funds for the SM2 had been rejected primarily because the Navy has been unable to explain how it would get presidential authority to release the nuclear weapons for use in the event of an air attack.

Rep. Edward J. Markey (D-Mass.) is expected to offer an amendment in the House to cut funds for both the SM2 and the 155-mm nuclear shell.

As part of an eight-year fight over the need for modernizing U.S. nuclear artillery, Congress limited the Army last year to 925 nuclear artillery shells at a cost of $1.1 billion. These will eventually replace 3,000 8-inch and 155-mm nuclear shells stockpiled since the mid-1950s in West Germany and the United States.

More than 300 new 8-inch neutron artillery shells have been produced and are stored in this country since West Germany and other NATO countries have refused to permit them on their territory.

The Navy's proposed sub-launched nuclear torpedo is designed to kill enemy submarines and is to replace an older system, the Subroc, which is launched under water, flies in the air and drops back into the water as a depth charge. The new warhead has been ready for production for years, but the Navy has not pushed for it until this year.

MYTH OF THE DAY: THAT THE SOVIET UNION IS AN EVIL EMPIRE

Mr. PROXMIRE. Mr. President, I offer, I guess, my 11th myth of the day.

The President has called the Soviet Union the focus of evil in the world today. Is it true? Many Americans believe this. Not only has the President said it, but from time to time including a period dominated by my immediate predecessor in this body, Senator Joe McCarthy, intimidating public figures have defied any American—especially an elected public official—to deny it. Well it is not true. It is a myth. The Soviet Union happens to be our prime adversary in the world. It has immense and threatening military power. It ruthlessly suppresses the freedom of its people. Dissenters are imprisoned or executed. Its troops have cruelly invaded Afghanistan. At this very moment, its troops occupy a number of western European countries. Does all this make the Soviet Union the focus of evil in the world? Well, if the President really thinks so, why is he meeting in the fall with the Russian dictator Mikhail Gorbachev, the top commander in this "evil empire"? Mr. President, most Americans are mature enough to know that a rival is not, by virtue of his rivalry, automatically an enemy. Most Americans also know that even if a rival is an enemy, it is not necessarily evil. Most Americans do not like it. But the fact is that we are going to have to live in this world with the Soviet Union or die with it. If we are to live instead of die, we have to recognize truths about the Soviet Union. We have to face the fact that it

is not a democracy. It is a Communist dictatorship. On the basis of nearly 70 years of experience, we have found that this Communist dictatorship is cautious, has never initiated military action against the United States. It has a paranoid suspicion of the United States. It suffers under an immense military burden which it can only ease by negotiating effective arms control limitations with the United States.

This country gains nothing by adopting a childish notion that the Soviet Union is evil. We can gain a great deal if we recognize that the Soviet Union is a permanent fact of life, that it may change over a long period of time, that its people have strong impulses against war and for peace, and that together, our two countries can go a very long way toward achieving a more peaceful world than mankind has experienced in the past. We must work on this relationship with caution, with strength, but with a determination to find areas of agreement and common progress.

WHY CONGRESS SHOULD NOT PERMIT INTERSTATE BANKING

Mr. PROXMIRE. Mr. President, why not break down all the barriers that prevent competition in banking? If National City Bank—the largest bank in the United States—wants to start a branch in Deerfield, WI, why not? How has the United States built the strongest economy the world has ever seen? Answer: Primarily by relying on the principle of competition. Throughout this century, the most distinguishing characteristic of the U.S. economy has been the vigorous, free, widespread competition throughout so much of the vast American economy. Other countries have their nationwide trusts and cartels. Not the United States. With only a few rare exceptions, this country has welcomed competition: pushy, price-cutting, open-morning-noon-and-night competition. Of course, that competition is often painful, sometimes even ruinous for the competitors. But for consumers, it is heaven on earth.

Now here comes the irony. No industry is more clearly private business than banking. You scratch a banker and what do you find? You find an antigovernment free market, let-us-alone conservative. How I recall at the height of the New Deal during the thirties, that happy time when Republicans became an endangered species. You could close your eyes and pick names at random out of the telephone book almost anywhere in this blessed land and you wouldn't find a Republican. There was a big, fat exception: Your local banker. A Democratic banker was almost like a horned hodag, a mythical creature. The supreme oxymoron, the total contradiction for years, has been a "Democratic banker."

Now, if there is anything that Republicans have prided themselves on, it has been that they believe in the free market and competition. And yet banking—that most Republican of all human endeavors—has operated for the past 50 years in our free land as the most regulated, restricted, protected industry of all. So what could be more natural than a breakaway from the laws and regulations that have prevented all-out, nationwide competition led by this superconservative Republican administration?

And why should not National City Bank in New York have a branch in Deerfield, WI, and in a hundred other small towns in our State and in thousands of small towns throughout America? Is not that what competition is all about? The answer may seem obvious. But it is not. If we repeal the law that inhibits interstate banking, do we provide for more competition? The instinctive, affirmative answer to that question is wrong. By permitting interstate banking, we provide for less, a lot less competition.

Do we say you can't believe it? Well, just take a look at the world we live in. How much competition is there in the banking system of Canada? Or the United Kingdom? Or West Germany? Or France? Or Japan? Or any other country in the world? All of them differ from the United States in that all of them permit nationwide banking. Result: Every single one of those countries suffer from a banking oligopoly. Four or five or six mammoth banks do 95 percent of the banking business. Are they more efficient than the banks in the United States? No way. What country has the best capital markets in the world? The United States. Is there value to a local community to have its bank owned by those who live in the community? There is, indeed. Why? Because the owners take a special interest in their community. They know the people who make their deposits with the bank and depend on the bank for their working capital. They have grown up with their banking customers. They have gone to local schools with them. They know their customers' character as well as their balance sheet. Those who run the bank are not passing through after a few months on their way to another assignment. The present day American bankers are in the community for a lifetime.

And just think of it. In this country, we do not have 5 or 6 or 10 or 20 banks that dominate our banking business. We have 14,000 separately owned competing banking institutions. We have another 20,000 savings and loans and credit unions that also compete for deposits and increasingly for loans. Much of the money deposited by those who live in the community stays in the community to be loaned to local businesses. Would interstate banking change all this? Of course, it would. That is why the big banks want it. Would small locally owned banks disappear? What do you think? Bankers operating branches throughout the country would swiftly swallow up local banks. Local bank stockholders would in most cases enjoy a fat capital gain from the sale of the Farmers and Merchants Bank of Richland Center to the Bank of America in San Francisco. Would this bring better services to bank customers, lower interest rates for borrowers and higher interest rates paid to deposits? No way. That would only happen if you do not—Repeat—Do Not—believe in competition. Today the competition among these thousands of banking institutions is alive and very vigorous. The depositor can choose between several independent banks in his area or several savings and loans or a credit union. The borrower has a wealth of nearby banks anxious for his business. does the typical American today enjoy a better opportunity for bank services than an Englishman or German? If competition means anything, he sure does. So why change?

FORMATION OF THE UNITED STATES-GERMANY HOLOCAUST PANEL

Mr. PROXMIRE. Mr. President, on June 24, Holocaust survivor and well-known author Elie Wiesel convened a committee of prominent West Germans and Americans to explore the period of German history that made up the Holocaust.

Wiesel has said it is possible that had the committee been in existence 6 months ago, the Bitburg affair could have been avoided.

Mr. Wiesel currently serves as chairman of the U.S. Holocaust Memorial Council. The newly formed panel is formally titled the West German-United States Committee on Learning and Rehabilitation.

According to Wiesel, the panel will be dedicated to opening a new avenue in German-American relations without forgetting the Holocaust.

The 15 members of the panel will be Wiesel, seven Americans appointed by Wiesel, and seven Germans appointed by West German Chancellor Helmut Kohl. Chancellor Kohl also plans to participate in the committee's next meeting to be held next October in Germany.

Peter Petersen, one of the German members of the committee, recalled Kohl's speech at the Bergen-Belsen concentration camp in which the Chancellor said that the committee's goal would be healing out of remembrance.

Petersen himself said, "We feel that this committee could help to tell the worst part of German history," without leaving young Germans "burdened and bitter and hurt."

Mr. President, this committee is certainly a long-overdue attempt to heal the wounds between the United States and Germany that have been left by the Holocaust.

In its attempt to bridge the gap between the United States and West Germany, however, the United States must never forget the Holocaust. This is Elie Wiesel's intention in forming the committee.

Mr. President, U.S. ratification of the Genocide Treaty would be an important way for the United States to demonstrate that it has not forgotten the Holocaust.

Ratification of the Genocide Convention would show that the United States as a nation stands firmly opposed to the types of practices that threatened the survival of the Jews during the Holocaust.

The Genocide Convention would assure that no nation could commit such grave atrocities without fear of recrimination.

The United States would have greater moral credibility in forming such a committee with West Germany if it could point to the Genocide Convention as a hallmark of human rights, which it has formally pledged to respect and uphold.

Ninety-six other nations have ratified this treaty. The United States is the only major nation not to do so.

I urge the Senate to ratify the Genocide Convention to protect the most fundamental of human rights, the right to live.

Mr. President, again, I earnestly hope that the leaders of this body will follow the determination of the Senate expressed so clearly last year that we take up the Genocide Convention early in the 99th Congress. It is a disgrace, an outrage, that we do not act on that after 35 long years.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I yield the floor.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 15 minutes.

Mr. CRANSTON. I thank the Chair.

SOUTH AFRICA

Mr. CRANSTON. Mr. President, we will shortly vote on a cloture motion which, if approved, will permit the Senate to consider a measure critical to U.S. relations with all of southern Africa—and much of the world.

It is the Anti-Apartheid Action Act of 1985, whose principal features include a ban on new bank loans to the South African regime, the sale of computers to agencies enforcing the abominable racial separation policy of apartheid, and the sale of goods used in nuclear production.

The bill was almost unanimously approved by the Senate Foreign Relations Committee—16 to 1 in a bipartisan vote.

It has the support of the leadership on both sides of the aisle. And there is good reason to believe it would have the overwhelming bipartisan support of the Senate as a whole—if it were permitted to come to a vote.

But it cannot—yet.

We cannot vote, we cannot act—yet.

Though a despotic regime rules in Pretoria, the Senate can do nothing—yet.

Though a minority regime in South Africa usurps all political and economic power at the expense of 23 million blacks, we can do nothing—yet.

Though sadistic death squads roam the country, systematically murdering or mutilating pro-Western, prodemocratic leaders, we can do nothing—yet.

Though a hated apartheid regime sends terrorists into neighboring countries to kill those who speak against it and to bomb an American-owned oil refinery, we can do nothing—yet.

The Senate of the United States has been held helpless—frustrated by an indefensible filibuster.

Indefensible and inexplicable.

The man responsible for the filibuster, the Senator from North Carolina, has not deigned to explain to the Senate why he has refused to permit this measure to come to a vote.

On the Senate floor, he says nothing.

Off the Senate floor, he talks to the press.

And what does he say?

He says he opposes economic sanctions against South Africa because they might cause unemployment among some South African blacks.

Unbelievable.

If the Senator from North Carolina had been in the Senate 122 years ago, he probably would have opposed emancipation because it would throw 4 million slaves out of work.

He says it is the Soviet Union, not racist apartheid, that is causing the upheaval in Africa.

Incredible.

If Russia had been Communist 122 years ago, the Senator from North Carolina would probably have accused the abolitionists of being Soviet agents.

I call this naivete—or worse.

When a U.S. Senator suggests that only Communists are concerned about injustice and oppression, that U.S. Senator unwittingly serves the cause of communism.

By his stubborn stand, the Senator from North Carolina is hurting, not helping, the cause of democracy and his beloved America.

I say to the Senator from North Carolina:

Come over to our side.

Come over to freedom, to tolerance, to real Americanism.

I say to the Senate, let us end this filibuster 1 hour from now.

Let us vote cloture.

Then we can get on to the business of tending to the tasks of freedom, and tolerance, and real Americanism.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 12 noon, with statements therein limited to 5 minutes each.

THE FARMERS CANNOT WAIT

Mr. DIXON. Mr. President, in the U.S. Senate, time is often brief, and memories are often short. I hope, however, that it will tax neither my colleagues' patience nor their recollection if I take them back a few months to the early days of this session when many of us—indeed, a majority of us—were supporting legislative proposals dealing with the plight of the American farmer.

At that time, my colleagues will recall, we passed two amendments, one of which I sponsored, that would have provided financial assistance to farmers. These amendments caused the President to veto the bill to which they were attached. The administration explained the veto in part by pointing to its own program of financial assistance to farmers, the Debt Adjustment Program.

This Debt Adjustment Program, or DAP, as everyone calls it, permits the Farmers Home Administration to provide a guarantee on a loan in exchange for the lender writing down at least 10 percent of the loan. Many of us felt that the DAP Program was inadequate for the magnitude of the problem. We felt that the $650 million in loan guarantee authority that the Secretary of Agriculture provided would not measure up to the amount of distress in the farming districts. On this point we were assured by Mr. Block that should the guarantee authority be insufficient, additional loan guarantee au-

thority—up to $3 or $4 billion—would be obtained.

No farmer or lender would be turned down by DAP, the administration told us, because of a shortage of loan guarantee authority. Even our distinguished majority leader, on the floor of the Senate on February 26, said not once but several times, that there was not a cap on the loan guarantee authority. Let me quote my distinguished colleague:

. . . on February 22, we hammered out a bipartisan compromise which we put into a resolution. We again said that there is no cap on debt restructuring loan guarantees. . . .

I hope my colleagues will keep in mind that we are not talking about actual spending here, but simply loan guarantees.

Well, what has happened since then?

Just a few days later, on March 7, when the Senate Agriculture Committee began its hearings on the 1985 farm bill, the Secretary began pulling back from the promise of "no cap" on DAP guarantees. That only was meant to apply to operating loans, he told us, not ownership loans.

Now, it turns out that it is in ownership loans, not operating loans, where a promise of "no cap" would have had some meaning. The Debt Adjustment Program is so fraught with red tape and restrictions that we are nowhere near using up the $650 million allocated for operating loan guarantees.

But for ownership loan guarantees, there is another story. Here the administration is not nearly so generous. It allocated only $50 million for these guarantees, which it later increased to $68 million. This is barely 10 percent of the guarantee authority allocated for operating loans. As of July 1, all but $17 million of that was used up, and many States have used up their allocations. Lenders are being told, in Illinois, Arkansas, and other States, that they cannot obtain a DAP guarantee because there are no funds available.

Further, I have learned that the Department of Agriculture has no plans to seek additional loan guarantee authority for the balance of this fiscal year.

Mr. President, this is a sad state of affairs. No one denies the distress of the farmers. The administration, in expanding the Debt Adjustment Program, acknowledged that some form of credit relief was needed. Yet in the few months since last winter, when we received the warm reassurances of "no cap," of unlimited loan guarantees, we have seen thousands of farmers go under. How many of these are going under, Mr. President, because these loan guarantees are not available?

I am informed by the Farmers Home Administration that additional guarantee funds may be available next year. Mr. President, the farmers cannot wait until next year. Today I am circulating among my colleagues a letter to the Secretary of Agriculture, calling for the following steps to assure that the commitments he made to the Senate last winter be fulfilled this summer:

Allocate an additional $50 million in loan guarantee funds for Debt Adjustment Program ownership guarantees for fiscal year 1985.

Based on fiscal year 1985 experience, allocate adequate loan guarantee funds to the Debt Adjustment Program ownership and operating components for fiscal year 1986.

Streamline administrative procedures within the Farmers Home Administration to assure that State shortages do not develop as States exhaust their allocations of loan guarantee authority.

Instruct all State and county FmHA officers and committee members that there will be no shortage of loan guarantee authority.

These are all measures that the Secretary of Agriculture can undertake now, without waiting for legislative authority. If the Debt Adjustment Program is going to be this administration's program for providing credit relief to the American farmers, then I say to my friend, the Secretary, let's make it work.

S. 1404—TO REQUIRE THE PRESIDENT TO RESPOND TO UNFAIR TRADE PRACTICES OF JAPAN

Mr. PACKWOOD. Mr. President, the bill I introduced yesterday [S. 1404] requires the President to use his existing authorities to respond to the unfair trade practices of Japan. This is a historic and sobering watershed.

I have, together with many of my Finance Committee colleagues who voted this bill favorably reported on April 3, 1985, worked over the years to defend and improve the international trading system. I believe in the inherent justice and economic benefits of free trade. All nations and people benefit when the rules of comparative advantage are permitted to operate freely. The freedom of these rules to operate depends on open markets.

These principles have not operated as expected in the case of Japan. The existence of complicated and deeply rooted Japanese barriers has altered the forces that normally guide an open market. Regardless of whether these barriers are intended to frustrate foreign competition, they constitute a major hurdle in gaining access to the Japanese market. Years of negotiation, pleas, threats, exhortations, demands, and talk have failed to persuade Japan to undertake the difficult but necessary task of opening its markets in a truly meaningful fashion.

Yes, our exports to Japan have grown over the years, but so slowly and after so much effort that a cynicism has been generated about the real meaning of one Japanese market opening announcement after another.

What is puzzling about this situation is that the Japanese Government should not recognize its own self interest. A nation as heavily dependent on export markets as is Japan should behave in a manner intended to preserve those markets.

A nation whose exports have benefited from the demands of consumer societies has chosen to deny its own consumers free access to the world's efficient bounty.

Now, I know some people will question whether Japan really has barriers. Well, aside from the many visible import barriers which are the subject of current and past trade negotiations, Japan appears to excel in the creation of invisible barriers. The committee report being filed with this bill outlines some of these barriers.

Frankly, I am not interested in the explanation for Japan's endemic resistance to imports. Japan has important international obligations which require that Japan, not the rest of the world, discern a means of opening its markets.

The bill I am filing is the result of years of frustration with Japan. But this bill is not a form of protectionism, nor does it mandate retaliation. Rather, this bill requires that the President eliminate Japanese unfair trade practices, and failing that, offset the effects of those barriers on the merchandise trade balance. At a minimum, the President's actions must increase United States access to the Japanese market by an amount equivalent to Japan's increased access to the U.S. market resulting from an end to Japanese auto export restraints. To the extent the President fails to achieve such access to the Japanese market, he is required to limit Japanese access to the U.S. market. In that event, the President is directed to retaliate against competitive Japanese exports, including, but not limited to, telecommunications, automobiles, and electronics. The President's actions must be announced 45 days after enactment and be implemented 90 days following enactment.

Mr. President, we all recognize that the entire trade imbalance, or even most of the imbalance with Japan, is not attributable to Japanese import barriers. But other contributing factors to our deficit with Japan do not ameliorate the effect of Japanese trade barriers. Many other countries experience the same difficulty we do in obtaining access to the Japanese market. Japan is now too important to the trading system, both as a source of exports and as a potential market for imports, to continue its current policies. A country with the immense

trade surpluses accumulated by Japan has a special responsibility to liberalize access to its markets. Japan has yet to respond even to its ordinary responsibilities.

I noted at the outset the importance of this bill. I regret that we have come to this point. I would have preferred resolving our differences in a more amicable manner. It is unfortunate that we have been forced to resort to this weapon in an exasperated effort to open Japan's markets. I am sure my colleagues still hope Japan will respond in a manner that will spare them and us the certain costs of retaliation. The choice is Japan's.

In this regard, I note the Japanese Government's announcement of tariff reductions on a long list of items. This is a beginning, although I see no reduction in tariffs on items of great interest to the United States such as plywood, chocolate, and cigarettes. But these reductions must be followed by an even greater effort to remove the invisible barriers.

I want to commend Senator DANFORTH who initiated this bill, as well as Senators BOREN, BAUCUS, BENTSEN, and GRASSLEY. Although their names are not listed for parliamentary reasons on this original bill reported by the Finance Committee, they should all be listed as sponsors.

Mr. President, I ask unanimous consent that a copy of the bill and the report with additional views be printed in the RECORD for the purpose of public information.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the United States merchandise balance of trade deficit with Japan reached the unprecedented level of $37 billion in 1984—accounting for almost one-third of the entire United States deficit with the world;

(2) this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

(3) the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

(4) Japan has extensive access to the United States market for products in which Japan has a comparative advantage;

(5) United States exporters lack access to the Japanese market for a wide range of exports in which the United States has a comparative advantage, including manufactured goods (such as semiconductors and telecommunications equipment), forest products, key agricultural commodities, and certain services;

(6) the high value of the United States dollar relative to the Japanese yen does not account for the persistent difficulty which the United States and other countries face in obtaining access to the markets of Japan;

(7) the trade imbalance between the United States and Japan is costing the United States hundreds of thousands of jobs every year;

(8) negotiating with Japan over the years to secure meaningful improvements in market access for competitive United States exports has been largely unsuccessful;

(9) the very large trade surpluses accumulated by Japan impose on Japan a special responsibility to liberalize access to its markets;

(10) action by the United States to improve the competitive position of United States exports internationally will not by itself overcome the difficulty in obtaining access to the markets of Japan;

(11) an end to the voluntary restraint agreement on automobiles without a comparable improvement in access for competitive United States exports to the Japanese market will severely exacerbate the merchandise trade deficit that the United States has with Japan;

(12) the role of Japanese unfair trade practices in exacerbating the merchandise balance of trade deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan; and

(13) action by the United States is appropriate—

(A) to enforce United States rights under trade agreements to which Japan is a party, and

(B) to respond to Japanese acts, policies, and practices which are—

(i) inconsistent, and otherwise deny benefits to the United States, under trade agreements to which Japan is a party; and

(ii) are unjustifiable, unreasonable, or discriminatory and burden or restrict United States commerce.

SEC. 2. RESPONSE TO UNFAIR TRADE PRACTICES OF JAPAN.

(a)(1) Congress directs the President to take all actions within the power of the Presidency (including, but not limited to, the actions described in section 301(b) of the Trade Act of 1974 (19 U.S.C. 2411(b))) that are necessary—

(A) to—

(i) enforce the rights of the United States under trade agreements to which Japan is a party, and

(ii) obtain the elimination of the acts, policies, and practices described in section 1(13)(B), or

(B) to offset the cumulative impact that—

(i) any rights described in section 1(13)(A) which are not enforced, and

(ii) any acts, policies, and practices described in section 1(13)(B) which are not eliminated,

have on the merchandise balance of trade between the United States and Japan.

(2) By no later than the date that is 45 days after the date of enactment of this Act, the President shall report to the Congress and publish in the Federal Register notice of the actions that the President has determined to take under paragraph (1).

(3) The President shall implement all actions that the President has determined to take under paragraph (1) by no later than the date that is 90 days after the date of enactment of this Act.

(b)(1) Actions taken by the President under subsection (a)(1) shall be calculated to offset the cumulative impact that the elimination or relaxation of the voluntary restraints on Japanese automobile exports to the United States will have on the merchandise balance of trade between Japan and the United States.

(2) Actions taken by the President under subsection (a)(1) shall be directed against competitive Japanese exports including, but not limited to, automobiles, telecommunication products, and electronic products.

(c) Any action taken by the President under subsection (a)(1) may be modified or revoked only if the President determines—

(1) that such modification or revocation is necessary to achieve the objectives of such subsection, or

(2) that the objections of such subsection have been achieved.

The President shall report to Congress and publish in the Federal Register notice of such determine.

S. 1401—A BILL TO REQUIRE PRESIDENT TO RESPOND TO UNFAIR TRADE PRACTICES OF JAPAN

The Committee on Finance reports an original bill (S. 1404) to require the President to respond to unfair trade practices of Japan, and recommends that the bill do pass.

I. SUMMARY

The Committee bill directs the President to take all actions within his power which are necessary to eliminate unfair trade practices of Japan or to offset the effects of those practices on the merchandise trade balance between Japan and the United States. Within 45 days of the bill's enactment, the President is to report publicly what actions he will take, and must implement all actions he has determined to take within 90 days of the bill's enactment. The bill further specifies that the President's action must, at a minimum, offset the effect on the merchandise trade balance of the relaxation of Japanese restraints on the exportation of automobiles to the United States.

In the event that the President decides to offset unfair Japanese trade practices, the bill requires that his actions be directed against competitive Japanese exports including, but not limited to, automobile, telecommunications, and electronic products.

II. GENERAL EXPLANATION

The Committee bill reflects the view that United States exporters lack adequate access to the Japanese market for goods and services that are internationally competitive. Obtaining access to the Japanese market has been difficult for years, but the unprecedented growth in the size of Japanese trade surpluses with the world, and particularly, the United States, have made it imperative for Japan to liberalize access to its market.

The Committee recognizes that many factors contribute to the size of Japan's immense trade surpluses with the United States. For example, the high value of the dollar relative to the yen is an important contributing cause of this bilateral deficit. But Japanese import barriers have been a persistent and unfair hindrance to United States exports, even when the dollar has been weaker relative to the yen. The Committee believes that expedited removal of these barriers is necessary even if their removal will not eliminate the U.S.-Japan trade imbalance.

Japanese surpluses in manufactured goods are even larger than the overall Japanese trade surplus. Trade with Japan increasingly consists of Japanese imports of raw materials and exports of (high valued-added) manufactured goods. Chart 1 illustrates the accelerating divergence between Japanese imports and exports of manufactured goods.

[Chart 1 not reproducible for the Record.]

It may be noted that Japanese trade in manufactured goods during this period appears to be unresponsive to currency movements. Indeed, exports of countries whose currencies decreased in value relative to the Japanese yen fared worse than U.S. exports to Japan during the period of dollar appreciation against the yen. Furthermore, these surpluses cannot be explained by the higher U.S. growth rate. Although Japan's economic growth in the early 1980s decelerated from earlier levels, it did experience the second fastest growth rate among the OECD countries. Accordingly, the argument that the U.S. trade deficit is attributable to the advanced state of the U.S. economic recovery relative to the rest of the world does not appear applicable in the case of Japan.

Finally, the pattern of Japanese trade with the less-developed countries (LDC), including those classified as major debtors, has not changed as a result of the debt crisis. Unlike the United States, which imports nearly 58 percent of total LDC manufactured exports, up from 45 percent in 1979, Japan's share of LDC manufactured exports has declined from nearly 11 percent in 1979 to less than eight percent in 1983. In short, unlike the United States, Japan has not contributed to the accumulation of the LDC trade surpluses required by LDC debtors to meet their obligations.

Section 301

The Committee bill adopts the conceptual framework of section 301 of the Trade Act of 1974. The thrust of the bill is a congressional finding that Japanese trade practices satisfy the unfair trade practice criteria described in section 301(a). Accordingly, the President is directed to use his authority, including his section 301(a) authority, to obtain elimination of these practices or offset their effect. By adopting specific language from section 301, the Committee intends to incorporate the meaning of that section 301 language into its bill. The Committee believes this to be a logical extension of changes made to section 301 in title III of the Trade and Tariff Act of 1984. That Act included a self initiation provision and the requirement that the Administration compile a list of and take action against major foreign barriers to U.S. exports.

Unfair trade practices of Japan

The Committee believes that a variety of visible and invisible barriers make access to the Japanese market either extremely difficult or impossible. Some of these barriers have been the subject of negotiations over the years and some progress has been made in reducing these barriers. But progress has been very slow and has been accompanied by the emergence of other barriers. The effect of these barriers has been to alter the forces that normally guide a free market. Although the Japanese market might, on the surface, appear responsive to the price, quality and other competitive factors that generally govern free markets, Japanese barriers render the Japanese market much less free and transparent. While the Committee recognizes that not all Japanese barriers are intended to frustrate foreign competition, the effect of these barriers is, nonetheless, to undermine the openness of the Japanese market.

The Committee believes that protracted negotiations are not a tenable or sustainable means of achieving a generalized liberalization of the Japanese market. The complexity and variety of Japanese barriers simply do not lend themselves to removal by summit meetings or even through the pressures brought to bear by U.S. trade negotiators. It is Japan which is in the best position to detect and dismantle its barriers. The Committee believes that Japan must undertake a program of aggressively dismantling its barriers even before foreign pressures have focused attention on them.

The following is an illustrative list of Japanese barriers which the Committee believes hinder access to the markets of Japan. Many other examples can be cited. The Committee expects the President to address all identifiable barriers.

Tariffs

Although Japan has eliminated or reduced tariffs pursuant to the Tokyo Round of Multilateral Trade Negotiations, high tariffs remain on a number of products in which the United States is competitive: wood and wood products, manufactured tobacco products, chocolate confectionery, beef, citrus, egg products, leather and fur skins, refined copper and kraft paper.

Many of these tariffs are excessive by comparison with other industrialized nations and especially the United States. For example, while Japan permits wood raw material free entry, its tariffs on processed wood products are high. Wood panel products—veneer, softwood, plywood, and particleboard—face duties of 12 to 15 percent. This compares with U.S. duties of zero to eight percent. Partly as a result of these tariffs, of the $1.1 billion U.S. wood exports to Japan in 1983, only 0.5 percent were such processed wood products. It is estimated that the Japanese market for U.S. forest products could grow to $3 billion if Japan eliminated import restrictions.

Another example of excessive tariffs are the 20 percent tariffs on imported chocolate and chocolate confectionery, which is much higher than the five percent U.S. tariff on solid chocolate and seven percent on chocolate confectionery. The impact of these high tariffs is aggravated by Japan's duty on a cost, insurance and freight (c.i.f.) basis instead of f.o.b. cost, as is done in the United States. Because of this practice, the effective tariff rate is estimated at 23 percent.

In spite of significant progress in removing structural barriers to U.S. cigarette exports, Japan retains an 18.8 percent import duty on cigarettes. When combined with the largely ad valorem domestic excise tax, the duty reaches an effective level of 37.5 percent, double the apparent duty rate.

Reductions in these and other tariffs have been sought by the United States Trade Representative with only modest results. The Committee believes that tariff reductions are a ready and concrete means of improving access to the Japanese market and should be accelerated without delay.

Quotas

In spite of the fact that Japan has eliminated the majority of its quotas, numerous remaining quotas inhibit U.S. exports. Furthermore, existing quotas are often administered in an arbitrary and unpredictable manner which further limits U.S. exports. Such problems of quota administration include leather, where the amount of the global quota has never been made public, beef, citrus, and fruits and vegetables.

Informal Quantitative Restrictions

Informal restrictions on the importation of petroleum products, naphtha, and feed grains are accomplished through regulatory controls and administrative guidance.

Customs

Significant difficulties are faced by American exporters in dealing with Japanese customs. In spite of improvements in Japanese customs procedures, problems remain in the requirement that other Japanese agencies approve of imports before Japanese customs can initiate the clearance process. For example, the Japanese Food Sanitation Law, administered by the Ministry of Health and Welfare, requires importers of food, food processing machinery, food packing materials, and toys to "notify" the Ministry of each shipment. Since no shipment can be cleared through customs without a stamped certificate of notification, the system in effect is one of case-by-case approval. In addition, Japanese customs processing remains slow and cumbersome. It has been documented that 3,000 cars are cleared through U.S. customs at the dock in Baltimore in 20 minutes. By contrast, Japanese customs rquires at least six hours to clear a single car.

Standards, Testing, Labeling, and Certification

One of the most important and pervasive Japanese barriers faced by American exporters are Japanese standards, testing, labeling, and certification requirements. Although Japan signed the Standards Code, there is a lack of transparency in standards setting and compliance. Furthermore, Japan's restrictive standards and approval procedures have the effect of either excluding foreign products from the market because of the prohibitive cost of establishing that the product meets the requirements (inspection at the border rather than at the factory, for example), or delaying their entry, often long enough to allow Japanese manufacturers to introduce a competitive product.

An important problem faced by American exporters is that foreign companies enjoy only limited access to the Japanese standards-writing process or are excluded from participation altogether.

Because American firms have little if any access to Japan's standards drafting process, they often learn about prospective new or revised standards too late for their input to be of value, and well after their Japanese competitors. The Standards Code provides U.S. interests an opportunity to comment formally, but this opportunity often comes too late in the process to be meaningful. During the process of privatizing Nippon Telephone and Telegraph (NTT), the procedures of the Standards Code were largely ignored. Although Japan has promised to provide a nine week comment period in connection with its Code commitment, telecommunications regulations were made available to American firms just 16 days before they became final, thereby denying any meaningful opportunity to discuss industry comments. Furthermore, inspite of promises made in 1982 to permit foreigners to participate in standards drafting committees, few foreigners have ever participated.

One recurring problem is the Japanese practice of drafting standards and technical regulations by drawing on the advice of Japanese industries which have an interest in excluding foreign competitors. A recent example involves a threat to U.S. vitamin E exports to Japan. U.S. vitamn E exporters recently found that their product was suddenly reclassified as a drug, which can only be sold through pharmacies, rather than as a food. Japanese-manufactured vitamin E retains its "food" classification. This reclas-

sification occurred as a result of efforts by domestic Japanese producers of vitamin E, who extract vitamin E through a process almost three times as expensive as U.S. producers. The extraction method used by the U.S. producers results in a vitamin E product which is indistinguishable to that produced by Japanese producers. Yet the difference in extraction methods was cited as the basis for classifying U.S. vitamin E as a drug, effectively barring it from the Japanese market.

Japanese testing requirements often operate as non-tariff trade barriers. For example, Japan requires that American tobacco shipments to Japan be carried on Japanese ships. Before deciding on permitting such tobacco to be carried on U.S. ships, Japan required a three year test of American shipments. Although the test period had now been completed, no decision has yet been made on the "adequacy" of American ships. Similarly, imported plant bulbs must undergo a one-year quarantine period in Japanese soil before being released to the domestic market. Separately, the Ministry of Health and Welfare recently approved U.S.-made home dialysis equipment for use in Japan. Approval took approximately seven years longer in Japan than in the United States or Europe, and its use was discouraged through very low reimbursement rates to physicians using the treatment for their patients. By contrast, the U.S. Food and Drug Administration approves Japanese products based on Japanese clinical data.

The requirement that product approval tests be performed in Japan has been a major obstacle to entry into the Japanese market. Although numerous changes have been made in the product approval process, Japanese agencies remain unwilling to delegate the initial factory inspection for Japanese certification marks to foreign inspection agencies. Similarly, Japan has not fulfilled its commitment to accept test data developed outside of Japan as a means of facilitating product approval.

Procurement

The procurement policies of Japan's public corporations have been a significant barrier to selling manufactured products in Japan. Approximately 115 Japanese public corporations and agencies purchase a small but significant share of all manufactured goods consumed in Japan without providing much opportunity for foreign firms to win a share of the business. Japan's implementation of the Government Procurement Code negotiated in the Tokyo Round has been inadequate. Although the Procurement Code requires, in appropriate cases, the use of open tenders when purchasing goods and services for government agencies, a large portion, as high as 90 percent in some instances, of Japanese government purchases are on the basis of single tendering, whereas the average in the United States is 16 percent. The disappointing results of the 1980 agreement to open Nippon Telephone and Telegraph's procurement has called into question all existing commitments to open Japan's procurement processes and practices.

Targeting

Japanese government support for targeted industries has created significant barriers to foreign access to the Japanese market. Although a major purpose of these targeting policies has been to create internationally competitive industries, a significant effect of these policies has been to hinder foreign access to the markets of Japan. Infant industries such as autos, computers, and semiconductors were nurtured by a common strategy that restricted imports, divided the market between domestic suppliers, or prohibited the establishment of foreign-owned manufacturing subsidiaries. Effectively blocked from exporting to or investing in Japan's market, a foreign company's sole recourse was to enter into Japanese-controlled joint ventures or license their technologies to Japanese-owned companies. The effects of this protection of infant industries are all too clear in the U.S.-Japan trade imbalance on manufacturing. Investment opportunities denied during an earlier period have become trade opportunities denied now.

Only one U.S. company was permitted to invest in manufacturing semiconducters in Japan prior to 1976. After waiting for more than four years, the U.S. company was granted permission by the Ministry of International Trade and Industry (MITI) to invest, but only by establishing a 50/50 joint venture with a Japanese company and licensing its basic integrated circuit technology to Japanese companies. These foreign investments restrictions occurred against a background of significant tax benefits, antitrust exemptions, scientific and technical subsidies and outright financial assistance to the Japanese semiconductor industry. Similarly, in the automotive sector, even after high tariffs and foreign exchange controls were lifted, foreign investment restrictions prevented foreign automobile manufacturers from building plants in Japan. Following official removal of the investment restrictions, higher commodity taxes on larger cars, standards and an expensive distribution system have priced foreign cars out of the Japanese market.

The impact of this targeting is not confined to the loss of potential market share. Equally important is the continuing resistence to imports by the oligopolies created by this targeting. In the case of semiconductors, the Japanese market is dominated by a small number of Japanese electronics companies which both produce and consume most of Japan's semiconductors. These firms also dominate most semiconductor end-product markets; produce the bulk of their semiconductors from each other; are linked by a large number of horizontal ties with respect to research, development and, in some cases, production and rates; are characterized by a strong "buy national" bias; and have a long history of collusive activity intended in part to exclude foreign products.

This oligopoly in Japanese semiconductors was achieved not just by protecting the infant industry, but by restricting entry of Japanese companies into the semiconductor industry to large, established producers, encouraging the division of product markets, cooperation in research, development, production and sales, and pressuring semiconductor consumers to "buy Japanese". This system of interlocking interfirm ties in semiconductors, now well-entrenched, constitutes a major barrier to U.S. semiconductor sales in Japan.

While explicit targeting policies have been dismantled in semiconductors and some other established industries, evidence of industrial targeting can be found in telecommunications, satellites, software and numerous depressed industries. Japan's policy of facilitating the adjustment of declining industries such as aluminum, fertilizers, textile fibers, and paper permits the formation of cartels which operate to restrict imports, which, in many cases, enjoy considerable price advantages.

While the net effect of these targeting policies on the Japanese economy may be negative, they create real barriers to U.S. exports.

Industrial Structure

A large share of Japan's production and sales is controlled by sixteen business groups, known as the Keiretsu, each of which has an interlocking, interdependent relationship among banks, manufacturers, and trading companies. This structural aspect of the Japanese economy effectively acts as an import barrier.

Each Keiretsu is composed of a variety of firms in all or most of the major sectors of the Japanese economy. These firms are bound together by both equity interownership and debtor-creditor ties. All of the Keiretsu are organized around large commercial banks which use their financial function to coordinate the business activities of group members.

The Keiretsu structure affects imports into Japan in a number of ways. First, business connections between Keiretsu members produce interdependent business strategies that tend to exclude non-group, not to mention, non-Japanese, business. Within any particular Keiretsu, members generally have strong supplier-consumer relations, facilitated by the Keiretsu's commercial bank. Hence Keiretsu members tend to purchase from other members of the group. Since the Keiretsu account for such a large part of the Japanese economy, foreign suppliers find their ability to compete limited in a considerable segment of the Japanese market.

In those market segments dominated by a few producers, the structure of the Japanese economy facilitates horizontal agreements and cartel-like behavior among Japanese firms, the effect of which is often to hinder imports of foreign products. The fact that Japan's major importers for many products are trading companies that belong to the Keiretsu bolsters the trend to import only where imports do not displace business opportunities of other Keiretsu firms.

Efforts to overcome the control of Japan's complex, multilayered, and insular distribution system through new discount chain stores, convenience stores and mail-order businesses have been set back by Japan's enactment in 1982 of a law limiting the number and size of new stores.

III. THE COMMITTEE BILL

A. Section 1: Congressional finding

Section 1 lists thirteen Congressional findings which form the basis of the Committee bill. In general, these findings set out the elements of unfairness in the U.S.-Japan trade relationship. The last finding recites in language identical to that of section 301(a) of the Trade Act of 1974, the Committee's view that the statutorily prescribed conditions for responding to unfair trade practices are present with respect to Japan.

B. Section 2: Response to unfair trade practices of Japan

Section 2 is the core of the Committee's bill. Subsection (a)(1) directs the President to take all actions within the power of the President to either eliminate the trade barriers of Japan or offset the effects of those barriers on the U.S.-Japan trade balance. Although subsection (a)(1) uses language similar to that found in section 301(a) of the Trade Act of 1974, phrases granting the President discretion in taking action are not incorporated from section 301. In light of the mandatory nature of the bill, the Com-

mittee intends the language of subsection (a)(1) to be free of modifiers implicitly or explicitly giving the President a choice of whether to respond to the unfair trade practices of Japan.

Although the Committee wishes to emphasize its preference for the removal of unfair trade barriers pursuant to subsection (a)(1)(A) of the Committee bill, it recognizes that such removal may not occur within the time permitted by the bill. Accordingly, subsection (a)(1)(B) directs the President to offset the effect on the merchandise trade deficit of such unfair trade practices as are not removed pursuant to subsection (a)(1)(A).

Subsection (a)(2) sets deadlines for the President's actions pursuant to subsection (a)(1). Within ninety days of enactment of the bill, the President must offset the effect of those unfair trade practices of Japan which have not been eliminated by the ninetieth day following the bill's enactment.

Subsection (b)(1) requires that the President's actions in eliminating unfair trade practices or offsetting their effect pursuant to subsection (a)(1) achieve an impact on the U.S.-Japan trade balance at least equal to the effect of the elimination or relaxation as of April 1, 1985, of the voluntary restraints (VRA) on Japanese automobile exports to the United States. This measure is used to reflect the President's publicly-announced hope that the United States decision not to seek renewal of the VRA would be reciprocated by Japanese market opening measures. In fact, the Committee believes that the potential for additional U.S. exports to Japan once Japanese barriers are dismantled far exceeds the opportunities created by the relaxation of the VRA on Japanese automobile exports. Accordingly, the Committee bill's reference to the impact of removing the VRA is intended to specify a minimum result. The President's obligation to respond to the unfair trade practices of Japan under subsection (a)(1) is not limited to the effects of the relaxation of the VRA.

Subsection (b)(2) instructs the President to direct actions intended to offset the effects of Japan's unfair trade practices at competitive Japanese exports including, but not limited to, automobiles, telecommunication products and electronics products. The Committee believes that effective retaliatory action pursuant to the bill can only be achieved by denying Japan those markets in the United States which are most important to Japan's industrial strategy and export ambitions.

Because the bill's retaliatory authority is intended to create an incentive for greater opening of the Japanese market, retaliatory action should be calculated to impose real economic costs on Japan. At the same time, the Committee recognizes that retaliation will impose costs on the U.S. economy and consumer. The Committee therefore intends that, to the extent feasible, retaliation also be calculated to minimize the cost to the consumer. This can be achieved by directing retaliation at Japanese exports to the United States for which there are alternative sources, domestic or foreign.

Subsection (c) prevents the President from modifying or revoking offsetting, retaliatory actions taken pursuant to subsection (a)(1) unless the unfair trade practices of Japan which are the basis for such actions have ended or been notified.

IV. VOTE OF THE COMMITTEE IN REPORTING THE BILL

In compliance with section 133 of the Legislative Reorganization Act of 1946, the Committee states that the bill was ordered favorably reported by a vote of 12–4.

V. BUDGETARY IMPACT OF THE BILL

In compliance with section 252(a) of the Legislative Reorganization Act of 1970, section 308 and 403 of the Congressional Budget Act of 1974, and paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the following statement has been prepared by the Congressional Budget Office relative to the cost and budgetary impact of the bill.

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 25, 1985.

Hon. BOB PACKWOOD,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has examined a bill to require the President to respond to unfair trade practices of Japan, as ordered reported by the Senate Committee on Finance on April 3, 1985. The bill would direct the President to "take all actions within the power of the Presidency" to enforce the rights of the United States under international trade agreements and to correct the merchandise balance of trade between the United States and Japan.

The bill would not grant the President any new powers, but would require action under provisions of existing laws within 90 days of the bills' enactment date. For example, under certain conditions, the President has the authority to impose duties or other import restrictions on the products of one or more countries. To the extent that the President's response would affect dutiable imports from Japan, it could cause an increase or decrease in customs collections. The indeterminate nature of these measures makes it impossible to estimate the revenue effect of this bill at this time.

With best wishes,

Sincerely yours,

RUDOLPH G. PENNER, *Director.*

VI. REGULATORY IMPACT OF THE BILL

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the committee states that the provisions of the committee bill will impose no new regulatory burdens on any individuals or businesses, will not impact on the personal privacy of individuals, and will result in no new paperwork requirements.

VII. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that there are no changes in existing law made by the bill as reported.

ADDITIONAL VIEWS OF JOHN H. CHAFEE

The bill proposed by Senator Danforth and adopted by the Finance Committee focuses on the imbalance of trade with Japan and the United States. This focus disturbs me because the real point here is lack of access to the Japanese market, not the imbalance of trade due to automobile purchases from Japan. Accordingly I could not support this bill.

Section 2(b)(1) of this bill states that action by the President, in response to Japan's unfair trade practices, shall be calculated to offset the cumulative impact that the elimination or relaxation of the voluntary restraints on Japanese automobile exports to the United States will have on the merchandise trade balance between the U.S. and Japan.

In other words for every dollar increase in our trade imbalance with Japan, attributable to increased auto shipments to this country, the President must retaliate in like amount against some competitive Japanese exports. This strikes me as retaliation against increases in our trade imbalance caused by imports of a product where the Japanese have certain competitive advantages.

I do agree that our overall trade deficit is a real and growing problem. U.S. firms are losing their share of both foreign and domestic markets. Corporate profits have declined domestically. The dollar value of profits earned overseas are being reduced. But these setbacks are caused by the strong dollar, demanding domestic fiscal action, not retaliation against those who merely profit from our own macroeconomic policies.

The real source of this tremendous trade deficit is right in our own backyard. The United States is on a reckless course of borrowing and spending. This pushes up interest rates, drawing investment capital from all over the world, and forcing up exchange rates. The best solution to these trade ills is to attack excessive government spending and sharply reduce the federal deficit. Japan deserves reproach for its resistance to foreign goods. But Japanese trading practices do not account for the dramatic and dangerous increases in the American trade deficit over the past two years.

We need not demand a balance in our trade with Japan. Indeed I would rejoice if we had a trade surplus with that country. But that is not the question or indeed the problem. The whole point of trade is to shop around the world for the best available products at the best available prices. We expect the same treatment from Japan. Foreign firms—not just American ones—that have a natural market in Japan, should be able to pursue it. Otherwise the basic requirement for trade, a sense of mutual advantage, vanishes.

I urged the President to allow the voluntary restraints on Japanese automobiles exports to this country to expire last March without seeking renewal, because it was good for both the consumer and the economy at large. If the Japanese make a better automobile at a better price and American consumers want to buy them, then they should be able to do so without having quotas artificially inflate the prices of both domestic and Japanese cars.

In return we expected Japan to give American companies equal access to their market, beginning with a visible and important field—telecommunications—where we are undoubtedly ahead of the competition.

Rather than urge the President to retaliate across the board because of increased automobile imports from Japan, I would prefer that the Senate take direct and specific action in an area where we have a current problem—telecommunications. Furthermore, I fail to see how effective this bill will really be. It tells the President to do something that Senator Danforth has indicated in the past the President has been unwilling or unprepared to do.

The amendment I offered during the Committee's markup of this measure would have the Congress oversee retaliation against the Japanese telecommunications trade practices. This is a sector where the

Japanese have unlimited access to the United States, and its shipments have been growing since the divestiture of AT&T. This amendment is clear and simple. It would prohibit any entry of Japanese telecommunications products into the United States until our trade officials certify to the Congress that we enjoy the same access to Japan's newly privatized telecommunications market as that country has enjoyed here.

It is time this Congress insisted that Japan fully accept the responsibilities that accompany its role in the international marketplace. We must demand market access, even by draconian measures if necessary. But the measures we employ must be designed to achieve that access and not simply to effect a change in our trade balance. I cannot support the latter if that is the goal of the Committee in adopting this measure.

VISIT TO EASTERN EUROPE, MAY 26-31, 1985

MAJOR IMPRESSIONS OF VISIT

Mr. DOLE. Mr. President, from May 26-31, I visited three countries in Eastern Europe: Hungary, Czechoslovakia, and Romania. I would like to share with the Senate the main impressions I have of these countries and our relations with them.

First, while we have fundamentally different views of many major issues and there are clearly defined limits to our relations with those countries, they are nonetheless important to us, both in their own right and in the context of broader East-West relations. If we are to deal with them effectively, we must understand them better, a process which is facilitated by the kind of trip which I undertook.

Second, the large emigration which we have experienced from the countries of Eastern Europe, including the three which I visited, adds special urgency to our relations. We continue to have emigration, family reunification, and freedom of travel problems which are of deep interest and importance to millions of our own citizens. These are problems which must remain high on our national agenda.

Finally, when you travel in Eastern Europe, you cannot help but be struck by the differences among the countries there. All too often we tend to view them as a kind of monolith, with little individual identity and few separate characteristics. In fact, each country is unique, in its history, its culture and, to some important degree, at least, in its policies, both internal and external. We cannot ignore the fact that all of these countries, excepting Albania, are closely allied with the Soviet Union and take many of their defense and foreign policy cues from Moscow. But, if we are to maximize the chance that we can make progress with them on the issues on our own agenda, then we must keep their differences in mind, as well, and fine tune our diplomacy accordingly.

HUNGARY

My first stop was in Hungary. Two common themes of my discussions with government leaders there were their concern about Hungary's serious economic problems and their expressed wish for better relations with the United States, particularly in the economic field.

While there, I met, among others, with Deputy Prime Minister Jozsef Marjai; speaker of the Hungarian Parliament Istvan Sarlos; Politburo Member and Chief Economic Planner Ferenc Havasi; Foreign Minister Peter Varkonyi; and Industry Minister Laszlo Kapolyi. Representing a farm State, as I do, I also took the opportunity to visit a Hungarian agricultural cooperative about 30 miles from Budapest, where over 600 are employed and where I heard firsthand about the life and some of the problems of Hungary's farmers.

My meetings with Marjai, Havasi, and Varkonyi, which I would like to briefly summarize for the information of the Senate, reflected the general tenor of all my discussions in Hungary.

Meeting with Marjai. Deputy Prime Minister Marjai stressed the importance of Hungary of its trade with the United States. He urged that the United States reconsider current procedures for the renewal of most favored nation [MFN] status for Hungary, which require specific annual review and affirmative action. In lieu of that procedure, he urged adoption of an automatic renewal, unless the administration requested that Congress not approve renewal. Marjai said that such a procedure would insure that Hungary "would only be punished if we merited it."

Meeting with Havasi. Havasi provided an extensive overview of Hungary's major economic, financial, and trade problems. In particular, he mentioned a serious deterioration in Hungary's terms of trade, which he estimated has cost his country the equivalent of a year's economic growth. He also cited a large foreign debt, both to the Soviets and to foreign banks, and insufficient consumer goods as major economic challenges. Havasi, like others in Hungary, made clear that increased trade with the west, especially the United States, was one important way Hungary sought to ameliorate these problems.

On the brighter side of the economic picture, Havasi indicated that Hungary has enjoyed a favorable balance of trade the past 2 years, which has facilitated a decrease in overall debt. He also noted that Hungary is still considered creditworthy and that foreign loans are still available. Hungary's decision to join the IMF in 1980, after 10 years of considering that step, has already paid important dividends: IMF credit was a major factor in helping Hungary cope with a serious credit crunch in 1981. Havasi also boasted of Hungary's agricultural productivity, which he said was eighth highest in the world.

For the future, Havasi said that Hungary must concentrate on better management of manpower; greater toughness in dealing with failing industries which could no longer carry their weight; and greater flexibility in pricing policies.

Meeting with Varkonyi. I stressed to Varkonyi the strong commitment of the United States to the Helsinki process and our particular concern about the issues in the human rights basket. Noting that treatment of these issues will inevitably impact on our overall relations with other countries involved in the Helsinki process, I asked the Foreign Minister for Hungary's view of Helsinki.

He claimed that his Government was also committed to full implementation of the Helsinki accords. He expressed the specific hope that the cultural forum to be held under the Helsinki umbrella in Budapest later this year would be a vehicle for greater cooperation, rather than confrontation, between the East and West on Helsinki-related issues. I stressed our view that the Budapest forum, and all the other Helsinki-related activities, could be made more effective if they were viewed as serious working meetings and not fora for propaganda. We approach the Helsinki process that way and hope other governments will, too.

Varkonyi expressed the view that American-Hungarian relations were good but could be even better. He also said Hungary is deeply concerned about the failure to make more progress on arms control in Geneva but remains hopeful that future rounds in Geneva will be more productive.

CZECHOSLOVAKIA

My second stop was in Czechoslovakia, where our relations are strained by the repressive domestic policies of the regime, its propaganda attacks on the United States and its unwillingness to grant visas to many among the 2 million Czech-Americans who wish to visit Czechoslovakia. To all the Czech officials with whom I spoke, I made clear that real improvement in relations depended in important part on more responsible conduct by Prague in these areas.

While in Czechoslovakia, I met with Government officials Svatopluk Potac, Deputy Prime Minister and Chairman of the State Planning Commission; Jaromir Johanes, Deputy Foreign Minister, who is in charge of relations with the United States; and Ota Schwarzenberger, Director of the Praesidium for Foreign Affairs. I was also privileged to meet with Frantisek Cardinal Tomasek, Czechoslovakia's

most important and best known religious leader.

I took the occasion of my stay in Czechoslovakia for deeply moving visits to the Jewish cemetery in Prague and the site of Lidice, the town destroyed by the Nazis during World War II. It is impossible to see and experience either place without a profound sense of sorrow and a rekindled determination to insure that such devastation never be allowed to occur again. I also laid a wreath at the grave of Czechoslovakia's first President, Tomas G. Masaryk, whose granddaughter Anna joined me on that occasion.

Following are brief summaries of my meetings with Potac and with Cardinal Tomasek.

Meeting with Potac. Potac acknowledged that United States Czech relations were not good and offered the view that this was not in the best interest of either side. He lamented the fact that there were so few high level American officials who visited Czechoslovakia and no regular policy-level political dialog between the countries. He cited this absence of dialog as being at the heart of many misunderstandings between our countries.

I responded that United States-Czech relations were indeed an important matter for both countries, not the least because of the many ethnic Czechs and Slovaks who now resided in the United States, many in my own State of Kansas. These people retain important ties of ancestry, culture, and family in Czechoslovakia.

I also stressed, though, that improved relations would have to be a two-way street: There were issues of great importance to us which would have to be addressed by Prague if relations were to be improved. In particular I cited three problems on which progress was needed: First, harsh and personalized Czech attacks on American leaders, especially the President, which were offensive to all Americans who know the President as a decent and humane man; second, hostile anti-American propaganda, which often is even stronger and more inaccurate than Soviet propaganda; and third, problems in obtaining visas to travel to Czechoslovakia by thousands of Czech and Slovak-Americans who wish to visit their ancestral homes.

Potac responded that Czechoslovakia was ready for better relations but that major improvements could not be expected all at once. He said that the American press, too, printed harsh attacks on Czechoslovakia and its Socialist friends and that the United States had given nothing more than lip service to efforts to improve relations, particularly in the economic sphere. He expressed strong disappointment that Czechoslovakia has been denied MFN treatment and complained about tight controls on the export of American technology. He boasted that, in the long run, such controls would be ineffective, since the Socialist countries would eventually be able to produce everything they needed.

Potac suggested that one small step toward better overall relations would be the visit to the Congress of a Czech Parliamentary delegation this year, following the Ottawa meeting of the interparliamentary union. I indicated that I and other congressional leaders would be happy to consider that.

Meeting with Cardinal Tomasek. The highlight of my stop in Czechoslovakia was my meeting with Cardinal Tomasek, the 85-year-old primate of the Catholic Church. I found the Cardinal living and working in modest quarters across the street from the offices of the Czech President. He gave me an account of the many problems faced by the church in Czechoslovakia and his efforts to meet the challenges he faces.

The Cardinal said that relations between the church and Government are not good. Because only two seminaries are allowed to operate, only a small number of seminarians receive Government approval amd most clerical candidates put forward by the Vatican to fill key pastoral positions are turned down by the Government, there is an extreme shortage of priests and clergy in Czechoslovakia. Of the 13 dioceses in Czechoslovakia, only three have bishops, and some of the 10 remaining ones have been without bishops for two decades, Cardinal Tomasek does not even have a bishop on his own staff, to help him guide the work of the church. In addition, the distribution of religious material is tightly circumscribed.

The Cardinal said he is encouraged, nonetheless, that there has been a revival of interest in religion, especially by young people. He also expressed gratitude that Western leaders sometimes visit him, thereby demonstrating support for the plight of religious believers of all faiths in Czechoslovakia.

ROMANIA

My last stop was in Romania, where I met with President Ceausescu, National Assembly President Nicolae Giosan, and Deputy Foreign Minister Maria Groza. With them, I had wide-ranging discussions of the situation in Romania, such international issues as arms control and the state of American-Romanian relations. All three expressed the view that our relations were generally quite good but could be even better. I especially urged positive action on several emigration/human rights cases, which are of special interest to me and to other Senators.

The following summary of my meeting with Ceausescu reflects the range and tone of my discussions in Bucharest.

Meeting with Ceausescu. Ceausescu said Romania wished to retain the cordial ties it has enjoyed with the United States since the Nixon administration. Saying that he regarded relations as good, he listed a number of things which could be done to make them even better. Most important, he said, was expanded trade—his own target was to reach a level of $2 billion in trade within 2 or 3 years. In particular, he urged that the United States consider multiyear MFN for Romania and a lessening of what he described as our "restrictions on free trade," especially quotas on Romanian imports and restrictions on technology exports.

I agreed that greater trade, consistent with our national security, would be in the interest of our country. I outlined for Ceausescu the steps we are taking to reduce our Federal deficits, which should ultimately serve as an important stimulus to international economic growth, benefiting nations such as Romania.

In the noneconomic sphere, I stressed that that one important step toward better relations would be for Bucharest to respond positively on a number of emigration cases which are of particular interest to me and to other Americans. In particular, I mentioned the cases of Father Gheorghe Calciu, who has been jailed in the past and is still denied permission to emigrate to the United States, and Dorin Tudoran, a prominent writer now on a hunger strike because he and his family are not being allowed to emigrate. While no promises were made, I am hopeful that we will see forward movement on these and other cases in the foreseeable future.

For the Romanian side, Ceausescu expressed the hope that we would more rapidly issue immigrant visas to thousands of Romanians who want to move to the United States and who have already been granted exit permits by the Czech Government.

Ceausescu also expressed his deep interest, and Romania's, in the Geneva arms control talks. I outlined for him the role and activities of the Senate's arms control observer group, including the group's travel to Geneva for the opening of the talks, in which I and the distinguished minority leader took part.

CONCLUSION

Mr. President, in conclusion, let me stress that my visit—and the visits of other Senators, earlier or later—should in no way be taken as any sign of approval of all or any particular policies of these governments. We have profound differences with them on a host of important issues, many of which I was able to raise during my visit. Those differences are not going to go away. As I said at the outset, there are distinct limitations on the quality and breadth of relations which

we will ever be able to have with those authoritarian states.

But just because of such differences in principles and policies, it is important that we keep doors of communication open and take every opportunity to press these governments on the issues of importance to us.

Those of us who have some responsibility for shaping our foreign policies have a special obligation to be informed about these countries, to which so many of our fellow citizens have important ties. We have a special obligation to keep pushing on issues like human rights, emigration, family reunification, freedom of travel and trade.

The leaders of Eastern Europe with whom I spoke all expressed the wish that more Members of the Senate visit their countries. I think it is in our interest, and in the interest of our country, that we do so.

ORCHARD LAKE SCHOOLS CENTENNIAL CELEBRATION

Mr. RIEGLE. Mr. President, on July 25, 1985, the Orchard Lake schools in Orchard Lake, MI, will observe its centennial. I join with numerous others in commending the schools on 100 years of educational and community service, in particular to the Polish community.

One hundred years ago, Father Joseph Dabrowski, a native of Zoltance, Poland, founded the Polish seminary in Detroit under the consent of Pope Leo XIII. The seminary consisted of three separate schools: The high school, college, and seminary. By 1900, over 300 students were enrolled in the seminary at all levels.

Upon the death of Father Dabrowski in 1903, Father Witold Buhaczkowski was appointed rector. Under Father Buhaczkowski's leadership, the seminary was moved to its present location in Orchard Lake in 1909.

During the next 20 years, with the construction of dormitories, classrooms, building additions, and a new seminary building, the school continued to expand. In 1928, the Orchard Lake faculty was instrumental in the incorporation of Orchard Lake Village.

During the period from the 1930's through the 1970's, the schools continued their growth and instituted many new academic and Polish cultural programs. During 1941 and 1942, the schools were reincorporated with ownership transferred to a group of polish-Americans, including laity and clergy, from the archdiocese of Detroit.

Today, the schools consist of SS. Cyril and Methodius Seminary, St. Mary's College and St. Mary's Preparatory School. Father Dabrowski's dream of excellent academic and regligous educational opportunities is carried on today by the schools where 60 percent of the tuition is subsidized through a well organized fundraising effort.

The campus includes the Center for Pastoral Studies, the Center for Polish Studies and Culture, the Polish American Liturgical Center and the Pope John II Center. The Orchard Lake schools are affiliated with the Detroit Consortium of Colleges and Universities, the Association of Theological Schools, the Association of Independent Colleges and Universities, and are accredited by the North Central Association. In addition, the schools are fully eligible for Federal funds and expanded degree programs and majors through a title III grant from 1980-83.

The centennial celebration will be observed on July 25, 1985, with a Mass of thanksgiving. This outdoor Mass will occur at 2 p.m. and will be celebrated by over 200 priests, monsignors, and bishops. Cardinal John Krol, Archbishop of Philadelphia and a distinguished alumnus, will deliver the homily. A banquet will follow the Mass. Thousands of alumni, friends, and family members will attend this campus celebration and take part in tours, displays, and media exhibits.

The Orchard Lake schools play a critically important role in the lives of Polish-Americans not only in Michigan, but throughout the United States. Its proud heritage of academic, athletic, cultural, and religious excellence is without rival.

Mr. President, the founders of these unique schools are to be commended for their foresight and dedication to the cause of superior educational opportunities. I salute the faculty and administration, who continue this tradition today. I ask that my colleagues join me in congratulating the Orchard Lake schools on 100 years of success, and join me in wishing every success for the second 100 years.

DEDUCTION OF CHARITABLE CONTRIBUTIONS

Mr. DURENBERGER. Mr. President, today I join my distinguished colleague from New York [Mr. MOYNIHAN] as a cosponsor of his bill, S. 361. This legislation would make permanent for nonitemizing taxpayers the deduction of charitable contributions.

In 1981, the Senate Finance Committee debated whether to allow the above-the-line deduction. The vote was close, 11 to 10, but the charities, the volunteer organizations and those who receive their assistance won. I supported the above-the-line deduction then—mine was the 11th vote cast—and I support it now.

I firmly believe in encouraging charitable activities, because these organizations and their volunteers lend assistance where the Federal Government cannot efficiently or effectively reach. Several of my colleagues argue the case for the deductibility of fringe benefits, saying that if we did not give employers an incentive to provide health insurance, retirement savings accounts or other benefits to their employees, the Government would eventually have to provide them, and the costs would be greater. The same argument can be made for the deductibility of charitable contributions. If private funds were not available to aid the underprivileged or advance higher education, the Federal Government would have to increase spending for social services.

Most experts agree that giving is not motivated by the Tax Code, that people will donate to their local church or favorite charity regardless of any tax break they may receive. It is this tradition that has made our country strong. But small donations are vital to the work of a charitable institution. They add up to significant amounts. Why should only the large contributors be given favorable tax status when lower income givers are so important to charitable and volunteer activities? Through this legislation, we will ensure that all taxpayers are accorded the same treatment under the law.

Mr. President, the Senate Finance Committee held a hearing yesterday on the impact of President Reagan's tax reform proposal on charitable contributions. We heard testimony from representatives of charities, volunteer and educational organizations. I ask unanimous consent to have printed in the RECORD the statements of Dr. Charles Clotfelter of Duke University; Mr. Brian O'Connell, president of Independent Sector; and Dr. Kenneth Keller, president of the University of Minnesota.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF DR. CHARLES T. CLOTFELTER

INTRODUCTION

I appreciate the opportunity to testify on the impact of recent tax reform proposals on charitable giving. My statement begins with a brief summary of economic studies of the effect of taxes on charitable contributions. Next I describe several tax proposals and a methodology for assessing their effects. I then summarize the simulations and note the shortcomings of this methodology.

HOW TAXES AFFECT INDIVIDUAL GIVING

Few would argue that taxes are the most important influence on charitable giving. There is considerable evidence, however, to indicate that taxes can have a significant effect on contributions. Economists identify two separate effects. First, taxes obviously affect after-tax income, and the level of after-tax income is highly correlated with the level of contributions. Other things equal, an increase in an individual's tax liability will tend to depress giving by decreasing net income. Second, taxes affect the net cost per dollar of giving. If contribu-

Footnotes at end of article.

tions are deductible in calculating taxes, then making a gift reduces tax liability, and the after-tax cost of giving a dollar becomes less than a dollar. For example, a taxpayer in the 30 percent bracket enjoys a tax reduction of 30 cents for each dollar contributed. The net cost is therefore only 70 cents per dollar of contributions.

Econometric analyses indicate that both net income and the net cost per dollar are significant factors in explaining giving patterns of individuals. Specifically, an increase in net income of 10 percent is associated with increases in giving on the order of seven to eight percent. A 10 percent increase in the net cost per dollar is usually associated with decline in contributions of more than 10 percent, often between 12 and 13 percent. The ratio between these latter percentages changes—the price elasticity—may vary over the income scale, and this possibility is reflected in the variable elasticity mode. On the assumption that two hypothetical situations differ only by the prevailing tax regime, the effect of changes in tax law can be simulated by applying the changes in net income and net cost per dollar implied by each law.

CURRENT TAX REFORM AND EFFECTS IN GIVING

In place of the current tax, current tax proposals would substitute a structure with a broader tax base and fewer deductions, thereby allowing about the same revenue to be raised with lower rates. Whether it uses a smaller number of tax rates or a true "flat-rate" structure, the reduction in tax rates made possible by broadening the tax base has the potential of improving incentives for work, savings, and tax compliance. Table 1 shows the extent of tax rate reduction for several tax proposals.

It is useful to focus on the aspects of tax reform proposals that will have an impact on charitable contributions. In general, tax reform proposals can affect giving in four ways. First, reform proposals can eliminate the deduction or restrict it to taxpayers who itemize their deductions. If no tax credit is substituted, the elimination of the deduction can result in a significant increase in the net cost per dollar of giving. The provisions affecting the deductibility of contributions for each proposal are noted in Table 1. Less obviously, changes that make itemization status less attractive may also affect the number of taxpayers who receive an incentive. Second, any change in the rate of tax will affect the net cost. A reduction in rates—specifically the rate at which gifts are deducted—will tend to increase the net cost of giving.

Third, reform proposals may affect the attractiveness of contributing appreciated assets. Currently, a taxpayer who makes a gift of appreciated assets not only receives the benefit of the deduction for the market value but, in addition, does not have to pay the capital gains tax on the contributed property which would have been due if indeed the gain had been realized. This added advantage is eliminated by any proposal that limits the deductible amounts to basis or requires capital gains tax to be paid for such gifts. Finally, contributions can be influenced by floors or ceilings that limit the deductibility of contributions.

Before turning to the simulation results, it is useful to summarize the major provisions in the recent proposals made by the Treasury Department and the President that deal with charitable giving. The Treasury's plan had included several provisions that would have had a direct effect on charitable contributions: elimination of the charitable deduction for nonitemizers, imposition of a floor of two percent of AGI for the deductibility of contributions, limitation of the deduction of gifts of appreciated assets to the adjusted basis rather than market value, and the removal of the percentage ceiling on the deductibility of gifts. The Reagan proposal of May 1985 includes only the first of these provisions directly affecting charitable giving. One other provision in the Reagan plan that will affect some taxpayers' incentive to make contributions is the proposed alternative minimum tax. By including in its base as a "preference item" the excess of market value of gifts over basis, it would tend to raise the net cost of giving appreciated assets for some taxpayers. Like the Treasury I proposal of 1984 the Reagan proposal calls for cuts in tax rates, from a maximum of 50 percent in the present law to 35 percent, and other changes that will make it less attractive for taxpayers to itemize their deductions.

SIMULATION METHOD

The simulations I report below are based on an econometric model of charitable giving as well as a number of assumptions regarding the growth of income and other economic variables into the future. The methodology employed is described in "Tax Reform and Charitable Giving in 1985" (Tax Notes, February 4, 1985). It is useful, however, to describe some of the features of this simulation method before presenting detailed results. The data which formed the basis of the simulations are published tax return information for 1982. Income and other dollar amounts were "aged" to 1985 using per capita nominal rates of growth of GNP. The resulting income and other dollar quantities at each income level and for each of four types of tax returns were subjected to the definitions and tax rates of the various proposals in order to calculate tax liability and tax rates. Where the proposals called for indexation, such changes are made based on projected rates of inflation. The simulations of tax liability do not account for all aspects of each proposal due to the need for unpublished data. In each case, however, the most important aspects of each proposal are reflected in the simulations as well as all of the major provisions affecting charitable giving directly.[1] Using these proposals, net income and the net cost of contributions per dollar were calculated for four representative households in each of 14 income classes, or 56 representative households per proposal. For each representative unit, the parameters from an econometric model of contributions were applied to contributions in 1982 to project a giving level under the proposal in 1985.

SIMULATION ESTIMATES

Table 2 presents estimates of total contributions using the two basic econometric models described in the previous paper. As with the previous simulations, the numbers presented here are point estimates subject to statistical and other errors common to econometric simulation in general. The estimates refer to the likely long-run level of contributions that would have been observed if the proposal in question had already been in effect for several years prior to 1985 as has the present law. Finally, these simulations employ an automatic revenue adjustment so that the tax plans considered, with the exception of the Treasury and Reagan plans, will be revenue-neutral. In general, tax rates are adjusted proportionately so that each proposal will raise the same revenue as actual law in 1985. The Treasury I plan was designed to raise 8.5 percent less revenue than current law and the Reagan proposal 7 percent less, with increases in the corporate income tax making each entire package revenue-neutral.

The estimate of total contributions in 1985 shown in Table 2 is on the order of $60 billion. By comparison, the Giving U.S.A. (1985, p.7) estimate for contributions by individuals in 1984 is $61.55 billion. Since there is no detailed description of the methodology used by Giving U.S.A., it is impossible to know the reason for this difference, but one possible explanation is that my estimates cover taxpayers only and exclude nonfilers.[2] The second line in the table shows the likely level of contributions under the Reagan 1985 proposal. Using the constant elasticity model, contributions are predicted to be $49.6 billion under the Reagan proposal, compared to $60.4 billion under current law, for a difference of $10.8 billion, or 18 percent in total giving. The variable elasticity model predicts much the same degree of decline, with total giving under the Reagan plan $9.8 billion below the actual 1985 level. While sizable, these predicted declines are smaller than those associated with the Treasury I proposal of 1984, which implied declines of 19 to 20 percent in giving. The 1985 Reagan plan's less severe effect is the result of its restoration of the current favorable treatment of gifts of appreciated assets and its elimination of the two percent floor on the charitable deduction. These estimates do not, however, reflect the impact of the proposed change in the minimum tax.[3]

For comparison, Table 2 also shows the predicted effects of three other widely discussed tax proposals. The Bradley-Gephardt bill, which would allow all taxpayers to deduct contributions at a basic tax rate of 14 percent, would cause giving to fall by about 23 percent in comparison to current levels. The DeConcini bill, based on the Hall-Rabushka plan, has no provision for a charitable deduction; contributions under that plan would be roughly one-third lower than current levels. The Kemp-Kasten bill would, like Bradley-Gephardt, retain the deduction for all taxpayers, though the top tax rate would be cut to 25 percent; contributions would fall on the order of 12 to 15 percent. A final comparison given in Table 2 is a modification of the Reagan 1985 proposal in which nonitemizers are allowed a full charitable deduction. Under this plan, total giving would fall by much less—on the order of 7 to 11 percent—than under the actual Reagan proposal. Using the Reagan proposal as a base, the simulations indicate that the addition of a full deduction for nonitemizers would increase total contributions by individuals by 7 to 13 percent.

CAVEATS

It is important to reemphasize the limitations of the present analysis. There are a number of sources of possible error in these and similar simulation estimates: statistical errors in estimating coefficients used in the econometric models, errors in estimating the proportion of itemizing taxpayers, errors in estimating the contributions by nonitemizers based on 1973 survey data, errors arising from our limited knowledge of gifts of appreciated assets, and forecast errors in the underlying economic variables used, among others. In addition, the tax proposals are not simulated exactly in every detail, although the revenue adjustment tends to mitigate the effect of any errors in calculating tax liabilities. The current data

are aggregated, and thus are less appropriate in examining behavior with respect to thresholds such as percentage floors in contribution deductions or preference items. Also, the underlying models used relate to long-run levels of giving, that is, levels that would be reached over a period of years under a given tax regime.

Finally, models such as those used here may fail to reflect fully the range of possible taxpayer reaction to tax changes. One example is the possibility that, faced with a floor for the deductibility of charitable contributions, taxpayers might well choose to "bunch" their giving in alternate years in order to have more of their contribution dollar deducted. The greater this bunching behavior, the less significant would be the effect of a floor. A more important variation in taxpayer behavior would be the possible response of donors to changes in the aggregate level of contributions in the economy. If donors perceived that total contributions were declining and that nonprofit organizations were suffering as a result, a shift in the donations function might occur, implying a greater level of contributions for a given net cost and net income level for an individual. Although some speculation and research has addressed the question of whether public expenditures "crowd out" private giving, there is little hard evidence to go on in assessing the possible impact of a significant decline in overall giving on the contributions of individuals. If the income tax law changes drastically, as envisioned in some of these proposals, it is not inconceivable that charities would redouble their efforts to raise money by pointing out the increased need for gifts. Such effects cannot be readily built into existing models of charitable giving, but they cannot be dismissed as possibilities affecting future giving.

CONCLUSION

The decline in charitable giving that will likely result from tax reform is only one of a number of important considerations in assessing tax legislation. Such effects obviously must be weighed against other beneficial effects of tax reform, such as increased efficiency and improved equity. Furthermore, evaluation of the benefit of the charitable deduction itself requires more than a simple comparison of induced contributions against foregone tax revenues. The level of charitable contributions remains, however, an important component in a comprehensive evaluation of tax reform.

In comparison to other advanced economies, the United States places great reliance on its nonprofit sector. It has also accorded it comparatively generous tax treatment. For this reason, it is important to be aware of the likely effects of tax reform on a major source of support for the nonprofit sector, contributions from individuals. It bears reemphasizing, however, that the impact on charitable giving is only one legitimate criterion for evaluating tax reform proposals. As long as a deduction for contributions is retained—as opposed to a tax credit—the tax rate cuts embodied in most tax reform proposals will tend to depress contributions. This admittedly unintended effect may well be an unavoidable price to be paid for fundamental tax reform.

FOOTNOTES

[1] As described in Clotfelter (1985b), the calculation of taxes and tax rates is designed to reflect the most important features of each proposal without incorporating all changes. In addition, some approximations are used where necessary data are not available. In the case of the Treasury I and Reagan plans, the $5,000 interest ceiling was applied simply to all nonmortage interest, though in fact it is to be applied to interest other than mortgage on the principal residence and interest over investment income. Under the Reagan plan, miscellaneous deductions are added to employee business expenses and made an above-the-line adjustment subject to a one percent floor. I assumed that 75 percent of such expenses, prorated over all taxpayers, would be deductible. The proportion of taxpayers predicted to itemize for any given income class in the simulation model depends in part on the aggregate ratio of allowable deductions under the proposal in question to deductions under existing law. The estimated value of this ratio under the Reagan proposal was 0.57, compared to a revised ratio of 0.60 under the Treasury I plan. The resulting estimated proportion of taxpayers who choose to itemize is 27 percent under the Reagan proposal, compared to 29 percent under Treasury I and 39 percent under existing law.

[2] The GAO (1979, pp. 5, 7) reported that, out of the 68 million taxpayers required to file, over 5 million did not file returns.

[3] For discussion of the impact of the minimum tax provision of the Reagan proposal, see Lindsey (1985).

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TABLE 1.—PRESENT LAW AND SELECTED TAX PROPOSALS: MAXIMUM TAX RATE AND PROVISION FOR CONTRIBUTIONS

Description	Maximum tax rate (percent)	Provision for contributions
Current law	50	Itemized deduction; 50 percent deduction for nonitemizer.
Bradley-Gephardt (H.R. 3271; S. 1421).	30	Deduction (at 14 percent).[1]
DeConcini (S. 557) (Hall-Rabushka).	19	None.
Kemp-Kasten (H.R. 5533; S. 2600).	25	Deduction.[1]
Treasury proposal	35	Itemized deduction over 2 percent AGI; constructive realization of appreciated gifts.
Reagan proposal	35	Itemized deduction; excess of market value over basis included as preference item in minimum tax.

[1] Deduction for nonitemizers assumed 50 percent in 1985.

TABLE 2.—PREDICTED CONTRIBUTIONS IN 1985 UNDER CURRENT LAW AND VARIOUS ALTERNATIVES

	Constant elasticity model		Variable elasticity model	
	Amount (billions)	Percentage difference from 1985 law	Amount (billions)	Percentage difference from 1985 law
1985 law	$60.4		$58.7	
Reagan 1985	49.6	−18	48.9	−17
Treasury I 1984	48.2	−20	47.7	−19
Bradley-Gephardt	46.6	−23	45.4	−23
DeConcini/Hall-Rabushka	40.0	−34	40.9	−30
Kemp-Kasten	53.1	−12	50.0	−15
Reagan 1985 plus 100 percent charitable deduction for nonitemizers	56.1	−7	52.2	−11

TESTIMONY OF BRIAN O'CONNELL PRESIDENT INDEPENDENT SECTOR

The new tax plan offered by President Reagan acknowledges the vital role played by giving and volunteering in our society. Unfortunately, that same tax plan threatens to narrow the support for services provided by charitable organizations by abandoning the principle that the tax laws should treat all gifts to charity the same, regardless of the size of the gift or the wealth of the donor.

Independent Sector is encouraged that the President has rejected several provision from the earlier Treasury tax proposal which would have even more sharply reduced charitable giving. However, the new plan will reduce dramatically the number of taxpayers who will be able to deduct their gifts to charity. Present law allows all taxpayers, regardless of income level or size of gift, to receive a tax deduction. The new plan would permit a tax deduction only by those with the highest incomes who itemize their other deductions, estimated to be only one out of four taxpayers.

Even with the changes made from the original Treasury proposal, contributions in 1986 to carry out services provided by charities would be reduced by about 17 percent or $11 billion over what would be the case under the current law. Services given by charities would be cut that amount even after taking into full account that the President's tax reform plan will leave many taxpayers additional discretionary income, some of which will be contributed to charity.

Studies by Professor Lawrence Lindsey of Harvard University show that once the new plan is in place, only approximately 24 percent of the taxpayers will be able to take a deduction for contributions, down from 100 percent under present law (Some estimates suggest that in the near future only 10 or 15 percent of taxpayers will itemize). Estimates are that this narrowing of the deduction alone will cause a decrease in charitable giving of $6.7 billion annually. In addition, Professor Lindsey concludes that charitable giving will decline by $4.2 billion in 1986 as a direct result of lowering marginal tax rates and other tax changes (including gifts of appreciated property for individuals subject to the minimum tax). Other research, conducted by Dr. Charles Clotfelter, Vice Provost of Duke University, found that services offered by charities would be cut by about $11 billion under the President's proposal.

As part of contributing our fair share to tax reform, Independent Sector accepts the reductions in charitable giving which result from lowered marginal tax rates. We are not willing, however, to accept additional reductions.

Though the relationship of taxes and giving is important, as illustrated by the studies, Independent Sector points out that people do not give to the causes of their choice because of tax considerations. The larger motivations relate to helping others and improving communities. However, the charitable deduction does influence the *size* of enough gifts to represent a 31 percent increase over what would be given if the deduction did not exist.

Independent Sector points out that giving does not represent any financial advantage to the giver. Contributions still represent a subtraction from what could be spent on other things. The deduction for contributions is the only deduction that provides no tangible benefit to the taxpayer. These are not dollars consumed or saved. They are voluntarily contributed for the public good.

Giving and volunteering in this country are universal virtues. Charity is everyone's concern and everyone's responsibility. The

new plan undermines this principle by making tax distinctions between those who give a lot and those who can give only a little. Charitable organizations know the importance of the small giver, as well as those who can afford to give more. The small giver, like others who give, is a volunteer. The small giver is the larger giver of the future. The small giver is often the unsung supporter in the community of the charity's goals and programs.

The principle of treating all charitable gifts the same under the tax law is a matter of tax fairness. This principle was recognized by Congress when it adopted in 1981 the present tax treatment of gifts made by those who do not itemize their deductions. It is recognized by Congress today as evidenced by the fact that a majority of the Members of the House of Representatives already co-sponsor H.R. 587 which will make permanent the deduction of contributions by all taxpayers.

This principle was recognized by then-candidate Ronald Reagan in 1980 when he stated in a communication to the National Conference of Catholic Charities, "To help nongovernmental community programs aid in serving the needs of poor, disabled, or other disadvantaged, we support permitting taxpayers to deduct charitable contributions from their Federal income tax whether they itemize or not."

Any reductions in charitable giving would only compound the impact of Federal budget cuts since 1982. In cumulative figures, overall federal spending on human service programs declined by $50 billion between 1982 and 1985, excluding Medicaid and Medicare. In the lst four years there has been a decrease in government involvement in a number of human service programs. Proposed changes in the tax treatment of gifts to nonprofits reduce the possibility for private initiatives to offset at least part of the impact of federal cutbacks.

The President's recommendations contradict totally this Administration's call for volunteers and voluntary organizations to play a larger role in helping people deal with human problems, community needs, and national aspirations.

For a country—and an Administration and Congress—that wants to encourage private initiative for the public good, passage of H.R. 587 and S. 361 to continue the charitable deduction is terribly important.

Whatever occurs as the result of current efforts related to tax reform must not intentionally reduce governmental encouragement of voluntary endeaver. Any such move would negate the larger public policy consideration, which, from the start, has been to foster the vast participation and diversity that are so much a part of America's uniqueness.

INTRODUCTION

I am Brian O'Connell, President of Independent Sector, a membership organization of 625 national organizations, foundations, and business corporations which have banded together to strengthen our national tradition of giving, volunteering and not-for-profit initiative. A list of our members is attached.

Our Voting Members are organizations with national interest and impact in philanthropy, voluntary action and other activity related to the independent pursuit of the educational, scientific, health, welfare, cultural and religious activities of the nation. The range of members includes the American Heart Association, United Negro College Fund, Goodwill Industries of America, Kellogg Foundation, National Council of Churches, Native American Rights Fund, Association of Junior Leagues, CARE, Council on Foundations, American Association of Museums, Council of Jewish Federations, National Puerto Rican Coalition, National Conference of Catholic Charities, National Audubon Society, Equitable Life Insurance Society of the U.S., National Association of Independent Colleges and Universities, United Way of America, Brooking Institution, American Enterprise Institute, Appalachian Mountain Club, and the American Red Cross. The common denominator among this diverse mix of organizations is their shared determination that the voluntary impulse shall remain a vibrant part of America.

THE HISTORY OF TAX POLICY IN RELATION TO CHARITABLE GIVING

Historically, tax policy has encouraged voluntary initiative. From the beginnings of our country, deliberate effort has been made to encourage private initiative for the public good and to promote and sustain the voluntary institutions through which the nation does so much of its public business. Those conscious efforts included the property tax exemption and, when the modern day Federal income tax was adopted, the charitable contributions deduction.

The action of Congress in 1917 to provide for the charitable contributions deduction was a clear indication that we wanted to find every conceivable way to encourage pluralism and maximum possible involvement of citizens in addressing their own problems and aspirations. When the Congress extended the deduction for nonitemizers, in 1981, it was further indication that it is the position of the American people and our government that all of us should be encouraged in every way possible to support the causes of our choice.

RECENT CHANGES IN CHARITABLE GIVING

Charitable contributions increased by 11 percent in 1983 even after the 1981 Tax Act had reduced marginal tax rates. However, Treasury figures show a decline in giving among upper-income earners, but these declines have been offset by increased giving among lower-income families, particularly those with incomes under $30,000, the large group allowed to deduct the charitable contributions by the same 1981 Tax Act. During the period 1980 to 1983, the average contribution per return by individuals making less than $50,000 per year increased by 18 percent—due in part to the availability of the charitable deduction for nonitemizers. In 1982, 91 percent of those taking the charitable deduction for nonitemizers had incomes of less than $30,000. Ninety-nine percent had incomes under $50,000. During the 1980 to 1983 period, the average contribution per return by individuals making over $50,000 actually decreased by 34 percent—due in large part to the reduction in marginal tax rates resulting from the 1981 Tax Act.

Not only did giving by individuals rise by almost 14 percent in 1983, a tough economic year and one in which giving in the upper brackets declined so dramatically, but for the first time in 12 years, giving as a proportion of Personal Income (PI) began to rise after 10 straight years of decline. Not only did the trend reverse, it did so in a dramatic turnaround, bringing it to its highest level since 1971. These are the figures from "Giving USA-1986" produced by the American Association of Fund-Raising Counsel, Inc.:

GIVING BY INDIVIDUALS

[Dollars in billions]

Year	Amount	Personal Income	Percent of Income
1970	$16.19	$811.1	2.00
1971	17.64	868.4	2.03
1972	19.37	951.4	2.04
1973	20.53	1,065.2	2.04
1974	21.60	1,168.6	1.93
1975	23.53	1,265.0	1.85
1976	26.32	1,391.2	1.89
1977	29.55	1,540.4	1.92
1978	32.10	1,732.7	1.85
1979	36.59	1,951.2	1.88
1980	40.71	2,165.3	1.88
1981	46.42	2,429.5	1.91
1982	48.52	2,584.6	1.88
1983	55.13	2,744.2	2.01
1984	61.55	3,013.2	2.04

A law of major importance to the 800,000 public charities and to the 62 million taxpayers who won't, under current law, itemize their income tax in 1986, was enacted in August, 1981, as a part of the 1981 Tax Act. That measure, the Charitable Contributions Law, allows a taxpayer to take a deduction for contributions to charity even if the giver takes the standard deduction. According to recent research, the law will generate $5.5 billion annually in increased contributions to charities.

Between 1970 and 1980, the zero bracket amount (Z.B.A.) for married couples filing jointly was increased from $1,000 to $3,400. As the Z.B.A. has increased, fewer and fewer taxpayers have elected to itemize their deductions. The gradual increase in the Z.B.A. between 1970 and 1980 resulted in a loss of $5 billion in contributions to public charities.

Charitable contributions may have been taken into account as part of the standard deduction when the legislation was originally considered 30 years ago. Since that time, however, the level of the standard deduction has been raised a number of times without regard to estimates of individual components. The critical point is that the use of the standard deduction or Z.B.A. was never intended to discourage charitable giving; yet, inadvertently, it did.

REVENUE LOSS, DEFICITS, AND CHARITABLE GIVING

In the face of rising deficits, it was important to keep the loss to the Treasury low in the first several years of the charitable deduction for nonitemizers. The philanthropic community recognized the need to address the deficit problem and agreed to the phase-in.

1982—25 percent of 1st $100 (maximum of $25).

1983—same.

1984—25 percent of 1st $300 (maximum of $75).

1985—50 percent of all contributions.

1986—100 percent of all contributions.

The Treasury Department says that the deduction will cost them $2.7 billion in 1987. Professor Clotfelter, Martin Feldstein and other economists predict that the deduction will increase contributions by a good deal more than that. According to Lindsey of Harvard University, giving is likely to increase by at least $5.5 billion, if the charitable deduction for nonitemizers is continued.

Five and one-half billion may not seem like much to a government with a budget of $1 trillion, but it's still an awful lot of money in this voluntary sector. It's more

than twice the money raised throughout the country in last fall's United Way appeal.

Conversely, the Treasury loss of $2.7 billion is about one-quarter of one percent of the Federal budget. Compare in your own mind the tradeoff between expanding all voluntary effort in our society by almost ten percent contrasted with reducing Federal expenditures by one-quarter of one percent. And match that against the widespread determination to expand citizen participation in our communities and the nation.

Even if the $2.7 billion were taken from charities and used to reduce the Federal deficit of $200 billion, it would be less than one and one-half percent of the deficit. And that only compares dollars to the Treasury against dollars to voluntary organizations. It doesn't count the increased volunteering that goes with contributions and which contributions generate. For an Administration, a Congress and a nation that reveres pluralism and citizen involvement, it's the ultimate absurdity to be debating cutting the voluntary sector by ten percent to save the government one-quarter of one percent.

The Administration says that charities and people they serve should let the charitable deduction for nonitemizers be repealed even before the potential benefits of the deduction operating at its full level can be realized. That's the same government that is asking voluntary organizations to respond to greater demands as a result of cutbacks in government-run programs. Many voluntary programs have been hit by a triple whammy. The government is paying out less for public services contracted with voluntary agencies such as for day care. Contributions among the well-to-do have been reduced as a result of lowered tax rates and caseloads are being transferred from government agencies to voluntary ones.

The Administration says that all must do their share, but as nearly as we can see, we were the only ones to respond to their similar appeal four years ago when, in recognition of the deficit and with the assurances that the new Administration would find other ways to strengthen voluntary effort, we agreed to a slow phase-in of the nonitemizer deduction so that its full impact on the budget would not be felt at once. Now having responded with the agonizing restraint required of waiting for the deduction to phase-in to a level where it could help us with increased caseloads, we are the ones being asked to give it all up. That's not fair.

The government pushed the workload on us and we accepted. The government asked us to set an example of restraint in the face of national deficits and we accepted. Four years later, after being the ones to carry forward the voluntary spirit heralded by the Administration and Congress, we are the very same ones being asked to transfer almost ten percent of our income to provide the government with a supplement of one-fourth of one percent to theirs. We are rather proud to be known as soft-hearted, but rather angered to be treated as soft-headed.

If the primary interest of Treasury is to save money, let them ponder what it would cost them to take over responsibility for programs and institutions now funded by contributions. It would add at least $100 billion to the deficit and dry up the voluntary spirit that they say is the heart of our country.

PUBLIC AND CONGRESSIONAL SUPPORT FOR CHARITABLE DEDUCTIONS

The nonitemizer deduction enjoys a wide base of public and Congressional support. In this Congress, H.R. 587 is the only tax-related bill, out of 253 pending in the House, to have achieved a majority of cosponsors.

Two recent public opinion polls demonstrated strong support for charitable deductions in tax reform proposals. A January 1985 New York Times/CBS News poll showed that 81 percent believed that people should get the charitable deduction. A more recent Los Angeles Times poll supported keeping the deduction for giving to charity by an overwhelming 82 percent. Even among those who don't claim charitable deductions, 70 percent favored keeping the tax incentive, suggesting they think its social value outweighs their personal interest. The findings of both polls are consistent with a November 1984 Gallup survey, in which 80 percent of those queried stated that any tax reform proposal should either maintain the current charitable contributions deduction, or increase it.

OTHER BILLS

Any tax reform proposal considered by this Committee must not intentionally reduce governmental encouragement of voluntary endeavor. In addition to the President's tax proposals, other tax bills introduced in this session affect charitable giving. Independent Sector is pleased that the Bradley-Gephardt bill retains the charitable deduction for all taxpayers. Unfortunately, the charitable deduction only applies at the basic rate of 14 percent. Dr. Clotfelter estimates that this bill would result in a decrease in giving of about 23 percent (versus 17 percent in the President's proposal). The DeConcini bill has no provision for a charitable deduction; contributions under that plan would be roughly one-third lower than current levels. The Kemp-Kasten bill would, like Bradley-Gephardt, retain the deduction for all taxpayers, though the top tax rate would be cut by 25 percent; contributions would fall on the order of 12 to 15 percent.

CONCLUSION

Any move which might to any degree stifle voluntary initiative would negate the larger public policy consideration, which, from the start, has been to foster the vast participation and diversity that are so much a part of America's uniqueness. For example, the President's recommendations contradict totally this Adminstration's call for volunteers and voluntary organizations to play a larger role in helping people deal with human problems, community needs, and national aspirations. For a country—and an Administration and Congress—that wants to encourage private initiative for the public good, that law is terribly important.

The issue comes down to what kind of society we want to be and a resolve to use public policy to encourage that vision. If pluralism is part of that ideal, then it is absolutely essential to search out every possible way to encourage it. The deduction of charitable gifts has provided a significant incentive for increased giving, but even more important has served to remind all of us that it is the philosophy and policy of the people and our government, that giving is an act for the public good that is to be fostered. These direct and indirect encouragements have helped to build the enormous degree of pluralism and citizen participation that are among the country's most important characteristics. Retaining the nonitemizer deduction and making the Charitable Contributions Law a permanent part of tax policy represents a small price and large step toward a more caring and participatory population. Charities are willing to accept significantly decreased charitable giving that will result from lowered marginal tax rates. We are accepting the burden of providing some of the services no longer financed by Federal tax dollars. We will not accept the repeal of the charitable deduction for three out of four taxpayers.

INDEPENDENT SECTOR VOTING MEMBERS

ACCION International/AITEC.
Accounts. for the Public Interest.
Aetna Life and Casualty Company.
Aga Khan Foundation USA.
Agudath Israel of America.
Aid Association for Lutherans.
Alcoa Foundation.
Alliance of Independent Colleges of Art.
Allied Corporation.
Allstate Foundation.
American Arts Alliance.
American Assembly.
American Association for the Advancement of Science.
American Association for Higher Education.
American Association of Fund-Raising Counsel, Inc.
American Association of Homes for the Aging.
American Association of Museums.
American Association of Retired Persons.
American Association of University Women.
American Bar Association.
American Can Company Foundation.
American Cancer Society.
American Citizens Concerned for Life.
American Council for the Arts.
American Council for Judaism.
American Council on Alcoholism, Inc.
American Council on Education.
American Dance Guild.
American Diabetes Association.
American Ditchley Foundation.
American Enterprise Institute for Public Policy Research.
American Express Foundation.
American Farmland Trust.
American Fisheries Society.
American Foundation for the Blind, Inc.
American GI Forum National Programs Administration.
American Health Planning Association.
American Heart Association.
American Hospital Association.
American Humanics, Inc.
American Kidney Fund.
American Leadership Forum.
American Lung Association.
American Near East Refugee Aid.
American Art Federation, Inc.
American Public Radio.
American Red Cross.
American Social Health Association.
American Speech-Language-Hearing Association.
American Standard Foundation.
American Stock Exchange.
American Symphony Orchestra League.
American Woman's Economic Development Corporation.
American Youth Work Center.
Americans for Indian Opportunity.
Amoco Foundation.
Anschutz Family Foundation.
Appalachian Mountain Club.
Arca Foundation.
Armco Foundation.
Arrow, Inc.
Arthritis Foundation.
Art Museum Association.
Arts International.

Aspen Institute for Humanistic Studies.
ASPIRA of America, Inc.
Association for International Practical Training.
Association for Volunteer Administration.
Association of American Colleges.
Association of American Universities.
Association of Art Museum Directors.
Association of Black Foundation Executives, Inc.
Association of Governing Boards of Universities and Colleges.
Association of Independent Conservatories of Music.
Association of Jesuit Colleges and Universities.
Association of Junior Leagues, Inc.
Association of Professional Vocal Ensembles.
Association of Voluntary Action Scholars.
Atlantic Richfield Foundation.
AT&T Foundation.
Avon Products Foundation, Inc.
Mary Reynolds Babcock Foundation.
BankAmerica Foundation.
Bankers Trust Company.
Beatrice Companies, Inc.
Bell Atlantic.
Benton Foundation.
Best Products Foundation.
Bethlehem Steel Corporation.
Big Brothers/Big Sisters of America.
Bing Fund Corp.
Bird Foundation.
Blandin Foundation.
B'nai B'rith International.
Borden Foundation.
Boston Foundation.
Boston Globe Foundation, Inc.
Boy Scouts of America.
Boys Clubs of America.
Bread for the World Educational Fund, Inc.
Otto Bremer Foundation.
Bristol-Myers Fund.
Brookings Institution.
Brother's Brother Foundation.
Burroughs Corporation.
Burroughs Wellcome Fund.
Edyth Bush Charitable Foundation, Inc.
Business Committee for the Arts, Inc.
Cabot Corporation Foundation, Inc.
California Community Foundation.
Call for Action, Inc.
Camp Fire, Inc.
Cancer Care, Inc. and The National Cancer Foundation, Inc.
CARE.
Career Training Foundation.
Carnegie Corporation of New York.
Carnegie Foundation for the Advancement of Teaching.
Carter Hawlet Hale Stores, Inc.
Catalyst for Women, Inc.
Caterpillar Foundation.
CBS Inc.
CEIP Fund, Inc.
Center for Corporate Public Involvement.
Center for Creative Leadership.
Center for Creative Management.
Center for National Policy.
Center for Responsive Governance.
Center for the Study of the Presidency.
Champion International.
Charter Foundation, Inc.
Chase Manhattan Bank, N.A.
Chemical Bank.
Chesebrough-Pond's Inc.
Chevron U.S.A., Inc.
Child Care Action Campaign.
Children's Aid International.
Christian Church Foundation.
Christian Ministries Management Association.
Church Women United.
CIGNA Foundation.
Citicorp/Citibank.
Citizen's Scholarship Foundation of America, Inc.
Cleveland Foundation.
Clorox Company Foundation.
Close Up Foundation.
Coca-Cola Company.
CODEL, Inc.
Coleman Foundation, Inc.
College Board.
Colonial Williamsburg Foundation.
Colt Industries Inc.
Columbia Foundation.
Committee for Food and Shelter.
Commonwealth Fund.
Congressional Award Foundation.
Congressional Black Caucus Foundation, Inc.
Conoco, Inc.
Conservation Foundation.
Consolidated Natural Gas Compay Foundation.
Consortium for the Advancement of Private Higher Education.
Consortium for International Citizen Exchange.
Continental Group Foundation, Inc.
Corning Glass Works Foundation.
Coro Foundation.
Corporation for Enterprise Development.
Council for the Advancement and Support of Education.
Council for the Advancement of Citizenship.
Council for the Advancement of Experiential Learning.
Council for American Private Education.
Council for Basic Education.
Council for Financial Aid to Education.
Council of Better Business Bureaus/Philanthropic Advisory Service Division.
Council of Independent Colleges.
Council of Jewish Federations.
Council on Economic Priorities.
Council on Foundations.
Council on International and Public Affairs.
Covenant House, Inc.
CPC International, Inc.
Crown Zellerbach Foundation.
Crum and Forster Foundation.
Cuban National Planning Council, Inc.
Cystic Fibrosis Foundation.
Charles A. Dana Foundation, Inc.
Dance/USA.
Dart & Kraft, Inc.
Dayton Hudson Foundation.
Deere and Company.
Deloitte Haskins and Sells.
Denver Foundation.
Geraldine R. Dodge Foundation.
Dole Foundation.
Gaylord and Dorothy Donnelley Foundation.
William H. Donner Foundation, Inc.
Joseph Drown Foundation.
Duke Endowment.
E.I. du Pont de Nemours & Company.
Durfee Foundation.
Dyson Foundation.
Eastman Kodak Company.
Eaton Corporation
Economic Education for Clergy, Inc.
Educational Testing Service.
Elderworks.
Emerson Electric Company.
Enterprise Foundation.
Environmental Fund.
Environmental Law Institute.
Epilepsy Foundation of America.
Equitable Life Assurance Society of the United States.
Evangelical Council for Financial Accountability.
Exxon Corporation.
Maurice Falk Medical Fund.
Family Service America.
Federated Department Stores, Inc. Foundation.
Fireman's Fund Insurance Company Foundation.
First Bank Saint Paul.
First Interstate Bank of California Foundation.
Food Research and Action Center.
Ford Foundation.
Ford Motor Company Fund.
Foreign Policy Association.
40 Plus Educational Center, Inc.
Forum Institute.
Foundation Center.
Foundation for Children with Learning Disabilities.
Foundation for Exceptional Children.
Foundation for the Peoples of the South Pacific Inc.
Foundation for Teaching Economics.
Freeport-McMoRan Inc.
Fresh Air Fund.
Friends Association for Higher Education.
Fund for an Open Society.
Fund for Artists' Colonies.
Future Homemakers of America.
Gannett Foundation.
General Conference of Seventh-day Adventists.
General Electric Company.
General Foods Corporation.
General Mills Foundation.
General Motors Foundation.
Georgia-Pacific Foundation, Inc.
Wallace Alexander Gerbode Foundation.
J. Paul Getty Trust.
Giraffe Project.
Girl Scouts of the U.S.A.
Girls Clubs of America, Inc.
Morris Goldseker, Foundation of Maryland, Inc.
Goodwill Industries of America.
Grace Foundation, Inc.
GrandMet USA, Inc.
Grantmakers in Health.
Grotto Foundation.
Grumman Corporation.
GTE Corporation.
Gulf and Western Foundation.
George Gund Foundation.
Alan Guttmacher Institute.
Miriam and Peter Haas Fund.
Walter and Elise Haas Fund.
Hallmark Cards, Inc.
Luke B. Hancock Foundation.
Hawaiian Foundation.
Edward W. Hazen Foundation.
Healing Community.
Hearst Foundation, Inc.
William Randolph Hearst Foundation.
H.J. Heinz Company Foundation.
Heublein Foundation, Inc.
William and Flora Hewlett Foundation.
Hewlett-Packard Company Foundation.
Conrad N. Hilton Foundation.
Hispanic Information and Telecommunications Network.
Hispanic Policy Development Project.
Hoffmann-LaRoche Foundation.
Hogg Foundation for Mental Health.
Honeywell Foundation.
Hospital Research and Educational Trust.
Hudson-Webber Foundation.
Hunt Foundation.
Huntington's Disease Foundation of America.
Godfrey M. Hyams Trust.
IMB Corporation.

Independent College Funds of America, Inc.
Independent Research Libraries Association.
Inland Steel-Ryerson Foundation, Inc.
Institute for the Future.
Institute for Journalism Education.
Institute of Current World Affairs.
InterAction (American Council for Voluntary International Action).
International Christian Youth Exchange.
International Paper Company Foundation.
International Service Agencies.
International Women's Health Coalition.
INTERPHIL (International Standing Conference on Philanthrophy).
Interracial Council for Business Opportunity.
James Irvine Foundation.
Irving Trust Company.
ITT Corporation.
Ittleson Foundation.
Japan-America Student Conference, Inc.
Jerome Foundation.
Johnson Foundation, Inc.
Johnson & Johnson.
Robert Wood Johnson Foundation.
Joint Action in Community Service.
Joint Center for Political Studies.
Joint Council on Economic Education.
Jones Foundation.
Jostens Foundation, Inc.
Joyce Foundation.
Junion Achievement Inc.
JWB.
Kaiser Aluminum & Chemical Corporation.
Henry J. Kaiser Family Foundation.
Keep America Beautiful, Inc.
W.K. Kellogg Foundation.
Charles F. Kettering Foundation.
Kresge Foundation.
Samuel H. Kress Foundation.
Albert Kunstadter Family Foundation.
LEAD Program in Business, Inc.
League of Women Voters Education Fund.
L.S.B. Leakey Foundation.
Leukemia Society of America, Inc.
Eli Lilly and Company.
Lilly Endowment, Inc.
Lubrizol Foundation.
Henry Luce Foundation, Inc.
Lutheran Brotherhood Foundation.
Lutheran Council in the USA.
Lutheran Resources Commission—Washington.
Lyndhurst Foundation.
J. Roderick MacArthur Foundation.
John D. and Catherine T. MacArthur Foundation.
R.H. Macy & Co., Inc.
March of Dimes Birth Defects Foundation.
John and Mary R. Markle Foundation.
Louis B. Mayer Foundation.
Robert R. McCormick Charitable Trust.
McDonald's Corporation.
McDonnell Douglas Corporation.
McGraw-Hill Foundation, Inc.
McKesson Foundation, Inc.
McKnight Foundation.
Meadows Foundation.
Medina Foundation.
Mellon Bank Foundation.
Richard King Mellon Foundation.
Joyce Mertz-Gilmore Foundation.
Metropolitan Life Foundation.
Mexican American Legal Defense and Educational Fund.
Mexican American Women's National Association.
Eugene and Agnes E. Meyer Foundation.
John Milton Society for the Blind.
Minneapolis Foundation.
Mobil Oil Corporation.
Monsanto Company.
Philip Morris, Inc.
Charles Stewart Mott Foundation.
Stewart R. Mott Charitable Trust.
Mountain Bell.
Ms. Foundation for Women, Inc.
Mutual Benefit Life.
Mutual of America Life Insurance Company.
NAACP Legal Defense and Educational Fund, Inc.
National Academy of Public Administration.
National Action Council for Minorities in Engineering, Inc.
National Alliance for the Mentally Ill.
National Alliance of Business.
National ALS Foundation, Inc.
National Assembly of Local Arts Agencies.
National Assembly of National Voluntary Health and Social Welfare Organizations, Inc.
National Assembly of State Arts Agencies.
National Association for Bilingual Education.
National Association for Hispanic Elderly.
National Association for Hospital Development.
National Association for Visually Handicapped.
National Association for Area Agencies on Aging.
National Association of College and University Business Officers.
National Association of Community Health Centers, Inc.
National Association of Independent Colleges and Universities.
National Association of Independent Schools.
National Association of Latino Elected and Appointed Officials (NALEO).
National Association of Public Television Stations.
National Association of Schools of Art and Design.
National Association of Schools of Music.
National Association of Schools of Public Affairs and Administration.
National Association on Drug Abuse Problems, Inc.
National Audubon Society.
National Black Media Coalition.
National Board of the Young Women's Christian Association of the U.S.A.
National Catholic Development Conference, Inc.
National Charities Information Bureau, Inc.
National Committee Against Discrimination in Housing.
National Committee for Adoption, Inc.
National Committee for Citizens in Education.
National Committee for the Prevention of Child Abuse.
National Concilio of America.
National Conference of Catholic Charities.
National Congress for Community Economic Development.
National Congress of American Indians.
National Consumers League, Inc.
National Corporate Fund for Dance, Inc.
National Council for Families and Television.
National Council for International Visitors.
National Council for Research on Women.
National Council of the Churches of Christ in the U.S.A.
National Council of La Raza.
National Council of Senior Citizens.
National Council of Women of the United States, Inc.
National Council of Young Men's Christian Associations.
National Council on Foreign Language and International Studies.
National Council on U.S.-Arab Relations.
National Down Syndrome Association.
National Easter Seal Society, Inc.
National Executive Service Corps.
National Family Planning and Reproductive Health Association, Inc.
National Federation of Business and Professional Women.
National Federation of State Humanities Councils.
National Foundation for Long Term Health Care.
National 4-H Council.
National Fund for Medical Education.
National Future Farmers of America, Inc.
National Gay Task Force, Inc.
National Health Council, Inc.
National Hispanic Scholarship Fund.
National Home Library Foundation.
National Image, Inc.
National Indian Youth Council.
National Institute for Music Theatre.
National Job Corps Alumni Association, Inc.
National Legal Aid and Defender Association.
National Medical Enterprises, Inc.
National Medical Fellowships, Inc.
National Mental Health Association.
National Multiple Sclerosis Society.
National Municipal League/Citizens Forum on Self-Government.
National Neighborhood Coalition.
National Neighbors, Inc.
National Network of Grantmakers.
National Network of Runaway and Youth Services, Inc.
National Park Foundation.
National Parks and Conservation Association.
National Press Foundation.
National Psoriasis Foundation.
National Public Radio.
National Puerto Rican Coalition, Inc.
National Puerto Rican Forum, Inc.
National Scholarship Service and Fund for Negro Students, Inc.
National School Volunteer Program, Inc.
National Society for Children and Adults with Autism.
National Society of Fund Raising Executives.
National Society to Prevent Blindness.
National Space Institute.
National Trust for Historic Preservation.
National Urban Coalition.
National Urban Fellows, Inc.
National Urban League, Inc.
National Wildlife Federation.
Native American Rights Fund.
Nature Conservancy.
New Haven Foundation.
New World Foundation.
New York Community Trust.
New York Life Foundation.
New York Times Company Foundation, Inc.
NL Industries Foundation, Inc.
Nordson Foundation.
Northwest Area Foundation.
NOW Legal Defense and Education Fund.
NYNEX.
Oakleaf Foundation.
OICs of America, Inc.
Older Women's League.
Olin Corporation.
Open Space Institute.

OPERA America.
Organization of Chinese American Women.
Orleton Trust Fund.
Outward Bound, Inc.
Owens-Illinois, Inc.
Pacific Telesis Group.
David and Lucile Packard Foundation.
Parents Anonymous.
Parents Without Partners.
J.C. Penney Company, Inc.
People-to-People Health Foundation, Inc. (Project HOPE).
Pepsico Foundation, Inc.
Permanent Charities Committee of the Entertainment Industries.
Petro-Lewis Corporation.
Pfizer Foundation, Inc.
Phillips Petroleum Foundation, Inc.
James Picker Foundation.
Pillsbury Company Foundation.
Pioneer Hi-Bred International, Inc.
Piton Foundation.
Pittsburgh Foundation.
Planetary Society.
Planned Parenthood Federation of America, Inc.
Polaroid Foundation, Inc.
Population Council.
Population Crisis Committee/Draper Fund.
Population Resource Center.
PPG Industries Foundation.
Premier Industrial Foundation.
Procter and Gamble Fund.
Project Orbis, Inc.
Prudential Foundation.
Public Affairs Council.
Public Education Fund.
Puerto Rican Legal Defense & Education Fund, Inc.
Ray Foundation.
RCA Corporation.
Reading is Fundamental, Inc.
Reinberger Foundation.
Charles H. Revson Foundation.
R.J. Reynolds Industries, Inc.
Sid W. Richardson Foundation.
Rockefeller Brothers Fund.
Rockefeller Family Fund.
Rockefeller Foundation.
Rockwell International Corporation Trust.
Rosenberg Foundation.
Round Table Foundation.
RP Foundation Fighting Blindness.
Samuel Rubin Foundation.
Safeco Insurance Companies.
Russell Sage Foundation.
St. Paul Companies, Inc.
Saint Paul Foundation.
Salvation Army.
San Francisco Foundation.
Sante Fe Southern Pacific Foundation.
Save the Children.
Schering-Plough Corporation.
Dr. Scholl Foundation.
Scientists' Institute for Public Information.
Sears, Roebuck and Co.
Seaver Institute.
Second Harvest.
Shell Companies Foundation, Inc.
Sherwin-Williams Company.
Lois and Samuel Silberman Fund.
Alfred P. Sloan Foundation.
Smart Family Foundation.
John Ben Snow Foundation, Inc.
Southern Education Foundation.
Southwestern Bell Foundation.
Spencer Foundation.
Spring Hill Center.
SRI International.
Standard Oil Company (Ohio).
W. Clement and Jessie V. Stone Foundation.
Aaron Straus and Lillie Straus Foundation, Inc.
Levi Strauss Foundation.
Student Conservation Association, Inc.
Sun Company, Inc.
Support Center.
Syntex (U.S.A.), Inc.
Taconic Foundation, Inc.
Tandy Corporation/Radio Shack.
Teachers Insurance and Annuity Association of America/College Retirement Equities Fund (TIAA-CREF).
Tektronix Inc./Tektronix Foundation.
Telecommunications Cooperative Network.
Tenneco Inc.
Texaco Inc.
Textron Inc.
Theatre Communications Group, Inc.
3M Company.
Time Inc.
Times Mirror Foundation.
Transamerica Corporation.
Trebor Foundation.
Trilateral Commission.
Trust for Public Land.
TRW, Inc.
Union Carbide Corporation.
Union Pacific Foundation.
United Jewish Appeal.
United Negro College Fund.
United Parcel Service of America, Inc.
United States Catholic Conference.
United States-China Educational Institute.
United States Committee for UNICEF.
United States Olympic Committee.
United States Steel Foundation, Inc.
United Way of America.
Upjohn Company.
Urban Institute.
Urban Investment and Development Company.
VOLUNTEER—The National Center.
Volunteers of America.
Wain Foundation.
Izaak Walton League of America.
Warner Communications, Inc.
Washington Center.
Washington Post Company.
Weingart Foundation.
Wells Fargo Foundation.
Westinghouse Electric Corporation.
Weyerhaeuser Company Foundation.
Weyerhaeuser Foundation, Inc.
Mrs. Giles Whiting Foundation.
Amherst H. Wilder Foundation.
Women and Foundations/Corporate Philanthropy.
Women in Community Service, Inc.
Women's Action Alliance, Inc.
Women's Equity Action League (WEAL).
Women's Foundation.
Woods Charitable Fund, Inc.
World Vision.
World Wildlife Fund, Inc.
Wyman Youth Trust.
Xerox Corporation.
Zayre Corporation.
Zellerbach Family Fund.

SUMMARY OF STATEMENT OF KENNETH H. KELLER, PRESIDENT, UNIVERSITY OF MINNESOTA BEFORE THE SENATE COMMITTEE ON FINANCE

1. The health of colleges and universities, both public and private, depends on charitable contributions. Unlike individuals and for-profit corporations, colleges and universities do not benefit from significant reductions in tax rates, in exchange for repeal or modification of various deductions, credits, and other special provisions. In fact, estimates indicate that the President's proposals would substantially reduce giving to institutions of higher education and that a significant proportion of this decline would result from lowering marginal tax rates. Thus, other tax incentives for giving should be preserved.

2. Preservation of these tax incentives is especially important, given other aspects of the Administration's tax and budget proposals which would remove various sources of support for institutions of higher education.

3. The proposed inclusion of the unrealized appreciation in charitable contributions of property in calculating the minimum tax is inappropriate, unnecessary, and unwise. That tax is intended to prevent excessive tax sheltering, but charitable contributions are not a tax shelter. In addition, for those few individuals who make the large gifts of property on which colleges and universities depend, the proposal would result in a cost of giving higher than under current law or even under the Treasury Department's original proposal to tax all unrealized appreciation in gifts of property.

4. Scholarships and fellowships represent a major purpose for which gifts to institutions are made. The Administration agrees that such gifts should be deductible, but proposes to tax students who benefit from these grants to the extent they are not spent by degree candidates for tuition and equipment. This would limit the effectiveness of the gifts that deductibility serves to encourage.

5. The Administration's proposal to repeal the charitable contribution deduction for taxpayers who do not itemize deductions would undermine the efforts of colleges and universities to establish patterns of giving by recent alumni and alumnae.

6. Colleges and universities serve public, not private, interests. The need for higher education is at least as compelling as the need for tax reform, and one public good should not be sacrificed for another. During a time when direct Federal spending is under increased scrutiny, the private sector has been called upon to do more, and the need for enhanced training and research is widely recognized, legislation resulting in significant reductions in contributions to higher education should not be enacted.

Mr. Chairman and members of the committee, I am Kenneth H. Keller, President of the University of Minnesota. I appear before you today on behalf of the American Council on Education, an association representing over 1,500 colleges, universities, and other organizations involved in higher education, and the associations listed on the cover sheet of my statement. There are many aspects of the tax reform legislation now being considered by this Committee that are of deep interest to the higher education community, but among the most important of them are the proposed changes related to the treatment of charitable contributions, the focus of today's hearing.

In 1983-84 colleges and universities received over $5.5 billion in voluntary support. Although most people appreciate how much private institutions depend on such gifts, the extent to which public institutions also depend on this kind of support is less well known. In fact, during 1983-84, donations to public institutions constituted over 30 percent of total charitable giving to higher education. At the Universtiy of Minnesota we received during that year over $47 million in gifts, or about 10 percent of our instructional and research budget. Increasingly, the

health of institutions of higher learning, public as well as private, depends on these voluntary donations. Therefore, we believe that any proposed changes in the tax treatment of charitable contributions should be carefully analyzed for their effects on this vital support for the nation's colleges and universities.

To understand the great concern that this issue had generated, one needs to consider the context in which these particular changes are being proposed. The Administration's tax reform plan is intended to provide certain balances. Individuals and corporations would receive the benefit of significant reductions in tax rates in exchanges for a repeal or modification of a variety of deductions, credits, and other special provisions. All of these changes taken together would be revenue neutral and, of course, the simplification of the tax form itself would be a benefit. However, tax-exempt organizations, including colleges and universities, cannot benefit from reduced rates or from simplified tax forms. For them, there are only costs and, in many instances, very great costs. Consider the following:

The decrease in marginal rates would increase the costs of giving and thereby reduce the level of giving. Nationally recognized economists have estimated donations are likely to drop by several hundred million dollars as a result of this factor alone.

The removal of state and local tax deductibility is likely to decrease public support of higher education from local sources.

Restrictions on the uses of tax-exempt bonds could remove another source of support for colleges and universities, particularly with respect to student loan programs.

All of these changes would occur at a time in which Federal budget cuts that affect education are being proposed to help us deal with the national deficit.

I understand and appreciate that the concerns of the higher education community on these and other issues, such as taxation of fringe benefits and tax incentive for campus-based research, will be heard at a later date. However, the advent of some or all of these changes makes it especially important that the provisions in the tax code dealing with charitable contributions be protected and preserved.

With regard to charitable giving, we are pleased by the changes in the original Treasury Department proposal made by the Administration, specifically the preservation of the fair market value deductions for contributions of property and the elimination of the floor on deductibility. We thank the members of this Committee who helped bring to the Administration's attention the concerns of the charitable community with respect to these proposals. It appears, however, that other modifications to the current proposal will be necessary if we are to maintain private, voluntary support of higher education. Let me mention three of them briefly.

TREATMENT OF UNREALIZED APPRECIATION AS A PREFERENCE ITEM

We believe that the Administration's proposed inclusion of the unrealized appreciation in charitable contributions of property in calculating the minimum tax is inappropriate, unnecessary, and unwise. It is inappropriate because the purpose of that tax is to ensure that no individual totally shelters his or her income from taxes. But charitable contributions have never been thought of as a tax shelter. We do not believe that it is appropriate to include contributions of property in the effort to address the use of tax shelters. In addition, under current law there is a separate limitation on the percentage of income that an individual can deduct for charitable contributions of property, and this limitation ensures that taxpayers cannot totally escape taxation through gifts to charities.

It is unnecessary because it will have a very minimal effect on tax collections. Preliminary simulations of the effects of the proposed revision indicate that 79,600 taxpayers with adjusted gross income in excess of $100,000 would pay minimum tax under the Administration's plan in 1986—only 5 percent of the roughly 1.5 million taypayers in that income class. If charitable contributions of property were deleted from the list of preference items, the minimum tax would still apply to 93 percent of this group.

It is unwise because, while it would have a small effect on tax collections, it would have a significant effect on large gifts to colleges and universities. The 5 percent of taxpayers who fall in the minimum tax group account for 65 percent of the value of all contributions of appreciated property by individuals in their income class. Moreover, it is estimated that appreciated property comprises more than half of the gifts in excess of $5,000 to higher education.

For minimum taxpayers, inclusion of the appreciation element of contributed property in the tax base for the minimum tax calculation can, under certain circumstances (when coupled with other changes proposed by the Administration), result in a cost of charitable giving that is not only higher than under current law, but actually higher than under the original Treasury proposal to tax all unrealized appreciation in gifts of property. This would be devastating for the kind of large gifts upon which many institutions of higher education depend.

TAXATION OF SCHOLARSHIPS AND FOLLOWSHIPS

One of the major purposes for which gifts to colleges and universities are used is for scholarship and fellowship grants. These grants are not luxuries, but a vital factor in allowing undergraduates to stay in school and to finish their degrees. They are equally important in encouraging first-rate graduates to forgo the much higher earnings that would otherwise be available to them to pursue advanced studies.

The current tax proposals recognize the importance of these awards by treating gifts used by colleges and universities to provide scholarships and fellowships as deductible charitable contributions. However, the Administration proposes to tax the students receiving the grants to the extent that the grants are not expended by degree candidates for tuition and necessary equipment. Thus, support for room and board and other living expenses would be taxed, even though the student may be living below the poverty level and, particularly at the graduate level, has incurred significant opportunity costs to stay in school.

The tax policy justification for this change is far from clear. Present law already imposes a tax on amounts received by students that represent compensation for performing services, such as teaching. To go beyond this limits the effectiveness of the charitable gifts that other sections of the Administration's proposal seek to encourage. We do not believe that this would serve the public good.

REPEAL OF DEDUCTION FOR NONITEMIZERS

Although others will speak to it in more detail, this statement would be incomplete without at least a brief mention of the importance of continuing the charitable contribution deduction for individuals who do not itemize deductions. It is through the contributions of these individuals that colleges and universities develop the patterns of giving that become a lifetime habit and are therefore a key to the spirit of voluntarism in our nation.

CONCLUSION

In summary, our concern is that the steps taken in the public interest to simplify and reform our tax code not work against the public interest in and need for higher education. If total tax revenue remains constant and private giving to colleges and universities decreases substantially, the total dollars available to higher education will decrease. This will result in either a diminution in the quality and diversity of higher education or the need to shift a greater fraction of public funds to its support. The latter course would deprive us of private partnership in the effort and would actually be less cost-effective. We believe this would also be inconsistent with the intention of both the Administration and the Congress, and we urge you to preserve the elements of the charitable deduction treatment that will avoid this outcome.

J.P. STEVENS AND CO., INC., TEXTILES

Mr. THURMOND. Mr. President, the serious crisis facing our Nation's textile industry continues to worsen daily. Labor Department statistics reveal the loss of 330,000 textile/apparel/fiber jobs in 250 mill closings over the past 5 years, primarily due to textile imports. One-third of those jobs were lost last year, a clear indication that the problem is rapidly becoming uncontrollable.

Many economists predict that if present import growth trends continue, the American textile industry essentially will cease to exist by the year 1995. The death of this industry will result in the loss of 2 million more manufacturing jobs. An additional 2 million cotton farmers, wool producers, wood pulp manufacturers, truck drivers, insurance agents, and many others in textile-related jobs will also be out of work.

Mr. President, as the administration refuses to take meaningful action, more and more Americans are laid off because of unfair trade policies. In September 1980, Presidential candidate Reagan gave me a written commitment that he would work to tie import growth from all sources to domestic market growth. However, evidence incontrovertibly shows that this goal has not been achieved.

The market growth for American textiles has been just over 1 percent in the past 4 years, while import market growth for that period has averaged 19 percent per year. During these 4 years, almost 250 textile mills have been forced to close, due mainly to the influx of cheap foreign goods.

Mr. President, Congress is alarmed about this crisis and its impact on the

American economy. We will soon begin hearings on the Textile and Apparel Trade Enforcement Act, which I introduced earlier this year with 29 original cosponsors. Our bill now has 53 cosponsors, and the House counterpart has 284 cosponsors.

The President and Congress simply must work together to implement a fair trade policy. Our domestic industry cannot survive and prosper, when half of all finished apparel sold in America is imported from countries who pay their workers substandard wages.

J.P. Stevens and Co., Inc., the Nation's second-largest publicly held textile company, is among a long list of textile firms which have fallen victim to the devastating economic effect of textile imports. In February, Stevens closed its plant in Piedmont, SC, where 330 workers were employed. Last month, the company announced that it would lay off about 900 workers in the Carolinas by closing yarn plants and weaving operations.

Most recently, Stevens announced that one-fourth of the company's holdings are for sale, including 18 apparel plants in four Southern States, employing 7,500 people. The company has lost $4.8 million in the second quarter of 1985, and sales were down 14 percent during that period. Because divesting these operations would greatly reduce the exposure of this company to imports, the decision to sell rests largely on the import situation.

Mr. President, in order that my colleagues may further familiarize themselves with the plight of the textile industry in general and of J.P. Stevens in particular, I ask unanimous consent that an article from "The State" newspaper by the Associated Press be included in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The State, June 28, 1985]

STEVENS SELLING FOURTH OF COMPANY

GREENVILLE.—J.P Stevens & Co. Inc. announced Thursday that about a fourth of the company's holdings are for sale, including 18 apparel plants in four states employing 7,500 workers.

The company said the move was designed to "reduce the exposure" of the company to cheap foreign imports.

If the textile giant finds buyers for the plants it would be almost totally out of the apparel-making business, Chairman Whitney Stevens said Thursday in Greenville.

Six of the plants to be sold are in South Carolina: the Greer Plant; the Estes Plant in Piedmont; the Pamplico and Cypress plants in Florence County; and Delta plants No. 2 and No. 3 in Cheraw.

The sale "would represent a very considerable reduction in the size of the company," Stevens said at a news conference attended by most of the company's top management.

Stevens, the nation's second largest publicly held textile company, has headquarters in New York City, but has manufacturing headquarters in Greenville.

"The whole import issue has had a lot to do with the decision we are making here," Stevens said. "This will greatly reduce the exposure of this company to imports."

If Stevens sells the apparel plants, the company will concentrate on manufacturing towels, sheets, bedroom accessories, carpets, industrial fabrics, auto products and elastic products.

Stevens said he will know within six months if there is interest in buying the plants.

"We consider these to be totally viable businesses . . . We think they will do very, very well on their own."

The apparel businesses might do better if they were managed by entrepreneurs rather than a large corporation, Stevens said.

The company is selling four divisions: Delta Fabrics, which operates the six South Carolina plants; Woolen and Worsted Fabrics, which has five plants in Georgia; United Elastic Fabrics, which has two plants in Virginia; and Stevcoknit Fabrics, which has five plants in North Carolina.

Each division will be sold as a unit. The investment banking firm of Goldman, Sachs & Co. has been hired to help with the sale.

There already have been "some unsolicited expressions of interest," Stevens said.

The estimated sales in 1985 of the four divisions is $487 million of Stevens' total estimated sales of $2.1 billion, company spokesman Ron Copsey said.

As a whole, the four businesses are "breaking even," Stevens said.

"If they are not sold, we will continue to operate them," Stevens said. "They will not be closed."

Stevens will not sell its Fine Goods division, which makes shirts for men and women at two plants near Newberry, S.C. and Rockingham, N.C. The Fine Goods division is the only other apparel-making division in the company.

In the first six months of the year, Stevens announced closing and consolidations that claimed the jobs of about 1,500 workers.

In February, Stevens closed its Piedmont plant, where 330 people worked. Also last spring, Stevens shut down plants in Goldsboro and Robinson, N.C.

About a month ago, Stevens announced it would lay off about 900 workers in the Carolinas by closing yarn plants in Anderson County and Rockingham, N.C. and shutting down the weaving operations at the Whitmire plant in Newberry County.

The moves were parts of a restructuring of the company's apparel fabrics division.

Last week, Stevens declared a quarterly dividend of 30 cents per share on its common stock. Analysts predicted earlier this year that because of cash-flow problems, Stevens would have to cut the dividend to 15 cents this year.

In its most recent financial report, the company said it lost $4.8 million, or 28 cents per share, in the second quarter of 1985. Sales were down 14 percent over the same period last year.

Stevens employs more than 5,500 people in Greenville County and 15,000 in the state. The company has about 32,000 employees nationwide.

LOCATIONS OF STEVENS PLANTS UP FOR SALE

J.P. Stevens & Co. Inc. announced Thursday 18 apparel plants employing 7,494 workers in four states are for sale. The plants by division are:

Woolen and Worsted Fabrics (3,204 employees, all in Georgia): Dublin, Nathaniel, Milledgeville, Louisville and Tifton No. 1.

Delta Fabrics (2,296 employees, all in South Carolina): Pamplico, Cypress in Pamplico, Delta Nos. 2 and 3 in Cheraw, Greer, and Estes in Piedmont.

Stevco Knit Fabrics (1,232 employees, all in North Carolina): Carter and Holly, both in Wallace; Fayetteville; Greensboro; and Ragan in Gastonia.

United Elastic Fabrics (757 employees, all in Virginia): Stuart and Woolwine.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CLOTURE MOTION

The PRESIDING OFFICER. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 995, a bill to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies.

Bob Dole, Richard G. Lugar, John H. Chafee, Thad Cochran, John Danforth, Ted Stevens, Alan Simpson, Alan Cranston, Claiborne Pell, Robert C. Byrd, Charles McC. Mathias, John Warner, Spark Matsunaga, David L. Boren, Howard Metzenbaum, John Glenn, Lowell Weicker, John F. Kerry, and Mitch McConnell.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The bill clerk called the roll and the following Senators answered to their names:

[Quorum No. 11 Leg.]

Hart Mitchell Nickles

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of absent Senators.

The bill clerk resumed the call of the roll, and the following Senators answered to their names:

[Quorum No. 11 Leg.]

Abdnor	Glenn	McConnell
Andrews	Goldwater	Melcher
Baucus	Gore	Metzenbaum
Bentsen	Gorton	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hatch	Pell
Bumpers	Hatfield	Pressler
Burdick	Hawkins	Proxmire
Byrd	Hecht	Pryor
Chafee	Heflin	Quayle
Chiles	Heinz	Riegle
Cochran	Helms	Rockefeller
Cohen	Hollings	Roth
Cranston	Humphrey	Rudman
D'Amato	Inouye	Sarbanes
Danforth	Johnston	Sasser
DeConcini	Kasten	Simpson
Denton	Kennedy	Specter
Dixon	Kerry	Stafford
Dodd	Lautenberg	Stennis
Dole	Laxalt	Stevens
Domenici	Leahy	Symms
Durenberger	Levin	Thurmond
Eagleton	Long	Trible
East	Lugar	Wallop
Evans	Mathias	Warner
Exon	Matsunaga	Weicker
Ford	Mattingly	Wilson
Garn	McClure	Zorinsky

The PRESIDING OFFICER (Mr. KASTEN). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 995, to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies, shall be brought to a close?

The yeas and nays are automatic under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado, Mr. ARMSTRONG, and the Senator from Kansas, Mrs. KASSEBAUM are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Illinois, Mr. SIMON, is necessarily absent.

I further announce that the Senator from New Jersey, Mr. BRADLEY, is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey, Mr. BRADLEY, would vote "yea."

The PRESIDING OFFICER (Mr. GARN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 8, as follows:

[Rollcall Vote No. 143 Leg.]

YEAS—88

Abdnor	Burdick	DeConcini
Andrews	Byrd	Denton
Baucus	Chafee	Dixon
Bentsen	Chiles	Dodd
Biden	Cochran	Dole
Bingaman	Cohen	Domenici
Boren	Cranston	Durenberger
Boschwitz	D'Amato	Eagleton
Bumpers	Danforth	Evans
Exon	Kerry	Pryor
Ford	Lautenberg	Quayle
Garn	Leahy	Riegle
Glenn	Levin	Rockefeller
Goldwater	Long	Roth
Gore	Lugar	Rudman
Gorton	Mathias	Sarbanes
Gramm	Matsunaga	Sasser
Grassley	Mattingly	Simpson
Harkin	McConnell	Specter
Hart	Melcher	Stafford
Hatch	Metzenbaum	Stennis
Hatfield	Mitchell	Stevens
Hawkins	Moynihan	Thurmond
Heflin	Murkowski	Trible
Heinz	Nickles	Warner
Hollings	Nunn	Weicker
Inouye	Packwood	Wilson
Johnston	Pell	Zorinsky
Kasten	Pressler	
Kennedy	Proxmire	

NAYS—8

East	Humphrey	Symms
Hecht	Laxalt	Wallop
Helms	McClure	

NOT VOTING—4

Armstrong	Kassebaum
Bradley	Simon

The PRESIDING OFFICER. On this vote, the yeas are 88, the nays are 8. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

ANTI-APARTHEID ACTION ACT OF 1985

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I have agreed with the distinguished Senator from North Carolina not to put the question. But I indicate it is my hope we can work out some resolution so that we can begin consideration of the bill during the next hour or 45 minutes. The distinguished Senator from North Carolina, Senator HELMS, wanted to discuss a number of items with other Senators, and I hope in the next 30 to 45 minutes there will be either some resolution or no resolution. If there is no resolution, of course, I assume there will be considerable debate today. Hopefully, as happens most of the time, things will fall into place.

Mr. KENNEDY. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, again, I want to express my appreciation to the leadership of the chairman of the Foreign Relations Committee and the way the committee addressed this issue. The chairman of the Foreign Relations Committee indicated at the time that the legislation was introduced during the course of the hearings that there would be timely consideration of this legislation and consistent with his longstanding commitment to his word he has urged that the Senate address this issue. Again we are appreciative of his efforts, those efforts of other members of the Foreign Relations Committee, and to the leader for moving this issue to the public forum in the U.S. Senate. I want to indicate that I certainly want to cooperate with the leader in every possible way. We would be quite willing to enter into time limitations on the very few amendments that I have. I know I have talked to others. I see the distinguished Senator from California, who certainly has been so active on this issue, and has made a very important contribution to getting us to where we are today. But it is my understanding from talking to others who have amendments that they certainly would be willing to enter into a time limitation, hopefully a very reasonable one so that we can get about with adequate debate on these measures, and then to get a final resolution to this.

I hope we will not be put in the position where we would be forced to come back to another cloture motion because, as the majority leader understands, there are stricter interpretations on the questions of germaneness on matters which are before the Senate when cloture has been filed. There are matters such as the Krugerrand amendment and even the amendments that are being considered by the Senator from Delaware, Senator ROTH, dealing with landing rights that might be excluded from consideration should we just have a continued kind of debate and discussion at length prior to another cloture motion. So I welcome the fact that we are where we are. I know it is to a great extent because the majority leader has urged the Members of both parties to support his position, and that we at least be able to consider this amendment. I want to indicate I certainly want to cooperate with the leader in every way, with Senator LUGAR, and the ranking minority member, Senator PELL, who has been I think so helpful as well in seeing that we are at this point in the discussion.

Mr. DOLE. Mr. President, I appreciate the comments of the Senator from Massachusetts. Again I hope we can proceed with the legislation, with amendments to be offered and hopefully time agreements can be reached on amendments. If not, at least we can move rather quickly I hope on amendments. I am not certain there are that many amendments unless there should be some effort to extend the debate on the bill itself. So we are prepared as soon as we can resolve or not resolve—we should know that within the next 45 minutes—to do whatever we need to do at that time.

Mr. CRANSTON. Will the Senator yield briefly?

Mr. DOLE. I am happy to yield.

Mr. CRANSTON. I would like to thank the majority leader for what he has done in his effort to move this measure along. I thank Chairman

LUGAR of the Foreign Relations Committee for all he has done. They have provided very effective leadership in regard to this issue. I thank Senator PELL also for what he has done. I join with Senator KENNEDY in the desire to get the vote on his Krugerrand amendment. The majority leader and I share an interest in the Krugerrands. I hope that together we will be able to find a way to have that issue brought before the Senate in the course of this effort to come to grips with apartheid.

Mr. DOLE. Mr. President, also we hope to clear up today if we can the nominations for both the Department of State and the judiciary. There are holds on judges from Arizona, Louisiana, Oklahoma, and Tennessee. Then there are 28 or 29 Department of State nominees that we would like to dispose of today, and if not today certainly by tomorrow. If not, we will have to proceed to take those up and dispose of them the hard way. I know rollcalls will be requested on some of the nominations. Certainly that is not a problem.

I also indicate there are seven or eight judges that have been waiting to serve for some time. We are trying to resolve the problem in that area.

Mr. President, I suggest the absence of a quorum.

Mr. GOLDWATER. Will the Senator withhold?

Mr. DOLE. Yes.

Mr. GOLDWATER. Mr. President, because there seems to be a little lull in the activity, and I have business that will take me off the floor when this bill is finally motioned up, if it is motioned up, I wanted to express my opinion on it. I probably will speak more on it later. I think we are going at this very hurriedly without giving due regard as to what we are up to.

Mr. President, when the Congress of the United States takes unto itself the task of censoring other countries for their activities in the field of human rights, I think it should be given very, very grave consideration. Nobody in this Chamber dislikes what is going on in South Africa any more than I. I have traveled over there six different times. I have publicly spoken against apartheid. I have been in Namibia, I have been up at the battlefront in Angola, and I have long talked about the mistakes that the United Nations and we have made up there. I would like to suggest to my colleagues that they think before they vote even though apartheid is a disgusting thing to us. Given the fact that we now recognize Red China which has murdered about 50 million people, and the fact that we have long been very cozy with the Soviet Union which has murdered at least 50 million people, I wonder what would happen if I happened to offer an amendment to this that would bring censor upon Red China and the Soviet Union for the total disregard of human life that they have shown.

Neither amendment would get anyplace.

Let us look at what South Africa means to us before we do something we may regret.

South Africa has been our ally in every war that we have ever fought. We have been theirs, too. She produces nearly 30 percent of all the gold in the world. We do not produce gold in this country any more to any recognizable extent.

Think of the trouble she could do us if she decided she wanted to take it out on us as we seem to want to take it out on them.

Another factor very few Members of this body realize is that South Africa probably is the most important supplier of intelligence to the United States of any country in the world. Without South Africa telling us, in the field of space, where we are, what we are doing, we would not be able to operate in space.

She also allows us to conduct satellite espionage over her country that is of extreme value to us in telling us what the Soviets are up to.

So, Mr. President, I am very apprehensive about this vote. I used to drive home every afternoon and watch these people parading up and down in front of the South African Embassy. The thought often went through my mind, I wonder if any of them know what they are up to. I wonder how many have been to South Africa; how many realize that there is only one tribe in South Africa that has lived in South Africa longer than the people who live there now, the Hottentots. Whether they are happy or not is none of my business, but they live by themselves. Since that time, the black people very probably have migrated to that country as they migrated to the United States and other countries.

Many, many of them are employed by the very funds that we want to cutoff from being spent by our corporate structures and our universities in South Africa. How many jobs does it amount to? I do not know. I would go as high as 200,000. Certainly over 100,000. They are all well-paying jobs. They are miners, not scrubbing around in the fields. They have responsible jobs.

I was talked to by a number of them on different visits to that country, asking me to see what I could do to keep this action from happening. While they do not seem to feel they are making any headway—and I will have to be honest with you, I doubt if they are making any headway in this subject of apartheid—nevertheless, it is South Africa and it is their business. I do not want them coming into our country and telling our country what to do.

I think we make a mistake when we censure our businesses and colleges from making investments in South Africa, all of which bring good returns. We ask our universities and corporations not to invest funds in South Africa even when those funds mean employment for the black people.

I think we are making a very dangerous mistake. I am going to vote against the bill unless it is modified in a way that can be acceptable. Two of those modifications might be—I do not know as I have not written them yet—an amendment to censure Red China and an amendment to censure the Soviet Union.

I do not like the idea of letting two countries get away with murdering 100 million people and we sit over here holier than thou and criticize one country for its attitude toward the blacks, which I do not like any more than anybody else likes. Nevertheless, it is their country.

That is what the Soviets and the Chinese will say. "It is our country. If we want to murder 50 million people, that is up to us."

We seem to like that. We do not censure them. We try to do business with them, thinking of all the ways we can get into bed with Red China. As long as they have Communists running that country, they will not amount to a hill of beans. While I do not have a long time to go, I will never see Red China become a viable country because they will not get rid of their Communist government soon enough.

So, Mr. President, I just wanted to say those few words. I may speak longer on it at a later time; I might have to get back and write those two amendments just to see what kind of fun we have with them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, each Senator has on his desk a copy of the daily legislative notice. The first item is Calendar 216, bill No. S. 995, Anti-Apartheid Action Act of 1985.

Then it reads as follows:

Administration Position: The administration opposes enactment of S. 995.

And the words "opposes enactment of S. 995" are in boldface type.

Then the administration goes on to say:

While we support the constructive elements in the bill, the punitive measures it proposes against the Government and

people of South Africa and the threat of additional economic sanctions within 18 months are inconsistent with our approach of supporting constructive internal reform and regional security. The bill's measures are unlikely to produce the kind of results we all seek. The administration believes that the best way to achieve peaceful change in South Africa is to use the resources available to the United States, including those of the private sector, in a positive rather than negative manner.

Mr. President, as I read that, my mind wandered back to tragic mistakes made by this Government with respect to other countries around the world, including Africa. I recall, for example, standing on this floor trying to counsel my fellow Senators that a grave mistake was being made with respect to the country of Rhodesia as it was making its transformation into Zimbabwe. And for my efforts I and those who stood with me were hooted down as simpletons, racists, roadblocks to progress, and so on—the same kind of blistering rhetoric that has been heard on this floor earlier today promulgated by Senators who ought to know better, Senators who follow a stock political line appealing to narrow interest groups.

Well, what happened with respect to Zimbabwe? The U.S. Government, under the previous administration, undermined deliberately one of the finest men I have ever known, a man who had been elected Prime Minister in free and fair elections. His name is Abel Murzorewa. In addition to being Prime Minister, he is a Methodist bishop.

And I recall, Mr. President, when Prime Minister Murzorewa came to the United States trying to head off being undermined by the previous administration. He visited with me and he mentioned casually that he had been converted to Christianity and he had been taught English by a missionary who, he believed, was then in retirement in North Carolina. I checked and I found that the missionary was in fact in a retirement home in Asheville, NC, a delightful little lady, perhaps 5 feet tall.

I made arragements for Prime Minister Muzorewa and me to go to Asheville so that these two people could meet again.

Mr. President, it was an emotional moment as we stood on the patio of that retirement home and there came that precious little lady, with her white hair, out the door and she and that black man from Africa embraced. I thought then, we so often hear it asked, what can one person do? That little lady demonstrated to me in the most emphatic way what one person could do. She had taken a young black African child, taught him English and led him to Christ; and he became, first, a Methodist minister and then a bishop, and then Prime Minister of his country.

But that accomplishment did not satisfy the zealots of that day and it would not have satisfied the zealots of this day. No, Mr. Muzorewa had to be removed. The constitution freely written by the people of Zimbabwe, black and white, written by all the democratic forces was set aside. And there was a meeting in London and another election was called so that the Communist-supported terrorists could be included. As a result, a man named Mugabe, an avowed Marxist, was elected Prime Minister after a campaign of terror and intimidation. And he today rules that country—and I use the word "rules" advisedly because just this past weekend he served notice that Zimbabwe, as Rhodesia is now known, Zimbabwe henceforth will have a one-party system—a one-party Marxist system—and furthermore those who oppose Mugabe will be exterminated if they do not get out of the country.

So today we hear all of the pious protests about apartheid. I took a little poll in the Republican policy luncheon yesterday. I said, "How many Senators favor apartheid?" And, of course, nobody raised his hand or her hand. Nobody does. But that is not the relevant question. The relevant question, Mr. President, is whether we are going to continue this folly of undermining allies of the United States because we do not like this or that or the other about the way they do it.

We did it in Iran. Oh, this Chamber used to ring with condemnation of the Shah of Iran. The Shah was not perfect. But I wonder how many Iranians today would be willing to embrace the Ayatollah if they had the option of bringing the Shah back?

Or, if you want to get closer to home, Nicaragua. Mr. Somoza. Mr. Somoza and the way he operated was not my dish of tea. Oh, I could have sat down with Senator CRANSTON or anybody else and made a long laundry list about the things I did not like about the way Somoza ran his country. But the fact is that Nicaragua was not trying to undermine the United States at that time. Nicaragua at least was not a Communist stronghold orchestrated by Cuba with the Soviet Union pulling the strings.

Well, out went Mr. Somoza and in came the Sandinistas. And I remember the day that this Senate voted to send $75 million of the taxpayers money to that Communist crowd in Nicaragua, the Sandinistas. They came up and cajoled and they stroked, and they complimented and they praised Senators. And, blip, there went the $75 million, if my recollection of the figure is correct. I described then the steps the Sandinistas would take to consolidate a Marxist stranglehold on the country. But that point of view did not prevail in the Senate. The next year it was the same.

I could go on with example after example, but the point I would make and have tried to make is that we had better look at what we are doing not only to South Africa, not only to the continent of Africa, but to the United States and the entire free world. Who will deny that we need the minerals available only from South Africa? Who will deny that the shipping lanes are vital to commerce and defense of the free world?

And, as for the Reagan administration, I have my differences with the administration, but I think Ronald Reagan is exactly right when he says:

> While we support the constructive elements in the bill, the punitive measures it proposes against the government and people of South Africa and the threat of additional economic sanctions within 18 months are inconsistent with our approach of supporting constructive internal reform and regional security.

And the President's administration is right when it says:

> The bill's measures are unlikely to produce the kind of results we all seek.

Of course, this bill is unlikely to do that, Mr. President. Of course. Anybody who cannot see that outcome needs a white cane and needs to be guided by the elbow through this Chamber. It also says:

> The administration believes that the best way to achieve peaceful change in South Africa is to use the resources available to the United States, including those of the private sector, in a positive rather than negative manner.

And there is nothing racist about that, Mr. President. It is commonsense, when you look at the historical facts of life in case after case down through the years.

Oh, it is fine to go and picket and parade. It is fine to get up on this floor and piously protest this and protest that. But when you start down the slippery slope of destroying the economy and stability of the strongest ally we have in Africa, the country in which the black people have the highest standard of living on that continent, then I think it is time for reflection. That is why I have been saying to the Senate, wait a minute, think about what you are doing to the blacks in Africa, to the country of Africa, to the continent of Africa, and to the free world, because, Mr. President, I guarantee that the fellows over in the Kremlin are saying, oh, boy, oh, boy, I hope they go ahead with precisely what they are doing. In the Kremlin they know what has gone before. And they know how they have benefited from it.

Mr. President, today we are talking about the taking up of a bill relating to imposing sanctions on South Africa. And it is true that what we are discussing at this time on this day is not the bill S. 995 itself. It is the question of whether we ought to take up the

bill. Indeed, we ought to be thinking about whether the domestic affairs of another sovereign nation are really fit subjects for debate in the Senate of the United States.

This Senator from North Carolina can see by observation that the situation in South Africa is not all that we would like it to be. I readily agree with that. But we are moving in that direction, and more has been done in that direction in the past 4 years than at any time in previous history.

We see that there is a pattern of mistakes and injustices there, but we also see that there is a pattern of mistakes and injustices in every nation on this Earth, including our own. So I have taken the position that we must decide whether we have the arrogance to interfere in the domestic situation of a nation that is basically allied with the West, that is basically founded on the principles of Judeo-Christian civilization, that is basically seeking justice and social advancement for its people—a nation not perfect, not anywhere near perfect, but moving in that direction.

Should we have that arrogance? Should we have the arrogance to say that a group of 100 U.S. Senators have all the answers for a social situation thousands of miles away which is uncommonly complicated? Do we have the answers for a country in a continent where every other nation without exception has failed to stabilize its social and political development? I ask the question: Where do the people—blacks, whites, or whatever—have the higher standard of living, in Zimbabwe or in South Africa? In Mozambique or South Africa? In Tanzania or South Africa?

You see, Mr. President, when you look at it with that perspective, you see that slippery slope we are on. But no, the common and popular political procedure is to beat one's breast and say "I am against apartheid," and "I am for racial justice," and those who do not agree that this legislation or that legislation ought to be passed, they are reactionary and racist.

Do we, Mr. President, have the arrogance to tell the one country in Africa that has made more progress toward a free society than any other on that continent that we in the U.S. Senate know how to handle the social and ethnic tensions there better than they do? No. I do not think we should have that arrogance.

And I commend the Reagan administration for its efforts and its achievements during the past 4 years, which I submit again have exceeded any other administration in my memory with respect to South Africa.

Therefore, Mr. President, in light of all of that, I thought it might be useful to discuss at some length the historical background of South Africa, how it came about, what nations comprise its people, what upheavals and historical injustices played a part in the current attitude, and so forth. And at some point during this debate—I may await the time when the bill is before the Senate—I want to discuss that in the context of a book by the distinguished American author, Otto Scott. The book is entitled "The Other End of the Lifeboat." It was published by the distinguished publishing firm in Chicago, Regnery Gateway, headed by Mr. Henry Regnery. I will likely take some time during this debate to read a few passages in which Mr. Scott summarizes the history of South Africa and comment on it.

I think Senators who will take the time to do that might be not only enlightened, but they might be influenced to some degree.

Mr. President, I want to engage in a series of parliamentary inquiries, if I may.

The PRESIDING OFFICER. The Senator will state them.

Mr. HELMS. Thank you.

I want to ask the Chair—and he may wish to consult the Parliamentarian—if I am correct in my understanding of the rules that the word "day," d-a-y, as used in the rule requiring a committee report on a bill to lie over 1 day, that it means a legislative day or does it mean a calendar day?

The PRESIDING OFFICER. The word "day" as it applies to the bill is 1 legislative day.

Mr. HELMS. It does not mean a calendar day?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I want to know, Mr. President, if I am correct when I suggest that all reports of committees and motions to discharge a committee from consideration of subjects, all subjects, from which a committee shall be discharged shall lie over 1 day for consideration unless by unanimous consent the Senate shall otherwise direct. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. To check my understanding, as a further parliamentary inquiry, when the Senate completed business on the Thursday before the Independence Day recess, did the Senate adjourn?

The PRESIDING OFFICER. The Senate did adjourn.

Mr. HELMS. We returned on July 8. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. My question is, did the report on this bill lie over 1 legislative day?

The PRESIDING OFFICER. The report must lie over 72 hours excluding Saturdays, Sundays, and legal holidays. The bill, itself, must lie over 1 legislative day. This bill was reported on the prior legislative day. Therefore, it complies with the rule.

The printed report has also complied with the 3-day rule.

Mr. HELMS. Can the Chair tell me when the report was available?

The PRESIDING OFFICER. The written report was available at 8 a.m. on July 2.

Mr. HELMS. I did not understand the Chair.

The PRESIDING OFFICER. The written report was available at 8 a.m. on July 2.

Mr. HELMS. It was available? Will the Chair explain that?

The PRESIDING OFFICER. At the Office of the Printing Clerk, the Democratic Policy Committee, and the Republican Legislative Scheduling Committee.

Mr. HELMS. When is the report considered to be available?

The PRESIDING OFFICER. When the report is available at those three places, it is considered to be available to the Senate.

Mr. HELMS. Mr. President, I will relieve any apprehension I might have caused about raising a point of order. I want to discuss this and the Chair and the Parliamentarian.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COHEN). Without objection, it is so ordered.

Mr. SYMMS. Mr. President, in recent weeks, and particularly in the last few days, South Africa has again been targeted by the "enlightened beltway liberals." As always, their concern is human rights and the apartheid policy in South Africa. There is no Senator in this Chamber who looks favorably upon apartheid.

The critics of South Africa contend that the way to bring political rights to South Africa's blacks is to put them out of work. By restricting and curtailing American business activity in South Africa, through policies of "disinvestment" or "no new investment," our moral policemen will succeed only in lowering the black standard of living in South Africa where, as the distinguished Senator from North Carolina pointed out, it is currently higher than in any other African nation.

Before I address the central issue of civil and human rights, however, I would first like to discuss some of the strategic issues involving the South African equation. We all know that South Africa is an anti-Communist country. We know that it is actively involved in opposing the Cuban-Soviet-initiated Communist subversion in the southern half of Africa. As we look at the continent of Africa, one which has undergone more change than any other in the last half century, we must realize that South Africa holds the key to the security and stability of the entire southern half of that continent. I do not mean to suggest that if this legislation before us is passed South Africa will fall to the Communists next year, because in my view it will not. But we must recognize that without the continued presence and activism of a strong, pro-Western South Africa, the prospects for freedom from totalitarianism in southern Africa will virtually disappear. South Africa is the key supplier of aid to those who are fighting the Cubans in Angola. It is the only stable pro-Western government in that region of the world.

In addition, but of no less importance, South Africa is the supplier of much of the free world's strategic mineral supply. For example, the United States is 82 percent reliant upon imports for chromium; South Africa supplies 55 percent of that element, which is vital for the production of stainless steel.

We are nearly 100 percent reliant on imports for our industrial diamonds; South Africa supplies over 57 percent of this crucial resource.

The United States relies on imports for 99 percent of its manganese, which is essential for the production of quality steel; South Africa supplies us with 31 percent of this need.

We rely on imports for 91 percent of our platinum; we buy 49 percent of these metals from South Africa.

Clearly, we are engaged in a mutually beneficial trade relationship with South Africa. They are our allies and we do not have many in that region of the world. We cannot expect to be able to treat them like delinquent children without threatening that friendly relationship.

Mr. President, I have long held that we should have a foreign policy that is based on supporting our friends and opposing our enemies. But it appears, in this instance, that we are getting a long ways away from that.

Opponents of this so-called anti-apartheid legislation have been caricatured as crazy "Commie hunters," intent on finding Russians under every rock and propping up even the most ruthless of dictatorships to stall the Communist juggernaut. Mr. President, this is an absurd treatment of a very serious and important issue.

The facts speak for themselves. Southern Africa is a vital region both to the United States and to the free world and to the Soviets and their agents.

We must maintain a presence there. We must protect both our interests in the region and the interests of our free world allies.

But we must not allow our interests in the region to close our eyes to the plight of people of southern Africa—not just the Republic of South Africa, but of the whole region.

I do not believe that we have. I believe the United States has been skillfully playing a difficult role. We have supported an ally, a strategic interest, and supplier of raw materials which we desperately need, while, at the same time, moving that ally closer to attaining the greatest gift which this country has to offer—the example of our representative government and its values of freedom and liberty for all citizens.

None of us support the racist policies of South Africa, and I believe that those who advocate disinvestment and the imposition of other economic sanctions against South Africa do so with the sincere intention of reversing those policies. I believe, however, that their policies will do more harm than good.

Apartheid, the South African policy of racial segregation, is abhorrent to all Americans. The challenge in South Africa is to eliminate apartheid without destroying the stability, economic productivity, or standard of living which currently exists there. That is a very noble goal.

Those who in their demagoguery seek to brand opponents of disinvestment as racists do a grave disservice to the debate on this issue. The truth is, and always has been, that the opponents of disinvestment—and the other preliminary steps toward it—are no less in opposition to apartheid and racism than those who claim to have cornered the morality market. Those who make these sanctimonious claims should stop to listen to the voices of the black leaders in South Africa.

Those black leaders whose political bases are inside South Africa and not in the news media of the West, oppose the disinvestment route. Those in this country and in Congress who profess to know what is best for South Africa's people, despite the protestations of those who they have taken it upon themselves to shelter, are, according to Zulu Chief Buthelezi, guilty of "intellectual colonialism." Are those who support cramming disinvestment down South Africa's throat claiming to know better than South Africa's blacks what is good for South African blacks?

The system of legalized race separation and discrimination practiced in South Africa is repugnant to all Americans who cherish individual liberty and equality. The issue here is not whether to accept or condemn apartheid, but how best to aid South Africa in its move to dismantle this policy and bring greater freedom and prosperity to the blacks in that country.

Mr. President, in my view President Reagan's policy toward South Africa is the right one.

In part due to this administration's policies, some changes have occurred in South Africa, others are now being implemented, still others have been promised or are being discussed and considered. The point is that progress is being made, progress which might not be possible if we were to withdraw and give the South Africans punishment instead of cooperation.

If we were to listen to the anti-South Africa apostles, we might conclude that all South African black and opposition leaders favor a disinvestment/no new investment policy for the United States. This is not the case. As the following examples show, many of the key black leaders in South Africa oppose this method of solving the problem.

Mangosuthu Gatsha Buthelezi, the leader of more than 5 million Zulu people and president of Inkatha, the largest black South African political organization, has said:

> It is simply not true that the vast majority of blacks support the disinvestment lobby.
>
> I understand the moral indignation of the world and I am glad for it. However, disinvestment is a wrong strategy, and will do nothing to aid the struggle for liberation within the country. For me the first question that must always be asked in the disinvestment debate is what the people of South Africa themselves say about it. I have yet to meet a (black South African) worker who favors disinvestment. Disinvestment would strip us bare. So I must conclude that those who advocate disinvestment do so in complete disregard of what black people themselves think.

Lucy Mvubelo, president of the National Union of Clothing Workers, one of the largest black unions, has said:

> To proponents of isolation, disinvestment, and embargoes I must say: Don't break off contact, and don't advocate disengagement and withdrawal of foreign investments. Only indigenous movements—the trade unions, the political groupings, the schools, the business associations—within South African can bring about significant, positive change. Outsiders can influence it, but only through participation, not by isolation.

The Trade Union Council of South Africa, a multiracial trade union federation, the largest in South Africa declares:

> TUSCA believes that any action of this sort (disinvestment) will hurt those it is supposed to help. TUSCA does not believe that most black South Africans support a policy which must lead to fewer jobs and opportunities in a free and expanding economy not unemployment and poverty.

Rashid Alli, general secretary of Muslim Business League of Southern Africa, has declared:

We are strongly opposed to any form of disinvestment or economic sanctions for it is very well for those "individuals" to lobby for it with their full stomachs and their pockets full of coins—hunger is an experience—political talk is a prerogative—human beings act, care and feel at all times—politicians talk, and perform only during the storm.

Riochard Maponya, a prominent black community leader and businessman, says:

Foreign companies could, through partnerships, help blacks to get started in business where it would otherwise be impossible and by investing in black communities, foreign firms could help communities, generate their own capital.

John Nkadimengh, the general secretary of the South African Congress of Trade Unions Believes:

Economic sanctions against South Africa would only worsen the economic position of South African Blacks.

Helen Suzman, civil rights spokesman for the opposition Progressive Federal Party in the South African Parliament, explains:

There is a simple appeal in the course of action that advocates disengagement from any form of association with South Africa . . . This relieves the conscience, but it also dilutes any influence over future events . . ."

These prominent and respected South African citizens oppose disinvestment and its various alternate versions for the same reason that I oppose them; that is, that the life and the lot of the black South African will be worse if punitive measures are taken by the United States than if we continue to work with the South Africans. The views of these leaders are largely ignored by the press and by those who favor these antiapartheid bills. If we are to responsibly address this question, though, we must take their comments into consideration. Surely, they have more knowledge of the situation and the feelings of their people than Members of this body can hope to accumulate in a 1 week trip.

South Africa is, and has been for many years, making great progress toward tearing down racial barriers. Blacks do not yet have full poltical rights, but they have been making great progress on social and economic issues.

Let us look for a minute at some of the progress that has been made in the last 6 years. In 1979 the current prime labor law, the Industrial Conciliation Amendment Act, was passed. This law removed racial restrictions on labor unions and legally allowed multiracial trade unions and associations. From this legislation many other benefits, legal, economic and social, were achieved.

There are now black unions which bargain with industry and business for better wages and working conditions. Blacks have the right to shop and conduct business in almost all areas. Housing restrictions have begun to be repealed. Interracial marriages have been allowed, and many other reforms which were thought impossible only a few years ago have been initiated in the last couple of years.

Here is a sampling of some of the progressive reforms which have been initiated in the last few years, some of the things that I found myself in the 2-plus weeks that I was in South Africa and adjoining Namibia and Angola.

These reforms did not come about as the result of bullying from the United States, but as the result of a firm commitment both by the South African leaders and by the U.S. Government and business to work together to solve these complex social problems.

The American companies have led the way, and they are to be commended, not condemned for their actions to improve human and civil rights in South Africa.

Let me list a few things that have happened that we often do not hear about in the news media.

In 1983, black voters elected mayors and town councils to govern their communities across the nation.

On November 2, 1983, a national referendum overwhelmingly extended the national franchise to nonwhites for the first time in South Africa's history.

In August 1984 colored and Indian voters went to the polls for the first time to elect representatives to Parliament.

On January 25, 1985, the multiracial, tricameral Parliament convened. Whites, colored and Indians participated jointly in the executive and legislative functions of the national government for the first time.

In February 1985, the South African Government discontinued the resettlement of black communities, thus ending the so-called Black spot policy.

Downtown commercial districts were also opened to all businessmen, irrespective of race.

From 1979–84 desegregation of trade unions and workplaces was achieved. Black and multiracial unions were legalized. Of the 200 unions in South Africa today, 79 are multiracial, 21 are black, 43 are colored, and 57 are white.

In 1983, job reservation for whites was eliminated.

From 1970 through 1980, black income rose tremendously, thus creating a black middle class for the first time in the nation's history.

In those 10 years the black share of personal income rose from 25 percent to 40 percent, today it is nearly 50 percent.

From 1970 to 1980 the numbers of black high school students rose from 105,000 to over 250,000.

From 1975 to 1980 spending on black education rose 230 percent, and another 51 percent in 1980–81.

The literacy rate for South African blacks aged 12 to 22 is now 80 percent.

South Africa now trains more black doctors than any other African country and offers the best health care on the continent.

Since 1975 $2 billion has been spent to provide new homes for South Africa's urban blacks, who were granted home ownership privileges in 1982.

The dramatic rise in black disposable income has released a consumer-driven relaxation of apartheid laws in retail trade and has lead to the racial integration of the marketplace and the workplace. Much of this economic progress is fueled by American businesses and their comparatively high wages and nondiscriminatory hiring policies.

I think it is worthy of mentioning at this point, Mr. President, that in my visits to the factories and production centers in South Africa particularly in those American companies that adhere to the Sullivan principles—the integration was nearly complete. Quite often, blacks were working in supervisory and management roles. There is incredible progress from where they were a few years ago.

If these progressive American companies were to be withdrawn there would be no mechanism to shoulder the burden of newly unemployed blacks on the economy. Conditions would deteriorate. If we move to prevent new American business from entering South Africa, we will slow the momentum for change, perhaps we will stop it altogether. Without the leverage which comes from our economic stimulation of South Africa, the United States would have little way of continuing to urge moderation and relaxation of South Africa's racial policies.

When I visited South Africa in January 1984, this economic and social progress was very evident. At the Carlton Center, a subterranean shopping mall in Johannesburg, I saw the power of money and trade in operation. Currency is indeed a great equalizer. The stores in the mall were open, without discrimination, to all races; the only "color" anyone was interested in was the color of the buyer's money. This was the free market at its best. It was the best indication that we must encourage progress in this development and its concomitant social and racial progress, rather than trying to mandate economic and social regression. There is nothing like a free market to get rid of discrimination. It does miracles.

It is the most humanitarian way that we can help people around the world, to teach them the humanitarian aspect of capitalism, the ability of

people to rise with upward mobility, the ability for people to be rewarded for their hard work as in incentive. I think there is an opportunity for a social miracle to take place in South Africa if we in this country do not interfere, do not slow it down, do not force additional economic hardships on these struggling people.

In fact, Mr. President, I am always quite amused when I see that people are advocating that the United States totally disinvest.

Believe me, there are nations, throughout the world, hoping eagerly that the United States will disinvest so they can go in and buy those assets at a discounted price. They will be people who may or may not have the same concerns that we Americans, as a group, as a nation, as business people, have demonstrated in that country in our business dealings.

I know of no Senator, no Member of the other body and, indeed, no American who would wish to harm the ordinary people of South Africa, but that would be the net effect of economic sanctions, disinvestment, banning bank loans and the Krugerrand, and the no-new-investment proposals. I do not know of a way to surgically strike at those South Africans who advocate, enforce and support apartheid without severely hurting the vast majority of those we desire to help. I know of no way to strike at the extremist supporters of apartheid without delivering a devastating blow to the moderates who are now in power in South Africa and to whom much of the credit for the gains of the last several years belongs.

Although South Africa's Government is not yet acceptable by American standards, it is more fair, more free and more prosperous than any nation in the Communist bloc, any nation in the Third World and most of the nations in Africa, South America and Central America.

In our zeal to spread liberty and human rights throughout the world we must remember that not all nations are on the same timetable as we are. Not all nations are capable of enacting "Civil Rights Acts" or "Voting Rights Acts." We must also turn a modest eye toward our own history and remember that it took the United States 4 years of War between the States and, the battlefield deaths of nearly 250,000 young Americans to rid our Nation of slavery.

Today we sometimes adopt a holier-than-thou attitude, without even looking back at our own history and our struggles to become a truly free nation.

We must not allow our frustration over the seeming slowness of the elimination of apartheid to blind us to the significance of those reforms already enacted or to the difficulty with which they have been achieved. South African President Botha, the instigator of the most recent and most important reforms, has endured great political pressure from those in his own party who oppose relaxing apartheid. He has received even more criticism from those who want the reforms to proceed more rapidly. His courageous balancing act is yielding positive results; we should not upset his momentum by attempting to cripple his economy.

South Africa and all South Africans need our continued encouragement and support for the progressive change now underway in that country. We should endeavor to compliment and reward these changes, rather than enacting legislation which slows, stalls, or reverses this economic progress for all South Africans.

President Reagan's "constructive engagement" policy is a wise one. Only if we continue to work with the South Africans will we be able to influence them to push forward with their reforms, and eventually—perhaps within the next few years—achieve a truly equal and democratic form of government.

Mr. President, I ask unanimous consent to have printed in the RECORD in its entirety a very excellent article by M. Allan Ryskind, of Human Events, entitled "Apartheid Disintegrating in South Africa."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APARTHEID DISINTEGRATING IN SOUTH AFRICA

(By Allan H. Ryskind)

JOHANNESBURG: Apartheid—that dread word that prompts even conservative U.S. lawmakers to cry for sanctions against South Africa—may not have died here, but it is clearly teetering between this world and the next. The vultures are circling overhead, and this observer, hardly alone, will be quite surprised if the old Afrikaner system of political, social, racial and partial economic separation can ever be fully reimposed.

That's the major impression I received after a recent 10-day visit to South Africa sponsored by the South Africa Foundation, a group of fundamentally anti-apartheid businessmen who believe that disinvestment will severely damage their country.

The majority National party, currently led by South African President P. W. Botha, is systematically destroying the legal pillars of apartheid, the governing philosophy of the "Nats" since they came to power in 1948. Bit by bit, chunk by chunk, Botha is hacking away at the edifice, at considerable risk to himself and his party's Afrikaner base.

And what deeply perplexes and disappoints those who favor the ongoing reform movement is why the campaign to crucify South Africa is being mounted in the United States at the precise moment these startling changes are coming about.

"Shouldn't we be rewarded instead of punished?" argues A. C. Liebenberg, a prominent engineer from Capetown who believes the deapartheidization process that is now under way is "irreversible." Liebenberg, in fact, is not generally a supporter of the Nationalists, and likes the far more liberal Progressive Federal party because of its long-standing opposition to apartheid. But he and many other Progressive Federal sympathizers are delighted with Botha and the Nationalists these days. "They're doing our dirty work for us" is the refrain of the Progressive Federal leaders.

Virtually all of the whites—left, right and center—agree that a dramatic shift away from apartheid—both petty and grand—has occurred within the past 18 months. Consider:

A national referendum was held in which the all-white electorate overwhelmingly agreed to a new South African Constitution that extends the national franchise to non-whites—Indians and coloreds—for the first time in the nation's history.

Voters of the Indian and colored communities went to the polls for the first time last year to elect representatives to Parliament, and those representatives now sit in joint sessions with the whites, debating and voting on national legislation.

President Botha has announced in uncompromising terms that the government has accepted the urban blacks—numbering about half of the 17-million black population—as permanent residents of South Africa and has agreed they should participate politically in areas concerning national policy. Just how that participation is to manifest itself has yet to be determined, but the urban black leaders have been repeatedly invited to negotiate with the government on the issue.

This represents a huge sea-change in National party thinking. Previously, the Nats had insisted that the urban blacks—many of whom had lived for years in special townships set aside for blacks—were just "temporary" workers in South Africa and were really citizens of the tribal homelands.

In another highly controversial move, the government has revealed plans for the creation of powerful regional services councils in which blacks, for the first time, will serve on joint decision-making bodies with whites, coloreds and Indians.

Urban blacks are now legally allowed to own and run businesses in previously all-white commercial districts (although businessmen tell me that many blacks own their own firms in these areas right now, with white men fronting for them).

President Botha and his ministers have also announced that blacks will soon be able to own property in the urban areas—now they are only entitled to lease—and that the "influx control laws" designed to keep blacks from pouring out of the homelands into the urban areas will be eased. In deed, this reporter, upon visiting the semi-legal "squatters" town of Crossroads in the Cape, saw buses from the Transkei deliver blacks into the area without the tiniest bit of screening by South African authorities.

Having watched the legal, semi-legal and illegal townships and "black spots" swell with newcomers over the years, many South Africans say that the existing influx control laws have fundamentally failed.

Apartheid has been undergirded by Section 16 of the Immorality Act, and its kin, the Prohibition of Mixed Marriages Act. Under these laws, men and women of one race are not allowed to cross the color line when it comes to sex and marriage. Conservative party leader Andries Treurnicht, whose party wants a return to the old apartheid system, insists that separate development is doomed if these laws are eliminated. Many of his opponents agree.

But now the government—to the consternation of Treurnicht—has decided to formally terminate the cornerstone of separate development. When the elimination of these laws was announced, mixed couples—thousands have been defying these laws for years—suddenly came forth to boast of their relationships.

As Luke Zeeman noted in the Johannesburg Sunday Star: "There's an exuberant mood among blacks who drift into the late-night bars and clubs that litter downtown Johannesburg these days—the race barriers are beginning to fall.

"The days when people 'of color' shuffled headdown to a dingy corner, furtively peering through the gloom in search of a familiar, friendly face, died with the soon-to-be-laid-to-rest Section 16 of the Immorality Act, and its spouse, the Prohibition of Mixed Marriages Act. . . . And the change is not restricted to the night clubbers."

In Johannesburg, a 20-year-old black woman, Ida, who lives with a white man, remarked "It's like I've been in jail all my life. I'm just so happy." An Afrikaner businessman commented: "It's about time things normalized here."

Mark Wilson, a one-man band playing to a mixed crowd at the Rand International Hotel bar, insisted the atmosphere had been altered by this newest "dispensation," as these changes are being termed.

The announced intention to scrap these laws—and subsequent passage by Parliament is virtually assured—puts a huge hole in yet another pillar of apartheid, the Group Areas Act, under which each race is supposed to live in a prescribed area. But what do you do with a black-white or white-colored couple and what do you do about their children? What area will this couple live in? Will the family have the full political and economic rights of whites in South Africa or the lesser rights of those "of color"? No one seems to really know, although the government insists it will generously accommodate such families.

So far have the Nats turned their back on apartheid that the party has put together a new booklet that argues that the doctrine which held there could be no black South African citizens was fatally flawed.

The author of the booklet, approved by P.W. Botha himself, is Dr. Stoffel van der Merwe, a political scientist. Among the booklet's findings:

It was a mistake from the beginning to believe that the independent homelands could be the sole solution to South Africa's race problems.

Attempts at expelling blacks from the urban areas have failed.

Attempts to force blacks in urban areas to accept citizenship of independent homelands is a failure.

Just how far Botha is willing to unravel the apartheid system is unclear, but many believe the reforms have gone so far that the logical conclusion—though feared by virtually all races and groupings except the urban blacks—is one-man, one vote.

Few whites, no matter how "progressive," embrace the concept for the near-term, fearing—and rightly so—that they would lose total control of their country and much of their wealth, since so many of the black leaders in the urban areas think in terms of nationalization and wealth redistribution.

Indeed, in talking to National party leaders, one finds the party itself doesn't seem to know the bottom line of its reforms, although there is much discussion of a future federation of states, with some of the lesser developed regions and areas having a qualified franchise in which voting rights are based on education and earnings.

Can Botha continue his reformist approach? It's not easy to say, but the businessmen are eager to get on with it, while polls suggest the overwhelming number of people approve of at least the direction in which Botha is moving. (The young whites, incidentally, have enthusiastically embraced the reforms, and symbolic of their acceptance is the fact that the most popular singing group among them these days is the black-white singing group, "Juluka.")

Botha may have gone as far as he can go for now, however, as a considerable white backlash to his policies has already developed. Even in the liberal, English-speaking Cape many are concerned about lower-income blacks taking over the beaches and capturing jobs previously reserved for the Cape colored. There is also a sharp reaction from many whites to what they believe is preferential treatment for blacks.

The dashing Clive Derby-Lewis, a chief sparkplug for the pro-apartheid Conservative party, which split off from the Nats three years ago and has about a seventh of the seats held by the National party, explained the problem. Because of the equal treatment now given black workers in the larger companies, a black truck driver, for instance, may make the same as a white truck driver.

But while Derby-Lewis sees nothing wrong with that per se, he points out that a black's wages stretch further since he lives in subsidized housing and can obtain excellent medical care for almost nothing. Blacks, incidentally, only have to pay 4 percent interest in acquiring mortgage loans, while whites might have to pay as high as 25 per cent. "Where's the fairness in that?" asks Derby-Lewis.

Derby-Lewis and other CP leaders, furthermore, believe that the white power base of the Nationalist party is rapidly eroding, and note that their party came within a whisker of defeating the Nats in a provincial by-election in Harrismith in early May. For nearly 40 years, the National party has been entrenched in this town midway between Johannesburg and Durban, but the CP candidate fell just 247 votes shy of victory. National party workers admitted they were alarmed by the number of voters flocking to the CP tables, with one exclaiming: "I can't believe how many English-speakers are voting for the CP." (The English-speaking community, as distinct from the Afrikaans, is considered extremely liberal in matters of race.)

The CP is now trying to make the parliamentary by-election in Bethleham the next major battleground. Should the CP win here, in another National party stronghold, the anti-reformists believe they will have Botha on the run.

Nor is race, or separate development, the only issue. The economy is in a recession, with unemployment among both whites and blacks rising. Inflation is at 17 per cent and interest rates have climbed to 25 percent. Supply-side economics is barely alive, with those making $30,000 or so a year finding themselves in the 50 percent marginal tax bracket. There's a general sales tax of 12 per cent and a high corporation tax. Business operations, from law firms to grocers, are also about to be hit with two new taxes to help fund the new regional council structures, supposedly designed to increase black input into the political process.

But as Business Day, which is generally supportive of the government, put it: "First, the taxes . . . could not have been worse timed. At the moment, in the worst economic blizzard since the 1930s, the primary goal of all businesses, large and small, is survival. To burden the fixed costs of firms now not with one but with two new imposts . . . is an act of sheer folly.

"To make matters worse, there is the specific aggravation on black unemployment of the Regional Services Levy—which is in essence a payroll tax and so a tax on black jobs in the metropolitan regions."

And government spending and bureaucracy—much of it designed to increase black living standards—appears to be expanding, not contracting. A recent report shows that for at least a decade nearly 70 per cent of total net investment went to the government sector and public corporations.

The Conservative party may also use another issue against the Nationalists; their selling out of Renamo, the pro-Western insurgents operating in Marxist-controlled Mozambique. Senior officials in the foreign affairs and defense ministries acknowledge that Renamo operates in 90 per cent of Mozambique and could probably overthrow the government. But they argue that it would cost South Africa plenty to keep Renamo in power which the government has no intention of doing and so aid to Renamo has been shut off.

They also say that Botha has developed a certain "rapport" with Mozambique President Samora Machel, and that, after both countries signed the Nkomati Accord, Machel closed down key military bases of the African National Congress, the Communist-controlled revolutionary organization of South African blacks that is waging a campaign of terrorism against South Africa.

(A senior ANC official. Godfrey Motsere, speaking at a conference in Brussels in March, said the ANC was not thinking of going after "white civilian targets" and multinational companies operating in South Africa as well as oil depots, police stations and bridges. The ANC's major base of operations now is Angola.)

And although Deputy Foreign Minister Louis Nel and others vigorously deny it, there is the thought that if Botha can so easily sell out Renamo, will Jonas Savimbi be next?

Despite troubles at hand and on the horizon, Botha is not without a strong hand. The South African government, through the South African Broadcasting Corp., controls the three major TV channels and the radio stations. And the National party's ambassador to the U.S., Bernarndus Fourie, is planning to take over the SABC shortly. Most of the Afrikaans newspapers are also allied with the government, and Botha, through a nifty bit of sleight of hand, has managed to put off general parliamentary elections for another four years. His National party, futhermore, has a huge majority in Parliament, and even CP stalwarts admit they can't break off the most right-wing members into their camp.

Can South Africa be salvaged? That, too, is not clear, and some people, though not yet many, are even talking of pulling up roots and moving somewhere safer. For despite all the reforms, there is considerable violence, and threats of violence, especially in the black urban areas and in the Eastern Cape where there is high unemployment. South African police have frequently fueled the flames by permitting political and union leaders to die in captivity, but black terrorists have also begun to wage war on black moderates in the townships who think the

Botha approach will eventually bear fruit. Blacks associated with the government in any way are routinely killed and tortured by other blacks.

Radicalism flourishes in a number of areas. After a particularly severe clash between police and rioters in the Port Elizabeth area in March, a number of blacks were killed and at the mass funeral for the victims some 50,000 blacks sent chills through the spines of white observers with their chants of "Viva ANC!" and "Viva Mandela!" Nelson Mandela, considered the spiritual leader of the ANC, is serving a life sentence for attempting to overthrow the South African government.

Whether P. W. Botha and his Nationalist party are pursuing sound policy is a question I leave to others. The Conservative party certainly makes a point when it argues that "reforms" have hardly reduced chaos or bought American goodwill. But from the view here, Botha & Co. are doing everything possible, short of turning South Africa directly over to ANC terrorists, to assuage public opinion in the United States and meet the demands of the moderate blacks in their own country. For Botha to move faster could mean the destruction of his own party, the very vehicle implementing the reforms American liberals have insisted must take place.

What, then, are we to make of Senate and House lawmakers who are leading the disinvestment crusade at the very moment South Africa is doing precisely what liberal public opinion in America has so long demanded?

The enactment of economic sanctions, led by the likes of Stephen Solarz (D.-N.Y.), House Budget Committee Chairman William Gray (D.-Pa.) and Sen. Teddy Kennedy (D.-Mass.), would clearly be a stinging blow to the South African reformists, and undoubtedly fuel the energies of the revolutionaries who would see the move as the beginning of America's abandonment of South Africa.

Far more therapeutic would be for American politicians, particularly conservatives, to reverse course and devise plans to greatly increase U.S. investment in South Africa, to make it a Mecca for American business. Such investment would help to swell black employment, thus defusing unrest in the urban areas, and demonstrate to the revolutionaries that the United States is not about to undermine a strategic ally.

Unfortunately, however, the U.S. Congress, left-leaning, weak and eager to ingratiate itself with the civil rights radicals at home, is lusting to kick South Africa, a reforming South Africa, as honest liberals might say, in the teeth—no matter the economic cost to South African races of all colors, no matter the cost to South Africa's neighboring black states, which derive substantial employment and wealth from South Africa's still powerful economic engine, no matter the cost to our own strategic security.

Mr. SYMMS. Mr. President, I want to highlight a few points in this article. Mr. Ryskind recently visited in South Africa and I want to read a couple of the comments he makes:

Apartheid—that dread word that prompts even conservative U.S. lawmakers to cry for sanctions against South Africa—may not have died here, but it is clearly teetering between this world and the next. The vultures are circling overhead, and this observer, hardly alone, will be quite surprised if the old Afrikaner system of political, social, racial and partial economic separation can ever be fully reimposed.

That's the major impression I received after a recent 10-day visit to South Africa sponsored by the South Africa Foundation, a group of fundamentally anti-apartheid businessmen who believe that disinvestment will severely damage their country.

The majority National party, currently led by South African President P.W. Botha, is systematically destroying the legal pillars of apartheid, the governing philosophy of the "Nats" since they came to power in 1948. Bit by bit, chunk by chunk, Botha is hacking away at the edifice, at considerable risk to himself and his party's Afrikaner base.

And what deeply perplexes and disappoints those who favor the ongoing reform movement is why the campaign to crucify South Africa is being mounted in the United States at the precise moment these startling changes are coming about.

"Shouldn't we be rewarded instead of punished?" argues A.C. Liebenberg, a prominent engineer from Capetown who believes the deapartheidization process that is now under way is "irreversible." Liebenberg, in fact, is not generally a supporter of the Nationalists, and likes the far more liberal Progressive Federal party because of its longstanding opposition to apartheid. But he and many other Progressive Federal sympathizers are delighted with Botha and the Nationalists these days. "They're doing our dirty work for us" is the refrain of the Progressive Federal leaders.

Virtually all of the whites—left, right and center—agree that a dramatic shift away from apartheid—both petty and grand—has occurred within the past 18 months.

I agree with the conclusions Mr. Ryskind has drawn. In my own visit to South Africa, I noticed tremendous movement in the right direction. There are a constant stream of improvements being made in that country.

It is ironic that at this moment, the United States would consider penalizing South Africa. Many black leaders in South Africa told me during my visit, "Why are you in the United States using your own domestic politics to interfere with the progress that we are making? Why can't you take your own politics and keep it in your own country and not use South Africa as a whipping boy? It is the black people in South Africa who will suffer as a result of this interference of the United States."

I think that is a question we should all ask ourselves, Mr. President. It is very easy for an all-white Senate in the United States of America to take a position against apartheid in a country that is 9,000 miles away. It is a very comfortable position for us to take. I believe that the best possible course of action to help the less privileged black people in South Africa, and on the African Continent as a whole, would be for this legislation to be defeated by the Congress of the United States, because it will have a negative impact on the tremendous strides and gains that P.W. Botha and his National Party have made in South Africa. I think they deserve our commendation rather than our criticism.

We need South Africa more than they need us in terms of national security, for strategic minerals, which I have already discussed, for the strategic seaway that goes around the African Continent, with all of the oil shipping that goes out of the Persian Gulf around the cape to Western Europe and the United States. We should concentrate on helping and supporting our friends in the struggle of tyranny versus freedom, instead of weakening them and furthering the efforts of our enemies.

We would be far better off to resume the discussion of the problems of our own budget and start getting our own financial house in order, our own foreign policy organized, and our own distressed and disadvantaged people taken care of.

That would be a much more humanitarian undertaking than trying to use another nation for our own domestic political purposes.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. MCCONNELL). The Senator from Nevada is recognized.

Mr. HECHT. Mr. President, this week brings the opportunity for the Senate to finally "do something" about the morally repugnant institution of apartheid in South Africa. This opportunity, as we all know, is contained within S. 995. But while S. 995 will no doubt "do something" positive for its proponents in the United States, it is questionable whether this bill will "do something" for black South Africans.

In most cases, it is economic development that has historically brought political reforms. This is certainly the case in this country, where industrialization led people to call for the rights of "referendum and recall" around the turn of the century. So this is also the case in South Africa. Recent reforms in South Africa, such as the legalization of black trade unions, can be directly attributed to the unceasing pressure of modernization on the tradition-bound South African Government. Skilled black workers, once a rarity, are becoming more common. In fact, half of all skilled positions are now held by blacks. All this is a result of the skilled labor shortage that South African economic development has created.

To disinvest, and stop the impending political reformation of South Africa by economic development, would itself be morally questionable. Instead, the United States should take a more active position, encouraging, instead of halting the cleansing economic development of South Africa. U.S. firms can be models of desegregation: Through their economic, as well as cultural contributions, they may mold

South African society into a morally acceptable form.

Hopefully, by increasing U.S. investment in South Africa, we will "do something" for black South Africans, in contrast to "doing something" for only the supporters of S. 995.

Mr. President, I should now like to read into the RECORD an article called "A Reagan Veto To Help South Africa's Blacks." The article was written by Dr. Stuart M. Butler, director of domestic policy studies at the Heritage Foundation. It echoes the reservations I voiced earlier about S. 995, and the disastrous effect it would have on desegregation in South Africa.

A REAGAN VETO TO HELP SOUTH AFRICA'S BLACKS

Votes in the Congress this week to impose economic sanctions on South Africa may make good political sense to lawmakers under pressure to "do something" about apartheid. But they tragically will penalize the very victims of apartheid whom the lawmakers say they want to help. Noted the Washington Post in an editorial this week, "It is . . . the country's economy [that] is its most effective engine of social transformation, compelling whites to grant blacks precisely the training and education, the livelihood and personal rewards, the choices of where to live and work, the associations and organizations, the sense of their own power and community, that apartheid would deny them."

By seeking to slow down this engine of change, Congress, unwittingly, will extend apartheid's life. Congress instead should foster the fundamental reforms that are being fueled by economic growth, rather than simply trying to register moral outrage in way that will hinder South Africa's slow but inevitable transformation. If Congress persists in this misguided approach, Ronald Reagan should veto the legislation—while remolding his own policy of constructive engagement into a more powerful strategy of "investment leverage."

Many Americans have been discovering recently that the demands of an industrialized economy are forcing Pretoria grugingly to make key concessions to black South Africans. Liberal columnist Richard Cohen declares the call for disinvestment to be "the moral equivalent of a free lunch," and black essayist William Raspberry scores divestiture—the selling of stock in companies doing business in South Africa—as "principally a ritual washing of hands." Other fairminded Americans began having second thoughts when such moderate black leaders as Zulu Chief Gatsha Buthelezi, who speaks for than than one in four black South Africans, condemned disinvestment as "tactical madness." Some key organizations in America are also expressing grave doubts—recently the governing council of the American Jewish Congress turned back a proposal to support divestiture and disinvestment.

The earlier consensus on sanctions is eroding because it is clear that economic growth in South Africa has wrought far more change than that achieved by external pressure. In 1979, for instance, black trade unions were recognized, sowing the seeds for the empowerment of organized black labor. The policy of reserving skilled jobs only for whites is also collapsing, as labor shortages enable blacks to force their way through the "whites only" employment door. Half of all skilled positions are now held by blacks, and the figure is likely to reach over 70 percent within ten years. By setting an example of progressive labor relations and pay equity between their black and white employees, American companies have accelerated this black employment progress. And when an oppressed group obtains such critical positions in the oppressors' economy, it is not long before the social and political balance of power begins to shift in its favor—witness recent agreements of the Pretoria government to end the ban on interracial marriage and to accept the permanence of blacks in "white" urban South Africa.

Sanctions are unlikely to have much effect in South Africa. There are plenty of countries willing to take America's place and to act as funnels for indirect trade. But if sanctions do bite, they will impede progress spurred by industrialization and urbanization. To be sure, American companies can give little more than a small boast to the deep current of change. Stopping new investment, however, will weaken even this influence. And if American companies are forced to pull out, the resulting fire sale of U.S. factories will simply provide a "golden-opportunity," in the words of a leading Johannesburg investment bank, for Afrikaner firms to buy up their American competitors at a knock-down price. Observes The Economist (of London): "It is hard to see how replacing an American personnel director with an Afrikaner one is an advance for anti-apartheid." Similarly, there is little reason to believe that Pretoria will be pressured by sanctions into policy changes that would threaten its own existence. Extremist Afrikaner parties gain votes in droves when the government seems to be giving in to pressure. External threats therefore only make it much harder for Pretoria to accommodate the internal pressures arising from economic growth.

Congress and the Administration should be seeking to turn up the pressure unleashed by economic expansion, not choke it off. The diplomatic approach of constructive engagement is not enough. Instead, the Administration should actively encourage U.S. firms to invest in South Africa. It should work with American trade unions to help promote black trade unionism, and it should help those firms, such as IBM, that are fostering the creation of black businesses in South Africa. By expanding black economic power in South Africa, the U.S. can build up black political power and hasten change. If Congress places sanctions on South Africa, or demands disinvestment, it will weaken black unions, erode the corrosive effects of economic growth, and help perpetuate apartheid.

STUART M. BUTLER, Ph.D.,
Director of Domestic Policy Studies.

Mr. President, some say that the only way to end the brutal institution of apartheid in South Africa is to disinvest. With this viewpoint has come a narrowing of minds. Many feel that to be against disinvestment is to be for apartheid. To illustrate, earlier this week, a colleague from the other side of the aisle stated:

There seems to be, at the heart of the American ultra-right, an undercurrent of racism that rises to the surface every now and then. I strongly suspect—and gravely fear—that that dirty undercurrent of racism is rising to the surface again in the tolerance of apartheid and the apparent lack of concern over the suffering of 23 million blacks.

Unfortunately, the narrowmindedness of this argument and obsession with disinvestment do not allow men of intellect to understand that disinvestment can only lead to more suffering by South Africa's oppressed nonwhites.

Disinvestment will erode both the political and economic gains made by nonwhites in South Africa. Disinvestment will end the influence U.S. nationals have had in installing more blacks in skilled employment. Color-blind practices of U.S. firms will be replaced by domestic policies—blacks previously employed by U.S.-run companies may find themselves on a one-way bus ride back to the homelands.

Disinvestment will also ensure that hundreds of thousands of blacks, coloureds, and Indians in South Africa will face unemployment due to economic hardships. It is important that we understand that the United States would be responsible for their hunger.

Instead of disinvesting, instead of removing U.S. challenges to apartheid in South Africa, the United States should take a more active role in South Africa's economy. It is only through constructive economic leverage that change can be most quickly encouraged in South Africa.

Those who raise the dogmatic cry of racist are the very individuals who are ignoring the United States most effective tool toward abolishment of apartheid in South Africa.

Mr. President, I would like to read an analysis authored by Dr. Stuart Butler, director of domestic policy studies at the Heritage Foundation.

Dr. Butler outlines five actions that the U.S. Government should take in order to increase our positive influence for elimination of apartheid in South Africa. All of those involve encouraging, rather than retarding, the South African economy, thereby lessing, not increasing, tensions within that country.

Only by putting aside the dogmatic assertion that all who oppose economic harm to South Africa are racists who support apartheid can the American people hope to rationally analyze our ability to help nonwhites in South Africa. I hope that such dogma will not be put forth by men who know better in the future.

At this point I would like to read into the RECORD a paper entitled "An Investment Strategy to Undermine Apartheid in South Africa," by Dr. Stuart Butler.

Few Americans, if any, defend South Africa's brutalizing racial separation and discrimination policies that are called apartheid. Being for or against apartheid never has been an issue. This issue, rather, finding the best ways by which the U.S. can foster apartheid's disappearance.

Two approaches are advocated for achieving this, as was clear during last week's House and Senate hearings on South Africa. One approach is called "disinvestment." It would put pressure on American companies with investments in South Africa to pull out of that country. The objective of this strategy is to so threaten the South African economy (already gripped by a severe recession) that the Afrikaner-dominated white government would recognize that apartheid is too costly to sustain and move swiftly to grant full political rights to all South Africans.

The second approach calls for the opposite kind of strategy, described by the Reagan Administration as "constructive engagement." This involves extensive economic and diplomatic contact with South Africa to dissipate the siege mentality of Pretoria and to foster gradual change.

Momentum is growing in Congress for legislation based on the disinvestment approach. Frustrated by what they interpret to be the inadequate success of the Administration's policy of constructive engagement, many legislators feel that persuasion never will achieve significant reform. The only language Pretoria will understand, they argue, is the threat of U.S. investment boycott.

Disinvestment, however, would be a serious mistake, for it would penalize South Africa's blacks and actually make the dissolution of apartheid more difficult. Disinvestment is based on a misunderstanding of Afrikanerdom, a misreading of the process of change in South Africa, and a historically unjustified confidence in the effectiveness of boycotts. Disinvestment would have at most a marginal impact on South Africa's economy. It probably would prompt Pretoria to become more stubborn. And even if disinvestment did begin to bite, it simply would slow the workplace reforms pioneered by the progressive American companies in South Africa and weaken black unions, while strengthening the position of reactionary white workers. It would undercut the reformist English-speaking business community and the media it supports. Most important, disinvestment could blunt the economic forces that are slowly, but inexorably, undermining apartheid's foundations.

It is the unstated premise of disinvestment that, in the political context of South Africa, this policy will achieve reform only if the country is polarized further, leading to violent and bloody revolution—out of which, perhaps, a peaceful and stable democratic state will emerge. The trouble is, postcolonial Africa offers no precedent for this.

Nor is constructive engagement, albeit much sounder than disinvestment, a sufficient policy. Rather than relying only on the diplomacy of such an effort, the Administration should fashion a more activist strategy recognizing that it is economic growth, coupled with the color-blind employment practices of U.S. companies, that poses the greatest threat to apartheid. Over 300 U.S. companies currently have subsidiaries in South Africa, including IBM, Ford, General Motors, Mobil, and Xerox. The $2 billion in American assets in the country represents 20 percent of total foreign direct investment. American investment dominates such areas as oil and computers.

Constructive engagement should be supplemented by a strategy of "investment leverage." Instead of disinvestment, increased American participation in the South African economy should be encouraged. The U.S. government, meanwhile, should provide special assistance through American companies to upgrade the educational and management skills of black South Africans and help them form businesses of their own. Assistance also should be given to American trade unionists to train black union organizers. Finally, technical assistance and encouragement should be given to speed the recent decision by the South African government to return to the private sector key segments of the nationalized economy, thus taking control from Afrikaner bureaucrats.

WHY DISINVESTMENT WILL NOT WORK

The disinvestment strategy forms the heart of recent congressional initiatives to pressure the government of South Africa. These efforts misread the economics and the politics of that country.

THE ECONOMICS OF DISINVESTMENT

The theory of disinvestment is that, by threatening to block American investment in South Africa, the local economy would face such a crisis that Pretoria would be forced to make major political concessions to blacks—particularly as South Africa already suffers from a painful recession. While this sounds plausible in theory, there is little reason to believe that disinvestment would expose a South African economic Achilles heel.

A recent major analysis of the South African economy by The Economist (of London) concludes that the economic effect of U.S. disinvestment would be small and could conceivably boost the country's economy. [1] The journal points out that the South African recession already has hit investment hard for purely commercial reasons and that new American capital inflows have falled by 10 percent in just the last year. Total investment from outside South Africa has "slowed to a trickle," falling below $100 million a year. Consequently, "The disinvestment lobby is working on a tiny margin of the South African economy." Moreover, the disinvestment rationale ignores totally the possibility of South African retaliation. Three times greater than foreign investment going into South Africa are dividends sent abroad by firms in South Africa. Disinvestment thus could be countered by a dividend export freeze by Pretoria, which would improve South Africa's capital balance of payments and free more domestic funds for investment.

Concludes The Economist: Disinvestment would be once-for-all Marshall aid. It is hard to comprehend the widely held view in the anti-apartheid lobby that this would traumatize the South African economy: in the short term, it would probably boost it.[2]

The British journal also points out that, if U.S. companies were forced to withdraw from South Africa, the action would threaten the employment of 120,000 blacks, many of whom have learned new skills and earned promotions in progressive, desegregated American companies. If these firms closed, many of their black employees would be liable for deportation to the tribal homelands. More likely, the South African government would nationalize the companies or allow local firms to take them over. Notes The Economist, "It is hard to see how replacing an American personnel director with an Afrikaner one is an advance for anti-apartheid." [3]

The principal effect of disinvestment would be to erode the economic leverage of blacks. Black South Africans comprise about three-quarters of the country's workforce and half its skilled labor. As the economy has grown, shortages of white labor have allowed blacks to force themselves into occupations once reserved for whites. Black trade unionism also has grown rapidly with the expanding economy. Membership has reached almost half a million. After Pretoria recognized the inevitable and legalized black unions in 1979, black wages doubled over the next three years, and black trade unionists began to flex their political muscles.

THE POLITICS OF DISINVESTMENT

Disinvestment may be favored by black organizations and liberals in the U.S., but polls reveal that it is opposed by urban blacks in South Africa by about three to one. It should be no mystery why South African blacks strongly support the presence of foreign firms that have done so much to improve the economic and social status of their nonwhite workers.

South Africa's black National African Chamber of Commerce and Industry, for instance, sent a memorandum to Senator Edward Kennedy during his recent visit to South Africa, attacking disinvestment as inhibiting economic growth, "which is a powerful catalyst in the process of peaceful social and political reform in the country." The same view was expressed by Chief Gatsha Buthelezi of the Zulu tribe, a fierce opponent of apartheid. He called disinvestment "tactical madness" during a February visit to the United States.

Those South African blacks who oppose disinvestment are denounced by South Africa's militant black leaders and their American allies for two reasons. First, to be successful politically they must seek to persuade Congress and the American people that the choice is simple and stark—either one supports "the blacks" in South Africa, who are supposedly unanimous in their support of disinvestment, or one supports white racism. To recognize the deep disagreement among South African blacks regarding strategy would make it easier for Americans to oppose disinvestment. Second, some advocates of disinvestment seem to favor revolutionary change in South Africa. For them, there is sense to the old revolutionary dictum: the worse, the better. As such, the fact that disinvestment would hit blacks harder than whites is a virtue, since it would drive black into economic despair and militancy. Thus well-meaning supporters of disinvestment must come to see that this policy would make conditions worse for blacks, not better, and that the process of change it envisions is based on confrontation and violence, not peaceful reform.

The efforts of black and white moderates in South Africa would be weakened by disinvestment. In particular, it would reduce the corrosive effects on apartheid of black advancement within U.S. companies. And it likely would reduce the financial support given by the English-speaking business community to the opposition media. Recently the *Rand Daily Mail*, one of the strongest critics of apartheid, was forced to close for economic reasons. Disinvestment threatens other English-speaking opposition newspapers by forcing a cutback in their business support. The net effect of disinvestment, therefore, would be not to force Pretoria to the negotiating table, but to undermine those in South Africa who support peaceful

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[1] "The All-American Leverage Game," *The Economist*, March 30, 1985, pp. 31-32.
[2] *Ibid.*, p. 32.
[3] *Ibid.*

change—leaving violence as the only available option.

The politics of Afrikanerdom reinforces the argument that disinvestment will fail. The history of South Africa has been characterized by Afrikaners seeking to retain their ethnic and social identity against outside threats—from the English, from the nonwhites, and even from erosion by industrialization. Apartheid uses the crude approach of partition. Within the white business community, extensive regulation and nationalization has been used by the bureaucracy—dominated by Afrikaners—to try to hold back what they see as the corrupting power and influence of the English-dominated business class.

But the Afrikaner community is not monothlitic. There are those known as "verligtes" (who favor sharing power with the blacks and see reform as both inevitable and desirable) and the "verkramptes" (who support the traditional Afrikaner commitment to apartheid with no concessions). And though the reforms of South Africa's President Pieter W. Botha seem minimal to many American observers, they indicate strong verligte influence and have led to a wrenching split in Afrikaner politics.

To be sure, the Botha government is extremely cautious and as stubborn as any Afrikaner in the face of outsider pressure. Yet Pretoria is slowly adapting the law to accommodate economic and social pressures within the country. It is now widely accepted that the blacks are not temporary workers but permanent urban residents. The new constitution, bitterly denounced by verkramptes, accepts that some nonwhites must have a say in national decisions—a slide toward democracy that may be very hard to reverse. Most recently, Pretoria made the dramatic announcement—to the horror of the verkramptes—that it will repeal the laws forbidding interracial marriage and sexual relations. "Like it or not," said an editorial in the Cape Town Argus, "their removal must of necessity affect the entire edifice [or apartheid] in time to come." Days later, Botha announced not only that blacks would be permitted to buy houses in the black townships of "white" South Africa, but that they would not necessarily lose their South African citizenship if their nominal homeland were granted independence—implying an acceptable that blacks are a permanent part of South African society.

The political irony of disinvestment is that, by forcing a political confrontation within the Afrikaner community, it could slow down, and even reverse, the growing realization in white South Africa that the economic and social changes underway should be codified by law. The Botha government is said by many South Africans to be reforming "stealth." Each legislative retreat is shrouded in vague and evasive statements, so that the Afrikaner community is not excessively alarmed. To the outside observer, of course, this seems like a lack of commitment, but it may be the only strategy that will avoid a verkrampte backlash. For Pretoria's dilemma is that, to satisfy the demands of the disinvestment lobby in Washington, the Botha government would have to make its actions so clear that Afrikaner reaction would eliminate any chance of effecting the intended reforms.

THE MEASURES BEFORE CONGRESS

To date, 21 bills concerning South Africa have been introduced in Congress. The majority of pending bills contain a common theme: legislative sanctions to restrict or halt private U.S. economic activity in South Africa. Examples:

Bill introduced April 24 by Senator Richard Lugar.

This bill incorporates an earlier bill introduced by Senator Charles Mathias (R-MD) and approved by the Foreign Relations Committee. It has the support of the Administration.

The measure would require the President to report by March 1987 on whether South Africa has made "significant progress" towards ending apartheid, including: steps to end the pass laws restricting the movement of blacks, increasing labor union rights, ending the migrant labor system, and improving housing for blacks. If the President determines that significant progress has not been made, he would have to recommend to Congress which of four sanctions should be applied against South Africa: bans on new commercial investment, bank loans, the importation of Krugerrand gold coins, or the sale of computers to the Pretoria government.

In addition, the bill would create a $15 million scholarship fund for blacks, require all U.S. companies operating in South Africa to abide by the Sullivan Principles. The Sullivan Principles are a voluntary code of business conduct that commits signatories to desegregate the workplace, remove racial distinctions in pay scales, and step up training and promotion for blacks. Companies abiding by the code employ approximately 70 percent of all workers in American firms located in South Africa. The bill also would provide assistance through American agencies to black-owned businesses in the country, and increase to $1.5 million the Kassebaum Human Rights Fund for victims of apartheid.

S. 147, introduced by Senator William Proxmire and H.R. 632, introduced by Representative Buddy Roemer.

This bill would prohibit new U.S. investment in South Africa, require compliance with specific employment practices by U.S. firms in South Africa, block U.S. bank loans, outlaw Krugerrand imports, reimpose Carter Administration trade restrictions, and prohibit exports to South Africa of U.S. nuclear-related technology.

H.R. 1460, introduced by Representative William Gray and S. 635, introduced by Senator Edward Kennedy.

This bill would prohibit U.S. bank loans to the Pretoria government and to U.S. firms operating in South Africa, ban new U.S. investment in South Africa, block Krugerrand imports and block computer sales to the South African government.

Waivers on these restrictions could be obtained for twelve months, if the President and Congress determined that adequate progress had been made in one or more of the following areas: housing for black workers, easing of employment restrictions on blacks, eliminating the homelands and the policy of denying South African citizenship to blacks, ending residence restrictions, negotiating political participation for all races, and the freeing of political prisoners.

H.R. 1595, introduced by Representative Robert Walker.

This measure applies to all countries, not just South Africa. Its far-reaching provisions would prohibit the import of goods produced by slave labor, direct the U.S. to oppose International Monetary Fund loans to countries allowing the trafficking of illegal drugs, deny U.S. most-favored-nation status to countries that prevent a free press, direct the U.S. to demand Soviet compliance with the Helsinki Accords, require the U.S. to seek a full accounting of international prisoners of conscience, prohibit U.S. economic aid to states that vote against the U.S. in the U.N. more than 85 percent of the time, stipulate that U.S. foreign assistance promote private sector initiatives, while blocking U.S. economic and military assistance to any state that denies free press access or promotes international drug trafficking or terrorism.

I see my colleague from Alabama has come to the floor and wishes to speak. While I have a great deal more to say on this issue, I welcome the Senator's participation and yield the floor to the Senator from Alabama.

Mr. DENTON. Mr. President, I thank my colleague from Nevada. I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I thank my friend from Alabama. I will only be a few seconds.

Mr. President, I send to the desk an amendment to S. 995 and ask unanimous consent that it be printed in the RECORD and lay on the table until S. 995 becomes the business.

To make it short and simple, the attached amendment would apply the same economic sanctions against the Soviet Union and Red China that the bill now applies to South Africa. The amendment does this by simply referring to each of the sanction provisions of the bill instead of amending each of those sections.

As long as South Africa maintains apartheid severe economic restrictions will apply to U.S. commerce in that country. Similarly, as long as Russia or Red China maintains totalitarian restrictions on basic human liberties, the same economic penalties will be effective against trade with or in those nations.

I thank my friend from Alabama very much.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be laid on the table.

The amendment is as follows:

Purpose: To apply the sanctions of the bill to the denial of human rights in the Soviet Union and the People's Republic of China

At the end of the bill insert the following new section:

"DENIAL OF HUMAN RIGHTS IN THE SOVIET UNION AND PEOPLE'S REPUBLIC OF CHINA

"SEC. 16. (a) The Congress finds that the freedom of religion, freedom of press, freedom of a fair public trial, freedom of education, freedom of emigration and movement, freedom from want, freedom of self determination, and freedom of choice of economic endeavors are fundamental human rights and declares that the official policies and practices of governments in the Soviet Union and the People's Republic of China have been and are denying these liberties to hundreds of millions of persons in such nations.

"(b) The Congress further finds and declares that the United States should encourage the Soviet Union and the People's Re-

public of China to adopt and apply in practice specific safeguards of the basic human rights common to all modern free societies, including the freedom of conscience and religion, freedom of choice of work, freedom of participation of the people in regular elections to choose the form of government under which they will live, and a system of law that protects individuals against arbitrary detention or cruel or inhuman treatment during detention.

"(c) In order to promote the policy of this section to end the denial of fundamental human rights in the Soviet Union and the People's Republic of China, section 5 (relative to the availability of the human rights funds), section 7 (relative to insurance, reinsurance, and guaranties of loans by the Overseas Private Investment Corporation), section 12 (relative to nuclear trade of the United States), section 13 (relative to exports to another government), and section 15 (relative to economic sanctions), shall, insofar as possible, apply with equal force and effect to denial under the laws and official policies and practices of the Soviet Union and the People's Republic of China of the fundamental human rights of persons in such nations as such sections would apply with respect to the policy of apartheid in South Africa."

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. DENTON. Thank you, Mr. President.

Mr. President, the bill under consideration introduced by Senators DOLE, LUGAR, ROTH, and MCCONNELL is presented as an effective compromise between the differing views on the kind of incentives—some might say punishments—U.S. policy should provide to the South African Government to hasten its dismantlement of its apartheid policies. Although the bill may be a far cry from the punitive measure that was adopted by the House a short while ago, and mild compared to the proposal by Senators WEICKER and KENNEDY, S. 995, indeed, it may be the best bill we can get as I believe its originators, all of whom I respect, believe S. 995 is no innocuous piece of legislation. I fear that it may lead to disastrous results.

We are dealing in an area of inhumanity to man, racial discrimination, and I want to say at the beginning that I was embarrassed as a youth and a young adult by the slowness of civil rights actions in this country. Even today I believe we Americans by our own volition must come further in following the command of both the Old and New Testaments regarding love one's neighbor as one loves one's self, and what is the definition of neighbor? It was given in the Good Samaritan story by Jesus. It is a friend in need, a man of another color, of another race, depised that race in its time by the beneficiary of the Good Samaritan. I am with that. I believe in that. I act by that. But we must deal with facts in relation to other facts. Yes, South Africa needs to improve. So do we. So does the Soviet Union. What is the best path for improvement on the part of South Africa, ourselves, the Soviet Union, for improvement for the world? To deal properly with interrelated facts, and to uphold reality as well as our own interests we cannot stoop to use another nation as a whipping boy in order to demonstrate our personal antipathy to racial discrimination. I would like to discuss this bill in that context. The bill sets numerous precedents in regard to U.S. Government regulation of the activities of U.S. businesses abroad, providing considerable subpoena authority to the Secretary of State.

The bill proposes to manipulate selectively trade in the foreign operations of U.S. businesses for a narrow foreign policy objective, something that has been decried by most Members of this body in the past. The bill sets up a process that hands the propaganda and political edge to those forces in South Africa which seek violent rather than peaceful change. But, worst of all, the measure subordinates our national security concerns to a narrow but laudable objective when it is still possible to pursue successfully a policy that meets both our humanitarian goals and our security interests. Southern Africa is an area in which the United States has enormous strategic interests at stake. And it is a fact that South Africa is the pivotal country in that region. If we in Government are here to protect U.S. interests and to advance them, I believe it would be wise to review those interests in that area of the world. I will begin by quoting remarks by Assistant Secretary of State for African Affairs, Chester Crocker. These remarks can be found in the Judiciary Subcommittee report issued in November 1982 about Soviet, East German, and Cuban involvement in fomenting terrorism in southern Africa. He described southern Africa as a: key region requiring a carefully considered and sophisticated policy in order to advance U.S. interests. Dr. Crocker advanced three reasons for this judgment.

First. U.S. economic interests in sub-Saharan Africa are heavily concentrated in the southern third of the continent. Nearly $3 billion of direct investment, or about 60 percent of the sub-Saharan totals, is located there. Our southern African trade totals over $6 billion. This concentration of our interests reflects southern Africa's tremendous mineral wealth and the relative sophistication of the area's economies—especially those of South Africa and Zimbabwe. Southern Africa accounts for over 40 percent of sub-Saharan Africa's GNP, 70 percent of its industrial and 60 percent of its mining output, 80 percent of the steel and 85 percent of the electricity consumed. The area contains immense deposits of many strategic minerals which are vital to industrial economies like ours, including: The platinum group (86 percent of world reserves), manganese (53 percent), vanadium (64 percent), chromium (95 percent), and cobalt (52 percent) as well as a dominant share of world gold and diamond output and internationally significant output of coal, uranium, copper, and other minerals. Many of these minerals are vital to Western defense and high technology industries * * *.

Second. A second reality is that southern Africa is an increasingly contested area in global politics. The worldwide significance of the region derives from its potential—unless nations of the area can find a basis to resolve outstanding conflicts and coexist—to become a cockpit of mounting East-West tension. Despite the ending of the drawn-out struggle in Rhodesia and the successful transition to independent Zimbabwe, there remains a combination of local and external pressures that could lead to expanded conflict and polarization. Since Portugal's departure from its ex-colonies in 1975, the U.S.S.R. and its clients have shown every interest in keeping the pot of regional conflicts boiling. Six years after Angolia's independence, substantial Cuban combat forces plus Soviet advisers remain there, as participants in a still unresolved and tragic civil war.

This external factor inevitably shapes the calculations of Angola's neighbors. Warsaw Pact countries have arms agreements with four nations of the area and provide the bulk of external military support to guerilla groups aimed at Namibia and South Africa. Faced with large scale foreign intervention, the pressure of African guerilla groups, and strains in its relations with its traditional Western partners, South Africa has significantly expanded its defense potential in recent years. The republic, through a sustained self-sufficiency drive, is now an important regional military power. It has clearly signaled its determination to resist guerilla encroachments and strike at countries giving sanctuary.

Let us make no mistake. This is an explosive combination. The potential damage to Western interests is enhanced by southern Africa's geopolitical importance along the strategic sea routes around Africa and by its growing importance as a source of critical minerals. It is imperative that we play our proper role in fostering the region's security and countering the expansion of Soviet influence. We intend to do so by building the confidence necessary for equitable and durable solutions to conflicts and by encouraging the emergence and survival of genuine democratic systems and productive economies. We will not lend our voice to support those dedicated to seizing and holding power through violence. If the peoples of southern Africa are to have the chance to build their own futures, it is essential that military force not become established as the arbiter of relations between states or the means of effecting needed political change. In this respect, southern Africa could become a crucial arena for defining the rules of international conduct in the decade ahead.

Third. The third reality is that southern Africa is a highly complex arena which must be understood on its own regional merits if we are to succeed in our efforts. There are powerful linkages—transport systems, labor migration, electric power grids, flows of capital and expertise, active and vital trade ties—that bind together the states of southern Africa. Interdependence is reinforced by the presence in the region of six landlocked states. Economic pragmatism is strengthened by the many nearby examples of negative growth rates and falling living standards. But there are also deep-rooted sources of conflict within the

region itself. The political basis for regional cooperation is strikingly absent. The racial and ethnic pluralism of these societies—and the raw emotions generated by colonialism and white minority rule—make it difficult for them to come to terms with themselves and their neighbors.

Almost 1 year earlier, in September 1980, Alexander Haig, in his capacity as President and Chief Executive Officer of the United Technologies Corporation, had appeared before the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affiars in the House of Representatives. In his testimony, General Haig said:

The United States is inordinately and increasingly dependent on foreign sources of supply for many of the raw materials critical to our defense and our economy * * *

Should future trends, especially in Southern Africa, result in alignment with Moscow of this critical resource area, then the USSR will control as much as 90 percent of several key minerals for which no substitutes have been developed, and the loss of which could bring the severest consequences to the existing economic and security framework of the free world.

As one assesses the step up of Soviet proxy activity in the third world—in Angola, Ethiopia, Southern Yemen, North Yemen, Southeast Asia, Central America and the Caribbean, and the December 1979, unprecedented invasion of Afghanistan by regular Soviet forces—then one can only conclude that the era of the resource war has arrived.

Mr. President, I shall read a statement made by a senior official of the Soviet Union in which he outlined as a goal of the Soviet Union taking over the mineral treasure of that area and denying it to the United States.

In Prague, in 1973, Leonid Brezhnev said, "Our aim is to gain control of the two great treasure houses on which the west depends . . ., the energy treasure house of the Persian Gulf and the mineral treasure house of central and southern Africa." An examination of their African foreign policy will reveal that the Soviets have acted at every opportunity to fulfill that objective.

The Congress cannot afford to force upon the administration a foreign policy that will lead to a greater polarization of the internal situation in South Africa or strengthen those Soviet-backed forces that advocate violent change. American sanctions will most benefit not the blacks of South Africa but the forces of terrorism that seek to dismember South Africa.

I would remind my colleagues that even the people in South Africa, including the blacks, see the private sector in South Africa as part of the solution, not part of the problem. They do not want to see sanctions against the private sector in South Africa and we here in the Senate are now recommending against the will and desires of the majority.

The Congress has pursued that misguided approach before in Vietnam, Laos, Cambodia, and Nicaragua, with disastrous consequences. The Carter administration may be accused of mishandling the Iranian crisis which led to the loss of Iran to a brutal, lawless tyranny that supports and exports terrorism. The cost of that foreign policy failure has been over 200 American lives in Beirut and greater instability in the Middle East.

The most important of them is the cost in the psychological picture of the rest of the world of the United States' posture and perception of the world and our policy in dealing with them.

Constructive engagement has been working in South Africa. The South African Government has finally recognized that apartheid cannot be maintained, and the internal debate now centers on the pace and method of change. We can expect that that process of change will produce great controversy and unrest, and the Soviet Union will seek to exploit the instability produced by change.

I think we should consider, Mr. President, how we would have reacted if another nation, perhaps one larger and more powerful than ourselves, had imposed sanctions upon us, had intervened in our internal affairs, while we were confronting and trying to cope with the problem of segregation in the early decades of this century.

I believe we would have concluded, if we were thorough and honest, that it would have delayed, not facilitated, our progress.

The key point, Mr. President, is that at that time we did not have a superpower intent on pressuring a terroristic movement to overcome this Government, as is the case in South Africa.

As chairman of the Judiciary Subcommittee on Security and Terrorism, I must attempt to bring to the attention of my colleagues the results of hearings to explore Soviet and Cuban involvement in terrorist activities in South Africa and Namibia, and specifically the involvement of those activities with the so-called National Liberation Movement in those countries.

In deciding to look at terrorist activity in South Africa, the subcommittee was well aware of the fact that many journalists and other opinion leaders are frequently reluctant to consider or even discuss the extent of Communist involvement and control of South African "liberation movements".

It is not voguish. It is not stylish. You are looking for a red under every rock. It is that sort of thing. At the same time, we on the subcommittee believe that all Africans, black and white, will only suffer more in the event of further expansion of communism in Africa.

Mr. President, I do not want to see the repetition of another case of well-meaning people in the United States causing that evolution to take place, an unsatisfactory situation being replaced by an unspeakable situation.

We, therefore, thought it important to gain as much information as possible on the subject.

Based on preliminary findings, we decided to focus our inquiry on two organizations: The African National Congress of South Africa [ANC] and the South West Africa People's Organization [SWAPO]. As part of our investigations, members of the subcommittee staff visited South Africa and Namibia where they interviewed a number of potential witnesses, many of whom had been trained in insurgency and terrorism in the Soviet Union and East Germany. We ultimately selected eight witnesses, four who had ANC connections and four with SWAPO associations. In addition, we heard testimony from Dr. Chester Crocker, the Assistant Secretary of State for African Affairs, and Dr. Peter Vanneman, an expert on Soviet policy from the University of Arkansas. Dr. Crocker made the point that Soviet involvement in southern Africa has substantially increased in recent years. The Soviets do little to promote economic growth in the area but they provide a large amount of military assistance to "liberation" groups. Dr. Crocker stated that SWAPO and the ANC receive 90 percent of their military support and 60 percent of their total support from the Soviet Union, East Germany, and Cuba.

Dr. Vanneman testified that the Soviets have been gradually improving and developing their policy apparatus for dealing with southern Africa. For example, they have gone from no South African specialists in 1960 to 300 today. The cornerstone of the Soviet policy is the supplying of arms, advisers, and training in order to destabilize the non-Communist governments in the region. Dr. Vanneman also stated that the largest propaganda section of Soviet intelligence deals with southern Africa.

Mr. President, I ask my colleagues to hear about the testimony we received from the eyewitnesses. For some reason, the testimony was not widely publicized, but that testimony was enlightening and terrifying.

One of the ANC witnesses, Miss Nokonono Delphine Kave, had been promised legal education as an inducement to join the ANC. Instead, she testified, she received only Marxist-Leninist indoctrination. She was sent to the Soviet Union for training but resisted some of the indoctrination because she is a practicing Christian. In order to reeducate her, the Soviets placed her in a mental institution where she was beaten, raped, and locked in a room with corpses in an effort to persuade her to change her thinking.

Another ANC witness, Ephraim Mfalapitsa, was trained in subversion and terrorism by Cuban instructors in Angola and received further training in East Germany. One distrusted ANC member was stabbed to death in his

presence. Another man was executed because he expressed disillusionment with the ANC. Mr. Mfalapitsa's training included lessons in secret communications, assassination, and sabotage.

The third witness, Jeffrey Bosigo, stated that he received training in Russia along with members of the PLO and other terrorist groups.

The final ANC witness was Bartholomew Hlapane. He testified that the ANC has been taken over by the South African Communist Party. He identified 7 of the 22 members of the National Executive Committee of the ANC as members of the South African Communist Party. After his return to South Africa, Mr. Hlapane and his wife suffered a tragic death.

I would like to tell a story of what happened when Mr. Hlapane came to testify before our subcommittee.

My hearing was not particularly popular with some of the media who were there and when we afforded Mr. Hlapane heavy security from Kennedy Airport in New York to Washington, we were accused of sensationalizing. They said we were trying to get attention, that Mr. Hlapane was under no threat at all. A number of those men joked with me about that. Mr. Hlapane told me in the anteroom adjacent to the hearing room that he had read about me, he respected me, he knew that I understood about communism as he did, and he wanted me to know that he was a courageous man, that he believed that he would not live for a month after he testified and told the truth before my subcommittee.

Mr. Hlapane, shortly after his return to South Africa, was murdered, along with his wife.

His daughter was injured by the same terrorist attackers. She is in a paralyzed state and my staff and I and some people in Alabama have undertaken to finance her care and her education in my home State.

You did not learn any of that from reports of that hearing, but those are facts, and I invite your investigation of them, Mr. President.

The testimony we obtained about SWAPO was in much the same vein. SWAPO members told us of their recruitment through promises of education. They told of kidnaping schoolchildren to be used as SWAPO cadre. A former organizer of SWAPO supplied the subcommittee with photographs of Soviet weaponry and other equipment that was given to SWAPO. During the hearing, evidence was also developed that indicates that the murder of two Namibian political leaders was ordered by Sam Nujoma, president of SWAPO, when he was visiting the United Nations in New York. The Department of Justice and the attorney general of the State of New York have informed us that this activity is not illegal under existing State or Federal law.

I would like my colleagues to understand that I sympathize with the original goal of both SWAPO and the ANC. Their original goal was to achieve democratic political rights and expanded freedoms for the black peoples of Namibia and South Africa. But those goals changed; their methodology changed. Based on the evidence presented to the subcommittee, however, I cannot believe that their purpose now is the achievement of those worthy objectives. Both groups have been deeply infiltrated by persons whose main goal is to advance the imperialistic policies of the Soviet Union.

In November 1982, the subcommittee published its report on its findings. I wish to take a few minutes to read from that report the section dealing with the African National Congress. I believe, Mr. President, that my colleagues will find it instructive.

THE ANC

The African National Congress of South Africa was founded in Bloemfontein in the then Union of Southern Africa on January 8, 1912. Roland Stanbridge, a researcher at the Scandinavian Institute of African Studies in Uppsala, Sweden, described its creation as follows:

"When Britain handed political power in South Africa over to the privileged white minority in 1910, Africans throughout the country were faced with the need to unite to protect their rights. A prominent Zulu lawyer, Dr. Pixley ka Izaka Seme, declared in 1922: 'The demon of racialism, the aberrations of Xhosa-Fingo feuds, the animosity that exists between the Zulu and the Tongas, between the Basuto and every other native, must be buried and forgotten * * * We are the people.' Other overseas-trained professional men took up the call, and on January 8, 1912, the founding conference of the ANC (at first called the Native National Congress) opened in Bloemfontein. Its purpose, as set forth in Seme's opening address, was to 'find ways and means of forming one national union for the purpose of creating national unity and defending our rights and privileges.'" [1]

Jordan K. Ngubane has commented as follows about the political goals of the founders of the ANC:

"After lengthy and careful deliberation, the delegates agreed to unite their peoples for the purpose of projecting them into the future as a new politico-cultural community. They were no longer to be narrowly Zulu or Xosa or Satu; they were going to be the African people. Their unity was designed to extend the area of liberty; to give to citizenship the same meaning on both sides of the color line, and not to drive the Indian, colored, or white man into the sea. Thirdly, the delegates regarded the violation of human rights by the Union Government's race policy as a matter that concerned humanity as a whole. They rejected the contention that it was a domestic South African matter." [2]

However politically provocative the goals of the ANC may have appeared in the context of the colonial system in South Africa in 1912, there is little doubt that the people of the United States would have no hesitation in identifying with these objectives today.

Stanbridge observes that in the aftermath of several decades of largely unsuccessful petitioning of successive Union governments by the ANC in support of (black) African rights:

"By the end of World War II, closer cooperation began to develop between the forces opposed to the White government. In 1944-45 there was a widespread ANC-CP antipass campaign which did much to renew widespread support for the ANC. Close fraternal relations developed between the ANC and CP (South African Communist Party) and today the two organizations continue to work together intimately. In May 1945, when the Allied victory over Nazi Germany was celebrated, the biggest gathering ever seen in Johannesburg met under the combined auspices of the ANC, the CP, and the trade unions."

After the electoral victory of the National Party of South Africa in 1948, the Government commenced the implementation of the policy of apartheid or separation of races. Stanbridge notes:

"During this period, increasing closer links were established between the trade unions, the ANC, and the CP. In 1950 a mass rally was held in Durban under the auspices of the ANC, the SAIC, the CP, and the African People's Organization (an organization of Colored people later replaced by the South African Colored People's Organization—SACPO). This was the first time all these organizations had come together to voice their opposition to the racial policies of the government and the bannings of Black leaders."

The South African Communist Party, which had come into existence in July 1921 as a result of white members of the Industrial Socialist League and the International Socialist League joining forces, was declared a prohibited organization by the South African Government in the Internal Security Act of 1950. On June 24, 1950, the Communist Party dissolved itself and core members went underground to continue its activities.

Some years earlier, a group of young ANC nationalists had created a youth league. Stanbridge states:

"In 1943 a group of young nationalist-minded intellectuals formed a Youth League (ANCYL) in the ANC. They propounded a policy of fighting for African independence, freedom from domination by other national groups, and the establishment of an African nation. An important dimension of the Youth League outlook was the insistence that the ANC should cease merely making representations to a stubborn government and should engage in more militant action. It rejected the language of supplication of the ANC leadership. The Constitution of the ANCYL declared its aims to be: To arouse and encourage national consciousness and unity among African youth and to assist, support and reinforce the African National people. Though the ANC had not managed to regain its initial mass following, the Youth League soon attracted increasingly greater support."

In a chapter entitled "African Nationalism Sabotaged," Mr. Ngubane explains:

"As soon as the (Second World) war was over, the (Youth) League intensified its

[1] "Contemporary African Political Organizations and Movements." Roland Stanbridge, in "The Apartheid Regime," ed. Robert M. Price and Carl G. Rosberg.

[2] "An African Explains Apartheid," Jordon K. Ngubane, Praeger, New York.

pressure for a definite stand against race oppression. Although the resistance movement of 1951 was launched in time, the long debates which preceded this demonstration are perhaps more interesting, for the Youth Leaguers regarded the campaign primarily as a tactical move to train the African masses in the use of peaceful collective action. Some of them selected this weapon for reasons of principle, but others said that expedience had decided the issue for them. At first, the Communists dismissed the idea of a nonviolent demonstration; but when it became clear that African opinion supported the resistence campaign, the line changed. They were heart and soul for a Gandhian campaign. In the meantime, they had worked hard behind the scenes to create a coordinating committee representing all the organizations behind the campaign. The acceptance of equal representation on it by the Johannesburg Youth Leaguers, who were coming increasingly under the influence of the Communist leader, Dr. Yussuf Dadoo, imposed severe strains inside the League. After the campaign, however, Communist pressure on Youth League unity was intensified. Walter Sisulu, Duma Nokwe, and other Youth Leaguers visited Iron Curtain countries—with disastrous effects on Youth League unity. The consequent tensions led finally, to the capture of the League by the Communists. And that was its end.

After the resistance movement, Communist policy stressed the need for action against race oppression rather than subversion of state authority. The idea was to stage dramatic stunts designed to administer continuous and indecisive shocks to the economy of the land in order to keep it in a state of chronic malaise. Antipass campaigns, boycotts, and mass demonstrations ensued. One of the most famous and best organized of the latter was the secret trip of 20,000 women to Pretoria, without the knowledge of the police, to protest against race oppression. They demanded an interview with the prime Minister, J.G. Strijdom, who found it convenient to remain securely behind barred and guarded doors. In all such protests, the idea was not to shock the government into making concessions—no Communist would be so naive—but to impair the health of the country's economy.

"These demonstrations were all said to have been organized by the Congress Movement. People who sat in the inner councils of this alliance stated privately that the ANC tended to accept instructions rather than to participate decisively in the formulation of policies. Dr. Wilson Conco, who was for a long time Luthuli's deputy in the ANC, presided over the Kliptown gathering. In 1955, which produced the Freedom Charter; but, on his return, he said he had seen the document for the first time at the conference. And Luthuli himself had not known who had drafted the charter. The coordinating committee of the alliance was as a matter of fact, not the real originator of policy. The bosses of the underground Communist Party did the planning and made policy decisions. They approached men like Luthuli and other non-Communist leaders merely, in actual practice, to acquaint them with what had already been decided. One example will illustrate this point. Just before he went to the Bandung Conference of Afro-Asian nations, Moses Kotone—the former Secretary-General of the Communist Party—traveled from Johannesburg to Groutville to inform Luthuli that he too was attending the conference. The latter, a key member of the ANC. was in no position to approve or disapprove; Kotane had come merely to inform him.

"This remote control of the ANC was facilitated by the bans of Luthuli. The government had forbidden him to move outside the boundaries of his magisterial district. His head office was in distant Johannesburg. The Communists had successfully resisted pressure to transfer the head office to Durban, which was only about forty-eight miles from where Luthuli lived. Johannesburg did not keep him as well informed on developments as they should have done * * *.

"This was not just a piece of bungling. The withholding of vital information from Luthuli was part of the plan to destroy, whenever necessary, any African leader who was not completely under the control of the Communists. And there was an important complement to this plan of subtle destruction. The South African Congress of Trade Unions was one of the members of the Congress Movement. Unlike the other four allies, it was mixed racially, although the Africans were, or course, in the majority. African members of SACTU were encouraged to join the ANC and vice versa: Moses Mabhida was the Communist-sponsored chief of SACTU, and Luthuli led the ANC. Under this arrangement, the African member was deliberately given a dual loyalty and leadership as a precaution against Luthuli's defecting one day. If he were to do that, Mabhida would assert himself as SACTU leader against Luthuli. Since Mabhida was always with the workers he stood a better chance of pulling a very substantial section of them in any showdown with Luthuli. And in any crisis not involving Luthuli, he could easily be upheld as the leader of the Africans.

"It was all part of a complicated plan to reduce Luthuli to the position of an impotent prisoner of the Communists. Locked up as he virtually was in Groutville, he was not free to make any impact on outside opinion. In the meantime, the Communist press was taking advantage of every conceivable opportunity to boost Mabhida. Therefore, the type of leadership the Youth League had tried to establish was being subtly undermined and African nationalism sabotaged.

"The treason trial started shortly after Sisulu had returned from Moscow and Peking. The trip to Bucharest, Moscow and Peking by prominent ANC leaders had been clever moves to commit the organization by implication. Luthuli might argue that he and his movement were not Communist; but if his right-hand man could go to Iron Curtain capitals without his knowledge, the world would ask Luthuli who was the real boss of the ANC. If he said, as he did, that he did not know who had paid for these costly trips—his treasurer was saying publicly that the ANC was in the red financially—then it would be clear he was no longer boss. In the event of a showdown, he would not have enough world support to embarrass the Communists.

"The government felt it was time to strike at the leadership of the Congress Movement. With characteristic maladroitness, it locked up the Communists and non-Communist leaders of the Movement, together with a few anti-Communists outside of the Congress. In evidence presented during the trial, it became increasingly clear that Luthuli did not have a real hand in formulating policy for the Congress Movement; therefore, the charge against him and some of his more immediate supporters was dropped. After nearly five years, the government case collapsed, and the accused were once again free men. In short, the trips to Iron Curtain capitals had forced the government to show its hand, for it was going to act ruthlessly against all who challenged or opposed apartheid, regardless of whether or not they were Communists. And the same rule applied to the bannings."

In 1958, the African nationalist faction in the ANC, unwilling to tolerate manipulation by the South African Communist Party any longer, broke away and founded the Pan Africanist Congress (PAC). This militant—and anti-Communist—movement's credo was "* * * government of the Africans by the Africans with everybody who owes his only loyalty to Africa and is prepared to accept the democratic rule of an African majority being regarded as an African."

After a series of demonstrations by the PAC and clashes with the police culminating in the events at Sharpville and Langa on March 21, 1960, in which 69 Africans were killed and 178 wounded, and the state of emergency proclaimed by the South African Governor-General after a countrywide strike had been called by the ANC on March 26, 1960, the South African Parliament passed the Unlawful Organizations Act on April 8, 1960, banning both the ANC and the PAC. These organizations thereafter created separate terrorist and guerrilla wings. Umkhonto We Sizwe ("the Spear of the Nation") and Poqo ("Pure"—implying a purely Africa—that is, non-Communist—character) and commenced campaigns of sabotage and terrorism which led the South African Government to adopt increasingly harsh security measures in an effort to stamp out the violence.

As nothing which the subcommittee staff unearthed before the hearings suggested infiltration of the PAC by the Soviet Union—although there is some evidence of support by The People's Republic of China—no further inquiry was made into the current activities of that organization. Recent publicized developments, particularly in 1975 and 1976, however, suggested that the ANC was still dominated by the South African Communist party. Stanbridge states:

"In 1969 the ANC held an important conference at Morogoro (Tanzania), where it was decided to set up a Revolutionary Council charged with mobilizing and accelerating the struggle within South Africa. Another major decision was to expand the ANC by drawing into it all South African revolutionary elements irrespective of their racial origin. This decision, which is still effective, caused serious divisions within the organization. These came to a head in 1975, when an ANC leader, Ambrose Makiwane, charged that 'The trouble the African people have at present is that our strategy and tactics are in the hands of, and dominated by, a small clique of non-Africans.' He blamed this on 'the Disastrous Morogoro Consultative Conference which opened ANC membership to non-Africans.' Makiwane and seven others were expelled from the ANC. These expellees then made public their disagreements with the ANC leadership in an extensive memorandum released in London on December 11, 1975. They complained that there was an absence of democratic consultation within the organization, that the traditional ANC policies and ideology had been diluted, and that the SACP, whose leaders were White, had effective control of the ANC."

Mr. President, in conclusion, the United States must play a constructive role in South African efforts to provide democratic rights to all of its people—a constructive role, not destructive role. Let us not take a country again like we did Iran and improve it to the point that it passes into the hands of those in revolution. The same can be said about Cuba, about Nicaragua, and many other nations in the world. The naivete in Congress is what drives that system. Please, let us be deliberate in the way we examine this matter.

A system of governing must be devised that will protect the rights and concerns of all groups in South African society—whites, colored, and each black tribe.

Congress must recognize that there are parties to the conflict that do not desire a peaceful change.

S. 995, particularly as we look down the road to the shape of the bill as it may come out of conference, could very well play into the hands of those forces. This Senator urges caution, not populism, as we deal with this bill.

I strongly urge that we postpone consideration of the measure for a while longer.

Mr. RIEGLE. Mr. President, for some time now, the American people have shown, in a variety of ways, their concern over the intolerable system of legalized racial discrimination which exists in South Africa.

The Congress has joined that effort, and has spent a considerable amount of time exploring ways in which it can contribute, in a meaningful and constructive way, to the effort to peacefully end apartheid in South Africa.

On May 21, the House of Representatives passed strong antiapartheid legislation by a margin of over 2 to 1. That legislation closely resembled S. 635, the Anti-Apartheid Act of 1985, which was the subject of a series of hearings before the Senate Banking Committee. I was an original sponsor of that legislation.

Those hearings, as well as hearings held before the Senate Foreign Relations Committee, provided an opportunity for expert witnesses to be heard concerning the effectiveness of various proposals designed to bring about a peaceful end to the apartheid system.

Consideration of legislation focusing on the situation in South Africa comes not a minute too soon. Recent events in South Africa such as the massacre of women and children in Uitenhage, the murder of black labor leaders, the continued killings in the black townships, the detention of 18 union defense force leaders and their indictment for treason and murder, the raid by South African Defense Forces on a U.S. facility in Cabinda, Angola, and, recently, the attack by South African Defense Forces on civilians in Gabarone, Botswana, attest to the critical nature of the situation there. In fact, I have been led to believe by both white and black South Africans that it is already "past midnight" in that country. Therefore I believe that we should wait no longer to pass meaningful legislation to help bring about an end to apartheid, an untenable system of racial discrimination.

While I do not suggest that the United States should, or could, prescribe the ultimate form of government to be adopted in South Africa, I do believe that it is appropriate for the United States to take a clear and unequivocal stand against a system of legalized discrimination, and take serious steps to encourage the South African Government to abandon apartheid.

The South Africans themselves must determine the ultimate form their Government will take. But all residents of South Africa—regardless of race—must have a voice in that decision. Today, under apartheid, South Africa's 23 million blacks have no power to shape their destiny.

What is happening today in South Africa is a human outrage. For the United States to continue a policy which gives tacit approval to a government which denies a majority of its citizens their political, human, and economic rights is equally outrageous and must be changed.

Over the past 4 years, this administration has stood by a policy of constructive engagement, and has witnessed the escalation of violence, death, and despair among blacks in South Africa. It is hard to argue that our policy of constructive engagement has achieved very much. Its ineffectiveness has disillusioned South African blacks. It has comforted the whites who believe that America, under President Reagan, will always accept apartheid, so long as it can be represented as a bulwark against communism.

As a result, many South African blacks now believe that the United States supports the status quo in their country. The Reagan emphasis on encouraging white-led change has signaled to many blacks there that the United States is supporting the government's so-called reform initiatives.

One of those reforms, which offers separate and unequal chambers of Parliament to the 850,000 Indians and 1.7 million mixed-race coloreds—but still no participation in the central government for the black majority of over 23 million—is seen by blacks as a final step to deny them their political rights.

Despite the fact that certain changes have occurred in South Africa in recent years, including legalization of black trade unions and elimination of restrictions on interracial marriage and sex, no one can be satisfied that meaningful changes have occurred in South Africa as long as grave injustices continue to be inflicted upon the black majority. Apartheid, in fact, is probably more entrenched today than ever before.

Under apartheid, South Africa's 23 million blacks are denied political, economic, and social rights. By law they are denied the right to vote, to receive a decent education or decent employment. They are forced to live in inferior housing and have inferior hospitals. They are told where they may live, who they may marry, on what buses they may ride, and what churches they may attend. The white government controls every black person through a sophisticated computer network requiring all blacks over the age of 16 to carry a passbook at all times. Failure to produce the passbook upon demand results in being fined and jailed. More than 13 million Africans have been convicted of pass law offenses since the National Party came to power in 1948—almost 1,000 every day.

Today, under apartheid, the most fertile and mineral rich land, 87 percent of the country, is set aside for the white minority, while 13 percent of the poorest land is left for the black majority. Under apartheid laws, no black is allowed to own property in areas restricted for whites only. Some blacks are allowed to live in black townships near the urban areas, but they are not allowed to purchase land. Blacks who have purchased land that is later designated a "black spot" in a "white area" are stripped of ther ownership and forcibly removed to areas designated for Africans. Their communities are bulldozed or burned.

The areas designated to Africans have been divided into 10 barren reservations called bantustans. These bantustans are in remote rural areas where there are no cities, no jobs, no access to health or educational facilities, and the land cannot support even minimal farming. Today, approximately 50 percent of the black African population lives in bantustans.

Between 1960 and 1984, the Government removed over 3.5 million blacks from the white areas to the bantustans. If communities resist a government-planned removal, they are taken from their home—often at gunpoint—and their homes, churches, and schools are bulldozed to the gound by the Government. Entire families are then taken to their designated bantustan and dumped there on a small plot of land.

The grand strategy of apartheid is to divide the black people by their ethnic origin and force them into 10 separate bantustans. Blacks cannot leave these areas without permission from the white government. Four of these bantustans have been declared independent—Venda, Ciskei, Transkei, and Bo-

phutatswana—thereby denying blacks their South African citizenship. No country in the world has recognized these bantustans as legitimate governments.

The policy of forced resettlement under apartheid has created a labor system in which blacks must migrate from the bantustans to work in the white areas, away from their families.

Over 60 percent of urban black families earn less than the amount which the white government has proclaimed is necessary to survive. Rural blacks are even worse off. Since there is little work in the bantustans, many are forced to leave their families and look for work in the white areas in order to survive. They work in the mines, factories, farms, and homes of white South Africans, while living outside the white areas in single-sex dormitories. They often stay there for 11 months out of the year and see their families only once or twice during that time. If black workers lose their jobs in the white areas, they are dumped back into the bantustans. This policy ensures a poorly paid, steady supply of black labor for white South Africa.

Since they became legal in 1978, black independent trade unions have grown. Their growing strength has forced some Government concessions, but strikes and boycotts are still often suppressed by force. Labor leaders are harassed, detained and sometimes tortured or killed while in detention by South African police.

The system thus creates a pool of cheap labor and ensures a steady flow of black labor from rural areas to the urban areas. The Government ensures that there are no jobs in the bantustans or any viable means for blacks to support themselves. Blacks are forced to accept any job offered them, no matter what the working conditions or salary level.

One other tragedy of forced removals is that it not only means the loss of jobs or the prospects of getting one, but it also destroys families. Even if the entire family is resettled onto a bantustan, the conditions there are such that the men must return to the white areas to find work to prevent their families from starving. The daily economic reality for the vast majority of people left living in the bantustans—mostly women and children—is the struggle to survive on the meager corn and millet produced on poor and eroded land. Half of the children in the bantustans die before they reach the age of 5. These areas contain no adequate housing, education or health facilities.

According to Bread for the World, over 65 percent of the black population of South Africa lives below the poverty level. Average monthly wage for the black worker is $40 in the domestic sector and $320 in the manufacturing sector, as compared to a monthly average for the white worker of $1,290 in the manufacturing sector and $3,383 in the agricultural sector.

Children suffer the most from the unequal land distribution mandated by apartheid policies. Food production on the arid soil belonging to blacks is nearly impossible. Approximately 2.9 million children under the age of 15 are afflicted with clinically diagnosable malnutrition. Sixty percent of all children suffer from serious protein deficiency, and 1 of every 3 black South Africans under 13 is underweight—2 out of 3 in the rural areas. The average life expectancy for whites is 12 to 14 years longer than life expectancy for blacks.

While malnutrition is no longer a serious disease among white South Africans, one-third of black youths under age 14 have serious nutritional deficiencies. Both urban and rural black children suffer from serious protein deficiency. Infant mortality rates for rural blacks are 31 times higher than whites. In the rural bantustans, one-half of all black children die before the age of 5.

A major cause of malnutrition is poverty, which affects nearly all blacks in South Africa, particularly in rural areas. Government-forced relocation of blacks to the bantustans has, in some cases, resulted in over 300,000 people living on land which can only provide food for 1,000.

The existence of such malnutrition and hunger is all the more striking when we recognize that South Africa is the continent's third richest country. While blacks die from lack of food, South Africa was ranked as the world's sixth largest food exporter in 1981, following the doubling of agricultural production during the 1970's.

Over the past several years, South Africa's agriculture has been severely affected by the drought afflicting all of the African Continent. The impact of such a situation is most severe for the black population which does not have access to irrigation facilities, and particularly for blacks who do not have access to imported food. There are relief efforts currently underway within South Africa, and an estimated 1 million people are now receiving food aid.

Widespread disease, coupled with a shortage of doctors and overcrowding in health care facilities in the black areas makes life even more desperate in the bantustans.

Cholera, a deadly disease easily prevented by providing clean water and basic sanitation, breaks out every year in the bantustans. Measles, a curable childhood illness, is a prime cause of death among black children; it caused 11 deaths per day in 1982. Diseases such as tuberculosis, diptheria, polio, typhoid and many others which have been greatly controlled or eliminated in white South Africa, still kill a large number of blacks each year.

In some areas, there is only one doctor for every 174,000 blacks. In the black township of Soweto, there is only one hospital for an estimated 2 million blacks. This facility is so overcrowded and poorly equipped that people have to sleep in hallways and stairwells.

These grim statistics are a reminder once again that oppression and the denial of civil, political, and economic rights—whether in Ethiopia or South Africa—result in human suffering.

A key to the continuation of apartheid is the inferior black education system. The poor quality of apartheid education is meant to ensure that blacks will remain on the bottom of society, unable to get better jobs or become politically involved.

Education under apartheid provides free and compulsory education for whites, while blacks must pay for an education that is not required by law. Because payment of school fees is a burden for underpaid blacks, many cannot afford to send their children to school. In addition, expenditures by the white government for black education are grossly inadequate and far below the level paid for white education. While the Government pays for the salaries of white teachers, and the cost of books, blacks must pay for these themselves. As a result, there are few supplies or materials in the black schools.

For example, in the years 1980–81, per capita educational expenditure for the whites was $1,115, for blacks, comprising 72 percent of the population, per capita educational expenditure was $170.

Because the education system is so poor, many black teachers are underqualified, averaging only 8th to 10th grade educations. Overcrowding is another serious problem. The student-teacher ratio is 20 to 1 for whites and 47 to 1 for blacks. Because of these horrible conditions, in 1981, 54 percent of the black schoolchildren had left school without having completed the third grade.

In the absence of meaningful reforms and serious efforts to end apartheid, the level of violence is increasing and, I believe, will continue to increase. In May, the Government announced that the official death toll involving township unrest between September 1, 1984, when the latest spate of violence broke out, and April 30, 1985, was 381. Of these, 293 were killed by police, 6 by township administration security personnel, and 82 by rioters. Also, six black policemen were killed. The number of injured was put at 1,497.

During a recent Banking Committee hearing, the Reverend Leon Sullivan offered this insight:

. . . if apartheid is not abolished, with the rising expectations in South Africa, with 20,000 and 30,000 people coming out in funeral marches and, for the first time, 20,000 people, 30,000 people, 50,000 people, 100,000 people, becoming part of the "stay away" programs, and for the first time, black leaders, in spite of perhaps the loss of their lives, walking in protest to the jailhouse door to say that we need the dismantling of apartheid, that if apartheid is not pulled out by the roots within the next 24 months, one of these townships is going to break loose and 20,000 or 30,000 or 40,000 people are going to surge toward those urban areas, in spite of who dies, and the people are going to be killed and the surge is going to catch on like a chain reaction across that country and it cannot be contained by the police and the military with its force will come down and the whole thing will go up in fire.

While change in the racist attitudes which underlie apartheid cannot be expected to occur overnight, a critical first step should be to dismantle the governmentally approved system which makes blatant discrimination legal.

A number of important steps should be taken without further delay by Pretoria to demonstrate its commitment to begin the process of dismantling apartheid. These include:

Eliminating the system which prevents black employees and their families from living near their place of employment;

Abandoning the policy which prevents blacks from seeking employment wherever they can find it in South Africa;

Eliminating the policies of denationalization;

Halting the policy of forced removal of black populations on account of race or ethnic origin;

Ending the system of dual education;

Freeing all political prisoners;

Negotiating with black leaders to discuss a new political system that would permit the full national participation of all South Africans in the social, political, and economic life of the country.

We must take appropriate steps to force the Government there to see that its interests are best served by change.

The United States has a central role to play in southern Africa. Because of our own historic move away from a system of racial discrimination, toward a system of racial equality and justice, the United States has a measure of credibility with blacks in South Africa.

There can be no question as to the commitment of the United States to see international reform in South Africa designed to provide a system of government which would rule with the consent of all the governed. Our government must ally itself with the forces of change in South Africa, abandoning failed policies of constructive engagement, and embracing policies which will bring closer the day of peace and change in that country.

As an original cosponsor of S. 635, the Anti-Apartheid Act of 1985, I believe that legislation makes a strong and effective statement concerning U.S. opposition to apartheid. By imposing several significant sanctions against the South African Government, we take a step toward urging peaceful change in that country.

I believe we must use the leverage at our disposal to press the Afrikaner regime into taking bolder steps to rid itself of the apartheid system. During the course of our deliberations on the legislation before us, I plan to support amendments which will help bring an end to racial discrimination in South Africa.

It is my fervent desire that the legislation we finally agree upon will contribute to a more rapid transformation of South Africa into a more just society, and a society free of legalized racial discrimination, which provides for equal treatment of all citizens, regardless of race.

Mr. LUGAR. I know of no other Senators who wish to speak. Therefore, I request the Chair proceed to a vote.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SYMMS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I wanted to clear the record on one point. The Senator from North Carolina stated this morning that I did not do him the courtesy of notifying him I was going to speak in regard to some of our differences over apartheid.

Just to clear the record, one of my secretaries, Nancy Cuddy, phoned the Senator's personal secretary, Patricia Devine, this morning to advise her I wanted to let Senator HELMS know, as a courtesy to him, that I would be expressing some differences with him on apartheid during today's morning hour.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate there will be no more votes this evening. We do believe we are making progress on the matter before the Senate. We hope to proceed to the consideration of S. 995 on tomorrow.

Mr. President, it would be my intention to come in about 10 o'clock and be on the bill about 11 o'clock. In any event, there will be no votes tonight.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I now suggest there be a period for the transaction of routine morning business, not to extend beyond the hour of 6:30 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COCA-COLA CLASSIC

Mr. PRYOR. Mr. President, the reason I desire to address the Senate at this point is because I believe for historical purposes the CONGRESSIONAL RECORD should show something that happened today that is a very meaningful moment in the history of America. It shows that some national institutions cannot be changed.

Mr. President, I am reading from, I believe it is, the United Press International, datelined Atlanta, GA:

The Coca-Cola Co., staggered by a grass-roots protests against the new taste of Coke, said Wednesday it will reintroduce the "old Coke" within the next few weeks.

The old flavor of Coke will be called "Coca-Cola Classic" and will complement the new-formula Coke introduced in April, said company spokesman Thomas Gray.

"Everyone wins," Gray said, "thousands of dedicated Coca-Cola consumers have told us they still want the original taste as an option. We have listened and we are taking action to satisfy their request."

A news conference is scheduled for Thursday in Atlanta to reveal further details, he said.

Mr. President, my time has expired. I ask unanimous consent that the full text of this United Press International article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ATLANTA.—The Coca-Cola Co., staggered by a grass-roots protess against the new taste of Coke, said Wednesday it will reintroduce the "Old Coke" within the next few weeks.

The old flavor of Coke will be called "Coca-Cola Classic" and will complement the new-formula Coke introduced in April, said company spokesman Thomas Gray.

"Everyone wins," Gray said, "Thousands of dedicated Coca-Cola consumers have told us they still want the original taste as an option. We have listened and we are taking action to satisfy their request."

A news conference is scheduled for Thursday in Atlanta to reveal further details, he said.

Conpany officials have said in recent weeks they have been inundated with compliments and complaints about the taste change.

"The reaction has been mixed," said Ron Coleman, a company spokesman.

Although taste tests by the company indicated a majority of people prefer the new taste of Coke, a vocal legion of longtime Coke drinkers have created a national stir about the formula change, the first in the 99-year history of the soft drink.

In Seattle, one man filed suit to make Coca-Cola provide the "Old Coke" to consumers. The case was thrown out of court. Around the Nation, people stockpiled the "Old Coke" before the supply runs dry.

Jesse Meyers, an industry expert and publisher of the Beverage Digest Newsletter, said the decision to reintroduce "Old Coke" was "absolutely" the result of the groundswell of negative reaction.

SAFE DRINKING WATER ACT AMENDMENTS

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 124.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 124) entitled "An Act entitled the 'Safe Drinking Water Amendments of 1985,' ", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Drinking Water Act Amendments of 1985".

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Sec. 1. Short title.

TITLE I—PUBLIC WATER SYSTEMS

Sec. 101. National primary drinking water regulations.
Sec. 102. Monitoring for unregulated contaminants.
Sec. 103. Enforcement of regulations.
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Sec. 105. Variances.
Sec. 106. Exemptions.
Sec. 107. Tampering with public water systems.
Sec. 108. Technical assistance for small systems.

TITLE II—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

Sec. 201. Restrictions on underground injection of hazardous waste and regulation of State programs.
Sec. 202. Enforcement of UIC program.
Sec. 203. State plans to protect underground sources of drinking water.
Sec. 204. Protection of sole or principal source ground water recharge areas.

TITLE III—GENERAL PROVISIONS

Sec. 301. Authorization of appropriations.
Sec. 302. Miscellaneous provisions.

TITLE I—PUBLIC WATER SYSTEMS

SEC. 101. NATIONAL PRIMARY DRINKING WATER REGULATIONS.

(a) SIMPLIFICATION OF STATUTORY SYSTEM.—Section 1412(a) of the Safe Drinking Water Act is amended to read as follows:

"(a) Effective on the date of the enactment of the Safe Drinking Water Act Amendments of 1985, each national interim primary drinking water regulation promulgated under this section before such date of enactment shall be deemed to be a national primary drinking water regulation under subsection (b). No such regulation shall be required to comply with the standards set forth in subsection (b)(2) unless such regulation is amended to establish a different maximum contaminant level after the date of the enactment of such amendments.".

(b) EXPEDITED PROCEDURE FOR PROMULGATION.—(1) Section 1412(b) of the Safe Drinking Water Act is amended by striking out paragraphs (1) and (2), and so much of paragraph (3) as precedes the last sentence thereof and substituting:

"(1)(A) In the case of each of the 14 contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, not later than 12 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall—

"(i) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and a national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(ii) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(B) In the case of each of the contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 48, Federal Register, page 45502, not later than 36 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall—

"(i) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(ii) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(C)(i) The Administrator shall publish maximum contaminant level goals and simultaneously promulgate national primary drinking water regulations for each substance (other than a substance referred to in subparagraph (A) or (B) for which a national primary drinking water regulation was promulgated) which, in the judgment of the Administrator, may have any adverse effect on the health of persons. On January 1, 1988, and at annual intervals thereafter, the Administrator shall publish a list establishing priorities for the review of substances (other than substances referred to in subparagraph (A) or (B) for which a national primary drinking water regulation was promulgated) which may require regulation under this Act in order to prevent known or anticipated adverse effects on the health of persons. Such priorities shall be based upon the extent to which such contaminant occurs in public water systems throughout the United States or on the known or anticipated adverse effects of such substance on the health of persons. In establishing such priorities the Administrator's consideration shall include, but not be limited to, substances regulated as toxic water pollutants under section 307 of the Clean Water Act and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(ii) In the case of each contaminant listed on the priority list, not later than 3 years after such listing, the Administrator shall—

"(I) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and a national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(II) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(2) Each maximum contaminant level goal established under this subsection shall be set at the level at which, in the Administrator's judgment, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. Each national primary drinking water regulation for a contaminant for which a maximum contaminant level goal is established under this subsection shall specify a maximum level for such contaminant which is as close to the maximum contaminant level goal as is feasible.

"(3)(A) In the case of any contaminant the level of which cannot be accurately enough measured in drinking water to establish a maximum contaminant level goal and which may have an adverse effect on the health of persons, the Administrator shall list such contaminant under this paragraph in lieu of establishing a maximum contaminant level goal under paragraph (1) of this subsection. In lieu of establishing a maximum contaminant level for such contaminant under this subsection, the Administrator shall promulgate treatment techniques for such contaminant which requires treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible.

"(B) If any contaminant referred to in subparagraph (A) or (B) of subsection (b)(1) is listed under this paragraph (and a national primary drinking water regulation requiring the use of treatment techniques is simultaneously promulgated under this paragraph for such contaminant), the listing and promulgation under this paragraph

shall be made on the date referred to in subparagraph (A) or (B) of subsection (b)(1) for the establishment of primary drinking water regulations.

"(C)(i) Not later than 18 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall propose and promulgate national primary drinking water regulations specifying criteria under which filtration (including coagulation and sedimentation, as appropriate) is required as a treatment technique for public water systems supplied by surface water sources. In promulgating such rules, the Administrator shall consider the quality of source waters, protection afforded by watershed management, treatment practices (such as disinfection and length of water storage) and other factors relevant to protection of health.

"(ii) In lieu of the provisions of section 1415 the Administrator shall specify procedures by which the State determines which public water systems within its jurisdiction shall adopt filtration under the criteria of clause (i). The State may require the public water system to provide studies or other information, to assist in this determination. The procedures shall provide notice and opportunity for public hearing on this determination. If the State determines that filtration is required, the State shall prescribe a schedule for compliance by the public water system with the filtration requirement. A schedule shall require compliance within 18 months of a determination made under clause (iii).

"(iii) Within 18 months from the time that the Administrator establishes the criteria and procedures in this subparagraph, a State with primary enforcement responsibility shall adopt any necessary regulations to implement this subparagraph. Within 12 months of adoption of such regulations the State shall make determinations regarding filtration for all the public water systems within its jurisdiction supplied by surface waters.

"(iv) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to make the determination in clause (ii) in such State as the State would have under that clause. Any filtration requirement or schedule under this subparagraph shall be treated as if it were a requirement of a national primary drinking water regulation.

"(D) Each national primary drinking water regulation which establishes a maximum contaminant level shall list the technology, treatment techniques, and other means which the Administrator finds to be feasible for purposes of meeting such maximum contaminant level, but a regulation under this paragraph shall not require that any specified technology, treatment technique, or other means be used for purposes of meeting such maximum contaminant level.

"(E) The Administrator shall propose and promulgate regulations requiring disinfection as a treatment technique for all public water systems. The Administrator is authorized to grant variances from this requirement according to the provisions under sections 1415(a)(1)(B) and 1415(a)(3).

"(4) The Administrator may, after opportunity for public comment, change maximum contaminant level goals, or the list established under paragraph (3), and shall simultaneously with such change, amend the national primary drinking water regulations concerned accordingly.".

(2) Redesignate the last sentence of paragraph (3) of section 1412(b) of such Act as paragraph (5) of such section, delete "generally" in such sentence, delete "paragraph" and substitute "subsection", after "finds" insert ", after examination for efficacy under field conditions and not solely under research laboratory conditions," and add the following at the end thereof: "For purposes of paragraph (2) of this subsection, the best available technology which is feasible for the control of synthetic organic chemicals includes the use of adsorption techniques such as the the use of granular activated carbon and other comparably effective techniques.".

(c) CONFORMING CHANGES.—(1) Paragraphs (4) and (5) of section 1412(b) of the Safe Drinking Water Act are each amended by striking "Revised national" in each place where it appears and substituting "National". Paragraphs (4), (5), and (6) of such section 1412(b) are redesignated as paragraphs (6), (7), and (8).

(2) Paragraph (1) of section 1413(a) of such Act is amended by striking out subparagraph (A) and (B) and substituting "are no less stringent than the national primary drinking water regulations in effect under section 1412(a) and 1412(b);".

(3) Section 1444(d) of such Act is amended by striking out "(including interim regulations)".

(d) SCIENTIFIC PEER REVIEW.—Section 1412(e) of the Safe Drinking Water Act is amended to read as follows:

"(e) The Administrator shall request comments from the Science Advisory Board (established under the Environmental Research, Development, and Demonstration Act of 1978) prior to proposal of a maximum contaminant level goal and national primary drinking water regulation. The Board shall respond, as it deems appropriate, within the time period applicable for promulgation of the national primary drinking water standard concerned. This subsection shall, under no circumstances, be used to delay final promulgation of any national primary drinking water standard.".

SEC. 102. MONITORING FOR UNREGULATED CONTAMINANTS.

(a) SIZE OF SYSTEM.—Section 1445(a) of the Safe Drinking Water Act is amended by adding at the end thereof the following: "In requiring a public water system to monitor under this subsection, the Administrator may take into consideration the system size and the contaminants likely to be found in the system's drinking water.".

(b) MONITORING REQUIREMENTS.—Section 1445(a) of the Safe Drinking Water Act is amended by adding "(1)" after "(a)" and by adding the following at the end thereof:

"(2) Not later than 18 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall promulgate regulations requiring every public water system to conduct a monitoring program for unregulated contaminants. The Administrator's regulations shall require monitoring of drinking water supplied by the system and shall vary the frequency and schedule of monitoring requirements for systems based on the number of persons served by the system and the contaminants likely to be found. Each system shall be required to monitor at least once every 5 years after the effective date of the Administrator's regulations unless the Administrator requires more frequent monitoring.

"(3) The Administrator's regulations under paragraph (2) shall list unregulated contaminants for which systems may be required to monitor, but each State which has primary enforcement responsibility may add or delete contaminants, for individual systems, based on an approved assessment of the contaminants likely to be found in the system. Each such State shall submit an assessment to the Administrator. Such assessment shall be treated as approved on the date 30 days after its submission unless the Administrator disapproves the assessment within such 30-day period.

"(4) Notification of the availability of the results of the monitoring programs required under paragraph (2), and notification of the availability of the results of the monitoring program referred to in paragraph (5), shall be given to the persons served by the system and the Administrator.

"(5) The Administrator may waive the monitoring requirement under paragraph (2) for a system which has conducted a monitoring program after January 1, 1983, if the Administrator determines the program to have been consistent with the regulations promulgated under this section.

"(6) Any system supplying less than 150 service connections shall be treated as complying with this subsection if such system supplies appropriate water samples to the Administrator. The Administrator shall arrange for the analysis of such samples.".

SEC. 103. ENFORCEMENT OF REGULATIONS.

(a) NOTICE TO SYSTEMS.—Section 1414(a)(1)(A) of the Safe Drinking Water Act is amended by inserting "and such public water system" after the words "notify the State".

(b) PROMPT FEDERAL ENFORCEMENT.—(1) Section 1414(a)(1)(B) of the Safe Drinking Water Act is amended to read as follows:

"(B) If, beyond the thirtieth day after the Administrator's notification, the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b).".

(2) Section 1414(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)" and adding the following: "he shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b)".

(c) ADMINISTRATIVE ORDERS.—(1) Section 1414 of the Safe Drinking Water Act is amended by adding at the end thereof the following new subsection (g):

"(g)(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, schedule, or other requirement, the Administrator also may issue an order to require compliance with such regulation, schedule, or other requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility, until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency of the State involved if the State has primary enforcement responsibility for public water systems in that State. Any order issued under this subsection shall state with

reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, or fails or refuses to comply with, an order under paragraph (2) shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever any civil penalty sought by the Administrator under this paragraph does not exceed a total of $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever any civil penalty sought by the Administrator under this paragraph exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(2) Section 1414 of the Safe Drinking Water Act is amended by striking the words "FAILURE BY STATE TO ASSURE" from the section heading.

SEC. 104. PUBLIC NOTIFICATION.

Section 1414(c) of the Safe Drinking Water Act is amended by striking out the third and fourth sentences thereof and substituting: "Within 12 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall amend such regulations to provide for different types and frequencies of notice based on the differences between violations which are intermittent or infrequent and violations which are continuous or frequent. Such regulations shall also take into account the seriousness of any potential adverse health effects which may be involved. In no case shall notices be given less frequently than annually. Notice of any violation of a maximum contaminant level and any other notice of a violation designated by the Administrator as continuous or posing a serious potential adverse health effect shall be given no less frequently than every three months and shall include notice in a newspaper of general circulation serving the area served by the public water system (as determined by the Administrator). Notice under this subsection shall provide a clear and readily understandable explanation of the violation, the steps that the system is taking to correct such violation, and the consumers which should seek alternative water supplies until the violation is corrected if it is necessary for consumers to seek alternative water supplies. Until such amendments are promulgated, the regulations in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1985 shall remain in effect.".

SEC. 105. VARIANCES.

Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended by—

(1) striking the word "despite" and substituting a period and the following: "A variance may only be issued to a system after the system's";

(2) striking the word "generally" before the word "available" and by adding after "(taking costs into consideration)." the following: "The Administrator shall propose and promulgate his finding of the best available technology, treatment techniques or other means available for each contaminant at the time he proposes and promulgates a maximum contaminant level for each such contaminant. The Administrator's finding of best available technology, treatment techniques or other means may vary depending on the number of persons served by the system or for other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels as considered appropriate by the Administrator.";

(3) striking the words "within one year of the date" and adding "at the time"; and

(4) adding in clause (ii) after the words "water system of such" the word "additional".

SEC. 106. EXEMPTIONS.

(a) Section 1416 of the Safe Drinking Water Act is amended—

(1) in subsection (b)(1) by striking the words "within one year of the date" and adding "at the time".

(2) in subsection (b)(2)(A)(i) by striking the word "interim" and striking the words "not later than January 1, 1984" and adding "not later than twelve months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985".

(b) Section 1416(b)(2)(A)(ii) of the Safe Drinking Water Act is amended by striking the word "revised" and the words "not later than seven years after the date such requirement takes effect" and adding "other than a regulation referred to in section 1412(a), 12 months after the date of the issuance of the exemption".

(c) Section 1416(b)(2)(B) is amended to read as follows:

"(B) The final date for compliance provided in any schedule in the case of any exemption may be extended by the State (in the case of a State which has primary enforcement responsibility) or by the Administrator (in any other case) for a period not to exceed three years after the date of the issuance of the exemption if the public water system establishes that—

"(i) the system cannot meet the standard without capital improvements which cannot be completed within the period of such exemption;

"(ii) in the case of a system which needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain such financial assistance; or

"(iii) the system has entered into an enforceable agreement to become a part of a regional public water system.

In the case of a system which does not serve more than 500 service connections and which needs financial assistance for the necessary improvements, an exemption extended under the preceding sentence may be renewed for one or more additional 2-year periods if the system establishes that it is taking all practicable steps to meet the standard.".

SEC. 107. TAMPERING WITH PUBLIC WATER SYSTEMS.

Part D of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1432. TAMPERING WITH PUBLIC WATER SYSTEMS.

"(a) TAMPERING.—Any person who tampers with a public water system shall be fined not more than $50,000, or imprisoned for not more than 5 years, or both.

"(b) ATTEMPT OR THREAT.—Any person who attempts to tamper, or makes a threat to tamper, with a public drinking water system be fined not more than $20,000, or imprisoned for not more than 3 years, or both.

"(c) CIVIL PENALTY.—The Administrator may bring a civil action in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code) against any person who tampers, attempts to tamper, or makes a threat to tamper with a public water system. The court may impose on such person a civil penalty of not more than $50,000 for such tampering or not more than $20,000 for such attempt or threat.

"(d) DEFINITION OF 'TAMPER'.—For purposes of this section, the term 'tamper' means—

"(1) to introduce a contaminant into a public water system with the intention of harming persons; or

"(2) to otherwise interfere with the operation of a public water system with the intention of harming persons.".

SEC. 108. TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.

Section 1442 of the Safe Drinking Water Act is amended by adding the following new subsection:

"(g) The Administrator is authorized to provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include 'circuit-rider' programs, training, and preliminary engineering studies. There are authorized to be appropriated to carry out this subsection, $10,000,000 for each of the fiscal years 1986 through 1989.".

TITLE II—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

SEC. 201. RESTRICTIONS ON UNDERGROUND INJECTION OF HAZARDOUS WASTE AND REGULATION OF STATE PROGRAMS.

(a) NATURAL GAS STORAGE.—Section 1421(b)(2)(A), section 1422(c)(1), and section 1425(a)(1) of the Safe Drinking Water Act are each amended by inserting "or natural gas storage operations" after "production".

(b) INJECTION RESTRICTION.—Part C of the Safe Drinking Water Act is amended by adding the following new sections at the end thereof:

"SEC. 1426. RESTRICTIONS ON HAZARDOUS WASTE INJECTION.

"No hazardous waste may be disposed of by underground injection above or into a formation which contains (within one-quarter mile of the injection well bore) a drinking water source except that injection of contaminated ground water into the aquifer from which it was withdrawn may be allowed if the Administrator determines, pursuant to procedures approved under this Act, the Solid Waste Disposal Act, or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, that such injection is an appropriate and environmentally acceptable aspect of a cleanup, removal or remedial action for the contaminated aquifer. The prohibition established under this subsection shall take effect six months after the enactment of this section except in the case of any State in which identical prohibitions are in effect

before such date. The term 'hazardous waste', as used in this section, means any hazardous waste, (as defined in the Solid Waste Disposal Act) which is listed or identified under section 3001 of that Act. The prohibition established by this section shall be treated for purposes of this Act as a prohibition established pursuant to an applicable underground injection program.

"SEC. 1427. REGULATION OF STATE PROGRAMS.

"(a) REVISED MONITORING REGULATIONS.—Not later than 18 months after enactment of the Safe Drinking Water Act Amendments of 1985 the Administrator shall revise regulations issued under this part to require monitoring of underground injection wells in such manner and in such locations as deemed appropriate by the Administrator so as to provide the earliest possible detection of fluid migration into, or in the direction of, an underground source of drinking water.

"(b) INVENTORY.—The Administrator, in cooperation with the State, shall conduct an inventory of all wells in the United States which inject hazardous wastes. The inventory shall include such information as the Administrator may, in his discretion, deem necessary to define the scope and nature of hazardous waste disposal in the United States through underground injection. A report summarizing the results of such inventory and making recommendations, if necessary, to protect underground sources of drinking water from hazardous waste migration from underground injection wells shall be submitted to the Congress not later than 9 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985.

"(c) INFORMATION.—The States shall make available to the Administrator such information as he deems necessary to accomplish the objectives of this section. The Administrator need not be limited to such information in conducting the inventory referred to in subsection (b).".

SEC. 202. ENFORCEMENT OF UIC PROGRAM.

(a) MANDATORY ENFORCEMENT.—(1) Section 1423(a)(1) of the Safe Drinking Water Act is amended by striking out all after the first sentence and substituting the following: "If beyond the thirtieth day after the Administrator's notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b)(1).".

(2) Section 1423(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)(1)" and substituting the following: "he shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b)(1)".

(3) Section 1423(b)(1) of the Safe Drinking Water Act is amended by striking out the first sentence thereof and substituting the following: "Civil actions referred to in paragraphs (1) and (2) of subsection (a) shall be brought in the appropriate United States district court and such court shall have jurisdiction to require compliance with any requirement of an applicable underground injection program.".

(b) PENALTIES.—Section 1423(b)(1) of the Safe Drinking Water Act is amended by striking in the last sentence "$5,000" and substituting "$25,000" and by striking "60" and substituting "30".

(c) CIVIL ACTION.—Section 1423 of the Safe Drinking Water Act is amended by adding the following new subsection at the end thereof:

"(d)(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any requirement of an applicable underground injection control program, the Administrator may also issue an order to require compliance with such requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3) or 1425(c)) until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency involved if the State has primary enforcement responsibility. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, or fails or refuses to comply with an order under paragraph (2) shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever the civil penalty sought by the Administrator under this paragraph does not exceed $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever the civil penalty sought by the Administrator exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(d) CONFORMING AMENDMENT.—Section 1423 of the Safe Drinking Water Act is amended by striking the words "FAILURE OF STATE TO ASSURE" from the section heading.

SEC. 203. STATE PLANS TO PROTECT UNDERGROUND SOURCES OF DRINKING WATER.

The Safe Drinking Water Act is amended by adding the following new section after section 1443:

"SEC. 1443A. STATE PLANS TO PROTECT UNDERGROUND SOURCES OF DRINKING WATER.

"(a) STATE PLANS.—After notice and opportunity for public hearing and within 36 months after the date of the enactment of this section, each State shall adopt and submit to the Administrator a comprehensive State plan to protect underground sources of drinking water from contamination that may adversely affect the health of persons. Each State plan under this section shall, at a minimum—

"(1) specify the lead agency which has responsibility for implementing the plan and demonstrate that this agency has adequate legal authority and financial resources to perform this function;

"(2) identify each underground source of drinking water in the State and perform an assessment which describes, for each such source, the quality and quantity of water which it contains, its flow patterns and critical recharge zones, and its known and potential sources of contamination;

"(3) describe for each underground source of drinking water identified pursuant to paragraph (2) the location and types of human development which affect the source and the types of such development which can occur without resulting in the degradation of such sources;

"(4) set out the regulations and other measures which the State will implement under the plan, including the establishment of best management practices (BPMs) for categories or subcategories of activities that may contaminate underground drinking water sources; and

"(5) guarantee or provide for an alternative drinking water supply when an underground source of drinking water is contaminated so as to adversely affect the health of persons.

In developing the State plan, the State may categorize aquifers and, assuring the protection of public health, afford different levels of protection to different aquifers, based on quality and uses of the aquifer concerned. Nothing in this section shall require the Administrator to promulgate regulations under this section.

"(b) PUBLIC PARTICIPATION.—To the maximum extent possible, each State shall establish procedures, including but not limited to the establishment of technical and citizens' advisory committees to encourage the public to participate in developing the ground water protection plan.

"(c) APPROVAL OR DISAPPROVAL.—

"(1) IN GENERAL.—Within 9 months after receipt of a proposed plan submitted as specified in subsection (a), the Administrator shall approve the plan unless he determines that the plan or any portion thereof is inadequate to meet the requirements of this section. If the Administrator determines that a proposed State plan or any portion thereof is inadequate, he shall submit a written statement of the reasons for his determination to the Governor of the State within 30 days from the date of such determination of inadequacy.

"(2) MODIFICATION AND RESUBMISSION.—Within 6 months after receipt of the Administrator's written notice under paragraph (1) that any proposed State plan, or portion thereof, is inadequate, the State shall modify the plan based upon the recommendations of the Administrator and resubmit the modified plan to the Administrator. The Administrator shall approve or disapprove the modified plan within 90 days of his receipt thereof. If the Administrator disapproves the modification within such period, the State shall submit a second modification within 45 days. The Administrator shall approve or disapprove the second modification within 45 days of his receipt of the second modification.

"(d) ENFORCEMENT.—

"(1) SECTION 1449.—The duties of States and the Administrator set forth in this section shall be treated as 'requirements prescribed under this title' for purposes of section 1449.

"(2) ASSISTANCE UNDER SECTION 1422.—No State exercising primary enforcement responsibility under section 1422 for a State underground injection control program may receive any assistance under this Act for purposes of such program if the State has not complied with the requirements of subsections (a), (b), and (c) of this subsection or if any portion of a State plan has not been approved by the Administrator before the expiration of the periods specified in subsection (c).

"(e) BRINE CONTAMINATION.—In the case of each State in which oil or natural gas exploration occurs, the State plan under this section, consistent with the underground injection requirements of part C, the requirements of the Solid Waste Disposal Act, and the requirements of the Federal Water Pollution Control Act shall protect underground sources of drinking water from brine contamination which may adversely affect public health and which is associated with the production or recovery of oil and natural gas.

"(f) DEFINITION OF UNDERGROUND SOURCE OF DRINKING WATER.—As used in this section, the term 'underground source of drinking water' means underground water which—

"(1) supplies drinking water for any public water system;

"(2) is reasonably capable of supplying drinking water for any public water system; or

"(3) may be capable of supplying drinking water for a public water system if such system utilized technologically advanced treatment which has been commercially demonstrated to be economically feasible.

"(g) PROHIBITIONS.—

"(1) ACTIVITIES UNDER OTHER LAW.—No funds authorized to be appropriated under this section may be used to support activities authorized by the Federal Water Pollution Control Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or other sections of this Act.

"(2) INDIVIDUAL SOURCES.—No funds authorized to be appropriated under this section may be used to bring individual sources of contamination into compliance.

"(h) DEADLINES.—Each State shall make every reasonable effort to implement the State plan under this section within 2 years of its adoption. Within two years after the approval of each State plan under this section, each State shall submit to the Administrator a status report describing the State's progress in implementing the plan.

"(i) FEDERAL AGENCIES.—Each Federal agency conducting or supporting an activity affecting a critical recharge area identified in a ground water protection plan approved under this section shall conduct or support those activities in a manner which is consistent with the approved plan.".

SEC. 204. PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.

(a) NEW SECTION 1428.—Part C of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1428. PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.

"(a) DESIGNATION OF SPA.—

"(1) PETITION.—Upon designation of a sole or principal source area pursuant to section 1424(e), any one or several municipalities (or State chartered entities charged with sole source aquifer maintenance and protection) within such area may initiate proceedings for the designation of a 'special protection area' within the sole or principal source area by petitioning the Governor of the State in which the proposed 'special protection area' is located to apply to the Administrator for the designation of 'special protection area' within the sole or principal source area.

"(2) CONTENTS.—A petition under this subsection shall propose boundaries for the special protection area and further shall evaluate whether—

"(A) the proposed special protection area is a recharge zone for significant volumes of ground water with drinking water supply potential;

"(B) the ground water which is recharged through the proposed special protection area is of high quality;

"(C) portions of the proposed special protection area within the sole or principal source area are already contaminated with toxic organics, nutrients, salts, or other pollutants;

"(D) maintenance of high quality in the sole or principal source aquifer or in the ground water recharged through the proposed special protection area would have significant economic, social, and ecological benefits for the sole or principal source area; and

"(E) degradation of ground water in the proposed special protection area would have significant economic, social, and ecological costs for the area.

"(b) APPROVAL OR DISAPPROVAL.—Within 180 days following receipt of a petition under this section, the Governor, taking into consideration the criteria set forth in subsection (a)(2), shall approve or disapprove the petition. If the Governor approves such petition, he shall—

"(1) propose the boundaries of the special protection area;

"(2) designate or, if necessary, establish a planning entity (which may be a public agency and which may include representatives of local and State governments or planning entities with a State charter) to develop a comprehensive management plan (hereinafter in this section referred to as the 'plan') for the special protection area; and

"(3) establish procedures for public participation in the development of the plan, for review, approval, and adoption of the plan, and for assistance to municipalities and other public agencies with authority under State law to implement the plan.

Where a local government planning agency exists with adequate authority to carry out this section with respect to any proposed special protection area, the Governor shall designate such agency as the planning entity under paragraph (2).

"(c) EPA.—

"(1) SUBMISSION.—Following approval of the petition the Governor shall submit such petition to the Administrator together with the summary of the action taken by the Governor under subsection (b).

"(2) APPROVAL OR DISAPPROVAL.—Within 120 days after the Administrator's receipt of the petition the Administrator shall approve or disapprove the petition. The Administrator shall approve the petition if he finds that—

"(A) the boundaries of the area concerned are based on the criteria set forth in subsection (a)(2); and

"(B) the planning entity has the authority, pursuant to State law, and the technical expertise to prepare the plan.

"(3) MATCHING GRANTS.—If the Administrator approves the petition, he may provide to the State, on a matching basis, a grant of 50 per centum of the costs incurred in preparing the petition and developing the plan, except that in the case of a municipality with a population of 10,000 or less, the Administrator may provide to the State a grant of 60 per centum of such costs.

"(4) PRELIMINARY PLANNING FUNDS.—The designated planning entity, through the Governor, shall be eligible for preliminary planning funds for a period not to exceed two years.

"(d) COMPREHENSIVE MANAGEMENT PLAN.—

"(1) CONTENTS.—A planning entity designated under this section shall be authorized and directed to prepare a comprehensive management plan for the special protection area. Such plan shall be designed to maintain the quality of the ground water in the special protection area through maintenance, to the maximum extent possible, of the natural vegetative and hydrogeological conditions. Such plan shall include but not be limited to—

"(A) a determination of the quality of the existing ground water recharged through said special protection area and the natural recharge capabilities of the special protection area watershed;

"(B) an identification of existing and potential point and nonpoint sources of ground water degradation, ground water flow patterns, and the relationship between surface water management and ground water quality and recharge;

"(C) requirements designed to maintain existing underground drinking water quality or improve underground drinking water quality if prevailing conditions fail to meet drinking water standards, pursuant to this Act and State law;

"(D) a map showing the detailed boundary of the special protection area;

"(E) a resource assessment of the amount, location, and type of human development and activity which the ecosystem can sustain while still maintaining existing ground and surface water quality and protecting unique ecological features related to maintenance of water quality;

"(F) limits on Federal, State, and local government, financially assisted activities and projects which may contribute to degradation of such ground water or any loss of natural surface and subsurface infiltration or purification capability of the special protection area watershed;

"(G) a comprehensive statement of land use management including emergency contingency planning as it pertains to the maintenance of the quality of underground sources of drinking water or to the improvement of such sources if necessary to meet drinking water standards pursuant to this Act and State law;

"(H) actions in the special protection area which would avoid adverse impacts on water quality, recharge capabilities, or both;

"(I) consideration of specific techniques, which may include clustering, transfer of development rights, and other innovative measures sufficient to achieve the objectives of this section;

"(J) consideration of the establishment of a State institution to facilitate and assist in funding a development transfer credit system;

"(K) a program for State and local implementation of the plan described in this subsection in a manner that will insure the continued, uniform, consistent protection of the special protection area in accord with the purposes of this section;

"(L) pollution abatement measures, if appropriate; and

"(M) adequate personnel, funding, and authority to carry out the plan.

"(2) CONSULTATION AND HEARINGS.—During the development of the comprehensive management plan, the planning entity shall consult with, and consider the comments of, appropriate officials of any municipality and State or Federal agency which has jurisdiction over lands and waters within the special protection area, other concerned organizations and technical and citizen advisory committees which shall be established by the Governor. The planning entity shall conduct public hearings at places within the special protection area for the purpose of providing an opportunity to comment on any aspect of the plan.

"(e) FINAL PLAN.—The planning entity shall submit a final plan to the Governor for review. The Governor shall approve or disapprove the plan based upon a determination that such plan protects underground sources of drinking water covered therein from contamination that may adversely affect the health of persons. An approved plan shall be submitted by the Governor to the Administrator for review. Within 120 days, the Administrator shall approve the plan or submit in writing to the Governor his reasons for not approving it. The Governor may resubmit any plan which is not approved. The Administrator shall approve any plan which satisfies the requirements of this section.

"(f) MATCHING GRANTS.—If the Administrator approves the plan, he may provide to the State on a matching basis a grant of 50 per centum of the costs of implementing the plan (or 60 per centum of such costs in the case of an aquifer serving a population of 10,000 or less).

"(g) ORDER TO PROVIDE DRINKING WATER.—

"(1) ISSUANCE.—If the Administrator (or any State which has primary enforcement responsibility, within the meaning of section 1413, for public water systems under part B of this title) determines that—

"(A) any person has caused or contributed to the presence of any contaminant in any sole or principal source aquifer designated under section 1424(e) which supplies, or can reasonably be expected to supply, any public water system, and

"(B) the presence of such contaminant in such water system may adversely affect the health of persons unless such water is treated or alternative water supplies are provided,

he may issue an order requiring such person to provide adequate supplies of potable drinking water to the persons served by such public water system.

"(2) REVIEW.—Any interested person may obtain review of an order issued by the Administrator (or the State) under this section in the appropriate United States district court within thirty days after the issuance of the order.

"(3) ENFORCEMENT.—Any person who violates, or fails or refuses to comply with, an order under this subsection shall be liable to the United States (or to the State in the case of an action brought by the State) for a civil penalty of not more than $5,000 per day of violation. If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator (or the State), the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order under this section or the assessment of a civil penalty shall not be subject to review.

"(4) OTHER RIGHTS.—Nothing in this section shall be construed to restrict or preempt any right which any public water system or any other person (or class of persons) may have under any statute or common law to seek enforcement in any Federal, State, or local court, or in any administrative proceeding, of any provision of this Act or any other relief regarding the contamination of any drinking water supply.

"(5) ROUTINE AGRICULTURAL ACTIVITIES.—Paragraph (1) shall not apply to any contamination which results from routine agricultural activities.

"(h) CRITERIA FOR AREAS DESIGNATED UNDER SECTION 1424(e).—Within 12 months after the date of the enactment of this section, the Administrator shall, by rule, establish criteria for the areas to be designated under section 1424(e) and eligible for special protections under this section. Such criteria shall include aquifer use, vulnerability, water quality, and unavailability of alternative supplies of drinking water. Designations made under section 1424(e) before the enactment of this section shall be reviewed and reevaluated in accordance with the criteria promulgated pursuant to this subsection.".

(b) PROHIBITION OF SOLID WASTE DISPOSAL OVER CERTAIN SOLE SOURCE AQUIFER.—Section 1424(e) of the Safe Drinking Water Act is amended by inserting "(1)" after "(e)" and by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, no person may place solid waste (as defined in the Solid Waste Disposal Act) in a landfill, surface impoundment, waste pile, injection well, or land treatment facility (as those terms are defined in regulations under the Solid Waste Disposal Act) located over the Unconsolidated Quarternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946–2948). This paragraph may be enforced by a civil action under section 1449.".

TITLE III—GENERAL PROVISIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 1442(f) of the Safe Drinking Water Act is amended by inserting the following at the end thereof: "There are authorized to be appropriated to carry out subsection (a)(2)(B), $4,000,000 for the fiscal year 1986, $4,000,000 for the fiscal year 1987, $4,800,000 for the fiscal year 1988, and $4,800,000 for the fiscal year 1989. There are authorized to be appropriated to carry out the provisions of this section (other than subsection (g), subsection (a)(2)(B), and provisions relating to research), $29,200,000 for the fiscal year 1986, $29,200,000 for the fiscal year 1987, $29,040,000 for the fiscal year 1988, and $29,040,000 for the fiscal year 1989.".

(b) STATE SUPERVISION PROGRAMS.—Section 1443(a)(7) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purposes of making grants under paragraph (1) there are authorized to be appropriated $29,400,000 for the fiscal year 1986, $29,400,000 for the fiscal year 1987, $35,300,000 for the fiscal year 1988, and $35,300,000 for the fiscal year 1989.".

(c) UNDERGROUND WATER SOURCE PROTECTION PROGRAM.—Section 1443(b)(5) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purpose of making grants under paragraph (1) there are authorized to be appropriated $11,400,000 for the fiscal year 1986, $11,400,000 for the fiscal year 1987, $13,700,000 for the fiscal year 1988, and $13,700,000 for the fiscal year 1989.".

(d) EXTENSION OF AUTHORITY.—Section 1441(f) of the Safe Drinking Water Act is amended by striking out "in effect" and all that follows and substituting "in effect for more than one year.".

(e) PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER.—Section 1443A of the Safe Drinking Water Act, as added by this Act, is amended by adding the following new subsection at the end thereof:

"(j) AUTHORIZATION OF APPROPRIATIONS.—Upon the approval of any State plan under this section, the Administrator shall make grants to the State for 50 percent of the costs incurred by a State (as determined by the Administrator) in developing and implementing a State plan under this section. For purposes of making such grants there is authorized to be appropriated not more than $20,000,000 for each of the fiscal years 1986 and 1987 and $35,000,000 for each of the fiscal years 1988 and 1989.".

(f) PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.—Section 1428 of the Safe Drinking Water Act, as added by this Act, is amended by adding the following new subsection at the end thereof:

"(i) AUTHORIZATION.—

"(1) DEVELOPMENT.—There are authorized to be appropriated for grants for development of plans under this section, $3,000,000 for each of the fiscal years 1986 and 1987 and $5,000,000 for each of the fiscal years 1988 and 1989.

"(2) IMPLEMENTATION.—There are authorized to be appropriated for grants to implement plans under this section $7,000,000 for each of the fiscal years 1986 and 1987 and $10,000,000 for each of the fiscal years 1988 and 1989. Matching grants under this section may also be used to implement or update any water quality management plan for a sole or principal source aquifer approved (before the date of the enactment of this section) by the Administrator under section 208 of the Federal Water Pollution Control Act.".

SEC. 302. MISCELLANEOUS PROVISIONS.

(a) REPEAL.—Section 1442(e) of the Safe Drinking Water Act is repealed.

(b) COMPARATIVE HEALTH EFFECTS ASSESSMENT.—The Administrator of the Environmental Protection Agency shall conduct a comparative health effects assessment, using available data, to compare the relative effects on public health associated with water treatment chemicals and their byproducts to the effects on public health associated with contaminants found in public water supplies. Not later than 18 months after the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results of such assessment.

SEC. 303. INDIAN TRIBES.

(a) IN GENERAL.—Part E of the Safe Drinking Water Act is amended by adding the following new section after section 1450:

"SEC. 1451. INDIAN TRIBES.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the Administrator is authorized to treat Indian Tribes as States under this title, may delegate to such Tribes primary enforcement responsibility for public water systems and for underground injection control, and may provide such

Tribes grant and contract assistance to carry out functions provided by this Act.

"(b) EPA REGULATIONS.—

"(1) SPECIFIC PROVISIONS.—The Administrator shall, within 18 months after the enactment of this section, promulgate final regulations specifying those provisions of this title for which it is appropriate to treat Indian Tribes as States. Such treatment shall be authorized only if:

"(A) the Indian Tribe is recognized by the Secretary of the Interior and has a governing body carrying out substantial governmental duties and powers;

"(B) the functions to be exercised by the Indian Tribe are within the area of the Tribal Government's jurisdiction; and

"(C) the Indian Tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this title and of all applicable regulations.

"(2) PROVISIONS WHERE TREATMENT AS STATE INAPPROPRIATE.—For any provision of this title where treatment of Indian Tribes as identical to States is inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this title, the Administrator may include in the regulations promulgated under this section, other means for administering such provision in a manner that will achieve the purpose of the provision. Nothing in this section shall be construed to allow Indian Tribes to assume or maintain primary enforcement responsibility for public water systems or for underground injection control in a manner less protective of the health of persons than such responsibility may be assumed or maintained by a State. An Indian tribe shall not be required to exercise criminal enforcement jurisdiction for purposes of complying with the preceding sentence.".

(b) DEFINITIONS.—

(1) INDIAN TRIBE.—Section 1401 of such Act is amended by inserting the following at the end thereof:

"(14) The term 'Indian Tribe' means any Indian tribe having a Federally recognized governing body carrying out substantial governmental duties and powers over any area.".

(2) MUNICIPALITY.—Section 1401 of such Act is amended by striking out from paragraph (10) the words "Indian tribal organization authorized by law" and substituting "Indian Tribe."

(c) PRIMARY ENFORCEMENT RESPONSIBILITY.—Section 1422 of such Act is amended by adding the following new subsection at the end thereof:

"(e) An Indian Tribe may assume primary enforcement responsibility for underground injection control under this section consistent with such regulations as the Administrator has prescribed pursuant to Part C and section 1451 of this Act. The area over which such Indian Tribe exercises governmental jurisdiction need not have been listed under subsection (a) of this section, and such Tribe need not submit an application to assume primary enforcement responsibility within the 270-day deadline noted in subsection (b)(1)(A) of this section. Until an Indian Tribe assumes primary enforcement responsibility, the currently applicable underground injection control program shall continue to apply. If an applicable underground injection control program does not exist for an Indian Tribe, the Administrator shall prescribe such a program pursuant to subsection (c) of this section, and consistent with section 1421(b), within 270 days of the enactment of this Act, unless an Indian Tribe first obtains approval to assume primary enforcement responsibility for underground injection control.".

(d) GRANTS.—(1) Section 1443(a)(2) of the Safe Drinking Water Act is amended by adding a new sentence after the final sentence in that paragraph stating: "The prohibitions contained in the preceding two sentences shall not apply to such grants when made to Indian Tribes."

(2) Section 1443(b) of such Act is amended by adding the following new sentence after the final sentence in paragraph (2) thereof: "The prohibition contained in the preceding sentence shall not apply to such grants when made to Indian Tribes.".

(e) STUDY.—The Administrator of the Environmental Protection Agency, in consultation with Indian tribes, shall carry out a study to inventory the program needs of Indian tribes under the Safe Drinking Water Act. The Administrator shall prepare a report detailing the results of such study. The report shall be submitted to the Congress together with the President's Budget Request for fiscal year 1987.

Amend the title so as to read: "An Act to amend the Safe Drinking Water Act.".

Mr. DOLE. Mr. President, I move that the Senate disagree to the House amendments and request a conference with the House on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Messrs. STAFFORD, DURENBERGER, SIMPSON, BENTSEN, and BAUCUS conferees on the part of the Senate.

REFERRAL OF S. 1399, TO AMEND THE REHABILITATION ACT OF 1973, TO COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be discharged from further consideration of S. 1399, a bill to amend the Rehabilitation Act of 1973, to strengthen the Architectual and Transportation Barriers Compliance Board, and it be referred to the Committee on Labor and Human Resources.

Mr. CRANSTON. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROMOTING EMIGRATION FROM CUBA

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 205, Senate Resolution 185.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 185) to promote emigration from Cuba.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations with amendments.

Mr. CHILES. Mr. President, I rise today to deplore the actions taken by the Cuban Government in response to the broadcasts of Radio Marti. The suspension of the immigration accord is an unjustifiable step. Cuba is overreacting to the 14½ hours of Radio Marti in a most inappropriate manner. Its actions hurts innocent Cubans and mocks the dictum of international law.

The Cuban Government is no stranger to the breaking of international law. This Government attempts to act with its own set of rules every chance it gets. I cannot accept this as the status quo. By merely accepting Cuba's actions we accept behavior offensive to anyone with a sense of human dignity and we accept a callous suspension of an immigration agreement which took painstaking effort to realize. I cannot sit quietly while the Cuban Government reneges on its agreement to take back the Mariel criminals and while it adopts measures which denies basic human rights to its own people.

When the Cuban Government denounces Radio Marti and attempts to block its reception, these actions flies in the face of article 19 of the United Nations Declaration of Human Rights. This article acknowledges the internationally recognized right of all people to "seek, receive and impart information through any media regardless of frontiers."

When the Cuban Government suspends the immigration accord and denies its own people the right to unhindered immigration, it again mocks an internationally recognized right. The right of all people to freedom of movement, including the right to leave any country, including ones own.

The Cuban Government's linking of Radio Marti to the immigration accord is inappropriate. It is using Radio Marti as an excuse for going back on an agreement of mutual benefit to both our countries. It is a reminder of the paranoia that exists in all totalitarian regimes when its peoples are afforded the right to the access of information and the common exchange of ideas.

Let me remind my colleagues that Cuba is very much in the broadcast business. It is responsible for broadcasting over 400 hours per week into various continents and up until recently provided rebroadcasts of Radio Moscow into the United States. How ironic that this Government should be upset by 14½ hours of Radio Marti. Cuba may not want to hear the voice

of Radio Marti, but its actions in retaliation are indefensible.

I will say it again. The Cuban Government's retaliation is a denial of the basic human rights of the Cuban people. It uses Radio Marti as an excuse for the suspension of an accord which took painstaking effort to realize. It recklessly and maliciously suspends an accord which provides mutual benefits to both our countries. An accord which eases many of the undue hardships imposed on the Cuban people.

The suspension reneges on Cuba's commitment to the establishment of standard immigration privileges for its people. As a result, the Cuban people are denied what should be available to all human beings; the right to free and unhindered immigration, the opportunity for family reunification, and basic freedom for Cuban political prisoners.

Our State Department has announced its decision to halt the granting of visas in Havana. In essence, both countries are back to the policies that prevailed before the December 14 immigration accord. What is truly unfortunate is that this action only sets to pose hardship on the Cuban people and not its government. The Cuban Government has a 25-year record of imposing hardship on its people. The United States should not be in position of punishing innocent Cubans for the actions of their most irrational leader.

Cubans applying for visas in Havana should be afforded the same opportunity as those afforded to other people of the world. Their applications should not be denied to them because of the actions of Fidel Castro. This would be tantamount to denying Soviet Jews exit permits from their country because of the Soviet invasion of Afghanistan. Our immigration policy must not be dictated to us by Fidel Castro. We must treat Cuban applicants for visas in a consistent manner. Denying them their right to emigrate amounts to punishing them for a wrong they did not commit. Worse than that—it is punishing them for the actions of Fidel Castro.

The ramifications of the action taken by the Cuban Government has recently intensified. A few weeks ago, the Costa Rican Government announced it will no longer issue entrance papers to Cubans who had been using Costa Rica as a third country for entry into the United States. Thus another door has been shut on Cubans wishing to legally emigrate from Cuba.

I believe the halting of the issuance of visas in Havana is counter productive, but I do understand the State Department's desire to do something in the face of Castro's overreaction. We must denounce the Cuban Government's irresponsible behavior. And we must pursue all efforts to alleviate the hardships imposed on Cubans by their Government's actions and our own Government's forced policy. There is other action we can take to exact a price from Fidel Castro for his government's action, but penalizing innocent Cubans is not the way to do it.

Since the May 20 commencement of Radio Marti broadcasts, we have witnessed Fidel Castro showing his true colors. The Cuban people have had to put up with the whims of Fidel Castro for over 25 years. His overreaction to Radio Marti is the latest of a long line of tirades. How unfortunate that Cubans should be subjected to the continuing tantrums of their "Lider Maximo." The denial of the provisions of the agreement is truly unjustified, but it is typical of Fidel. Perhaps with time—cooler thinking will prevail in Havana. For the time being we must stand firm in our denunciation of Cuba's reaction to Radio Marti. It amounts to a most blatant denial of basic human rights to the Cuban people.

By suspending this accord Cuba is shrugging off its responsibility for the return of the Mariel criminals. In 1980, Castro emptied out his jails and opened up his mental institutions and forced his undesirables onto our shores. We can not accept this deplorable action. We must continue all efforts to hold the Cuban Government accountable for its undesirables and for their eventual return to Cuba.

The sense of the Senate resolution I introduce today attempts to underscore the Cuban Government's accountability for its reckless actions. We cannot remain silent over the hardships imposed on the Cuban people by their own Government. We cannot accept Cuba's unilateral repudiation of the December 14 immigration accord and its disavowal of the return of the Mariel criminals. We must not ignore that Cuba's retaliation is made at the expense of innocent Cubans whose only crime is a belief in democracy and a longing to be free.

Mr. President, I urge my colleagues to join me in approving this resolution condemning the Cuban Government's retaliation and urging them to reestablish the immigration agreement with the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The resolution, as amended, was agreed to.

The amendments to the preamble were agreed to.

The preamble, as amended, was agreed to.

The resolution, as amended, and the preamble, as amended, are as follows:

Whereas the United States *has suspended* normal immigration policy with Cuba in reaction to retaliatory steps by the Cuban Government upon commencement of the *Voice of America's* Radio Marti *program*;

Whereas the United States Government has negotiated *over the* years toward an agreement with the Cuban Government which would allow Cubans to enjoy standard immigration privileges with the United States;

Whereas the Cuban Government has discontinued these privileges along with entrance allowances into the United States for Cuban political prisoners and their families;

Whereas there are one thousand two hundred immigrant visas approved for Cubans on the waiting list for entry into the United States;

Whereas there are four hundred political prisoners and family members who have been approved for entry into the United States and who were awaiting passage momentarily;

Whereas the United States was just beginning to repatriate the two thousand seven hundred and forty Mariel *excludables* who had been forced on the United States during the Mariel boat lift of 1980; and

Whereas innocent people seeking a better life in the United States are having this freedom sacrificed due to the Cuban retaliation: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that the Cuban Government is thwarting the human rights of innocent Cubans *by* suspending an *immigration* agreement which benefited both the Cuban Government and its people and the United States Government and its people in retaliation for uncensored news *and other Voice of America broadcasting* to Cuba.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. CRANSTON. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF S. BRUCE SMART, JR.

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the nomination of S. Bruce Smart, Jr., to be Under Secretary of Commerce, be sequentially referred to the Committee on Finance and the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he has approved and signed the following bill and joint resolutions:

On June 12, 1985:

S.J. Res. 93. Joint Resolution to designate the month of May 1985 as "Better Hearing and Speech Month".

On June 13, 1985:

S.J. Res. 66. Joint Resolution designating June 14, 1985, as "Baltic Freedom Day".

On June 14, 1985:

S.J. Res. 142. Joint Resolution to designate June 12, 1985, as "Anne Frank Day".

On June 26, 1985:

S.J. Res. 125, Joint Resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week".

On June 27, 1985:

S.J. Res. 87. Joint Resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day".

On July 3, 1985:

S. 413, An Act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

NOTE

The following message from the President was received in the Senate on July 9, 1985, and referred to the Committee on Armed Services on July 9, 1985:

REPORT ON UNITED STATES COUNTERFORCE CAPABILITY—MESSAGE FROM THE PRESIDENT—PM 61

To the Congress of the United States:

Pursuant to the provisions of Section 1105 of the Department of Defense Authorization Act, 1985 (Public Law 98-525), I herewith transmit a classified report on United States Counterforce Capability.

RONALD REAGAN.

THE WHITE HOUSE, *July 9, 1985.*

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 10, 1985, she had presented to the President of the United States the following enrolled bill:

S. 1141. An act relating to certain telephone services for Senators.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1447. A communication from the President of the United States transmitting, pursuant to law, a request for supplemental appropriations for fiscal year 1985; to the Committee on Appropriations.

EC-1448. A communication from the Counsel to the Pacific Tropical Botanical Garden transmitting, pursuant to law, the 1984 annual audit report for the Garden; to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Gary L. Bauer, of Virginia, to be Under Secretary of Education.

(The above nomination was reported from the Committee on Labor and Human Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 1411. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the label of all drugs disclose the active and inactive ingredients in the drug; to the Committee on Labor and Human Resources.

By Mr. HART:

S. 1412. A bill to increase the tariff on petroleum products by $10 per barrel; to the Committee on Finance.

By Mr. WILSON:

S. 1413. A bill to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN (for himself, Mr. DURENBERGER, Mr. COHEN, Mr. ROTH, Mr. LEAHY, Mr. BOREN, and Mr. MOYNIHAN):

S. 1414. A bill to provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counterterrorist capabilities of the Bureau; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1415. A bill for the relief of John K. Karaya, Martin M.Z. Karaya, Peter D. Karaya, and Andrew M. Karaya; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. CRANSTON, Mr. HEINZ, and Mr. PROXMIRE):

S. 1416. A bill entitled the "Government Securities Dealers Act of 1985"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON:

S. 1417. A bill to amend the Controlled Substance Act to create new penalties for the manufacturing with intent to distribute, the possession with intent to distribute, or the distribution of "designer drugs", and for other purposes; to the Committee on the Judiciary.

By Mr. HELMS (for himself, Mr. FORD, Mr. MCCONNELL, Mr. THURMOND, Mr. EAST, Mr. WARNER, Mr. TRIBLE, Mr. MATTINGLY, Mr. HOLLINGS, and Mr. SASSER):

S. 1418. A bill to amend the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 to improve the tobacco program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MURKOWSKI (for himself, Mr. CRANSTON, Mr. STAFFORD, Mr. SPECTER, Mr. BOSCHWITZ, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. ABDNOR, Mrs. HAWKINS, Mr. CHAFEE, Mr. COHEN, Mr. D'AMATO, Mr. EVANS, Mr. GARN, Mr. GRAMM, Mr. LAXALT, Mr. LUGAR, Mr. NICKLES, Mr. PACKWOOD, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. DIXON, Mr. FORD, Mr. GORE, Mr. HART, Mr. INOUYE, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. PELL, Mr. PROXMIRE, Mr. RIEGLE, Mr. SASSER, and Mr. SIMON):

Senate Joint Resolution 156. Authorizing a memorial to be erected in the District of Columbia or its environs; to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1411. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the label of all drugs disclose the active and inactive ingredients in the drug; to the Committee on Labor and Human Resources.

DRUG LABELING ACT

Mr. PROXMIRE. Mr. President, today I am introducing the Drug Labeling Act of 1985, a bill to require that all ingredients in drugs—both active ingredients and inactive ingredients—be included on the label as well as the quantities of each.

Currently, all active ingredients—the substances that make the drug work for you—must be properly labeled. But with very few exceptions, the hundreds of inactive ingredients used in drugs—which bind the drug together chemically or give it color or taste or a coating—do not have to be labeled and, until very recently, most manufacturers simply did not disclose these substances on their labels.

I am delighted that this situation is beginning to change and a number of firms have committed themselves to voluntarily listing inactive ingredients as well. And I applaud their efforts. It is not my intent to interfere with their pioneering efforts. I intend only that the Food and Drug Administration direct its efforts toward assuring that those firms not currently disclosing all ingredients in their drugs do so in the future. That is why I intend that the Secretary use the exception authority in this proposal to provide an across-the-board exception to the print size requirements in the law for all firms which have voluntarily disclosed inactive ingredients already and would urge the Secretary to use common

sense in applying the print size standard.

While the degree of regulatory involvement by the Food and Drug Administration can and should be minimal in implementing this bill, Mr. President, there are compelling reasons for mandatory disclosure.

In my view all of us should assume greater responsibility for our own health status. But for the tens of millions of Americans who suffer from allergic reactions to numerous substances, they simply have no way of doing that by reading most drug labels. For example, many black Americans cannot digest lactose yet lactose is used as an inactive ingredient in drugs and there is no requirement that it be properly labeled.

And the sheer number of inactive ingredients that can be safely included in drugs, yet never disclosed on the label is phenomenal—771 different substances according to a recent article in the New England Journal of Medicine.

Scanning that list of ingredients, it is easy to see that, beyond the potential for allergic reactions, there are many substances that a careful consumer might simply choose to avoid if they were properly labeled, such as saccharin, polyvinyl chloride, carbon tetrachloride, substances with some carcinogenic potential. Others, such as shellac, ink or ammonia, a consumer may simply prefer to avoid.

Obviously, the quantities of most of these ingredients are minute and it is not my intent to overstate the safety concerns. But in an age in which many patients are consuming increasing numbers of prescription and nonprescription drugs, a problem of particular concern for the elderly, it is essential that consumers and their physicians be in the best possible position to evaluate the cause of any adverse or allergic reaction they might suffer.

That is why I have added a provision to require that the Food and Drug Administration report to the Congress within 2 years of the date of enactment of this bill on the additives that are approved for implementation as inactive ingredients in drugs as well as a summary of the available medical and scientific data regarding the safety of these substances, with particular attention to their synergistic effects with other drugs. This will better enable the Congress to conduct its oversight of FDA's consumer protection in this area as well as providing a valuable resource tool for physicians attempting to consider the safety of specific additives for their patients.

In conclusion, Mr. President, I would point out that one of the few inactive ingredients for which labeling is required, alcohol products, demonstrates the value of labeling. As former Congressman Richard Ottinger pointed out, the fact that benzyl alcohol was required to be labeled assisted physicians and researchers to implicate benzyl alcohol with brain damage and death in premature infants. Without labeling, it might have taken many additional years to discover the dangers of benzyl alcohol.

Mr. President, this proposal is a modest but important step in providing consumers with the help they need to assume responsibility for their own health and I intend it to build upon, not interfere with, the progress that has already been made by the leading pharmaceutical firms in promoting full disclosure.

Mr. President, I ask unanimous consent that the New England Journal article of August 18, 1983, by Dr. Jeffrey Brown, who has done so much to bring this matter to public attention, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INCOMPLETE LABELING OF PHARMACEUTICALS: A LIST OF "INACTIVE" INGREDIENTS

TO THE EDITOR.—After making an effort to ascertain whether an antibiotic prescribed for a patient with extreme lactose intolerance contained lactose as a "filler," I was most surprised to learn that pharmaceutical ingredients that are not classified as being active for a particular oral medication are often not listed on the medication label, in the package insert, or in the "Physicians' Desk Reference."

Such commonly used "inactive" adjuvants as lactose have been documented as causing gastrointestinal symptoms in lactose-sensitive patients,[1] and benzyl alcohol used as a bacteriostatic agent in normal saline has been implicated in neonatal deaths and neurologic complications.[2] Pharmacologic additives used for coatings, binders, fillers, coloring, and flavoring have also been described as causing adverse reactions, which may erroneously be assumed to have been caused by the "active" ingredient in the medication.[3]

Because labeling requirements for food additives are so strict, physicians may believe that similar regulations pertain to oral medications prescribed for patients who are already ill. Unfortunately, such is not the case, and the absence of a substance from a pharmaceutical label should not be interpreted as indicating that the substance is not present.

Unlabeled pharmacologic excipients are extremely difficult for physicians to evaluate as possible causal agents when untoward drug reactions occur. More important, additives considered to be undesirable for a particular patient may be prescribed despite the availability of alternative dosage forms when the physician is not aware of the specific additives that are present. Additives considered inactive by the pharmaceutical company and the Food and Drug Administration may not be inactive in a specific treatment situation.

Given the lack of labeling requirements for pharmaceuticals, a list of "Inactive Ingredients for Approved Prescription Drug Products," compiled by the Food and Drug Administration and dated May 4, 1982, is included for reference.

JEFFREY L. BROWN, M.D.,
United Hospital.

1. Lieb J, Kazienko DJ. Lactose filler as a cause of "drug induced" diarrhea. N Engl J Med 1978; 299:314.

2. Brown WJ, Buist NR, Gipson HT, Huston RK, Kennaway NG. Fatal benzyl alcohol poisoning in a neonatal intensive care unit. Lancet 1982; 1:1250.

3. Smith JM, Dodd TRP. Adverse reactions to pharmaceutical excipients. Adv Drug React Acid Poison Rev 1982; 1:93-142.

The Food and Drug Administration's List of Inactive Ingredients for Approved Prescription Drug Products, May 4, 1982. (The following list is reprinted as it was received by Dr. Brown from the Food and Drug Administration):

Acacia, Acacia mucilage, Acetic acid, glacial, Acetone, Acetone sodium bisulfite, Acetylated monoglyceride, Adipic acid, Agar, Alcohol, Alcohol, absolute, Alcohol, denatured, Alcohol, diluted, Alginic acid, Alkyl ammonium sulfonic acid betaine (sulfobetaine DEH), Alkyl aryl sulfonate, Allantoin, Althea, Aluminum, Aluminum diacetate, Aluminum hydroxide, Aluminum hydroxide gel, Aluminum oxide, activated, Aluminum potassium sulfate, Aluminum silicate, Aluminum silicate pentahydrate, Amberlite, Amberlite IR-120, Amberlite XE-58, Amberlite XE-88, Amerchol C, Amerchol-CAB, Aminoacetic acid, Ammonia, Ammonia solution, Ammonium hydroxide, Ammonium salt of C-12-C-15 linear primary alcohol ethoxylate, Ammonium sulfate, Amphoteric-2, Amylopectin, Anethole, Anethole spirit (anise), Anise oil, Anise, star, Aquacel 126, Aquaphor, Arlacel, Ascorbic acid, Ascorbyl palmitate, Atmos 300, Attapulgite, activated.

Beeswax, Bentonite, Benzalkonium chloride, Benzethonium chloride, Benzoic acid, Benzyl alcohol, Benzyl benzoate, Benzyl chloride, Beta-naphthol, Betose, Bis (N-octyl) phthalate, Bis (2-ethlyhexyl) phthalate, Bismuth subcarbonate, Boric acid, Butadiene-styrene rubber, Butane, Butyl alcohol, Butylated hydroxyanisole (BHA), Butylated hydroxytoluene, Butylparaben.

Calcium acetate, Calcium ascorbate, Calcium carbonate, Calcium chloride, Calcium citrate, Calcium gluceptate, Calcium hydroxide, Calcium phosphate, Calcium phosphate, dibasic, Calcium phosphate, dibasic, dihydrate, Calcium phosphate, monobasic, Calcium phosphate, tribasic, Calcium pyrophosphate, Calcium salicylate, Calcium silicate, Calcium stearate, Calcium sulfate, Calcium sulfate dihydrate, Calcium sulfate hemihydrate, Caprylic/capric triglyceride, Captan, Caramel, Carbomer 934, Carbomer 934P, Carbomer 940, Carbomer-941, Carbon, Carbon black, Carbon dioxide, Carbon tetrachloride, Carbonates, Carbopol 934, Carbopol 940, Carboxymethyl starch, Carboxymethylcellulose, Carboxypolymethylene, Carboxyvinyl copolymer resin, Cardamom, Carmellose calcium, Carmellose sodium, Carmine, Carrageenan, Carrageenan salt, Castor oil, Castor oil, hydrogenated, Cellulose, Cellulose acetate phthalate, Cellulose, microcrystalline, Celuta B, Cerasynt-SE, Ceresin, Cetomacrogol 1000, Cetostearyl alcohol, Cetyl alcohol, Cetyl esters wax, Cetyl stearyl alcohol, Cetylpyridinium chloride, Charcoal, Charcoal, activated, Charcoal, animal, purified, Cherry, Cherry juice, Chlorobutanol, Chlorobutanol, anhydrous, Chlorocresol, Chloroform, Chloroxylenol, Cholesterol, Cinnamon, Cinnamon oil, Cis-N-(3-chloroallyl) hexaminiumchloride, Citric acid, Citric acid, hydrous, Citric acid monohydrate, Clove oil, Cochineal, Cocoa bean, Coconut fatty acid, Coconut oil, Coffee, Color mixture light pink WD-1270,

Coriander oil, Corn oil, Corn syrup, Cottonseed oil, Cottonseed oil with 1 per cent oxystearin, Cottonseed oil, hydrogenated, Croscarmellose sodium, Crospovidone.

Decaglycerol tetraoleate, Dehydroacetic acid, Dextrin, Dextrose, DI-PAC (97% sucrose-3% modified dextrins), Dibutyl phthalate, Dicyclohexyl-carbodiimide Diethanolamine, Diethyl sebacate, Diethylamine, Diisopropanolamine, Diisopropladipate, Dimethicone 350, Dimethoxane, Dioctyl sodium sulfosuccinate/sodium benzoate, Dipace (diisopropylbenzothiazyl-2-sulfenamide), Disodium edetate dihydrate, Docusate sodium.

Edetate calcium disodium, Edetate disodium, Edetate sodium, Edetic acid, Egg yolk phosphatides, Emulsion base, Entsulfon, Entsulfon sodium, Erythorbic acid, Ethomeen C-25, Ethoxylate cholesterol, Ethyl acetate, Ethyl lactate, Ethyl phthalate, Ethyl vanillate, Ethyl vanillin, Ethylcellulose, Ethylene glycol monostearate, Ethylene oxide, Ethylene vinyl acetate copolymer, Ethylene propylene copolymer, Ethylenediamine, Ethylparaben, Eugenol.

Fatty acid, Fatty acid esters, saturated, Feculose, Ferric oxide, Ferrous citrate, Ferrous oxide, Flavor, Flavor abbatisle C. Imit, Flavor anise, Flavor apple, Flavor apricot, Flavor Banana, Flavor banana imit, Flavor berry cream, Flavor black cherry, Flavor black currant, Flavor bubble gum, Flavor butterscotch imit, Flavor caramel currant imit #22086, Flavor cherry, Flavor cherry artificial, L-1233 spralene, Flavor cherry mint imit, Flavor cherry vanilla imit, Flavor cherry-anise PFC 9758, Flavor cherry, wild, artificial, Flavor chocolate imit, Flavor citrus imit, Flavor cocoa, Flavor coconut custard, Flavor cream imit, Flavor cream soda, Flavor currant mint imit, Flavor custard imit, Flavor essence lemon terpeneless, Flavor essence orange terpeneless, Flavor fig imit, Flavor fruit imit, Flavor grape, Flavor grape nectar PFC 8599, Flavor grapefruit, Flavor guarana imit, Flavor kola imit (cola), Flavor lemon, Flavor lemon extract, Flavor lemon imit, Flavor lemon-lime imit, Flavor lime, Flavor mafco-magnasweet 180, Flavor mint, Flavor orange, Flavor orange extract I-1805, Flavor oranges imit, Flavor passion fruit imit, Flavor peach, Flavor peach imit, Flavor peppermint imit, Flavor peppermint, natural spraylene, Flavor pineapple, Flavor pineapple imit, Flavor pineapple orange imit, Flavor punch imit, Flavor raspberry, Flavor raspberry imit, Flavor rhodia pharmaceutical #RF 451, Flavor root beer, Flavor rum and butter mint, Flavor spearmint, Flavor strawberry, Flavor strawberry artificial 5210 (FD&D), Flavor strawberry imit, Flavor tetrarome, Flavor tutti fruitti imit, Flavor vanilla, Flavor vanilla-bauna, Flavor veralock bubble gum, Flavor wild cherry, Flavor 18317 artificial addition, Flavor, apricot imit, Flavor, buttermint toffee imit, Flavor, cherry imitation, Flavor, fritsche, Flavor, fruit mint 75588, Flavor, fruit punch, Flavor, lemon vanilla, Flavor, mixed fruit, Flavor, natural and artificial compound no. 57820/A, Flavor, orange-lemon terpeneless, Flavor, sherry, imit, Flavor, vanilla imit, Flavor, berry citrus blend 9756, Flour, Food glaze, Formaldehyde, Fragrance bouquet RE essence 9200, Fragrance PO FL-147, Fragrance, spicy metholated eugenol, Fragrance, unspecified, Fructose.

Galactose, D-, Gelatin, Gelfoam sponge, Gentisic acid, Ginger fluid extract, Glucose, liquid, Glutamic acid hydrochloride, Glutathione, Gluten, Glycerin, Glycerol alpha monostearate, Glycerol monostearate, Glycerol monostearate/polyoxyethylene stearate, Glycerol, iodinated, Glyceryl distearate, Glyceryl monoricinoleate, Glyceryl stearate, Glyceryl 1-monoricinoleate, Glycyrrhizin, ammoniated, Guar gum, Gum rosin.

Hexane, Hydrocarbon 40, Hydrochloric acid, Hydrogen peroxide, Hydrogenated vegetable oil, Hydrolose, Hydroxyethylcellulose, Hydroxypropyl methylcellulose, Hydroxypropyl methylcellulose phthalate, Hystrene.

Ink black OKIE A-10527, Ink black (all purpose) A-10450 OKIE, Ink blue-black A-10464, Ink blue-black OKIE A 9371, Ink dark green A-10464 OKIE, Ink dark green A-10629 OKIE, Ink edible black, Ink edible brown, Ink edible white, Ink edible yellow, Ink, light redwood, Ink, edible white, Invert sugar, Iron oxide (unspecified), Iron oxide, black, Iron oxide, yellow, Isobutane, Isobutanol, Isooctylacrylate, Isopropyl alcohol, Isopropyl myristate, Isopropyl palmitate, Isopropyl stearate, Jelene.

Kaolin, Keltose, Keltrol.

Lactate, Lactic acid, Lactic acid, DL-, Lactobionate, Lactose, Lactose monohydrate, Lactose, anhydrous, Lakoline green B3323, Landalgene, Landalgine P, Lanogel-41, Lanolin, Lanolin alcohol, polyoxyethylene, Lanolin alcohols, acetylated, Lanolin cholesterols, Lanolin, anhydrous, Lanolin, hydrogenated, Laureth 23, Laureth 4, Lauric diethanolamide, Lauric myristic monoethanolamide, Lauric/myristic diethanolamide, Lauryl lactate, Lecithin, Lecithin, soy bean, Lemon oil, Lemon tincture, Lime, Lime oil, distilled, Locust bean gum, Lubritab.

Magnesium carbonate, Magnesium chloride, Magnesium chloride hexahydrate, Magnesium hydroxide, Magnesium oxide, Magnesium silicate, Magnesium stearate, Magnesium sulfate, Magnesium sulfate, anhydrous, Malic acid, L-, Mandarin oil, expressed, Maganese sulfate, Mannitol, Mannose, D-, Medronic acid, Meglumine, Menthol, Methanol, Methyl acrylate-methyl methacrylate, Methyl chloride, Methylated spirits, Methylcellulose, Methylene chloride, Methylparaben, Microcrystalline wax, Mineral oil, Mineral oil, light, Mistron spray talc, Mono- and di-glycerides, Monothioglycerol, Mullein leaf, Muscatel wine, Myristyl alcohol, Myvacet type 5-00, Myvacet type 9-40.

N-decyl-methyl sulfoxide, N,N-Dimethylacetamide, Nitric acid, Nitrogen, Non-pareil seed, Nu-tab (combination of sugar, starch, and megnesium stearate), Nutmeg oil, expressed.

Octoxynol, Octylphenol polymethylene, Octylphenoxypolyethoxyethanol (Triton X-15), Oleic acid, Oleyl alcohol, Olive oil, Opacoat blus NA-4108, Opacoat lavender NA-4711, Opacoat NA 4111, Opacoat NA2203/colorcon, Opacoat No. S-1-8075, Opacoat pink #NA 1247-colorcon, Opacoat S-1-8090 (black), Opaglos clear, Opalux AS 1522, Opalux AS 1537 pink, Opalux AS 1771 (violet), Opalux AS 2236, Opalux AS 2490 coral, Opalux AS 2553 (orange), Opalux AS 3140 (green), Opalux AS 3287, Opalux AS 3308 (green), Opalux AS 3376, Opalux AS 3910 (maroon), Opalux AS 4151 blue, Opalux AS 4193 (light blue), Opalux AS 4258 (blue), Opalux AS 5107, Opalux AS 7000B, Opalux AS 8010-A (black), Opalux AS 9010 (brown), Opalux AS-2007 (yellow), Opalux AS-2094, Opalux AS-2167 (yellow), Opalux AS-2269 yellow, Opalux AS-2413, Opalux AS-3389 green, Opalux AS2230A (yellow), Opalux orange AS 2498, Opalux red, Opalux snow white, Opalux tan 4188, Opalux 1927 (maroon), Opaseal, Opaspray, Opspray (coral), Opaspray (K-1-2269), Opaspray blue K-1-4108, Opaspray K-1-1230 (pink), Opaspray K-1-2216-A (yellow), Opaspray K-1-2227 (yellow), Opaspray K-1-2228 (yellow), Opaspray K-1-2406 (orange), Opaspray K-1-2531, Opaspray K-1-2614 (beige), Opaspray K-1-2614 (oxide beige), Opaspray K-1-2711, Opaspray K-1-3000, Opaspray K-1-3843, Opaspray K-1-4119, Opaspray K-1-4122 (blue), Opaspray K-1-4136 (blue), Opaspray K-1-4205 (blue), Opaspray K-1-4210 A, Opaspray K-1-4214, Opaspray K-1-4786, Opaspray K-1-7000 white, Orange juice, Orange juice, synthetic, Orange oil, Orange oil, terpeneless, Orvus K liquid, Ovus WA paste, Ozokerite.

Paraffin, Peanut oil, Pectin, PEG 20 cetyl/stearyl ether, Peppermint, Peppermint oil, Perfume compound bouquet 10328, Perfume PA 16705, Perfume 3949-5, Perfume 91-122, Perfumes, Peruvian balsam, Petrolatum, Petrolatum white, Petroleum, Petroleum benzin, Petroleum naptha, Pharma-sweet 24052, Pharmaceutical glaze, Phenethyl alcohol, Phenol, Phenylethyl alcohol, Phenylmercuric acetate, Phenylmercuric nitrate, Phospholipid, Phosphoric acid, Piere-Stevens thinner, Plastibase, Plastibase-50W, Polacrilin potassium, Polawax A-31 (ethoxylated stearyl alcohol), Poloxalkol, Poloxamer, Polyethylene glycol 100 stearate, Polyethylene glycol 1000, Polyethylene glycol 1500, Polyethylene glycol 1540, Polyethylene glycol 200, Polyethylene glycol 300, Polyethylene glycol 3350, Polyethylene glycol 400, Polyethylene glycol 400 monostearate, Polyethylene glycol 4000, Polyethylene glycol 6000, Polyethylene glycol 8000, Polyethylene glycol-20-stearate, Polyethylene glycols, Polyolefin/aluminum/polyester, Polyox, Polyoxyethylated stearyl alcohol, Polyoxyethylene, Polyoxyethylene fatty alcohol ether, Polyoxyethylene palmitate, Polyoxyethylene propylene, Polyoxyethylene sorbitan monoisostearate, Polyoxyethylene stearate, Polyoxyethylene 25 propylene glycol stearate, Polyoxyethylene (20 MOLS) oleyl alcohol, Polyoxyl 40 stearate, Polypropylene, Polysaccharide, Polysorbate, Polysorbate 20, Polysorbate 40, Polysorbate 60, Polysorbate 80, Polyvinyl acetate, Polyvinyl acetate phthalate, Polyvinyl alcohol, Polyvinyl chloride, Polyvinylpyrrolidone ethylcellulose, Poppy seed oil, Potash, Potassium, Potassium carbonate, Potassium chloride, Potassium citrate, Potassium hydroxide, Potassium metabisulfite, Potassium phosphate, dibasic, Potassium phosphate, monobasic, Potassium sorbate, Povidone, Primary taste modifier #29275, Primojel, Product wat, Promalgen type G, Promalgen D, Promulgen G, Propionic acid, Propyl alcohol N-, Propyl gallate, Propylene carbonate, Propylene glycol, Propylene glycol alginate, Propylene glycol diacetate, Propylene glycol monostearate, Propylparaben, Protein hydrolysate.

Quso-G 32.

Rosin.

Saccharin, Saccharin calcium, Saccharin sodium, Salicyluric acid, Septisol, Sesame oil, Shellac, Silica, diatomaceous, Silicic acid (silica), Silicon, Silicon dioxide, colloidal, Silicone fluid (oil), Simethicone, Sipon L-20, Sodium acetate, Sodium acetate anhydrous, Sodium alginate, Sodium alkyl sulfate, Sodium alkylaryl polyether sulfonate, Sodium benzoate, Sodium bicarbonate, Sodium bisulfate, Sodium bisulfite, Sodium borate, Sodium calcium edetate, Sodium carbonate, Sodium carbonate hydrate, Sodium carboxymethyl starch, Sodium chlorate, Sodium chloride, Sodium citrate, Sodium citrate anhydrous, Sodium desoxycholate, Sodium dodecylbenzenesulfonate,

Sodium formaldehyde sulfoxylate, Sodium gluconate, Sodium hydroxide, Sodium L-lactate, Sodium lauryl sulfate, Sodium lauryl sulfoacetate, Sodium metabisulfite, Sodium nitrate, Sodium phosphate, Sodium phosphate heptahydrate, Sodium phosphate, dibasic, Sodium phosphate, dibasic, dihydrate, Sodium phosphate, monobasic, Sodium phosphate, monobasic, monohydrate, Sodium phosphate, tribasic, Sodium propionate, Sodium stearate, Sodium stearyl fumarate, Sodium sulfate, Sodium sulfate, anhydrous, Sodium sulfite, Sodium tartrate, Sodium thiomalate, Sodium thiosulfate, Sodium xylenesulfonate, Sodium 2-naphtholene sulfonate, Solulan C-24, Solution A, Sorbic acid, Sorbitan monolaurate, Sorbitan monooleate, Sorbitan monopalmitate, Sorbitan monostearate, Sorbitan sesquioleate, Sorbitan trioleate, Sorbitol, Sorbitol solution, Soybean flour, Soybean oil, Soybeal oil, hydrogenated, Spearmint oil, Sperm oil wax, Squalane, Squalene, Stannous chloride, Stanofil, Starch, Stear-o-wet C, Stear-o-wet M, Stearic acid, Stearyl alcohol, Sucrose, Sucrose esters, Sugar/starch insert granules, Suppocire, Syrup.

T-butyl hydroperoxide, Talc, Tall oil, Tartaric acid, Tellurium, Tenox, Terpene resin, Tetrachloroethylene, Theobroma oil, Thiazoximic acid, Thimerosal, Thioglycerol, Thixcin-R (modified 1-hydroxy sterin), Thymol, Titanium dioxide, Tocopherol, DL-alpha, Tocopheryl acetate, D-alpha, Tocopheryl acetate, DL-alpha, Tragacnth, Triacetin, Trichloroethane, Trichloroethylene, Triethanolamine, Triethanolamine lauryl sulfate, Triethyl citrate, Triethylenemelamine, Triglyceride, synthetic, Triglycerides, unspecified length, Trihydroxy stearin, Trisodium-N-heedta, Tristearin, Trithiazoximic acid, Triton X-200 sodium salt of alkylaurylpolyether suffonate, Triton-720, Ttyloxapol.

Urea.

Vanillin, Veegum, Veegum F, Veegum HV, Veegum K, Vegetable oil, Vegetable oils, hydrogenated, Veagetable stearine, Velvetine black powder, Viscarin.

Water, Wax, candelilla, Wax, carnauba, Wax, carnauba, yellow, Wax, cetyl esters, Wax, concord, Wax, emulsifying, Wax, white, Wax, yellow, Wecobee FS, Wecobee M, Wheat meal, Wood alcohols, Wool wax alcohol ointment.

Xanthan gum, Xenon,

Zein, Zinc oxide, Zinc pyrithione, Zinc sterate, Zinc sulfate.

Opalux AS-5212, 1-(3-cholroallyl)-3,5,7-triaza-1-azoniaadamantane chloride, 1,0-tolylbiguanide, 1-tetradecyl-4-picolinium chloride, 1,1,1-trichloroethane, 1,2,6-hexanetriol, 2-amino-2-methyl-1-propanol, 2-ethyl hexanoic acid, 2-hydroxy-N-cyclopropylmethyl, morphinan hydrocholride, 2-mercaptobenzothiazole.

THE SEARCH FOR THE HEALTHY BODY: ON THE ORIGINS OF THIS MODE

The sheer volume of literature providing medical advice for the proverbial layperson is awesome. We pause to ask, Why?

The beginnings of popularized advice go back to medieval times, when the body gradually acquired a new distinction in Everyman's perception and thought. No longer did people believe the soul dwelt in the house of the body, for the body itself replaced the soul, thus becoming the sacred object of religious salvation and, in turn, of a secular search to save it. Bodily suffering, which might purge the soul of sin while chastising the flesh on its way to heaven, was neither to be endured piously nor left unattended. Doctors could now be summoned. Medical advice and anatomic drawings became popular, and with the advent of printing, advice books for the general public began to appear—the beginning of a continuum to the present.

Joubert's "Erreurs Populaires" (1578; published in French and for a public audience) illustrates this early trend. In his translation ("Proceedings of the International Congress for History of Medicine." Quebec, 1976) Ackerman reports that the author affirms "that it isn't sinful to call in physicians and use medicinals when one is sick." Even earlier works of popular advice had been produced, though in inaccessible (to us) Latin, and are now available in a beautifully illustrated modern translation, "The Medieval Health Handbook: Tacuinum sanitatis" (New York: G. Braziller, 1976). This book sets forth the six proper habits for the healthy body, along with many simple cures, such as rice for colic and beets for dandruff.

OF RELIEF, CURE, OR JUST HELP

In the early 19th century—especially in frontier or wilderness living—advice books were do-it-yourself manuals to maintain the self-reliance born of poverty, a lack of doctors, and a realistic suspicion of the therapeutics of those who could be found. In their historical essay "Making Sense of Self: Medical advice literature in late 19th century America" (Philadelphia: University of Pennsylvania Press, 1981), Anita and Michael Fellman observe that much of that literature was still designed to foster self-treatment. These readings (along with the care that had been learned at home from parents, usually mothers) substituted for the doctor. The themes included general rules for a healthy body, as well as medication for sickness. As the Fellmans argue, such broad topics reflected the contradictions of an age in which control of personal habits (avoidance of drink) through will power might make for a healthy body despite a social environment with a propensity to make one sick with poverty, industrialization, harsh community life, and economic uncertainty. Later in the century, when the public gained confidence in physicians, this self-treatment literature no longer substituted for but served to reinforce the doctor's instructions. These themes all continued to appear: what to do to avoid the doctor, what to take that doctors recommend, and finally, better alternatives when conventional medicine fails.

Now, the efficacy of treatment is questioned less than the doctor's control of the patient. Critics such as Illich and Lasch view going to the doctor as an unnecessary subordination of the person to experts. Some of today's books strive to liberate the public from medical control, substituting instruction on do-it-yourself care for that given by the doctor. Economy-conscious prepaid medical practices also encourage self-instruction to cut the costs of "unnecessary visits." In books that offer self-treatment as a way to avoid the doctor, the patient is instructed to follow the same algorithms of medical decision logic that are taught to physicians. Although Vickery and Fries' book, "Take Care of Yourself: A consumer's guide to medical care" (Reading, Mass.: Addison-Wesley, 1976) does just that (and contains a hidden promise to help the reader save on premiums), it is not certain whether such books detour readers from the doctor or whether they actually move them to seek help as the "worried well" rather than as genuine seekers of medical help.

By Mr. HART:

S. 1412. A bill to increase the tariff on petroleum and petroleum products by $10 per barrel; to the Committee on Finance.

OIL FREEDOM ACT

● Mr. HART. Mr. President, the hostage crisis in Beirut has revisited on all Americans the anguish and frustration of the hostage crisis in Iran. We saw once again how swiftly the political and religious unrest of that region can reach us and do us harm.

When we recall our hostages in Tehran, we also recall how that country's irresponsible government held our whole economy captive. We need not travel in the Eastern Mediterranean to feel threatened. Anyone who owns a car, or works in a factory or on a farm, or burns oil for heat or electricity, was an economic hostage, and could become one very soon again.

Twice in the 1970's we were subjected to disruptions in our critical supplies of foreign oil. Twice we saw the price of vital energy soaring out of control, fueling one-third of all the inflation we experienced in that decade.

When violence and insurrection flare in the Middle East, we all feel the heat. Why, Americans ask, should we be so vulnerable? How can we be so boldly held for ransom?

Mr. President, in both the 96th and the 97th Congress, I proposed that we reject this vulnerability by the strongest economic means available. I proposed that we demonstrate to the OPEC oil ministers, and the world, that we as Americans—now as always—will make whatever choices are necessary to preserve our independence.

My proposal then was an import fee of $10 on every barrel of crude oil or petroleum product entering our country. It was strong medicine but sound policy.

Today, I offer that same prescription. Its goal, energy independence for America, is also unchanged. But circumstances have changed, and this should alert us to an invaluable opportunity.

Changes in the politics and economics of oil, at home and abroad, have intensified the demand for action. At the same time, they enable us to act with greater assurance and effectiveness than ever before.

Consider the news from the OPEC oil ministers' meeting in Vienna. The ministers' failed to reach a meaningful agreement, reflecting world trends that can be turned to our Nation's advantage.

OPEC has fallen on hard times. Its members are deeply divided over production levels and pricing policies. Saudi Arabia, the powerhouse of OPEC, is frankly tired of observing its production ceiling while wayward OPEC partners flagrantly disregard theirs.

Indeed, the timing of this meeting could not have been more appropriate. Even as we enjoyed our Independence Day weekend, the oil ministers were providing an unparalleled opportunity for us to enhance our energy independence.

President Kennedy liked to say the time to fix the roof is when the sun is shining. The sun is breaking through the clouds, Mr. President; it's time to get to work.

The Oil Freedom Act of 1985 would place a $10 tariff on petroleum imports and so accomplish four critical objectives.

We would lessen our immediate dependence on foreign producers and so reduce our exposure to supply disruptions.

We would revive the strongest motive for energy conservation.

We would provide renewed stimulus for domestic oil drilling and discovery.

And we would help reverse the trend toward ever greater trade deficits.

As important as all these objectives are, the greatest of them is the assurance of our national security—the securing of strategic energy sources.

Since the first oil shock of 1973, economists have generally agreed that every 10-percent increase in the price of oil cuts our consumption by about 1 percent. By that rule of thumb, a $10 tariff on the current world could cut our daily oil consumption by 4 percent, or about 650,000 barrels.

Because we import oil to meet the demand our domestic production fails to meet, this reduced consumption would mean 650,000 fewer barrels of imported oil each and every day. That would cut our current level of dependency by 14 percent at the outset.

But as time went on, we could adapt our energy use and so strengthen our energy independence. Energy analysts tell us we could eventually save a million barrels a day or more—cutting imports by more than 20 percent.

This tariff would ensure that the true cost of dependence on foreign oil was brought home. And that would reinvigorate both conservation effort and energy exploration here at home.

Conservation, our greatest renewable source of energy, has helped us claim what measure of energy independence we maintain today. But the progress we have made is not enough.

Before the 1973 Arab embargo, oil accounted for 52 percent of final energy consumption in the United States. Today, it accounts for 51 percent. And since that embargo, we have actually increased our use of petroleum for transportation by 8.5 percent in terms of Btu consumed.

The Solar Energy Research Institute predicts we could cut our overall energy use 25 percent by the year 2000 without reduction in necessary uses or quality of life. But lower oil prices tempt us astray. The International Energy Agency, at its last meeting in Paris, formally chastised the United States for again building more big cars.

If we are to achieve strategic independence—producing all the energy we truly need and setting our own terms for any imports—we must stop backsliding into energy profligacy. By raising the value of energy saved, we would reinforce the lesson that conservation efforts—in all sectors and at all levels—must be pervasive and permanent.

At that Paris meeting, the IEA proposed a gasoline tax increase as high as 30 cents a gallon. I would rather see us put the pressure where it will do us the most good—on imported oil.

By so doing, we achieve that third objective I spoke of: Restoring basic incentives for finding, developing, and producing more oil here at home.

When last I proposed and fought for this measure in the Senate, we were told that the decontrol of oil prices was about to solve all our energy problems. Decontrol did accomplish some good. When oil went to $35 a barrel in 1981, we all reevaluated the costs of our energy use—and domestic drilling boomed.

But the decontrol incentive has run its course. The price of oil is falling, and economists and energy analysts predict it will keep falling for a year or more. Some say it could drop below $20 a barrel.

Welcome as this trend may be, it eviscerates our domestic drilling industry. We had 4,000 drill rigs working 4 years ago, today we have only 1,850. And the price is still falling.

Can anyone fail to see the disastrous direction this is taking us? We annually use more oil than we find in our country, and we have done so every year for the last 15. The lone exception was 1981, the year prices were decontrolled.

And this precarious situation is about to worsen. According to Charles Ebinger of the Georgetown Center for Strategic and International Studies, daily U.S. production could drop by as much as 1.5 million barrels within the next 10 years. Falling world oil prices will continue to exacerbate this situation, as U.S. producers earn less and less on drilling strikes.

Last year, our foreign dependence was back up to 30 percent. But if we continue to weaken as a domestic producer, we will look back on 30 percent with nostalgia. By allowing our domestic production to flag now, we condemn ourselves to ever-greater tides of imported oil in the future.

Energy analysts say we cannot predict the precise amount of oil we will find and produce domestically as a result of the tariff. But the consensus clearly supports the tariff's ability to encourage exploratory drilling.

The Office of Research and Statistical Analysis for the Texas Railroad Commission provides one estimate of how sharp this spur could be. Based on the relationship between oil prices and drilling activity over the past decade, this source estimates that a $5 tariff on current prices would raise the number of active rigs to nearly 3,100—an increase of 67 percent.

Of course, that tariff level is only half the one I have proposed. But it gives us an idea of what could be achieved—even if the exporting nations were able to pass only half the $10 tariff through to their U.S. customers.

Compare that scenario to the current situation, in which falling prices and present policies cannot hope to stimulate new drilling. That's why the Energy Information Administration and private firms such as Data Resources Inc., are warning that our oil imports will double in the next decade.

Mr. President, these numbers alone should awaken those who slumber in a false sense of energy security. But consider yet a fourth potent benefit of the oil tariff:

It would take a healthy bit out of the merchandise trade deficit, which ballooned to $107 billion on current account last year. Payments to oil exporters—net of receipts for petroleum exports—accounted for $53 billion, just a hair under half of the total.

As the tariff cuts our consumption and imports and so nudges the world price downward, we could, in a few years, stanch that $53-million hemorrhage by a quarter or even a third.

Mr. President, previous discussions of such a tariff have been sidetracked by those who would call it a tax increase. The Congressional Budget Office has estimated that a $10 tariff on oil imports could bring as much as $18 billion into the Treasury.

But under my proposal, all receipts resulting from the tariff would be returned to energy consumers. They would go first to the poor, who may feel the fee's effects most, and then to consumers at large. These rebates could also be adjusted geographically, so that cost relief is distributed just as the retail-price effects of the fee are distributed.

This is an important point. Our energy independence is too important to be derailed by the political rhetoric of "tax increases."

The Oil Freedom Act of 1985 would direct the Department of Energy and the Social Security Administration to determine the tariff's retail-price effect on households now eligible for low-income energy assistance. It also would authorize such additional assistance under that program as to counteract the tariff's effect on those households.

The remainder of the revenue would go to the Social Security trust fund for reducing Social Security taxes. Again, the Secretaries of Energy and of Health and Human Services would be charged with measuring the effect of the tariff on income groups and geographical areas.

But such rebates would not be our only means of easing the burden on consumers. The declining world price of oil, resulting from declining U.S. demand, would also cushion that burden in two ways.

First, it would prevent exporting countries from passing the full tariff through to U.S. consumers. This will work even better if our tariff prompts other importer nations to impose similar fees on soil. Energy analysts, including critics of the tariff, estimate exporters will have to absorb 25 to 30 percent of that tariff, thanks to reduced U.S. demand and to competition among exporters for markets.

Also, the falling world oil price will soften the tariff's effect on the price of consumer products. We would pay somewhat more than we do now, but considerably less than we paid 3 or 4 years ago.

This is especially true when measured in constant dollars. And it helps explain why the current market offers such a magnificant opportunity for a major policy move. Economists who once saw a tariff slowing growth and boosting inflation are taking a second look. Independent oil producers who once rejected the tariff idea are beginning to embrace it.

I hope that the Senate, too, will take another long and thoughtful look Mr. President. The world of energy is in turmoil. Price conditions empower us economically, even as the dangers of disruption persist. Fresh evidence of the Middle East's volatility is before us, reviving memories of our vulnerability. Alarms are sounding.

Mr. President, the longer we rely on foreign sources, the more we risk armed conflict to protect them. A policy that envisions war for foreign oil—war in a remote and hostile region, overshadowed by the Soviet Union—is not a policy of national security. It is the opposite.

What a tragedy it would be for young Americans to die in a needless and futile Persian Gulf war. If we go to war for oil, we will get war—not oil.

We need a policy that produces oil rather than purchasing it with our economic birthright and the lives of our youth. We can balance supply and demand on our own terms, not those of OPEC. We can make 1985 the year we not only declare our energy independence but make the strong moves to achieve it.

Mr. President, I ask unanimous consent that a copy of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.1412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Item 475.05 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by striking out "$0.125¢ per gal." and inserting in lieu thereof "$10.0525 per Bbl.", and

(2) by striking out "0.5¢ per gal." and inserting in lieu thereof "$10.21 per Bbl.".

(b) Item 475.10 of such Schedules is amended—

(1) by striking out "0.25¢ per gal." and inserting in lieu thereof "$10.105 per Bbl.", and

(2) by striking out "0.5¢ per gal." and inserting in lieu thereof "$10.21 per Bbl.".

(c) Item 475.25 of such Schedules is amended—

(1) by striking out "1.25 cents per gal." and inserting in lieu thereof "$10.525 per Bbl.," and

(2) by striking out "2.5 cents per gal." and inserting in lieu thereof "$11.05 per Bbl."

(d) Items 475.30, 475.35 and 475.65 of such Schedules are each amended—

(1) by striking out "0.25 cents per gal." and inserting in lieu thereof "$10.105 per Bbl.," and

(2) by striking out "0.5 cents per gal." and inserting in lieu thereof "$10.21 per Bbl."

(e) Item 475.45 of such Schedules is amended—

(1) by striking out "2 cents per gal." and inserting in lieu thereof "$10.84 per Bbl.," and

(2) by striking out "4 cents per gal." and inserting in lieu thereof "$11.68 per Bbl."

SEC. 2. Aid to Lower Income Individuals and Families.

There is authorized to be appropriated to the President for the purpose of providing or increasing funding for any program of the United States under which financial assistance (including loans and loan guarantees) is provided to lower income individuals and families adversely affected by increased energy costs, an amount equal to the monetary effect on such individuals and families of the tariff imposed under Section 1 of this Act. The monetary effect of the tariff on such individuals and families is to be jointly determined by the Secretary of Health and Human Services and the Secretary of Energy. Amounts appropriated pursuant to the preceding sentence shall be obligated or expended only in connection with such programs as may be provided for by law.

SEC. 3. Transfer of Revenues to Social Security Trust Fund.

Section 201(a) of the Social Security Act (42 U.S.C. 401(a)) is amended—

(1) by striking out the period at the end of clause (4) and inserting in lieu thereof a semicolon and "and,"

(2) by inserting immediately after clause (4) the following new clause:

"(5) the sum of the additional tariffs on petroleum and petroleum products imposed by Section 1 of this Act, less the amount required for purposes of Section 2 of this Act.

SEC. 4. Reduction of Social Security Tax Rate.

Notwithstanding any other provision of law to the contrary, the Secretary of the Treasury shall, from time to time, reduce—

(1) the rates of tax imposed by sections 3101(a) and 3111(a) of the Internal Revenue Code of 1954 (relating to old-age, survivors and disability insurance), and

(2) the rate of tax imposed by section 1401(a) of such Code (relating to old-age, survivors and disability insurance),

to the extent necessary to reduce the net revenue attributable to taxes imposed by such sections by the net revenues attributable to the tariff imposed by Section 1 of this Act in fiscal years beginning after the date of enactment of this Act. The rates of tax imposed by such sections, as reduced by the Secretary under the preceding sentence, shall be treated as the rates in effect for such sections for the periods designated by the Secretary at the time of such reductions.

SEC. 5. Distribution of Social Security Tax Rate Reductions.

The monetary effect of the tariff imposed by Section 1 of this Act on residents of each of the United States is to be determined jointly by the Secretary of Health and Human Services and the Secretary of Energy. The residents of no state shall receive a portion of the Social Security tax rate reductions enacted under Section 4 of this Act that is disproportionate to the residents of that state's portion of the total monetary effect of the tariff imposed by Section 1 of this Act.●

By Mr. WILSON:

S. 1413. A bill to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.; to the Committee on Energy and Natural Resources.

RAILROAD RIGHT-OF-WAY CONVEYANCE VALIDATION ACT

Mr. WILSON. Mr. President, I rise today to introduce legislation to validate conveyances of certain lands in the State of California. This bill concerns over 40 parcels of land that form part of the right-of-way granted to the Central Pacific Railway Co.—now known as the Southern Pacific Co.—by an act of Congress in 1862. This bill is important to my constituents, in particular, the city of Tracy. Clouded titles to the property bordering the Southern Pacific Railroad have made it very difficult to sell property, borrow money against it, or develop it. Consequently, these clouded titles have impeded investment and have encouraged the 50-percent vacancy rate that currently exists in this area.

This situation arose because the 1862 act which granted railroad rights-of-way required that if this land is not used for railroad purposes, it must revert back to the Federal Government. In the case of the land parcels identified in this bill, Southern Pacific sold the land to individuals and private developers without first offering it back to the Federal Government. This bill removes all Federal interest in this land and will grant considerable relief to my constituents who, through no fault of their own, now own property with unclear titles.

Without this bill, the clouded title status of the lands in question is an artificial roadblock standing in the way

of downtown development vital to Tracy's future. Mr. President, the need for this conveyance is clear. Equally clear, I believe, is the need to approve this conveyance at the earliest possible date. Thus, I strongly urge the favorable consideration of this measure by my colleagues. I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Right-of-Way Conveyance Validation Act of 1985".

SEC. 2. VALIDATION OF CONVEYANCES.

Except as provided in section 7, the conveyances described in section 3 (involving certain lands in San Joaquin County, State of California), section 4 (involving certain lands in Sacramento County, State of California), section 5 (involving certain lands in Kings County, State of California), and section 6 (involving certain lands in Nevada County, State of California), concerning lands that form parts of the right-of-way granted by the United States to the Central Pacific Railway Company in the Act entitled "An Act to aid in the Construction of a Railroad and Telegraph Line from the Missouri River to the Pacific Ocean, and to secure to the Government the Use of the same for Postal, Military, and Other Purposes", approved July 1, 1862 (12 Stat. 489), hereby are legalized, validated, and confirmed, as far as any interest of the United States in such lands is concerned, with the same force and effect as if the land involved in each such conveyance had been held, on the date of such conveyance, under absolute fee simple title by the grantor of such land.

SEC. 3. CONVEYANCES OF LAND IN SAN JOAQUIN COUNTY, STATE OF CALIFORNIA.

The conveyances of lands in San Joaquin County, State of California, referred to in section 2 are as follows:

(1) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Harvey Davies and Mary E. Davies, grantees, on January 13, 1981, and recorded as instrument numbered 81013684 on March 6, 1981, in the official records of San Joaquin County, State of California.

(2) the conveyance entered into between the Sourthern Pacific Transportation Company, grantor, and Gloria Martinez, Tina Marie Aldaco, and Yolanda Martinez, grantees, on January 13, 1981, and recorded as instrument numbered 81013685 on March 6, 1981, in the official records of San Joaquin County, State of California;

(3) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Gregorio Estrada Blanco and Antonio Miranda Blanco, grantees, on January 13, 1981, and recorded as instrument numbered 8103686 on March 6, 1981, in the official records of San Joaquin County, State of California;

(4) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Iris Fong, grantee, on January 13, 1981, and recorded as instrument numbered 81013687 on March 6, 1981, in the official records of San Joaquin County, State of California;

(5) the conveyance entered into between Central Pacific Railway Company and the the Southern Pacific Transportation Company, grantors, and Margaret Gieseke, grantee, on October 31, 1939, and recorded on February 13, 1940, in volume 669, page 473, of the book of official records of San Joaquin County, State of California:

(6) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and Henry Meiburg and Erna Meiburg, grantees, on October 31, 1939, and recorded on February 13, 1940, in volume 669, page 476, of the book of official records of San Joaquin County, State of California;

(7) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and Frank Ward, grantee, on October 31, 1939, and recorded on February 13, 1940, in volume 669, page 474, of the book of official records of San Joaquin County, State of California;

(8) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and Frank Penny, grantee, on October 31, 1939, and recorded on February 13, 1940, in volume 676, page 275, of the book of official records of San Joaquin County, State of California;

(9) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and John B. Coughlan, grantee, on October 31, 1939, and recorded on February 13, 1940, in volume 676, page 277, of the book of official records of San Joaquin County, State of California;

(10) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and the Fabian-Grunauer Company, grantee, on January 7, 1930, and recorded on February 7, 1930, in volume 1, page 86, of the book of official records of San Joaquin County, State of California;

(11) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and Libby McNeill and Libby, grantee, on October 31, 1928, and recorded on November 30, 1928, in volume 255, page 383, of the book of official records of San Joaquin County, State of California;

(12) the conveyance entered into between the Central Pacific Railway Company and the Southern Pacific Company, grantors, and A.J. Hussell, grantee, on January 7, 1930, and recorded on February 13, 1930, in volume 314, page 138, of the book of official records of San Joaquin County, State of California;

(13) the conveyance entered into between Charles Crocker, grantor, and Frank Curran, grantee, on January 8, 1880, and recorded on January 31, 1883, in book A. volume 49, page 600, of the deeds of San Joaquin County, State of California:

(14) the conveyance entered into between the Pacific Improvement Company, grantor, and Edward Curran, grantee, on May 24, 1901, and recorded on June 26, 1901, in book A, volume 116, page 118, of the deeds of San Joaquin County, State of California, excluding that portion of such conveyance concerning lots 14 and 15 in block 15 as designated on the map entitled "Map of the Town of Tracy San Joaquin California", filed at the request of the Southern Pacific Railroad on June 29, 1892, in volume 2, page 63, of the maps and plats of San Joaquin County, State of California;

(15) the conveyance entered into between the Pacific Improvement Company, grantor, and Sarah Idelia Duffy, grantee, on December 8, 1891, and recorded on December 31, 1891, in book A, volume 75, page 59, of the deeds of San Joaquin County, State of California;

(16) the conveyance entered into between the Pacific Improvement Company, grantor, and C. A. Slack, grantee, on May 29, 1909, and recorded on November 10, 1909, in book A, volume 182, page 304, of the deeds of San Joaquin County, State of California;

(17) the conveyance entered into between the Pacific Improvement Company, grantor, and Frank Brusso, grantee, on August 23, 1911, and recorded on October 11, 1911, in book A, volume 205, page 448, of the deeds of San Joaquin County, State of California;

(18) the conveyance entered into between the Pacific Improvement Company, grantor, and Lee Chong, grantee, on September 30, 1911, and recorded on October 23, 1911, in book A, volume 205, page 471, of the deeds of San Joaquin County, State of California;

(19) the conveyance entered into between the Pacific Improvement Company, grantor, and Lee Jung, grantee, on September 30, 1911, and recorded on October, 23, 1911, in book A, volume 205, page 470, of the deeds of San Joaquin County, State of California;

(20) the conveyance entered into between the Pacific Improvement Company, grantor, and Ju Wing, grantee, on Jaunary 25, 1911, and recorded on February 14, 1911, in book A, volume 201, page 105, of the deeds of San Joaquin County, State of California;

(21) the conveyance entered into between the Pacific Improvement Company, grantor, and A. Grunauer, grantee, on June 8, 1910, and recorded on June 17, 1910, in book A, volume 187, page 520, of the deeds of San Joaquin County, State of California, excluding that portion of such conveyance concerning lots 12 and 13 in block 36 as designated on the map entitled "Map of the Town of Tracy San Joaquin California", filed at the request of the Southern Pacific Railroad on June 29, 1892, in volume 2, page 63, of the maps and plats of San Joaquin County, State of California;

(22) the conveyance entered into between the Pacific Improvement Company, grantor, and Josie Batten, grantee, on October 10, 1910, and recorded on December 5, 1910, in book A, volume 193, page 477, of the deeds of San Joaquin County, State of California;

(23) the conveyance entered into between the Pacific Improvement Company, grantor, and Frank Brusso, grantee, on March 18, 1912, and recorded on September 5, 1912, in book A, volume 211, page 459, of the deeds of San Joaquin County, State of California;

(24) the conveyance entered into between the Pacific Improvement Company, grantor, and George Leonard, grantee, on October 16, 1911, and recorded on December 7, 1911, in book A, volume 207, page 205, of the deeds of San Joaquin County, State of California;

(25) the conveyance entered into between the Pacific Improvement Company, grantor, and George Leonard, grantee, on December 12, 1911, and recorded on December 20, 1911, in book A, volume 205, page 587, of the deeds of San Joaquin County, State of California;

(26) the conveyance entered into between the Pacific Improvement Company, grantor, and Jacob Stritzinger, grantee, on February 10, 1912, and recorded on December 29, 1914, in book A, volume 250, page 377, of the

deeds of San Joaquin County, State of California;

(27) the conveyance entered into between the Pacific Improvement Company, grantor, and M.R. Fothergill, grantee, on July 13, 1917, and recorded on July 29, 1917, in book A, volume 315, page 34, of the deeds of San Joaquin County, State of California;

(28) the conveyance entered into between the Pacific Improvement Company, grantor, and Miles J. Brown, J.C. Droge, and W.F. Sattler, grantees, on March 29, 1916, and recorded on April 1, 1916, in book A, volume 273, page 375, of the deeds of San Joaquin County, State of California, excluding that portion of such conveyance concerning—

(A) lots 1 through 9, and lots 12 and 13, in block 37;

(B) lots 1 through 5 in block 38;

(C) lots 11, 12, 19, and 20 in block 45;

(D) lots 11 through 18 in block 48; and

(E) lots 15 through 18, and lots 20 through 23, in block 51;

as designated on the map entitled "Map of the Town of Tracy, San Joaquin, California", filed at the request of the Southern Pacific Railroad on June 29, 1892, in volume 2, page 63, of the maps and plats of San Joaquin County, State of California;

(29) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Manuel Joseph Silva, Mary Ann Gloria Silva, and Anna I. Silva, grantees, on January 13, 1981, and recorded as instrument numbered 81013675 on March 6, 1981, in the official records of San Joaquin County, State of California.

(30) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Ada Lotierzo, grantee, on January 13, 1981, and recorded as instrument numbered 81013677 on March 6, 1981, in the official records of San Joaquin County, State of California;

(31) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and the Marie E. Wilson, grantee on January 13, 1981, and recorded as instrument numbered 81013678 on March 6, 1981, in the official records of San Joaquin County State of California.

(32) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and the Home Mission Board of the Southern Baptist Convention, grantee, on January 13, 1981, and recorded as instrument numbered 81013676 on March 6, 1981, in the official records of San Joaquin County State of California.

(33) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Jose Gutierrez and Maria Gutierrez, grantees, on January 13, 1981, and recorded as instrument numbered 81013674 on March 6, 1981, in the official records of San Joaquin County State of California.

(34) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and the Odessa Jones Manley, grantee, on January 13, 1981, and recorded as instrument numbered 81013679 on March 6, 1981, in the official records of San Joaquin County State of California.

(35) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and William Assad, grantee, on January 13, 1981, and recorded as instrument numbered 81013680 on March 6, 1981, in the official records of San Joaquin County State of California.

(36) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Larry C. Fragoso, grantee, on January 13, 1981, and recorded as instrument numbered 81013681 on March 6, 1981, in the official records of San Joaquin County State of California; and

(37) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and the Housing Authority of the County of San Joaquin, grantee, on January 13, 1981, and recorded as instrument numbered 81013682 on March 6, 1981, in the official records of San Joaquin County State of California.

SEC. 4. CONVEYANCES OF LANDS IN SACRAMENTO COUNTY, STATE OF CALIFORNIA.

The Conveyances of lands in Sacramento County, State of California, referred to in section 2 are as follows:

(1) the conveyance entered into between the Southern Pacific Company, grantor, and Walker & Donant, grantee, on February 24, 1967, and recorded as instrument numbered 13155 on March 1, 1967, in book 67-03-01, page 284, of the official records of Sacramento County, State of California; and

(2) the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Walker and Donant, grantee, on September 20, 1976, and recorded as instrument numbered 125515 on October 19, 1976, in book 7610-19, page 567, of the official records of Sacramento County, State of California.

SEC. 5. CONVEYANCE OF LAND IN KINGS COUNTY, STATE OF CALIFORNIA.

The conveyance of land in Kings County, State of California, referred to in section 2 is as follows: the conveyance entered into between the Southern Pacific Company, grantor, and the Continental Grain Company, grantee, on August 7, 1968, and recorded as instrument numbered 11974 on September 30, 1968, in book 927, page 898, of the official records of Kings County, State of California.

SEC. 6. CONVEYANCE OF LANDS IN NEVADA COUNTY, STATE OF CALIFORNIA.

The conveyance of lands in Nevada County, State of California, referred to in section 2 are as follows: the conveyance entered into between the Southern Pacific Transportation Company, grantor, and Soda Springs Station, grantee, on March 19, 1981, and recorded as instrument numbered 81 07969 on March 31, 1981 in the official records of Nevada County, State of California.

SEC. 7. LIMITATIONS ON VALIDATION OF CONVEYANCES.

(a) SAVINGS CLAUSE.—Nothing in this Act shall be construed to—

(1) diminish the right-of-way referred to in section 2 to a width of less than fifty feet on each side of the center of the main track or tracks maintained by the Southern Pacific Transportation Company on the date of the enactment of this Act; or

(2) legalize, validate, or confirm, with respect to any land that is the subject of a conveyance referred to in section 3, 4, or 5, any right or title to, or interest in, such land arising out of adverse possession, prescription, or abandonment, and not confirmed by such conveyance.

(b) RESERVATION.—There is reserved to the United States all oil, coal, or other minerals in any land that forms a part of the right-of-way referred to in section 2 and is the subject of a conveyance referred to in section 3, 4, or 5, together with the right to prospect for, mine, and remove such oil, coal, or other minerals under such rules and regulations as the Secretary of the Interior may prescribe.

By Mr. BENTSEN (for himself, Mr. DURENBERGER, Mr. COHEN, Mr. ROTH, Mr. LEAHY, Mr. BOREN, and Mr. MOYNIHAN):

S. 1414. A bill to provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counterterrorist capabilities of the Bureau; to the Committee on the Judiciary.

FBI BUDGET INCREASE FOR COUNTERTERRORISM

● Mr. BENTSEN. Mr. President, the events of the past few weeks have brought home to us the growing and ever-present danger of terrorism, both here and abroad. The hijacking of TWA flight 847 and the subsequent execution of Navy diver Robert Stethem, the foiling of a Sikh extremists' plot to assassinate Indian Prime Minister Rajiv Gandhi here in the United States, the explosions and loss of life in airports in Frankfurt and Tokyo, and the terrible loss of life on the Air India Flight are but the most recent examples of an accelerating worldwide trend.

It has not been too long since the U.S. Capitol itself was subjected to a terrorist's bomb, and every time we enter a congressional office building the presence of metal detectors and x-ray machines is a visible reminder that there are those in our country who would use acts of terror to strike at the very heart of our Government. They have not succeeded, but this war against civilization—and it is indeed a war, make no mistake about it—goes on unabated.

From 1983 to 1984, there was a 25-percent increase in terrorist incidents throughout the world. We are fortunate that terrorism in the United States has not risen to the level that it reaches routinely in other parts of the globe, but this is no reason to assume that it will always remain low. The FBI has done a good job in combating terrorism, but the stakes are getting higher and our vulnerability is increasing.

Other countries have already discovered this fact of modern life. In Chile, for example, terrorists recently blew up power transmission stations in the central region of the country and disrupted electricity to 70 percent of Chile's population. The United States is even more dependent than most countries on a complex of electric power grids, communications facilities, and transportation nets. A terrorist attack on one or more of these key centers could wreak havoc on our country, and what is even more frightening, such an attack could be accomplished at almost any time by terrorists using commonly available explosives and unsophisticated techniques. Between domestic terrorist cells with ties to such groups as the Weather Underground and foreign nationals with links to Libya and Iran, there is an

ever-present danger of terrorist activity in this country.

There are reports that agents answerable to the Ayatollah Khomeini are hidden in place in the United States, prepared to conduct terrorist actions whenever they receive word from their leader in Iran. There are growing indications of informal cooperation between narcotics traffickers and established terrorist groups in South America. A Federal grand jury was recently empaneled in Alexandria, VA, to investigate charges that pro-Qadhafi Libyans have been plotting to assassinate Libyan dissidents in the United States. And within the past 2 months the FBI arrested two members of the "May 19th" group that was implicated in a Brink's armored car robbery attempt 4 years ago.

Our first line of defense against domestic terrorism is the Federal Bureau of Investigation, and FBI is doing a good job under difficult conditions. Despite the increasing threats in this area, however, the FBI's counterterrorism budget has not even kept up with inflation.

The total Federal budget for fiscal year 1986 will be just under $1 trillion. The FBI's portion of that will be something over $1 billion. Of this total, slightly less than $40 million is earmarked for counterterrorist activities by the FBI in 1986, an amount that was not increased from fiscal year 1985.

I am not saying that the Office of Management and Budget does not understand the seriousness of the terrorism threat that we are facing today. I do not know what their level of understanding of the threat is. I only know that OMB froze the counterterrorist portion of the FBI's budget from 1985 to 1986, and then last fall rejected the FBI's request for an $11 million supplemental in this area. They then presuaded FBI Director William Webster to go along with their decision and not to make waves over it. The Director of the FBI, like anyone holding a high position within the executive branch of Government, does not usually air in public his disagreement with OMB decisions. I am not surprised that Mr. Webster has said that he supports the administration's budget request for 1986.

The facts are, though, that the FBI itself has identified requirements in the counterterrorist area that are not in the present budget and which are also omitted in the 1986 budget. These funds amount to a total of $22 million, including the $11 million that would have been in the 1985 supplemental and an additional $11 million that is currently pending at OMB. These funds will bring the Bureau's counterterrorist budget to just over $62 million. Now, what will this additional $22 million purchase in counterterrorist capability?

First of all, it will allow the FBI to hire 75 more agents and 45 support staff for counterterrorism task forces in 7 major cities. It will allow 11 more agents for the hostage rescue team. It will provide 40 additional positions in support of the Terrorism Research and Analysis Center. And it will provide 20 more analysts to support counterterrorist operations. These additional funds will also provide support and equipment for a secure teleconferencing capability for hostage/counterterrorist coordination, will provide additional automobiles, equipment, training, and weapons for counterterrorism, and will allow the FBI to reimburse local law enforcement agencies for their overtime assistance to the FBI in this area. The exact details regarding some of this funding are classified, and an explanation of this will have to be included in a classified annex to the committee report on this legislation.

The total reflected in this legislation is that which the FBI itself has identified as its counterterrorism requirement. I believe this amount is reasonable and is a wise investment to help protect the citizens of this country against the increasing danger of terrorist activities, and I urge your support of this authorization.●

● Mr. BOREN. Mr. President, I fully support the endeavors of my good friend and colleague from Texas in developing this legislation to provide the necessary additional capability to the Federal Bureau of Investigation to deal with the growing threat of terrorism within the borders of the United States as well as on the international scene.

I am proud that in America there is unrestricted travel for not just our citizens but visitors from all over the world. We must realize however that an open society like ours is inherently vulnerable to terrorism. For instance, in this week's issue of the U.S. News & World Report, we read that vulnerable sites for terrorist attacks in this country include 90 fully licensed nuclear powerplants, 670 military facilities with nuclear materials, and 23 college campuses with weapons grade uranium.

In a speech to the American Bar Association yesterday, William H. Webster, Director of the FBI, said that for the last several years, over 40 percent of the major terrorist incidents in the world had involved U.S. citizens, U.S. facilities, and U.S. companies, many of them located in other countries. This background, coupled with the accelerating incidents in the past few weeks including the hijacking of TWA flight 847, the Air India crash, the airport bombings in Tokyo and Frankfurt, and the plot to assassinate Indian Prime Minister Rajiv Gandhi should lead Congress to assure that we meet the commitment to keep America secure.

The FBI is our first line of defense against the operation of internal terrorism within our borders. The increased funding provided by this legislation will strengthen the various functions already identified as absolutely necessary by the Bureau.

Mr. President, I urge immediate consideration and passage of this important step to fight domestic and international terrorism.●

By Mr. D'AMATO (for himself, Mr. CRANSTON, Mr. HEINZ, and Mr. PROXMIRE):

S. 1416. A bill entitled the "Government Securities Dealers Act of 1985"; to the Committee on Banking, Housing, and Urban Affairs.

GOVERNMENT SECURITIES DEALERS ACT

● Mr. D'AMATO. Mr. President, the markets in U.S. Government and Federal agency securities—hereinafter referred to collectively as Government securities—are the largest and most efficient securities markets in the world. Government securities are the principal means by which the Nation's public debt is financed and are a critical tool in the implementation of monetary policy by the Federal Reserve Board [the Board]. Highly publicized, recent failures of a few unregistered and unregulated Government securities firms have unsettled this important market. By addressing specific weaknesses that have surfaced in the Government securities markets, this legislation is intended to protect the public interest in those markets.

The Government securities markets have grown substantially in recent years. Approximately $1.3 trillion in marketable Treasury securities are presently outstanding. This figure is expected to increase sharply in coming years. In addition to their size, the Government securities markets are also highly efficient. The spreads between bid and asked prices are a fraction of those in other securities markets.

Most Government securities are purchased by institutional investors, including financial institutions, municipalities, corporations, and pension funds. Individuals hold only 9 percent of Government securities outstanding.

Treasury securities are marketed through a system of primary and secondary dealers. Primary dealers are those dealers with whom the Federal Reserve Bank of New York [FRBNY] deals directly in conducting its open market operations to implement the Board's monetary policy. Primary dealers are expected to bid for a share of Treasury securities at every Treasury auction. The FRBNY also regards the primary dealers as the principal market makers in the secondary market and requires that they make a continuous market in Treasury securities. At present there are 36 primary

dealers in Treasury securities, of which 15 are banks or bank subsidiaries, 11 are broker-dealers registered with the Securities and Exchange Commission [the Commission] and 10 are unregistered. The monthly trading volume of the primary dealers amounts to approximately $1.5 trillion.

In addition to the primary dealers, there is a large number of secondary dealers that trade Treasury securities but do not deal directly with the FRBNY. The vast majority of these secondary dealers are either banks or broker-dealers registered with the Commission, but it has been estimated that approximately 150 to 200 secondary dealers are not supervised by any regulatory agency.

The market for Treasury securities serves as the means by which the U.S. Treasury finances the national debt and provides the ability for the Government to meet seasonal shortfalls between its receipts and expenditures. This market also is the primary vehicle for the Federal Reserve Board, through its Federal Open Market Committee and the Open Market Desk at the FRBNY, to execute domestic monetary policy. Moreover, banks, other financial institutions, insurance companies, pension funds, corporations, and approximately 150 foreign central banks and other foreign banking institutions are all important investors in U.S. Treasury securities.

Over the last few years, the U.S. Government has been virtually a continual participant in the primary market. It has raised more than $200 billion in new funds each year to finance new debt, and it has refinanced hundreds of billions of dollars more of maturing debt. Even larger volumes of trading will be necessary to accommodate the expected substantial future growth of Government debt. The importance of the Government securities markets to national economic policy cannot be overstated.

Under the current system, the primary dealers are required to submit daily, monthly, and annual reports to the FRBNY showing their transactions, positions, and capital; the FRBNY carefully monitors the activity and financial soundness of these primary dealers through these reports and by frequent contacts through telephone calls and on-site visits. While the FRBNY has no statutory investigation or enforcement authority over primary dealers, it in effect has considerable influence over them, since their status as a primary dealer could be terminated by the FRBNY. The FRBNY has also encouraged secondary dealers to report, on a monthly basis, information similar to that provided by primary dealers. As of April 1985, 27 secondary dealers were voluntarily reporting such information, but as indicated below this voluntary reporting procedure suffers from the weakness that neither the Board nor any other Federal regulatory agency has direct enforcement responsibility over many of these dealers.

In addition to the informal oversight activities of the FRBNY, 26 of the 36 dealers, and approximately half of the 27 secondary dealers voluntarily reporting to the FRBNY, are regulated by one or more bank regulatory agencies or by the Commission. All activities of banks, including their government securities activities and investment practices, are subject to the direct oversight of the appropriate regulatory agency for the bank—the Board, the Comptroller of the Currency, or the Federal Deposit Insurance Corporation.

The Commission also plays an important role in the Government securities markets. It regulates broker-dealers who participate in the Government securities markets where such broker-dealers also effect transactions in corporate or municipal securities. Such broker-dealers are examined by self-regulatory bodies and provide regular reports to the Commission. Their auditors must certify that they have sufficient capital as of the audit date and that there are no material inadequacies in their internal controls. Transations in Government securities, by whomever effected, are also subject to the anti-fraud provisions of the Federal securities laws.

The Government securities markets are also subject to discipline from the standpoint of the regulated investor. The investment activities of many institutions are subject to review by regulatory bodies. For example, the Federal Home Loan Bank Board [FHLBB] has principal oversight responsibility for, among other institutions, Federal savings and loan associations, Federal savings banks, and D.C. savings and loan associations. Thus, the FHLBB may regulate the dealings of such institutions with Government securities dealers and has been considering whether to take regulatory action. In addition, the Department of Labor sets standards for investments by pension funds. Under ERISA, pension funds may invest in repurchase agreements provided the transaction requires proper documentation as well as marking to market and similar precautions. Moreover, the pension fund's counterparty to a repurchase agreement must be a registered broker-dealer, bank, or reporting primary dealer.

There are, nevertheless, certain gaps in the regulatory framework with respect to the Government securities markets which may have contributed to the recent problem incidents in that market. For example, brokers and dealers who effect transactions exclusively in Government securities are exempt from the broker-dealer registration provisions of the securities laws and are not required to become members of a self-regulatory organization under the Commission's oversight. Moreover, the FRBNY has no statutory authority or other basis on which to conduct onsite inspections of nonbank secondary dealers and indeed has met with resistance to its attempts to gain financial information concerning certain Government securities dealers.

The Government securities markets function efficiently under the present regulatory framework. As noted above, large volumes of Government securities are traded every day, and the spreads between bid and asked prices are a fraction of those in other securities markets. As in any market, however, strains and problems may occur.

Over the past 7 years, there have been several failures or near-failures of unregistered Government securities dealers. The failures include Winters Government Securities, 1977; Hibbard & O'Connor Government Securities, 1979; Drysdale Government Securities, 1982; Lombard-Wall, 1982; Lion Capital, 1984; and most recently E.S.M. Government Securities, Inc. [ESM] and Bevill, Bresler & Shulman Asset Management Corp. [BBS], 1985.

While each of these incidents had its own distinct traits, an analysis of recent problem situations suggests several features that were common to many of these incidents. In a number of episodes, the firm in question had issued apparently false and misleading financial statements. In several instances, problems in one company were masked by relationships, and at times complex transactions, with affiliated companies. Indeed, in some instances it would appear that investors may not have fully understood which entity was the counterparty to transactions. In yet other instances, it appears that the dealers in question used working capital generated by matched-book operations to engage in trading for their own account and in the process incurred losses and attempted to use such working capital to make up losses. In a number of instances, customers of problem dealers incurred losses because the customers failed both to know their counterparty and to secure control of the securities collateralizing a repurchase transaction with the problem dealer. The failure to know the financial status and management of the counterparty, and the failure to secure control of collateral not only ultimately resulted in the loss to the customer, but also had the effect of providing funds to the problem dealer, thereby permitting the dealer to continue operations in a way that may have disguised its true financial condition.

The recent failures of ESM and BBS exemplify some of these problems.

ESM, an unregistered Government securities dealer, allegedly failed for over 5 years to reflect in its financial statements the fact that it had incurred substantial losses from trading reverses and high expenses incurred by the firm. ESM allegedly was able to continue operating despite these losses because it issued inaccurate financial statements and because its customers were not adequately collateralized in their transactions.

The April 1985 bankruptcy of BBS, an unregistered Government securities dealer, may have resulted from providing financing for a related Government securities firm which had incurred large trading losses. BBS also allegedly engaged in loans with an affiliated registered broker-dealer. BBS seems to have been able to continue operating, in part, because customers were not adequately collateralized.

As noted above, the proposed legislation is designed to protect the public interest in the Government securities markets. Because the legislation addresses identified weaknesses in the Government securities markets, it would not result in excessive regulation that would impair the efficient operation of the markets or compromise the execution of domestic monetary policy. It has been estimated that if regulation led to a one-tenth of 1 percent increase in interest rates on Treasury securities, the Federal Government would have to pay additional interest of more than $2 billion over the life of the securities issued during the first year and more in subsequent years.

To effectuate these legislative purposes, the bill would add a new section to the Securities Exchange Act of 1934—Exchange Act—section 15C, and provide for various conforming amendments to the Exchange Act. The bill would require currently unregulated Government securities brokers and dealers to register with the Commission and other Government securities brokers and dealers—for example, primary dealers and financial institutions—to file a notice with their appropriate regulatory agencies.

In addition, the bill would grant specific rulemaking authority to the Board to adopt rules regarding registration, financial responsibility and related practices, financial statements, recordkeeping and prevention of fraud in connection with repurchase agreements, and similar transactions in Government securities. The enforcement of these rules would be the responsibility of the Commission as to currently registered brokers and dealers and those Government securities brokers and dealers required to register under the bill and the responsibility of other appropriate regulatory agencies as to primary dealers, banks, and other institutions specified in the bill. The bill would also provide that all newly registered Government securities dealers would have to join a registered securities association. Government securities would continue to be treated as exempted securities for purposes of the Exchange Act so that the registered securities association would have no new authority with respect to Government securities brokers, Government securities dealers, or Government securities transactions except as specifically authorized in the bill or in existing legislation.

There are several principal provisions of the new regulatory framework. Brokers and dealers doing business solely in Government securities have heretofore been exempt from regulation. The bill would require, for the first time, brokers and dealers engaged exclusively in the business of buying and selling Government securities to register with the Commission pursuant to rules established by the Board. Brokers and dealers already registered with the Commission by reason of their general securities business would not be required to re-register. Financial institutions already subject to the regulatory jurisdiction of another Federal Government agency and primary dealers would not be required to register. As noted above, brokers and dealers currently registered with the Commission, financial institutions and primary dealers would be required to notify the appropriate regulatory agency of their status as a Government securities broker or Government securities dealer. Registration with the Commission by currently unregulated Government securities brokers and dealers and filing of notices with the appropriate regulatory agencies by other Government securities brokers and dealers will make it possible to determine the identity of Government securities brokers and dealers and the scope of the Government securities markets.

To address the weaknesses that have been identified in the Government securities markets, the bill would grant specific rulemaking authority to the Board. Rulemaking authority would be given to the Board because it is the agency principally responsible for the conduct of domestic monetary policy and supervision of the markets for Government securities. The Board, together with the FRBNY, has been actively involved in and fully understand the Government securities markets. Its expertise in this area makes it especially well-suited to establishing the rules necessary to achieve the purposes of the bill.

By vesting rulemaking authority in the Board, the bill would make it unnecessary to establish a new self-regulatory organization and to grant to it such rulemaking authority. Moreover, the approach taken in the bill affords significant advantages over granting rulemaking authority to an existing self-regulatory organization such as the Municipal Securities Rulemaking Board [MSRB]. To establish a new self-regulatory organization would fail to take advantage to existing structures and would thus be unnecessarily duplicative and expensive. To grant rulemaking authority to the MSRB—in present or altered form—would be unwarranted for two principal reasons.

First, the establishment of such a structure would fail to recognize the important difference between the municipal and Government securities markets. Unlike the municipal securities market which is a retail market in which individual investors play a significant role, the Government securities markets are wholesale markets dominated by institutional investors. In addition, the abuse which existed in the municipal securities market and which led to its regulation, particularly fraudulent trading and selling practices, are different in nature from the problems that have surfaced in the Government securities markets, which appear largely to involve unregulated dealers engaging in imprudent and in some instances apparently fraudulent activities. The ESM and BBS incidents, for example, involved ostensibly fraudulent abuses in the use of repurchase agreements.

Second, granting rulemaking authority to an existing self-regulatory organization such as the MSRB, or to a new self-regulatory organization, would also fail to recognize the critical importance of the Government securities markets to national economic policy and the Federal Reserve Board's preeminent role and unique expertise in this regard. The Board would be especially well-suited to take into account the particular characteristics of the Government securities markets and to recognize relevant differences from the corporate and municipal securities markets in exercising rulemaking authority under the bill. To make certain that the Board takes account of all aspects and effects of a proposed regulatory action, the legislation would provide that the Board could ordinarily exercise its rulemaking authority only after consulting with the Commission and the Department of the Treasury.

The legislation would grant to the Board specific rulemaking authority in the areas of registration and notice, financial responsibility and related practices, financial statements, recordkeeping, and prevention of fraud in connection with repurchase agreements and similar transactions in Government securities. Rulemaking authority in additional areas does not appear to be necessary to address the weaknesses that have been identified in the Government securities markets.

The Board's authority with respect to registration would include the

power to determine the form of registration and the type of information required to be submitted by brokers and dealers required to register with the Commission under this legislation and to specify registration fees. The Board would also prescribe the form of notice required to be filed by currently registered brokers and dealers, financial institutions, and primary dealers.

The bill would also require the Board to promulgate rules relating to financial responsibility. Such rules, which would be based upon the Board's existing capital adequacy guidelines for Government securities brokers and dealers, should be designed to assure that all brokers and dealers in the Government securities markets are financially responsible in light of the nature of their activities. The rules would also establish safeguards with respect to related practices of Government securities brokers and dealers required to register under the bill and primary dealers, including the acceptance of custody and use of customers' Government securities and the carrying and use of customers' deposits or credit balances.

In addition, the Board would be obligated to adopt rules relating to financial statements and recordkeeping requirements for all Government securities brokers and dealers.

The Board's rulemaking authority would also require it to adopt rules and guidelines designed to prevent fraud in connection with repurchase agreements and similar transactions by Government securities brokers or dealers when acting in the capacity of a Government securities broker or dealer.

To preserve flexibility and to guard against negative effects on the efficiency and liquidity of the Government securities markets, the Board would also be empowered to exempt any Government securities broker or dealer or category of Government securities broker or dealer from any rules or regulations that the Board promulgates pursuant to this legislation.

Except for rules relating to the prevention of fraud in connection with repurchase agreements and similar transactions, rules or standards promulgated by the Board pursuant to section 15C(b)(1) would not automatically apply to brokers or dealers registered under section 15 of the Exchange Act or financial institutions—regardless of whether such broker or dealer or financial institution is a primary dealer—unless the Board determined that the rules and regulations otherwise applicable to such brokers or dealers or financial institutions would not be sufficient to achieve the purposes of the Board's rules or standards under section 15C(b)(1) and the purposes of section 15C.

Self-regulation is the principal means by which compliance with regulatory requirements is achieved in the securities industry. Accordingly, section 15C would further provide that all Government securities brokers and dealers which are required to register with the Commission pursuant to section 15C would also be required to become members of a registered securities association under section 15A of the Exchange Act. Such an association would perform supervisory and enforcement functions with respect to Government securities brokers and dealers required to register with the Commission pursuant to section 15C. Because Government securities would, as noted above, continue to be treated as exempted securities for purposes of the Exchange Act, the association would have no authority with respect to Government securities brokers, Government securities dealers, and Government securities transactions except as specifically authorized in the bill or in existing legislation. The authority under the bill would consist, most significantly, of the power to enforce compliance by Government securities brokers and Government securities dealers with section 15C and the Board's rules thereunder, to provide for discipline of members and to examine books and records, as well as such other powers as are specified in the bill.

To ensure compliance by all Government securities brokers, dealers, and associated persons with section 15C and rules promulgated by the Federal Reserve Board thereunder, the bill would provide for use of Federal regulatory agencies to perform inspection and enforcement functions. Thus, the Commission would have jurisdiction over currently registered brokers and dealers and Government securities brokers and dealers required to register with the Commission under section 15C, as well as persons associated with them. Other Government securities brokers and dealers, and associated persons, would be subject to the oversight to the Office of the Comptroller of the Currency, the Board, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation, as the case may be.

The Commission and other appropriate regulatory agencies would be empowered to impose sanctions on Government securities brokers and Government securities dealers and associated persons for violations of new section 15C or the Board's rules thereunder. A record of the sanctions imposed by the various appropriate regulatory agencies would be maintained by the Commission in order to facilitate the identification of persons who have committed such violations.

The risk of inconsistent enforcement by dividing enforcement authority among the Commission and other regulatory agencies is minimal and plainly outweighed by the benefit of having such agencies regulate parties with which they have the greatest familiarity.

Despite the recent problem incidents in the Government securities markets, the markets continue to operate with their customary efficiency. The bill would preserve the efficient operation of the markets while addressing the market weaknesses that have been identified. In particular, by requiring currently unregulated Government securities brokers and dealers to register with the Commission, by granting specific rulemaking authority to the Board, and by affording enforcement power to the appropriate regulatory agencies, the bill would establish a regulatory structure crafted to fulfill the specific purposes of this legislation.

I ask unanimous consent that a copy of the bill and a copy of the section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the "Government Securities Dealers Act of 1985".

SEC. 2. The Congress finds that (a) certain government securities brokers and dealers, which have previously been exempt from federal regulation, have been engaging in unsafe and unsound practices, (b) in order to protect the public interest in the government securities markets, it is necessary to assure that government securities brokers and dealers are subject to adequate registration, financial responsibility, reporting, record-keeping, and related regulatory requirements, (c) the Board of Governors of the Federal Reserve System, as the agency principally responsible for the conduct of domestic monetary policy and supervision of the markets for U.S. government debt obligations, should be granted authority, in consultation with the Securities & Exchange Commission and the Department of the Treasury, to promulgate and interpret rules imposing such requirements on government securities brokers and dealers, and (d) appropriate regulatory agencies and self-regulatory organizations already exist to enforce such rules in an effective and efficient manner.

TITLE I—GOVERNMENT SECURITIES BROKERS AND DEALERS

SEC. 101. The Securities Exchange Act of 1934 is hereby amended by inserting after section 15B thereof (15 U.S.C. 78o-4) the following new section:

"GOVERNMENT SECURITIES BROKERS AND DEALERS

"SEC. 15C. (a)(1)(A) It shall be unlawful for any government securities broker or government securities dealer (other than a broker or dealer registered under section 15 of this title, a financial institution, or a primary dealer) to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or

sale of, any government security unless such government securities broker or government securities dealer is registered in accordance with paragraph (2) of this subsection.

"(B) It shall be unlawful for any government securities broker or government securities dealer which is a broker or dealer registered under section 15 of this title, a financial institution, or a primary dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any government security unless such government securities broker or government securities dealer has given the appropriate regulatory agency written notice that it is a government securities broker or government securities dealer. Such notice shall be in such form as the Board of Governors of the Federal Reserve System (hereinafter referred to in this section as the "Board") may, by rule promulgated in accordance with subsection (b)(2) of this section, prescribe as necessary or appropriate in the public interest. Each appropriate regulatory agency shall make available to every other appropriate regulatory agency notices which have been filed with it pursuant to this subparagraph.

"(2) A government securities broker or a government securities dealer subject to the registration requirement of paragraph (1)(A) of this subsection may be registered by filing with the Commission an application for registration in such form and containing such information and documents concerning such government securities broker or government securities dealer and any persons associated with such government securities broker or government securities dealer as the Board, by rule promulgated in accordance with subsection (b)(2) of this section, may prescribe as necessary or appropriate in the public interest. Within forty-five days of the date of filing of such application (or within such longer period as to which the applicant consents), the Commission shall—

"(i) by order grant registration, or

"(ii) institute proceedings to determine whether registration should be denied. Such proceedings shall include notice of the grounds for denial under consideration and opportunity for hearing and shall be concluded within 120 days of the date of the filing of the application for registration. At the conclusion of such proceedings, the Commission, by order, shall grant or deny such registration. The Commission may extend the time for the conclusion of such proceedings for up to 90 days if it finds good cause for such extension and publishes its reasons for so finding or for such longer period as to which the applicant consents.

The Commission shall grant the registration of a government securities broker or a government securities dealer if the Commission finds that the requirements of this section are satisfied. The Commission shall deny such registration if it does not make such a finding or if it finds that if the applicant were so registered, its registration would be subject to suspension or revocation under subsection (c) of this section.

"(3) Any provision of this title (other than section 5 or paragraph (1) of this subsection) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce is used in connection therewith shall also prohibit any such act, practice, or course of business by any registered government securities broker or registered government securities dealer or any person acting on behalf of such government securities broker or government securities dealer, irrespective of any use of the mails or may means of instrumentality of interstate commerce in connection therewith.

"(4) The Board, by rule or order promulgated in accordance with subsection (b)(2) of this section, upon its own motion or upon application, may conditionally or unconditionally exempt any government securities broker or government securities dealer, or class of government securities brokers or government securities dealers from any provision of this section or the rules or regulations thereunder, if the Board finds that such exemption is consistent with the public interest.

"(b)(1) The Board shall propose and adopt rules to effect the purposes of this title with respect to transactions in government securities effected by government securities brokers and government securities dealers. Such rules shall:

"(A) provide safeguards with respect to the financial responsibility and related practices of government securities brokers and government securities dealers in the form of requirements regarding minimum financial responsibility, the acceptance of custody and use of coustomers' government securities, and the carrying and use of customers' deposits or credit balances in connection with transactions in government securities.

"(B) be designed to prevent fraud in connection with repurchase agreements and similar transactions by any government securities broker or government securities dealer when acting in the capacity of a government securities broker or government securities dealer.

"(C) provide that every government securities broker or government securities dealer shall, annually or more frequently as the Board may prescribe, file with the appropriate regulatory agency a balance sheet and income statement certified by an independent public accountant, prepared on a calender or fiscal year basis, and such other financial statements (which shall, as the Board specifies, be certified) and information concerning its financial condition as the Board, by rule, may prescribe as necessary or appropriate in the public interest. The Board, by rule, may prescribe the form and content of financial statements filed pursuant to this section and the accounting principles and standards to be used in their preparation.

"(D) prescribe records to be made and kept by government securities brokers and government securities dealers and the periods for which such records shall be preserved.

"(E) provide that each government securities broker and government securities dealer shall pay reasonable fees and charges for registration under this section. Such rules shall specify the amount of such fees and charges.

"(2) The Board shall, in adopting rules under this subsection, consult with and consider the views of the Commission and the Department of the Treasury, except where the Board determines that an emergency exists requiring expeditious or summary action.

"(3) In connection with the adoption of rules under this subsection, or with the definition and application of standards thereunder, the Board—

"(A) may appropriately classify government securities brokers and government securities dealers (taking into account relevant matters, including types of business done, nature of securities other than government securities purchased or sold, and character of business organization) and persons associated with government securities brokers and government securities dealers;

"(B) may specify that all or any portion of such rules or standards shall not be applicable to any such class; and

"(C) shall provide that such rules or standards (other than rules or standards adopted pursuant to paragraph (1)(B) of this subsection) shall not be applicable to any broker or dealer registered under section 15 of this title or any financial institution (regardless of whether such broker or dealer or financial institution is a primary dealer); provided, however, that the Board shall, by rule, make any such rule or standard applicable to any class of such brokers or dealers or financial institutions if it determines that the rules and regulations otherwise applicable to such class (under this title or any other provision of law) would not be sufficient to achieve the purposes of such rule or standard and the purposes of this section.

"(4) Nothing in this section shall be construed to impair or limit the power of the Board or the Commission under any other provision of law.

"(c)(1) No government securities broker or government securities dealer shall make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any government security in contravention of any rule of the Board.

"(2) With respect to any government securities broker or government securities dealer required to register under subsection (a)(1)(A) of this section—

"(A) The Commission, by order, shall censure, place limitations on the activities, functions, or operations, suspend for a period not exceeding twelve months, or revoke the registration of such government securities broker or government securities dealer, if it finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or revocation is in the public interest and that such government securities broker or government securities dealer, or any person associated with such government securities broker or government securities dealer (whether prior or subsequent to becoming so associated), has committed or omitted any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).

"(B) Pending final determination whether registration of any government securities broker or government securities dealer shall be revoked, the Commission, by order, may suspend such registration, if such suspension appears to the Commission, after notice and opportunity for hearing, to be necessary or appropriate in the public interest. Any registered government securities broker or registered government securities dealer may, upon such terms and conditions as the Commission may deem necessary in the public interest, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registered government securities broker or registered government securities

dealer is no longer in existence or has ceased to do business as a government securities broker or government securities dealer, the Commission, by order, shall cancel the registration of such government securities broker or government securities dealer.

"(C) The Commission, by order, shall censure any person associated, or seeking to become associated, with a government securities broker or government securities dealer required to register under subsection (a)(1)(A) of this section or suspend for a period not exceeding twelve months or bar any such person from being associated with such a government securities broker or government securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, suspension, or bar is in the public interest and that such person has committed or omitted any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).

"(3) With respect to any government securities broker or government securities dealer which is not required to register under subsection (a)(1)(A) of this section, the appropriate regulatory agency for such government securities broker or government securities dealer may sanction any such government securities broker or government securities dealer in the manner and for the reasons specified in paragraph (2) of this subsection and any person associated with such government securities broker or government securities dealer in the manner and for the reasons specified in such paragraph (2). In addition, where applicable, such appropriate regulatory agency may, in accordance with section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), section 5 of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464), or section 407 of the National Housing Act (12 U.S.C. 1730), enforce compliance by such government securities broker or government securities dealer or any person associated with such government securities broker of government securities dealer with the provisions of this section and the rules of the Board pertaining to government securities brokers or government securities dealers, persons associated with government securities brokers or government securities dealers, and transactions in government securities. For purposes of the preceding sentence, any violation of any such provision shall constitute adequate basis for the issuance of any order under section 8(b) or 8(c) of the Federal Deposit Insurance Act, section 5(d)(2) or 5(d)(3) of the Home Owners' Loan Act of 1933, or section 407(e) or 407(f) of the National Housing Act, and the customers of any such government securities broker or government securities dealer shall be deemed, respectively, "depositors" as that term is used in section 8(c) of the Federal Deposit Insurance Act, "savings account holders" as that term is used in section 5(d)(3) of the Home Owners' Loan Act of 1933, or "insured members" as that term is used in section 407(f) of the National Housing Act. Nothing in this paragraph shall be construed to affect in any way the powers of such appropriate regulatory agency to proceed against such government securities broker or government securities dealer under any other provision of law. Each appropriate regulatory agency (other than the Commission) shall promptly notify the Commission after it has imposed any sanction under this paragraph on a government securities broker or government securities dealer, or a person associated with a government securities broker or government securities dealer, and the Commission shall maintain, and make available to the public, a record of such sanctions and any sanctions imposed by it under this subsection.

"(4) The Board may delegate its authority as the appropriate regulatory agency for any primary dealer which is a broker or dealer registered under section 15 of this title or a financial institution to the agency which would have been the appropriate regulatory agency for such government securities dealer if it were not a primary dealer.

"(5) It shall be unlawful for any person as to whom an order entered pursuant to paragraphs (2) or (3) of this subsection suspending or barring him from being associated with a government securities broker or government securities dealer is in effect willfully to become, or to be, associated with a government securities broker or government securities dealer without the consent of the appropriate regulatory agency, and it shall be unlawful for any government securities broker or government securities dealer to permit such a person to become, or remain, a person associated with him without the consent of the appropriate regulatory agency, if such government securities broker or government securities dealer knew, or, in the exercise of reasonable care should have known, of such order.

"(d) All records of government securities brokers and government securities dealers are subject at any time, or from time to time, to such reasonable periodic, special, or other examinations by representatives of the appropriate regulatory agency for such government securities broker or government securities dealer as such appropriate regulatory agency deems necessary or appropriate in the public interest or otherwise in furtherance of the purposes of this section.

"(e)(1) It shall be unlawful for any government securities broker or government securities dealer required to register pursuant to subsection (a)(1)(A) of this section to effect any transaction in, or induce or attempt to induce the purchase or sale of, any government security, unless such government securities broker or government securities dealer is a member of a securities association registered under section 15A of this title.

"(2) The Commission, by rule or order promulgated with the consent of the Board, as the Commission and the Board deem consistent with the purposes of this section, may conditionally or unconditionally exempt from paragraph (1) of this subsection any government securities broker or government securities dealer or class of government securities brokers or government securities dealers specified in such rule or order."

TITLE II—CONFORMING AMENDMENTS

PART A—CONFORMING DEFINITIONS

SEC. 201. (a) DEFINITION OF MEMBER.— Section 3(a)(3)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(3)(B)) is amended by inserting "or, subject to section 15(A)(f) of this title, any government securities broker or government securities dealer" after "dealer".

SEC. 201. (b) DEFINITION OF APPROPRIATE REGULATORY AGENCY.—

Section 3(a)(34) of the Act is amended—

(1) by inserting after paragraph (F) thereof the following new paragraph:

"(G) When used with respect to a government securities broker or government securities dealer, or person associated with a government securities broker or government securities dealer:

"(i) the Comptroller of the Currency, in the case of a national bank or a bank acting under the Code of Law for the District of Columbia, or a subsidiary of any such bank;

"(ii) the Board of Governors of the Federal Reserve System, in the case a State member bank of the Federal Reserve System, a subsidiary thereof, a bank of holding company, a subsidiary of a bank holding company which is a person other than a person specified in clause (i), (iii), (iv), (v), or (vi) of this subparagraph, a subsidiary of such subsidiary, or a primary dealer (regardless of whether such primary dealer is a person of a type specified in any other clause of this subparagraph);

"(iii) the Federal Deposit Insurance Corporation, in the case of a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System or a Federal savings bank), or a subsidiary thereof;

"(iv) the Federal Home Loan Bank Board, in the case of a Federal savings and loan association, Federal savings bank, or District of Columbia savings and loan association, a subsidiary thereof, a savings and loan holding company (other than a diversified savings and loan holding company or a bank holding company), a subsidiary thereof which is a person other than a person specified in clause (i), (ii), (iii), (v), or (vi) of this subparagraph, or a subsidiary of such subsidiary;

"(v) the Federal Savings and Loan Insurance Corporation, in the case of an institution insured by the Federal Savings and Loan Insurance Corporation (other than a Federal savings and loan association, Federal savings bank, or District of Columbia savings and loan association), or a subsidiary thereof;

"(vi) such appropriate federal regulatory agency as shall be designated by the Board of Governors of the Federal Reserve System, in the case of a foreign bank, a branch or agency of a foreign bank, or a commercial lending company owned or controlled by a foreign bank (as such terms are defined in the International Banking Act of 1978) (regardless of whether such bank, branch, agency, or company is a person of a type specified in any other clause of this subparagraph); and

"(vii) the Commission, in the case of all other government securities brokers and government securities dealers."

(2) by inserting ", the terms 'savings and loan holding company', 'diversified savings and loan holding company,' and 'subsidiary of a savings and loan holding company' shall have the meanings given them in section 408 of the National Housing Act, and the term 'District of Columbia savings and loan association' shall mean any association subject to examination and supervision by the Federal Home Loan Bank Board under section 8 of the Home Owners' Loan Act of 1933" before the period ending the last sentence thereof.

(c) DEFINITION OF STATUTORY DISQUALIFICATION.—Subparagraphs (B) and (C) of section 3(a)(39) of the Act are amended by striking out "or municipal securities dealer" each place it appears and inserting in lieu thereof "municipal securities dealer, govern-

ment securities broker or government securities dealer."

(d) ADDITIONAL DEFINITIONS.—Section 3(a) of the Act is further amended by adding at the end thereof the following new paragraphs:

"(42) The term 'government securities' means—

"(A) securities which are direct obligations of, or obligations guaranteed as to principal or interest by, the United States; or

"(B) securities which are issued or guaranteed by corporations in which the United States has a direct or indirect interest and which are designated as 'exempted securities' by the Secretary of the Treasury under paragraph (12) of this subsection.

"(43) The term 'government securities broker' means any person engaged in the business of effecting transactions in government securities for the account of others.

"(44) The term 'government securities dealer' means any person engaged in the business of buying and selling government securities for his own account, through a broker or otherwise, but does not include any person insofar as he buys or sells such securities for his own account, either individually or in some fiduciary capacity, but not as part of a regular business.

"(45) The term 'primary dealer' means a government securities dealer that is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York.

"(46) The term 'person associated with a government securities broker or government securities dealer' means any person directly engaged in the management, direction, supervision or performance of any government securities broker's or government securities dealer's activities with respect to government securities, and any person directly or indirectly controlling such activities or controlled by the government securities broker or government securities dealer in connection with such activities.

"(47) The term 'financial institution' means (A) a bank (as such term is defined in paragraph (6) of this subsection), (B) an insured institution (as such term is defined in section 401 of the National Housing Act), (C) a bank holding company or a susidiary thereof (as such terms are defined in section 2 of the Bank Holding Company Act of 1956), (D) a savings and loan holding company (other than a diversified savings and loan holding company) or a subsidiary thereof (as such terms are defined in section 408 of the National Housing Act), and (E) a receiver, conservator, or other liquidating agent of any institution or firm included in clauses (B), (C), or (D) of this paragraph."

(e) INAPPLICABILITY OF ACT TO GOVERNMENT ENTITIES.—Section 3(c) of the Act is amended to read as follows:

"(c) No provision of this title shall apply to, or be deemed to include—

"(1) any department, agency, corporation, or instrumentality of the United States;

"(2) any corporation in which the United States has a direct or indirect interest whose securities are government securities under subsection (a)(42)(B) of this section; or

"(3) any officer, agent, or employee of any such department, agency, corporation, or instrumentality acting in the course of his official duty as such;

unless such provision makes specific reference to such department, agency, corporation, or instrumentality."

PART B—ADDITIONAL CONFORMING AMENDMENTS

SEC. 202. Section 15(b)(4) of the Act is amended—

(a) in subparagraph (A), by inserting "or with any other appropriate regulatory agency" after "Commission" the first time it appears therein;

(b) in subparagraph (B), by inserting in clause (ii) thereof "government securities broker, government securities dealer," after "municipal securities dealer," and

(c) in subparagraph (C), by deleting "or municipal securities dealer" and inserting in lieu thereof "municipal securities dealer, government securities broker or government securities dealer".

SEC. 203. (a) Section 15A(b) of the Act is hereby amended—

(1) in paragraph (3), by inserting ", or any registered government securities broker or registered government securities dealer," after "dealer";

(2) in paragraph (4)—

(A) by deleting "or" the second time it appears therein; and

(B) by inserting ", government securities broker, or government securities dealer" after "dealer".

(b) Section 15A(f) of the Act is amended to read as follows:

"(f)(1) Except as provided in paragraph 2 of this subsection, nothing in this section shall be construed to apply with respect to any transaction by a broker, dealer, government securities broker or government securities dealer in any exempted security.

"(2) A registered securities association may not adopt or enforce any rule or take any other action with respect to transactions in government securities or registered government securities brokers or registered government securities dealers, except that a registered securities association may adopt and implement rules applicable to members of such association (A) to enforce compliance by government securities brokers and government securities dealers with the provisions of section 15C of this title and the rules of the Board of Governors of the Federal Reserve System thereunder, (B) to provide that its members and persons associated with its members shall be appropriately disciplined, in accordance with subsection (h) of this section, for violation of such provisions or such rules, (C) to provide for reasonable inspection and examination of the books and records of government securities brokers and government securities dealers, (D) to provide for the matters described in paragraphs (b)(3) and (b)(4) of this section, and (E) to implement the provisions of subsection (g) of this section."

(c) Section 15A(g) of the Act is amended—

(1) by inserting "or registered government securities broker or registered government securities dealer" after "dealer" each place it appears in paragraphs (1) and (2) thereof; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5)(A) A registered securities association shall not deny membership to or condition the membership of, or bar any person from becoming associated with or condition the association of any person with, a registered government securities broker or registered government securities dealer under paragraphs (3) and (4) of this subsection.

"(B) A registered securities association may deny membership to, or condition the membership of, a registered government securities broker or registered government securities dealer if such government securities broker or government securities dealer (i) does not meet such standards of financial responsibility as are prescribed by the rules of the Board of Governors of the Federal Reserve System under section 15C of this title or (ii) has engaged and there is a reasonable likelihood that it will again engage in any conduct or practice which would subject such government securities broker or government securities dealer to sanctions under section 15C(c)(2) or section 15C(c)(3) of this title. A registered securities association may examine the books and records of a registered government securities broker or a registered government securities dealer to verify compliance with the provision of section 15C of this title and the rules of the Board of Governors of the Federal Reserve System thereunder.

"(C) A registered securities association may bar any person from becoming associated with a member or condition the association of a person with a member (i) if such person has engaged in any conduct or practice and there is a reasonable likelihood that such person will again engage in any conduct or practice which would subject such person to sanctions under section 15C(c)(2) or section 15C(c)(3) of this title, or (ii) if such person does not agree to supply such association with such information with respect to its relationship and dealings with the member as may be specified in the rules of the association and to permit examination of its books and records to verify the accuracy thereof."

SEC. 204. Section 17(f) of the Act is amended—

(a) in paragraph (1) by inserting ", government securities broker, government securities dealer" after "municipal securities dealer"; and

(b) in paragraph (4)—

(1) by inserting "or primary dealer" after "Federal Reserve System"; and

(2) by inserting in subparagraph (B) "any primary dealer of" after "in regard to".

SEC. 205. Section 21(a) of the Act is amended by adding at the end thereof the following new sentence:

"Notwithstanding the foregoing or any other provision of this title, the Commission shall not have any authority to make such investigations of, require the filing of such a statement by, or take any other action under this section or any other provision of this title against a government securities broker or government securities dealer, or any person associated with a government securities broker or government securities dealer, for any existing or threatened violation of the provision of section 15C of this title or the rules or regulations thereunder, unless the Commission is the appropriate regulatory agency for such government securities broker or government securities dealer; provided, however, that nothing in this sentence shall be construed to limit the authority of the Commission with respect to existing or threatened violations of any provision of this title other than section 15C, or the rules or regulations under any such other provision."

TITLE III—TRANSITIONAL AND SAVINGS PROVISIONS

SEC. 301. SAVINGS PROVISION.

(a) EFFECT ON PENDING ADMINISTRATIVE PROCEEDINGS.—The provisions of this Act shall not affect any proceedings, including notices of proposed rulemaking, pending on the effective date of this Act.

(b) EFFECT ON PENDING JUDICIAL PROCEEDINGS.—The provisions of this Act shall not affect suits commenced prior to the effec-

tive date of this Act, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(c) SUPERVISION OF PRIMARY DEALERS.—Nothing in this Act shall be construed to limit or impair the authority of the Federal Reserve Bank of New York to establish conditions for the monitoring of, receipt of reports from, or recognition of a government securities dealer as a primary dealer.

TITLE IV—REPORT ON TRANSFERS OF GOVERNMENT SECURITIES

SEC. 401. Not later than six months after the date of enactment of this Act, the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Securities and Exchange Commission shall prepare and transmit to the Congress a joint report regarding existing capabilities and potential future improvements for the transfer of, and the creation and perfection of security interests in, government securities, as defined in section 3(a)(42) of the Securities and Exchange Act of 1934 as amended by this Act. Such report shall—

(a) Review the esisting laws and regulations governing transfers of, and the creation and perfection of security interests in, government securities, with particular attention to such matters as the application of such laws and regulations to the use of book-entery or depository systems in connection with transactions in government securities;

(b) Review the existing capabilities of various participants in the clearance and settlement of transactions in government securities (including the Federal Reserve System, banks, brokers, dealers, and other clearing agents) with respect to the transfer of, and the creation and perfection of security interests in, government securities, with particular attention to such matters as the practical and economic feasibility of requiring the delivery of securities in repurchase agreements and similar transactions, taking into account the costs, benefits and detriments of such a requirement to participants in the markets for such securities and any additional costs that such a requirement may entail for the financing of the national debt and of the activities of Federal agencies and Federally-sponsored corporations;

(c) Examine the current plans of participants in the clearance and settlement of transactions in government securities to improve their capabilities for the use of book-entry and depository systems for the transfer of, and the creation and perfection of security interests in, government securities; and

(d) Make recommendations for additional improvements that may be practical and economically feasible for the transfer of, and the creation and perfection of security interests in, government securities, with particular attention to such matters as expanding the availability and use of the book-entry services of the Federal Reserve System and the changes that may be necessary in laws and regulations to achieve such improvements.

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATE.—Except as provided in section 401 and section 502, this Act and the amendments made by this Act shall take effect 180 days after the date of enactment of this Act.

SEC. 502. RULEMAKING AUTHORITY.—Notwithstanding section 501, effective on the date of enactment of this Act the Board of Governors of the Federal Reserve System may—

(a) prescribe rules pursuant to section 15C(a) of the Securities Exchange Act of 1934 (as amended by this Act), relating to the registration of, and notices to be filed by, government securities brokers and government securities dealers; and

(b) proscribe such other rules pursuant to section 15C of the Securities Exchange Act of 1934 (as amended by this Act) as it may deem appropriate, to become effective no sooner than the effective date of this Act as provided in section 501.

SUMMARY OF PROVISIONS OF THE GOVERNMENT SECURITIES DEALERS ACT OF 1985

PURPOSE OF BILL

The principal purpose of the bill is to assure that government securities brokers and dealers, no matter how organized, are subject to adequately enforced rules regarding financial responsibility, reporting, and recordkeeping, and the prevention of fraud in connection with repurchase agreements and similar transactions.

RULEMAKING

The bill would grant authority to the Federal Reserve Board (the "Board") to adopt rules regarding (a) the registration of currently unregulated government securities brokers and dealers with the Securities Exchange Commission ("SEC") and (b) the filing of a notice by presently regulated government securities brokers and dealers with their appropriate regulatory agencies to identify that they are conducting such business.

The Board would also have authority to adopt rules with respect to transactions in government securities effected by government securities brokers and dealers that would provide—

(a) requirements regarding minimum financial responsibility (i.e., capital adequacy), acceptance of custody and use of customers' government securities, and carrying and use of customers' deposits or credit balances;

(b) requirements designed to prevent fraud in connection with repurchase agreements and similar transactions by government securities brokers or dealers when acting in that capacity;

(c) financial reporting requirements; and

(d) recordkeeping requirements.

The Board rules would have to provide that such rules (other than the Board's repo fraud rules) would not be applicable to brokers and dealers registered under section 15 of the Securities Exchange Act (the "Exchange Act") or to financial institutions (regardless of whether such an entity is a primary dealer) unless the Board determined that the rules applicable to these types of entities under other provisions of law were not sufficient to achieve the purposes of the bill and the Board rules thereunder.

The Board would be required, in adopting any rules under the new legislation, to consult with and consider the views of the SEC and the Department of the Treasury, except in case of emergency.

ENFORCEMENT

The enforcement of these rules would be the responsibility of the SEC as to brokers and dealers currently registered under section 15 of the Exchange Act and as to government securities brokers and dealers required to register under the bill, and would be the responsibility of other appropriate regulatory agencies as to primary dealers, banks and other institutions specified in the bill.

The Board would be the appropriate regulatory agency for enforcement as to primary dealers, but the Board could delegate this authority to the SEC for section 15 registrants and to other appropriate regulatory agencies for financial institutions. The bill specifically provides, however, that nothing in the new legislation should be construed to limit or impair the authority of the Federal Reserve Bank of New York to establish conditions for the monitoring of, receipt of reports from, or recognition of a government securities dealer as a primary dealer.

Appendix A hereto provides a summary of the allocation of principal rulemaking and enforcement authority under the bill.

NASD MEMBERSHIP

The bill provides that all newly registered government securities brokers or dealers would have to join a registered securities association, i.e., the National Association of Securities Dealers ("NASD"). Government securities would continue to be treated as exempted securities for purposes of the Exchange Act, so that the NASD would have no new authority with respect to government securities brokers or dealers or transactions except as specifically authorized in the bill or in existing legislation.

The new NASD authority would consist, most significantly, of the power to enforce compliance by the newly registered government securities brokers and dealers with the bill's proposed new section 15C of the Exchange Act and the Board's rules thereunder, to provide for discipline of such new registrants, and to provide for examination of their books and records.

EFFECTIVE DATE

The bill provides that the legislation would take effect 180 days after the date of enactment, but gives the Board the flexibility to adopt rules that would, among other things, authorize the SEC to begin processing applications from new registrants as government securities brokers and dealers during that period.

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1 of the bill would provide that this legislation may be cited as the "Government Securities Dealers Act of 1985".

FINDINGS AND PURPOSES OF CONGRESS

Section 2 of the bill would set forth the findings of Congress with respect to the government securities markets. Specifically, the Congress would have determined that certain government securities brokers and government securities dealers, heretofore exempt from federal regulation, have been engaging in unsafe and unsound practices and that, in order to protect the public interest in the government securities markets, it is necessary to assure that government securities brokers and dealers are subject to adequate registration, financial responsibility, reporting, record-keeping, and related regulatory requirements. Because the Board of Governors of the Federal Reserve System (the "Board") has principal responsibility for the conduct of domestic monetary policy and the supervision of the markets for U.S. government debt obligations, the Congress would find that the Board, in consultation with the Securities and Exchange Commission (the "Commission") and the Department of the Treasury, should be granted authority to promulgate and interpret rules imposing those regulatory requirements.

The Congress would also find that appropriate regulatory agencies (as that term would be defined in section 201(b) of the Act) and self-regulatory organizations already exist to enforce such rules in an effective and efficient manner.

TITLE I—GOVERNMENT SECURITIES BROKERS AND DEALERS

REGISTRATION AND REGULATION OF GOVERNMENT SECURITIES BROKERS AND DEALERS

Section 101 of the bill would add a new section—section 15C—to the Securities Exchange Act of 1934 ("Exchange Act"). Section 15C, among other things, would require goverment securities brokers and government securities dealers to register with the Commission or, in the case of a broker or dealer currently registered with the Commission pursuant to section 15 of the Exchange Act or in the case of a financial institution or primary dealer, to notify the appropriate regulatory agency that it is a government securities broker or a government securities dealer. In addition, section 15C would grant specific rulemaking authority to the Board with respect to government securities brokers and government securities dealers, authorize the sanctioning of government securities brokers, government securities dealers, and associated persons, provide for inspection of record of government securities brokers and government securities dealers, and require those government securities brokers and government securities dealers obligated to register with the Commission under the legislation to join a registered securities association. An explication of section 15C follows.

Section 15C(a)(1): This section would prohibit any government securities broker or government securities dealer from making use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any government security unless such government securities broker or government securities dealer is registered in accordance with the subsection. A broker or dealer already registered with the Commission under section 15, a financial institution, or a primary dealer would, in lieu of registration, be required to notify in writing the appropriate regulatory agency that it is a government securities broker or government securities dealer. Such notice would be in such form as the Board may, by rule promulgated in accordance with section 15C(b)(2), prescribe. Each appropriate regulatory agency would be required to make available to every other appropriate regulatory agency notices which have been filed with it.

Section 15C(a)(2): A person subject to the registration requirement of section 15C(a)(1)(A) would register as a government securities broker or government securities dealer pursuant to this section by filing a registration application with the Commission containing such information and documents concerning the registrant and any persons associated with the registrant as the Board may, by rule promulgated in accordance with section 15C(b)(2), prescribe. The registration of a government securities broker or a government securities dealer would become effective in a manner similar to that provided for the registration of brokers and dealers in section 15(b) and of municipal securities dealers in section 15B(a)(2).

Section 15C(b)(3): This section would be parallel to existing sections 15(b)(3) and 15B(a)(3) and would make unlawful any act or practice or course of business forbidden by the Exchange Act (other than by section 5 or section 15C(a)(1)) by a registered government securities broker or registered government securities dealer regardless of whether the mails or any means or instrumentality of interstate commerce were used in connection therewith.

Section 15C(a)(4): The Board would be granted broad powers to exempt, by rule or by order promulgated in accordance with section 15C(b)(2), any government securities broker or government securities dealer or class of government securities brokers or government securities dealers from any provisions of section 15C or any rule or regulation thereunder.

Section 15C(b)(1): This section would grant to the Board specific rulemaking authority with respect to transactions in government securities effected by government securities brokers and government securities dealers.

Subparagraph (A) would require the Board to promulgate rules providing safeguards with respect to the financial responsibility and related practices of government securities brokers and government securities dealers in the form of requirements regarding minimum financial responsibility, the acceptance of custody and use of customers' government securities, and the carrying and use of customers' deposits or credit balances in connection with transactions in government securities.

Subparagraph (B) would require that the Board promulgate rules designed to prevent fraud in connection with repurchase agreements and similar transactions by any government securities broker or government securities dealer when acting in the capacity of a government securities broker or a government securities dealer.

Subparagraph (C) would require the Board to promulgate rules providing that every government securities broker and government securities dealer would be required to file with the appropriate regulatory agency, on an annual basis or more frequently if the Board so prescribes, a balance sheet and income statement certified by an independent public accountant, prepared on a calendar or fiscal year basis and such other financial statements (certified if the Board so specifies) and information concerning its financial condition as the Board, by rule, may prescribe in order to effectuate the purposes of this legislation. The Board would be empowered to prescribe by rule the form and content of such financial statements and the accounting principles and standards to be used in their preparation.

Subparagraph (D) would provide that the Board must prescribe recordkeeping and record maintenance requirements for government securities brokers and government securities dealers.

Under subparagraph (E), the Board would have the responsibility for adopting rules that would establish reasonable charges to be levied on government securities brokers and government securities dealers to defray the costs of registration under section 15C.

Section 15C(b)(2): Under this section, the Board would be directed to consult with and to consider the views of the Commission and the Department of the Treasury in adopting rules under section 15C(b) except where the Board determines that an emergency requires it to act expeditiously and summarily. It is expected that the Board, to the extent it deems appropriate, would also solicit and consider the views of the other appropriate regulatory agencies having enforcement responsibility under section 15C and issuers of federal agency securities, as well as request public comment in accordance with established rulemaking procedure prior to the final adoption of any such rules. Similarly, it is expected that such other appropriate regulatory agencies would solicit and consider the views of the Board in connection with the promulgation by such other appropriate regulatory agencies of rules of the type described in Section 15C(b)(1) affecting government securities brokers and government securities dealers.

Section 15C(b)(3): Subparagraphs (A) and (B) of this section would grant to the Board broad authority to classify government securities brokers, government securities dealers and associated persons on the basis of, among other things, the nature of their business, the types of securities purchased or sold, and the character of their business organization and to specify that all or part of such rules shall not be applicable to any such class.

Subparagraph (C) would require the Board to provide that its rules and standards (other than rules and standards adopted under section 15C(b)(1)(B) relating to fraud in connection with repurchase agreements and similar transactions) shall not be applicable to any broker or dealer registered under section 15 of the Exchange Act or any financial institution (regardless of whether such broker or dealer or financial institution is a primary dealer). This subparagraph would, however, authorize the Board, by rule, to make any such rule or standard applicable to any class of such brokers or dealers or financial institutions if it determines that the rules and regulations otherwise applicable to such class (under the Exchange Act or any other provision of law) would not be sufficient to achieve the purposes of such rule or standard and the purposes of section 15C. It is anticipated that such a determination should generally be unnecessary, since the Board and the other appropriate regulatory agencies would be expected to work with one another to achieve the purposes of such rules or standards and the purposes of Section 15C.

Section 15C(b)(4): This section would specify that the power of the Board and of the Commission under any other provision of law would not be limited or impaired by this legislation.

Section 15C(c)(1): This section would make it unlawful for any government securities broker or government securities dealer to use the mails or any instrumentality of interstate commerce to effect any transaction in or induce or attempt to induce the purchase or sale of any government security in contravention of any rule of the Board.

Section 15C(c)(2): This section would be applicable only to government securities brokers and government securities dealers required to register with the Commission under section 15C(a)(1)(A). As to such government securities brokers and government securities dealers, as well as to persons associated with them, subparagraph (A) would grant to the Commission broad disciplinary authority comparable to the authority contained in section 15(b)(4) of the Exchange Act. Accordingly, the Commission would be required by order, after appropriate notice and opportunity for hearing on the record, to censure, place limitations on the activities, functions, or operations, suspend (for a period not exceeding 12 months) or revoke the registration of any government securities broker or government securities dealer if such action is necessary or appropriate in

the public interest and such government securities broker or government securities dealer, or any associated person, has committed or omitted any act or omission enumerated in subparagraphs (A), (D) or (E) of section 15(b)(4), has been convicted of any offense specified in subparagraph (B) thereof within ten years of the commencement of proceedings brought under this section, or is subject to an injunction as provided in subparagraph (C) thereof.

Subparagraph (B) would further provide, as to government securities brokers and government securities dealers required to register under section 15C(a), as well as to persons associated with them, that the Commission may suspend any registration pending a final determination as to whether registration shall be revoked. In addition, this subparagraph would authorize the Commission to prescribe procedures governing the withdrawal of registration by government securities brokers and government securities dealers and to cancel any pending registration or terminate any registration for government securities brokers or government securities dealers who have ceased action in such capacities.

Subparagraph (C) would grant to the Commission authority to discipline persons associated, or seeking to become associated with, a government securities broker or government securities dealer required to register under section 15C(a). Accordingly, the Commission would be required, by order, to censure, bar or suspend (for a period not exceeding 12 months) any person from being associated with such a government securities broker or government securities dealer if it finds, on the record following notice and opportunity for a hearing, that the disciplinary action to be taken is in the public interest and that such associated person has committed or omitted any act or omission enumerated in subparagraphs (A), (D) or (E) of section 15(b)(4), has been convicted of any offense specified in subparagraph (B) thereof within ten years of the commencement of the proceedings under this paragraph or is subject to an injunction as provided in subparagraph (C) thereof.

Section 15C(c)(3): For government securities brokers and government securities dealers not required to register under section 15C(a)(1)(A), this section would vest responsibility and authority in the appropriate regulatory agency to sanction such government securities brokers and government securities dealers in the manner and for the reasons specified in section 15C(c)(2) and any associated person in the manner and for the reasons specified in section 15C(c)(2). Moreover, where applicable, the appropriate regulatory agency could enforce compliance by such government securities brokers and government securities dealers, or any associated person, with the provisions of section 15C and the rules of the Board promulgated thereunder in accordance with section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), section 5 of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464), or section 407 of the National Housing Act (12 U.S.C. 1730). Any violation of any such provision would constitute an adequate basis for the issuance of any order under section 8(b) or section 8(c) of the Federal Deposit Insurance Act, under section 5(d)(2) or section 5(d)(3) of the Home Owners' Loan Act of 1933, or under section 407(e) or section 407(f) of the National Housing Act, and the customers of any such government securities broker or government securities dealer would be deemed, respectively, "depositors" within the meaning of section 8(c) of the Federal Deposit Insurance Act, "savings account holders" within the meaning of section 5(d)(3) of the Home Owners' Loan Act of 1933, or "insured members" within the meaning of section 407(f) of the National Housing Act. This section would in no way limit any existing powers vested in such appropriate regulatory agencies under other laws to take disciplinary actions against government securities brokers and government securities dealers. Each appropriate regulatory agency (other than the Commission) would be required promptly to notify the Commission after imposing any sanction under this provision on a government securities broker, government securities dealer, or a person associated with a government securities broker or government securities dealer. The Commission would be required to maintain, and make available to the public, a record of such sanctions and any sanctions imposed by it under section 15C(c).

Section 15C(c)(4): This section would authorize the Board to delegate its authority as the appropriate regulatory agency for any primary dealer which is a broker or dealer registered under section 15 of the Exchange Act or a financial institution to the agency which would have been the appropriate regulatory agency for such government securities dealer if it were not a primary dealer.

Section 15C(c)(5): This section would make it unlawful, without the consent of the appropriate regulatory agency, for any person subject to an order under section 15C(c)(2) or under section 15C(c)(3) limiting his activities or functions willfully to become, or to be, associated with a government securities broker or government securities dealer. It would also be unlawful for any government securities broker or government securities dealer, without the consent of the appropriate regulatory agency, to permit such person to become or remain an associated person if such government securities broker knew or, in the exercise of reasonable care should have known, of such order.

Section 15C(d): This section would give authority to the appropriate regulatory agencies to examine all records of government securities brokers and government securities dealers at any time such an agency deems it necessary or appropriate or otherwise in furtherance of the purpose of this section to conduct such an examination of records.

Section 15C(e)(1): This section would make clear that all government securities brokers and government securities dealers required to register under section 15C(a)(1)(A) must join a securities association registered under section 15A in order lawfully to effect any transaction in, or induce or attempt to induce the purchase or sale of, any government security.

Section 15C(e)(2): This section would give to the Commission, with the consent of the Board, authority to exempt a government securities broker or government securities dealer or a class thereof from the operation of Section 15C(e)(1).

TITLE II—CONFORMING AMENDMENTS

PART A—CONFORMING DEFINITIONS

DEFINITION OF MEMBER

Section 201(a) would amend section 3(a)(3)(B) of the Exchange Act to make clear that the term "member" would include, subject to section 15A(f) of the Exchange Act (as amended by the bill), any government securities broker or government securities dealer.

DEFINITION OF APPROPRIATE REGULATORY AGENCY

Section 201(b) of the bill would amend section 3(a)(34) of the Exchange Act, which defines the term "appropriate regulatory agancy", by adding a new provision—subparagraph G—to specify the appropriate regulatory agency for a government securities broker, a government securities dealer, or an associated person. Thus, the Comptroller of the Currency would be the appropriate regulatory agency in the case of a national bank or a bank acting under the Code of Law for the District of Columbia, or a subsidiary of any such bank; the Board would be the appropriate regulatory agency in the case of a State member bank or a subsidiary thereof, a bank holding company, a subsidiary of a bank holding company which is a person other than a person for which the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, or such appropriate regulatory agency as may be designated by the Board pursuant to clause (vi) of subparagraph G would be the appropriate regulatory agency, a subsidiary of such subsidiary, or any primary dealer; the Federal Deposit Insurance Corporation would be the appropriate regulatory agency in the case of a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System or a Federal savings bank), or a subsidiary thereof; the Federal Home Loan Bank Board would be the appropriate regulatory agency in the case of a Federal savings and loan association, Federal savings bank, District of Columbia savings and loan association, a subsidiary thereof, a savings and loan holding company (other than a diversified savings and loan holding company or a bank holding company), a subsidiary thereof which is a person other than a person for which the Comptroller of the Currency, the Board, the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or such appropriate regulatory agency as may be designated by the Board pursuant to clause (vi) of subparagraph G would be the appropriate regulatory agency, or a subsidiary of such subsidiary; the Federal Savings and Loan Insurance Corporation would be the appropriate regulatory agency in the case of an institution insured by the Federal Savings and Loan Insurance Corporation (other than a Federal savings and loan asociation, Federal savings bank, or District of Columbia savings and loan association), or a subsidiary thereof; such appropriate federal regulatory agency as shall be designated by the Board would be the appropriate regulatory agency in the case of a foreign bank, a branch or agency of a foreign bank, or a commercial lending company owned or controlled by a foreign bank (as such terms are defined in the International Banking Act of 1978) (regardless of whether such bank, branch, agency, or company is a person of a type specified in clauses (i), (ii), (iii), (iv), or (v) of subparagraph G); and the Commission would be the appropriate regulatory agency in the case of all other government securities brokers and government securities dealers.

This section would also make clear that the terms "savings and loan holding company", "diversified savings and loan holding

company", and "subsidiary of a savings and loan holding company" would have the meanings given them under section 408 of the National Housing Act, and that the term "District of Columbia savings and loan association" would mean any association subject to examination and supervision by the Federal Home Loan Bank Board under section 8 of the Home Owners' Loan Act of 1933.

DEFINITION OF STATUTORY DISQUALIFICATION

Section 201(c) of the bill would amend subparagraphs (B) and (C) of section 3(a)(39) of the Exchange Act so as to make government securities brokers and government securities dealers subject to statutory disqualification.

ADDITIONAL DEFINITIONS

Section 201)d) of the bill would add the following new definitions to section 3(a) of the Exchange Act:

Section 3(a)(42): This section would add a definition of the term "government securities" to mean all securities which are direct obligations of, or obligations guaranteed as to principal or interest by, the United States, or securities which are issued or guaranteed by corporations in which the United States has a direct or indirect interest and which are designated as "exempted securities" by the Secretary of the Treasury under section 3(a)(12) of the Exchange Act.

Section 3(a)(43): A "government securities broker," would be defined in this paragraph to mean any person engaged in the business of effecting transactions in government securities for the amount of others. The definition of government securities broker is based upon the definition of broker in section 3(a)(4) of the Exchange Act.

Section 3(a)(44): A "government securities dealer," would be defined in this paragraph to mean any person engaged in the business of buying and selling government securities for his own account, through a broker or otherwise. The definition would not encompass any person insofar as he buys or sells such securities for his own account, either individually or in some fiduciary capacity, but not as part of a regular business. The definition of government securities dealer is based upon the definition of dealer in section 3(a)(5) of the Exchange Act. It is intended that principles applied in determining whether a person is a dealer for purposes of section 3(a)(5) of the Exchange Act will also be applied in determining whether a person is a government securities dealer. Thus, for example, a person who engages in transactions for its own account solely with government securities brokers or government securities dealers who have registered or filed a notice under new section 15C(a) would not, in most cases, be considered to be "engaged in the business" of being a government securities dealer, absent an indication that the person was holding itself out as a dealer in government securities, acting as an underwriter for issuers of government securities, or carrying a dealer inventory in government securities. It is also expected that there may be circumstances in which it would be appropriate for the Board to use its authority under sections 15C(a)(4) and 15C(b)(3) to exempt government securities dealers whose activities are not of the type which have given rise to the need for this legislation.

Section 3(a)(45): A "primary dealer" would be defined as a government securities dealer that is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York.

Section 3(a)(46): The term "person associated with a government securities broker or government securities dealer" would be defined to mean any person directly engaged in the management, direction, supervision or performance of any government securities broker's or government securities dealer's activities with respect to government securities, and any person directly or indirectly controlling such activities or controlled by the government securities broker or government securities dealer in connection with such activities.

Section 3(a)(47): This section would define the term "financial institution" to mean a bank as such term is defined in section 3(a)(6) of the Exchange Act. The term would also include a bank holding company or any subsidiary thereof as such terms are defined in section 2 of the Bank Holding Company Act of 1956, a savings and loan holding company (other than a diversified savings and loan holding company) or a subsidiary thereof as such terms are defined in section 408 of the National Housing Act, an insured institution as such term is defined in section 401 of the National Housing Act, and a receiver, conservator or liquidator of any of the foregoing entities.

INAPPLICABILITY OF ACT TO GOVERNMENT ENTITIES

Section 201(e) of the bill would amend section 3(c) of the Exchange Act to provide that no provisions of the Exchange Act apply to any department, agency, corporation or instrumentality of the United States, to any corporation in which the United States has a direct or indirect interest whose securities are government securities under Section 3(a)(42)(B) of the Exchange Act, or to any officer, agent or employee of any such department, agency, cooperation or instrumentality acting in the course of his official duty as such, unless a provision of the Exchange Act makes specific reference to such department, agency, corporation or instrumentality.

PART B—ADDITIONAL CONFORMING AMENDMENTS

SANCTIONS AGAINST BROKERS OR DEALERS

Section 202 of the bill would amend Section 15(b)(4) so as to expand the Commission's authority to impose sanctions on a broker or dealer if the Commission finds that a broker or dealer or any person associated therewith has willfully made or caused to be made in any application for registration or in any report required to be filed with an appropriate regulatory agency under the Exchange Act a false or misleading statement with respect to any material fact which is required to be stated therein. In addition, section 202 of the bill would make section 15(b)(4)(B) applicable where the conviction in question arises out of the conduct of the business of a government securities broker or government securities dealer and section 15(b)(4)(C) applicable where a broker or dealer is enjoined by a court from acting as a government securities broker or government securities dealer.

AMENDMENTS TO PROVISIONS AFFECTING REGISTERED SECURITIES ASSOCIATIONS

Section 203(a) would amend section 15A(b)(3) of the exchange Act to provide that the rules of a registered securities association shall permit a registered government securities broker or registered government securities dealer to become a member of such association. This section would also amend paragraph (b)(4) to specify that the rules of a registered securities association shall provide that any director or directors of such association which, under current law, would not be permitted to be associated with a broker or dealer also would not be permitted to be associated with a government securities broker or government securities dealer.

Section 203(b) would amend section 15A(f) of the Exchange Act to clarify the extent to which a registered securities association may adopt rules or take other actions affecting government securities. Government securities would continue to be treated as exempted securities under the bill, and it is intended that a registered securities association would have no authority with respect to government securities in addition to its authority under existing law, except as specifically granted by new section 15A(f)(2). This new paragraph would specifically authorize a registered securities association to adopt and implement rules applicable to its members in five areas: first, to enforce compliance by government securities brokers and government securities dealers with the provisions of new section 15C and the Board's rules thereunder; second, to provide that its members and persons associated with its members shall be appropriately disciplined, in accordance with the procedural requirements of section 15C(h), for violation of such provisions or such rules (i.e., by expulsion, suspension limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction); third, to provide for reasonable inspection and examination of the books and records of government securities brokers and government securities dealers; fourth, to provide for the matters described in paragraphs (b)(3) and (b)(4) of section 15A (as amended by the bill and described in the preceding paragraph); and fifth, to implement the provisions in section 15A(g) (as amended by the bill) relating to denial of membership in the association.

Section 203(c) would make a conforming change to paragraph (1) of section 15A(g) to provide that a registered securities association shall deny membership to any person who is not a registered broker or dealer or a registered government securities broker or registered government securities dealer. This section would also make a conforming change in paragraph (2) of section 15A(g) to provide that a registered securities association may, and in certain circumstances shall, deny membership to a government securities broker or government securities dealer, or person associated with a government securities broker or government securities dealer, who is subject to a statutory disqualification.

In addition, section 203(c) would add a new paragraph (5) to section 15A(g) which would provide that a registered securities association may not deny membership to or condition the membership of, or bar any person from becoming associated with or condition the association of a person with, a government securities broker or a government securities dealer under paragraphs (3) and (4) of section 15A(g). This new paragraph describes, however, certain other circumstances in which membership may be denied to, or a person may be barred from association with, a registered government securities broker or a registered government securities dealer.

New subparagraph (5)(B) would provide that a registered government securities association may deny membership to, or condition the membership of, a registered government securities broker or a registered gov-

ernment securities dealer if such government securities broker or government securities dealer does not meet the standards of financial responsibility prescribed by the rules of the Board under new section 15C or has engaged and there is a reasonable likelihood that it will again engage in any conduct or practice which would subject such government securities broker or government securities dealer to sanctions under new sections 15C(c)(2) or 15C(c)(3). In addition, subparagraph (5)(B) would authorize a registered securities association to examine the books and records of a registered government securities broker or a registered government securities dealer to verify compliance with the provisions of new section 15C and the rules of the Board thereunder.

New subparagraph (5)(C) would provide that a registered securities association may bar any person from becoming associated with a member or condition the association of a person with a member if such person has engaged in any conduct or practice and there is a reasonable likelihood that such person will again engage in any conduct or practice which would subject such person to sanctions under new sections 15C(c)(2) or 15C(c)(3) of this title, or if such person does not agree to supply the association with such information with respect to its relationship and dealings with the member as may be specified in the rules of the association and to permit examination of its books and records to verify the accuracy thereof.

MISSING, LOST, COUNTERFEIT OR STOLEN SECURITIES

Section 204(a) of the bill would amend section 17(f)(1) so that the provisions thereof regarding missing, lost, counterfeit and stolen securities would apply to government securities brokers and government securities dealers.

Section 204(b) of the bill would amend section 17(f)(4) to make clear that the Commission may delegate its authority under sections 17(f)(1), (2) or (3) in regard to primary dealers. In the event of such delegation, the delegatee would be the Board.

INVESTIGATIONS, INJUNCTIONS, AND PROSECUTION OF OFFENSES

Section 205 of the bill would amend section 21(a) to bar the Commission from taking any action against a government securities broker, government securities dealer, or an associated person for any existing or threatened violation of section 15C, or the rules or regulations thereunder, unless the Commission is the appropriate regulatory agency for such government securities broker or government securities dealer. Section 205 would also make clear that this amendment of section 21(a) is not intended to limit the Commission's authority with respect to existing or threatened violations of any provision of the Exchange Act, other than Section 15C, or the rules or regulations under any such other provision.

TITLE III—TRANSITIONAL AND SAVINGS PROVISIONS

SAVINGS PROVISIONS

Section 301 of the bill would make clear that the legislation does not affect any proceedings, including notices of proposed rulemaking, pending on the effective date of the Act. Section 301 would also make clear that nothing in the bill should be construed to limit or impair the authority of the Federal Reserve Bank of New York to establish conditions for the monitoring of, receipt of reports from, or recognition of a government securities dealer as a primary dealer.

TITLE IV—EFFECTIVE DATES

EFFECTIVE DATE

Section 401 of the bill would provide that, except for the exercise of certain rulemaking authority under section 402 of the bill, the Act shall take effect 180 days after its enactment.

RULEMAKING AUTHORITY

Section 402 of the bill would authorize the Board, as soon as the bill is enacted, to prescribe rules pursuant to section 15C(a)(1)(B) and section 15C(a)(2) of the Exchange Act. The Board would be further empowered, as soon as the bill is enacted, to prescribe other appropriate rules pursuant to section 15C, but such rules would become effective no sooner than the effective date of the Act.●

By Mr. HELMS (for himself, Mr. FORD, Mr. MCCONNELL, Mr. THURMOND, Mr. EAST, Mr. WARNER, Mr. TRIBLE, Mr. MATTINGLY, Mr. HOLLINGS, and Mr. SASSER):

S. 1418. A bill to amend the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 to improve the Tobacco Program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

TOBACCO PROGRAM IMPROVEMENT ACT

Mr. HELMS. Mr. President, on behalf of myself and several of my colleagues I have sent to the desk the Tobacco Program Improvement Act of 1985, a bill designed to restore stability to the Tobacco Program, to improve its operation for family farmers, and to save the taxpayers billions of dollars from potential losses.

Many dedicated individuals and groups of people have been working on this legislation for more than a year, and I am particularly pleased with the remarkable cooperation and dedication exhibited by everyone involved in developing this plan. In addition to tobacco growers and the cigarette manufacturers, other groups included in these deliberations were the cooperative loan associations, tobacco export dealers, and USDA.

So you see, it is a very unique gathering of people. Someone even went so far as to call one of our meetings historic. I do not think the fact that we were able to work out this plan points to the awareness of everyone involved with tobacco that it is absolutely necessary for the tobacco family to address in a comprehensive and effective way our fundamental problems.

Mr. President, my home State of North Carolina is the country's largest producer of Flue-cured tobacco, but this is not a special interest bill drafted only to benefit North Carolina's farmers or even just Flue-cured growers from the other States of Virginia, South Carolina, Georgia, Florida, and Alabama. This legislation also covers the other major types of tobacco grown in the United States—burley tobacco.

The State with the largest burley tobacco production is Kentucky, though my own State's farmers produce about 5 percent of the burley crop, and Tennessee is a major producer, as well. This legislation has been developed in conjunction with the burley tobacco growers and would not have been possible without the able leadership and cooperation shown by my two colleagues from Kentucky, Senators WENDELL FORD and MITCH MCCONNELL. I also appreciate the support given by the Senators and staffs from all the other tobacco-producing States I have mentioned. I am particularly grateful for the untiring efforts of the distinguished President pro tempore, Senator STROM THURMOND, and Senator PAUL TRIBLE, as well as all the others.

Mr. President, the point I am making is that this legislation is bipartisan in every respect—in political parties, in States, and even in types of tobacco produced. All of us are working for the same goal—to improve the economic conditions for the entire tobacco family and to assure the well-being of more than half of a million family farmers.

As a result of the No Net Cost Tobacco Program Act of 1982, tobacco farmers have been required to contribute to a fund to ensure that the Tobacco Program is operated at no cost to the taxpayers. Frankly, the No Net Cost Program has not worked as Congress intended. Much more tobacco—both Flue-cured and burley—has gone under loan than was ever anticipated. As a result of these massive loan stocks, Congress took a number of additional actions in 1983, including the freezing of the price supports farmers receive for 3 years. Again, this action has not worked as expected. So once again we are here in hope of getting it right this time. It is our hope to accomplish in a successful way the intentions of Congress—mandated by the House of Representatives in 1981—that the Tobacco Program be operated at no cost to the taxpayers—except the normal administrative expenses associated with any farm program.

But, Mr. President, we must first address the fundamental problems confronting the Tobacco Program if we are to have any chance of getting it back on the right track. Under present law, the levels of price support for tobacco have resulted in market prices for tobacco that are not competitive on the world market. As a consequence, extremely large amounts of domestic tobacco have been put under loan—with current inventories in excess of 800 million pounds of Flue-cured tobacco and approximately 590 million pounds of burley tobacco. Through the use of assessments, farmers are held responsible for principal, interest, and any losses that might occur on this tobacco under loan. For

example, interest on the Flue-cured stocks is accruing at the rate of $10 million per month.

The assessments have steadily increased to the point where they are threatening the very existence of a Tobacco Program. The assessment for this year's crops of Flue-cured and burley tobacco has skyrocketed to 25 and 30 cents per pound, respectively. Not surprisingly, we are hearing a great deal of discussion from farmers that these high assessments approach the limits that farmers can reasonably bear—and that the assessments may cause sufficient numbers of farmers to vote against the Tobacco Program in the next referendum to be held in early 1986.

In addition to these high assessments, the levels of the producer-held inventories have forced quota reductions that have seen the Flue-cured levels reduced by 50 percent in 10 years while burley quotas have been reduced by 30 percent in just 3 years. Unless a comprehensive reform of the Tobacco Program is undertaken, the most likely result would be a continuation or acceleration of trends from recent years, with an additional and substantial amount of the crop going into the loan pool, resulting in increased assessments and reduced quotas for future years. Left unattended, tobacco farmers' very livelihoods will be threatened by higher and higher assessments and deeper and deeper quota cuts.

In addition to the economic damage inflicted upon farmers, the Government could stand to lose between $3 and $4 billion if CCC were to find itself in possession of all the tobacco under loan, as a result of the program going bankrupt or being voted out by the farmers in a referendum. Such a "fire sale" disposition of these excess inventories would surely disrupt the orderly marketing of new tobacco crops for many years to come.

Negative conditions such as these have forced us to look for ways to improve the operation of the Tobacco Program. We all approached these negotiation with the realization that any workable solution for tabacco's problems had to do three things: First, get out from under the burden of mounting producer-held inventories; second, take appropriate steps to ensure that we don't load the inventories back up in the future; and third, assure that the taxpayers would not become burdened with many billions of dollars worth of excess tobacco inventory that would have little or no value.

At the request of the Flue-Cured Stabilization Cooperative's Board of Directors, negotiations began with most of the cigarette manufacturers to come up with a suitable and proper way to sell them this excess inventory. These negotiations began in earnest in December 1984, and culminated with a marathon session on June 4, 1985. The compromises and agreements resulting from the meeting form the basis of this legislation, and I believe it represents a balance between companies and growers.

In simple terms, there are four main components of this legislation—two in favor of the growers, two in favor of the companies, and all in favor of the taxpayers. Some folks have questioned the equity of this agreement, but I have always heard that the sign of a good compromise is if everyone left the negotiations thinking the other party got the better deal. If so, that is the case here.

The growers benefit especially from two things in this agreement: First, the cigarette manufacturers shall buy out the entire loan association inventories over a 5- to 8-year period, thus reducing substanding the tremendous costs associated with carrying these massive inventories; second, the manufacturers shall split 50-50 with the farmers any and all future no-net-cost assessments necessary to carry future pool stocks from pound one.

In return for these two major financial concessions, the manufacturers benefit from two items in this legislation: First, the price support level for Flue-cured and burley tobacco will be lowered to $1.40 and $1.45 per pound, respectively. This is made statutory in 1985 for burley, and the bill assumes that the effective price support level for the 1985 crop of Flue-cured will be lowered to $1.40 administratively through a rebate mechanism. USDA has approved a plan that is designed to accomplish this. Future price support levels after 1985 will be based on a new formula—two-thirds market oriented and one-third tied to an index of prices paid by tobacco farmers.

Second, the manufacturers will also be providing input into the determination of marketing quotas, as they will be required to submit statements of intended purchases. Manufacturers will be penalized if they do not live up to these purchase intentions. This is a market-oriented approach to determine quotas, as substantially no more tobacco will be grown than the market is willing to buy. This will ensure loan inventories will not grow beyond desirable and manageable levels in the future.

Tobacco is a commodity that particularly lends itself to this kind of arrangement because there are so few purchasers of the product and hundreds of thousands of farmers. As one of my colleagues so aptly put it, this agreement makes the growers and tobacco companies "partners in commerce." I would hope the rest of my colleagues would see fit to allow the "tobacco family" to devise and operate their own program, particularly because of our determination to assure that it will operate without cost to the taxpayers in the future.

I am sure there will be some who will object to the cost of this legislation. Estimates in this regard of between $500 million and $1 billion have been used by some observers. Regardless of the ultimate cost of the buyout—and I don't believe it will go that high—certain disaster will occur if the fundamental problems of the Tobacco Program are not addressed through this legislation. If the Tobacco Program goes bankrupt or if the farmers opt to vote the program out in a referendum to be held in early 1986, CCC could find itself in possession of all the tobacco under loan. If this occurs, the Government could stand to lose between $3 and $4 billion. So, the question gets down to whether we are willing to risk spending a smaller amount of money now to save a much larger amount in the very near future. I think a prudent business decision would be write off these losses and start over with a sound and efficient approach designed to get us out of trouble now and keep us out of trouble in the future. I believe we have such an approach in this legislation.

I realize the formula I have outlined here provides a higher price support average than most proposed farm bills seek for other commodities. However, tobacco is an unusual crop in that it is the only one required to operate under the burden of a no-net-cost program. The tobacco marketing season is short and farmers only have a certain length of time to sell their crop. They can't sell year-round like most other commodities, nor can they engage in the futures markets. There are only about six or seven major purchasers of the raw material—these being the cigarette manufacturers and the export market. Tobacco is also a semiperishable product that must be processed into a storable good within a short period of time.

I have also failed to mention a very important feature concerning the computation of the new price support formula. The market-oriented portion of the formula takes 95 percent of the average market price for the 5 preceding years, excluding the highest and lowest years, but we subtract 30 cents from the average market price for the years 1981-94. This is done to get down to the $1.40 to $1.45 range, and we then let the market prices dictate future price support levels. Last year's Flue-cured average market price was $1.81 per pound, so a 30-cent reduction represents almost a 17-percent reduction even before the 95-percent figure is applied. This puts tobacco near some of the price support levels being talked about for other commodities.

In summary, this bill seems to pass the litmus test for 1985 farm legislation. It has a market-oriented price

support and quota determination mechanism. It contains provisions designed to get rid of the excess inventories of the commodity under loan and make sure it doesn't build back up again in the future. And, the ultimate long-range goal is to minimize the government's losses that would occur as a result of the bankruptcy or loss of the entire Tobacco Program.

I have yet to mention the major benefactor of the Tobacco Program—the small family farmer. Tobacco is a principal cash crop on 276,000 farms in 22 States. As I mentioned earlier, North Carolina produces more Flue-cured tobacco, the main ingredient in America's blended cigarettes, and manufactures more tobacco products than any comparable area in the world.

From year to year, there is approximately 800,000 to 900,000 acres of tobacco grown in the United States, with an average of less than 5 acres of tobacco grown on each farm. We are talking about small family farmers. If the program ceases to exist, there will likely be roughly the same amount of tobacco grown, but it will be on just a few very large farms. If the average size of a tobacco farm increases to 200 acres, we would wind up with about 4,000 tobacco farmers. Likewise, if the average size goes up to 2,000 acres—and this could be possible in these times of advancing mechanization—the same amount of tobacco could be grown by 400 farmers. That would put a very large number of the current small family tobacco farmers out of business, and I don't think my colleagues would favor such a move.

Without the program, the following chain reaction could occur. Overplanting by big farmers and by newcomers could severely depress tobacco prices and the incomes of many small farmers who depend on the return from an acre or two of leaf for their existence. The small farmers would be squeezed off the land, because banks and other financial institutions do not provide operating loans without guarantee of repayment, which is presently assured by the program.

There would be widely decreased income and property tax collections in the States that grow tobacco, widespread disruptions in banking and commercial systems and—to continue the scenario to its logical conclusion—regional recessions.

Without the program, considerably increased acreage would be devoted to tobacco. With no restrictive quotas, a larger tobacco supply would enter the market, at greatly reduced prices.

We still have today a program that has proven its effectiveness, its worthiness, and its efficiency over more than four decades. The U.S. Tobacco Program has traditionally provided a stable and predictable supply of quality tobacco at a given price. Our farmers have depended on it. Our customers, both foreign and domestic, knew what to count on and knew what to plan for. Let's make these substantial and necessary changes and restore stability and long-term growth to our tobacco market.

I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the bill and a short summary of the bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tobacco Program Improvement Act of 1985".

FINDINGS AND PURPOSES

SEC. 2. (a) Congress hereby finds that—

(1) the maintenance of a viable tobacco price support and production adjustment program is in the interests of tobacco producers, purchasers of tobacco, persons employed directly or indirectly by the tobacco industry, and the localities and States whose economies and tax bases are dependent on the tobacco industry;

(2) the present tobacco price support program is in jeopardy and in need of reform;

(3) under present law, the levels of price support for tobacco have resulted in market prices for tobacco that are not competitive on the world market;

(4) as a consequence, extremely large amounts of domestic tobacco have been put under loan and placed in the inventories of the producer-owned cooperative marketing associations that administer the tobacco price support program;

(5) the increased inventories have led to a significant increase in the assessments producers are required to pay to maintain the tobacco price support program on a "no net cost" basis, and these increasingly large assessments are creating a severe hardship on producers;

(6) the existence of such large inventories poses a threat to the orderly marketing of future crops of tobacco;

(7) producer associations' inventories must be significantly reduced or the tobacco price support program will collapse;

(8) the Commodity Credit Corporation is threatened with substantial losses on disposition of these inventories should the tobacco price support program collapse;

(9) it is imperative that such excess inventories of tobacco be disposed of, under the supervision of the Secretary of Agriculture, in a manner that will not disrupt the orderly marketing of new tobacco crops, that will minimize any losses to the Government, and that will be fair and equitable to all tobacco producers and purchasers;

(10) the mutual cooperation of tobacco producers, tobacco purchasers, producer associations, and the Secretary of Agriculture is necessary to restore the tobacco price support program to a stable condition and prevent substantial losses to taxpayers that would result from the program's collapse;

(11) restoration of stability to the tobacco price support program through a sharing of the cost of that program by purchasers of tobacco along with producers of tobacco is necessary to prevent undue burdens on, or obstruction of, interstate and foreign commerce in tobacco; and

(12) the system of grading tobacco should be thoroughly reviewed to ensure that grades are assigned to tobacco that properly state the quality of such tobacco.

(b) The purposes of this Act are—

(1) to encourage cooperation among tobacco producers, tobacco purchasers, and the Secretary of Agriculture in reducing tobacco price support levels, assessment costs, the size of producer associations' inventories and the taxpayers' exposure to large budget outlays;

(2) to adjust the method by which price support levels and production quotas are calculated to reflect actual market conditions;

(3) to facilitate the purchase and sale of Flue-cured and Burley tobacco presently in the inventories of producer associations through which producers of Flue-cured Burley tobacco are provided price support;

(4) to provide that purchasers and producers of domestic tobacco will share equally in the cost of maintaining the tobacco price support program at no net cost to the taxpayer; and

(5) to expedite reform of the system of grading tobacco so that grades assigned to tobacco more accurately reflect the quality of such tobacco.

PRICE SUPPORT ADJUSTMENTS

SEC. 3. Effective for the 1985 and subsequent crops of tobacco, section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445) is amended—

(1) in subsection (f)

(A) by striking out "and for the 1985 crop of any kind of tobacco (other than Flue-cured and Burley tobacco) for which marketing quotas are in effect or are not disapproved by producers" in paragraph (3); and

(B) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) For the 1985 crop of Burley tobacco, the support level shall be $1.449 per pound.

"(5)(A) Except as provided in subparagraph (B), for the 1985 and each subsequent crop of any kind of tobacco (other than Flue-cured and Burley tobacco) for which marketing quotas are in effect or are not disapproved by producers, the support level shall be the level in cents per pound at which the immediately preceding crop was supported, plus or minus, respectively, the amount by which (i) the support level for the crop for which the determination is being made, as determined under subsection (b), is greater or less than (ii) the support level for the immediately preceding crop, as determined under subsection (b), as that difference may be adjusted by the Secretary under subsection (d) if the support level under clause (i) is greater than the support level under clause (ii).

"(B) Notwithstanding subparagraph (A) of this paragraph and subsection (d), the Secretary, if requested by the board of directors of the association through which price support for the respective kind of tobacco, specified in subparagraph (A) is made available to producers, may reduce the support level for such kind of tobacco to the extent requested by the association to more accurately reflect the market value and improve the marketability of such tobacco.

"(6)(A) For the 1986 and each subsequent crop of Flue-cured and Burley tobacco for which marketing quotas are in effect or are not disapproved by producers, the support level shall be the level in cents per pound at which the immediately preceding crop was supported, plus or minus, respectively, an adjustment of not less than 65 per centum

nor more than 100 per centum of the total, as determined by the Secretary after taking into consideration the supply of the kind of tobacco involved in relation to demand, of—

"(i) 66.7 per centum of the amount by which 95 per centum of the average price received by farmers for Flue-cured and Burley tobacco, respectively, on the United States auction markets, as determined by the Secretary, during the five marketing years immediately preceding the marketing year for which the determination is being made, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, is greater or less than the support level for the immediately preceding crop, and

"(ii) 33.3 per centum of the change, expressed as a cost per pound of tobacco, in the index of prices paid by tobacco growers from January 1 to December 31 of the calendar year immediately preceding the year in which the determination is made.

"(B) For the purposes of subparagraph (A), the average market price for Burley tobacco for the 1984 and each prior applicable marketing year shall be reduced by $0.30 per pound, and the average market price for Flue-cured tobacco for the 1985 and each prior applicable marketing year shall be reduced by $0.30 per pound.

"(C) For the purposes of subparagraph (A), the support level for the 1985 crop of Flue-cured tobacco shall be deemed to be $1.399 per pound.

"(D) For the purposes of subparagraph (A), the index of prices paid by tobacco farmers shall include items representing general, variable costs of producing tobacco, as determined by the Secretary, but shall not include the cost of land, risk, overhead, management, purchase or leasing of quota, marketing contributions or assessments, and other costs not directly related to the production of tobacco."; and

(2) by striking out subsection (g).

DETERMINATION OF MARKETING QUOTAS FOR FLUE-CURED AND BURLEY TOBACCO

SEC. 4. (a) Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) by adding at the end of paragraph (14) the following new subparagraphs:

"(C) 'Reserve stock level' in the case of Flue-cured tobacco shall be the greater of (i) one hundred million pounds (farm sales weight), or (ii) 15 per centum of the national marketing quota for Flue-cured tobacco for the marketing year immediately preceding the marketing year for which the level is being determined.

"(D) 'Reserve stock level' in the case of Burley tobacco shall be the greater of (i) fifty million pounds (farm sales weight), or (ii) 15 per centum of the national marketing quota for Burley tobacco for the marketing year immediately preceding the marketing year for which the level is being determined."; and

(2) by adding at the end thereof the following new paragraph:

"(17) 'Domestic manufacturer of cigarettes' means a person that produces and sells more than 1 per centum of the cigarettes produced and sold in the United States.".

(b) Section 317(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314(a)(1)) is amended—

(1) by striking out " 'National marketing quota' " and inserting in lieu thereof "(A) Except as provided in subparagraph (B), 'national marketing quota' "; and

(2) by adding at the end thereof the following new subparagraphs:

"(B) For the 1986 and each subsequent crop of Flue-cured tobacco, 'national marketing quota' for a marketing year means the amount of Flue-cured tobacco, as determined by the Secretary, that is not more than 103 per centum nor less than 97 per centum of the total of—

"(i) the aggregate of the amounts of Flue-cured tobacco that domestic manufacturers of cigarettes estimate they intend to purchase on the United States auction markets or from producers during the marketing year, as compiled and determined under section 320A of this Act;

"(ii) the average annual amount of Flue-cured tobacco exported from the United States during the three marketing years immediately preceding the marketing year for which the determination is being made; and

"(iii) the amount, if any, of Flue-cured tobacco that the Secretary, in his discretion, determines is necessary to increase or decrease the inventory of the producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured tobacco to establish or maintain such inventory at the reserve stock level for Flue-cured tobacco.

"(C) In determining the amount of Flue-cured tobacco necessary to establish or maintain the inventory of the producer association at the reserve stock level under clause (iii) of subparagraph (B) of this paragraph, the Secretary shall provide for attaining the reserve stock level over a period of five years.".

(c) Section 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e) is amended—

(1) in subsection (c)—

(A) by striking out "The national marketing quota" and inserting in lieu thereof "(1) Except as provided in paragraph (3), the national marketing quota";

(B) by designating the third sentence as paragraph (2); and

(C) by adding at the end thereof, as amended by clauses (A) and (B) of this paragraph, the following new paragraph:

"(3)(A) For the 1986 and each subsequent crop of Burley tobacco, the national marketing quota for any marketing year shall be the amount of Burley tobacco, as determined by the Secretary, that is not more than 103 per centum nor less than 97 per centum of the total of—

"(i) the aggregate of the amounts of Burley tobacco that domestic manufacturers of cigarettes estimate they intend to purchase on the United States auction markets or from producers during the marketing year, as compiled and determined under section 320A of this Act;

"(ii) the average annual amount of Burley tobacco exported from the United States during the three marketing years immediately preceding the marketing year for which the determination is being made; and

"(iii) the amount, if any, of Burley tobacco that the Secretary, in his discretion, determines is necessary to increase or decrease the inventories of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Burley tobacco to establish or maintain such inventories, in the aggregate, at the reserve stock level for Burley tobacco.

"(B) In determining the amount of Burley tobacco necessary to establish or maintain the inventories of the producer associations at the reserve stock level under clause (iii) of subparagraph (A) of this paragraph, the Secretary shall provide for attaining the reserve stock level over a period of five years.

"(C) Notwithstanding subparagraph (A), any downward adjustment in the national marketing quota for Burley tobacco may not exceed the greater of (i) thirty-five million pounds or (ii) 50 per centum of the amount by which the total inventories of Burley tobacco of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Burley tobacco exceed the reserve stock level for Burley tobacco."; and

(2) by inserting ", except in the case of Burley tobacco," immediately after *"Provided,* That" in the fourth sentence of subsection (e).

(d) Effective for the 1986 and each subsequent crop of tobacco, the Agricultural Adjustment Act of 1938 is amended by inserting after section 320 the following new section:

"Submission of Purchase Intentions by Cigarette Manufacturers

"SEC. 320A. (a) No later than December 1 of any marketing year with respect to Flue-cured tobacco (December 1, 1985, with respect to the 1986 crop) and January 15 of any marketing year with respect to Burley tobacco (January 15, 1986, with respect to the 1986 crop), each domestic manufacturer of cigarettes shall submit to the Secretary a statement, by kind, of the amount of Flue-cured tobacco and Burley tobacco (for which a national marketing quota is in effect or for which the Secretary has proclaimed a national marketing quota for the next succeeding marketing year) that the manufacturer intends to purchase, directly or indirectly, on the United States auction markets or from producers during the next succeeding marketing year (hereinafter in this section referred to as the 'amount of intended purchases'). The Secretary shall aggregate the statements of the amounts of intended purchases in a manner that will not allow the identification of any manufacturer's amount of intended purchases.

"(b) If any domestic manufacturer of cigarettes fails to submit to the Secretary a statement of its amount of intended purchases, as required by this section, the Secretary shall establish the amount of intended purchases to be attributed to such manufacturer for purposes of this Act based on—

"(1) the amount of intended purchases submitted by such manufacturer under this section for the marketing year immediately preceding the marketing year for which the determination is being made, or

"(2) if such manufacturer did not submit a statement of its amount of intended purchases for the marketing year immediately preceding the marketing year for which the determination is being made, the most recent information available to the Secretary.

"(c) All information with respect to the amount of intended purchases submitted by domestic manufacturers of cigarettes under this section shall be kept confidential by all officers and employees of the Department of Agriculture. Such information may only be disclosed by them in a suit or administrative hearing brought at the direction, or on the request, of the Secretary, or to which the Secretary or any officer of the United States is a party, and involving enforcement

of this Act. Nothing in this section shall be deemed to prohibit the publication by direction of the Secretary of the name of any person violating any provision of this Act, together with a statement of the particular provisions of the Act violated by such person. Any officer or employee of the Department of Agriculture violating the provisions of this subsection shall on conviction be subject to a fine of not more than $1,000 or to imprisonment for not more than one year, or to both, and shall be removed from office.

"(d) Notwithstanding any other provision of law, statements of the amount of intended purchases that are submitted under this section shall be exempt from disclosure under the provisions of section 552 of title 5, United States Code.".

MARKETING QUOTA ANNOUNCEMENT DATE

SEC. 5. (a) Section 312 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1312) is amended—

(1) by striking out "and February 1 of any marketing year with respect to other kinds of tobacco" in subsection (a) and inserting in lieu thereof "February 1 of any marketing year with respect to Burley tobacco, and March 1 of any marketing year with respect to other kinds of tobacco"; and

(2) by striking out "and not later than the first day of February with respect to other kinds of tobacco" in subsection (b) and inserting in lieu thereof ", not later than the first day of February with respect to Burley tobacco, and not later than the first day of March with respect to other kinds of tobacco".

(b) Section 319(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314(b)) is amended by striking out "February 1" each time it appears in the fourth paragraph and inserting in lieu thereof "March 1".

REDUCTION IN EXCESS TOBACCO NOT SUBJECT TO MARKETING PENALTY

SEC. 6. (a) Effective for the 1986 and subsequent crops of tobacco, the Agricultural Adjustment Act of 1938 is amended—

(1) by striking out "110" in paragraph (1) of section 317(g) (7 U.S.C. 1314c(g)(1)) and inserting in lieu thereof "103"; and

(2) by striking out "110" in paragraph (1) of section 319(i) (7 U.S.C. 1314e(i)(1)) and inserting in lieu thereof "103".

(b) Effective for the 1986 and subsequent crops of tobacco, section 106(c) of the Agricultural Act of 1949 (7 U.S.C. 1445(c)) is amended by striking out "110" and inserting in lieu thereof "103".

PURCHASE REQUIREMENTS; PENALTY

SEC. 7. (a) Effective for the 1986 and subsequent crops of tobacco, the Agricultural Adjustment Act of 1938 is amended by section 4 of this Act, is further amended by inserting after section 320A the following new section:

"Purchase Requirements; Penalty

"SEC. 320B. (a) At the conclusion of each marketing year, on or before a date prescribed by the Secretary, each domestic manufacturer of cigarettes shall submit to the Secretary a statement, by kind, of the amount of Flue-cured and Burley quota tobacco purchased, directly or indirectly, by such manufacturer during such marketing year. The statement shall include, but not be limited to, the amount of each such kind of tobacco purchased by the manufacturer on the United States auction markets, from producers, and from the post-1984 inventories of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Flue-cured or Burley tobacco.

"(b)(1) Except as otherwise provided in this subsection, any domestic manufacturer of cigarettes that fails, as determined by the Secretary after notice and opportunity for a hearing, to purchase during a marketing year on the United States auction markets, from producers, or from the post-1984 inventories of the producer associations described in subsection (a) a quantity of Flue-cured quota tobacco and a quantity of Burley quota tobacco equal to at least 90 per centum of the amount of the intended purchases of Flue-cured tobacco and Burley tobacco, respectively, submitted by such manufacturer or established by the Secretary for such manufacturer for that marketing year under section 320A of this Act (as that amount may be reduced under paragraph (2) of this subsection) shall be subject to a penalty as prescribed in subsection (c) of this section.

"(2)(A) If the total amount of Flue-cured or Burley quota tobacco, respectively, marketed by producers at auction in the United States during the marketing year in question is less than the national marketing quota (including any adjustments for overmarketings or undermarketings) for that kind of tobacco for that marketing year, the amount of intended purchases of each domestic manufacturer of cigarettes, for purposes of paragraph (1) of this subsection, shall be reduced by a percentage equal to the percentage by which the total amount marketed at auction in the United States during the marketing year is less than the national marketing quota (including any adjustments for overmarketings or undermarketings) for that kind of tobacco for the marketing year.

"(B) For purposes of this section, the term 'marketed' shall include disposition of tobacco by consigning the tobacco to a producer association described in subsection (a) of this section for a price support advance.

"(3) No domestic manufacturer of cigarettes shall be subject to a penalty under this section for any marketing year in which the aggregate amount of purchases of Flue-cured and Burley quota tobacco, respectively, on the United States auction markets, from producers, or from the post-1984 inventories of the producer associations described in subsection (a) of this section by all domestic manufacturers of cigarettes is at least 90 per centum of the aggregate amount of the intended purchases of Flue-cured and Burley tobacco, respectively, submitted by all such manufacturers or established by the Secretary for such manufacturers for the marketing year under section 320A of this Act (as such amount may be reduced under paragraph (2) of this subsection).

"(c) The amount of any penalty to be imposed on a manufacturer under this section shall be determined by multiplying (1) twice the per pound assessment (as determined under section 106A or 106B of the Agricultural Act of 1949 (7 U.S.C. 1445-1 and 1445-2)) for the kind of tobacco involved by (2) the amount by which the purchases by such manufacturer on the United States auction markets, from producers, or from the post-1984 inventories of the producer associations described in subsection (a) of Flue-cured and Burley quota tobacco, respectively, for the marketing year are less than 90 per centum of the amount of intended purchases of such kinds of tobacco, respectively, submitted by the manufacturer or established by the Secretary for such manufacturer for that marketing year under section 320A of this Act (as that amount may be reduced under paragraph (2) of subsection (b) of this section).

"(d) An amount equivalent to the penalty collected by the Secretary under this section shall be transmitted by the Secretary to the appropriate producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured or Burley tobacco, as the case may be. Each association to which amounts are transmitted by the Secretary under this section shall deposit such amounts in its No Net Cost Fund or Account in accordance with sections 106A or 106B of the Agricultural Act of 1949.

"(e) The provisions of subsections (c) and (d) of section 320A of this Act shall apply to information submitted by domestic manufacturers of cigarettes under this section with respect to the amount of purchases of Flue-cured and Burley quota tobacco during a marketing year.

"(f) As used in this section, the term 'quota tobacco' means any kind of tobacco for which marketing quotas are in effect or for which marketing quotas are not disapproved by producers.".

(b) Effective for the 1986 and subsequent crops of tobacco, the last sentence of section 372(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1372(b)) is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 320B of this Act, the".

ASSESSMENTS TO NO NET COST FUNDS OR ACCOUNTS

SEC. 8. (a) Effective for the 1986 and subsequent crops of tobacco, section 106A of the Agricultural Act of 1949 (7 U.S.C. 1445-1) is amended—

(1) in subsection (a)—

(B) by striking out "and" at the end of paragraph (5);

(B) by inserting after paragraph (5) a new paragraph to read as follows:

"(6) the term 'purchaser' means any person who purchases, either directly or indirectly for the person's own account or for the account of another, Flue-cured or Burley quota tobacco in the United States; and"; and

(C) by redesignating paragraph (6) as paragraph (7);

(2) by inserting "or paid by or on behalf of purchasers" immediately after "producer-members" in the second sentence of subsection (c);

(3) in subsection (d)—

(A) by striking out "and" at the end of clause (i) of paragraph (1)(A);

(B) by inserting after clause (ii) of paragraph (1)(A) the following new clause:

"(iii) each purchaser of Flue-cured and Burley quota tobacco shall pay to the appropriate association, for deposit in the association Fund, an assessment, in an amount determined from time to time by the association with the approval of the Secretary, with respect to purchase of all such kind of tobacco marketed by a producer from a farm (including purchases of such tobacco from the 1986 and subsequent crops from the association); and";

(C) by inserting immediately before the last sentence of paragraph (1) the following: "The amount of producer contributions and purchaser assessments shall be determined in such a manner that producers and pur-

chasers share equally in maintaining an association's Fund. In making such determination with respect to purchaser assessments, only 1985 and subsequent crops of Flue-cured and Burley quota tobacco shall be taken into account.";

(D) by inserting "and assessments" immediately after "contributions" in the last sentence of paragraph (1);

(E) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) require that any producer contribution or purchaser assessment to be paid under paragraph (1) shall be collected—

"(A) from the person who acquired the tobacco involved from the producer, but an amount equal to the producer contribution may be deducted by the purchaser from the price paid to such producer in case such tobacco is marketed by sale;

"(B) if the tobacco involved is marketed by a producer through a warehouseman or agent, from such warehouseman or agent who may deduct an amount equal to the producer contribution from the price paid to the producer and who may add an amount equal to the purchaser assessment to the price paid by the purchaser; and

"(C) if the tobacco involved is marketed by a producer directly to any person outside the United States, from the producer who may add an amount equal to the purchaser assessment to the price paid by the purchaser;";

(F) by striking out "producers who contribute" in paragraph (3) and inserting in lieu thereof "producers and purchasers who contribute or pay";

(G) by striking out "and" at the end of paragraph (5);

(H) by inserting "effective for the 1982 through 1985 crops of quota tobacco," immediately after the paragraph designation in paragraph (6);

(I) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(J) by inserting after paragraph (6) the following new paragraph:

"(7) effective for the 1986 and subsequent crops, provide, in loan agreements between the Corporation and an association, that if the Secretary determines that the amount in the Fund or the net gains referred to in paragraph (5) exceed the amounts necessary for the purposes specified in this section, the association, with the approval of the Secretary, may suspend the payment and collection of contributions and assessments under this section on terms and conditions established by the association, with the approval of the Secretary."; and

(4) by adding at the end thereof the following new subsection:

"(h)(1) Each person who fails to collect any contribution or assessment as required by subsection (d)(2) of this section and remit such contribution or assessment to the association, at such time and in such manner as may be prescribed by the Secretary, shall be liable, in addition to any amount due, to a marketing penalty at a rate equal to 75 per centum of the average market price (calculated to the nearest whole cent) for the kind of tobacco involved for the immediately preceding year on the quantity of tobacco as to which the failure occurs. The Secretary may reduce any such marketing penalty in such amount as the Secretary determines equitable in any case in which the Secretary determines that the failure was unintentional or without knowledge on the part of the person concerned. Any penalty provided for under this paragraph shall be assessed by the Secretary after notice and opportunity for a hearing.

"(2) Any person against whom a penalty is assessed under this subsection may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than thirty days after such penalty is imposed. The Secretary shall promptly file in such court a certified copy of the record on which the penalty is based.

"(3) The district courts of the United States shall have jurisdiction to review and enforce any penalty imposed under this subsection.

"(4) An amount equivalent to any penalty collected by the Secretary under this subsection shall be transmitted by the Secretary to the appropriate association, for deposit in such association's Fund.

"(5) The remedies provided in this subsection shall be in addition to, and not exclusive of, other remedies that may be available.".

(b) Effective for the 1986 and subsequent crops of tobacco, the heading of section 106A of the Agricultural Act of 1949 (7 U.S.C. 1445-1) is amended to read as follows: "Producer Contributions and Purchaser Assessments for No Net Cost Tobacco Fund".

(c) Effective for the 1986 and subsequent crops of tobacco, section 106B of the Agricultural Act of 1949 (7 U.S.C. 1445-2) is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof a new paragraph to read as follows:

"(8) the term 'purchaser' means any person who purchases, either directly or indirectly for the person's own account or for the account of another, Flue-cured or Burley quota tobacco in the United States.";

(2) by inserting "and purchasers" immediately after "producers" in subsection (c)(1);

(3) in subsection (d)—

(A) by inserting at the end of paragraph (1) the following: "The Secretary shall also require (in lieu of any requirement under section 106A(d)(1)) that each purchaser of Flue-cured and Burley quota tobacco shall pay to the Corporation, for deposit in such association's Account, assessments, as determined under paragraph (2) and collected under paragraph (3), with respect to purchases of all such kind of tobacco marketed by a producer from a farm (including purchases of such tobacco from the 1986 and subsequent crops from the association).";

(B) by striking out "area. Such amount" in paragraph (2) and inserting in lieu thereof "area and the amount of the assessment to be paid by purchasers of tobacco. The amount of the assessment to be paid by producers and purchasers shall be determined in such a manner that producers and purchasers share equally in maintaining such association's Account. In making such determination with respect to the purchaser assessment, only 1985 and subsequent crops of Flue-cured and Burley quota tobacco shall be taken into account. The amount of the assessment";

(C) by inserting at the end of paragraph (2) the following: "Notwithstanding the foregoing, the amount of any assessment that is determined by the Secretary for the 1986 and subsequent crops of Burley quota tobacco shall be determined without regard to any net losses that the Corporation may sustain under its loan agreements with such association with respect to the 1983 crop of such tobacco."; and

(D) by amending paragraph (3) to read as follows:

"(3)(A) Except as provided in subparagraph (B), any assessment to be paid by a producer or a purchaser under paragraph (1) shall be collected from the person who acquired the tobacco involved from such producer, but an amount equal to the producer assessment may be deducted by the purchaser from the price paid to such producer in case such tobacco is marketed by sale.

"(B) If tobacco of the kind for which an Account is established is marketed by a producer through a warehouseman or other agent, both the producer and the purchaser assessment shall be collected from such warehouseman or agent who may deduct an amount equal to the producer assessment from the price paid to the producer and who may add an amount equal to the purchaser assessment to the price paid by the purchaser. If tobacco of the kind for which an Account is established is marketed by a producer directly to any person outside the United States, both the producer and the purchaser assessment shall be collected from the producer who may add an amount equal to the purchaser assessment to the price paid by the purchaser."; and

(4) by adding at the end thereof the following new subsection:

"(j)(1) Each person who fails to collect any assessment as required by subsection (d)(3) of this section and remit such assessment to the Corporation, at such time and in such manner as may be prescribed by the Secretary, shall be liable, in addition to any amount due, to a marketing penalty at a rate equal to 75 per centum of the average market price (calculated to the nearest whole cent) for the kind of tobacco involved for the immediately preceding year on the quantity of tobacco as to which the failure occurs. The Secretary may reduce any such marketing penalty in such amount as the Secretary determines equitable in any case in which the Secretary determines that the failure was unintentional or without knowledge on the part of the person concerned. Any penalty provided for under this paragraph shall be assessed by the Secretary after notice and opportunity for a hearing.

"(2) Any person against whom a penalty is assessed under this subsection may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than thirty days after such penalty is imposed. The Secretary shall promptly file in such court a certified copy of the record on which the penalty is based.

"(3) The district courts of the United States shall have jurisdiction to review and enforce any penalty imposed under this subsection.

"(4) An amount equivalent to any penalty collected by the Secretary under this subsection shall be transmitted by the Secretary to the Corporation, for deposit in the appropriate association's Account.

"(5) The remedies provided in this subsection shall be in addition to, and not exclusive of, other remedies that may be available.".

(d) The Secretary of Agriculture shall implement the provisions of sections 106, 106A, and 106B of the Agricultural Act of 1949 (as amended by this Act), and sections 312, 317 (a) and (g), 319 (b), (c) and (l), 320A, and 320B of the Agricultural Adjust-

ment Act of 1938 (as amended or added by this Act), and section 9 of this Act without regard to the provisions requiring notice and other procedures for public participation in rulemaking contained in section 553 of title 5, United States Code, or in any directive of the Secretary.

PURCHASE OF INVENTORY STOCK

SEC. 9. Notwithstanding any other provision of law, in the interest of reducing or eliminating the excessive inventories of Flue-cured and Burley tobacco held by associations from the 1976 through 1984 crops, and in order to provide for the orderly disposition of such excessive inventories of tobacco in a manner that will not disrupt the orderly marketing of new tobacco crops and minimize any losses to the Government:

(a)(1) The producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured tobacco shall offer to sell its stocks of Flue-cured tobacco from the 1976 through 1984 crops as provided in this section.

(2) Each producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Burley tobacco shall offer to sell its stocks of Burley tobacco from the 1982 and 1984 crops as provided in this section.

(3)(A) No later than thirty days after the date of enactment of this Act, the Commodity Credit Corporation shall acquire title to the Burley tobacco from the 1983 crop that is pledged as security for loans on such tobacco by calling the loans on such tobacco. The Corporation shall, then, offer such tobacco for sale at such times, in such quantities, and subject to such conditions as the Corporation deems appropriate.

(B) If the Commodity Credit Corporation has not sold all of the stocks of the 1983 crop of Burley tobacco within two years from the date the Corporation calls the loans on such tobacco, the Corporation may offer to sell to domestic manufacturers of cigarettes the remaining stocks of such tobacco as provided in this section.

(b)(1)(A) The stocks of Flue-cured tobacco from the 1976 through 1984 crops shall be offered for sale at the base prices, including carrying charges, in effect as of the date of the offer, reduced by 90 per centum for Flue-cured tobacco from the 1976 through 1981 crops and reduced by 10 per centum for Flue-cured tobacco from the 1982 through 1984 crops.

(B) The purchasers of the 1976 through 1984 crop Flue-cured tobacco shall pay the full carrying charges that have accrued to such tobacco from the date of the offer made hereunder to the date that such tobacco is removed from the inventory of the association.

(2)(A) The stocks of Burley tobacco from the 1982 crop shall be offered for sale at the listed base price in effect as of July 1, 1985.

(B) The stocks of Burley tobacco from the 1984 crop shall be offered for sale at the associations' costs for such tobacco as of the date of enactment of this Act.

(C) The purchasers of the 1982 crop Burley tobacco shall pay the full carrying charges that have accrued to such tobacco.

(D) The purchasers of the 1984 crop Burley tobacco shall pay the full carrying charges that have accrued to such tobacco from the date of enactment of this Act to the date such tobacco is removed from the inventories of the associations.

(3)(A) After the two-year period specified in subsection (a)(3)(B) of this section has expired, if the Commodity Credit Corporation offers to sell its stocks of Burley tobacco from the 1983 crop to domestic manufacturers of cigarettes, such stocks shall be offered for sale at the associations' costs as of the date on which the Corporation calls the loans on such tobacco, reduced by 90 per centum.

(B) Neither tobacco producers nor tobacco purchasers shall be responsible for carrying charges that accrue to the 1983 crop Burley tobacco after the date on which the Commodity Credit Corporation calls the loans on such tobacco.

(c)(1)(A) Each domestic manufacturer of cigarettes may enter into agreements to purchase inventory stocks of Flue-cured and Burley tobacco, as set forth in this section.

(B) Such manufacturers, in order to be eligible for the reductions in price set forth in this section, shall enter into such agreements as soon as practicable, but no later than ninety days, after the date of enactment of this Act.

(C) Such agreements shall provide that, over a period of time, each participating domestic manufacturer of cigarettes shall purchase a percentage of the stocks of Flue-cured and Burley tobacco held by the producer-owned cooperative marketing associations at the close of the 1984 marketing year or, with respect to the 1983 crop of Burley tobacco, by the Commodity Credit Corporation at the time the Corporation offers such tobacco for sale to domestic manufacturers of cigarettes under this section. The period of time referred to in the preceding sentence may not exceed eight years from the date of enactment of this Act with respect to Flue-cured tobacco, five years from the date of enactment of this Act with respect to Burley tobacco from the 1982 and 1984 crops, and five years from the date the Commodity Credit Corporation offers the 1983 crop of Burley tobacco for sale to domestic manufacturers of cigarettes with respect to the 1983 crop of Burley tobacco.

(2)(A) The percentage to be purchased by each participating manufacturer shall be at least equal to such participating manufacturer's respective percentage of the total quantity of net cigarettes manufactured for use as determined by the Secretary of Agriculture under this paragraph on the basis of the monthly reports ("Manufacturer of Tobacco Products—Monthly Reports") submitted (on ATF Form 3068) by manufacturers of tobacco products to the Bureau of Alcohol, Tobacco and Firearms of the Department of the Treasury. The Secretary of Agriculture shall request from the Secretary of the Treasury copies of such monthly reports necessary to make the determinations under this section, and the Secretary of the Treasury, notwithstanding any other provision of law, is hereby authorized to release and disclose such information to the Secretary of Agriculture.

(B) "Net cigarettes manufactured for use" shall be computed by subtracting the cumulative figures entered for large and small cigarettes in item 16f of ATF Form 3068 ("Reduction to tobacco") from the cumulative figures entered for large and small cigarettes in item 7 of such form ("Manufactured").

(C) The percentage to be purchased by each participating manufacturer, which shall be determined on the date of enactment of this Act and annually thereafter over the course of the respective buy-out periods set forth in this subsection, shall be determined by dividing the manufacturer's average of net cigarettes manufactured for use for the twelve-month period immediately preceding the appropriate determination date (the date of enactment of this Act and annully thereafter over the course of the respective buy-out periods set forth in this subsection) by the aggregate of all domestic cigarette manufacturers' average net cigarettes manufactured for use for such twelve-month period.

(D) The amount of tobacco to be purchased by each participating manufacturer shall be determined annually and shall be based on the manufacturer's percentage of net cigarettes manufactured for use, as determined under subparagraph (C) of this paragraph, multiplied by the appropriate annual amount to be withdrawn from the inventories of the associations or the Commodity Credit Corporation. The appropriate annual amount to be withdrawn from inventories shall be—

(i) 12½ per centum of the inventories of Flue-cured tobacco from the 1976 through 1984 crops on hand on the date of enactment of this Act;

(ii) 20 per centum of the inventories of Burley tobacco from the 1982 and 1984 crops on hand on the date of enactment of this Act; and

(iii) 20 per centum of the inventories of Burley tobacco from the 1983 crop held by the Commodity Credit Corporation on the date two years after the call of the loans on such tobacco by the Corporation.

(E) Any purchases by a manufacturer from the inventories of the associations or from the Commodity Credit Corporation for a crop covered by this section in any year of the buy-out period that exceed the amount of the manufacturer's purchases required under the agreement, as determined under this section, shall be applied against future purchases required of such manufacturer.

(3) In carrying out this section, manufacturers may confer with one another and, separately or collectively, with associations, the Secretary of Agriculture, and the Commodity Credit Corporation as may be necessary or appropriate to effectuate the provisions of this section and the purposes of this Act.

(d)(1) Each agreement entered into under this section shall be submitted to the Secretary of Agriculture for review and approval. In the case of an agreement to purchase tobacco from the inventory of a producer association, the agreement shall be submitted by the association. No agreement may become effective until approved by the Secretary.

(2) The Secretary of Agriculture shall not approve any agreement submitted under this section unless the Secretary has determined that—

(A) the agreement will not unduly impair or disrupt the orderly marketing of current and future tobacco crops during the term of the agreement and is otherwise consistent with the purposes of this Act; and

(B) The price and other terms of sale are uniform and nondiscriminatory among various purchasers.

(e) The provisions of subsections (c) and (d) of section 320A of the Agricultural Adjustment Act of 1938 shall apply to information submitted by domestic manufacturers of cigarettes under this section with respect to net cigarettes manufactured for use, including information provided on ATF Form 3068.

REVIEW OF TOBACCO GRADING SYSTEM AND DISASTER CROP DESIGNATION

SEC. 10.(a)(1) The Secretary of Agriculture shall conduct a comprehensive study of the methods and procedures for grading tobacco marketed in the United States. In carrying out such study, the Secretary shall evaluate, among other things—

(A) the extent to which grades assigned to tobacco accurately reflect the quality of such tobacco,

(B) the extent to which the number of grades of tobacco affects the operation of the grading system, and

(C) the competence and independence of tobacco graders.

(2) The Secretary shall also study the feasibility and desirability of providing for a grade that would be used to designate tobacco that is of such poor quality as a result of a natural disaster as to affect substantially its marketability and of establishing a price support level, if any, for such tobacco which may be adjusted by the Secretary as necessary to facilitate the sale of such tobacco and protect the no net cost funds or accounts.

(b) In carrying out the studies specified in subsection (a) of this section, the Secretary of Agriculture shall appoint an advisory committee composed of producers of tobacco, purchasers of tobacco, persons involved in providing tobacco grading services, and such others as the Secretary deems appropriate. The advisory committee shall meet regularly to evaluate and make recommendations to the Secretary with respect to, among other things, the operation of the tobacco grading system, criteria for designating disaster crops, and the establishment of disaster instruments. Any income realized from this activity may be used to pay the expenses of the Secretary of Agriculture incident to providing services under this Act or reinvested in the manner authorized in the preceding sentence."; and

(2) by striking out "Such fees and charges" in the twelfth sentence (as redesignated by paragraph (1) of this section) and inserting in lieu thereof "The fees and charges authorized in this section".

SUMMARY OF THE TOBACCO PROGRAM IMPROVEMENT ACT OF 1985

PRICE SUPPORT

Lowers the price support level for the 1985 crop of Burley tobacco to $1.45 per pound. (The bill assumes that the price support level for the 1985 crop of Flue-cured tobacco will be lowered to $1.40 per pound administratively.)

Sets the price support level for the 1985 crop of any kind of tobacco (other than Flue-cured and Burley tobacco) using the same formula as in current law for the 1986 crops of such tobacco, with authority for the Secretary of Agriculture to reduce the support level if requested by the producer association.

Sets the price support level for the 1986 and subsequent crops of Flue-cured and Burley tobacco at the level for the preceding year, plus or minus, an adjustment of 65 to 100 percent of the total of—(1) two thirds of the amount by which 95 percent of the average market price for the 5 preceding years (excluding the highest and lowest years) is greater or less than the support level for the preceding year, and (2) one-third of the change in the index of prices paid by tobacco farmers during the previous calendar year.

Repeals the so-called Nunn amendment giving the Secretary of Agriculture authority to lower the price support on certain low quality grades of Flue-cured tobacco.

DETERMINATION OF MARKETING QUOTAS

Requires cigarette manufacturers to submit to the Secretary of Agriculture each year on a confidential basis their projections of the amount of Flue-cured and Burley tobacco they intend to purchase at auction or from producers during the next marketing year. The Secretary may determine the amount of intended purchases if not submitted by a manufacturer.

Requires the Secretary to set the national marketing quota for Flue-cured and Burley tobacco at (plus or minus 3 percent) of the total of—(1) the aggregate of the projections of intended purchases submitted by cigarette manufacturers, (2) average annual exports for the 3 preceding years, and (3) the amount of tobacco the Secretary determines is needed to increase or decrease the inventories of the producer associations to establish or maintain such inventories at the reserve stock level.

Establishes reserve stock levels at the greater of (1) 100 million pounds for Flue-cured and 50 million pounds for Burley tobacco, or (2) 15 percent of the effective national marketing quota for the respective kind of tobacco.

Limits downward adjustments in the national marketing quota for Burley tobacco to the greater of (1) 35 million pounds, or (2) 50 percent of the amount by which total Burley tobacco inventories of the producer associations exceed the reserve stock level.

Reduces the amount of Flue-cured and Burley tobacco that may be marketed without penalty from 110 to 103 percent of the farm marketing quota.

PURCHASE REQUIREMENTS

Requires cigarette manufacturers to submit to the Secretary of Agriculture on a confidential basis at the end of each marketing year the amount of purchases of Flue-cured and Burley tobacco during the marketing year.

Subjects to a penalty any manufacturer that fails to purchase at auction, from producers, or from association inventories (not including inventories subject to the buy-out provisions) at least 90 percent of the amount of Flue-cured and Burley tobacco the manufacturer stated it intended to purchase for purposes of the quota determination. The penalty would be twice the per pound assessment times the amount by which purchases are less than 90 percent of the intended purchases.

Provides that no penalties would be imposed if the total amount purchased by all manufacturers is at least 90 percent of the total amount of intended purchases submitted by all manufacturers. The purchase requirement for each manufacturer would also be reduced proportionally if total marketings are less than the effective national marketing quota.

Requires penalties collected to be transmitted to the appropriate association for deposit in the No Net Cost Fund or Account.

ASSESSMENTS

Requires each purchaser of Flue-cured and Burley tobacco to pay to the appropriate association or the Commodity Credit Corporation assessments on all purchases of such tobacco marketed by a producer from a farm (including purchases from the association inventories). The amount of the assessments would be determined so that producers and purchasers share equally in maintaining the associations' No Net Cost Fund or Account.

Requires collection of assessments from the person acquiring the tobacco, from the warehouseman or agent if the tobacco is marketed through such person, or from the producer on sales by the producer to a person outside the United States. In all cases, the person responsible for collecting the assessment may deduct from the price paid to the producer and add to the price paid by the purchaser the amount of any assessment to be paid by the other person.

Subject any person who fails to collect and remit any contribution or assessment to a marketing penalty equal to 75 percent of the average market price of the tobacco involved on the quantity of tobacco as to which the failure occurs. The penalty would be assessed by the Secretary after notice and opportunity for a hearing, and review by the appropriate United States district court would be provided.

Provides that future assessments on Burley tobacco would be determined without regard to any losses of the Corporation with respect to the 1983 crop of Burley tobacco.

PURCHASE OF INVENTORY STOCK

Requires the Flue-cured association to offer to sell its stocks from the 1976 through 1984 crops at the base prices in effect on the date of the offer, reduced by 90 percent for tobacco from the 1976 through 1981 crops and 10 percent for tobacco from the 1982 through 1984 crops.

Requires the Burley associations to offer to sell their stocks from the 1982 and 1984 crops at the base price in effect on July 1, 1985, for the 1982 crop and at the associations' costs on the date of enactment of the bill for the 1984 crop.

Requires the Commodity Credit Corporation to take title to the 1983 crop Burley tobacco held by the associations by calling the loans on such tobacco. Such tobacco would then be offered for sale on such terms and conditions as the Corporation deems appropriate. Any stocks not sold within two years after the loans are called may be offered for sale at the associations' costs on the date the loans are called, reduced by 90 percent.

Authorizes cigarette manufacturers to purchase the inventories as specified above over an eight-year period in the case of Flue-cured tobacco and a five-year period in the case of Burley tobacco. Each manufacturer would purchase a percentage of the stocks at least equal to the manufacturer's respective percentage of the total net cigarettes manufactured for use during a previous 12-month period as determined by the Secretary of Agriculture based on monthly reports submitted by manufacturers to the Department of the Treasury.

Requires approval of each purchase agreement by the Secretary of Agriculture.

REVIEW OF TOBACCO GRADING AND DISASTER CROP DESIGNATION

Requires the Secretary of Agriculture to conduct a study of the tobacco grading system and of the feasibility of establishing grades that would designate disaster crops, with authority for the Secretary to adjust the price support level for such grades.

Requires the Secretary to establish an advisory committee to provide recommendations with respect to the study issues.

Requires a report to the House and Senate agriculture committees on the study within 120 days after enactment of the bill and administrative action to implement, before the opening of the 1986 Flue-cured marketing season, the study recommenda-

tions that can be implemented by the Secretary.

INVESTMENT OF TOBACCO INSPECTION FEES

Authorizes the investment of fees and charges collected under the Tobacco Inspection Act, with any income realized to be used to pay the expenses of the Secretary of Agriculture in providing services under that Act.

Mr. FORD. Mr. President, Kentucky is a State of agricultural diversity, ranking among the top 13 States in the production of corn, soybeans, tobacco, horses, milk cattle, and beef cattle. The Commonwealth also ranks surprisingly high in other areas such as poultry, sheep, pork, sorghum, hay, barley, and wheat. We also have a vegetable and fruit industry that is becoming stronger by the day.

In Kentucky, 110,000 people work on the farm, and another 750,000 nonfarm workers owe their jobs to farming. Agriculture in Kentucky has a $3 billion farm gate value, and its associated feed, seed, equipment, packaging, transportation, processing, wholesaling, and retailing activities make for an $11 billion industry. No other combination of business activities provides nearly as many jobs or as great an economic stimulus.

The average farm nationwide is about 400 acres, whereas in my State, it is only 147 acres. The 101,000 farms in Kentucky are often supporting more than one family. It is not unusual that the father, the patriarch of the family, works alongside the families of his sons and daughters perpetuating a way of life, and teaching the craft of farming to his offspring. The art of farming is learned by doing; it can be refined in our Nation's schools and colleges, but it can only be learned on the farm.

I am proud of my State's agricultural diversity, especially when the average farm size is about one-third that of the national average. People have often wondered how the rolling terrain of Kentucky lends itself to such agricultural diversity. The answer is tobacco. The average farm in Kentucky raises less than three-quarter acre of tobacco, but this special crop provides over half of the total crop income to the farmers in my State.

Tobacco is at the heart of Kentucky agriculture. Producing tobacco is a very labor-intensive crop, demanding over 300 hours, of mainly hand labor for each acre. Tobacco farmers have large capital investments in equipment and land. Tobacco is a billion dollar cash crop in Kentucky. No legal crop can replace tobacco for value per acre.

I am pleased to join the distinguished chairman of the Agriculture Committee, along with my colleague from Kentucky, in introducing the Tobacco Reform Act of 1985. The purpose of this bill is to allow the sale of tobacco through the program to respond to the market. The administration and others have called upon all agricultural programs to become "market oriented" and the Tobacco Reform Act of 1985 does just that. Not only does it conform to the principles of the marketplace, but it will provide lasting stability to my State of Kentucky, where it has been estimated that just a 1-percent drop in tobacco production would cost the State 545 lost jobs, $19.4 million in lost personal income, and a $23.9 million loss in the net State gross product.

One of the key elements in this bill is that the purchasers of tobacco have agreed to its market-oriented provisions. In fact, all purchasers of tobacco have agreed to share equally in the assessments levied by the No Net Cost Tobacco Act of 1982. I know of no other farm program that can boast of having the purchasers and sellers agreeing to work together in a commodity program. I ask the question, can a program be any more market-oriented than by having all parties of the industry become "partners in commerce?" The answer is a resounding no, in fact, the amount of tobacco the farmer will raise will be contingent upon market needs.

Domestic cigarette manufacturers will provide their estimated leaf requirements, while living up to a commitment of purchase, with a 3-year average of exports establishing the national marketing quota.

The future of exports is also addressed in this bill. This country is running a $150 billion trade deficit. However, American agriculture is providing a $16 billion surplus. It cannot be ignored that tobacco contributes $2.03 billion in an agricultural trade surplus. At a time when the imbalances caused by U.S. trade have led to our becoming a debtor Nation, any industry that provides a net contribution is important. While those in the tobacco industry will confirm that the stability of supply from the tobacco program has enhanced the positive trade position, the bill should further encourage the export of tobacco.

I have heard that many of our farm commodities are overpriced in the world market. While I believe that the value of the dollar in relation to foreign currencies has had much to do with this dilemma, the bill addresses this issue.

Farmers in my State of Kentucky have agreed to lower the price support level for their commodity. If this measure becomes law, the average price support for burley tobacco for 1985 will be 77 percent of last year's market average. In addition, future price supports will be predominately tied to the marketplace. The purchasers of the tobacco feel that this will be a fair and equitable escalation formula. Again, if the program outlined in this bill were not market responsive, I doubt that the purchasers of the tobacco would have agreed to share equally in the no net cost fee associated with the program.

Mr. President, the Government will benefit from increased exports as a result of this bill. The stability it assures in States that produce tobacco will also be a positive factor for our Nation. The Government will also benefit because tobacco loan pool stocks will be removed, and should never again be excessive because of the market-oriented provisions. Currently, total supplies of tobacco held by manufacturers and producers represent an almost 4-year supply of domestic use. The Government's share of these stocks is over $3 billion.

The bill that we introduce today will provide for an orderly removal of these inventories by the major cigarette manufacturers. Any costs associated with this measure are net savings to the Government. The net savings results from eliminating these inventories, and from a reduction in value of those inventories in relation to the 23-percent reduced price support average.

The bill that we are introducing today is not without sacrifice to the farmer. Yet the provisions contained in this measure are grower initiated and have come from negotiations between farm leadership, cigarette manufacturers, and major exporters. The changes enacted in this bill are long lasting. The components have been developed and agreed to by all elements of the industry; producers, buyers, manufacturers, and exporters.

The parties most affected by this legislation have drafted it to minimize its cost; to ensure that it is market sensitive; and to develop a long lasting and stabilizing program. I feel this legislation is the best answer for our farmers and for our Nation.

Mr. McCONNELL. Mr. President, almost 9 months ago, representatives of a number of tobacco grower groups began meeting with a common purpose—some changes were going to have to be made in the tobacco program if it was going to survive and provide a livelihood for thousands of family farms in Kentucky and other parts of the Southeast. These changes were made necessary by a combination of factors beyond the control of tobacco producers and it was becoming more and more apparent that a major overhaul of the tobacco price support program was needed. To that end, I am delighted to join with my colleagues, Senators HELMS, FORD and others in offering the vehicle to provide a long-term solution to the problems of the tobacco price support program—the Tobacco Reform Act of 1985.

Over 110,000 farm families in Kentucky depend on tobacco production to make ends meet, to pay taxes, to send their children through school, to do

the kinds of things many of us take for granted. Tobacco production adds over $1 billion directly to the Kentucky economy and nearly $1.5 billion more through secondary effects. The tobacco program is vital to the infrastructure of rural Kentucky and I am convinced by my friends in the banking and farm credit industry that if the tobacco program is lost, rural Kentucky will face economic disaster. Let me cite some statistics that graphically illustrate my point.

Tobacco production accounts for over 12 percent of the employment in 10 of Kentucky's counties. These counties are among the poorest in the State. According to a recent study; 7 of the 10 are critically dependent on agriculture, 2 are estimated to be the poorest in the State, and all of these tobacco-producing counties earn less than the average per capita income in Kentucky, which is the fifth lowest State in the Nation.

At the same time, these counties are facing an unemployment situation which is almost twice the national average. Furthermore, economists estimate that the tobacco quota is worth over $3 per pound for real estate tax purposes. Keeping this in mind, loss of the tobacco program would create an instant drop of $1.5 billion in land values in Kentucky. With farms averaged by an average of 60 percent of assets, the farm credit industry would be devastated. A number of rural Kentucky banks could find themselves unable to continue operation. Rural Kentucky would sink into a depression almost immediately if the tobacco program is, for whatever reason, discontinued.

Tobacco growers saw that trouble for the tobacco program was brewing on the horizon as far back as 1982. It was at that time that the No Net Cost Tobacco Act of 1982 was enacted by Congress as a means of insuring that the tobacco price support system was operated at no cost to the taxpayers. The idea was very simple: growers would pay an assessment for every pound of tobacco they marketed to pay for costs associated with the tobacco program. The No Net Cost Program itself was unique because it was the only Federal commodity price support program where the growers themselves paid for their own program as a condition for receiving price support.

The No Net Cost Tobacco Program was deemed to be the plan that saved the tobacco program forever and ever—except that nobody foresaw the crippling 1983 drought, or domestic tobacco prices that were so artificially high that foreign tobacco was half the price of domestic tobacco, or tobacco reserve stocks so large that growers were paying an assessment of some 30 cents per pound.

Faced with possibility of a program which was slowly dying under its own weight, the entire tobacco industry banded together to formulate a plan which would meet the long-term needs of tobacco growers, manufacturers, dealers, and warehousemen. The Tobacco Reform Act of 1985 is that plan.

This legislation offers the only real opportunity to correct the problems of current enabling tobacco legislation. For example:

It provides a mechanism for growers and manufacturers to share equally in future assessments which pay for the operation of the tobacco price support program.

There are self-policing mechanisms which have been negotiated into the agreement which discourage tobacco manufacturers from continuing to import massive quantities of foreign tobacco.

Price support formulas are tied to market averages and will be a reflection of future market trends. Future national quotas will be based upon projected usage and traditional trends as opposed to political trends.

And the cigarette manufacturers have agreed to relieve the burden of hundreds of millions of pounds of tobacco from the backs of the farmers.

This package has been carefully crafted by representatives of burley and Flue-cured tobacco grower groups and cigarette manufacturers. It is a product of hours of frank and often difficult negotiation. Every part of this bill is critical to the rest of the bill. It is a reasonable compromise between two groups whose personal interests vary greatly but whose collective interest was to save a program that means a livelihood to tens of thousands of farm families.

Tobacco is the primary cash crop of Kentucky and a number of other Southeastern States. But I must remind my colleagues that tobacco is grown in other parts of the country as well as the Southeast: Connecticut, Massachusetts, Pennsylvania, Maryland, West Virginia, Ohio, Indiana, Minnesota, Wisconsin, and Missouri. Total cash receipts for all U.S. tobacco exceed $3 billion, so tobacco is vitally important to the U.S. farm economy. I would note that favorable action on this bill would serve to maintain a standard of living for thousands of families on tobacco-producing farms and I urge my colleagues to join me in supporting this true compromise of an entire industry.

Mr. EAST. Mr. President, the Federal Tobacco Program benefits thousands of small family farmers who must devote up to 250 work hours to cultivate 1 acre of tobacco. With such a labor intensive agricultural commodity, it is no wonder that the average tobacco farm in the United States covers only 5 acres of land.

Thus you can see that the average tobacco farmer works many hours on his small acreage. He is assisted by his entire family. Tobacco is one of the few crops that can economically sustain a family on such small acreage. Tobacco is a tradition, a way of life, and it is central to the rural farm economy of many States.

To demonstrate the importance of tobacco to American agriculture, let me cite some impressive statistics. There are nearly 700,000 families directly engaged in the production of tobacco. Over 276,000 farms in the United States produce over 2 billion pounds of tobacco on about 1 million acres. Each year, tobacco farm sales total over $3 billion, which accounts for well over 4 percent of all crop sales. Tobacco is usually the sixth largest cash crop in the Nation, behind corn, soybeans, wheat, hay, and cotton.

The bill that we introduce today will permit this tradition to continue. S. 1418 is the culmination of months of negotiations between representatives of producer organizations and cigarette manufacturers. Once again, our tobacco farmers have willingly taken their share of cuts and reductions so that they can preserve their livelihood. Without this legislation, I fear, tobacco farmers easily could lose that livelihood. Mr. President, I urge the Senate to act expeditiously in passing S. 1418, the Tobacco Program Improvement Act of 1985.

Mr. TRIBLE. Mr. President, I am pleased to join with my colleagues today in introducing the Tobacco Reform Act of 1985. This important measure has been carefully drafted with the full cooperation of tobacco growers, manufacturers, and leaf exporters.

Today's tobacco situation is grave. Last month I convened a meeting of Virginia tobacco interests and the message they conveyed was bleak.

U.S. tobacco's competitive position has weakened, and imports continue to surge. In 1984 one-third of the tobacco used by U.S. cigarette manufacturers was imported.

Almost one-fourth of recent tobacco crops has gone unsold and we have nearly 1 billion pounds of tobacco in storage.

Out of their $1.69 per pound support price, American farmers are now paying 25 cents per pound to cover the costs of storage and interest on this unsold tobacco.

Further, this support level has not increased since 1982.

Most tobacco farmers are barely breaking even at the end of the year.

It's obvious that there is stress throughout the agricultural economy. Tobacco is not unique in that regard.

However, the difference between tobacco and other commodities is that domestic and foreign demand remains strong. If Congress acts to correct the combined problem of overly high sup-

port prices and price-depressing surpluses, the tobacco economy should right itself without further assistance.

We are fortunate in having the support of both tobacco growers and manufacturers for the bill we introduce today.

The Tobacco Reform Act corrects the present imbalances in a number of ways.

First, it lowers the support price to $1.40/pound for flue-cured and $1.45/pound for burley. These levels will make U.S. tobacco competitive on world markets again.

It permits domestic consumption, export demand, and necessary reserve levels to be factored in when determining national marketing quotas each year so that cumulative surpluses will not recur.

It relieves the farmer of sole responsibility for payment of the no net cost assessments on surplus tobacco by requiring manufacturers and dealers to share the cost.

Finally, it provides for orderly disposal of accumulated surpluses through incremental purchases at discounted prices by manufacturers and exporters.

This bill is the first step toward saving the small family farm. Over 200,000 farms grow tobacco in 22 States and the average tobacco acreage per farm is under 10 acres. Our proposal will ensure the financial security of these farmers, and of the economies of the towns and counties where tobacco is a way of life.

I strongly urge my colleagues to join with Senator HELMS and the rest of the cosponsors in supporting this important reform measure.

By Mr. MURKOWSKI (for himself, Mr. CRANSTON, Mr. STAFFORD, Mr. SPECTER, Mr. BOSCHWITZ, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. ABDNOR, Mrs. HAWKINS, Mr. CHAFEE, Mr. COHEN, Mr. D'AMATO, Mr. EVANS, Mr. GARN, Mr. GRAMM, Mr. LAXALT, Mr. LUGAR, Mr. NICKLES, Mr. PACKWOOD, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. DIXON, Mr. FORD, Mr. GORE, Mr. HART, Mr. INOUYE, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. PELL, Mr. PROXMIRE, Mr. RIEGLE, Mr. SASSER, and Mr. SIMON.):

S.J. Res. 156. Joint resolution authorizing a memorial to be erected in the District of Columbia or its environs; to the Committee on Veterans' Affairs.

WOMEN VETERANS MEMORIAL

Mr. MURKOWSKI. Mr. President, as chairman of the Veterans' Affairs Committee, I rise to introduce a resolution to authorize the establishment of a memorial in honor of all women who served in the Armed Forces of the United States. A similar resolution has been introduced in the House.

The intent of this resolution is to provide proper recognition to those American women who rendered honorable and faithful service to their country. The funding for the memorial itself would come from private sources. The land in the District of Columbia would be provided by the Federal Government.

In the United States, there are over 1,150,000 women veterans. They account for 4.1 percent of all living American veterans. Over 34,000 women served in World War I alone but women have served in every war in many different capacities. World War II saw the participation of 381,000 women, accounting for 1 out of every 3 living female veterans in civilian life. Female ex-service members from the Vietnam era account for 22 percent of the total number of living female veterans.

From the Revolutionary War onward, women veterans have made a variety of selfless contributions to the defense of this Nation. Some of these women became famous heroines, such as Lucy Brewer who according to legend was the first woman marine, and Sarah Edwards, a female combat soldier of the Civil War. Many of these women were killed, taken prisoner, disabled, and suffered often permanent psychological trauma, alongside their male counterparts.

For many women veterans, service to their country has been an experience they cannot ever forget; though many suffered the agonies of war, all shared in the pride and courage of service. It is time to let these dedicated Americans know that we as a nation also remember, and we must not let their contributions be forgotten. The sacrifices of these women deserve commemoration, a memorial to their dedication and bravery to stand for all time. It is my belief that this recognition is long overdue.

A memorial would recognize women veterans' personal sacrifices and contributions made in the past, present, and future. It would symbolize to all generations that duty to one's country is a notion of which they can be proud.

To underline this commitment, I urge my colleagues to join with me in a truly bipartisan spirit to honor these most patriotic women.

WOMEN VETERANS MEMORIAL

Mr. CRANSTON. Mr. President, I am very pleased today to join with the chairman of the Veterans' Affairs Committee, Mr. MURKOWSKI, in introducing Senate Joint Resolution 156, a joint resolution authorizing the establishment of a memorial in the District of Columbia or its environs to honor women who have served in the Armed Forces of the United States. We are joined today by 41 of our colleagues, Senators MATSUNAGA, DECONCINI, MITCHELL, ROCKEFELLER, STAFFORD, SPECTER, and BOSCHWITZ, all members of the Veterans' Affairs Committee, and Senators BRADLEY, BUMPERS, CHILES, DIXON, FORD, GORE, HART, INOUYE, KENNEDY, LAUTENBERG, LEAHY, LEVIN, METZENBAUM, MOYNIHAN, PELL, PROXMIRE, RIEGLE, SASSER, SIMON, ABDNOR, CHAFEE, COHEN, D'AMATO, EVANS, GARN, GRAMM, HAWKINS, LAXALT, LUGAR, NICKLES, PACKWOOD, SYMMS, WALLOP, and WILSON.

Women who have served in our Armed Forces—who have served with honor, strength, and commitment—represent a group of veterans who have often been undercounted, underestimated, and ignored. For far too long, the term "veteran" has meant "male veteran." It is past time to reverse this perception and to recognize the historical and growing contributions of women veterans to our national defense—particularly in times of war when they have been such a vital component of the overall effort. Establishment of a memorial honoring all women veterans will provide the opportunity for all Americans to pay a fitting and proper tribute to our unsung heroines.

Although general recognition of the contributions of women who have served in the Armed Forces has increased in recent years, their efforts often remain largely unnoted, even as their numbers increase. According to a July 1984 report of the Veterans' Administration Advisory Committee on Women Veterans—a committee mandated in November 1983 by enactment of Public Law 98-160, based on legislation I proposed in the Senate—as of March 1984, there were over 1.15 million women veterans in the United States, making up 4.1 percent of the total veteran population. The advisory committee further stated that "women currently constitute nearly 10 percent of the Armed Forces today as compared to roughly 1 percent at the beginning of the 1970's and this trend is projected to continue." Thus, it is clear that the contributions of women in the defense of our Nation will only increase.

The advisory committee is providing an important link between individual women veterans, with their particular concerns and gender-specific problems, and the Veterans Administration. Among the many problems pointed out by the advisory committee which are now being addressed by the Veterans' Administration are underuse of VA benefits by women who are either unaware of or reluctant to file claims for their entitlements to certain VA benefits and services, the use of male-

oriented language in VA-published materials, and male-oriented outreach efforts by the agency.

Women veterans' access to VA health-care services is another area in which there has been significant improvement in recent years. Based on legislation I introduced in 1983, Public Law 98-160 directed the Veterans' Administration to make certain that all VA health care facilities are "able to provide appropriate care, in a timely fashion, for any gender-specific disability of a woman veteran."

Mr. President, these developments are encouraging. So, too, is the increasing public awareness of the important role of women veterans. Last year, the Congress enacted as Public Law 98-483 a measure I authored to designate the week of November 11 through 17, 1984, as National Women Veterans Recognition Week. In ceremonies around the country, many women veterans were publicly honored during this week. Because of the success of that effort, as well as a realization that even more needs to be done to expand public awareness of women veterans, I introduced similar legislation, Senate Joint Resolution 47, in the current Congress, to designate the week beginning November 10, 1985, as "National Women Veterans' Recognition Week." This measure was passed by the Senate on April 15 and is now pending in the House.

Mr. President, although I am gratified with the success of these measures aimed at more appropriately serving, recognizing, and understanding women veterans, I believe that something more enduring is needed. Establishment of a national memorial to honor women veterans would provide a much-needed, permanent focal point for recognizing and honoring the vital role of women who have served in our Armed Forces.

I look forward to working with Senator MURKOWSKI on this measure which already enjoys tremendous bipartisan support—24 Democrats and 19 Republicans. The companion measure, House Joint Resolution 36, was introduced in the House on January 3, 1985, by Representative MARY ROSE OAKAR, and hearings were held on May 20 in the Task Force on Libraries and Memorials of the House Committee on House Administration. I have been delighted to collaborate with Representative OAKAR on numerous issues and many bills relating to women, and I congratulate her on her leadership on this legislation.

● Mr. D'AMATO. Mr. President, I rise today in support of a bill sponsored by my good friend and colleague, the distinguished Senator from Alaska, to authorize a memorial in honor of women who have served so valiantly and selflessly in the Armed Forces of the United States. This Nation has overlooked this group of individuals for far too long. I am pleased to be a part of an effort to recognize and pay tribute to these dedicated individuals.

Women have contributed greatly in this Nation's fight for freedom since the Revolutionary War. An individual like Clara Barton is only one example of the courageousness and dedication that women have exhibited while serving our country. This type of duty and loyalty deserves to be rewarded.

A memorial to honor these women is the most appropriate way to pay tribute to their service and their actions. The memorial, constructed in the Nation's Capital, would be privately funded. Individuals from all over the Nation and world would be able to visit the memorial, honoring the cause of women in armed service.

At the same time, we, as Federal legislators, would be able to support such a cause in the midst of major Federal budget restraints. The memorial seems to be the best way to honor this exemplary group of individuals without contributing to the fiscal deficit of the country. The idea to construct a memorial to this group of women is honorable and fiscally sound.

There are over 1.2 million living women veterans, who make up 4.1 percent of the entire veterans' population. Given that armed service has traditionally been a male-oriented service, I think we owe it to the women who have served in the Armed Forces to honor their dedication, steadfastness, and determination. They truly have fought for freedom for their country and for themselves.

I ask for the support of all of my colleagues to pay tribute to these women. A memorial in their honor would honor our women veterans and this Nation as a whole.●

ADDITIONAL COSPONSORS

S. 153

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 153, a bill to amend the Central, Western, and South Pacific Fisheries Development Act to extend the appropriations authorization through fiscal year 1988.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 402

At the request of Mr. PRESSLER, the name of the Senator from Rhode Island [Mr. PELL], the Senator from Nevada [Mr. LAXALT], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 635

At the request of Mr. KENNEDY, the name of the Senator from Iowa [Mr. HARKIN] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 635, a bill to express the opposition of the United States to the system of apartheid in South Africa and for other purposes.

S. 657

At the request of Mr. THURMOND, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 881

At the request of Mr. KENNEDY, the name of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1137

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1137, a bill entitled the "Conrail Public Offering Act of 1985".

S. 1209

At the request of Mr. CHILES, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1244

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1244, a bill to provide the services provided by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for payment under the Medicare and Medicaid Programs.

S. 1252

At the request of Mr. GRAMM, the names of the Senator from Texas [Mr. BENTSEN] and the Senator form New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 1252, a bill to clarify and augment certain provisions of the Motor Carrier Safety Act of 1984 regarding the certificate of registration procedures for foreign carriers.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1305

At the request of Mr. TRIBLE, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1312

At the request of Mr. PRESSLER, the names of the Senator from New Mexico [Mr. DOMENICI] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1312, a bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes.

S. 1349

At the request of Mr. ABDNOR, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1349, a bill to provide for the use and distribution of funds awarded in Docket 363 to the Mdewakanton and Mahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court.

S. 1362

At the request of Mr. EVANS, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1362, a bill to amend part A of title IV of the Social Security Act to provide for a study of quality control standards and procedures under the Aid to Families with Dependent Children program, to provide for a moratorium on the imposition of penalties for erroneous payments, and for other purposes.

S. 1371

At the request of Mr. LEVIN, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Idaho [Mr. SYMMS], the Senator from Montana [Mr. BAUCUS], and the Senator from Wisconsin [Mr. PROXMIRE] were added as cosponsors of S. 1371, a bill to designate the portion of 15th Street, SW, Washington, DC, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue."

S. 1374

At the request of Mr. CHAFEE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1374, a bill to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island.

SENATE JOINT RESOLUTION 43

At the request of Mr. THURMOND, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 43, a joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes.

SENATE JOINT RESOLUTION 98

At the request of Mr. D'AMATO, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 98, a joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. DIXON, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Illinois [Mr. SIMON], the Senator from Mississippi [Mr. COCHRAN], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Concurrent Resolution 51, a concurrent resolution to congratulate the Society of Real Estate Appraisers on the 50th anniversary of its founding.

SENATE RESOLUTION 186

At the request of Mr. D'AMATO, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Resolution 186, a resolution expressing the sense of the Senate that the President should call for negotiations with those Democratic nations plagued by terrorism for a treaty to prevent and respond to terrorist attacks.

AMENDMENTS SUBMITTED

ANTI-APARTHEID ACTION ACT

RIEGLE AMENDMENT NO. 512

Mr. RIEGLE submitted an amendment intended to be proposed by him to the bill (S. 995) to express the opposition of the United States to the apartheid policies of the Government of South Africa and to encourage South Africa to abandon such policies; as follows:

On page 39, line 3, after the period, add the following: "Each such report shall contain a detailed assessment of exports to South Africa from other countries of computers and other technology the export of which from the United States is prohibited under section 12 of this Act or section 6(l) of the Export Administration Act of 1979, as added by section 13 of this Act.".

GOLDWATER AMENDMENT NO. 513

(Ordered to lie on the table.)

Mr. GOLDWATER submitted an amendment intended to be proposed by him to the bill S. 995, supra; as follows:

At the end of the bill insert the following new section:

"DENIAL OF HUMAN RIGHTS IN THE SOVIET UNION AND PEOPLE'S REPUBLIC OF CHINA

"SEC. 16. (a) The Congress finds that the freedom of religion, freedom of press, freedom of a fair public trial, freedom of education, freedom of emigration and movement, freedom from want, freedom of self-determination, and freedom of choice of economic endeavors are fundamental human rights and declares that the official policies and practices of governments in the Soviet Union and the People's Republic of China have been and are denying these liberties to hundreds of millions of persons in such nations.

"(b) The Congress further finds and declares that the United States should encourage the Soviet Union and the People's Republic of China to adopt and apply in practice specific safeguards of the basic human rights common to all modern free societies, including the freedom of conscience and religion, freedom of choice of work, freedom of participation of the people in regular elections to choose the form of government under which they will live, and a system of law that protects individuals against arbitrary detention or cruel or inhuman treatment during detention.

"(c) In order to promote the policy of this section to end the denial of fundamental human rights in the Soviet Union and the People's Republic of China, section 5 (relative to the availability of the human rights funds), section 7 (relative to insurance, reinsurance, and guaranties of loans by the Overseas Private Investment Corporation), section 12 (relative to nuclear trade of the United States), section 13 (relative to exports to another government), and section 15 (relative to economic sanctions), shall insofar as possible, apply with equal force and effect to denial under the laws and official policies and practices of the Soviet Union and the People's Republic of China of the

fundamental human rights of persons in such nations as such sections would with respect to the policy of apartheid in South Africa."

TOBACCO IMPROVEMENT ACT

HELMS (AND OTHERS) AMENDMENT NO. 514

(Ordered to be referred to the Committee on Agriculture, Nutrition, and Forestry.)

Mr. HELMS (for himself, Mr. FORD, Mr. MCCONNELL, Mr. THURMOND, Mr. EAST, Mr. WARNER, Mr. TRIBLE, and Mr. HOLLINGS) submitted an amendment intended to be proposed by them to the bill (S. 1418) to amend the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 to improve the tobacco program, and for other purposes; as follows:

TAX TREATMENT OF CONTRIBUTIONS TO NO NET COST TOBACCO FUND OR ACCOUNT

SEC. 10. (a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 197. NO NET COST TOBACCO EXPENDITURES.

"(a) IN GENERAL.—Any qualified no net cost tobacco expenditure which is paid or incurred by the taxpayer during the taxable year shall be treated as an expense which is not chargeable to a capital account. The expediture so treated shall be allowed as a deduction.

"(b) QUALIFIED NO NET COST TOBACCO EXPENDITURE DEFINED.—For purposes of this section, the term 'qualified no net cost tobacco expenditure' means—

"(1) the amount of any contribution or assessment required to be made or paid to any No Net Cost Tobacco Fund (as defined in section 106A(a)(3) of the Agricultural Act of 1949 (7 U.S.C. 1445-1)), and

"(2) the amount of any assessment required to be paid to any No Net Cost Tobacco Account (as defined in section 106B(a)(2) of such Act).

"(c) AMOUNTS SUBSEQUENTLY INCLUDED IN GROSS INCOME.—Notwithstanding any other provision of law, any amount received by the taxpayer from the sales exchange, redemption, or other disposition of any cpaital stock, stock certificate, or qualified per-unit retain certificate (as defined in section 1388(h)) received by the taxpayer in connection with any qualified no cost tobacco expenditure to which subsection (a) applies shall be included in gross income of the taxpayer for the taxable year in which such amount is received.

"(d) TREATMENT OF RECIPIENT.—Receipt by an organization

"(1) which established a No Net Cost Tobacco Fund under section 106A of the Agricultural Act of 1949, or

"(2) for which a No Net Cost Tobacco Account was established under section 106B of such Act,

of an amount deductible under subsection (a) shall not constitute income to such organization.".

(b) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"SEC. 197. No net cost tobacco expenditures."

(c) The amendments made by this section shall apply to qualified no net cost tobacco expenditures paid or incurred during taxable years beginning after December 31, 1984.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources has scheduled three public hearings regarding water supply issues of the mid-Atlantic region encompassing those States contiguous with the Delaware River Basin including New Jersey, Pennsylvania, New York, and Delaware.

Monday, July 22, 1985, at 10:30 a.m. in room SD-366 of the Dirksen Senate Office Building, Washington, DC, the subcommittee will receive testimony from Federal and State authorities.

Tuesday, August 6, 1985, 10:30 a.m. in the Freeholder Chambers in the County Administration Building, 40 Hudson Street, Hackensack, NJ, the subcommittee will receive testimony from local authorities and the public.

Wednesday, August 7, 1985, 10:30 a.m. in the Council Chambers of the Municipal Building, 820 Mercer Street, Cherry Hill, NJ, the subcommittee will receive testimony from local authorities and the public.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Water and Power, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding these hearings, please contact Mr. Russell Brown of the subcommittee staff at 202-224-2366 or the field office of Senator WILLIAM BRADLEY, P.O. Box 1720, Union, NJ 07083, staff contact Dennis Marco 201-688-0960.

● Mr. BRADLEY. Mr. President, it is with both great pleasure and anticipation that I join with my distinguished colleague, the chairman of the Subcommittee on Water and Power, Mr. MURKOWSKI, in announcing hearings on water supply issues in the mid-Atlantic region.

Recently, a great deal of attention has been given to the emerging water supply crisis. In view of the fact that we, as a nation, consume only 7 percent of our renewable water supply, it seems that such terminology is incorrect. Rather, I believe we are experiencing the result of insufficient long-range planning and management of water supplies. Indeed, my own home State of New Jersey is presently suffering from the effects of yet another drought as residents are required to make strict conservation efforts. On July 5, the Washington Post reported on the gravity of the situation for the Delaware Basin States. I ask unanimous consent that the full content of this article be included in the RECORD at the conclusion of my remarks.

Mr. President, while it is unlikely that Congress can do much to offset present problems in the Delaware Basin, I do believe it is important for us to examine the issue, determine where the problems are, focus public attention on the matter, and develop long-range strategies.

The first hearing, in a series of three, will have two objectives. Agencies involved with water supply issues, such as the Army Corps of Engineers, the U.S. Geological Survey, and the Bureau of Land Reclamation, will discuss Federal resources available to the States. Such technical assistance includes providing data on climate cycles and geologic formations, long-range forecasting of water supplies, projection of demand, as well as, engineering consultation on methods for storing and transporting water. At the same time, representatives from the Governor's offices of several mid-Atlantic States will present their perspectives on water supply issues.

The second and third hearings will be conducted in the Delaware Basin region. Witnesses from State agencies, water authorities and others will discuss problems encountered in their areas.

I look forward to learning a great deal from these hearings as we begin to take the necessary steps in developing intelligent long-range strategies to meet the water needs of our Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 5, 1985]

DELAWARE BASIN DROUGHT CONTINUES TO PARCH PORTIONS OF THREE STATES

WATER OFFICIALS EXPECT LITTLE RELIEF FOR MANY MONTHS

(By Debbie Goldberg)

Wildwater Kingdom, a $10.5 million amusement park in Allentown, Pa., opened its doors June 15, less than two months after Gov. Richard L. Thornburgh declared a drought emergency for Allentown and much of eastern Pennsylvania.

Sixteen counties in eastern Pennsylvania, New York City and much of New Jersey are now struggling with a drought that officials do not expect to abate for many months.

But at Wildwater Kingdom, there is a wave pool the size of a football field, three 10-foot-deep swimming pools, five water slides ranging up to 340 feet long, and a nine-level inner-tube ride.

Although the park dug its own well, recycles much of its water and has cut down the number of attractions because of the water shortage, still "people see the water, and it's hard to explain," said Kathy Kanish, public relations manager.

Water rationing and bans on such nonessential uses as watering lawns, washing cars and filling pools are in effect throughout much of the region. In New York, business

have been ordered to cut water consumption by 20 percent while industries in northern New Jersey must reduce their water use by 25 percent.

The problem is a lack of rain that started last August, said Thomas O'Connell, chief of strategic services for New York City's Bureau of Water Supply. Since then, the city's upstate reservoirs have collected 14 inches less rain than normal. Fourteen inches is about four months' worth of rain.

"We have no way of knowing how long it will last," O'Connell said. "We have to lay out a plan to meet the needs of the city in the event we face" a drought as bad as the worst on record, which occurred between 1964 and 1966.

Indeed, "the situation is grave enough" that city officials are considering pumping water from the Hudson River just south of Poughkeepsie, an emergency measure used only during the drought of the mid-1960s, said William Andrews, spokesman for the city's environmental protection department.

And, in anticipation of the dog days of July, the city plans to lock one-third of its 100,000 fire hydrants. "We exhausted the supply of hydrant locks in the country," said Andrews of the attempt to use locks to stop a traditional way of cooling off in the city.

One of the key uses of water being cut back is the use of air conditioners, which consume as much as 90 million gallons on scorching summer days, O'Connell said. And businesses have been ordered to cut their use by two hours each day. "Most of the buildings here are glass boxes, and no windows open," he said. "There have been some mornings it's been pretty sticky."

He said other tactics to cut water use include stoppings leaks and reusing water rather than sending it down a drain.

Much of the drought is occurring in the region known as the Delaware River Basin, which affects the water supplies for about 7 million people, said John Rattie, water resources engineer for the Delaware River Basin Commission, a multistate governing body for the river's resources.

"The average person is not really feeling it just yet, but the potential for having serious problems this fall is very good," Rattie said. The problem is threefold:

The reservoirs in the region that collect surface water are down because of low rainfall. New York City and northern New Jersey reservoirs were less than 60 percent full in April when they should have been almost brimming over, according to water officials.

Lack of rain has also depleted groundwater supplies. Southern and coastal areas of New Jersey and the suburbs of Philadelphia get their water from wells and aquifers.

The flow of the Delaware River is greatly reduced by the lack of rain. Salty water from the Atlantic has begun creeping up the river. If the salt level continues to move up the river, it could threaten drinking water for several million people in the Philadelphia area, said Bruce Dallas, spokesman for Pennsylvania's Department of Environmental Resources.

The water restrictions in Pennsylvania are livable and are designed to minimize problems for businesses, Dallas said. Golf courses can water the greens and tees but not fairways, he said. And commercial car washes are permitted to operate, even though residents can't wash their cars at home.

To encourage conservation, northern New Jersey residents are being charged at least $5 more for water if they use more than 50 gallons per person per day and businesses are paying a 33 percent water surcharge, said John Gaston, water resources director for New Jersey's environmental protection department.

So far, "at least 100 summonses and 500 warnings" have been issued to residents caught washing cars or watering lawns, Gaston said.

"It would take a return to normal (rainfall) for many months before you begin to see a positive change," O'Connell said.

And then there is the problem of keeping people from returning to their wasteful water ways when the rain starts falling. "People are lulled into thinking the drought is over because of rain," said Rattie. "Everybody sees their tomatoes growing and they say, 'What drought?'"●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 10, in order to receive testimony on the following nominations:

U.S. DISTRICT JUDGE

Joseph J. Farnan, Jr., of Delaware, to be U.S. district judge for the district of Delaware;

Stanley Marcus, of Florida, to be U.S. district judge, for the southern district of Florida;

James M. Rosenbaum, of Minnesota, to be U.S. district judge for the district of Minnesota;

Thomas E. Scott, of Florida, to be U.S. district judge, for the southern district of Florida;

DRUG ENFORCEMENT ADMINISTRATION

John C. Lawn, of Virginia, to be Administrator for Drug Enforcement.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 10, at 9:30 a.m., to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

STATE DEPARTMENT'S POLICY ON AMBASSADORIAL APPOINTMENTS

● Mr. LUGAR. Mr. President, several Senators both on and off the Foreign Relations Committee have expressed interest in the Department of State's policy respecting the rotation of sitting U.S. Ambassadors.

For the information of all Senators I ask that a letter I just received from the Department setting out its policy be reprinted in RECORD at this point.

The letter follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, July 2, 1985.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: I understand there is interest in the Committee about the Administration's policy with respect to the length of Ambassadorial assignments.

Shortly after President Reagan's reelection, former Deputy Secretary Kenneth Dam called a meeting of his Committee on Presidential Appointments to begin planning for career nominations in 1985. The Committee includes the Under Secretaries for Political Affairs and Management, the Director General of the Foreign Service, the Executive Secretary of the Department, and the Secretary of State's Executive Assistant.

At their first planning meeting in November 1984, the Committee decided to establish a general rule of three-year assignments for career Foreign Service officers who are appointed as Ambassadors. It was a timely decision because a significant number of Chiefs of Mission who had been appointed between mid-1981 and mid-1982 were completing three or more years of service in 1985. Because of the 1984 Presidential election, appointment activity had been in a virtual state of suspense for the second half of that year.

After discussions with the five regional bureaus of the Department, the Deputy Secretary's Committee confirmed its original decision to establish a three-year rotational period for career Ambassadors. There were a few exceptions made for policy reasons. For example, a decision was made to keep our Ambassador to the United Arab Emirates for a fourth year, and to shorten the tour of our Ambassador to Uganda to two years. In the latter case, the decision was made because of the very harsh conditions in that country.

The three-year rotational decision was communicated to the White House in early 1985. Subsequently, a recommendation was made and adopted by the President that noncareer Ambassadors, again with some exceptions, also be rotated after three years. The Ambassadors affected by this policy have since all received notification.

As a result of these parallel three-year assignment decisions for both career and noncareer Ambassadorial assignments, there will be a large number of Chief of Mission nominations coming to the Committee for advice and consent between Memorial Day and Labor Day, reflecting rotation of posts filled during the first eighteen months of President Reagan's first term.

Please let me know if there are other aspects of this policy which require clarification.

Sincerely yours,

JAMES M. MONTGOMERY,
Acting Assistant Secretary, Legislative and Intergovernmental Affairs.●

A TRIBUTE TO DAUPHIN COUNTY, PA

● Mr. HEINZ. Mr. President, I rise today to pay tribute to Dauphin County, PA, as it begins Celebration 200, a 9-month celebration of its bicentennial. From March through November of 1985, county residents of all ages will have the opportunity to participate in activities that commemo-

rate the events, the accomplishments and the people that have shaped this county's rich, 200-year history.

The county's Celebration 200 will truly reflect the wide variety of people, attractions and experiences that Dauphin County has to offer. The celebration kick-off on March 4, 1985, brought representatives from throughout the county to the city of Harrisburg for the unveiling of the county's first official flag. From now until November 23, which will be the night of the Celebration 200 ball, a number of minicelebrations have been scheduled. There will be picnics, fireworks, races, concerts, historical reenactments, parades and arts-and-crafts festivals to remind county residents of their proud history.

The heritage of Dauphin County is steeped in a tradition of pride and a determination to preserve the traditions of its founding fathers for generations to come. This county, which is located southeast of the central part of the State, began its epic of history on March 4, 1785, when John Harris II petitioned the Pennsylvania Assembly to carve out a new and separate county from the northern tier of Lancaster County. The new county's fathers—John Harris among them—chose to name the county Dauphin, in honor of the eldest son of Louis XVI, king of France, because of the significant role that France played in aiding the American colonies during the revolution.

John Harris became one of the leaders of the Pennsylvania frontier carrying on Indian trade, operating the most important ferry route to the west, and negotiating with the Indians to preserve the peace. In 1975, John Harris donated lands for a town and it was laid out, becoming the capital city—Harrisburg—in 1812.

Harrisburg is the county seat of Dauphin County, and today its the largest municipality. The city is situated along the shore of the scenic Susquehanna River, a privilege it shares with all of the municipalities located along the western border of the county. Area residents look to this river for its quiet beauty, and for the sports and recreation opportunities it offers. Although the river is not navigable, because of its strategic location, Dauphin County always has been a principal transportation center in the State. In fact, the county's ability to attract major manufacturing and warehousing facilities to the area has been enhanced by the existence of major railroads, airports and an extensive network of Federal and State highways.

Four fortune 500 companies—Hershey Foods Corp., AMP Inc., TRW Inc., and Bethlehem Steel—have major facilities in the county. The presence of these employers, as well as other area businesses, coupled with the fact that the seat of the State government is located in Harrisburg, has helped maintain the county's overall economic health and kept the unemployment rate significantly lower than the statewide average. In addition, many of its lands provide good farming, and in the Lykens Valley region of the county, some of the State's best anthracite coal is produced.

Indeed, Dauphin County has much to offer its residents and visitors. From the Blue Mountains in the north, to the rolling hills in the south, residents and visitors alike can enjoy the natural beauty of the Susquenhanna Valley. The Applachian Trail, the art and sculpture of the State capitol buildings, and the range of activities available to residents, such as the Harrisburg Symphony, the Pennsylvania Farm Show and American Hockey League's Hershey Bears, help make Dauphin County a great American community. And others agree. The city of Harrisburg was just chosen as one of eight sites for 1984-5 as an "All-American City" by the Citizens Forum on Self-Goverment of the National Municipal League Inc., and USA Today.●

REALIZING PRODUCTIVE POTENTIAL V—THE STEEL INDUSTRY

● Mr. HEINZ. Mr. President, I should like to draw the attention of Senators to a recent article by George Will entitled, "Steel, Rusting." In an industry where debate has been so frequently characterized by heat rather than light, it is always refreshing to see a thoughtful, dispassionate commentary such as that presented by Mr. Will. In particular, he makes two points worthy of note. First, he correctly notes the extent to which the steel industry has been the victim of subsidies and other unfair trade practices by its foreign competitors. It is fair to say that no industry in the United States has so clearly demonstrated a pattern of dumping and subsidies against it as has the steel industry.

Second, Mr. Will points out that the President's tax reform plan could seriously impede the industry's long-term adjustment capability by making it more difficult for them to modernize. This is a subject I will be discussing in greater detail later on, Mr. President, but it is something Senators should begin thinking about now, while hearings on the tax plan are underway. As I have stated previously on this floor, the deindustrialization of America appears to be well underway, in large part due to the absence of an effective trade policy. To add to that a tax policy that discriminates against investment in capital intensive industries makes a devastating combination.

Equally important as the substantive points he makes is the eloquence with which Mr. Will describes the industry and the Mon Valley. Although eloquence is a characteristic common to Mr. Will's writing, it is not often applied to an industry that has been such an integral part of this Nation's industrial growth for so many decades. Mr. Will's column captures the integrity of the steelworkers as well as the anguish of their present plight, and in the process he makes some important points about how the free market system is supposed to operate here and abroad rather than only in the United States. Mr. President, I ask that the text of George Will's column be printed in the RECORD.

The article follows:

STEEL, RUSTING

(By George F. Will)

BRADDOCK, PA.—The small, clean, cool, quiet world of the microchip has made Northern California's "Silicon Valley" a symbol of America rearing to "go for it." But Pennsylvania's Monongahela Valley—the hot, muscular world of blast furnaces—is not yet gone. Not yet.

Pittsburgh was recently rated first among America's 329 metropolitan areas as the best place to live. The air is now clean because so many smokestacks are cold, and the largest employer is not U.S. Steel; it is the University of Pittsburgh. The transformation of Pittsburgh is a tribute to the suppleness of American society. But in the mean streets of Braddock just outside Pittsburgh, you see the weary flesh and blank faces of the people who are casualties of the wrenching readjustment—the poor, who break when more supple people merely bend.

The steel region is no stranger to suffering. William Manchester says that in 1934 the average steelworker toiled in dangerous settings to earn $369—a year, supporting six people. When the movie "Modern Times" came to Pittsburgh, "blue-collar audiences did not laugh at Charlie Chaplin's parody of a workman's five-minute break, in which his hands continued to mime the machinery at first and then slowed down just long enough to allow him to grab a glass of water."

Today, Social Darwinists, living in cocoons of abstractions, say, with icy complacency, that the United Steelworkers union did its work too well, pricing labor, and hence American steel, out of competition. There is a bit of truth to that, but it takes a tougher moralist than I to lament the physical safety and economic gains the USW brought to workers in the Mon Valley.

Besides, the steel industry's primary problem is that is is competing not with foreign corporations similary disciplined by market forces, but with foreign governments that have flooded the world with excess capacity and are running nationalized steel plants as jobs programs. For Americans too young to have experienced the Depression—most of us—this valley is a stunning classroom in which to learn about the death of the spirit that follows the death of industries.

Here in Braddock, a slimmed-down labor force in a modernized plant is making steel in a drama of fire and sweat that any American could profit from watching. But the plant is an island of wholesome roar in an ocean of deadly silence, an ocean of idled humanity that laps up to the plant gate. Much of American industry is back and standing tall, but steel is flat on its back,

woozy and worried that the tax-reform plan will deliver another roundhouse punch.

How big America's steel industry should be is debatable, but the need for an efficient core of that industry is not. American steelmakers can compete if, but only if, they modernize their plants. The tax proposal would make such investment less attractive. The plan would lower rates for individuals and raise revenues from businesses even while lowering the business tax rate from 46 to 33 percent.

It would manage that by (among other things) repealing the investment tax credit and making depreciation schedules less generous than those in many other industrial nations. This would raise production costs and diminish U.S. relative productivity in heavy-investment industries at a moment when the strong dollar is handicapping U.S. companies in international competition.

The federal tax code collects approximately one-fifth of GNP—one of every five dollars generated by the economy of this complex industrial nation. Such a code cannot help but embody an industrial policy. Under the president's plan, the increase in the tax burden on those industries that demand constant heavy capital purchases, such as the steel and auto industries, would help pay also for a three-year extension of the research and development tax credit, and a cut in the maximum capital-gains rate. These are boons to venture capitalists and the high-technology industries they currently favor.

Under the tax plan as proposed, Ronald Reagan's hard-charging yuppie enterpreneurs would do better than Lane Kirkland's struggling blue-collar manufacturing workers. But many Democrats know that the rising blight of rust is ruining their neighborhoods. So before concluding that the tax treatment of business—the Reagan industrial policy—is settled, remember:

Rep. Dan Rostenkowski, chairman of the House Ways and Means Committee, is as Democratic as is his hometown (Chicago). And he resembles a yuppie about as much as Pittsburgh's Iron City beer resembles Perrier.●

SETTING THE RECORD STRAIGHT ON TEXTILE IMPORTS AND FARM EXPORTS

● Mr. HEINZ. Mr. President, for some time now, the relationship between textile imports from the People's Republic of China [PRC] and American farm exports to that country has been misunderstood. It is time to set the record straight.

Citing a 1983 Chinese statement linking purchases on American cotton with more liberal U.S. textile and apparel quotas, farmers have long supported a less protectionist U.S. textile policy toward the PRC because of the danger that Chinese retaliation might focus on U.S. grain sales. For example, U.S. agricultural exports to China have fallen from $2.2 billion in 1981 to $692 million by 1984. Henry Neihem, president of the National Association of Wheat Growers, has attributed this drop to a dispute over Chinese textile and apparel exports to the United States.

In actuality, the decline in American farm exports to China has little to do with our textile and apparel policy. Rather, an amazing growth in Chinese agricultural production and a grossly overvalued U.S. dollar are the two crucial factors which explain the precipitous drop in U.S. farm exports. First, in 1978–79, the Chinese initiated a series of reforms which decentralized the planning and management of agriculture. By tying personal wages to productivity, the profit motive was introduced. The level of agricultural investment also increased (more fertilizer, etc.). Together, these measures produced spectacular results. Total Chinese agricultural output grew by 49 percent from 1978 to 1984. Moreover, Chinese exports in the agricultural sector doubled from $3 to $6 billion during the same period.

The second factor underlying the decline in American farm exports is the strong dollar. Agricultural commodities, of course, compete in the world market on the basis of price. The strength of the dollar has, therefore, hurt American competitiveness on the world market. The Wall Street Journal reported on March 25, 1985, that "complex factors are causing a gap of as much as 37 percent between U.S. grain prices and lower prices offered by some competitors on world markets." The consequences of excessively high American export prices are strikingly illustrated by the Chinese cancellation of an order of 250,000 tons of grain at the end of 1984 when the price became $23 to $29 higher than that offered by Argentina.

The bottom line, then, Mr. President, is that the relationship between textile and apparel import restraints and American farm exports is minimal. Other factors, like rapidly growing Chinese agricultural production and noncompetitive American export prices, are much better explanations of the decline in Chinese agricultural purchases from the United States.●

NINETY-FIFTH ANNIVERSARY OF THE STATEHOOD OF WYOMING

● Mr. WALLOP. Mr. President. I rise today, the 10th day of July to honor the official birth date of my beloved home State, Wyoming. On this day in 1890, 95 years ago, Wyoming became the 44th State in the Union of these United States of America. And I am pleased to say that while Wyoming proudly locked arms with her 43 sister States, becoming at once a staunch defender and supporter of this great Nation, my State has retained a fierce sense of independence and pride in her ability to maintain the traditions and values of the Old West while enthusiastically preparing for the challenges of the future.

Wyoming people have taken great care to nurture another aspect of their State's past, and it is an integral part of our present quality of life. That is the ability to welcome any and all newcomers and allow them to be accepted into the Wyoming State family for simply what they are. Mr. President, while Wyoming may be the ninth largest State in the Nation with 97,914 square miles, in this Senator's mind it is first in opportunity, and first in retaining friendship, warmth and hospitality of a small town.

For as much pride as every Wyoming resident takes in their offer of family friendship, we take an equal amount of pride in being known as the Cowboy State. Our prairie grasslands and picturesque mountain pastures have provided sustenance for the State's agricultural communities. And, as America's industrial appetite grew throughout the decades, my State has taken up another role. Not only do we provide food for the Nation's table but fuel for its engines, as a major source of America's natural resources—our coal, oil and natural gas.

Although called land of the cowboy, Wyoming is not for men only. Our great State Seal bears the words "Equal Rights," because we have long recognized the role women have played in making our State what it is today. In 1869, 39 years before Wyoming officially obtained statehood, the women of the territory were granted equal suffrage. By 1870, we were able to boast of Ester Hobart Morris—whose statue stands just off the Capitol Rotunda—a tireless suffragette and the first woman to be appointed to Justice of the Peace. And in 1929 Wyoming had the country's first woman elected Governor of a State, Mrs. Nellie Tayloe Ross.

Perhaps our greatest natural resource—our greatest blessing—is the beauty and bounty of Wyoming's land. Our wide open spaces, often strikingly broken by mountain ranges, are ideal for the recreational pursuits of all Americans. One fourth of the State has been set aside for national parks and national forests. Our State also boasts Devils Tower, our country's first national monument as well as the first national park, Yellowstone, the jewel of our park system.

Mr. President, this Senator has not only the honor but the pleasure to represent, protect and promote the great 44th American State, its proud and independent citizens, and its past and future traditions. I am proud today to serve the great State of Wyoming and its matchless people on this 95th anniversary of our Statehood.●

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar: Calendar No. 254,

Robert C. Broomfield; Calendar No. 255, Donald E. Walter; Calendar No. 256, Claude M. Hilton; Calendar No. 257, Wayne E. Alley; Calendar No. 258, James D. Todd; Calendar No. 273, Marvin L. Stone; Calendar No. 274, Loren A. Smith.

The PRESIDING OFFICER. The nominations will be stated.

THE JUDICIARY

The legislative clerk read the nomination of Robert C. Broomfield, of Arizona, to be U.S. district judge for the district of Arizona.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Donald E. Walter, of Louisiana, to be U.S. district judge for the western district of Louisiana.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Claude M. Hilton, of Virginia, to be U.S. district judge for the eastern district of Virgina.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Wayne E. Alley, of Oklahoma, to be U.S. district judge for the western district of Oklahoma.

Mr. NICKLES. Mr. President, I am very pleased to have recommended to President Reagan, Mr. Wayne E. Alley to be appointed Federal judge for the western district of Oklahoma. He appeared before the Senate Judiciary Committee last week, where he was speedily endorsed. He also received the endorsement of Oklahoma's senior Senator DAVID BOREN.

Wayne is currently serving as the dean of the University of Oklahoma College of Law and has served in that position since 1981. He is also the director of the university's law center. Wayne is a retired Army brigadier general who was the top military judge for the Army in Europe from 1978 to 1981. From 1975 to 1978, he was the chief of the Army's Criminal Law Division in the United States. He is a member of the Oklahoma and American Bar Associations.

Wayne Alley was recommended to me by a bipartisan judicial nominating committee after many months of searching and review. I believe the people of Oklahoma will be well served with the appointment of Wayne. He has devoted his entire adult life to the legal profession, and I believe he will be a tremendous asset to the Federal bench. He is well respected within the legal community of Oklahoma.

I am pleased the Senate has unanimously agreed with my recommendation to the President to appoint Wayne Alley to the Federal bench in the western district of Oklahoma.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of James D. Todd, of Tennessee, to be U.S. district judge for the western district of Tennessee.

Mr. SASSER. Mr. President, I take this moment to note the action of the Senate in confirming the nomination of Jim Todd to be U.S. district judge for the western district of Tennessee.

Those of us who have had the opportunity to watch him preside as a circuit judge in Jackson, TN, have been continually impressed by his extremely mature judgment and his fine judicial temperament. Attorneys who practice in Judge Todd's court remark on his fairness and accessibility.

When he renders a decision both sides know that he has carefully considered the evidence and the applicable law. Moreover, his legal judgment is appreciated by the higher courts as well. Those familiar with the details of his record tell me that he has never been overturned on appeal. A further measure of the respect he commands in the legal profession is that, when needed, he sits as a special judge on the west Tennessee division of the court of appeals.

In addition, he has taken the steps necessary to ensure that cases are handled expeditiously. In my State of Tennessee, the normal criminal session runs about 6 weeks. Judge Todd's sessions last closer to 8 or 9 weeks.

The Senate, and especially the Judiciary Committee, has been watching with concern the growing number of cases coming before the Federal bench. We have considered numerous measures to eliminate frivilous cases and ensure that the courts have the time to devote to cases which raise significant legal issues. Despite our efforts, district courts are still under considerable pressure from the sheer volume of cases they must hear. Judge Todd has coped with that problem with dedication and hard work.

When Jim Todd was appointed to the 26th district court, he faced a tremendous backlog of cases. He served notice the backlog would be reduced and it has been. In fact, Judge Todd has held court as late as midnight to clear cases from the docket. He is a perfect example of the kind of hard-working, dedicated judge we need to handle the ever increasing caseload of the Federal judiciary.

Jim Todd's service to the legal profession has carried over into other areas as well. In addition to being a past president of the Jackson Bar Association, he has served on the board of Professional Responsibilities Hearing Committee. He has also been chairman of the Tennessee Bar Committee on Federal Practice and Procedure and the Committee of Local Rules of Court. He has proven his commitment to ensuring that our legal system works efficiently and that it works fairly for all.

Despite his heavy schedule, Judge Todd has found time to be very active in his local community. He has served on the board of directors of his alma mater, Lambuth College and is presently on Lambuth's president's advisory council. He is a past president of the Lambuth College Alumni Association. He has also worked with our young people as a past president of the Jackson Boys Club.

Mr. President, I believe Jim Todd is the type of individual we need on the Federal bench. He is a hard-working professional with a firm grasp of the law and he is a dedicated citizen in his community.

I am pleased at the action of the Senate today in confirming his nomination.

Mr. GORE. Mr. President, I strongly support the nomination of Judge James Todd to the new Federal district court judgeship in the western district of Tennessee. Judge Todd has compiled an outstanding record as a circuit court judge in Tennessee. Rarely have I seen an individual who commands such broad, nonpartisan support and respect.

I believe that we must give thoughtful consideration to each individual nominated to be a Federal judge. Judge Todd and I met personally recently and discussed his views of the Federal judiciary and the role that judges should play in dispute resolution. I was impressed with what I heard. And I have been equally impressed by the strong recommendation that he has received from many individuals in Tennessee.

In order to preserve the principle of separation of constitutional powers and insulate judges from improper attempts to exert political influence, the Constitution provides that they shall have life tenure and no salary reduction during their time in office. Throughout our history, judges from the "Least Dangerous Branch" have exerted an enormous influence on the course of events.

We must therefore give special attention to nominees selected by the President to serve as Federal judges. We must ensure that they are committed to fairness and impartiality in decisionmaking, that they will strive to serve the ends of justice in every case, and that they are steadfast in allegiance to the Constitution and fundamental tenets of our form of government. Judge James Todd not only meets these requirements, but also exemplifies the best qualities of members of the Federal judiciary.

Mr. President, I support the nomination of Judge James Todd to the Federal district court bench wholeheartedly and without reservation. I urge

my colleagues to give prompt approval to his nomination.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. INFORMATION AGENCY

The legislative clerk read the nomination of Marvin L. Stone, of Virginia, to be Deputy Director of the U.S. Information Agency.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Loren A. Smith, of Virginia, to be a judge of the U.S. Claims Court.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate that that takes care of the judicial nominations with one exception. We believe we can take care of that tomorrow.

There are a number of Senators who have been waiting for some time, and I wish to thank the distinguished Senators from Oregon, Senator PACKWOOD and Senator HATFIELD, for their cooperation.

I will also take care of one other nomination, and it is my hope that by tomorrow we can either take care of the other nominations or start voting on State Department nominations either tomorrow or Friday or early next week.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY

ORDER FOR RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Thursday, July 11, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators PROXMIRE, MOYNIHAN, and BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following routine morning business, the Senate will resume the motion to proceed to S. 995, South Africa. Again, it is my hope that we could complete action on that bill tomorrow. If that can be accomplished, it may be that we may not be in on Friday. But I can assure Members that if we do not complete action on S. 995 tomorrow, we will be in on Friday and I assume rollcall votes can be expected.

There is another caveat, and that is the disposition of the State Department nominees. If we cannot dispose of those, then I assume that would be something we could do on Friday.

It is still the intention of the majority leader to complete a number of measures in the month of July.

I would again urge my colleagues—and they have been most cooperative—that if they will cooperate with the leadership on both sides, I think we can dispose of the bulk of the matters that we have indicated to Members on both sides we would like to act upon between now and August 2.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in recess until the hour of 10 a.m. tomorrow, Thursday, July 11.

The motion was agreed to; and at 6:51 p.m., the Senate recessed until tomorrow, Thursday, July 11, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 10, 1985:

DEPARTMENT OF DEFENSE

Adm. William J. Crowe, Jr., U.S. Navy, under the provisions of title 10, United States Code, section 142, to be chairman, Joint Chiefs of Staff, a position of importance and responsibility designated by the President under subsection (a) of section 601.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 130:

To be general

Gen. John W. Vessey, Jr., [redacted], age 62, U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be vice admiral

Vice Adm. Harry C. Schrader, Jr., [redacted]/1110, U.S. Navy.

IN THE NAVY

The following named lieutenants of the staff corps of the Navy for promotion to the permanent grade of lieutenant commander, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS (21XX)

Adsit, William S.
Akob, George Mot
Allen, Christopher L.
Allen, Gregory J.
Anderson, Gareld Walter
Anderson, William Marti
Anglohenry, Michael Ros
Anzalone, Fanancy L.
Appel, Barbara L.
Asher, Jeanne P.
Asplin, John R.
Atkinson, Gary Leigh
Auerbach, Andrew J.
Auker, Charles Robert
Azuma, Dennis Lloyd
Bacon, Glenn Sherwood
Baehr, George Robert
Baerthlein, William Cra
Bailey, Michael Justin
Baker, Jay Milton
Barger, Bruce Paul
Barlow, Duncan Stewart
Barnes, Jeffrey Richard
Bartosh, Robert A.
Bell, Jeffrey L.
Bemiller, Lynn Sloane
Bemiller, Timothy Allen
Bender, John Douglas
Benezette, Alyn Lamar
Berry, Kevin Gelzer
Bestoso, John Thomas
Bidwell, Ann Elise
Biggs, Paul Robert
Billue, David Clayton
Bircher, Nicholas G.
Blacky, Albert R.
Blakey, David N.
Blakley, Laurie Beth
Boback, Charles Eric
Boggeln, Laurence Henry
Bolger, Michael
Bowler, William A.
Bowman, Gary Lee
Bozman, Raymond E.
Braddock, Clarence H.
Brennan, Teresa M.
Brian, Mary Belva
Brooks, George Bingham
Brown, Charles Kevin
Brown, Gerard D.
Brownridge, Charles Tho
Bryner, Charles L., Jr.

Buck, James Luther
Budd, Gerard J.
Bult, Mark Joseph
Burton, Michael Denis
Bushnell, Allan Curtiss
Butcher, Jean E.
Caldwell, Felix C.
Campbell, Edward S.
Camponovo, Ernest John
Cantwell, Gertrude Part
Canty, Michael D.
Carlson, Noel Thomas
Carter, James E.
Chalfin, Steven
Chandler, Peggy Jan
Cheatham, Tamara L.
Christian, Eugene Paul
Clark, Allan B.
Clark, Laurie Susan
Cobb, Mark William
Cody, William L.
Connolly, Susan Andrea
Cook, Nicholas A.
Cote, Philippe Sylvestr
Coutras, Steven Walter
Cowman, Dan C.
Crawford, James J.
Cropp, Lance Evan
Cross, Gerilyn Elizabeth
Crutcher, James Michael
Cupp, Graig
Cushing, Michael Denis
Cuthrell, William Vance
Dainer, Roger Daniel
Dale, Daniel L.
Dannenhoffer, Robert L.
Dashiell, Thomas I., Jr.
Davis, Karlotta M.
Davis, Richard Clair, Jr.
Dawson, John Mac
Deal, Jeffery L.
Demars, Patrick Dennis
Depner, Christopher
Devoll, James Roy
Dhaem, Robert John
Dickerson, Susan Ellen
Diggs, Thomas E.
Dorsey, John Thomas, III
Doty, Douglas John
Dowell, Gene Lee
Drane, Walter E.
Drew, David Michael
Dudzinski, Michelle
Duprey, Patricia A.
Durkin, William
Eakin, Stephen W.
Edge, Stephen L.
Edmunds, John H.
Ellis, Richard Bruce
Ellison, David F. S.
Epstein, Robert Stewart
Erickson, Frank A.
Erwin, Richard Patrick
Escudero, Ronald Joseph
Eshman, Stephen Jeffrey
Etter, Kevin M.
Eusebio, Ricardo Brownl
Fahlgren, Michael Willi
Ferrara, William Bruce
Ferreiro, Jorge A.
Fife, Robert D.
Fitzmaurice, Mark J.
Fletcher, Sharon Anne L.
Flick, Mark William
Fojtasek, Martin Frankl
Fornadley, John A.
Franke, Randal C.
Freas, Glen C.
Frenck, Robert W.
Friedman, Jeffrey Craig
Frink, Marshall Brantley
Funderburk, Marcia Wayn
Funsch, David J.
Gambone, Catherine Scha
Garcia, Jesus Rene
Garcia, Karen Mikelait
Garland, Landon Wellfor
Gastaldo, Edward
Gerhard, H. John
Gill, Peter S.
Gilpin, Allen Bruce
Gladstone, Igor M., Jr.
Glaze, Gary Michael
Gleason, Thomas Ross
Glenn, Lesley
Gooding, James J.
Gow, Mark William
Grady, Patrick John
Grant, Henry Irvin III.
Gray, Gregory C.
Grigg, Jon Richard
Griggs, James Allan
Groth, James N.
Grypma, Lydia M.
Gubler, Kelly D.
Gustin, Sandra R.
Guyon, Martha
Hade, Ralph Douglas
Hagerty, David T.
Hall, Frank Wesley
Hall, Kent N.
Hall, Leslie W.
Hall, Stephanie
Hamilton, Andrew Russel
Hamilton, Charles P.
Hamilton, Robert S.
Hannig, John R.
Hansen, Daniel W.
Harper, Martin D.
Harrigan, Caswall Codne
Harrington, Carolyn J.
Harris, Gary S.
Harris, Russell Howard
Hart, Blaine Lawrence
Hartwick, Frank Michael
Hasell, Rhett H.
Hasselquist, Mary Beth
Hayashi, Konrad Edmund
Hays, James H.
Heller, Ross A.
Herip, Donald S.
Hertzberg, Lawrence E.
Hightower, Howard Ernes
Hixon, Frank K.
Hoeft, Thomas G.
Hollingsworth, Kenneth
Holm, Lawrence Martin
Honea, Robert Harold
Hotchkiss, John H., III
Huisman, Thomas Keith
Hunter, David H.
Hurtt, Mark Richard
Huss, Rodney Leonard
Imhof, Kelvin Bradley
Isaacman, Scott Howard
Jester Mark Andrews
Jewell, Edward W., III
Johnson, Benjamin Wilbu
Johnson, Clarence
Johnson, Peter Bedros
Jones, Brenda Faye
Jones, David Bruce
Jones, Ronald McKenery
Kale, Robert L.
Karsama, Craig Bruc
Kary, Daniel James
Kelling Douglas Martin
Kemerer, William James
Kennedy, Steven Raymond
Kerr, Anna Rebecca
Killeavy, Eugene S.
Kingsman, Kilton Deroy
Knowles, Paul D.
Kohn John C.
Kona John A.
Kraus, Sandra A.
Kruger, Rayford Standle
Kurvink, William Kent
Kusuda, Leo
Kutmas, Michael Anthony
Lanigan, Patrick J.
Lanphear, Kevin Keith
Lasner, Jay Elliot
Lassen, Lorenz Frederic
Lengel, Jeffrey Michael
Letarte, Peter Brewster
Lewis, Berry E.
Liebert, Hugh Peter
Lindley, Dwight Alexand
Linenger, Jerry Michael
Logan, Sean Raymond
Lopez, Ismael Padilla
Lopreiato, Joseph D.
Lunde, Michael Roy
Lutan, Robert Goodwin
Mabry, Quince Lee
Macon, Joshua
Malanoski, Michael Pete
Maniglia, Elvira Jane
Mariano, Eleanor Concep
Marshall, Stevens Cloyd
Martinez, Alberto J.
Mason, Donald Robert
Mawn, Stephen V.
Mayoraldiaz, Jorge Luis
McAlpine, Robert Goodin
McDonald, Brian Robert
McDonald, William Antho
McKee, Cameron C.
McKenney, Jefferson Cha
McKibben, Margaret
McPherson, Scott Alan
Melone, Paula Joyce
Memmen, James Edward
Mendel, Peter A.
Metros, Kevin Lee
Meyers, Harry F.
Mickleson, Dennis Lynn
Miller, Jackie Robinson
Miller, John William
Miller, Roger James, Jr.
Mohan, Francis Patrick
Moledor, Jeffery
Morales, Robert
Moran, Thomas
Morley, Walter Biel
Morrissey, Richard Leo
Moseley, Claiborne L., II
Moum, Eric E.
Muhammad, Abdul Baa Qee
Mullen, Matthew Paul
Mumma, Paul David
Munson, Keith D.
Muramatsu, Marc S.
Murphy, Michael
Murray, Michael John
Murray, Nancy Bolger
Musmanno, Mark Clark
Myrick, Steven Ronald
Nash, Alison C.
Nathan, Mathew
Nichols, Steven L.
Nicholson, Brendon
Nixon, Kenneth E.
Nowacki, Michael Richard
O'Brien, Thomas William
Odland, Rick M.
Officer, Thomas Patrick
Oldershaw, John H.
O'Malley, David Gerard
Omastiak, Paul Richard
O'rdonez, Carlos B.
Oregan, Eileen
O'Rourke, Thomas Francis
Ortley, Gleen Robert
Parken, Peter Hillary
Parkinson, Stephen Kell
Pattavina, Charles Fran
Peacock, Ivan Yopp
Peake, Stephen T.
Perez, George Michael
Peterson, David Odell

Pfister, Beverly
Pierdinock, Marsha Gail
Piner, Judith Estelle
Pittis, Jeffrey Dean
Posner, Robert Bruce
Pretto, Ernesto Antonio
Price, Richard John
Raff, John Bourke
Ragan, Paul Wilhelm
Rast, Terry Paul
Rayfield, David Lee
Reichert, Richard
Reifschneider, John S.
Reifsnyder, Daniel S.
Reiter, Robert C.
Remmenga, Steven Wesley
Richardson, Mark Allen
Rickman, Leland Saul
Riehle, Douglas Charles
Riley, Kenneth Jerome
Ringering, Robert L.
Rivera, Ferrer Francis
Robinson, James A.
Rodriguez, Gabriel
Rodriguez, Miguel Angel
Rosende, Carlos Alberto
Rushin, Jeanne Marie
Russell, James W.
Sack, David Michael
Sajko, Gary
Saporito, Louis J.
Sapp, John Julius, Jr.
Sarbeck, Louis Stephen
Sawada, Kathleen Y.
Schorn, Victor F.
Schott, Stephan Norman
Schreiber, Alan G.
Schumacher, Ann
Schwarz, Saul Samuel
Scott, David Grayson
Seefeldt, Gerald Mark
Sen, Ronald P.
Seneff, Michael
Shapard, Charles Willia
Siebert, William F., Jr.
Siegel, Drew Kevin
Skolnick, Eric
Slobodian, Stephen Andr
Smith, Anthony V.
Smith, David J.
Smorzaniuk, Eva M.
Sneeringer, Thomas Domi
Snow, Stephen Patrick
Snyder, Herbert Daniel
Snyder, James E.
Solivan, Luis A.
Sorensen, Richard
Spaw, Raymond Gebhart J.
Speer, Arineta
Spieker, Michael Raymon
Spitzer, Mark S.
Sporkin, Larry
Starkey, Gary Lee
Station, Michael L.
Steele, Walter J.
Stewart, Frank Crawford
Storey, James R.
Stubenvoll, Robert Walt
Swalchick, Jeffrey M.
Swanson, Brain Carl
Swearingen, Mary L.
Sweeney, Dolores I.
Tatum, Charles R.
Tavani, Denis Anthony
Taylor, William
Teich, Bruce Edward
Thomas, Ronald L.
Thombs, Paul Anderson
Tiernan, Rosemary
Turner, Michael A.
Uhle, Paul Harmon
Varga, John H.
Vessely, Paul Joseph
Villegas, Steven Donaci
Vitalis, Richard D.
Wade, David S.
Wagner, Mark Jared
Wakeman, Maryjo A.
Walentynowicz, James E.
Walker, Charles Clinton
Walker, Susan Jennifer
Wallace, Mark R.
Wamsley, Brian W.
Warner, Scott Jay
Wasenko, John J.
Watkin, William G.
Watson, Timothy Baldwin
Weatherwax, Scott Worth
Weiner, James Paul
Williams, Laura
Willoughby, Laura Jean
Wilson, Dennis Alonzo
Winter, Bruce A.
Wolff, Paul Ronald
Wood, Lawrence Alvin
Wood, Warren Milton II
Zanghi, Eric Joseph

SUPPLY CORPS

Anderson, Michael Alan
Anthony, Era Mae
Augustine, Michael
Bakke, Thomas Quentin
Bastian, Joseph Clifford
Binning, Jeran
Bischetsrieder, Jon Wray
Bogott, Karl William
Bonomo, Joseph Ralph
Boyter, Henry Geddes III
Buckley, Winston Hamlett
Bump, Robert J.
Bunkers, Ladean William
Butherus, Robert Joe
Carey, James Cornelius
Collins, Larry Lee
Colton, Richard Stanley
Connor, James Gerald, Jr.
Crawford, Mark Richard
Crismon, Gregory A.
Crump, Henry E., Jr.
Darby, Michael Meadows
Dargan, James John, Jr.
Davis, Delbert Ernest
Dietz, James Lawrence
Donovan, Peter M.
Drake, Christopher Barstow
Duke, James Robert, Jr.
Ekwall, Bengt Steven
Elkins, Ronald David
Fedele, Alan Robert
Feierabend, Richard Harvey
Formico, Bernard John
Fox, Thomas Norman
Free, Michael Wayne
Frew, Barry Albert
Gault, William Joseph
Gitter, Steven Philip
Haddock, Dustin Lee
Hagarty, James Nicholas
Hamilton, Philip P.
Hazell, Jeffrey P.
Hering, Edward N.
Heuay, Terrence A.
Highsmith, John Wayne
Hillegas, Dennis Willard
Hoch, Rita Ann
Holtsclaw, Keith Samuel
Hooper, Rene Raymond
Howard, Frederick Lee
Hupy, Brad Lee
Huston, Gary Arthur
Hyatt, John Shelton, Jr.
Jowers, John Gary, Jr.
Kemper, John Thomas
Klingel, Mark Jeffrey
Kmiec, Kenneth R.
Knowles, David Steven
Koronka, Constance Marie
Kowba, William Arnold
Lavender, William Ronald
Lawton, Frank Cooper, III
Lemire, Joseph W., Jr.
Logan, Carl Frazier
Logue, Robert Louis, Jr.
Madsen, John Williard
Martin, John Daniel
Martyny, Donald William
Masters, Paul John
McBurney, Donald T.
McCarthy, William David
McConnell, David Charles
McKelvey, Chris R.
Miller, Bruce Alan
Mills, Jon Lee
Moore, Joseph Douglas, II
Moreno, William James
Mullally, James Walker
Mulligan, Michael Champ
Newberry, David Bryan
Norris, Eric Edward
Olsen, Ronald L.
Parker, Richard Allen
Parnell, David Michael
Petrill, Paul Joseph
Post, George Curtis
Poston, Richard Gavin
Pottinger, Jeffrey L.
Puckett, Philip Lee
Rieck, Dale Charles, Jr.
Ripperton, John Gregory
Robie, Craig Michael
Robinson, Fred Oscar, Jr.
Roper, Bernard Lafayette
Ruff, David C.
Salgado, Roberto T.
Schlekau, Louis William, III
Sellers, Patrick M.
Siembieda, John NMN
Simmons, Rodney Alan
Simon, Lynn Patricia
Smith, Claire Christine
Smith, Donald Wilson
Smoak, Daniel Ray
Snyder, Thomas Alan
Stahel, Richard James
Strother, Russell Tennent
Taylor, Stephen David
Tracy, Elizabeth Ann
Vanston, Myles Garrett
Vassian, Robert B.
Verhagen, Douglas Wayne
Voellm, Frederick Ralph
Wagner, John Gregory
Watson, Jennifer Gatliff
Webb, Daniel Hale
Whipple, Peter Lloyd
Whitlock, Vivian Thomas
Wolfinger, Joseph F.
Zucker, David Alan

CHAPLAIN CORPS

Aven, Donald Webster
Belt, David Meryl, Jr.
Beltram, Robert Paul
Bennett, Christopher
Brown, David Allen
Burt, Charles Joseph, Jr.
Casimano, Santino Anthony Ke
Cooper, Robert Perry
Edwards, Robert Nelson
Fletcher, Richard Carter
Fritts, Robert Edwin, Jr.
Garment, Stanley John, Jr.
Gibson, Gilbert Darryl
Hartman, Jack L.
Hicks, Lawrence Leon
Hightower, James Monroe
Hill, Albert L.
Holcomb, Norman Dewey, Jr.
Jones, Clifford Wayne
Keith, Lawrence Ball
Kelley, James Rodney
Knott, Jason Edward, Jr.

Lancaster, Allen Lee
Lineback, John Steven
McLaughlin, Paul Francis
Melody, Owen John
Morrison, Charles Alfred
Morrison, John Wesley
Muller, James Bernard
Namocatcat, Felix Salise
Nissen, Peter Boy
Oxendine, Milford, Jr.
Parker, Gary Joseph
Peek, Timothy Michael
Poe, James Franklin, Jr.
Pope, James Howard
Roth, Larry Alden
Samb, John Walter
Satterfield, Robert Ferrell
Siegel, Enoch Arnold
Simone, Earl Francis Jensen
Soto, Charles
Spain, Philip Sidney
Stewart, Daniel Robert
Stone, Robert Edward
Thompson, Fred Allen, Jr.
Thompson, William Joseph
Tumlin, George Lewis, Jr.
Ohlemeyer, Fredric Laurence
Walker, Victor Houston
Weinlader, Wayne T.
Williams, James Mapley
Williams, Michael Leonard
Wilson, Bernard Ralph

CIVIL ENGINEER CORPS

Baker, Clifford Charles
Barrett, James Morgan, III
Beckmann, Fred Hans
Bianchi, Donel Scott
Boudra, William Frank
Buchholz, Robert Peter
Corrigan, Sean Gerard
Cyphers, Glenn Clark
Dalby, Philip Hays
Equels, Timothy Keith
Finley, Lloyd Smith, Jr.
Frost, James Doyle
Gover, Ronnie Dean
Hall, Joseph Bancroft, Jr.
Hess, Dennis Lee
Hilferty, Thomas John
Hunter, Richard Begg, Jr.
Huntzinger, Mark David
Ingram, Alison Hardy
Jensen, Jerry L.
Kelly, Desmond Edward
Kemper, Marcus Steven
Kimball, Mark Irving
Lowry, Thomas Markert
McCracken, Courtney James
McIntyre, William Thomas
Miller, Michael Raymond
Moreau, Roland Stephen
Nielsen, Thomas William
Orndorff, Roger Lee
Rand, John Langdon, III
Ray, James Loyed
Reams, Hugh E.
Rodgers, Thomas Michael
Silas, Brian Russell
Spaulding, Benjamin Joseph
Taunton, Harold D., Jr.
Theriault, Lawrence W.
Thornton, Michael Dale
Titus, Ronald Arthur
Washnock, William Glenn
Westerfield, Robert Adrian
Wright, Dennis E.
Yeakley, John Clayton

JUDGE ADVOCATE GENERAL'S CORPS

Baxter, Gary Dean
Callahan, Joseph P.
Cantwell, Laurie Jean
Carver, Jeffrey Wayne
Cave, Philip Douglas
Davidson, Donel L.
Davis, Thomas Ned, Jr.
Elkins, Debra Rae
Fielding, Robert Neal
Filetti, Dante Medardo
Frost, Peter F.
Green, Lisa Aasen
Huard, Robert Francis
Kelstrom, Nels H.
Lueker, William Kent
McKnight, Kathleen Ann
Paad, Ginger Clare
Price, David Paul
Risher, Eldon Donald, II
Rowe, Larry Wayne
Saccoccio, Louis John
Smith, Robert Julius
Swanson, Richard Norris
Rodd, Lawrence M.
Twining, Joseph Patrick
Walli, Janice Lynne
Wedan, Robert Warren, Jr.
White, David M.
Wolensky, Lewis Merrill
Zengel, Patricia

DENTAL CORPS

Allemang, Terrence L.
Allushuski, Ronald G.
Bard, Robert A.
Barnett, Joseph D.
Barnhart, Kevin Ward
Berg, Brendon William
Bex, Richard T.
Blough, Leland Speicle
Blundell, Robert Eugene
Cardozo, Reginald Horac
Christenson, David Mark
Ciotti, Caroline Esther
Cote, David P.
Cunningham, Marc Scott
Decicco, Mary V.
Depner, John Patrick
Deuring, William N.
Eckenberg, Robert Norma
Fields, Charles Sanders
Fischer, Howard H.
Fitzgerald, Patrick Joh
French, John Thomas
Gerhardt, Paul Wilbur
Gilberts, Mark David
Heise, Gregory J.
Henderson, George Olis
Holpuch, Russel C.
Jacobs, Thomas G.
Johnson, John Franklin
Kelly, John Robert
Kitslaar, Louis J.
Knoff, Stephen Bliss
Leupold, Richard J.
Marland, Lloyd William
Martino, John F.
Maskeroni, Alfred J.
McAllister, James Berna
McClain, Michael Pickar
Mikulencak, Allen Ray
Mitchell, Jan K.
Moody, Peter John
Morell, Michael Robert
Myers, Ronald Eugene
Nelson, Rand Hintze
Nicoll, Brian Keith
O'Sullivan, Brian P.
Pinkert, David Morris
Primley, Donald M., Jr
Quattlebaum, James Brya
Reynolds, William G.
Santos, Andre Charles
Schandorff, Mark Edward
Scholtz, Michael Lee
Skwara, David Mark
Slepsky, Peter
Stoyer, Gregory L.
Taylor, Darryl Lynn
Tenenbaum, Michael Geor
White, Tommy Bernard
Whitman, Deborah Jeanne

MEDICAL SERVICE CORPS (230X)

Adams, Ronald Lynn
Adkins, Harvey John
Alexander, Mark
Angelier, Daniel Michael
Baker, Carl Dean
Beddard, James Russell
Berrett, Melvin Victor
Bird, Charles Kingsley
Blake, Paul Kingsley
Bory, Alexander
Brittain, Jerry Lee
Brown, Francis Christop
Brown, Thomas Lindley
Buckingham, William Jam
Byerly, Lawrence Dale
Campbell, James Robert
Carroll, Ronald Jay
Clark, Everett Nelson
Connors, Robert Warren
Cormier, Tyrone Paul
Coyne, John Thomas
Davis, Ira Napoleon Bon
DeFrancis, Paul Charles
Dian, Duane Michael
Dickey, Oscar Wayne
Egly, Christian Steven
Eyraud, Micheline Yvonn
Frank, William Peter
Grahammist, Peter C.K.
Gross, Allan Howard
Gustafson, David Lee
Hall, Charles Leslie, Jr.
Harrahill, Jesse Donald
Hodges, Ellis Eugene
Hofflinger, David Howard
Holmes, Johnson Elizabet
Holt, Marvin Ray, Jr.
Hughes, Anne Shepardso
Hunnicutt, Gary Fay
Johnson, Israel Mays, Jr.
Karelin, Edward Ewald
Kennedy, Herbert Donald
Kleiger, James H.
Kramer, George D.
Libby, James Warren
Little, Tommy Joe
Loiacono, Frank Edward
Mackie, William Bruce
Maloney, David L.
Marshall, John Dekle
Mather, David B.
McBride, Dennis Kessler
McCarty, Thomas Allan
McCullough, William L.
Merbitz, Charles Freder
Meredith, Herbert Kenne
Miller, Robert James, Jr.
Mitchell, William Leona
Mittelman, Michael, Howa
Navradszky, Laszlo I.
Niec, Edmund Andrew
Orloff, Kenneth Lorin
Rey, Walter Albert, Jr.
Rodgers, Sidney Dana
Roeder, Kenneth Lester
Salinas, Anthony Joseph
Schneider, Kay Lynn
Sherman, Jonathan Claud
Sisco, Donald Fred
Smith, Carol Laurinda
Smith, Murray H.
Spaulding, David L., Jr.
Sullivan, Hugh Cornelio
Taylor, David Kim
Trautman, Edward Alan
Ulmer, Jerald Leonard
Wallick, Marie Theresa
Warywoda, Theodore Euge
Weber, Faythe Marie
White, Joseph Lloyd

Wiles, Larry
Williams, Michael John
Wong, Dennis Edward
Zambito, Paul Richard
Zuckerman, Gary Wayne

NURSE CORPS

Alamia, Frank Anthony
Anderson, Peggy Joyce
Balboa, William T.
Bales, Barbara Ann
Bowen, Leland David
Braddy, Robert Miller
Brittain, Marion France
Brown, Arthur Edward
Caldwell, John Ray
Chemycz, John Andrew
Clingerman, Steven Paul
Colgan, Thomas Edward
Corley, Katherine Suzan
Cox, Frances Louise
Davis, Patricia Elizabe
Davison, Cindy Joy
Delaney, Patricia A.
Drew, Margaret Mary F.
Dunlap, Ellyn Mary Douc
Frank, Melanie Darlene
Gazoo, Charles Edward
Gibson, Patricia Lynn
Giron, Lawrence Joe
Hanson, Kristine Julia
Hayes, Sandra E.
Herrera, Luisa Maria
Hoffower, James Robert
Hogan, Maureen Patricia
Holston, Erdmann Lamarr
Janczewski, Mary Kather
Jennings, Sharon Gallan
Kaminska, Cheryl L.
Kavanagh, Kathleen McDo
Knutson, Susan Marie
Kusnierek, Maureen Ann
Lamb, James Keith
Lasher, Susette Jane
Lege, Fred C.
Lembcke, Lisa Maria
Lukasik, William Edward
Marshall, Susan Elaine
McGee, Kathryn Bradshaw
Mooney, Marilyn A.
Moore, Cynthia Ann
Mukri, Gerarda Mary
Munson, David Andrew
Narcomey, David Wayne
Oliverio, Joseph Paul J.
Olson, Ellen Mae
Ouisenberry, Mary Ellen
Reifschneider, Donald L.
Salguero, Laura Laverne
Schatz, Mary Eileen
Schuette, A. Robert
Sims, Anthony Charles
Spear, Charles Campbell
Stark, Nancy Lee
Thompson, Jerry Vincent
Torres, Carlos A.
Tuftin, Marlys Gail
Williamson, Jimmie Elli
Wimett, Jeanine Louise

LIMITED DUTY OFFICER (SUPPLY) (651X)

Contreras, Gregorio Arambur
Corelli, Einar L.
Drain, Michael Everett
Humphries, John C.
Konrad, Robert A.
Lauster, Ronald J.
Loftus, Edmund M., Jr.
Nelson, Richard Arnold
Pacheco, Edward William
Rickel, Jack Michael
Stowell, William J.
Wright, Edward

LIMITED DUTY OFFICER (CIVIL ENGINEER CORPS) (653X)

Hays, John W.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 10, 1985:

U.S. INFORMATION AGENCY

Marvin L. Stone, of Virginia, to be Deputy Director of the U.S. Information Agency.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Loren A. Smith, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years.

Robert C. Broomfield, of Arizona, to be U.S. district judge for the district of Arizona.

Donald E. Walter, of Louisiana, to be U.S. district judge for the western district of Louisiana.

Claude M. Hilton, of Virginia, to be U.S. district judge for the eastern district of Virginia.

Wayne E. Alley, of Oklahoma, to be U.S. district judge for the western district of Oklahoma.

James D. Todd, of Tennessee, to be U.S. district judge for the western district of Tennessee.

HOUSE OF REPRESENTATIVES—*Wednesday, July 10, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for all people whose lives are guided by the virtues of justice and whose vision is broadened by mercy. Enable all people of good will to temper personal ambition with concern for the needs of others. May Your spirit nourish us with understanding and cooperation, with genuine regard and appreciation, with love and peace. May Your benediction be upon all the people of Your creation, from every background, from all the lands and religions, that respect and tolerance and peace will guide our action from this day forth and even for evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO MEET DURING THE 5-MINUTE RULE ON WEDNESDAY AND THURSDAY, JULY 10 AND 11, 1985

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be permitted to meet for the markup of H.R. 1, Housing Act of 1985, during proceedings of the House on Wednesday and Thursday, July 10 and 11, 1985. The Honorable CHALMERS WYLIE, ranking minority member, concurs in this request.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1373. An act to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 487. An act to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc.;

S. 953. An act to validate contractual relationships between the United States and various non-Federal entities;

S. 1068. An act to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978;

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week";

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations; and

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year."

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR ENERGY AND WATER FOR FISCAL YEAR 1986

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for energy and water for fiscal year 1986, and for other purposes.

Mr. MYERS of Indiana reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

IT'S TIME FOR ACTION ON TRADE DEFICIT

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, this morning, I heard on one of the networks an interview with our new Trade Representative. Yesterday, the Detroit News published a poll of Michigan residents on the issue of trade. These are some of the results.

They were asked, "How do you rate President Reagan in solving our trade problems with Japan?"

In the total survey, only 11.5 percent indicated that he was doing a good job, while 47 percent in the total survey said a fair job, and 35.9 percent said he was doing a poor job.

Then they were asked, "To save American jobs, would you be willing to pay $500 more for an American car than a Japanese car?"

There were 64.9 percent who said they were willing, and only 29.9 percent said they were unwilling.

This is only from one State and, true, a State that has special sensitivity to trade issues, but I think these data indicate to the Trade Representative that there is a real sense of urgency. I did not pick up that level of urgency in his statements this morning.

In Japan last week, a number of us met with the Japanese Government and with the business people. We tried to convey to them that something has to happen. They have to open up their markets. I hope that this administration will pursue this issue with much more urgency in the future than it has in the past.

INVITATION TO COSPONSOR H.R. 945, FIREARMS LEGISLATION

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, last night, our colleagues in the other body overwhelmingly passed legislation to protect the rights of firearm owners and sportsmen while at the same time serving the legitimate needs of law enforcement. This is legislation whose time has come. So far, 125 of our colleagues in the House have cosponsored my companion measure, H.R. 945.

Since I first introduced this legislation more than 6 years ago, this body has yet to seriously consider the merits I raise. It is time we do so.

This morning, I understand the distinguished chairman of the Judiciary Committee declared this legislation "dead on arrival in the House." I urge the chairman to reconsider this assessment and proceed to bring meaningful legislation dealing with firearms owners' rights to the floor for the House to work its will. I urge my colleagues, who have not done so, to cosponsor my legislation, H.R. 945.

COLAS NOT ON THE TABLE

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KANJORSKI. Mr. Speaker, the reason I rise this morning is, as a

member of the Steering and Policy Committee of the Democratic Party on the majority side representing the freshmen class, we are taking an initiative this morning to spell out very specifically where the freshmen Democrats in this Congress stand and I hope where the entire Democratic Caucus and the entire majority of the House of Representatives stand on the issue of cost-of-living adjustments for Social Security, veterans, Federal military and civilian retirees, and retired miners with black lung disease.

We are going to ask for instructions to our conferees on the budget report to insist on the full COLA provisions contained in the original House budget resolution.

We do this not to add conflict, but to be certain that Senator DOLE understands that COLA's are not on the edge of the table. They are in fact off the table. We do this to compliment the leadership of the Democratic Party, the Speaker, the majority leader, the whips, and everyone who has participated so well over these last several months, to indicate to the American people and lead this glorious fight to save the COLA's. Now it is time for the American people to know that their Representatives are not weak in failing to say where they stand on the COLA's, but in fact are willing to express a courageous stand as they did in the 1984 elections, assuring the American people, particularly the elderly and the recipients of pensions and benefits from Government entitlement programs that we are going to put our votes where our mouths were and where our pledges were.

Mr. Speaker, I would respectfully ask that those Members who wish to share in the discussion of this problem on the privileged motion to instruct the conferees make their way to the floor so that we can properly allot time so their expressions can be part of this record.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2911

Mr. FRANK. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 2911.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A NEW SLOGAN—"IT PAYS TO BUY AMERICAN"

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, as president of the freshmen class of the year 1986, I support Representative KANJORSKI and the freshmen Democrats bringing forward our position on the Social Security COLA situation and stand fast with that. That is not my purpose here today.

My purpose here today, Mr. Speaker, is to introduce legislation. The slogan "Buy American" is not working. We need a new slogan and that slogan should be, "It pays to buy American."

Today I am introducing legislation which will provide a 10-percent tax credit, 2.5 percent per year for 4 years, to individuals who purchase an American-made motor vehicle which contains at least 85 percent domestic content. Tax credit would be provided over a 4-year period and would be based on the final purchase price of the vehicle.

This bill will provide an incentive to buy American and protect the thousands of jobs of our Nation's work force.

We have lost thousands of jobs in steel, textiles, and rubber. Is it not time we learned and started to wise up and do something here in the Congress?

Mr. Speaker, I strongly urge my colleagues to join in this effort to develop a new slogan for America, "It pays Americans to buy American and save American jobs."

FEDERAL OPEN MARKET COMMITTEE MEETING

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, the Federal Open Market Committee is meeting today to decide the future course of monetary policy and in particular if interest rates will continue heading down.

Mr. Speaker, this meeting comes at a crucial time. Unemployment nationally has been stuck above 7 percent for over a year with no downward movement. This is a level normally associated with a recession. Eight million people are out of work. Real growth in the economy has fallen sharply from 1983-84 levels. Commodity prices are collapsing. The dollar is far too strong against foreign currencies, wreaking havoc in our manufacturing and export sectors.

The members of the FOMC, and in particular Chairman Volcker, should realize that there are no signs of inflation in the financial markets, only signs of recession and deflation. The elusive citadel of the Fed is conducting monetary policy by looking in a rear view mirror.

I urge the Fed to immediately cut the discount rate and the Federal funds rate by a full point so that liquidity needed to get this economy moving again can be available to business and investors. The late bond expert at Salomon Bros., Sidney Homer, said low interest rates are the hallmark of civilized society. Lower interest rates and stable prices are the key to job creation and economic growth, and will be the hallmark of reaching full employment and putting all Americans back to work.

INSURANCE FOR HAZARDOUS WASTE DISPOSAL

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, there is a crisis looming on the horizon about which many of us are not aware. It appears that many municipalities and other private companies dealing in hazardous waste and other kinds of waste disposal cannot obtain insurance coverage for that purpose. The insurance companies themselves, because of very serious court decisions, adverse court decisions in this particular kind of issue have withdrawn from the business of covering waste disposal sites and landfills and other kinds of instances of that type.

We are constrained to look into the situation as to how we can help modify those court decisions to allow insurance companies to reevaluate their position in the market, to prompt them and to promote their coming back into the market. Otherwise, we will have across the Nation municipalities and others who will be unable to fulfill their functions for waste disposal.

I urge the Congress to take a good look at this latest phenomena leading to a crisis.

THE RETIREMENT OF DAVID STOCKMAN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, many of us will miss David Stockman. He made a very serious mistake. Unfortunately, I wish more people had made that same mistake in this city. Stockman made the mistake of believing what the President had said during his campaigns for the Presidency was what the President was going to do if he was elected.

Stockman really felt the President was serious about cutting the deficit. In fact, when he first came to office, he handed out hatchets and he did all sorts of things, to show he was going to go after that almost $58 billion deficit that the Carter administration had left.

All the way through Stockman's tenure, he spoke the truth and was constantly being taken to the wood-

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shed and disciplined for telling the truth.

One of the great truths he spoke about is he pointed out that the defense contractors, which he called the hogs, were really feeding on the budget. What happened? The President did not put the apple in the mouth of the defense contractors, they put it in David Stockman's mouth. That has happened over and over again. He tells the truth and he gets muzzled.

Finally we see him after 4½ years in office leaving very dismayed and embarrassed, and having a deficit four times the size of the one he came to office deploring and pledged to cut.

I think we have seen over and over in this administration that their performance does not match their words, no matter who they are. As the paper this morning said, Ronald Reagan has become a Teddy Roosevelt in reverse. He speaks loudly and carries a very soft stick.

REQUEST TO RAISE PRIVILEGE OF THE HOUSE

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, I have a resolution at the desk raising a question of the privileges of the House, and I ask for its immediate consideration.

The SPEAKER. Is this the question of privilege that the gentleman was talking about?

Mr. McCANDLESS. It is, Mr. Speaker.

The SPEAKER. The Chair would like, before he recognizes the gentleman for that purpose, to ask, has the gentleman had the courtesy of notifying the Members whose names he has mentioned in this resolution?

Mr. McCANDLESS. Mr. Speaker, the names are not mentioned.

The SPEAKER. I think courtesy would dictate that the Chair recognize the gentleman at a later time today, then, after he has notified the poeple involved.

Mr. McCANDLESS. Mr. Speaker, this is a privileged question.

The SPEAKER. The Chair did not yet recognize the gentleman for a question of privilege. The Chair is at this time taking 1 minute unanimous consent requests.

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

The Chair will recognize the gentleman from California [Mr. McCANDLESS] at the proper time, when he has recognized for unanimous consent for 1 minutes, and trust that he would notify the gentlemen he is bringing up in this particular petition.

Mr. McCANDLESS. Mr. Speaker, I admire your leadership. It is my understanding that the rules of the House permit a privileged resolution to be heard.

The SPEAKER. The Chair is recognizing unanimous consent requests for 1 minutes which we normally do.

Is there an objection?

In due time, there are two privileged questions to be presented.

Mr. WALKER. Mr. Speaker, reserving the right to object, it is my understanding of the rules that the gentleman has raised a question of the privileges of the House.

The SPEAKER. No; the Chair did not recognize the gentleman for that purpose. The Chair was aware of the fact that the resolution was sent to the clerk, and had so informed him that the gentlemen whose names were on his petition should be notified so that they could be in the Chamber, and the Chair had not recognized the gentleman for that purpose.

Mr. WALKER. Mr. Speaker, further reserving the right to object, it is my understanding that there are no names in the particular petition that the gentleman has. That is the information that I have from the gentleman. I have not read it, but I understand there are no names in it.

The SPEAKER. But there is an inference, and the Chair thinks in fairness, the gentleman should notify the people that he has reference to so that they at least would be able to be here to defend themselves. That is a fairness principle that the Speaker of this House is trying to suggest is permitted by rules of the House.

Mr. WALKER. Further reserving the right to object, we certainly want the Chair to be fair. That is one of the questions we have raised on a couple of occasions recently.

But in this case, it seems to me that the rules of the House specify that the gentleman from California [Mr. McCANDLESS] is permitted to raise a question of the privileges of the House.

The SPEAKER. He certainly is when he is recognized for that purpose, and the Chair has not yet recognized the gentleman for that purpose.

Mr. WALKER. Can the Chair inform us, further reserving the right to object, when he will recognize the gentleman?

The SPEAKER. The Chair will recognize the gentleman as soon as he entertains unanimous consent request for the 1-minute speeches. And if there is objection, Members can object, but the Chair is going through the first row, and then he will be recognized for that purpose.

Mr. WALKER. The gentleman will be recognized immediately following the 1 minutes?

The SPEAKER. The Members whose names that he has reference to should be notified so that he will allow them the opportunity to be on the floor to defend themselves.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I now have a copy of the resolution before me, and I see no names in the resolution at all.

The SPEAKER. The Chair has a copy of the resolution and the letter the gentleman has referred to.

Mr. WALKER. Mr. Speaker, on the understanding that the gentleman is going to be recognized immediately following the 1-minutes, I will withdraw my reservation. But I do believe that in this instance the Chair has, in fact, deferred a question of the privileges of the House and I am somewhat concerned about that particular precedent being set under the rules as a result.

The SPEAKER. So that the gentleman understands the rules, unanimous-consent requests can under the precedents, if the Chair desires to recognize for that purpose, be entertained prior to a privileged resolution, and that is what we are doing.

Mr. WALKER. Further reserving the right to object then, the unanimous-consent request, as I understand it, has been purported by the Chair in order to prevent the gentleman from California [Mr. McCANDLESS] from raising his question.

The SPEAKER. If any Member objects to the gentleman's unanimous-consent request to speak for 1 minute, the House can get to the question immediately.

Mr. WALKER. Further reserving the right to object, am I not correct that the Chair himself purported the unanimous-consent request?

The SPEAKER. Let me say that the Chair would normally have gone the route of the 1 minutes. He saw the gentleman from California standing knowing what was in the mind of the gentleman, who had just sent a resolution to the desk, and trusting that the gentleman, before he would raise his question of privilege, would have the courtesy of notifying the Members whose names he is going to recommend to the Standards Committee, that he would so notify them so that they would have the dignity of being on the floor, because the Chair thought that that was the honorable and decent way to handle this matter.

Now in view of that, we are now back to the unanimous-consent request for 1-minutes.

□ 1020

Mr. WALKER. Reserving the right to object, Mr. Speaker, the problem here is——

The SPEAKER. What is the gentleman objecting to?

Mr. WALKER. The rules as I understand it do not give the Chair the abil-

ity to read the mind of the gentleman from California. The gentleman from California is attempting to raise a question of privileges of the House. I know of nothing in the rules that state that the Chair has as one of its obligations to read the mind of the gentleman from California.

The SPEAKER. The gentleman is in error. The power of the Speaker is the power of recognition. The power of recognition permits at this particular time the Chair to go to unanimous-consent requests which in effect alter the normal rules of the House and that is exactly what the Chair is doing.

The gentleman from Connecticut.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. The gentleman from Connecticut [Mr. GEJDENSON] requests unanimous consent to address the House for 1 minute.

Is there an objection?

The Chair hears none.

THE JAPANESE SHOULD TAKE UP A GREATER PORTION OF CONTRIBUTING TO THEIR OWN DEFENSE

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, one of the things that we will be addressing later in the Foreign Assistance Act today is an amendment that I will offer that requests, in a sense of Congress amendment, that our Japanese allies take up a greater portion of the cost of their defense in the area surrounding Japan.

It seems clear that for a nation that has the same ratio of population to GNP as ours, the Japanese who have roughly half our population and half our gross national product, that that nation ought to be able to participate in their defense to a greater degree than they presently do. The resolution that I will be offering as an amendment to the Foreign Assistance Act will ask the Japanese to increase their commitment to Western defense and they can well afford to do so.

It ought not be just American taxpayers that pick up the entire burden of the defense of the Western World. The Japanese today are strong enough to participate in that defense and I hope when we get to this amendment, and the question of Japanese assistance for the defense of the Western World, that the Members would support that.

I thank the Speaker.

WE SHOULD NOT FORGET SYRIA IS A SOVIET CLIENT STATE

(Mr. McCAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCAIN. Mr. Speaker, while I believe all Americans appreciate the efforts of Syrian President Hafez Assad in gaining the release of the hostages taken from TWA flight No. 847, I do not believe it is appropriate to proclaim him America's friend, as it appears some are inclined to do.

We should not forget actions taken by Assad in the past which have had direct and negative effects on American interests in the Middle East. He opposed the Camp David peace accords and continues to obstruct all other peace initiatives for the region. He ensured the destruction of the May 17 accords between Israel and Lebanon. In addition, there is substantial evidence linking Assad directly with the truck bombings of the U.S. Embassy and the marine barracks. These are not actions that could be characterized as friendly.

Syrian involvement in the worldwide terrorist network is also well documented. Among the groups which are known to train and operate from Syria; the Kurds, the Armenians, all elements of the PLO and various Shiite sects, are many who seek to subvert our allies, such as Turkey, and undermine the Western Alliance. These groups operate all over Europe against our economic and security interests. Also, Syria is known to support many terrorist activities undertaken by Qadhafi and Khomeini. These are not the usual practices of our friends.

I believe, too, that we should not forget that Syria is a Soviet client state. While not totally controlled by the Soviets, Syria receives virtually all its arms from them and owes them a large political debt, not likely to be repaid in a way friendly to the Western World. Assad also rules Soviet-style: By fear, with the backing of his secret police. He is not above wiping out an entire city, as was the case with Hama, if it stands in his path toward complete power.

Mr. Speaker, before there are any more expressions of friendship for Mr. Assad, I believe we need to see further concrete actions. Mr. Assad has it within his power to secure the release of the seven Americans still held hostage somewhere in Lebanon. He has it within his power to create a better atmosphere in which real peace in the region may be discussed. I recommend that we wait to see what happens in these areas before we decide that Syria and Mr. Assad are our friends.

CONGRESS SHOULD SUPPORT OUR INTERNATIONAL FAMILY PLANNING INITIATIVES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, as we take up the title III of the Foreign Aid Act I would like to call the attention of my colleagues to two expressions of support for the family planning provisions that have come to us today.

First is an editorial in the New York Times entitled "Too Many Mouths To Feed."

I would simply like to read the first sentence and the last sentence:

> In many parts of the world death, not birth control, determines the size of a family. When a country has too many mouths to feed, its children are the first to die. Coercive abortion is an atrocity. Larger atrocities may lie in store, however, if the world population continues to grow at its present rate.

Mr. Speaker, in a similar vein the American Medical Association, in a letter to each Member of Congress that arrived on my desk this morning, cites its concerns and efforts to place additional restrictions on the use of population planning funds under the Foreign Aid Act, therefore undermining their very purpose which is to assist nations in dealing with their population programs.

I applaud the pro family planning posture taken by both the New York Times and the American Medical Association and I urge my colleagues to support our international family planning initiatives and the initiatives of Congressman DANTE FASCELL and of Congresswoman OLYMPIA SNOWE which will be forthcoming in the next couple of hours.

HOSTAGE CRISIS NOT OVER: SEVEN AMERICANS STILL HELD IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, the seven Americans still held hostage in Lebanon are back on the front page of the Washington Post today where an unnamed senior Lebanese Government source says there is little doubt Syria could bring about the release of the seven Americans.

An unnamed senior administration official chimed in with the opinion that Syrian President Assad is the one man who could obtain the release of the seven Americans.

And the director general of Israel's Foreign Ministry has told the Post that the Americans are thought to be in Lebanon's Bekaa Valley, which is completely under the domination of the Syrian Army.

President Reagan yesterday told a group of regional broadcasters at a White House luncheon the seven Americans are being moved around quite often and that their lives could be endangered by precipitous U.S.

action. "We must be very careful," the President said.

Meanwhile, today is the 183d day of captivity for Father Lawrence Jenco of Joliet, IL.

Today is the 481st day of captivity for William Buckley of Medford, MA.

Today is the 428th day of captivity for Rev. Benjamin Weir of Berkeley, CA.

Today is the 116th day of captivity for Terry Anderson of Batavia, NY.

Today is the 44th day of captivity for David P. Jacobsen of Huntington Beach, CA.

Today is the 30th day of captivity for Thomas Sutherland of Fort Collins, CO.

Today marks the 218th day of the disappearance of Peter Kilburn of San Francisco, CA.

Mr. Speaker, seven Americans are still being held in Lebanon. The hostage crisis is not over.

DAVID STOCKMAN'S LEGACY: MORE RED INK

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, David Stockman's announcement of his resignation has been lamented by some and heralded by others. For those of us who have worked with Director Stockman there is a genuine respect for his ability despite our obvious differences.

In the weeks ahead many will reflect on the Stockman legacy. There is one bequest from the Stockman years which will endure. History will note that when David Stockman and President Reagan began, the largest deficit in the history of the United States had been $66 billion and the national debt stood at $1 trillion. Five years later the Nation grapples with annual deficits of over $200 billion and a national debt which has almost doubled to $2 trillion. Our Nation and our Government are now engaged in a permanent program of damage control to lessen the deficits which are now a fixture in Washington.

Nevertheless, tributes to David Stockman's managerial ability will undoubtedly abound in the coming weeks. In fairness they should be written in red ink.

□ 1030

A DEFEAT IN THE WAR AGAINST TERRORISM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, the United States in the last 2 days has suffered a very severe defeat in the war against terrorism. In fact, the last 2 days represent a defeat on the scale of the Kasserine Pass defeat early in World War II.

A column in today's Washington Post by David Broder entitled, "Huff and Puff" and the Washington Post editorial today entitled, "The Fight Against Terrorism," catch precisely the crisis this administration in its efforts to stop terrorism.

This administration and the State Department, in backing down before Lebanon in their effort to boycott the airport, is setting a pattern of weakness so severe that it bodes very ill for all Americans and for the cause of freedom.

Furthermore, the fact that the current leaders of Sudan, having had several weeks to watch the United States pretend to be tough, and to watch Libya's Qadhafi be tough, having now decided to sign an alliance with Libya, represents a major setback for all of the West and for the United States in particular.

The President must direct the national security bureaucracies of the State Department, the Defense Department, and the National Security Council to fundamentally rethink their strategy and reform their procedures, or we will continue to be defeated in the war against terrorism.

SUPPORT H.R. 2024, REGISTRATION OF AUTOMATIC WEAPONS

(Mr. TORRICELLI asked and was given permission to address the House of 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, in recent days, the other body has been acting almost in complete disregard for years of torment from the spread of guns throughout our country, almost as if they have forgotten the political assassinations and the murders that have ripped our country, but their responsibility is also the responsibility of the American people; who have contributed, who have supported, who have worked to create a gun lobby in this city unmatched and unparalleled by almost any other interest.

My own experience with these forces came this year in the introduction of H.R. 2024; simple legislation to require the registration of automatic weapons that are quickly being purchased throughout America by drug dealers and organized crime.

The response of the American people has been thousands and thousands of postcards in opposition. Let them ask themselves: Is this really the kind of legislation they want to oppose, and the dollars that they are giving to sporting organizations, do they really want those organizations to be supporting legislation, to deregulate guns, to make it easier for organized crime to get automatic weapons.

I would ask the American people, as Members of the other body should be asking themselves: What are they doing? Do not they owe more to their country to think about the nature of the legislation that they would support?

A QUESTION OF PRIVILEGE SHOULD PROCEED BEFORE OTHER BUSINESS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, rule IX of the House rules states very clearly, and I quote:

> Questions of privilege shall be, first those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings; second, the rights reputation, and conduct of Members, individually, in their representative capacity only; and shall have precedence of all other questions, except motions to adjoun.

That is the rule to which I referred a few moments ago.

In other words, according to the Rules of the House, it is a question of highest privilege to raise. The gentleman from California had done that.

In so allowing other business to proceed before we got to that question of privilege, the majority has taken unto itself the right to plan their strategy, to look at this matter fully, and therefore deprive the minority of its right to raise this question at its own time and for its own purpose.

I think that is a very disturbing precedent and one that I hope will not overrule the Rules of the House of Representatives again in the future.

The SPEAKER. May the Chair respond to the gentleman by saying: Anytime a Member reads the Rules of the House, he has to read the rules and the precedents.

The precedents stand for the proposition that at any particular time, the power of the Speaker is the power of recognition. For a unanimous-consent request which may temporarily waive the standing rules of the House, and subject to objection by any Member, the Speaker may recognize any Member of the House, even though there is a resolution such as drafted by the gentleman from California to be offered at that particular time.

IT TAKES CONGRESS TO CUT THE DEFICIT

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, I was prodded into giving my 1-minute by listening to my dear colleague from Illinois [Mr. DURBIN] who complained about Dave Stockman's legacy which he said should be written in red ink.

Mr. DURBIN was not here in the halcyon days of the Carter administration, when malaise and depression seemed to overcome this body and this Nation, but I would remind him that there is more to the economy than the deficit.

For instance, we had a prime rate of 21½ percent which was Mr. Carter's legacy to Mr. Reagan; now it is down to 9½. We had inflation under Carter up to 12 percent; now it is down to 3½ percent. Eight million new jobs have been created, and the stock market regularly goes through the roof.

Now, if we are going to cut the deficit, it takes Congress, which after all appropriates the money that creates the deficits, to get serious about cutting spending, and I am hopeful Mr. DURBIN will join me in that effort.

DAVID STOCKMAN WILL BE MISSED BY THE REAGAN ADMINISTRATION

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York, Mr. Speaker, I am political worlds apart from David Stockman. We have disagreed far more often than we have agreed, but I think one thing can be said about him, and should be said and recognized on this floor: He was one of the brightest Members of the House of Representatives; he was certainly a very capable Budget Director; he was an honest man, and in my opinion he will be missed by the Reagan administration because he was not afraid to tell people how it was. He was the glue that held, in my opinion, the Reagan fiscal house in order, and I hope that they can find someone of equal stature to replace him, because heaven knows, they need it.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO MEET DURING THE 5-MINUTE RULE ON TODAY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may meet during the 5-minute rule on today. This has been cleared with the minority.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

□ 1035

PRIVILEGES OF THE HOUSE—ALLEGED ILLEGAL SOLICITATION OF POLITICAL CONTRIBUTIONS BY MEMBERS OF CONGRESS

Mr. McCANDLESS. Mr. Speaker, I again rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 217) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 217

Whereas three sitting Members of the United States House of Representatives have authorized and caused to be distributed to Democratic Members' offices in Federal House Office Buildings a letter dated June 24, 1985, soliciting contributions for a party fundraiser and membership dues in a party organization from congressional staff members; and

Whereas Federal law prohibits the solicitation of political contributions by Members of Congress of officers or employees of the Federal government (18 U.S.C. § 602), and the solicitation of political contributions in Federal buildings (18 U.S.C. § 607); and

Whereas allegations relating to the official conduct of Members raise a question of the privileges of the House under House Rule IX; and

Whereas the Committee on Standards of Official Conduct is authorized by House Rule X, clause 4(e) to investigate any alleged violation of Federal law by a House Member: Now, therefore, be it

Resolved, That the Committee on Standards of Official Conduct is hereby authorized and directed to investigate the alleged illegal solicitation of political contributions by the Members of Congress referred to in the preamble of this resolution and report back to the House its findings and recommendations thereon.

The SPEAKER. The Chair has examined the resolution, and the gentleman from California [Mr. McCANDLESS] is within his rights to present it as a question of the privileges of the House. The gentleman is recognized for 1 hour.

Mr. McCANDLESS. I thank the Chair.

Mr. Speaker, on Tuesday, June 25, 1985, a letter, addressed to me, was hand-delivered to my office. The delivery to me was obviously a mistake, since the letter, dated June 24, began, "Dear Democratic Colleague," and was signed by the two Democratic Congressional Campaign Committee cochairmen, under the letterhead and the name of the chairman of the organization.

The letter called attention to a July 15—and I quote from the letter—"low-cost, high-volume fundraiser to help our fellow Members who are targeted for defeat by the National Republican Congressional Committee."

The letter further stated that the fundraiser would be hosted by "the majority party of the Democratic Congressional Campaign Committee."

The letter then goes on to ask:

"Each Democratic office to sell at least five $10 tickets, as well as encouraging those folks to become majority party members, to help build up the D.C.C.C. campaign coffers. We strongly urge you to involve your staff in this worthwhile effort," with the staff involvement appeal underscored in the letter.

Finally, the letter calls attention to an enclosed "invitation to the event and brochure describing the activities of the majority party."

The enclosed invitation referred to includes a return form, both for the party, which costs $10 a ticket, and for membership dues in the majority party, which cost $50, noting that the former can be counted toward the latter.

The invitation states:

"Your ticket to fight back is $10. Proceeds go directly to help Democratic members fight back."

Further, the enclosed brochure on the majority party makes it clear that "dues are used by the Democratic Congressional Campaign Committee to help elect Democratic candidates for Congress."

Mr. Speaker, this letter, delivered to Democratic house Members, and erroneously to one Republican, appears to be a serious violation of Federal law.

Section 602 of title 18 of the United States Code make it unlawful for candidates for Congress, those elected to or serving in Congress, or any officer or employee of the United States to "knowingly solicit any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 from any other such officer, employee, or person."

Section 607 of title 18 makes it unlawful for any person to solicit campaign contributions in a Federal building.

Mr. Speaker, I believe the clear intent of the letter is to solicit the attendance of Democratic members and staff at the fundraiser and to induce staff membership in the D.C.C.C. group that calls itself the majority party.

The final sentence of the solicitation letter supports this view. It says:

"We both look forward to seeing you and your staff on Monday, July 15, as we Democrats fight back."

The return forms enclosed with the mailing further support this view.

Legally and ethically, I think this solicitation is wrong and that it sets a terrible precedent for this body.

Therefore, Mr. Speaker, I ask for the adoption of this resolution which would direct an investigation and report by the Committee on Standards of Official Conduct.

● Mr. LOTT. Mr. Speaker, I want to commend the gentleman from California [Mr. McCANDLESS] on calling this very serious matter to our attention, and for his resolution directing the House Ethics Committee to investigate this matter.

I must confess that when I saw the materials in question, I was shocked that any of our colleagues would have the gall to send such blatantly partisan campaign solicitations to the offices of House Members. The Federal

Criminal Code is pretty unequivocal at sections 602 and 607 that Members cannot solicit political contributions from Federal employees, including House staff members, and that such contributions cannot be solicited in Federal buildings.

And yet, here we have a letter to Democratic colleagues, informing them of an upcoming fundraiser, and asking each office to sell at least five tickets, involve their staff in the effort, and attend the event. Had the letter been directed solely at Members, it would not have violated the law since it is acceptable under the law for Members to solicit other Members. But, when that solicitation calls for more than the contribution of a Member, and is directed knowingly at staff members as well, then it violates the law. And when that letter is received in a Federal office building, it contravenes the other section of law on solicitations.

Mr. Speaker, I don't think there is any question that the materials in question constitute a solicitation. The Federal Election Commission, in Advisory Opinion 1976-40 said a solicitation is not just asking people to buy tickets to a fundraiser; a solicitation can simply be informing people of a fundraising activity.

Here we have a letter that asks Members for their assistance in making a upcoming campaign fundraiser a success. How? By involving their staff in the effort. The letter asks each office to sell at least five tickets to the event. And the signers conclude by saying they hope to see the Member and his staff at the fundraiser. It should be clear from this that both the Member and staff are being solicited since neither is being offered complimentary tickets. What the letter is really asking is for each office to buy at least five tickets. This comes about as close to a political assessment and shakedown as you can get—the kind of abuses that gave rise to the forerunner statutes to sections 602 and 607 back in 1883.

As one of the Senators put it during debate on that original ban on political solicitations: "The intention is by this bill to remove not only coercive influences but the semblance of them."

A 1902 opinion by Attorney General Knox made clear, and I quote:

> Whatever the particular form of words adopted in such circulars in order to show a request rather than a demand and to give to responses a quasi-voluntary character, the explicit and comprehensive words of the statute . . . unquestionably condemn all such circulars.

Mr. Speaker, I think it's clear not only from the unambiguous wording of the statutes involved but from the legislative history as well that Members are strictly prohibited from soliciting political contributions from House employees in any way, shape or form, so long as the appeal is knowingly directed at those employees. It does not matter whether the solicitation is part of a general colleague letter or whether the solicitation is mandatory or voluntary. The clear purpose of these statutes was to remove any hint of pressure or obligation on employees from their superiors.

In conclusion, Mr. Speaker, I want to commend the gentleman from California [Mr. MCCANDLESS] for bringing this matter to our attention and for calling on the House Standards Committee to investigate this matter. As a former congressional staff member myself I am particularly sensitive to the prospect that Hill staffers could now be considered fair game for regular fundraising appeals by candidates and political committees—whether in their offices or at their homes. To the extent we allow this, we open ourselves to all manner of potential abuses associated with the old spoils system and its penchant for political shakedowns and payoffs. I don't want to see this happen to the people's House. Let's adopt this resolution and get on with the investigation.●

The SPEAKER. Does the gentleman from California [Mr. MCCANDLESS] yield time to the Democratic side?

Mr. McCANDLESS. Mr. Speaker, for the purpose of debate only, I yield 5 minutes to the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, I am concerned, naturally, that there is perhaps a technical violation of procedures and the law with respect to the distribution of a flyer here in the House of Representatives. I am a bit concerned that the gentleman from California has undertaken to make an issue of privileges of the House over such a matter. I am not condoning any technical violation that might have occurred, but this is certainly, by the gentleman's own description, hardly a fund raiser in the normally understood conditions that apply. This is a $10 per person solicitation for a party that is meeting for the purpose of supporting a Democratic organization.

I am sure the gentleman knows that from time to time there have been inadvertent distributions of similar notices from the Republican side, as well as the Democratic side; and it seems to me that, unless there is some pattern or gross violation of traditional practice, it is extraordinary for the gentleman to interrupt the proceedings of the House over such a matter for an hour's debate.

The gentleman is entitled, as any Member of the House is, under the House rules, as he knows, to bring this matter to the attention of the Committee on Standards of Official Conduct, which is a bipartisan committee equally divided, on which no party holds a majority, and which is set up for the purpose of receiving any complaints that might be directed against individual Members in their official conduct. Why he has not chosen to do that, which is perfectly within his power and authority to do, I cannot explain. Perhaps the gentleman will tell me and tell the House why he has chosen this extraordinary method by which to raise this issue.

Mr. McCANDLESS. Mr. Speaker, I thank the gentleman from Washington for his comments. I would be happy to answer.

As has been pointed out, the event is scheduled for July 15, 5 days away. I have a real concern, having served in public office for 12 years prior to coming here, about the integrity of an elected official and the activities surrounding what happens to that person.

When this was delivered to my office, I felt strongly enough about it that I felt it would be necessary to come here and discuss it.

Mr. FOLEY. Mr. Speaker, will the gentleman answer a question for me?

Mr. McCANDLESS. Let me just finish.

The one concern I have is: Is this going to be an activity that is sanctioned, and if it is on July 15, then we should have the sanction or the definition of the sanction by the committee in question rather than submitting it in the manner the optional authority provides.

Mr. FOLEY. Will the gentleman tell the House whether the distribution was by a Member of Congress to his office?

Mr. McCANDLESS. The distribution was by hand.

Mr. FOLEY. By a Member of Congress?

Mr. McCANDLESS. Not by a Member of Congress.

Mr. FOLEY. Does the gentleman know of his own knowledge whether the distribution was authorized by any Member of Congress?

Mr. McCANDLESS. The letter was signed by two people.

Mr. FOLEY. But was the distribution authorized by a Member of Congress, to the Member's knowledge?

Mr. McCANDLESS. The precedence that I cited in the previous two sections of the Government Code, one dealing with a public office in a public building and the solicitation, the definition of those items appeared to be in order.

Mr. FOLEY. I do not think the gentleman is answering the question.

Mr. McCANDLESS. If I may continue to answer the gentleman from Washington, my purpose here is to see if this is a sanctioned activity. If it is, then fine. But the committee in question should be the one to decide that.

Mr. FOLEY. What I am trying to discover from the gentleman is if he knows from his own knowledge and has brought this matter to the House as a result of his own knowledge that the distribution was made either by a Member of Congress or at a Member of Congress' direction.

I wonder if the gentleman could enlighten me if he has information that satisfies him that a Member of Congress either handed it to someone in his office or authorized and directed that.

Mr. McCANDLESS. In response to this, I do not believe this is the place to actually get into the details of that. I believe the Ethics Committee is the place to do that. But we could certainly take a deposition of the person who delivered this and ask that person, "Were you authorized by a Member of Congress or one of the signing parties?"

The SPEAKER. The 5 minutes of the gentleman from Washington [Mr. FOLEY] has expired.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me?

Mr. McCANDLESS. Yes, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

There was an attempt, I think, to make somewhat light of the issue by saying that there may have been a technical violation of the rules and the law here.

Would the gentleman describe again what he is saying is the violation that we are dealing with, so that we understand, that it may be of a serious enough nature that it should be addressed by the House of Representatives?

Mr. McCANDLESS. There are two sections of title 18 of the United States Code dealing with this, section 602 and section 607. Respectively, the two sections' general subject matter is, first, solicitation of staff people, second, activity such as this in a public building.

I am not in a position to be able to pass judgment on these as they relate to this matter. That is why I am asking that this go to the Ethics Committee.

Mr. WALKER. And the question has been raised whether or not the Members directly authorized this to be delivered in House buildings.

The gentleman, I think, has made the point that the letter to which he has reference was signed by Members of Congress; is that correct?

Mr. McCANDLESS. That is true.

Mr. WALKER. Does the gentleman have any reason to believe that the Members did not authorize this distribution to take place?

Mr. McCANDLESS. It would certainly appear obvious that someone in a staff position would not sign a letter of this nature over a block of names.

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me, in fairness?

Mr. McCANDLESS. I yield to the gentleman.

Mr. FOLEY. The gentleman from Pennsylvania has propounded a question that seems to me extraordinary. He has made the assumption that the Member of Congress that the gentleman is referring to must have authorized it or that Member's staff must have authorized it.

What I was trying to discover from the gentleman is whether he had any personal knowledge that any Member of Congress authorized or distributed the document. And I guess his answer is no, he does not have that knowledge.

Is that correct?

Mr. GEKAS. Mr. Speaker, in direct response to that question, will the gentleman yield for just a moment?

Mr. McCANDLESS. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. It seems to me—and the gentleman from California can correct me—that it would not matter whether or not a Member of Congress authorized the distribution of this particular material.

So the question is moot for the purpose of these proceedings.

The question is: Who authorized it and how did it come about to be distributed. And that is what, as I understand, the gentleman from California wants to seek out and to have discovered by the Ethics Committee; is that correct?

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me further?

Mr. McCANDLESS. I yield to the gentleman from Washington.

□ 1050

Mr. FOLEY. I think we can assume that there would be a serious problem if any one of the Members of this House who is giving a fundraiser, were to have an invitation to it, without his authority, or his knowledge, distributed to another Member's office, only to have that act result in a question of privilege being raised. No one here would deny it would be a grave injustice to impute any authority or decision to a Member in such an instance.

All that I am saying is that the gentleman from California has suggested that the appropriate place to raise questions about such a distribution is with the Ethics Committee. And I asked him earlier why did he not take the matter directly to the Ethics Committee.

Mr. McCANDLESS. Reclaiming my time, I would say to the gentleman the reason I took this route is because the activity in question is to take place on July 15, 5 days away. The amount of time necessary for the Ethics Committee activities, the event would have passed, and therefore my intent here is to find out whether or not this type of an activity surrounding the fundraiser in question is a legal function, and if it is, then fine.

Mr. FOLEY. If the gentleman will yield, the gentleman wishes to refer this matter to the Ethics Committee through a privileged motion but he could bring it directly to the attention of the Ethics Committee.

Mr. McCANDLESS. That is because by the time it goes through the Ethics Committee, the event will have transpired.

Mr. FOLEY. I think that is not a correct statement if the gentleman makes complaint.

Mr. McCANDLESS. I would like to respond to the gentleman from Washington, and I want to say that I have respect for the gentleman. The issue, I think, without belaboring it, is: There is a letterhead. The letterhead has a chairman. The letterhead is dated. The salutation is "Dear Democratic Colleague," and it is signed by two gentlemen of Congress, cochairmen.

At the bottom of the letterhead is the street address, Washington, and it is paid for by Democratic Congressional Campaign Committee funds, not by public funds.

As far as I am concerned, for purposes of this discussion and the intent of my objective, this is grounds enough together with the enclosures to do what I have done. Understandably, other people will not agree.

Mr. FOLEY. If the gentleman will yield, I just wanted to point out that I do not think the gentleman suggests that a public meeting, scheduled to take place outside the House of Representatives or its buildings is illegal. The question is whether solicitation to attend the meeting was made within the House of Representatives that raises a question of propriety.

The meeting itself, the gentleman does not allege to be in violation of the law, does he?

Mr. McCANDLESS. Before yielding to my friend from Pennsylvania, I would say the issue is not the meeting itself; it is the method by which DCCC contributions were solicited. The solicitation appears to be in violation of two sections of the U.S. Criminal Code.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman.

Mr. WALKER. I think we need to quote the letter or rather the questionable sentence in the letter, which says:

> We are asking each Democratic office to sell at least five $10 tickets, as well as encouraging those folks to become majority party members.

In other words, it is a direct solicitation that I think the gentleman has reference to rather than a public meeting, rather than all of the rest of

the flim-flam that gets thrown on the floor here. That fact is, that is the violation which the gentleman has reference. It is a matter which was distributed on Capitol Hill, and that is the question the gentleman has raised.

It seems to me that if in fact the place to address this is the Ethics Committee, as the gentleman from Washington has contended, then everyone in the House is going to want to support this resolution because that is specifically what this resolution says, that the matter ought to be referred to the Ethics Committee to find out whether or not these charges have validity and that we ought to have a full investigation by the Ethics Committee.

The gentleman from Washington has just told us that that is where it ought to be resolved. He has told the gentleman that is where he should have taken it in the first place. The gentleman has chosen to raise a legitimate question of privileges of the House; he has done so; he has a resolution before us to send it to the Ethics Committee. We ought to have unanimous approval by this House for this matter to go to the Ethics Committee for full investigation.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman.

Mr. LUNGREN. I thank the gentleman.

As all our colleagues know, the Ethics Committee is the only committee that is established with 50 percent representation by both parties. It is the committee that we refer things of a delicate nature which involve ethical questions, and it seems to me it is precisely the place you want this question to go if we are going to find out the facts that were raised by the distinguished majority whip.

If you have to take depositions, you, as an individual Member, have no right to require people to come before you. That takes the authority of a committee. I would just hope that the gentleman's resolution that presently is before us would not be subject to a motion to table, which essentially would mean that we would be voting against sending this to the very committee that the gentleman from Washington has suggested that this question should go and in which it should be resolved.

So I would hope that if the time comes that a motion to table is presented, that we would vote that down because, in fact, what that would do would be defeat the very thing that the gentleman from California and the gentleman from Washington appear to agree on, and that is this question ought to be resolved ultimately by the Ethics Committee. If there is no violation, we should know that. If clarification in our rules are necessary to make sure that we do not have a question before us that legitimately ought not to be before us, we will not have this happen in the future.

I thank the gentleman for presenting the resolution; it is one avenue of getting us to the Ethics Committee. If we were to table it at this time, the gentleman would have to take another route which would delay the resolution and the questions before us before the date of the subject matter in question.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman.

Mr. FOLEY. I thank the gentleman.

Mr. Speaker, I do not think it is clear to the gentleman from California [Mr. LUNGREN] what my intention was in proposing the question to the gentleman from California [Mr. McCANDLESS].

If the gentleman from California who has raised this question of privilege says that the Ethics Committee is the appropriate place to have this matter considered, the issue could be now, today, at this moment, before the Ethics Committee by the gentleman's signature. The regular rules of the Ethics Committee, the Standards of Official Conduct Committee, and the House, provide that a complaint can be made by any Member against any official, employee, or Member of the House of Representatives, and it is totally unnecessary to take this extraordinary procedure of raising a question of privilege in the House. To do so is to allow an hour's debate on the subject without adequate preparation.

The other point I was trying to make, if the gentleman will yield further, is that the gentleman has no information, as I understand it, that any Member of Congress, either delivered, distributed, or authorized the delivery or distribution of this particular flyer. In the event that it was distributed, a technical violation may have occurred but that violation was not necessarily made by those who have sponsored this event. In any case, the event itself is clearly of an ordinary kind; it does not raise any question of illegality or impropriety. So for the gentleman to use the excuse that the event is coming up begs the question.

The whole purpose, he says, of his raising this issue, is to raise the question of improper distribution. That can be raised before, during or after the event. The event is not said to be illegal. If we were going to begin a process of considering every ethics question that is raised about the actions of a Member, employee or official of the House in the midst of the House of Representatives, as a question of privilege a precedent will be created that will seriously disrupt and disturb the proceedings of the House, and is entirely unnecessary in order to serve the purposes that the gentleman from California claims he wants to achieve.

Exactly what the gentleman wants could be accomplished by the gentleman's own signature. Yesterday or this morning; it does not require any action of the House or a referral of any kind. It is a matter within the normal procedure that the gentleman is perfectly capable of doing without the authority or direction of the House of Representatives. Bringing this matter before the entire House is unnecessary, and in my judgment, creates a bad precedent in the use of the question of privilege.

Mr. McCANDLESS. Mr. Speaker, reclaiming my time, the issue here also deals with the Ethics Manual for Members and employees of the U.S. House of Representatives. The issue, in view of the section dealing with political contributions from Government employees on page 123, needs to be decided.

In addition, the issue of campaign activity in a Federal building, on page 136, needs to be decided. These are key issues in the campaign process, in the fundraising process, and in the daily activities of an elected official. We can flim-flam, we can double talk, we can do all we want to. I am asking for the Ethics Committee to make a decision relative to this activity and those two sections of the United States Code and our Ethics Manual.

□ 1100

That is a simple point, Mr. Speaker. That is the reason I am here, and why I have asked that this be done before the event to be held on July 15. It is not up to me or any other Member of this House, standing here today, to try to second guess or to come up with a conclusion on how this actually took place, whether it was handed by a girl or a boy or by the left hand or the right hand, or something else. That is the purpose of the Ethics Committee.

I would ask, Mr. Speaker, that my resolution be given favorable consideration.

Mr. Speaker, I move the previous question.

MOTION TO TABLE OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER. The question is on the motion of the gentleman from Washington [Mr. FOLEY] to lay the resolution on the table.

Mr. McCANDLESS. Mr. Speaker, I asked prior to that for the previous question and I was not recognized.

The SPEAKER. A motion to lay on the table takes precedence over the previous question. The gentleman is well aware of that.

The question is on the motion to lay the resolution on the table offered by

the gentleman from Washington [Mr. FOLEY].

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McCANDLESS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 233, nays 170, answered present 6, not voting 24, as follows:

[Roll No. 213]

YEAS—233

Ackerman	Florio	Mineta
Addabbo	Foglietta	Mitchell
Akaka	Foley	Moakley
Alexander	Ford (MI)	Montgomery
Anderson	Ford (TN)	Moody
Andrews	Fowler	Morrison (CT)
Annunzio	Frank	Mrazek
Anthony	Fuqua	Murphy
Applegate	Garcia	Murtha
Atkins	Gaydos	Natcher
AuCoin	Gejdenson	Neal
Barnard	Gephardt	Nelson
Barnes	Gibbons	Nichols
Bates	Glickman	Nowak
Bedell	Gonzalez	Oakar
Bennett	Gordon	Oberstar
Berman	Gray (IL)	Obey
Bevill	Gray (PA)	Olin
Biaggi	Guarini	Ortiz
Boggs	Hall (OH)	Owens
Boland	Hall, Ralph	Panetta
Boner (TN)	Hamilton	Pease
Bonior (MI)	Hatcher	Penny
Bonker	Hawkins	Pepper
Borski	Hayes	Perkins
Bosco	Hertel	Pickle
Boucher	Howard	Price
Boxer	Hoyer	Rahall
Breaux	Hubbard	Rangel
Brooks	Huckaby	Ray
Bruce	Hughes	Reid
Bryant	Hutto	Richardson
Burton (CA)	Jacobs	Robinson
Bustamante	Jenkins	Rodino
Byron	Jones (NC)	Roe
Carper	Jones (OK)	Roemer
Chappell	Jones (TN)	Rose
Clay	Kanjorski	Rostenkowski
Coelho	Kaptur	Rowland (GA)
Coleman (TX)	Kastenmeier	Roybal
Collins	Kennelly	Russo
Conyers	Kildee	Sabo
Cooper	Kleczka	Savage
Coyne	Kolter	Scheuer
Crockett	Kostmayer	Schroeder
Darden	LaFalce	Schumer
Daschle	Lantos	Sharp
de la Garza	Lehman (CA)	Sikorski
Dellums	Lehman (FL)	Sisisky
Derrick	Leland	Skelton
Dicks	Levin (MI)	Slattery
Dingell	Levine (CA)	Smith (FL)
Donnelly	Lipinski	Smith (IA)
Dorgan (ND)	Lloyd	Solarz
Dowdy	Long	Spratt
Downey	Luken	St Germain
Durbin	MacKay	Staggers
Dymally	Manton	Stallings
Early	Markey	Stark
Eckart (OH)	Martinez	Stenholm
Edgar	Matsui	Stokes
Edwards (CA)	Mavroules	Studds
English	Mazzoli	Swift
Erdreich	McCloskey	Synar
Evans (IL)	McCurdy	Tallon
Fascell	McHugh	Tauzin
Fazio	Mica	Thomas (GA)
Feighan	Mikulski	Torres
Flippo	Miller (CA)	Torricelli
Towns	Watkins	Wirth
Traficant	Waxman	Wise
Traxler	Weaver	Wolpe
Udall	Weiss	Wright
Valentine	Wheat	Wyden
Vento	Whitley	Yates
Visclosky	Whitten	Yatron
Volkmer	Williams	Young (MO)
Walgren	Wilson	

NAYS—170

Archer	Grotberg	Petri
Armey	Gunderson	Porter
Badham	Hammerschmidt	Pursell
Bartlett	Hartnett	Quillen
Barton	Hendon	Regula
Bateman	Henry	Ridge
Bereuter	Hiler	Rinaldo
Bilirakis	Hillis	Roberts
Bliley	Holt	Rogers
Boehlert	Hopkins	Roth
Broomfield	Horton	Roukema
Broyhill	Hunter	Rowland (CT)
Burton (IN)	Hyde	Rudd
Callahan	Jeffords	Saxton
Campbell	Johnson	Schaefer
Carney	Kasich	Schneider
Chandler	Kindness	Schuette
Chappie	Kolbe	Schulze
Cheney	Kramer	Seiberling
Clinger	Lagomarsino	Sensenbrenner
Coats	Leach (IA)	Shaw
Cobey	Lent	Shumway
Coble	Lewis (CA)	Shuster
Coleman (MO)	Lewis (FL)	Siljander
Combest	Lightfoot	Skeen
Conte	Livingston	Slaughter
Coughlin	Loeffler	Smith (NE)
Courter	Lott	Smith (NH)
Craig	Lowery (CA)	Smith (NJ)
Crane	Lujan	Smith, Denny
Dannemeyer	Lungren	Smith, Robert
Daub	Mack	Snowe
Davis	Madigan	Snyder
DeLay	Marlenee	Solomon
DeWine	Martin (NY)	Stangeland
Dickinson	McCain	Strang
DioGuardi	McCandless	Stratton
Dornan (CA)	McCollum	Stump
Dreier	McDade	Sundquist
Duncan	McEwen	Sweeney
Eckert (NY)	McGrath	Swindall
Edwards (OK)	McKernan	Tauke
Emerson	McKinney	Taylor
Evans (IA)	McMillan	Thomas (CA)
Fawell	Meyers	Vander Jagt
Fields	Miller (OH)	Vucanovich
Fish	Miller (WA)	Walker
Franklin	Molinari	Weber
Frenzel	Monson	Whitehurst
Gallo	Moorhead	Whittaker
Gekas	Morrison (WA)	Wolf
Gilman	Nielson	Wortley
Gingrich	O'Brien	Wylie
Goodling	Oxley	Young (AK)
Gradison	Packard	Young (FL)
Green	Parris	Zschau
Gregg	Pashayan	

ANSWERED "PRESENT"—6

Dixon	Hansen	Myers
Dwyer	Mollohan	Spence

NOT VOTING—24

Aspin	Dyson	Leath (TX)
Bellenson	Fiedler	Lowry (WA)
Bentley	Frost	Lundine
Boulter	Hefner	Martin (IL)
Brown (CA)	Heftel	Michel
Brown (CO)	Ireland	Moore
Carr	Kemp	Ritter
Daniel	Latta	Shelby

□ 1110

Mr. SLAUGHTER and Mr. STRATTON changed their votes from "yea" to "nay."

Mr. REID changed his vote from "nay" to "yea."

Mr. MYERS of Indiana changed his vote from "nay" to "present."

Mr. DWYER of New Jersey changed his vote from "yea" to "present."

So the motion to lay the resolution on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1120

GENERAL LEAVE

Mr. McCANDLESS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just tabled.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from California?

There was no objection.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 140 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1555.

□ 1122

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1555), to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes, with Mr. AUCOIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, July 9, 1985, title III was open to amendment at any point. There are 6 hours remaining for debate on the bill and the committee substitute under the 5-minute rule.

Are there further amendments to title III?

Mr. STUDDS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I believe that the Foreign Affairs Committee has done a good job establishing the limits and conditions under which U.S. foreign aid should be distributed in 1986, and I hope that by the time the smoke has cleared following this debate we will be left with a good bill.

However, I must say in reviewing the list of amendments proposed on the floor of the House, that I doubt we have contributed very much to our own or to our Nation's understanding of the U.S. foreign assistance program.

This is true, in part, because of the desire of many Members to solve problems through the foreign aid process that simply cannot be solved either by providing or by withholding foreign aid. If you look at the list of amendments offered to the bill, you will find that the majority deal with four issues:

Terrorism;
Family planning;
Narcotics; and
Aid to actual or so-called democratic liberation movements;

These are important and controversial issues—but they have remarkably little to do with what the U.S. foreign aid program can actually accomplish.

And because of our fascination with these issues, the problems that are in fact of central importance to the effectiveness and efficiency of foreign aid have been neglected.

We have not, for example, discussed the wisdom during this debate of devoting literally one-half of all U.S. foreign aid to two countries;

We have not discussed the extent to which the U.S. foreign military sales program has contributed to Third World debt, and to military instability in several regions around the world;

We have spent little or no time talking about the effectiveness of the military and humanitarian assistance we do provide.

Have we, for example, really strengthened democratic institutions and gained friends for the United States through the hundreds of millions of dollars we have poured into the Philippines and South Korea in recent years?

Are the millions of dollars sent by Americans to North Africa for famine relief being used effectively and compassionately for that purpose?

Is our development aid program a match for the grinding human misery and political backwardness of a country like Haiti—if not, should we be doing more, or should we give up?

How much good can our foreign aid program do for the dozens of countries who have debt interest payments 10 times the amount we annually provide in assistance to them?

How much of our aid is being diverted through greed or corruption to the selfish purposes of those governing the countries receiving this aid?

These are the issues we ought to be debating if we are serious about making certain that the taxpayers' dollars we have allocated to foreign assistance are being well spent. But our consideration of foreign aid should have a deeper level, as well.

The recent hostage crisis in Beirut underlined the extent to which we need a strong and durable basis for understanding not only the leaders of those countries with whom we have traditionally been allied, but also those with whom we will frequently disagree.

The spate of terrorist acts directed against Americans ought not to endanger isolationism or a departure by our country from our own values of respect for life and respect for law.

We are, it is true, a powerful country, with worldwide interests—but those interests are matched by responsibilities;

We are wealthy, but that wealth must be enjoyed in a world that is, on the whole, desperately poor;

We are strong, but our greatest strength is that we have demonstrated over and over again our willingness to care for those who are less strong;

And when we are wronged, we seek justice, not revenge.

There are those who, acting out of anger and frustration, would replace Uncle Sam with Rambo as the symbol of the American character; there are those who believe the interests of our nation are well served when the rhetoric used by the President of the United States descends to the level of shrill accusation once characteristic only of our adversaries; but those people are wrong; they forget our history; they underestimate our people; and they ignore the others with whom we must share life on this planet.

The United States is not a reactionary nation. Our foreign policy—and our modest program of foreign aid—should be designed to deal over the long term with a world that is complicated and dangerous, but which is also filled with people who have for decades turned to the United States not in awe of our power or in fear of our military might, but because they sensed in us the capacity to care about the helpless; to learn about the different; and to seek—I repeat—justice, not revenge—when provoked.

We should stand in contrast to, not in imitation of, those with whom we compete for influence and power in this world.

That is what our foreign policy should be about; that is what our foreign aid program should be about; that is what this debate should have been about.

□ 1130

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

I would like to make an announcement now that we have started.

Mr. Chairman, I just wanted to say that we had hoped to have been started and well along by now. But as you know, we have 6 hours remaining and a good many titles to go through.

It would be our hope that we could finish all of this tonight. We are right now on title III, and we have an amendment which would be proffered by the gentleman from New Jersey [Mr. SMITH], maybe two amendments, I am not sure. We have been working, I might say, with the gentleman from New Jersey to see if we could reach some agreement. We are very close, but we are not there yet.

We have an agreement, however, that we would ask unanimous consent for 1 hour on this amendment, the Smith amendment, which appears on page 41 and involves lines 7 to 21.

Is that correct, I would ask the gentleman from New Jersey?

Mr. SMITH of New Jersey. If the gentleman will yield, that is correct.

Mr. FASCELL. And the time would be divided, half to be controlled by the gentleman from New Jersey [Mr. SMITH], and half to be controlled by the gentleman from Pennsylvania [Mr. KOSTMAYER].

So Mr. Chairman, I would propound a unanimous-consent request that on the Smith amendment appearing on page 41, the time on that amendment and all amendments thereto be limited to 1 hour, half of the time to be controlled by the gentleman from New Jersey [Mr. SMITH]; and half of the time to be controlled by the gentleman from Pennsylvania [Mr. KOSTMAYER].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey: Page 41, strike out lines 7 through 21 and insert in lieu thereof the following:

"(5)(a) AFFIRMATION OF UNITED STATES SUPPORT FOR VOLUNTARY FAMILY PLANNING.—The Congress finds the following:

"(i) In most countries of the developing world, efforts to moderate very high rates of population growth through voluntary family planning can make substantial contributions to the health and nutritional status of the population (particularly that of mothers and children), to efforts to achieve social and economic progress, and to the reduction of political tensions within and between countries.

"(ii) There has been strong bipartisan congressional support over the past 25 years through six administrations for voluntary family planning activities as effective measures to deal with the economic, social, and political problems arising from rapid population growth among the world's poorest countries.

"(iii) A central tenet of United States population assistance, and of the international and nongovernmental organizations receiving such assistance, is that individuals and couples should have the information and the means to make informed, voluntary, and responsible choices about childbearing. Coercion in family planning programs is unacceptable, and abortion should not be promoted as a method of family planning.

"(iv) The Government of the People's Republic of China has systematically employed coercive abortion and coercive sterilization as a means of enforcing that Government's 'one-child-per-couple' policy. The

rigid application of the 'one-child' policy has also led to large-scale infanticide.

The Congress condemns these practices as crimes against humanity and calls upon the Government of the People's Republic of China to cease these human rights abuses.

"(b) RESTRICTIONS ON FUNDING FOR POPULATION PROGRAMS IN THE PEOPLE'S REPUBLIC OF CHINA.—In view of the use of coerced abortion, coerced sterilization, and infanticide in the People's Republic of China, none of the funds made available to carry out this part may be used to carry out population planning programs in the People's Republic of China, including through contributions to any international organization or any private and voluntary organization which would use the funds for population programs in that country. None of these funds may be made available to be used to carry out population planning programs in any other country in which there are valid and consistent reports of coerced abortion or coerced sterilization.

"(c) UNITED STATES GOVERNMENT EFFORTS TO CHANGE THE PEOPLE'S REPUBLIC OF CHINA'S POPULATION PROGRAM.—The President shall annually determine whether there are valid reports of coerced abortion, coerced sterilization, or infanticide as part of or in direct consequence of the population planning programs of the People's Republic of China. If the President determines that there are valid reports of such practices as part of or in direct consequence of the population planning programs of the People's Republic of China, he shall instruct his representatives to raise with representatives of the Government of the People's Republic of China the humanitarian concern with which the people of the United States view these reports and the negative impact which they have on the continued development of United States-China relations. The President shall also review other aspects of United States-China bilateral relations and programs to consider what further steps could be taken to deter such coercive practices.

"(d) UNITED STATES GOVERNMENT EFFORTS TO END UNFPA'S PROGRAM IN THE PEOPLE'S REPUBLIC OF CHINA.—If at any time the President determines that there are valid reports of coerced abortion, coerced sterilization, or infanticide as part of or in direct consequence of the population planning programs of the People's Republic of China, the President shall instruct the United States representative to any international organization which receives population planning funds under this part to reopen consideration, in the appropriate decision-making bodies of that organization, of that organization's programs in the People's Republic of China and to oppose the extension of assistance by that organization to the People's Republic of China for population planning purposes.

"(e) PRESIDENTIAL AUTHORITY TO WITHHOLD UNITED STATES CONTRIBUTION TO THE UNITED NATIONS FUND FOR POPULATION ACTIVITIES.—(i) If the President determines, under subparagraph (D), that there are valid reports of coerced abortion, coerced sterilization, or infanticide as part of or in direct consequence of the population planning programs of the People's Republic of China, and if he determines that the United Nations Fund for Population Activities is funding, directly or indirectly, population planning programs in the People's Republic of China, then the President shall, on the basis of those determinations, decide on the amount of funds authorized under this part which shall be contributed to the United Nations Fund for Population Activities during that fiscal year. In making this decision, the President shall take into consideration whether the People's Republic of China has made significant and sustained progress in eliminating coerced abortion, coerced sterilization, and infanticide.

"(ii) Any funds withheld from the United Nations Fund for Population Activities shall remain available for obligation for other United States population assistance programs.

"(iii) The President shall report on his determinations as required by this paragraph, including his decision regarding the amount of the United States contribution to the United Nations Fund for Population Activities, to the chairman of the Committee on Foreign Affairs of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate. The President's report shall include the steps the United States has taken to address concerns relating to population planning policies of the People's Republic of China in the appropriate international bodies and bilaterally. The President's report must be transmitted by July 1 of any fiscal year in order to allow opportunity for consideration of a joint resolution of disapproval.".

Page 39, strike out lines 21 through 24; and page 40, line 1, strike out "(B)" and insert in lieu thereof "(2)".

Mr. SMITH of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. Under the unanimous-consent request, the gentleman from New Jersey [Mr. SMITH] is recognized for 30 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, nearly 40 years ago, certain German officials were convicted at the Nuremberg war crimes trials of forcing Polish women to submit to abortions. These officials were found to have engaged in what was termed crimes against humanity.

There is now available in the public domain a compelling body of evidence demonstrating that the Government of the People's Republic of China is systematically enforcing coerced abortions as a means of population control. There have been reliable reports of government-mandated abortions in the People's Republic of China since the one-child-per-couple policy was adopted in 1979.

Within the past year, the evidence has multiplied that there is coerced abortion and that these are not isolated instances, but rather are, in fact, an integral part of the one-child-per-couple policy.

In an incisive three-part exposé of the People's Republic of China program, Washington Post reporter Michael Weisskopf wrote earlier this year, and I quote in part:

Publicly, they claim to rely on the powers of persuasion and education, exercising a policy of voluntary consent.

But a closer and longer look reveals a very different picture. China, to be sure, is curbing its population growth, but its success is rooted in widespread coercion, wanton abortion and intrusion by the state into the most intimate of human affairs.

The size of a family is too important to be left to the personal decision of a couple.

So says the Family Planning Minister before he resigned.

"Births are a matter of economic planning, just like other economic and social activities," he goes on to say.

"A couple cannot have a baby just because it wants to."

Washington Post reporter Weisskopf goes on to say in his article,

Faced with strong popular resistance, Peking resorts to even stronger measures. To this struggle, it brings the full powers of a totalitarian state, operating without fear of political opposition. There is no check on official abuse, no outlet for human rights complaints and no forum for public debate of the policy.

Finally, the article goes on to say, "Any mother who becomes pregnant again without receiving official authorization after having one child is required," and I repeat, "is required to have an abortion, and the incidence of such operations is stunning—53 million from 1979 to 1984 * * * a 5-year abortion count approximately equal to the population of France."

Mr. Chairman, like most Americans, I welcome the improvements that have occurred in recent years between the United States and the People's Republic of China. I admire the Chinese people who have accomplished much under often adverse circumstances.

But we cannot remain silent in the face of large-scale human rights abuses which are currently occurring in the nation. This body must respond to these coercive practices in a strong and substantive manner.

I have followed this matter, Mr. Chairman, over the last couple of years. The problem is not going away. It seems to be getting worse.

Mr. Chairman, the other body has included, as you all known, strong language on this issue in its version of the authorization bill. The amendment which I offer today differs in some important respects from that language.

During consideration of H.R. 1555 in the Committee on Foreign Affairs, I offered an amendment similar to the language adopted by the other body.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] will suspend for just one moment.

The Chair reminded Members yesterday that it is a breach of debate of Members in the House to call attention to specific legislative action in the other body or to name Senators in the

other body, and the Chair repeats that admonition now.

Mr. SMITH of New Jersey. Mr. Chairman, I appreciate that clarification.

Mr. Chairman, there have been several misstatements made about that amendment, and I in no way accept those misrepresentations. But in order to try to provide more concise and clear language for the amendment, I have drafted a very long and precise amendment to accomplish the ends that I think we will be in agreement with here today. I have run this amendment by many of the pro-life organizations who have been intimately involved in this issue, and they too concur that this amendment has merit and they do support it.

Mr. Chairman, at this time, I would like to walk the membership through the amendment very briefly, section by section.

The first section of the amendment consists of four findings by the Congress. The first two findings express the bipartisan support which exists in the Congress for voluntary family planning programs and the benefits which the Congress believes flow from those programs.

It has been falsely charged that I and other Members are using this issue of forced abortions in China as a "smokescreen" to damage the population assistance program. Damaging the population assistance program is not my goal, and I think this revised amendment makes it crystal clear.

The third finding stresses that it is a central tenet of our population assistance program that family planning be voluntary. It declares that coercion is unacceptable and repeats the declaration of last year's International Conference on Population in Mexico City, that abortions should not be promoted as a means of family planning.

The fourth finding declares that the Government of the People's Republic of China has systematically employed coercive abortion and coercive sterilization, and calls upon the Government of the People's Republic of China to cease these human rights abuses.

These findings, Mr. Chairman, are followed by four operative provisions.

Paragraph (B) of the amendment basically restates the language offered by the gentlewoman from Maine [Ms. SNOWE] which was adopted in the committee. It prohibits international organizations, such as the U.N. Fund for Population Activities, from contributing U.S. funds to the People's Republic of China program for population.

Standing alone, this committee-approved provision would have symbolic value but little substantive effect. Money is fungible, and this provision would simply require a little bookkeeping at the UNFPA. UNFPA will gladly keep our money in a so-called segregated account, but UNFPA's support for the People's Republic of China program would in no way be inhibited by this bookkeeping exercise. Nonetheless, in the context of the remainder of the amendment, this provision is of some use.

Paragraph (C) requires the President to "annually determine whether there are valid reports of coerced abortions, coerced sterilizations, or infanticide as part of or in direct consequence of the population planning programs of the People's Republic of China."

If the President determines that there are valid reports, he shall do the following: "Under paragraph (C), he shall instruct his representatives to raise the humanitarian concern of the United States regarding these reports with the Government of the People's Republic of China."

□ 1140

The President then shall review bilateral relations and programs to consider what steps, if necessary, might be taken to deter coercive practices. Further, the President shall instruct the U.S. representative to any international organization such as the UNFPA to oppose extension of population planning assistance to the People's Republic of China. Again, this is similar to committee-approved provisions.

Further, in any year in which the President determines that there are valid reports of coerced abortion as a part of or in direct consequence of the population planning programs, he shall, in light of that determination, decide on what the U.S. contribution to the UNFPA will be for that year. The amendment states, in making this decision, that the President shall take into consideration whether the People's Republic of China has made significant and sustained progress in eliminating coerced abortion, coerced sterilization, and

The amendment further states, and I think this is important to note, that any funds withheld from UNFPA shall remain available for obligation to other U.S. population assistance programs. So it does not reduce our population assistance by 1 penny. In order to allow the President flexibility in the area, the amendment removes the earmark for UNFPA approved by the committee.

The committee's report on H.R. 1555 states on page 38, and I quote, "It is the sense of the committee that it does not support the UNFPA's presence in China at this time." I believe if we truly expect UNFPA to be responsive to U.S. concerns regarding coercive practices which they themselves have condemned in other documents, we must eliminate this entitlement or earmark if we are to get their attention. Unfortunately, UNFPA has been unresponsive to our plans up until now.

Finally, my amendment requires that the President annually report on his determinations of these matters to the chairmen of the House Committee on Foreign Affairs and Senate Foreign Relations Committee, and to do so by July 1 of each fiscal year in order to allow time for consideration of a joint resolution of disapproval should such a resolution be appropriate.

Mr. Chairman, this amendment constitutes, I believe, a measured and appropriate response to the mass human rights violations which are without a doubt occurring today, as we debate this issue, in the People's Republic of China.

This amendment goes well beyond the symbolic, weak provisions of the committee bill but it reflects the concerns which certain Members have expressed. In contrast with the Senate-approved language which continues to be a valuable approach, my revised amendment focuses on only one nation, the nation of the People's Republic of China, where they know there are large-scale coercive population practices being employed. It places the Congress on record as taking note that these practices are wrong and condemns them and grants great flexibility to the President to respond to the problem and to any future developments positive or negative, in a measured, substantive way.

Mr. Chairman, history will not judge us kindly if diplomatic or other considerations cause us to remain silent—or to speak only in whispers—in the face of gross abuses of the basic human rights of literally millions of women and babies in the People's Republic of China.

Mr. Chairman, I urge adoption of this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has consumed 10 minutes of his time.

Mr. KOSTMAYER. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida, the chairman of the full Committee on Foreign Affairs.

AMENDMENT OFFERED BY MR. FASCELL TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. FASCELL. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FASCELL to the amendment offered by Mr. SMITH of New Jersey: Strike out all that follows "Page" the first place it appears in the amendment and insert in lieu thereof the following:

41, strike out lines 7 through 21 and insert in lieu thereof the following:

"(5)(a) AFFIRMATION OF UNITED STATES SUPPORT FOR VOLUNTARY FAMILY PLANNING.—The Congress finds as follows:

"(i) In most countries of the developing world, efforts to moderate very high rates of population growth through voluntary family planning can make substantial contributions to the health and nutritional status of the population, particularly that of mothers and children, to efforts to achieve social and economic progress, and to the reduction in political tensions within the between countries.

"(ii) There has been strong bipartisan congressional support over the past 25 years, through six presidential administrations, for voluntary family planning activities as effective measures to deal with the economic, social, and political problems arising from rapid population growth in the world's poorest countries.

"(iii) It has been demonstrated conclusively that the availability of population planning assistance in support of effective voluntary family planning programs contributes substantially and directly to reduced reliance on abortion.

"(iv) A central tenet of United States population assistance, and of the international and nongovernmental organizations receiving such assistance, is that individuals and couples should have the information and means to make informed, voluntary, and responsible choices about childbearing. Coercion in family planning programs is unacceptable.

"(v) Information has been reported by the media to the effect that coerced abortion and infanticide may have occurred in the People's Republic of China. Such reports jeopardize United States support for international and nongovernmental organizations which have family planning projects in the People's Republic of China.

"(b) RESTRICTIONS ON FUNDING FOR POPULATION PROGRAMS IN THE PEOPLE'S REPUBLIC OF CHINA.—In view of the concern in the Congress regarding reports of infanticide and coerced abortion in the People's Republic of China, funds made available to carry out this part may not be used to carry out population planning programs in the People's Republic of China, including through contributions to any international organization or any private and voluntary organization which would use those funds for population programs in that country. Such funds may also not be used to carry out population planning programs in any other country in which there are valid and consistent reports of coerced abortion.

"(c) UNITED STATES GOVERNMENT EFFORTS TO PREVENT COERCED ABORTION OR INFANTICIDE IN THE PEOPLE'S REPUBLIC OF CHINA.—If the President determines that the occurence of infanticide or coerced abortion is part of the population planning programs of the People's Republic of China, the President, taking into account the full range of bilateral relations between the United States and the People's Republic of China, shall instruct his representative to raise with representatives of the Government of the People's Republic of China the humanitarian concern with which the people of the United States view these policies and practices and the negative impact that they have on the continued development of United States-China relations.

"(d) UNITED STATES GOVERNMENT EFFORTS TO END UNFPA'S PROGRAM IN THE PEOPLE'S REPUBLIC OF CHINA.—If the President determines that the occurence of coerced abortion or widespread infanticide is part of the population planning programs of the People's Republic of China, the President shall instruct the United States representatives to any international organization which receives population planning funds under subsection (b)—

"(i) to reopen consideration, in appropriate decisionmaking bodies of that organization, of that organization's programs in the People's Republic of China; and

"(ii) to oppose the extension of assistance by that organization to the People's Republic of China for population planning purposes.

"(e) REDUCTION IN UNITED STATES CONTRIBUTIONS TO UNFPA.—

"(i) AUTHORITY TO WITHHOLD FUNDS.—Funds otherwise required to be made available to the United Nations Fund for Population Activities for fiscal year 1986 or fiscal year 1987 pursuant to subsection (g)(2)(A) of this section shall be withheld from that organization in accordance with clause (ii) of this subparagraph if the President determines that the People's Republic of China has not made significant and sustained progress in eliminating incidents of coerced abortion and infanticide in its population program.

"(ii) AMOUNT WHICH MAY BE WITHHELD.—The President shall determine the amount to be withheld pursuant to clause (i), except that the amount withheld for a fiscal year may exceed the amount which equals the annual expenditure by the United Nations Fund for Population Activities for programs in the People's Republic of China only if the President submits a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate on the circumstances which warrant such action. Any such report with respect to a fiscal year shall be submitted before July 1 of that fiscal year in order to allow the Congress an opportunity to consider a joint resolution of disapproval. Any report submitted pursuant to this clause shall describe the steps the United States has taken regarding the programs of the United Nations Fund for Populations Activities in the People's Republic of China and the efforts of United States Government officials to raise this matter with representatives of the Government of the People's Republic of China.

"(iii) USE OF FUNDS WITHHELD.—Any funds withheld pursuant to this subparagraph shall remain available for obligation for other United States population assistance programs.".

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Chairman, I am offering this amendment on behalf of Mr. KOSTMAYER and several other Members of the House. Our amendment is not simple, but the issue we are addressing also is not simple. I will say that, just on cursory examination, the amendment which I offer to the amendment by the gentleman from New Jersey, is relatively similar to the gentleman's amendment. We do not seem to have too many major disagreements, certainly not on the question of responding to reports of coerced abortion and infanticide in the People's Republic of China, which indeed are serious reports and should be addressed in the context of this foreign aid bill. And I want to compliment the gentleman for his willingness to work in an effort to arrive at some understanding that we can both support, because there has been some disagreement about how we should respond to this problem.

So our amendment, the amendment now pending to the amendment, also would give the President full authority to withhold up to the full U.S. contribution to the UNFPA, if he deems it necessary as a response to the continuing reports of coerced abortion and infanticide. In addition, it directs the President to make China's population program an issue of human rights concern in our bilateral relationships and directs him to reopen the issue of UNFPA support for family planning in China within the UNFPA. Finally, it reemphasizes the strong U.S. commitment to voluntary family planning and prohibits any U.S. funds from being spent in countries where there are valid reports of coerced abortion.

So this amendment gives full authority to the President and provides the proper context for expression of our opposition to the practices in China.

Now having said all of that, and said that the two amendments are similar, what are the differences? The differences are meaningful in two regards. One is the way we refer to the practices that we find abhorrent that occur in China. For shorthand purposes I will call that impolitic language in reference to another government.

So in the substitute we deal with that with more diplomatic language, and we think that is important. I do not think it is any big issue of difference between the gentleman from New Jersey and myself; if we have time, we may yet be able to see if we cannot reach agreement on that language. But we suggest and submit that the more politic language in the amendment to the amendment is preferable to the harsher language that is contained in the primary amendment.

The other principal issue is earmarking. The gentleman from New Jersey, in his amendment, eliminates earmarking for the U.N. fund for population activities. In our amendment to his amendment we retain the earmarking. We think this is important given the necessity to show a determination to continue with the program. Because of the events that have occurred and the dynamics which seems to grab an emotional issue, there is some concern on this point. I would say, however, that if the administration wanted to kill the program, they would kill it whether it is earmarked or not. But nevertheless because of this concern

we feel that it is important to retain the earmarking. Therefore, the amendment to the amendment is different in that respect.

I urge my colleagues to support the substitute amendment.

Mr. KOSTMAYER. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. KOSTMAYER] has consumed 4 minutes of his time and has 26 minutes remaining.

Mr. KOSTMAYER. Mr. Chairman, I wonder if I could engaged my good friend from New Jersey in a colloquy. As the gentleman from Florida [Mr. FASCELL], the chairman of the full committee, has indicated, I think we have come a long way toward resolving our differences. Indeed, the Fascell amendment gives the President the option to terminate all funding for the U.N. Fund for Population Activities if he indeed determines that the alleged violations are taking place in China.

□ 1150

As Congressman FASCELL said, our concern is now with the earmarking, and as the gentleman from New Jersey knows, in the committee bill, 16 percent of the total population funds are earmarked for the UNFPA.

It seems to me that that is the sticking point. There are some further issues of language which I think can be resolved.

Now, all of us had speeches we were prepared to deliver; I would like to avoid that if I can; short circuit the process, and move along, and I wonder if my friend from New Jersey could respond to my inquiry as to whether or not he would be willing to accept the amendment being offered by the chairman of the full committee.

Mr. SMITH of New Jersey. Will the gentleman yield?

Mr. KOSTMAYER. I yield to the gentleman.

Mr. SMITH of New Jersey. Mr. Chairman, I think the issue of earmarking is a very important one. The administration strongly opposes earmarking for UNFPA in the bill. Regardless of the issue that we are dealing with regarding China, they are against the earmarking.

They feel, and I concur with their feeling, that the President should have maximum flexibility in assessing the need of UNFPA and all the other international family planning organizations to come to a determination as to how much money is in the pool, and then to allocate that money based on a prioritization of the needs.

Unfortunately in this bill, we are sending a conflicting message to the U.N. Fund for Population Activities. On the one hand, we are saying that they have erred; we are implying that at least, and I am saying it, because they have been comanagers of the coercive program in China, but we are also increasing their funding.

As the gentleman well knows, we are increasing to $320 million the amount of money. UNFPA would get 16 percent according to the earmark, which would boost their funding from the current $36 million to $51 million. So they are getting a very large increase of funding, but we are still giving the President discretion. I do think the chairman has come a long way, as have I; we have had a meeting of the minds to a large extent, I think, in terms of trying to work this whole issue out.

We are sending contradictory messages. I think that the President should have the ability to assess how much UNFPA should get in light of all factors; need as well as whether or not they are participating in the coercive, brutal Chinese program.

So for that reason, I reluctantly oppose the substitute which has been offered, which I know has been offered in good faith, and I think that my amendment, as originally offered, is preferable for that reason.

Also, if the gentleman will continue yielding to me, I think that it is important that we include in the bill a finding by Congress—which we have done—that China is indeed systematically employing coercive practices including forced abortion.

It is about time that we stop the charade that it is not really happening; and I know that the committee has been, over the last year, shocked with various information that we received from many people who have come before our committee and have shared with us what is actually going on in China.

Mr. KOSTMAYER. Reclaiming my time, Mr. Chairman, let me make a couple of points and again try to do it as briefly as possible.

First, I'd like to share with my colleague an article on the importance of family planning, authored by Werner Fornos of the Population Institute which appeared in yesterday's Baltimore Sun.

[From the Baltimore Sun, July 9, 1985]

CALCULATED CONFUSION: GIVING FAMILY PLANNING AN UNDESERVED BAD NAME

(By Werner Fornos)

WASHINGTON.—After strong bipartisan support for 20 years, and the endorsement of five administrations, a major battle is shaping up in the U.S. Congress to eliminate voluntary family planning programs in the developing world.

Lawmakers such as Senator Jesse Helms, Representative Jack Kemp and Representative Chris Smith are attaching amendments to the Foreign Aid Bill. If the amendments are approved, they will cut off major funding for overseas family planning assistance. The pretext for their actions are allegations of coerced abortions and infanticide in China, which nobody condones. In fact, abortion and coercive programs are expressly prohibited by the Mexico City Recommendations, the World Population Plan of Action and the Universal Declaration of Human Rights, all of which cover the types of projects supported by the United Nations Fund for Population Activities, the world's largest multilateral provider of family planning programs.

As no U.S. funds are used directly or indirectly for abortion or coercion programs, in China or elsewhere, the proposed amendments are unnecessary and irrelevant. They represent a deliberate assault on global family planning programs, and are a part of an anti-abortion policy that has been rapidly unfolding in Congress during the last three months.

This policy, which is promoted by the Congressional Pro-Life Causus, totally misrepresents the facts. It is an attempt to create confusion by making abortion synonymous with family planning, when the two are completely different issues. Effective voluntary family planning programs are the bulwark against abortion and unwanted pregnancies. Any curtailment of funds for such programs would only serve to increase the number of illegal and often botched abortions in Third World countries.

That developing countries want and need volunatry family planning programs was overwhelmingly endorsed at the International Conference on Population in Mexico City last year, Attended by representatives from 147 countries, there was a strong call for action by the participants to implement population policies and programs to improve the quality of life on a global scale. It is interesting that when a Roman Catholic country, Guatemala, approved its new constitution last month it included for the first time a provision on the rights of Guatemalans to determine the number and spacing of their families.

To help improve their standards of living, developing countries are devoting more of their scarce resources of population programs. Despite this, the demands for population assistance continue to grow. The needs are many, and the data favoring family planning are over-whelmingly supportive.

Some examples: An estimated 500 million couples in the world do not have access to family planning services. Nine countries in Latin America and the Indian subcontinent are facing famine situations, each potentially as serious as that currently being experienced in Africa. Bangladesh and Peru appear to have the worst problems. Both have high annual growth rates of 2.8 and 2.5 percent respectively.

New infant and child mortality data reveal the disastrous consequences of cutting back family planning funds. Currently, some 10 million infants die annually in the developing countries. A major expansion of family planning services could cut these deaths by one-half or more. Conversely, a reduction of funds and services would lead to a growth in infant mortality as the numbers of births increase and the interval between them is shortened.

The World Fertility Survey, which interviewed 400,000 women and men in 41 developing countries between 1972 and 1984, found half the couples wanted no more children; one-third had not wanted their last child; and one-quarter preferred to wait before becoming parents.

With the world's population increasing by more than 7 million people per month, and 92 percent of that growth in the Third World, it is obvious that current problems can only worsen in the years ahead. Lester Brown, president of the World-watch Insti-

tute, writes in his book "State of World 1985" that there are 20 countries which may be forced by circumstances to adopt a one-child per family policy, similar to the one in China, within the next few years.

Reducing funds for worldwide family planning because of China's alleged misdeeds will have no effect in that country. But it will have a severe impact in 130 other countries in Africa, Asia and Latin America where poor women depend on this type of support to exercise their basic human right of regulating the size of their families.

It is ironic that at a time when U.S. Commerce Secretary Malcolm Baldrige is making a strong pitch to bolster trade agreements with the Chinese, anti-abortionists are using China's most sensitive problem as a club to cut off funds for international family planning assistance.

Whether they realize it or not, if they succeed they will have the effect of causing many more abortions through their misguided actions.

For the record, it is the position of the committee that the U.N. Fund for Population Activities has not engaged in objectionable activities in China. In fact, as the gentleman from New Jersey very well knows, the Administrator of the Agency for International Development, Mr. McPherson, has so stated to the Congress, that in his judgment, the UNFPA is not involved in these activities.

Furthermore, I think it is very important to recognize that current provisions of American law restrict American foreign aid from being used for abortions.

In addition to that, American funds are held in separate accounts by the UNFPA and are not permitted for any use in China.

Second, the gentleman from New Jersey has indicated that the President should have some flexibility here. The President has enormous flexibility. He has the flexibility to terminate this program. He has the flexibility to cancel all funding for UNFPA.

But the gentleman from New Jersey is not talking about China anymore. Now he has raised an entirely new issue, the issue of earmarking funds for UNFPA. We are willing to meet the gentleman more than halfway. But the issue of earmarking is not an abortion-related issue at all. The abortion-related issues in this legislation have been resolved, and we have given to the President of the United States the option to cancel the funding for the program, if he determines that such abuses are occurring in China.

Now a new issue has been raised: earmarking. That is not an abortion-related issue, and it would be my position, and I hope the position of the full committee, that we are not prepared to concede on the issue of earmarking.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I congratulate Mr. KOSTMAYER and Mr. SMITH; I think they are very close on this issue. A couple of things separate them however that are important and cannot be shoved aside.

Let me first of all be critical of the Fascell substitute without being critical of Mr. FASCELL, who is one of my favorite people. It does not put Congress clearly on record as recognizing and strongly condemning the Chinese Government's use of forced abortion and forced sterilization in its population control program.

Now, Mr. FASCELL has said that his version is less China bashing. Nobody wants to bash anybody; but I must say this House is not at all reticent in pointing out human rights shortcomings when it comes to the Philippines, when it comes to South Africa or Central America; why should we be so genteel and concerned about ruffled feathers and feelings when it comes to coerced abortion, coerced sterilization, and infanticide now going on in China?

If something is evil, let us call it evil. That is the only way to address it. And let us not try to euphemize something that is a thoroughly evil practice.

Now the Smith amendment, in contrast to the Fascell amendment, requires the President to review the situation in the People's Republic of China on an annual basis and to report on an annual basis. The Fascell amendment has no such requirement.

Now, human rights abuses associated with the People's Republic of China Government program have been so serious and so widespread that such monitoring by the executive and the legislative branches is necessary.

The Fascell amendment allows the President to reduce funding to the U.N. Fund for Population Activities only if he makes an affirmative determination that China has not made progress in eliminating forced abortion and infanticide.

The Smith amendment permits the President flexibility to adjust UNFPA funding as he sees fit in response to developments with respect to UNFPA and China, but the most important distinction is the earmarking.

Now, there is no incentive for the UNFPA to clean up its act in relation to the People's Republic of China's programs of coerced abortion, coerced sterilization, and infanticide, if they have the assurance of earmarked funds.

Earmarking funds means they have an entitlement. We are worried about entitlements here, why the romance with the U.N. Family Planning Assistance Program? When it has been involved in funding, indirectly or directly these horrible antihuman practices in China? Nonsense.

Now, the Smith amendment does not deny the UNFPA funds per se. It leaves it up to the President to respond to developments and progress or lack thereof as it occurs on an annual basis within the People's Republic of China.

To earmark funds is to give the UNFPA a preferred status, to say they are locked in no matter what, they are going to get their millions of dollars.

Now we have a lot of problems in this country, trying to solve China's population problem by paying a third of the funds to the UNFPA does not make much sense in the light of coerced abortions, coerced sterilization, and infanticide.

Do not think that these are not currently going on; because the newspapers, the Washington Post, 60 Minutes, Public Broadcasting's Nova, the U.S. Census Bureau, and others say they are going on, and it is a current practice.

I yield to my friend from Wisconsin.

Mr. MOODY. I thank the gentleman in the well. There is no disagreement on this side here about the things that you say are going on.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentleman.

Mr. HYDE. I yield to the gentleman from Wisconsin.

Mr. MOODY. I think those of us supporting the Fascell amendment have conceded and fully agree with what the gentleman has said with one exception: you said earmarking funds for UNFPA would lock the President in.

□ 1200

As I think the gentleman would recognize, the Fascell amendment would not lock the President in, and that is the very point of it. It gives the President flexibility to dial down all money for UNFPA right down to a zero level, depending on the situation in China. So the President is not locked in by the Fascell amendment. Quite to the contrary.

Mr. HYDE. If I could recapture my time, what the earmarking does is guarantee 16 percent of whatever funds for family planning will be disbursed are earmarked for the UNFPA. And it is my view that earmarking anything for them is a disincentive for them to get out of supporting directly or indirectly any population programs which coerce abortions, sterilization, and to tolerate infanticide in China.

There is no need to earmark. The UNFPA will get their funds if indeed they act in the spirit with which this amendment is being offered. But why the romance with the UNFPA, why earmark funds for the UNFPA? We are not excluding them, but we are not guaranteeing them earmarked funds.

Mr. LEVIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. I thank the gentleman for yielding.

How long has the earmarking for UNFPA been going on?

Mr. HYDE. I have no idea, but I would say too long.

Mr. LEVIN of Michigan. Well, it has been going on for a number of years.

Mr. HYDE. Then it is too long.

Mr. LEVIN of Michigan. But I would like you to say how there is no incentive, because this is the only major point of difference, I think, because the gentleman from New Jersey is really taking the Fascell amendment and has built some of his language into it. How is there a lack of incentive if the President can withdraw 100 percent? I do not see that.

Mr. HYDE. Well, I fail to see why the earmarking.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of our time.

The CHAIRMAN pro tempore. The Chair will state that the gentleman from New Jersey [Mr. SMITH] has 14 minutes remaining and the gentleman from Pennsylvania [Mr. KOSTMAYER] has 20 minutes remaining.

The Chair recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Chairman, it is important, I think, to understand some of the distinctions between the two amendments that have been offered here today. I rise in strong support of the amendment that has been offered by the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida. I rise in opposition to the amendment offered by the gentleman from New Jersey [Mr. SMITH]. I appreciate the changes that the gentleman has made in his amendment, yet, still, there are some critical differences that need to be understood by members of the committee.

First and foremost, the amendment of the gentleman from New Jersey would eliminate essentially the funding for UNFPA. It would retain the earmarking but doesn't earmark the funding for UNFPA. It is important to understand that, although I recognize the gentleman's amendment does include Presidential flexibility to restore the funding.

But what is essential here is that UNFPA is a very vital organization. It provides family planning services for more than 115 counties around this world and the United States has been a strong supporter of UNFPA activities since the inception of the program.

It is also critical to understand that for many years developing worlds were skeptical about the seriousness of the population growth rate. They were concerned about our motives as a leader in international family planning matters. But in the decade that ensued between the two world population conferences, the developing world came to understand the need for family planning services. They recognized the unmet needs in many of the countries, and particularly in critical regions such as Latin America and Africa.

I am disturbed by some of the efforts on the part of those here today and in the administration who are retreating on the U.S. commitment and leadership on international family planning matters. It is clear today that the support that we have rendered to UNFPA is endangered by the organization's appearance of condoning abuses in China. UNFPA is in no way involved in coercive methods of abortion and infanticide that has occurred in China. The fact is, the Agency for International Development conducted a study recently and confirmed that UNFPA has nothing to do with the activities in China. And their presence of UNFPA in China has probably served to blunt them.

But I do think it is appropriate to put into law our refusal to support any program in China because of the human rights abuses that continue to persist.

I support the amendment that has been offered by the gentleman from Florida since it allows the Presidential flexibility but it also provides a certainty of providing additional funding to the 115 countries that depend on international family planning assistance, which is so important, as we know, as was illustrated by the famine in Ethiopia and other African nations.

So I would urge the committee to support the amendment offered by the gentleman from Florida, because there seems to be a trend and a commitment to undermine all U.S. support for international family planning programs under the guise of opposition to abortion and coercive elements in China that we condemn. We are all concerned by what is taking place in China. The issue before us today is how do we address this issue effectively and responsibly, and I think that that is best done by the amendment offered by the gentleman from Florida.

I would also like to say, Mr. Chairman, that UNFPA has done an outstanding job in every country and that we have been long supportive of their program. The language that has been included in the foreign assistance bill that I offered in the committee says that no U.S. funds can go to any program in China, even if that program is not involved in any way with the abuses that we have heard so much about in China.

So I think it is important that we go forward with the amendment offered by the gentleman from Florida.

Mr. KOSTMAYER. Mr. Chairman, I yield 3½ minutes to the gentleman from Michigan [Mr. WOLPE].

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I rise today in strong support of the eloquent statement of the gentlelady from Maine. The issues of family planning and population control are very important, and relate directly to the effectiveness of U.S. assistance overseas.

I call the attention of my colleagues to an editorial in today's edition of the New York Times. It clearly states the tremendous pressure population growth is placing on the developing world's ability to feed itself.

We have all been educated as to the plight facing the people of Ethiopia in recent months. I went to that country and witnessed first hand death due to starvation, the overcrowded feeding camps, and the despair in the eyes of proud people who had left their homes as a last resort. There was nothing more these individuals could do than move to the feeding camps, hoping that family members would survive the days of walking to get some food and medical relief.

Drought and lack of proper land management have contributed to this famine. However, many experts have asserted that the weather might have been tolerated if not for the fact that the rapid rise in population surpassing the agricultural output, led to a depletion of the food reserves in many countries. Currently there are 145 million Africans in 22 countries—approximately one-third of all Africans—who have inadequate food supply. One of the contributing factors to this situation is a rapidly growing population. The population growth of sub-Sahara Africa is the highest in the world, 3 percent and rising, while the rate of food production is growing by a little more than 1 percent per year. At this rate the population of this area will double within 25 years, leading to the obvious necessity of feeding, housing, and providing services for twice as many people while struggling to raise the standard of living.

A major issue which must be addressed when discussing Africa's growing population is that of fertility rates. Africa's fertility rates can be considered the highest which any region has shown in demographic history. The increase in the growth rate has led to a young age distribution throughout the population. Children under the age of 15 comprise 50 percent of the total population of sub-Sahara Africa. Another related problem is that of infant

and maternal mortality rates. Approximately one out of four children die within their first year. The number of women that die as a direct result of childbearing is in the range of 300 to 600 per 100,000 live births. It is estimated that more than 80 percent of women in Africa lack access to family planning information.

It has been estimated that $600 to $800 million is needed to provide adequate family planning service to sub-Sahara Africa and that outside donors have been providing only about 10 percent of that amount. Population assistance amounts to less than 2 percent of the total internation foreign aid. Moneys from the U.N. Fund for Population Activities [UNFPA] and AID are the providers of the world's voluntary family planning assistance. One of the programs which receives these funds is the International Planned Parenthood Federation [IPPF] which assists family planning efforts in 118 countries. This organization provides information, experience, and the grassroots development of these urgently needed programs. IPPF provides the funds for 60 to 100 percent of the family planning programs in more than 25 African countries. With severe funding cuts, services will collapse and institutions which have taken 15 years to build will disappear.

The severe need for population control in Africa can be directly related to similar needs in other countries, such as China. As Russell W. Peterson stated in his New York Times op-ed article of March 26, 1985:

> Studies show that most couples in developing nations wish to limit the size of their families. Given the chance, they will practice birth control. That somewhere between 25 million and 40 million births are terminated each year by abortion indicates the enormous unmet demand for family planning services worldwide.

Mr. Chairman, I want to reiterate my support for the Snowe/Fascell substitute language; and stress that in no way are any American moneys used to support forced or coercive abortions. Indeed, American law and this language prohibit the use of funds for abortions. It would, however, provide the needed funds for family planning services. If these services are provided, I believe we would see great strides toward economic and social stability in the Third World and an end to the devastation of famine and the ravages of poverty in which Africa periodically endures.

Mr. WOLPE. Mr. Chairman, I rise in support of the substitute offered by our distinguished chairman of the Foreign Affairs Committee and to express my strongest possible opposition to the amendment offered by my colleague from New Jersey [Mr. SMITH].

My quarrel, I should indicate at the outset, with the original amendment offerd by Mr. SMITH is not with the intent of the author but with the effect of the amendment.

The first point that must be made is that the issue at stake here is not and should not be allowed to become whether or not the United States should support abortion-related activities overseas. That debate was settled over 10 years ago. U.S. law explicitly prohibits any of our foreign aid dollars from paying for or promoting abortions.

Furthermore, in 1973, Congress passed legislation requiring that all U.S-backed family planning programs be noncoercive and strictly voluntary.

So that the insinuation that U.S. dollars are going to support forced abortions in foreign countries is, frankly, absolute nonsense. U.S. law prohibits U.S. dollars from supporting any abortion activities, forced or voluntary.

These are the facts. And these facts were borne out in a comprehensive study conducted by the U.S. Agency for International Development, at the request of the Reagan administration, on the question of population assistnace to China. AID definitively concluded that no U.S. funds go to China through the U.S. Fund for Population Activities. But beyond that, the study also determined that absolutely none of the money provided by the U.N. Fund for Population Activities for family planning programs in China goes to fund abortions in that country.

So if the issue is whether the United States should fund abortions overseas, the answer is no; and that has been U.S. law for over 10 years. If the issue is whether U.S. dollars are going to support forced abortions in China, the answer is no; and that fact has been documented by AID under the present administration. If the issue is whether UNFPA is somehow involved in financing abortions in China, again the answer is no; and again the AID study substantiates this fact.

So the question arises: What exactly is the issue at stake in the Smith amendment if it is none of the above?

The real impact of the Smith amendment is that, in the effort to get at the issue of forced abortion and forced sterilization in China—an issue about which there is no disagreement whatsoever—we could actually end up terminating U.S. financial support for family planning assistance for some 1.5 billion people in 35 countries where there is absolutely no coercion involved.

And if we are truly serious in our commitment to reducing the incidence of unwanted pregnancies and abortions worldwide, the very last thing we should be doing is denying aid for vital family planning services. It is perhaps the ultimate and utterly tragic irony that in their zeal to prevent all abortions, the proponents of the Smith amendments are blocking access to the most effective option people have for making abortions unnecessary in the first instance. It is only by maintaining strong U.S. support for family planning that we can advance the objectives we all share by promoting the kind of educational and public awareness programs that are essential to preventing unwanted pregnancies.

I might point out that I have some discomfort with the amendment which is being offered by the gentleman from Florida [Mr. FASCELL], because I fear it still could lead to the termination of funding even for countries where there is no evidence whatsoever of coercion in their family planning programs. Its advantage, however, is that is does maintain the earmark for family planning assistance.

I urge my colleagues to support the substitute offered by the gentleman from Florida, which provides a more constructive approach, and to defeat the amendment offered by the gentleman from New Jersey.

□ 1210

Mr. SMITH of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise today in strong support for the Smith amendment, which effectively addresses the intolerable practice of forced and coerced abortions now faced by women in the People's Republic of China. The Smith amendment gives the President the authority to stop U.S. funding of the U.N. funding for population activities [UNFPA] where it is determined that such funding is supporting population control which includes forced abortions.

There is little doubt anymore that China has adopted a one-child per-couple policy, that is being carried out by forcing women to submit to abortions.

U.S. Aid Assistant Administrator Richard Derham and others concur that coercive abortion is an integral part of the enforcement mechanism of China's one-child policy—a policy that has led to millions of abortions and thousands of cases of female infanticide every year. The Washington Post editorialized against China's policy, saying in part:

> Other methods fall into the realm of the openly coercive and brutal: Mandatory abortion, induced stillbirth, the strangling of the new born. That the state actively sanctions and sponsors these means underlines the dilemma.

Yet, in spite of this massive evidence, the United States continues to support China's family planning policy by sending money to the United Nations funding for population activities [UNFPA], an organization that co-

manages China's disgraceful Family Planning Program.

Major opponents of the Smith amendment argue that U.S. funds contributed to the UNFPA cannot be used in China because of the Helms prohibition of 1973, which prohibits the use of U.S. funds for abortion or abortion activities. This argument misses the point.

Fact: UNFPA comanages China's Family Planning Program, which includes forced abortions and infanticide. Also, UNFPA provides China with advanced computers and other demographic assistance to help China carry out its program with a more effective margin of death.

Fact: The United States provides 30 percent of the UNFPA budget, making us the largest contributor.

Therefore: The United States supports China's Family Planning Program.

To argue that UNFPA separates U.S. funds from other moneys being channeled to China is to overlook the obvious. This is merely an exercise in bookkeeping. Take note of Aid Assistant Administrator Richard Derham's conclusion that, "the UNFPA Program cannot be disentangled from the pervasive coercion of the Chinese system".

Regardless of these bookkeeping devices, the United States would continue to provide one-third of the UNFPA's budget, and the UNFPA would continue to comanage and defend a program which involves gross human rights violations on a staggering scale—unless this body takes action.

Opponents also argue that UNFPA's contribution to China's family planning policy is so small that cutting off funds to UNFPA will not pressure China to change its policy. This argument ignores the fact that China is very perceptive of world opinion. After receiving the U.N. award in 1983 for "The Most Outstanding Contribution to the Awareness of Population Questions", China's population Control Minister remarked that the U.N. award—which was strongly defended by the UNFPA director—"had put the imprimatur of the world body on China's family planning efforts * * *".

So Mr. Chairman, in conclusion, either the UNFPA should reassert to the world its commitment to voluntary family planning, or the United States should end its support for the UNFPA, and redistribute its funding to other organizations that adhere to these basic human rights.

That is what the Smith amendment does. It is simply a restatement of our commitment to a voluntarism and respect for human rights. It does not cut U.S. population assistance by one penny.

I urge my colleagues to support the Smith amendment to put an end to the U.S. relationship with China's brutal Family Planning Program.

Thank you, Mr. Chairman.

Mr. MOODY. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman.

Mr. MOODY. I thank the gentleman.

The gentleman's argumentation is fine. I would hope to support the Fascell amendment since the Fascell amendment precisely gives the President the power to dial away to UNFPA unless the practices in China are corrected. So is the gentleman therefore supporting the Fascell amendment since it does exactly what the gentleman apparently says?

Mr. MOLLOHAN. I understand that the earmarking would establish a preferential treatment for UNFPA, and I think it simply sends mixed signals. The Smith amendment achieves the same result—that is UNFPA can receive the funds; except the burden is different, obviously. Under the Smith amendment, UNFPA would have to disavow abortion as a family planning technique to be eligible for funding.

On the other hand, under Fascell, UNFPA would have earmarked and would receive funds unless the President made an affirmative determination, that China had failed to make progress in changing its forced abortion policy.

Mr. MOODY. If the gentleman will yield further, would not the gentleman agree that we would not want to accidentally defund Mexico or Brazil where abortion is illegal; we would not want to defund their programs in order to punish China.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. DEWINE].

Mr. DEWINE. I thank the gentleman for yielding.

Mr. Chairman, the real question before the House today is, Are we serious about the problem that is occurring in China? Are we serious about getting at the problem and using some sort of leverage, or do we want to cling today to earmarking which gives the UNFPA a preference over other family planning groups? Do we want to cling today to the idea that we can separate these funds; we can segregate these funds, and do we want to pat ourselves on the back when we leave here today and say, "Well, no U.S. tax dollars are going to fund abortion. No U.S. tax dollars are going to this particular program." That is absurd.

That particular position is not accepted by my colleagues on the other side of the aisle on the Grove City example. What we say there, and they have very eloquently in our committee and on the floor said, if there is discrimination in a particular college in any one department, you cannot get away with saying we are segregating the funds and the other department does not discriminate. What we say is we are going to cut off all funds. Yet, today some of my colleagues do not seem to be buying that argument in regard to this particular problem.

This is a tragedy that is occurring in China. The articles that have appeared detail the killing of infants; show cases where formaldehyde was injected into the soft cavity of the brain of a child who was just born; a child crushed with forceps as it was coming out of the birth canal; these are facts. The problem is that the U.N. through their program, has failed to recognize that these facts exist.

Let me just give a couple of examples; I have got page after page of examples. The problem is that the U.N. is intrinsically intertwined with China's family planning program. What we must do is get some leverage over the U.N. so that they can exert some influence to moderate, at least, China's family planning program.

The UNFPA has a hand-in-glove relationship with the PRC's Population Control Program. The executive director of the UNFPA, Mr. Rafael Salas said in 1981: "China provides a superb example of integrating population programs with the national goals of development." UNFPA officials have been assigned to live in the PRC and the UNFPA experts have been involved in the PRC program at every level. They are intricated intertwined in what is going on in China.

According to an article in the May/June 1983 issue of Intercom, the newsletter of the population reference bureau, "U.N. officials contacted about the policy" and about these reports about the problems in China "express grave misgivings" to a Washington Post reporter since official U.N. policy forbids support for coercive methods.

But, the article continued, and I quote: "The U.N. has an 'out', because important Chinese family planning pronouncements often never attain 'official' status."

Let me give one more example. In 1983, a U.N. committee gave the People's Republic of China then Family Planning Minister its first ever $12,500 award for the most, quote, "The most outstanding contribution to the awareness of population questions."

We need some leverage, Mr. Chairman, the way we apply the leverage is through the Smith amendment. It is a good amendment. It gives the President some flexibility. To earmark funds for UNFPA, sends a mixed signal. To continue to segregate funds and again pat ourselves on the back and say, look, we feel good, no U.S. tax dollars are going for coerced abortions simply ignores reality.

□ 1220

We know what the UNFPA is going to do. They are going to do what they have done in the past. They will segregate funds for bookkeeping purposes and then continue on their merry way and continue their current policy.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. DEWINE] has expired.

Mr. SMITH of New Jersey. I yield 30 additional seconds to the gentleman from Ohio.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DEWINE. I yield to my friend and colleague, the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement. I agree with everything that he has said, and I want to rise in strong support of the amendment offered by the gentleman from New Jersey and urge my colleagues to vote for it.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New Jersey [Mr. SMITH] and in opposition to the amendment offered by the gentleman from Florida [Mr. FASCELL].

I think the Fascell amendment is better than what is actually in the bill already, but the Smith amendment goes much further. I think it is absolutely essential that the Smith language be incorporated into this legislation.

What is wrong with saying, as his amendment does on page 2:

> The Government of the People's Republic of China has systematically employed coercive abortion and coercive sterilization as a means of enforcing that Government's "one-child-per-couple" policy. The rigid application of the "one-child" policy has also led to large-scale infanticide.
>
> The Congress condemns these practices as crimes against humanity and calls upon the Government of the People's Republic of China to cease these human rights abuses.

What is wrong with that language? It should be in the bill.

I want to refer briefly to a Wall Street Journal article which was in the Wall Street Journal about 2 months ago, May 13. A Mr. Mosher wrote this article and he tells about how pregnant women are subjected to exhaustive morning-to-night study sessions in which the women are mentally tortured, physically and psychologically abused. Those who resist abortions are subject to fines which they can ill afford. Incarceration is another method which is used to induce a voluntary abortion. Failing that, they will even go so far as to handcuff a pregnant woman, throw her into a hog cage, and take her forcibly to the operating table.

We have to condemn that. The Smith language does it and we should support it.

Mr. SMITH of New Jersey. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has 2½ minutes remaining and the gentleman from Pennsylvania [Mr. KOSTMAYER] has 12½ minutes remaining.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

Mr. KOSTMAYER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding this time to me.

Mr. Chairman, let us be clear what we are disagreeing about. We are not disagreeing about the seriousness of the question. The language in the Fascell amendment makes very clear our abhorrence of coercion, very clear. Indeed, much of the language in the Smith amendment is taken from Fascell.

We are not talking about whether segregation of funds is enough. As the gentleman from Ohio said, the Fascell amendment says that segregation of these funds is not enough. There is no use of bringing up Grove City and other examples. There is now segregation of United States moneys in UNFPA and we are saying because of the reports of coercive practices in China that this Government is going further. By the way, this is not the first time that this Government has expressed a deep concern about coercive practices in China. When I was in AID a number of years ago, there was the same concern, and no one should come on this floor and act as if this is something brand new that they discovered.

It said that UNFPA comanages the Population Program of China. Well, that is not true. They do not comanage the China program. Nobody comanages the China program with China.

The UNFPA provides about $10 million to China. That comes to about 1 percent of the money used by China for family planning, and what the Fascell amendment says is that 1 percent does raise moral, ethical issue, and we are not ready to continue funding UNFPA without confrontation with the ethical issues. If UNFPA gives money to China and those practices continue, we are going to do something else other than the present level of United States funding.

What do we propose in the Fascell amendment? We give leverage to the President of the United States, leverage within UNFPA and leverage to China, and it is complete leverage, leverage to reduce our UNFPA funding to zero. So what are we arguing about? That there is earmarking. But there has been earmarking for UNFPA for 5 or 6 years. When I was in AID, I did not like earmarking, but that has been a practice. It was not created vis-a-vis China. The earmarking of money is there. It has been a tradition for the last 5 years, and there is other earmarking within the population accounts. For example, certain percentage has to go to centrally funded projects.

So let no one build the earmarking as a major issue, a major distinction.

There are no mixed signals being given here, as some claim. We are giving power to the President to make sure that these coercive practices end, to the extent they exist, or we are not going to continue the present funding of the UNFPA Program, directly or indirectly. I do not know what else anybody really wants.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

Mr. KOSTMAYER. Mr. Chairman, I yield 30 additional seconds to the gentleman from Michigan.

Mr. LEVIN of Michigan. I thank the gentleman for yielding this additional time to me.

So the difference is whether we start at 16 percent and give the President the power to go to zero, or we start at zero and give the President the power to go to 16 percent. The Fascell amendment stands four-square on this issue, abhoring coercion and giving the President the complete club.

Mr. Chairman, I urge that we pass the Fascell amendment.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the sentiments just expressed by the gentleman from Michigan for the Fascell substitute and against the Smith amendment.

The Fascell substitute amendment clearly recognizes our national policy which prohibits the use of U.S. funds for abortions abroad, be they voluntary or coerced. Further, the amendment provides flexibility to the President to deny funding for the U.N. Fund for Population Activities if necessary to respond to cases of infanticide and coerced abortion on the People's Republic of China. The primary difference between the chairman's amendment and the gentleman's from New Jersey is that funding for 113 of the other countries which benefit from UNFPA and for whom there has been no allegation of wrongdoing, is

not held hostage by the President unnecessarily.

I say "unnecessarily" because the Fascell amendment does permit the President to withhold all funding if necessary to respond to coerced abortion in China.

It has been said in debate that when one department of a college violates national civil rights policy, Federal funds are not merely denied that department but rather the entire college. This example fails to mention that we do not deny those funds to all colleges when one is in violation, but rather seek to influence change among the college in violation. Similarly, the United States should not seek to deny funding to 113 innocent nations, unless necessary as a last resort. Rather, the President should be encouraged to exercise flexibility in influencing change in the offending nation with remedies short of total withholding of funds from all nations.

It is also my understanding that the gentleman from New Jersey will offer an amendment which will deny Federal funding to any nongovernmental organization if it pursues voluntary family planning methods unacceptable to Federal policy with private funding. I would oppose such an amendment and support instead the language agreed to by the committee. In this regard, I want to commend and congratulate my colleagues serving on the Committee of Foreign Affairs, particularly Chairman DANTE FASCELL, OLYMPIA SNOWE, STEVE SOLARZ, PETER KOSTMAYER, and SAM GEJDENSON for their unrelenting commitment to population assistance worldwide.

Section 304 represents a reasonable, sensitive, and measured response to a complex and potentially emotional issue. For that achievement I commend my colleagues and offer my support.

On December 31, the administration ended the Agency for International Development's 17 years of support to the International Planned Parenthood Federation because 10 of the organization's 90 independent grant/receiving national affiliates provide abortion services or counseling. No U.S. funds were involved because of existing congressional restrictions which ban the use of U.S. funds for abortions abroad. Mr. Chairman, this move to extend existing congressional restrictions on the use of U.S. foreign assistance funds for abortion to restrictions on non-Government family planning activities supported with non-U.S. funds threatens to dismantle hundreds of ongoing public health and family planning programs in Third World countries.

Mr. Chairman, I do not think that we can discuss the issue of population assistance without looking at the context within which it occurs. Uncontrolled population growth is and will remain one of the greatest, most troubling challenges to society. The world's population continues to grow, doubling every 17 years, and 90 percent of the world's population growth will occur in developing nations. That is, such growth will occur in those nations that can least afford it, those nations that are encased within the tragic grip of poverty that primarily claims the lives of children.

The costs of underdevelopment are enormous in terms of the social, economic, political, and human costs. They have constituted one of the greatest ongoing, unrelenting tragedies the world has experienced. Population growth is both a cause and effect of underdevelopment. Mark Twain once wrote of underdevelopment as a reign of terror that wrought murder in cold blood by condemning hundreds of millions to life-long death from hunger, cold, insult, cruelty, and heartbreak.

Section 304 of H.R. 1555 stipulates that the President may not deny funds to any country, international organization, or nongovernmental organization or require that it deny funds, goods, or services to any party because of the types of voluntary and noncoercive family planning programs which it undertakes with non-U.S. Government funds. I think it is important to quote the language of the Foreign Affairs Committee report:

> Implementation of this policy in the purported interest of anti-abortion actually would result in reduced availability of family planning services, increased infant and maternal deaths, and ironically, increased abortion, as it is estimated that some 13 percent of unwanted pregnancies result in abortion worldwide.

Mr. Chairman, let us not debate abortion for that is not the issue, let us discuss assisting the people of the poorer nations to achieve some semblance of control over their lives.

In closing, I urge support for the Fascell substitute amendment and support for the committee language conditioning participation with nongovernmental family planning organizations.

Mr. KOSTMAYER. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. I thank the gentleman for yielding this time to me.

Mr. Chairman, the amendments are very close. They differ only on the question, really, of the earmark, which the Smith amendment eliminates and which the Fascell amendment restores. I think the earmark is absolutely necessary.

We have 114 countries that have family planning programs under UNFPA and in 113 of those countries there have been no allegations of infanticide or coercion. Those programs should get the stability that an earmark ensures them, Contained in the language of both amendments is the President's authority to cut off funding all UNFPA funding if he deems it necessary, and that is sufficient to handle the China question.

The gentleman from New Jersey states that he is concerned that it will appear that if the earmark is continued, the UNFPA will get a greater sum next year than it did this year, and that will somehow lead the public to believe that we are giving some kind of stamp of approval to UNFPA funding for China. Let me assure the gentleman, as a member of the Appropriations Foreign Operations Subcommittee that that problem is illusory. Those who want to add funding for priority programs are struggling very, very hard to keep up anywhere near last year's funding level. Even though the authorization figure for family planning is larger, I think I can assure the gentleman that the appropriation is very, very unlikely to be so.

Let me commend both the gentleman from New Jersey and the gentleman from Florida, who affirm in both of their amendments the importance of voluntary family planning to countries throughout the world and our support for their programs.

What we are affirming in both amendments is the right of individuals to choose for themselves the number and the spacing of their children. That has always been the policy of our country. We condemn in both amendments coerced family planning; that is, we condemn in the strongest possible terms the power of the state to determine for people how many children they will have and their spacing. That is exactly what the United States policy has always been and should continue to be. We champion the human rights of the individual and condemn the power of the state to make individual, personal human choices.

Both amendments are very fine ones and I prefer the amendment offered by the gentleman from Florida only for the reason that it like the language of the bill leaves intact the earmark that I think is necessary to continue our commitment to 113 countries which have planning programs that contain no elements of coercion.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield for a moment?

Mr. PORTER. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. I thank the gentleman for yielding.

Mr. Chairman, there is a problem, even with UNFPA support, relative to another issue, and the gentleman just raised it. That is the spacing and the number of children. By definition, the Chinese program is one child per couple and there is no freedom to choose that second, third, fourth, or any other children that a couple may decide to have.

The UNFPA's own documents say, and I quote:

Support for population education information that seek to provide reasons why couples should accept the national policy of the People's Republic of China as harmonious with their own interest.

So there is no freedom of choosing.

□ 1230

Mr. KOSTMAYER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, I would like to associate my comments with those of the gentleman from Illinois [Mr. PORTER], who just spoke.

Apparently, 113 countries out of 114 are pursuing population policies that are acceptable. The bedrock of UNFPA Programs around the world is voluntary family planning. In all of Latin America it is not even legal to have an abortion, so there is no UNFPA money going to anything like abortion in those countries. Yet under the Smith amendment UNFPA in Latin America would have to fight back to get into the program, because they start with zero funding.

The issue we are now debating does come down to earmarking, and there are at least three reasons why it is important to keep earmarking for UNFPA Programs.

First, there is the issue of the prerogatives of this House. The administration, as we have heard the gentleman from Michigan [Mr. LEVIN] say, has sometimes opposed earmarking because they like maximum flexibility. This House has established its own prerogatives, and we want UNFPA to get a planned amount of money because UNFPA is doing a good job of implementing voluntary family planning in country after country.

Second, there is a question of commitment. If no donor country provided any advanced idea to UNFPA of how much it was going to give, UNFPA Programs would collapse. There would be no program at all. We do not want that to happen.

Nor is it fair to be a part of an international organization and say, "We're not going to give you any idea at all of what money you are going to get for any areas or countries until you repair your problems in this one country".

Third, under the Smith amendment, we would be in a position of jeopardizing funding for countries like Mexico and Brazil which have urgent family planning programs—and no abortion-related activities—until the UNFPA somehow restored its reputation in this body. The UNFPA stands here condemned in the dock of Congress because of what is allegedly happening in one country. That is overdoing the punishment, and yet UNFPA would have to reestablish its reputation somehow in order to fund Mexico and Brazil and other good countries. We should not be throwing those programs into jeopardy by starting back to zero, as the Smith amendment would do. We should assume that we are going ahead with the 16 percent of USAID funding for UNFPA and then let the President scale that down as appropriate to acquire the necessary response in one country, China.

So the earmarking for UNFPA is essential. There is a long history of such earmarking. It asserts congressional prerogatives in that area, something we and not the administration should insist on, and it protects funding for countries that are doing a very good job in voluntary family planning.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I would like to associate myself with the gentleman's remarks. I thank him very much, and I think he is exactly right.

Mr. Chairman, I rise in opposition to the amendment offered by Representative SMITH to defund the U.N. Fund for Population Activities.

The UNFPA is one of the world's leading providers of voluntary family planning assistance. In order to cut off U.S. funding, SMITH hopes to use the issue of UNFPA participation in the Chinese Population Program. There have been reported incidents of coerced abortion and infanticide in the Chinese program which have rightly caused great concern.

UNFPA currently provides 1 percent, or $10 million, of that $1 billion program. But U.S. law already prohibits any of our foreign aid dollars from paying for or promoting abortions. The Smith amendment would not reduce the number of legal abortions performed anywhere in the world. What it would do is weaken international family planning programs, and lead to a greater burden of population in the poorest and most overpopulated countries. One tragic consequence of a situation like that would be an even higher rate of abortions.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Chairman, I want to commend the gentleman for his statement, and I commend the gentleman from Illinois also for his statement.

One other issue that I think the gentleman alluded to is the fact that earmarking is essential for UNFPA because currently the administration has not even reprogrammed other funds that are deobligated from UNFPA and also from IPPF. So which organizations are going to receive the earmarkings from UNFPA that go to other organizations? There are not other organizations that will accept the funds under the restrictions and guidelines that have been established by this administration. In fact, they have more than 50 percent of the funds that are unobligated at this point.

Mr. MOODY. Mr. Chairman, I thank the gentlewoman for her comments.

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I congratulate the leaders of this committee on both sides of the aisle. I think they have done a fine job in bringing us a bill that we can agree on.

I support the Fascell amendment because we must continue our consistent support of UNFPA. The agency is relied on all over the globe. It does not provide family planning services in China. It does provide technical assistance, training programs, census assistance, computer assistance, and the like.

The $10 million that UNFPA spends there is less than 1 percent of the more than $1 billion that China spends on family planning. It seems to me that wiping out our contribution to UNFPA would send a mixed signal to the entire world that our consistent support and our commitment to help the developing nations find their way out of the disease, the famine, the hardship, and the suffering which they are desperately trying to combat is faltering.

Although we have made significant progress in some areas of Latin America and Asia, we are faced with a global population crisis of tremendous proportions.

If current trends continue, our world population will increase by nearly one-quarter by the year 2000—from 4.8 billion people to more than 6.5 billion. In Africa alone, the current population of approximately 500 million will increase to 1.5 billion by 2025. The current Ethiopian population of 40 million will rise to 231 million by the year 2045, while Nigeria will grow from 90 million people to 618 million by the year 2035.

Many nations, which are already suffering the devastating effects of too little food and too many people, face the prospect of even wider gaps between food production and burgeoning growth rates. In Africa, farmers attempt to feed 16 million new people each year, a number that is roughly 10 times the annual population additions of North America or Europe.

The developing nations will be unable to keep up with the need for additional new jobs. Between the years 1980 and 2000, an estimated 700 million new jobs must be added in the developing nations of the world just to keep the unemployment and underemployment rates of those countries at the pitifully low level of 40 percent. In

Africa, income per person has fallen by a fifth since 1970.

UNFPA and IPPF play a crucial role in the important task of reducing the massive population growth rates in developing countries. For example, in sub-Saharan Africa, as recently as 1974, only two countries, Kenya and Ghana, had policies to reduce population growth. By mid-1984, 13 countries in the region had such policies.

At this point in time, the demands for family planning services in the developing countries far exceed UNFPA's capabilities. Yet, we are faced today with the prospect of eliminating U.S. funding for this program.

Before my colleagues cast their votes on the amendments before us today, please consider the following facts:

Ninety percent of the people who will be born between now and the year 2000 will be born in the developing nations—nations where 142 million children already are suffering from malnutrition.

This year, more than 40,000 children will die of malnutrition.

About 625,000 children will be born into families whose resources already are stretched too thin.

Tonight, July 10, 1985, some 400 million children will go to bed hungry.

Mr. Speaker, we, as Americans, are shocked when we hear about children abandoned on our streets, such as the case of a 2-week-old infant who was found on a Washington, DC, street corner last month. But in Brazil alone, 11 million abandoned children are living in the streets and another 14 million are growing up in extreme poverty.

UNFPA provides population services in 115 developing nations around the globe. IPPF is a vital source of information and program advice for its affiliates in 119 countries.

A vote for the Smith amendments would punish those developing nations and halt efforts to help them climb out of the pitiful conditions of overpopulation.

It is ironic that even as we speak, delegates are crowding into Nairobi, Kenya, to mark the end of the United Nations Decade for Women, while this House is considering amendments that would eliminate U.S. funding for international programs aimed at raising the status of women. What a sad irony it would be if we were to strike a lethal blow against the very programs that help women control their own fertility—the first step toward improving the quality of their own lives through smaller and self-sufficient families with better educated and healthier children.

Mr. Speaker, I urge my colleagues to support the Fascell amendment. For the sake of the world and our own Nation, the United States cannot abandon its commitment to efforts to reduce the rate of population growth on Earth.

The developing nations of the world need our assistance in this area and we have a humanitarian responsibility to provide their citizens with the means to plan their families and to pursue options to better their lives and their societies.

Mr. CHAIRMAN. The time of the gentleman from New York [Mr. SCHEUER] has expired.

The gentleman from New Jersey [Mr. SMITH] has 2½ minutes remaining, and the gentleman from Pennsylvania [Mr. KOSTMAYER] has 2 minutes remaining.

The gentleman from Pennsylvania has the right to close debate, so the Chair now recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, there are a couple of reasons why Smith should be supported and Fascell not supported.

In the Fascell amendment, listen to this limp—I do not use the word, "wimp," we will leave it as "limp"—statement:

> Information has been reported by the media to the effect that coerced abortion and infanticide may have occurred in the People's Republic of China. Such reports—

Not the practice, but the reports—

> jeopardize U.S. support.

There was a 4-year study made by Michael Weisskopf of the Washington Post reported in January of this year, and I quote from the Washington Post:

> A world of government-sanctioned infanticide, of strong-arm sterilizations, and of abortions performed at the rate of 800,000 a year in a single province.

So it is not a report of something that may have occurred.

Now, why should the United Nations, which has a 48-member board—and they ask us to come up with a third of their funding by earmarking. Right? They have a 48-member board. Guess how many votes we have on that board. One. We have one vote.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. HYDE] has expired.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, In reviewing the amendment offered by the chairman of the committee, I would point out to my colleagues that it does not address the tragic problem as definitely nor as comprehensively as the language that I propose.

Specifically, under the substitute the earmarking of funds for the UNFPA remains. In light of all the documented concerns involving UNFPA, in light of the thrust of the Fascell amendment itself, it seems contradictory to be earmarking funds. At some point in the future, perhaps when it has been shown unequivocally that they have not been involved in the comanagement of the program, perhaps then, but not now. It is the wrong time. I would again remind my colleagues that earmarking is opposed by the administration.

Second, the substitute fails to strongly enough condemn the barbaric practices that continue unabated in the PRC. We have a unique opportunity here to send a clear message around the world that such practices are intolerable to a civilized society, that such practices are obscene and our country will in no way, directly or indirectly, be involved in them, condone them, diminish their reality, or quietly acquiesce to them.

The substitute also fails to require the administration to annually review the situation in China to determine if the practices of coerced abortion, coerced sterilization, or infanticide are continuing. I believe that this matter is too critical not to be closely monitored.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

The Chair now recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, let me ask the members of the committee, what happened to the China issue? Why are we not talking about forced abortions and infanticide in China anymore?

The reason China is no longer the issue is because we have met the concerns of the gentleman from New Jersey [Mr. SMITH], so the gentleman from New Jersey, is not talking about China anymore. That is not the issue here. Now he is talking about earmarking 16 percent of the funds to the U.N. Fund for Population Activities.

Why is earmarking now the issue rather than China? Let me mention four things about the UNFPA in China.

First of all, China spends $1 billion a year on its population program. UNFPA contributes $10 million of that, 1 percent of the Chinese program. Do we call that comanaging when they spend 1 percent of the total budget?

The U.S. contribution to the UNFPA cannot be spent in China. The gentlewoman from Maine [Ms. SNOWE] in the committee offered language specifically prohibiting U.S. funds from being spent in the People's Republic of China.

How far do we have to go to please those on the other side? We have gone

more than halfway. They do not discuss the abuses in China any longer. Now they do not like the fact that earmarking is a part of this bill.

We ought to reject the Smith amendment because there is an alternative to birth control; it is called death control. In Kenya the population today is 19 million people. Mr. Chairman, in 45 years it will grow from 19 million to 130 million—130 million people in 45 years.

If the amendment offered by the gentleman from New Jersey is agreed to, we will end population programs not just in China but in 114 other countries. We will end voluntary family planning in those desperate and poor lands. Is that what the Congress of the United States wants to do, to end family planning in Kenya, to end family planning in India, where 2 million people are born every 30 days?

Mr. Chairman, I urge that the Fascell amendment be adopted and that America's 20-year bipartisan commitment to voluntary family planning be preserved.

● Mr. BEDELL. Mr. Chairman, today there is an amendment being offered to the foreign assistance authorization, H.R. 1555, with regard to U.S. involvement in international population assistance activities.

The amendment on the floor is offered in the wake of the serious concern we all have about reports of coercive family planning and forced abortion policies in China. It is important to note, however, that after a thorough study by the U.S. Agency for International Development [AID], it was verified that no part of U.S. contributions to the U.N. Fund for Population Activities [UNFPA] has ever been used for either abortion or infanticide.

I have consistently been opposed to abortion. I have, as well, been consistently supportive of family planning as a very crucial element in preventing the need for abortion. Indeed, I have concerns about curtailing family planning programs for this very reason, and similarly, cannot support this amendment.

H.R. 1555 currently provides safeguards against the use of U.S. dollars for the concerns addressed in this amendment. It retains the Helms amendment that prohibits the use of AID population funds to pay for abortion as a method of family planning. The bill also expressly prohibits the use of any part of the U.S. contribution to the UNFPA in China, and directs the U.S. representative to the UNFPA governing council to vote against all UNFPA programs in China. Therefore, I believe the concerns of this amendment have been already sufficiently addressed, and again, must oppose it.●

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Florida [Mr. FASCELL] to the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 221, not voting 14, as follows:

[Roll No. 214]

AYES—198

Ackerman	Frenzel	Obey
Addabbo	Frost	Olin
Alexander	Gallo	Owens
Anderson	Garcia	Panetta
Andrews	Gejdenson	Pease
Anthony	Gekas	Penny
Atkins	Gephardt	Pepper
AuCoin	Gibbons	Pickle
Barnes	Gilman	Porter
Bates	Glickman	Price
Bedell	Gonzalez	Rahall
Bennett	Gordon	Rangel
Berman	Green	Ray
Boehlert	Guarini	Richardson
Bonker	Hall (OH)	Rodino
Bosco	Hamilton	Rose
Boucher	Hatcher	Roukema
Boxer	Hawkins	Rowland (GA)
Brooks	Hayes	Roybal
Brown (CA)	Horton	Sabo
Brown (CO)	Howard	Savage
Broyhill	Hoyer	Scheuer
Bruce	Hughes	Schneider
Bryant	Jacobs	Schroeder
Burton (CA)	Jeffords	Schumer
Bustamante	Johnson	Seiberling
Carper	Jones (NC)	Sharp
Carr	Jones (OK)	Sisisky
Chandler	Kaptur	Smith (FL)
Chappell	Kastenmeier	Smith (IA)
Clay	Kennelly	Snowe
Coelho	Kolbe	Solarz
Coleman (TX)	Kostmayer	Spratt
Collins	Lantos	St Germain
Conyers	Leach (IA)	Stark
Cooper	Lehman (CA)	Stokes
Coughlin	Lehman (FL)	Strang
Crockett	Leland	Stratton
Daschle	Levin (MI)	Studds
de la Garza	Levine (CA)	Swift
Dellums	Lewis (CA)	Synar
Derrick	Lewis (FL)	Thomas (CA)
Dickinson	Lundine	Thomas (GA)
Dicks	MacKay	Torres
Dixon	Markey	Torricelli
Dorgan (ND)	Martin (IL)	Towns
Downey	Martinez	Traficant
Durbin	Matsui	Udall
Dwyer	McCain	Valentine
Dymally	McCandless	Vento
Eckart (OH)	McCurdy	Visclosky
Edgar	McHugh	Walgren
Edwards (CA)	McKernan	Waxman
Evans (IA)	McKinney	Weaver
Evans (IL)	Meyers	Weiss
Fascell	Mica	Wheat
Fawell	Mikulski	Whitley
Feighan	Miller (WA)	Whittaker
Fish	Mineta	Williams
Florio	Mitchell	Wilson
Foglietta	Moody	Wirth
Foley	Morrison (CT)	Wolpe
Ford (MI)	Morrison (WA)	Wright
Ford (TN)	Mrazek	Wyden
Fowler	Neal	Yates
Frank	Oakar	Zschau

NOES—221

Akaka	Badham	Bentley
Annunzio	Barnard	Bereuter
Applegate	Bartlett	Bevill
Archer	Barton	Biaggi
Armey	Bateman	Billirakis
Bliley	Huckaby	Petri
Boggs	Hunter	Quillen
Boland	Hutto	Regula
Boner (TN)	Hyde	Reid
Borski	Ireland	Ridge
Boulter	Jenkins	Rinaldo
Breaux	Jones (TN)	Ritter
Broomfield	Kanjorski	Roberts
Burton (IN)	Kasich	Robinson
Byron	Kemp	Roe
Callahan	Kildee	Roemer
Campbell	Kindness	Rogers
Carney	Kleczka	Rostenkowski
Chappie	Kolter	Roth
Cheney	Kramer	Rowland (CT)
Clinger	LaFalce	Rudd
Coats	Lagomarsino	Russo
Cobey	Latta	Saxton
Coble	Leath (TX)	Schaefer
Coleman (MO)	Lent	Schuette
Combest	Lightfoot	Schulze
Conte	Lipinski	Sensenbrenner
Courter	Livingston	Shaw
Coyne	Lloyd	Shelby
Craig	Loeffler	Shumway
Crane	Long	Shuster
Dannemeyer	Lott	Sikorski
Darden	Lowery (CA)	Siljander
Daub	Lujan	Skeen
Davis	Luken	Skelton
DeLay	Lungren	Slattery
DeWine	Mack	Slaughter
DioGuardi	Madigan	Smith (NE)
Donnelly	Manton	Smith (NH)
Dornan (CA)	Marlenee	Smith (NJ)
Dowdy	Martin (NY)	Smith, Denny
Dreier	Mavroules	Smith, Robert
Duncan	Mazzoli	Snyder
Dyson	McCloskey	Solomon
Early	McCollum	Spence
Eckert (NY)	McDade	Staggers
Edwards (OK)	McEwen	Stallings
Emerson	McGrath	Stangeland
English	McMillan	Stenholm
Erdreich	Michel	Stump
Fiedler	Miller (OH)	Sundquist
Fields	Moakley	Sweeney
Flippo	Molinari	Tallon
Franklin	Mollohan	Tauke
Gaydos	Monson	Tauzin
Gingrich	Montgomery	Taylor
Goodling	Moore	Traxler
Gradison	Moorhead	Vander Jagt
Gray (IL)	Murphy	Volkmer
Gregg	Murtha	Vucanovich
Grotberg	Myers	Walker
Gunderson	Natcher	Watkins
Hall, Ralph	Nelson	Weber
Hammerschmidt	Nichols	Whitehurst
Hansen	Nielson	Whitten
Hartnett	Nowak	Wise
Hendon	O'Brien	Wolf
Henry	Oberstar	Wortley
Hertel	Ortiz	Wylie
Hiler	Oxley	Yatron
Hillis	Packard	Young (AK)
Holt	Parris	Young (FL)
Hopkins	Pashayan	Young (MO)
Hubbard	Perkins	

NOT VOTING—14

Aspin	Fazio	Lowry (WA)
Bellenson	Fuqua	Miller (CA)
Bonior (MI)	Gray (PA)	Pursell
Daniel	Hefner	Swindall
Dingell	Heftel	

□ 1250

The Clerk announced the following pair:

On this vote:

Mr. Fazio for, with Mr. Swindall against.

Messrs. ARMEY, MATSUI, and ROBERTS changed their votes from "aye" to "no."

Mr. MARKEY and Mr. MITCHELL changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SWINDALL. Mr. Chairman, on rollcall No. 214, I was unavoidably detained. Had I been present, I would have voted "no" on the Fascell amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr BADHAM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 289, noes 130, not voting 14, as follows:

[Roll No. 215]

AYES—289

Andrews	Dowdy	Kaptur
Annunzio	Dreier	Kasich
Applegate	Duncan	Kemp
Archer	Durbin	Kildee
Armey	Dwyer	Kindness
Barnard	Dyson	Kleczka
Bartlett	Early	Kolter
Barton	Eckart (OH)	Kramer
Bateman	Eckert (NY)	LaFalce
Bennett	Edwards (OK)	Lagomarsino
Bentley	Emerson	Latta
Bereuter	English	Leath (TX)
Bevill	Erdreich	Lent
Biaggi	Feighan	Lewis (FL)
Billrakis	Fiedler	Lightfoot
Blilley	Fields	Lipinski
Boggs	Fish	Livingston
Boland	Flippo	Lloyd
Boner (TN)	Florio	Loeffler
Bonior (MI)	Foglietta	Long
Bonker	Foley	Lott
Borski	Fowler	Lowery (CA)
Boucher	Franklin	Lujan
Boulter	Fuqua	Luken
Breaux	Gaydos	Lungren
Broomfield	Gephardt	Mack
Brown (CO)	Gibbons	MacKay
Broyhill	Gingrich	Madigan
Bruce	Glickman	Manton
Burton (IN)	Gonzalez	Marlenee
Bustamante	Goodling	Martin (NY)
Byron	Gordon	Mavroules
Callahan	Gradison	Mazzoli
Campbell	Gray (IL)	McCain
Carney	Gregg	McCloskey
Carper	Grotberg	McCollum
Carr	Guarini	McDade
Chappell	Gunderson	McEwen
Chappie	Hall (OH)	McGrath
Cheney	Hall, Ralph	McHugh
Clinger	Hamilton	McMillan
Coats	Hammerschmidt	Meyers
Cobey	Hansen	Mica
Coble	Hartnett	Michel
Coelho	Hatcher	Miller (OH)
Coleman (MO)	Hendon	Moakley
Combest	Henry	Molinari
Conte	Hertel	Mollohan
Cooper	Hiler	Monson
Courter	Hillis	Montgomery
Coyne	Holt	Moore
Craig	Hopkins	Moorhead
Crane	Howard	Murphy
Dannemeyer	Hubbard	Murtha
Darden	Huckaby	Myers
Daschle	Hughes	Natcher
Daub	Hunter	Neal
de la Garza	Hutto	Nelson
DeLay	Hyde	Nichols
DeWine	Ireland	Nielson
Dicks	Jenkins	Nowak
DioGuardi	Jones (NC)	O'Brien
Donnelly	Jones (OK)	Oakar
Dorgan (ND)	Jones (TN)	Oberstar
Dornan (CA)	Kanjorski	Olin
Ortiz	Schuette	Tallon
Oxley	Schulze	Tauke
Packard	Sensenbrenner	Tauzin
Parris	Sharp	Taylor
Pashayan	Shaw	Thomas (GA)
Pease	Shelby	Torricelli
Penny	Shumway	Traxler
Perkins	Shuster	Valentine
Petri	Sikorski	Vander Jagt
Price	Siljander	Vento
Quillen	Skeen	Volkmer
Rahall	Skelton	Vucanovich
Ray	Slattery	Walgren
Regula	Slaughter	Walker
Reid	Smith (NE)	Watkins
Ridge	Smith (NH)	Weber
Rinaldo	Smith (NJ)	Whitehurst
Ritter	Smith, Denny	Whitley
Roberts	Smith, Robert	Whittaker
Robinson	Snyder	Whitten
Rodino	Solomon	Williams
Roe	Spence	Wise
Roemer	Spratt	Wolf
Rogers	St Germain	Wortley
Rostenkowski	Staggers	Wylie
Roth	Stallings	Yatron
Rowland (CT)	Stangeland	Young (AK)
Rowland (GA)	Stenholm	Young (FL)
Rudd	Strang	Young (MO)
Russo	Stump	Zschau
Saxton	Sundquist	
Schaefer	Sweeney	

NOES—130

Ackerman	Frost	Mrazek
Addabbo	Gallo	Owens
Akaka	Garcia	Panetta
Anderson	Gejdenson	Pepper
Anthony	Gekas	Pickle
Atkins	Gilman	Porter
AuCoin	Gray (PA)	Pursell
Badham	Green	Rangel
Barnes	Hawkins	Richardson
Bates	Hayes	Rose
Bedell	Horton	Roukema
Berman	Hoyer	Sabo
Boehlert	Jacobs	Savage
Bosco	Jeffords	Scheuer
Boxer	Johnson	Schneider
Brooks	Kastenmeier	Schroeder
Brown (CA)	Kennelly	Schumer
Bryant	Kolbe	Seiberling
Burton (CA)	Kostmayer	Sisisky
Chandler	Lantos	Smith (FL)
Clay	Leach (IA)	Smith (IA)
Coleman (TX)	Lehman (CA)	Snowe
Collins	Lehman (FL)	Stark
Conyers	Leland	Stokes
Coughlin	Levin (MI)	Stratton
Crockett	Levine (CA)	Studds
Davis	Lewis (CA)	Swift
Dellums	Lowry (WA)	Synar
Derrick	Lundine	Thomas (CA)
Dickinson	Markey	Towns
Dingell	Martin (IL)	Traficant
Dixon	Matsui	Udall
Downey	McCandless	Visclosky
Dymally	McCurdy	Waxman
Edgar	McKernan	Weaver
Edwards (CA)	McKinney	Weiss
Evans (IA)	Mikulski	Wheat
Evans (IL)	Miller (CA)	Wilson
Fascell	Miller (WA)	Wirth
Fawell	Mineta	Wright
Fazio	Mitchell	Wyden
Ford (TN)	Moody	Yates
Frank	Morrison (CT)	
Frenzel	Morrison (WA)	

NOT VOTING—14

Alexander	Hefner	Solarz
Aspin	Heftel	Swindall
Bellenson	Martinez	Torres
Daniel	Obey	Wolpe
Ford (MI)	Roybal	

□ 1310

Mr. GUARINI changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SWINDALL. Mr. Chairman, on rollcall No. 215, I was unavoidably detained. Had I been present, I would have voted "aye" on the Smith amendment.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey: Page 40, strike out line 14 and all that follows through line 6 on page 41; and page 41, line 7, strike out "(5)" and insert in lieu thereof "(4)".

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I wanted to ask the gentleman from New Jersey if my understanding is correct that this is the second and the last of his amendments, and this is one we have an agreement on limitation on time?

Mr. SMITH of New Jersey. Yes, we do have an agreement.

Mr. FASCELL. Thirty minutes?

Mr. SMITH of New Jersey. Thirty minutes would be fine.

Mr. FASCELL. Half the time to be controlled by the gentleman and half the time controlled by the gentleman from Pennsylvania.

Mr. Chairman, I ask unanimous consent that the debate on this amendment and all amendments thereto conclude in 30 minutes, half the time to be controlled by the gentleman from New Jersey [Mr. SMITH] and half the time to be controlled by the gentleman from Pennsylvania [Mr. KOSTMAYER].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last August the United States announced at the U.N. Population Conference in Mexico City, that our Government would no longer provide funds to any foreign nongovernment organization which quote: "performs or actively promotes abortion as a method of family planning."

This policy is consistent with the U.N. World Population Plan of Action adopted at the Mexico City conference which states, and I quote: "Abortion in no case should be promoted as a method of family planning."

Language in H.R. 1555, however, seeks to reverse this policy. My amendment simply strikes that language, and thus would preserve current policy.

Let me cite just a few points in favor of preserving the administration's current policy. First, while it is true that

since 1973 no U.S. funds are permitted to be used directly to fund abortion as a method of family planning, nongovernment organizations have used non-U.S. funds, their own money, to actually perform and promote abortion.

The issue then comes down in part to the seriousness with which we regard abortion. I happen to believe that a growing number of people are recognizing abortion as a form of violence directed at the most vulnerable of human beings—unborn children.

Even a cursory look at the methods of abortion including salt poisoning shots, dismemberment, induced labor with the intent not to save the child causes one to appreciate the seriousness of the issue.

Abortion is violative of an unborn child's right to continue living, and should be rejected as a means of family planning even when paid for with non-U.S. funds by organizations we support and underwrite.

Second, some Members here may argue today that unless the administration's policy is changed, family planning will be damaged in the developing world. Mr. Chairman and Members of the Committee, the facts simply do not substantiate that charge.

Frankly, I wish the leadership of International Planned Parenthood of London cared more about legitimate family planning, instead of rigidly adhering to their proabortion stance.

□ 1320

Most Members in this Chamber are probably not aware of the fact that it was IPPF of London and IPPF only who made the decision not to accept U.S. funds. IPPF of London was offered the money, with one string attached. AID repeatedly asked IPPF to accept the moneys with the condition that they and their affiliates not promote abortion as a method of family planning. Thus far, they have refused.

Let me assure my colleagues that the $11.5 million in cash that would have gone to that organization will be reprogrammed to other private family planning programs that do not include abortion.

According to the AID population assistance factsheet distributed on the Hill this past May, the reprogrammed funds will be allocated as follows: 50 percent will go to Africa; 17 percent will go to Latin America; 5 percent will go to Asia; and 28 percent will go to private-sector initiatives.

AID also states that most IPPF affiliates will be eligible for AID assistance either directly or through AID cooperating agencies.

So the notion that conditioning funds to NGO's cripples international family planning does not hold water. At best, Mr. Chairman, it is a scare tactic.

Mr. Chairman, some Members may also argue today that the curtailment of funds will result in increased abortions. That charge has a certain emotional appeal, but as an argument it is indeed weak and flimsy. On this issue I think AID Administrator Peter McPherson perhaps said it best in a letter to me, dated July 8, when he said:

> The premise is false. The same volume of resources will be provided to the developing world under current policy as would be under the committee bill. It will not lead to more abortions.

He concludes.

Further, in its May population assistance factsheet, AID states: "We do not believe that this will result in more abortions since after reprogramming the IPPF funds, an even higher percentage"—I repeat, an even higher percentage—"(77 percent) will go for family planning services than would have gone for services via IPPF (68 percent)."

The report goes on to say: "it is the delivery of family planning counseling, contraceptives, and other services that provide an alternative to abortion. We expect service delivery to increase in this case as well."

I am sure some Members will argue that abortion is only a small percentage of IPPF's activity. That may be true. So why are they so unwilling to cease the practice?

Perhaps part of the reason is that IPPF of London crusades for permissive abortion laws in the developing world.

According to Donald P. Warwick of the Harvard Institute for International Development, IPPF has been the single most influential organization in the world in undermining antiabortion laws. Warwick writes: "The International Planned Parenthood Federation of London has been the most outspoken advocate of legal abortion services in developing countries * * *"

This is particularly relevant when you realize that according to a U.N. study, only 5 of 126 less developed nations permit abortion on demand and in only 8 is abortion authorized for socioeconomic reasons.

It seems clear that IPPF of London is, at this time, unwilling to give up its efforts to undermine these antiabortion laws. Bradman Weerakoon, Secretary-General of the International Planned Parenthood Federation, told the U.N. Non-Governmental Organizations [NGO] Population Consultation on March 6 that IPPF could not conform to the administration's policy because the policy would require IPPF to discontinue lobbying for the amendment of ineffective abortion laws.

IPPF's underlying proabortion philosophy is further evidenced by the "Report of the Working Group on Promotion of Family Planning as a Basic Human Right," issued in November 1983. This report was prepared by a committee which included Faye Wattleton, president of the Planned Parenthood Federation of America. Although recently conveniently repudiated by IPPF, the report was disseminated to IPPF affiliates with the recommendation that both the Federation and individual FPA's [family planning associations] will accept these recommendations and promote them as widely as possible.

Recommendation No. 108 of that document noted that some countries do not allow the right to choose abortion, and urges FPA's to promote abortion as a legal right. Recommendation No. 106 stated:

> Family Planning Associations and other non-governmental organizations should not use the absence of a law or the existence of an unfavourable law as an excuse for inaction; action outside the law, and even in violation of it, is part of the process of stimulating change.

Clearly, the goal to IPPF of London is to make abortion available on demand, everywhere, as a method of family planning. In their less-guarded moments, some of the leading critics of the administration's policy have admitted as much.

For example, Werner Fornos, president of the Population Institute, said in a tape-recorded speech to a Planned Parenthood group on March 12:

> We need to separate the abortion issue from the family planning issue, when we're dealing with our legislators. Two years from now, I may stand here and advocate something different, and the reality of our times may dictate that. Certainly, if we ever have enough votes, we ought to desperately seek a repeal of the Helms Admendment. The 1973 Helms amendment bars use of funds to directly pay for abortions in population programs.

Daniel Weintraub, vice president for international programs of the Planned Parenthood Federation of America, said:

> I know that there are some people in our own country * * * who sincerely believe that we should compromise, we should accept the Administration's policy. And the argument goes that "after all, abortion in our international programs is only a small percentage of our entire program. Strategically we would be better off to try to save family planning by giving up abortion." Well, I tell you that these people are wrong * * * One of the principles of the Planned Parenthood Federation of America is that reproductive freedom is indivisible. * * *

But, Mr. Chairman, I'm happy to say that all family planning agencies are not so attached to abortion. AID informed Congress yesterday that western hemisphere region International Planned Parenthood Federation intends to agree to the administration's no abortion policy and thus become eligible for funding. They are now in line for $12 million in grant money in fiscal year 1986–87 for family planning programs that exclude abortion.

I would remind my colleagues that when faced with a similar situation in 1983, the Pathfinder fund, a multimillion worldwide family planning organization that aggressively promoted abortion, divested itself from abortion, and thus became eligible for AID funding.

Mr. Chairman, it seems clear to me that the administration's Mexico City policy is a reasonable, measured policy that should be affirmed today by this body and certainly not reversed.

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield for a question on that point?

Mr. SMITH of New Jersey. On your time I will. I only have 15 minutes.

Mr. Chairman, I urge Members to support my amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has consumed 7 minutes of his 15 minutes allotted time.

The Chair now recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, it concerns me that what I believe to be the misguided efforts of my colleague from New Jersey will simply reduce the nonabortion options in this world. Under the standards that the gentleman from New Jersey sets, there would be no population funds available for the United States of America if the same standards were applied. We would not be able to fund alternative family planning methods in this country if the proposal of the gentleman from New Jersey were to be forced on the American people.

Now, what are we talking about so far as the problem in the rest of the world?

In this country we are grappling with 7-percent unemployment, with a population that is relatively stable. In Central America, over the last several decades, the population has doubled. What does that mean for those trying to provide food and clothing, not opportunity and BMW's or college education, but the minimal amount of health care for those people? If we experienced the same growth rate as many of these nations are, we would have doubled our population today with perhaps 500 million, with unemployment running 50 and 60 percent, unable to provide education, food, and clothing for our own citizens.

Mr. KOSTMAYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE].

AMENDMENT OFFERED BY MS. SNOWE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Ms. SNOWE. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Ms. SNOWE as a substitute for the amendment offered by Mr. SMITH of New Jersey:

Page 41, at the end of line 6, insert the following: Nothing in this paragraph shall be construed to allow funds made available to carry out this part to be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions.

Ms. SNOWE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, according to Deschler, chapter 27, section 16.9, "A substitute for a motion to strike out is not in order."

I would appreciate if the Chair would rule on that. I do not think the amendment is in order, and I make the point of order that it is not.

□ 1330

The CHAIRMAN (Mr. AUCOIN). The Chair will state that the Smith amendment strikes language from the bill, and the Snowe amendment adds language to the bill as an alternative to the Smith amendment in the same portion of the bill that the Smith language treats.

The Chair rules that the amendment could have been a preferential perfecting amendment to the bill but will be acceptable as a substitute, since the order of voting is not different.

The Chair recognizes the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. I thank the Chair.

Mr. Chairman, the amendment that I am offering today on behalf of the distinguished chairman of the Foreign Affairs Committee and myself takes in good faith the stated intent of the gentleman from New Jersey in offering his amendment.

The gentleman claims to support U.S. international family assistance programs, saying that he is merely opposed to U.S. support for abortion. The amendment that I am offering here today reinforces the existing prohibitions on using U.S. population aid to fund abortions without threatening the voluntary, nonabortion methods of family planning around the world.

My amendment simply states that nothing in this bill would be construed as allowing U.S. funds to perform or promote abortions as a method of family planning. The Foreign Affairs Committee considered the amendment offered by the gentleman from New Jersey and it was rejected by a bipartisan, 2-to-1 vote. It is unfortunate that domestic politics is once again endangering international family planning assistance programs. Despite what my colleague from New Jersey has said, his amendment will not reduce abortions around the world.

Let us understand what we are talking about here today. Existing law since 1973 with the enactment of the Helms amendment has prohibited any support for abortions through U.S. population assistance programs. The gentleman's amendment would place restrictions on international family planning programs far more extreme than those placed on domestic organizations. But while his amendment would not reduce abortions worldwide, what it would do is threaten a very fragile, international family planning infrastructure. The inevitable result? It would mean greater deprivation to the already overpopulated countries of this world, and yes, even more abortions.

If the gentleman's amendment were to restate the existing prohibition on our support for abortions, then I would join the gentleman in adoption of that amendment. Despite the innocuous language in his amendment, the effect of his amendment would be to overturn the policy of four administrations, three Republicans and one Democrat, including the first term of the Reagan administration.

What we need to understand is the historical evolution of our role and our commitment to international family planning programs. In 1984, at the World Population Conference in Mexico City, for the first time we retreated from a bipartisan commitment of support for international family planning programs. Our delegation announced that we would suspend all assistance to private international organizations if they use non-U.S. funds for abortions, even funds from their own national governments. They could not use funds, not U.S. funds, for counseling services, referral services, and they could not mention abortion's legal availability within a specific country.

The International Planned Parenthood Federation has not violated U.S. law. Our funds have never been used for abortion or abortion-related activities in any country. The administration and others like the gentleman from New Jersey, has chosen to reinterpret policy that has had the bipartisan support for the last 20 years. That is what we are talking about here, ladies and gentlemen. It is a retreat from policy that has been heretofore unacceptable in this country.

In 1974 at the World Population Conference in Bucharest, our U.S. del-

egation, headed by Caspar Weinberger, worked very hard to convince developing nations that unprecedented population growth rates would affect their economic development and their economic progress. In the intervening time, between the World Population Conference in 1974 and the World Population Conference in 1984, a reversal of outlook took place on the part of these developing nations. They recognize that, yes, accelerated population growth rates would outstrip economic development. In Africa alone, per capita production has fallen off in light of projected increases in population which is expected to double by the turn of the century and beyond.

Last summer, a delegate from Nigeria was quoted as saying at the World Population Conference, and I quote:

> In the early 70's population growth was not considered to be a matter of concern. It is now evident that the view has to be reappraised.

Mr. Chairman, now, just as the prospect for bringing down dangerously high population growth rates in the poorest parts of the world, we should be renewing our commitment to international family planning programs, not retreating into the morass of crippling amendments such as the one offered by the gentleman from New Jersey.

There is one other issue I would like to address here today and that is the issue of fungibility. The gentleman from New Jersey has said that population assistance is fungible. That is to say he argues that if we provide population assistance to countries that allow abortions, the, somehow, we are indirectly funding those activities that are funded by other sources. Well, if we apply that argument to population assistance, then indeed we should apply that same argument to all foreign aid. We might as well discontinue our support for emergency food measures we give to Bangladesh for fear they would spend more on abortion and less on food purchases.

We might as well not give money to UNICEF because they have a $50-million program in China or they have immunization programs in developing nations where abortions are legal. The argument is ludicrous. But no less extreme is the amendment of the gentleman from New Jersey. It would be catastrophic because it is the beginning of unraveling U.S. support for international family planning assistance. They have targeted the U.N. Fund for Population Activities; their target is now the International Planned Parenthood Federation. This antiabortion crusade has now become an antifamily planning crusade and those who suggest this course of action must also assume the consequences of more famine, more deprivation, more starvation, and yes, more abortions.

One other point: We are setting a double standard. This is a new bifurcated policy, one in which we treat the private organizations in other countries differently from the governments in those countries. We will continue to provide family planning assistance to governments which permit abortions, but we will deny it to the private organizations that are the most effective, the most efficient, and cost half the price of government-operated programs.

Yet, there are very few in fact, only 30, bilateral programs which we have engaged in with other nations. So the gentleman is arguing that we are going to reprogram this money, and yet, there aren't any organizations which will accept reprogrammed funds. More than 50 percent of the funds have not been reprogrammed. That is a fact, and these international planning organizations such as IPPF have been the most effective in providing family planning services in the less developed areas of the world.

Mr. KOSTMAYER. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman.

Mr. KOSTMAYER. I thank the gentlewoman.

Mr. Chairman, we just got off the telephone with the AID office; not one single cent of this money, as of today at 1 o'clock, has been reprogrammed. Not one single other group has been willing to sign those restrictive covenants which would permit them to expend these funds.

When the gentleman from New Jersey said it, and I know he did not do it deliberately, he seriously misled the Congress. The money has not been reprogrammed.

Ms. SNOWE. I thank the gentleman for making that point. Mr. Chairman, I say to the Members please support the amendment that I have offered here today because what we are talking about is antifamily planning. This is not an antiabortion issue as the gentleman would suggest.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. KOSTMAYER] has consumed 10 minutes and the gentleman from New Jersey [Mr. SMITH] has consumed 7 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to respond to the point the gentleman just raised. I pointed out that money is in the process of being reprogrammed and that International Planned Parenthood of the Western Hemisphere region is in the process of accepting the terms, and congressional notification is already in the process of occurring. It does take time, but it is in the process of occurring.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE].

□ 1340

Mr. HYDE. I thank the gentleman for yielding this time to me.

Mr. Chairman, of course no money is reprogrammed. They are waiting to see how this issue comes out, and the minute it is decided what Congress is going to do, we will see the reprogramming.

There are organizations that will accept this money who are not in the business of performing abortions or advocating them. This is not antifamily planning unless you inextricably link abortion with family planning. The policy of this administration, which the Smith amendment seeks to enforce, is to say yes to family planning, no to abortion.

There are organizations willing to accept that once Congress decides. I do not understand why we have to assume that organizations that perform or support abortions have a claim on tax dollars of this country. There are such organizations, ready to take these funds, and no money will be withheld from them. This is not antifamily planning; it is antikilling unborn children.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has 6½ minutes remaining and the gentleman from Pennsylvania [Mr. KOSTMAYER] has 5 minutes remaining. The gentleman from Pennsylvania [Mr. KOSTMAYER] does have the right to close.

Mr. KOSTMAYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the issue here is fairly simple. The United States provides one-third of the budget to IPPF. Their budget is about $51 million annually. We provide about $17 million of that. Of that $51 million, approximately $300,000, or less than 1 percent, is used for abortion-related activities. That includes life-supporting medical care for women who have had botched abortions, for example.

What the House is hopefully about not to do is to end our 20-year bipartisan commitment under five Presidents of both parties to the International Planned Parenthood Federation, because they have used less than 1 percent or $300,000 for septic abortions.

None of this money has to date been reprogrammed. We have documentation from those groups who would be the recipients of these funds, if they were to be reprogrammed, that it is not their intention to accept these funds. The Snowe amendment provides that no U.S. dollars will be spent

on abortion. It reaffirms and recommits American policy to this position.

It would be a tragedy, Mr. Chairman, a tragedy, ladies and gentlemen, to end our country's 20-year bipartisan commitment to voluntary family planning by adopting the amendment offered by the gentleman from New Jersey. I urge its rejection.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair will state to the gentleman from New Jersey [Mr. SMITH] that the gentleman from Pennsylvania [Mr. KOSTMAYER] has the right to close debate, so the Chair does now recognize the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. DEWINE].

Mr. DEWINE. I thank the gentleman for yielding this time to me.

Mr. Chairman, in 1 minute let me try to summarize what the issue is. The issue is not about family planning. Every single penny is going to be spent for family planning. So whether you are for family planning or against it, that is not the issue today.

The issue is abortion. The issue is whether or not, and I will read directly the quote, are we going to deny, and here is the issue, not family planning, the issue is are we going to "deny funds to private foreign organizations which perform or actively promote abortion as a method of family planning." That is the issue we are going to be voting on in just a moment.

Our argument about fungibility does make sense. As I pointed out earlier, that is the argument your side of the aisle always makes in the Grove City example, that if you discriminate in a college, we should completely cut off all funds. That has been the argument, and it is an argument that certainly has some merit. Why doesn't your side accept that argument in regard to this issue, where the clear goal of some organizations is to integrate abortion and family planning. That is what these organizations are actually doing.

What we are trying to do is to separate these issues. You can be in favor of family planning and against abortion, and that is what this issue is about.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY TO THE AMENDMENT OFFERED BY MS. SNOWE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment to the amendment offered as a subsitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey to the amendment offered by Ms. SNOWE as a substitute for the amendment offered by Mr. SMITH of New Jersey: At the end of the substitute insert the following:

"The President, if he determines that to do so would promote voluntary family planning goals, not withstanding paragraphs (A) and (B), may deny funds for population planning purposes under this part to a foreign country, an international organization, or a nongovernmental organization, and he may deny or require denial of funds (or goods or services financed with such funds) to any direct or indirect recipient of funds, goods, or services from a foreign country, an international orgainization, or a nongovernmental organization which receives those funds under this part for population planning purposes,

because of the types of voluntary and noncoercive family planning programs which it carries out or promotes, or for which it provides funds, goods, or services (directly or through another entity), even if it does so entirely with funds other than the funds made available by the United States under this part.

Mr. SMITH of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. FASCELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. FASCELL. Mr. Chairman, I think it would be real nice if we had a copy of the amendment, and I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman reserves a point of order against the amendment.

The Clerk will continue reading the amendment.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] is recognized in support of his amendment. The gentleman is still operating under the time limitation, and he has 5½ minutes remaining.

PARLIAMENTARY INQUIRY

Mr. FASCELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FASCELL. Mr. Chairman, I just want to be sure what the procedural position is that we are in here right now, having reserved a point of order. But as I understand it, there is a primary amendment, then there is an amendment in the nature of a substitute. I am trying to find out what this latest offering is.

The CHAIRMAN. The Chair will state that before the committee now is a perfecting amendment by the gentleman from New Jersey [Mr. SMITH] to the substitute amendment offered by the gentlewoman from Maine [Ms. SNOWE].

The Chair will further state that the first vote, then, will come on the Smith perfecting amendment, the second vote on the Snowe substitute, and the third vote on the Smith amendment.

Mr. FASCELL. On this tree, Mr. Chairman, that we have been presented with, is there anything hanging on the primary amendment?

The CHAIRMAN. The Chair will state that no perfecting amendment has been offered to the amendment.

Mr. FASCELL. I thank the Chair.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SMITH] and he has 5½ minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I will keep it very brief.

This amendment simple restates my original goal, and that is to preserve the President's Mexico City policy which is now current policy. This amendment will give the Congress an affirmative opportunity to vote in favor of that policy, which requires that nongovernment foreign-based organizations receiving U.S. funds not perform or actually promote abortion. Our money will be conditioned upon whether or not they provide abortions out of it with their own money or ours.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I would be happy to yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the Smith amendment, as I did for the previous Smith amendment. It was not only the position of the United States at the Mexico City conference to deny funds to any private foreign organization which performed or actively promoted abortion as a method of family planning; that policy was consistent with the world population plan of action which was adopted at that conference which also states that abortion "in no case should be promoted as a method of family planning."

□ 1350

The issue, I would say to my distinguished colleagues, is not family planning versus no family planning. The Smith amendment will not decrease funding for family planning programs by 1 cent. I favor a continuing commitment to these programs. But it should not be our policy to include the use of abortion as a method of family planning and it seems to me that is very clear that most of the Members agree. They will get their best chance to restate how they view family planning and the issue of abortion by their vote on the Smith amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. KEMP. Mr. Chairman, first I want to quote for my dear colleague,

the gentlewoman from Maine, with whom I have a fond relationship, a Third World economist who told us that the very best way to lead to economic development is to promote smaller families. Indira Gandhi in 1984, I would say to the gentlewoman from Maine [Ms. SNOWE], said:

The very best way of inducing people to have smaller families is more economic development. Where we have highly industrialized areas and better education and better agriculture, we find automatically families tend to grow smaller.

Now, the question is really—and I do not mean to be controversial—does economic development precede or follow family planning? I happen to believe, as I stand here on the floor today, that one thing this Nation must do is promote the Third World economic development that is so necessary, not only for their own markets but to help them deal with the possibility of having fewer children. I would like to see that as a natural course of events, and it seems to me the Smith amendment simply states that a child is not just a mouth, he or she is also two hands and a mind with a potential to contribute to his or her country, to the family, and to the world, and abortion is outside the realm of this policy.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I will yield. I do want to yield to the gentleman from Illinois.

The CHAIRMAN. The gentleman will suspend. The Chair will state that the gentleman from New Jersey [Mr. SMITH] controls the time. He had yielded to the gentleman from New York without designating a fixed amount of time.

Mr. KEMP. I am sorry, Mr. Chairman.

I just wanted to point out, Mr. Chairman, that there are those of us who really believe that people are a resource in and of themselves and that family planning is necessary, but it is not only a result of some of the good work that is done by some of the international agencies, it is also a result of families being able to cope with their economic problems, and we should be promoting both, but not abortion. That is what our Mexico City plan said, and I cannot understand why anyone would disagree with that.

Mr. PORTER. Mr. Chairman, will the gentleman from New Jersey yield?

Mr. SMITH of New Jersey. I yield very briefly to the gentleman from Illinois.

Mr. PORTER. Mr. Chairman, I have a very brief question.

The gentleman has said he favors this policy as applied overseas. Does the gentleman also favor this policy applied domestically so that any hospital performing a legal abortion in the United States would have its voluntary family planning clinic closed?

Mr. KEMP. No.

Mr. SMITH of New Jersey. Mr. Chairman, I will reclaim my time.

Mr. PORTER. Do you want to answer the question? Would the gentleman answer the question?

Mr. KEMP. Mr. Chairman, I do not agree with the gentleman on the issue.

Mr. SMITH of New Jersey. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I do not agree with the gentleman from Illinois on his approach to this issue either domestically or internationally, but that is an honest disagreement. We are for family planning, but this issue is whether or not family planning should include abortion. We do not want to be characterized by the gentleman and some of his colleagues as being against family planning because we are willing to support a healthy budget for family planning, without abortion.

Mr. Chairman, for the record I also want to express the reasons for my support for the amendment earlier adopted by the House to end U.S. taxpayer support for organizations that refuse to disassociate themselves from the brutal practices of coerced abortion and forced sterilization that are used in the People's Republic of China to enforce a one child per family mandate and policy that often results in female infanticide. This amendment would not in any way reduce U.S. funds for voluntary population programs overseas—it would only require that those funds be spent in programs which uphold the human rights of their participants.

There is absolutely no question about the validity of the many independent reports, from diverse sources, which show that the People's Republic of China's one child per family policy is enforced through coerced abortion, forced sterilization, and often results in the infanticide of innocent newborn girls.

Let me quote for my colleagues the words of Qian Xinzhong, former family planning minister of the People's Republic of China:

Births are a matter of state planning, just like other economic and social activities. . . . A couple cannot have a baby just because it wants to.

Imagine that—a couple cannot have a baby because it wants to. I ask my colleagues to reflect for a moment on the implications of that statement.

Now let me share with my colleagues another quote from family planning minister Qian—a statement which is very relevant to today's debate. In his book "The Crowded Earth" (Norton, 1984), which was funded in part by a UNFPA grant, former New York Times correspondent Pranay Gupte reported on the reaction of PRC family planning minister Qian to the news that the U.N. had given him its first ever award for "the most outstanding contribution to the awareness of population questions." Qian "immediately launched into an appreciation of what the United Nations award meant to him and the Chinese. The award had, Qian said, put the imprimatur of the world body on China's efforts." By the way, Nobel laureate economist Theodore Schultz resigned from the U.N. award advisory committee in protest over this award to the PRC.

Mr. Chairman, the Washington Post ran an excellent series and editorial on this issue in January. I'd like to quote a portion of that article for my colleagues:

This story offers a glimpse of China usually hidden from foreigners but painfully familiar to most Chinese—a world of government sanctioned infanticide, of strongarm sterilizations, and of abortions performed at a rate as high as 800,000 per year in a single province. It is a harsh milieu, in which houses are razed and valuables seized as the penalty for birth control violations . . . abortion posses scoured the countryside in the spring of 1981, rounding up women in rice paddies and thatched roof houses. Expectant mothers, including many in their last trimester, were trussed, handcuffed, herded into hog cages and delivered by the truckload to the operating tables of rural clinics according to eyewitness accounts.

These practices are repugnant to Americans and to all people who respect human rights. So the question raised by the Smith amendment is not whether the United States should fund programs that participate in these brutal practices—clearly we should not. The real question is why an organization such as the UNFPA wants to associate itself in any way with these practices?

Does the UNFPA share responsibility for the human rights abuses which are a pervasive part of the PRC's population program? Or, is the UNFPA an innocent bystander? Or, as some have asserted, is the UNFPA actually a restraining influence on the Government of the PRC?

I would like to believe that the UNFPA is not implicated in the program's pervasive coercion. But the evidence is overwhelmingly to the contrary. Therefore, I support the Smith amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I will reclaim my time and remind my colleagues, particularly those viewing this back in their offices, that there are organizations like the Pathfinder Fund which was very much involved in the promotion of abortions that dropped it or divested from its abortion component and now is fully eligible to receive funds. As I pointed out before, the International Planned Parenthood Federation, Western Hemisphere Region, has also given strong indications that they are in the process of ——

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield? The gentleman is incorrect.

Mr. SMITH of New Jersey. Mr. Chairman, I ask the gentleman to cease because I have the time.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has the time.

Mr. SMITH of New Jersey. Mr. Chairman, I would point out that they are in the process of agreeing to the conditions that have been placed upon them, and that concluding document shall be forthcoming in the near future. IPPF affiliates would also be eligible again.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

The Chair now recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER], who has 3½ minutes remaining.

Mr. KOSTMAYER. Mr. Chairman, I yield 15 seconds to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, the gentleman from New Jersey is incorrect. There is a proposal by our AID people. It has not been accepted and there are presently no plans for their acceptance.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield? The gentleman is incorrect.

The CHAIRMAN. The gentleman is out of order. The Chair will state that the gentleman has not yielded.

The time of the gentleman from Connecticut [Mr. GEJDENSON] has now expired and the Chair recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, it seems to me that there is a bit of hypocrisy here in taking one position overseas and another position at home. What we are saying to the nongovernmental organizations overseas is that if there are any funds of their own spent on anything related to abortion, the United States is going to cutoff our support for that organization's voluntary family planning program. We do not say that at home. I would think that the gentleman from New Jersey [Mr. SMITH] might be prepared at some point to offer some such amendment to apply his policy here at home as well.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PORTER. What would that mean? It would mean that every hospital in the United States and every clinic in the United States that performs a legal abortion that has, as part of its health services, family planning services will have the funding for those family planning services cutoff. That is the very policy we are going to apply overseas even though they are using money that is not money of the United States. There has never been $1 of American money ever spent for abortions anywhere in the world, nor should there be.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. PORTER] has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the Snowe substitute and in opposition to the Smith amendment which would cut off the entire U.S. contribution to a number of international organizations in the population assistance field, including the International Planned Parenthood Federation.

The Smith amendment would codify the Reagan administration's Mexico City policy, designed to place restrictions on our international family planning programs far more extreme than those which we accept for our domestic programs.

I attended the U.N. Conference as part of an unofficial group of observers from the House of Representatives. For reasons best explained by the Reagan administration, no Members of Congress, Republican or Democratic, were appointed to the official delegation itself. Moreover, the delegation was all male, with the exception of one female alternate, and led by a prominent abortion foe, James Buckley.

Buckley briefed our congressional group in Mexico City and denied that the delegation was advocating any change in U.S. policy. The fact is the Buckley delegation intended to move for a complete cutoff of foreign aid to any public or private groups that use private moneys from other sources for abortion services of any kind, including routine counseling on family planning options. Just mentioning the word "abortion" would be abortion promotion, according to the new policy.

The Smith amendment reaffirms and codifies this change in U.S. policy.

In Mexico City, we asked Buckley and the other official delegates why U.S. policy had changed and how they could justify that change. We pointed out that there was no evidence that the 1974 Helms amendment, which prohibits the use of U.S. foreign aid money to pay for abortions, was not being adhered to. Nor had Congress authorized any change.

Finally, one delegate burst out the confession: This was Ronald Reagan's personal opinion.

Mr. Chairman, I don't find that as justification to deny family planning programs to developing countries.

I would like to remind my colleagues that 10 years ago, when the first U.N. family planning conference was held in Bucharest, the United States was one of the few countries advocating family planning. It was during a Republican administration and Caspar Weinberger, then Secretary of Health, Education, and Welfare, went to the conference to tell participating countries that it made no sense to pump development into countries unless they had family planning.

The Smith amendment would curtail legitimate family planning. It goes against the worldwide consensus that has emerged on two points: The right of families to choose the number and spacing of children, and the need for governments and organizations to provide families with the capability to plan family size, as part of sound policy for economic development.

The Smith amendment is a form of cultural imperialism where the United States dictates that abortions cannot even be mentioned worldwide, when they are already legal in 85 percent of the world, including the United States. I urge my colleagues to vote against it.

The CHAIRMAN. The Chair now recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER], who has 1 minute and 15 seconds remaining.

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, this is not a prolife amendment. It is, in effect an antifamily planning amendment, and let me explain why I say that.

Let us be clear about the Smith amendment. It does not say that no money shall go to an organization which provides any abortion-related assistance. What it says is that no money shall go to any organization which in turn gives any money or has anything to do with any organization which has abortion-related activities.

So the Grove City example cited by the gentleman from Ohio is a poor one. If what we would be doing under Smith were to be followed in a Grove City situation, this would be the result: No money could go to a university which in turn does business of any kind with anybody who fails to follow prescribed practices. Their type of result does not make any sense for AID's population assistance, is unnecessary and unworkable.

The gentleman from New York has said that economic development should come before family planning. There have been arguments for years which comes first, and I say: A pox on both houses that claim one or the other comes first. Economic development is interrelated with population growth rates. Both are needed—economic development and family planning.

Mr. Chairman, I urge that we defeat the Smith amendment.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER], who has 15 seconds remaining.

Mr. KOSTMAYER. Mr. Chairman, I yield myself the balance of the time remaining.

Mr. Chairman, the Smith amendment will reduce voluntary family planning money in the developing world. If we deny family planning to the poor women of the Third World, many will never-the-less become pregnant, there will be more abortions, and in fact the Smith amendment will increase dramatically the number of abortions in the Third World.

Mr. Chairman, I ask the Members to oppose the Smith amendment and to preserve our national commitment to voluntary family planning.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KOSTMAYER] has expired. All time has expired.

If the Chair may have the attention of the chairman of the committee, the Chair will inquire of the gentleman from Florida whether he intends to insist on his point of order.

Mr. FASCELL. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The gentleman from Florida [Mr. FASCELL] withdraws his point of order, and all time has expired.

The Chair now will state the order of votes on the three pending amendments. The first vote will be on the Smith amendment to the Snowe substitute; the second vote will be on the Snowe substitute; and the third vote will be on the Smith amendment.

For what purpose does the gentleman from Pennsylvania [Mr. KOSTMAYER] rise?

Mr. KOSTMAYER. Mr. Chairman, I had difficulty hearing the Chair's announcement. I wonder if the Chair would repeat the order of the votes.

□ 1400

The CHAIRMAN. The Chair will state again the sequence of votes on the pending three amendments.

The first vote will be on the amendment offered by the gentleman from New Jersey [Mr. SMITH] to the amendment offered by the gentlewoman from Maine [Ms. SNOWE] as a substitute for the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The second vote will be on the amendment offered by the gentlewoman from Maine [Ms. SNOWE] as a substitute for the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The third vote will be on the amendment offered by the gentleman from New Jersey [Mr. SMITH], as or as not amended.

Mr. KOSTMAYER. Mr. Chairman, I ask uanimous consent that the second and third votes be 5-minute votes, if there is a rollcall vote on the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The CHAIRMAN. The Chair will not entertain that request, because Members have not have adequate and proper notice.

The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH] to the amendment offered by the gentlewoman from Maine [Ms. SNOWE] as a substitute for the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 234, noes 189, not voting 10, as follows:

[Roll No. 216]

AYES—234

Annunzio	Emerson	Long
Applegate	English	Lott
Archer	Evans (IA)	Lowery (CA)
Armey	Fields	Lujan
Barnard	Flippo	Luken
Bartlett	Florio	Lungren
Barton	Franklin	Mack
Bateman	Fuqua	Madigan
Bennett	Gaydos	Manton
Bereuter	Gibbons	Marlenee
Bevill	Gingrich	Martin (NY)
Biaggi	Goodling	Mavroules
Bilirakis	Gradison	Mazzoli
Bliley	Gray (IL)	McCain
Boggs	Grotberg	McCandless
Boland	Gunderson	McCloskey
Boner (TN)	Hall (OH)	McCollum
Bonior (MI)	Hall, Ralph	McDade
Boulter	Hamilton	McEwen
Breaux	Hammerschmidt	McGrath
Broomfield	Hansen	McMillan
Burton (IN)	Hartnett	Michel
Byron	Hendon	Miller (OH)
Callahan	Henry	Moakley
Campbell	Hertel	Molinari
Carney	Hiler	Mollohan
Chappell	Hillis	Monson
Chappie	Holt	Montgomery
Cheney	Hopkins	Moore
Clinger	Hubbard	Moorhead
Coats	Huckaby	Murphy
Cobey	Hunter	Murtha
Coble	Hutto	Myers
Coleman (MO)	Hyde	Natcher
Combest	Ireland	Nelson
Conte	Jenkins	Nichols
Cooper	Jones (TN)	Nielson
Courter	Kanjorski	Nowak
Coyne	Kaptur	O'Brien
Craig	Kasich	Oakar
Crane	Kemp	Oberstar
Dannemeyer	Kildee	Ortiz
Darden	Kindness	Oxley
Daub	Kleczka	Packard
Davis	Kolter	Parris
DeLay	Kramer	Pashayan
DeWine	LaFalce	Pepper
DioGuardi	Lagomarsino	Perkins
Donnelly	Latta	Petri
Dornan (CA)	Leath (TX)	Price
Dowdy	Lent	Quillen
Dreier	Lewis (CA)	Rahall
Duncan	Lightfoot	Ray
Dyson	Lipinski	Regula
Early	Livingston	Reid
Eckert (NY)	Lloyd	Ridge
Edwards (OK)	Loeffler	Rinaldo
Ritter	Siljander	Tallon
Roberts	Skeen	Tauke
Robinson	Skelton	Tauzin
Roe	Slaughter	Taylor
Roemer	Smith (NE)	Traxler
Rogers	Smith (NH)	Vander Jagt
Rostenkowski	Smith (NJ)	Volkmer
Roth	Smith, Denny	Vucanovich
Rowland (CT)	Smith, Robert	Walker
Rudd	Snyder	Watkins
Russo	Solomon	Weber
Saxton	Spence	Whitehurst
Schaefer	St Germain	Whitten
Schuette	Staggers	Williams
Schulze	Stallings	Wolf
Sensenbrenner	Stangeland	Wortley
Shaw	Stenholm	Wylie
Shelby	Stump	Yatron
Shumway	Sundquist	Young (AK)
Shuster	Sweeney	Young (FL)
Sikorski	Swindall	Young (MO)

NOES—189

Ackerman	Ford (MI)	Neal
Addabbo	Ford (TN)	Obey
Akaka	Fowler	Olin
Alexander	Frank	Owens
Anderson	Frenzel	Panetta
Andrews	Frost	Pease
Anthony	Gallo	Penny
Aspin	Garcia	Pickle
Atkins	Gejdenson	Porter
AuCoin	Gekas	Pursell
Badham	Gephardt	Rangel
Barnes	Gilman	Richardson
Bates	Glickman	Rodino
Bedell	Gonzalez	Rose
Berman	Gordon	Roukema
Boehlert	Gray (PA)	Rowland (GA)
Bonker	Green	Roybal
Borski	Gregg	Sabo
Bosco	Guarini	Savage
Boucher	Hatcher	Scheuer
Boxer	Hawkins	Schneider
Brooks	Hayes	Schroeder
Brown (CA)	Horton	Schumer
Brown (CO)	Howard	Seiberling
Broyhill	Hoyer	Sharp
Bruce	Hughes	Sisisky
Bryant	Jacobs	Slattery
Burton (CA)	Jeffords	Smith (FL)
Bustamante	Johnson	Smith (IA)
Carper	Jones (NC)	Snowe
Carr	Jones (OK)	Solarz
Chandler	Kastenmeier	Spratt
Clay	Kennelly	Stark
Coelho	Kolbe	Stokes
Coleman (TX)	Kostmayer	Strang
Collins	Lantos	Stratton
Conyers	Leach (IA)	Studds
Coughlin	Lehman (FL)	Swift
Crockett	Leland	Synar
Daschle	Levin (MI)	Thomas (CA)
Dellums	Levine (CA)	Thomas (GA)
Dickinson	Lewis (FL)	Torres
Dicks	Lowry (WA)	Torricelli
Dingell	Lundine	Towns
Dixon	MacKay	Traficant
Dorgan (ND)	Markey	Udall
Downey	Martin (IL)	Valentine
Durbin	Matsui	Vento
Dwyer	McCurdy	Visclosky
Dymally	McHugh	Walgren
Eckart (OH)	McKernan	Waxman
Edgar	McKinney	Weaver
Edwards (CA)	Meyers	Weiss
Erdreich	Mica	Wheat
Evans (IL)	Mikulski	Whitley
Fascell	Miller (CA)	Whittaker
Fawell	Miller (WA)	Wilson
Fazio	Mineta	Wirth
Feighan	Mitchell	Wise
Fiedler	Moody	Wolpe
Fish	Morrison (CT)	Wyden
Foglietta	Morrison (WA)	Yates
Foley	Mrazek	Zschau

NOT VOTING—10

Beilenson	Derrick	Martinez
Bentley	Hefner	Wright
Daniel	Heftel	
de la Garza	Lehman (CA)	

□ 1410

Mr. KASTENMEIER changed his vote from "aye" to " no."

Mr. NOWAK changed his vote from "no" to "aye."

So the amendment to the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment, as amended, offered by the gentlewoman from Maine [Ms. SNOWE] as a substitute for the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The amendment, as amended, offered as a substitute for the amendment was agreed to.

□ 1420

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH] as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—OTHER FOREIGN ASSISTANCE ACT PROGRAMS

SEC. 401. AMERICAN SCHOOLS AND HOSPITALS ABROAD.

Section 214(c) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(c)(1) To carry out the purposes of this section, there are authorized to be appropriated to the President $40,000,000 for fiscal year 1986 and $40,000,000 for fiscal year 1987.

"(2) Amounts appropriated under paragraph (1) are authorized to remain available until expended.".

SEC. 402. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS.

Section 302(a)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a)(1) There are authorized to be appropriated to the President $284,904,000 for fiscal year 1986 and $284,904,000 for fiscal year 1987 for grants to carry out the purposes of this chapter, in addition to funds available under other Acts for such purposes. Of these amounts—

"(A) $170,000,000 for fiscal year 1986 and $170,000,000 for fiscal year 1987 shall be for the United Nations Development Program;

"(B) $55,000,000 for fiscal year 1986 and $55,000,000 for fiscal year 1987 shall be for the United Nations Children's Fund;

"(C) $20,500,000 for fiscal year 1986 and $20,500,000 for fiscal year 1987 shall be for the International Atomic Energy Agency, except that these funds may be contributed to that Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency;

"(D) $15,500,000 for fiscal year 1986 and $15,500,000 for fiscal year 1987 shall be for Organization of American States development assistance programs;

"(E) $10,000,000 for fiscal year 1986 and $10,000,000 for fiscal year 1987 shall be for the United Nations Environment Program;

"(F) $2,000,000 for fiscal year 1986 and $2,000,000 for fiscal year 1987 shall be for the World Meteorological Organization;

"(G) $2,000,000 for fiscal year 1986 and $2,000,000 for fiscal year 1987 shall be for the United Nations Capital Development Fund;

"(H) $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 shall be for the United Nations Education and Training Program for Southern Africa;

"(I) $500,000 for fiscal year 1986 and $500,000 for fiscal year 1987 shall be for the United Nations Voluntary Fund for the Decade for Women;

"(J) $200,000 for fiscal year 1986 and $200,000 for fiscal year 1987 shall be for the Convention on International Trade in Endangered Species;

"(K) $2,000,000 for fiscal year 1986 and $2,000,000 for fiscal year 1987 shall be for the World Food Program;

"(L) $500,000 for fiscal year 1986 and $500,000 for fiscal year 1987 shall be for the United Nations Institute for Namibia;

"(M) $343,000 for fiscal year 1986 and $343,000 for fiscal year 1987 shall be for the United Nations Trust Fund for South Africa;

"(N) $100,000 for fiscal year 1986 and $100,000 for fiscal year 1987 shall be for the United Nations Voluntary Fund for Victims of Torture;

"(O) $200,000 for fiscal year 1986 and $200,000 for fiscal year 1987 shall be for the United Nations Industrial Development Organization;

"(P) $1,561,000 for fiscal year 1986 and $1,561,000 for fiscal year 1987 shall be for the United Nations Development Program Trust Fund to Combat Poverty and Hunger in Africa;

"(Q) $2,750,000 for fiscal year 1986 and $2,750,000 for fiscal year 1987 shall be for contributions to international conventions and scientific organizations;

"(R) $500,000 for fiscal year 1986 and $500,000 for fiscal year 1987 for the United Nations Centre on Human Settlements (Habitat); and

"(S) $250,000 for fiscal year 1986 and $250,000 for fiscal year 1987 for the World Heritage Fund.".

SEC. 403. PALESTINE LIBERATION ORGANIZATION.

Chapter 3 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 307. PALESTINE LIBERATION ORGANIZATION.

"(a) PROHIBITION ON FUNDING.—Funds authorized to be appropriated by this chapter may not be made available for the United States proportionate share for programs for the Palestine Liberation Organization or for projects whose primary purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it.

"(b) ANNUAL REVIEW.—The Secretary of State—

"(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any such funds; and

"(2) shall report to the appropriate committees of the Congress the amounts of funds expended by each such organization for the purposes described in subsection (a) and the amount contributed by the United States to each such organization.".

SEC. 404. SOUTH-WEST AFRICA PEOPLE'S ORGANIZATION.

Chapter 3 of part I of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new section:

"SEC. 308. SOUTH-WEST AFRICA PEOPLE'S ORGANIZATION.

"(a) LIMITATION ON FUNDING.— Funds authorized to be appropriated by this chapter may not be made available for the United States proportionate share for programs for the South-West Africa People's Organization, except that funds may be made available for the United States proportionate share of programs for the South-West Africa People's Organization if the President certifies to the Congress that such funds would not be used to support the military or paramilitary activities of the South-West Africa People's Organization.

"(b) ANNUAL REVIEW.—The Secretary of State—

"(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any such funds; and

"(2) shall report to the appropriate committees of the Congress the amounts of funds expended by each such organization for the purposes described in subsection (a) and the amount contributed by the United States to each such organization.".

SEC. 405. INTERNATIONAL DISASTER ASSISTANCE.

The first sentence of section 492(a) of the Foreign Assistance Act of 1961 is amended to read as follows: "There are authorized to be appropriated to the President to carry out section 491, $25,000,000 for fiscal year 1986 and $25,000,000 for fiscal year 1987.".

SEC. 406. ANTI-TERRORISM ASSISTANCE PROGRAM.

(a) AUTHORIZATIONS.—Section 575 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 575. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) AUTHORIZATIONS.—There are authorized to be appropriated to the President to carry out this chapter $5,000,000 for fiscal year 1986 and $5,000,000 for fiscal year 1987.

"(b) EXTENDED OBLIGATIONAL AVAILABILITY.—Amounts appropriated under this section are authorized to remain available until expended.".

(b) ITEMS ON THE MUNITIONS LIST.—Section 573(d)(4) of such Act is amended to read as follows:

"(4)(A) Except as provided in subparagraph (B), articles on the United States Munitions List established pursuant to the Arms Export Control Act may not be made available under this chapter.

"(B) For fiscal years 1986 and 1987, articles on the United States Munitions List may be made available under this chapter if—

"(i) they are small arms in category I (relating to firearms), ammunition in category III (relating to ammunition) for small arms in category I, or articles in category X (relating to protective personnel equipment), and they are directly related to anti-terrorism training being provided under this chapter;

"(ii) the recipient country is not prohibited by law from receiving assistance under one or more of the following provisions: chapter 2 of this part, chapter 5 of this part, or the Arms Export Control Act; and

"(iii) at least 15 days before the articles are made available to the foreign country, the President notifies the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of the proposed transfer, in accordance with the procedures applicable to reprogramming notifications pursuant to section 634A of this Act.

"(C) The value (in terms of original acquisition cost) of all equipment and commod-

ities provided under subsection (a) of this section, including articles described in subparagraph (B)(i) of this paragraph, may not exceed $325,000 in fiscal year 1986 or $325,000 in fiscal year 1987.".

(c) Section 573 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Funds made available to carry out this chapter may not be used for personnel compensation and benefits.".

(d) EXPIRATION OF AUTHORITY.—Section 577 of such Act is repealed.

SEC. 407. COORDINATION OF ALL U.S. ANTI-TERRORISM ASSISTANCE TO FOREIGN COUNTRIES.

(a) COORDINATION.—The Secretary of State shall be responsible for coordinating all anti-terrorism assistance to foreign countries provided by the United States Government.

(b) REPORTS.—Not later than February 1 each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the anti-terrorism assistance provided by the United States Government during the preceding fiscal year. Such reports may be provided on a classified basis to the extent necessary, and shall specify the amount and nature of the assistance provided.

SEC. 408. TRADE AND DEVELOPMENT PROGRAM.

The first sentence of section 661(b) of the Foreign Assistance Act of 1961 is amended to read as follows: "There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $21,000,000 for fiscal year 1986 and $21,000,000 for fiscal year 1987.".

SEC. 409. OPERATING EXPENSES.

Section 667(a)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(1) $391,533,200 for fiscal year 1986 and $391,533,200 for fiscal year 1987 for necessary operating expenses of the agency primarily responsible for administering part I of this Act; and".

Mr. HYDE. Mr. Chairman, section 407 of H.R. 1555 provides that the Secretary of State shall coordinate all U.S. Government antiterrorism assistance to foreign countries. It also requires the Secretary to report annually to appropriate committees of the Congress on such assistance.

Section 407 states that the Secretary will be responsible for "coordinating" all U.S. antiterrorism assistance to foreign countries. This makes clear that—while the Secretary will be both fully informed of all such U.S. assistance and responsible for ensuring that no duplication, gaps or unwarranted competition occurs in providing such assistance—the Secretary's role under section 407 does not impair or affect the existing authorities and responsibilities of the Director of Central Intelligence under the National Security Act of 1947 or Executive Order 12333.

I note also, Mr. Chairman, that the reports required by section 407 do not affect existing arrangements for the protection of detailed information on antiterrorism intelligence activities. Thus, the Foreign Affairs Committee report on H.R. 1555 states with respect to the reports required by section 407 that:

It is the intent of the Committee that the required annual reports be referred to the appropriate committees consistent with existing law regarding the reporting of intelligence activities.

This makes clear that reports on antiterrorism intelligence activities will be referred to the Congressional Intelligence Committees.

Mr. Chairman, given that section 407 preserves existing authorities concerning antiterrorism intelligence activities and ensures protection of information furnished to the Congress relating to such activities, I believe that enactment of section 407 will be a positive contribution toward combatting international terrorism.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I inquire how much time is left under the rule?

The CHAIRMAN. The Chair will state to the gentleman that under the rule, there are 4 hours and 23 minutes remaining under the limitation.

Mr. FASCELL. Mr. Chairman, we are now at title IV and I just simply wanted to alert Members as to what we are going to do.

Mr. Chairman, we have two amendments which we will take up immediately which are noncontroversial and have strong broad bipartisan support. Then, unfortunately from our standpoint, we will have to rise because of a privileged motion that will have to be debated. Mr. Chairman, does the Chair have any idea about how long the privileged motion will take?

The CHAIRMAN. The Chair will state to the gentleman that the Chair cannot respond to an inquiry related to proceedings in the House.

Mr. FASCELL. Mr. Chairman, may I inquire, does anybody on the floor have any idea?

Mr. Chairman, I guess then it may take as much as 1 hour. Then we would come back, resume our sitting as the Committee of the Whole and finish title IV and continue therefrom.

We do have some other amendments which might take some debate, although I must say we have been working very diligently.

Mr. Chairman, I want to thank Members on both sides of the aisle who have worked very hard in dealing with the many amendments that we have, trying to reach agreement so that we may conserve time.

Mr. Chairman, it would be my hope, therefore, that we can conclude the remaining time of 4 hours and 23 minutes when we resume our sitting as a Committee of the Whole.

AMENDMENT OFFERED BY MR. MINETA

Mr. MINETA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MINETA: Page 47, strike out lines 19 and 20 and insert in lieu thereof the following:

TITLE IV—OTHER FOREIGN ASSISTANCE PROGRAMS AND INTERNATIONAL AIRPORT SECURITY

Subtitle 1—Other Foreign Assistance Programs

Page 56, after line 7, add the following new subtitle:

Subtitle 2—International Airport Security

SEC. 451. SECURITY STANDARDS FOR FOREIGN AIR TRANSPORTATION.

(a) SECURITY AT FOREIGN AIRPORTS.—Section 1115 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1515) is amended to read as follows:

"SECURITY STANDARDS IN FOREIGN AIR TRANSPORTATION

"ASSESSMENT OF SECURITY MEASURES

"SEC. 1115. (a)(1) The Secretary of Transportation shall conduct at such intervals as the Secretary shall deem necessary an assessment of the effectiveness of the security measures maintained at those foreign airports being served by air carriers, those foreign airports from which foreign air carriers serve the United States, those foreign airports which are not under the de facto control of the government and pose a high risk of introducing danger to international air travel, and at such other foreign airports as the Secretary may deem appropriate.

"(2) Each such assessment shall be made by the Secretary of Transportation in consultation with the appropriate aeronautic authorities of the foreign government concerned and each air carrier serving the foreign airport at which the Secretary is conducting such assessment.

"(3) The assessment shall determine the extent to which an airport effectively maintains and administers security measures. In making an assessment of any airport under this subsection, the Secretary shall use a standard which will result in an analysis of the security measures at such airport based upon, at a minimum, the standards and recommendations contained in Annex 17 to the Convention on International Civil Aviation, as such standards and recommendations are in effect on the date of such assessment.

"CONSULTATION WITH THE SECRETARY OF STATE

"(b) In carrying out subsection (a), the Secretary of Transportation shall consult the Secretary of State with respect to the terrorist threat which exists in each country. The Secretary of Transportation shall also consult with the Secretary of State in order to determine which foreign airports are not under the de facto control of the government of the country in which they are located and pose a high risk of introducing danger to international air travel.

"REPORT OF ASSESSMENTS

"(c) Each report to the Congress required by section 315 of this Act shall contain—

"(1) a summary of the assessments conducted pursuant to subsection (a) of this section; and

"(2) a description of the extent to which identified security deficiencies have been eliminated.

"NOTIFICATION TO FOREIGN COUNTRY OF DETERMINATION

"(d) Whenever, after an assessment in accordance with subsection (a) of this section, the Secretary of Transportation determines that an airport does not maintain and administer effective security measures, the Secretary shall notify the appropriate authorities of such foreign government of such determination, and recommend the

steps necessary to bring the security measures in use at that airport up to the standard used by the Secretary in making such assessment.

"SANCTIONS

"(e)(1) Paragraph (2) of this subsection shall become effective 120 days after the notification required in subsection (d) of this section of the determination by the Secretary of Transportation, if the Secretary of Transportation finds that the foreign government has failed to bring the security measures at the identified airport up to the standard used by the Secretary in making an assessment of such airport under subsection (a) of this section, except that paragraph (2) shall become effective immediately upon the Secretary's determination if—

"(A) the Secretary of State determines that the country in which such airport is located is a high terrorist threat country, and

"(B) the Secretary of Transportation determines that a condition exists that threatens the safety or security of passengers, aircraft, or crew traveling to or from such airport.

"(2) Subject to paragraph (1), if the Secretary of Transportation determines pursuant to this section that an airport does not maintain and administer effective security measures—

"(A) the Secretary of Transportation shall publish in the Federal Register, and shall cause to be posted and prominently displayed at all United States airports regularly being served by scheduled air carrier operations, the identification of such airport;

"(B) each air carrier and foreign air carrier providing service between the United States and such airport shall provide notice of such determination by the Secretary to any passenger purchasing a ticket for transportation between the United States and such airport, with such notice to be made by written material included on or with such ticket;

"(C) the Secretary of Transportation, after consultation with the appropriate aeronautical authorities of the foreign government concerned and each air carrier serving such airport, may, notwithstanding section 1102 of this Act and with the approval of the Secretary of State, withhold, revoke, or impose conditions on the operating authority of any air carrier or foreign air carrier to engage in foreign air transportation utilizing such airport; and

"(D) the President may prohibit air carriers and foreign air carriers from providing service between the United States and any other foreign airport which is directly or indirectly served by aircraft flying to or from the airport with respect to which the determination is made under this section.

"(3) The Secretary of Transportation shall promptly report to the Congress any action taken under this subsection, setting forth information concerning the attempts made to secure the cooperation of the foreign government in meeting the standard used by the Secretary in making the assessment of such airport under subsection (a) of this section.

"AUTHORITY FOR IMMEDIATE SUSPENSION OF AIR SERVICE

"(f) Notwithstanding sections 1102 and 1114 of this Act, whenever the Secretary of Transportation determines that—

"(1) a condition exists that threatens the safety or security of passengers, aircraft, or crew traveling to or from a foreign airport, and

"(2) the public interest requires an immediate suspension of services between the United States and the identified airport,

the Secretary of Transportation shall, without notice or hearing and with the approval of the Secretary of State, suspend the right of any air carrier or foreign air carrier to engage in foreign air transportation to or from that foreign airport and the right of any person to operate aircraft in foreign air commerce to or from that foreign airport.

"CONDITIONS OF AUTHORITY

"(g) The provisions of this section shall be deemed to be a condition to any authority granted under title IV or title VI of this Act to any air carrier or any foreign air carrier, issued under authority vested in the Secretary of Transportation.".

(b) CONFORMING AMENDMENTS.—

(1) INFORMATION IN SEMIANNUAL REPORTS.—Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1356(a)) is amended by adding at the end thereof the following new sentence: "Each semiannual report submitted by the Administrator pursuant to the preceding sentence shall include the information described in section 1115(c) of this Act.".

(2) CIVIL PENALTIES.—Section 901(a)(1) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1471(a)(1)) is amended by inserting "or 1115(e)(2)(B)" after "1114".

(3) TABLE OF CONTENTS.—That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"Sec. 1115. Security standards in foreign air transportation.".

and inserting in lieu thereof

"Sec. 1115. Security standards in foreign air transportation.
"(a) Assessment of security measures.
"(b) Consultation with the Secretary of State.
"(c) Report of assessments.
"(d) Notification to foreign country of determination.
"(e) Sanctions.
"(f) Authority for immediate suspension of air service.
"(g) Conditions of authority.".

(c) CLOSING OF BEIRUT INTERNATIONAL AIRPORT.—It is the sense of the Congress that the President is urged and encouraged to take all appropriate steps to carry forward his announced policy of seeking the effective closing of the international airport in Beirut, Lebanon, at least until such time as the Government of Lebanon has instituted measures and procedures designed to prevent the use of that airport by aircraft hijackers and other terrorists in attacking civilian airlines or their passengers, hijacking their aircraft, or taking or holding their passengers hostage.

SEC. 452. TRAVEL ADVISORY AND SUSPENSION OF FOREIGN ASSISTANCE.

(a) TRAVEL ADVISORY.—When section 1115(e)(2) of the Federal Aviation Act of 1958 becomes effective with respect to an airport because of a determination by the Secretary of Transportation that such airport does not maintain and administer effective security measures, the Secretary of State shall issue a travel advisory with respect to that airport. Any travel advisory issued under this subsection shall be published in the Federal Register. The Secretary of State shall take the necessary steps to widely publicize that travel advisory.

(b) SUSPENSION OF FOREIGN ASSISTANCE.—The President shall suspend all assistance under the Foreign Assistance Act of 1961 or the Arms Export Control Act to any country in which is located an airport with respect to which section 1115(e)(2) of the Federal Aviation Act of 1958 becomes effective. The President may waive the requirements of this subsection if the President determines and reports to the Congress that there is a national security or humanitarian emergency which requires such waiver.

(c) LIFTING OF SANCTIONS.—The sanctions required to be imposed with respect to a country pursuant to this section and section 1115(e)(2) (A) and (B) of the Federal Aviation Act of 1958 may be lifted only if the Secretary of Transportation, in consultation with the Secretary of State, has determined that effective security measures are maintained and administered at the airport in that country with respect to which the Secretary had made the determination described in section 1115 of the Federal Aviation Act of 1985.

SEC. 453. NOTIFICATION TO CONGRESS OF LIFTING OF SANCTIONS.

The Congress shall be notified if any sanction imposed pursuant to section 452 of this Act or section 1115(e) of the Federal Aviation Act of 1958 is lifted.

SEC. 454. SKY MARSHAL PROGRAMS.

(a) UNITED STATES AIRMARSHALS.—

(1) STUDY OF NEED FOR EXPANSION OF PROGRAM.—The Secretary of Transportation, in coordination with the Secretary of State, shall study the need for an expanded airmarshal program on international flights of United States air carriers. The Secretary of Transportation shall report the results of this study to the Congress within 6 months after the date of enactment of this Act.

(2) AUTHORITY TO CARRY FIREARMS AND MAKE ARRESTS.—The Secretary of Transportation, with the approval of the Attorney General and the Secretary of State, may authorize persons, in connection with the performance of their air transportation security duties, to carry firearms and to make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States, if they have reasonable grounds to believe that the person to be arrested has committed or is committing a felony.

(b) INTERNATIONAL SKY MARSHAL PROGRAM.—The Secretary of State, in cooperation with the Secretary of Transportation, shall study the feasibility of establishing an international sky marshal program. The Secretary of State shall report the results of this study to the Congress within 6 months after the date of enactment of this Act.

SEC. 455. MEETING OF INTERNATIONAL CIVIL AVIATION ORGANIZATION; INTERNATIONAL MORATORIUM ON USE OF CERTAIN AIRPORTS.

The Secretary of State and the Secretary of Transportation, jointly, shall—

(1) call for an immediate convening of a meeting of the International Civil Aviation Organization to—

(A) discuss the current status of international airport compliance with existing international security standards; and

(B) upgrade the security standards for international airports; and

(a) call on the member countries of the International Civil Aviation Organization to enforce that Organization's existing standards and impose a moratorium on the use of

any international airport which is not in compliance with such standards.

SEC. 456. MULTILATERAL AND BILATERAL AGREEMENTS WITH RESPECT TO AIRCRAFT SABOTAGE, AIRCRAFT HIJACKING, AND AIRPORT SECURITY.

The Secretary of State shall seek formal multilateral and bilateral agreement on strengthening enforcement measures and standards for compliance with respect to aircraft sabotage, aircraft hijacking, and airport security.

SEC. 457. ANTI-TERRORISM ASSISTANCE PROGRAM.

In addition to amounts otherwise authorized to be appropriated for such purpose, there are authorized to be appropriated to carry out chapter 8 of part II of the Foreign Assistance Act of 1961 (relating to the anti-terrorism assistance program) $5,000,000 for fiscal year 1986 and $5,000,000 for fiscal year 1987.

SEC. 458. RESEARCH ON AIRPORT SECURITY TECHNIQUES FOR DETECTING EXPLOSIVES.

In order to improve security at international aiports, there are authorized to be appropriated to the Secretary of Transportation from the Airport and Airway Trust Fund (in addition to amounts otherwise available for such purpose) $5,000,000, without fiscal year limitation, to be used for research on and the development of airport security devices or techniques for detecting explosives.

SEC. 459. INTERNATIONAL ANTI-TERRORISM COMMITTEE.

The Congress calls upon the President to seek the establishment of an international committee, to be known as the International Anti-Terrorism Committee, consisting of representatives of the member countries of the North Atlantic Treaty Organization, Japan, and such other countries as may be invited and may choose to participate. The purpose of the Committee should be to focus the attention and secure the cooperation of the governments and the public of the participating countries, and of the governments and the public of other countries, on the problems and responses to international terrorism, by serving as a forum at both the political and law enforcement levels.

SEC. 460. HIJACKING OF TWA FLIGHT 847 AND OTHER ACTS OF TERRORISM.

The Congress joins with all Americans in celebrating the release of the hostages taken from Trans World Airlines flight 847. It is the sense of the Congress that—

(1) Uli Derickson, among others, displayed extraordinary valor and heroism during the hostages' ordeal and therefore should be commended;

(2) the hijackers who murdered United States Navy Petty Officer Stethem should be immediately brought to justice;

(3) all diplomatic means should continue to be employed to obtain the release of the 7 United States citizens previously kidnapped and still held in Lebanon;

(4) acts of international terrorism should be universally condemned; and

(5) the Secretary of State should be supported in his efforts to gain international cooperation to prevent future acts of terrorism.

SEC. 461. INTERNATIONAL TERRORISM CONTROL TREATY.

It is the sense of the Congress that the President should establish a process by which democratic and open societies of the world, which are those most plagued by terrorism, negotiate a viable treaty to effectively prevent and repond to terrorist attacks. Such a treaty should incorporate an operative definition of terrorism, and should establish effective close intelligence-sharing, joint counterterrorist training, and uniform laws on asylum, extradition, and swift punishment for perpetrators of terrorism. Parties to such a treaty should include, but not be limited to, those democratic nations who are most victimized by terrorism.

SEC. 462. EFFECTIVE DATE.

This subtitle shall take effect on the date of enactment of this Act.

Mr. MINETA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment.

At the outset, I want to take this opportunity to commend the gentleman from California [Mr. MINETA], the chairman of the Subcommittee on Aviation and the gentleman from New Jersey [Mr. HOWARD], chairman of the Committee on Public Works and Transportation for their strong initiatives on the vital issue of international airport security. I also want to recognize the outstanding contributions made by the ranking minority member of the House Committee on Foreign Affairs [Mr. BROOMFIELD]. Further, I would like to applaud the gentleman from Kentucky [Mr. SNYDER], the ranking minority member on the Committee on Public Works and Transportation, and the gentleman from Arkansas [Mr. HAMMERSCHMIDT], ranking minority member of the Aviation Subcommittee for their contributions to this compromise. The staff of the Committee on Public Works is also to be commended for their expertise in this area. Finally, I want to thank the gentleman from New York [Mr. GILMAN], the gentlewoman from California [Ms. FIEDLER], and the gentlewoman from New Jersey [Mrs. ROUKEMA] for their contributions to this measure.

This amendment combines the provisions of the administration's request, H.R. 2827 the Public Works Committee bill (H.R. 2796) and the bill approved by the House Committee on Foreign Affairs, H.R. 2822.

The compromise amendment addresses one of the most glaring gaps in our Government's capability to deal with the growing international terrorist threat—international airport security. The recent tragic events involving TWA flight 847, the Air India flight 182 crash, and the Tokyo, Frankfurt, and Rome airport bombings, as well as the attacks on airline offices in Madrid underscore the need for the United States to take unilateral, bilateral, and multilateral steps to upgrade security at foreign international airports and to insist on stringent enforcement measures. While the amendment does address the immediate issue of terrorism at international airports, it also addressed the broader problem of international terrorism.

This amendment seeks to energize the bureaucracy and to set firm trigger mechanisms where now there is only discretionary authority spread amongst various Government agencies. The compromise defines the role of the Secretary of State and the Secretary of Transportation which results in the interest of the traveling American public being placed first and foremost.

Specifically, the amendment requires the administration to:

First, determine which international airports do not meet established minimum international security standards;

Second, determine which international airports are not under the de facto control of a government;

Third, publish the names of such airports in the Federal Register;

Fourth, immediately issue travel advisories at those airports which are deemed to be particularly dangerous to the safety of American citizens;

Fifth, establish a procedure to boycott security risk airports if minimum security standards are not met after 120 days; and

Sixth, suspend foreign assistance to those countries whose airports do not meet minimum security standards.

Mr. Chairman, I want to emphasize that the amendment generically implements what the President of the United States has been calling for, that is, a boycott of the Beirut Airport until the Government of Lebanon can regain control of that facility.

We can all agree that terrorism is an international threat and the only way to combat that threat is through bilateral and multilateral approach to the problem of international airport terrorism by directing State and DOT to immediately call on ICAO to convene a meeting to upgrade those standards to the U.S. level which is the toughest in the world, to discuss current compliance, and to persuade member-countries to enforce ICAO's existing standards and impose a users moratorium on security risk airports.

I am pleased to note that the administration has already begun to address some of these proposals at the International Civil Aviation at Montreal.

The amendment implements the recommendation of the recently completed Inman report on overseas diplomatic security by calling for the establishment of an international coordinating

committee on terrorism. Such a committee would focus the attention of the public and the participating countries on the problems and responses to international terrorism.

The amendment requires the Secretary of State to seek formal multilateral and bilateral agreement on strengthening enforcement measures and standards for compliance with respect to aircraft sabotage, hijacking, and airport security.

Finally, the amendment authorizes $5 million for each of the fiscal years 1986 and 1987 for the successful antiterrorism training assistance program of which a major component deals with improving international airport security. The amendment also authorizes the use of funds for research on airport security techniques for detecting explosives.

In sum, this amendment prods the bureaucracy into dealing with the problem of lax international airport security before a disaster occurs; it provides an incentive for other countries to improve airport security; and it provides momentum for multilateral action.

Mr. Chairman, the New York Times lead editorial in today's edition stated:

Hijacking and harboring hijackers are outlawed by international air conventions. Nations that shelter hijackers disqualify themselves for air traffic. Governments that let their planes fly to such nations subvert agreements they solemnly signed, and put all travelers at risk. As the President recently proved with Greece, one word from the White House that a nation's airport or policy jeopardizes travelers and it will quickly feel the economic sting.

An America that really wants hijacking resisted and hijackers punished has a rare chance to separate air travel from all other political calculations.

This amendment does just that. I urge its adoption.

Mr. MINETA. Mr. Chairman, I am pleased to offer this amendment to improve the safety and security of international air transportation. The amendment has been developed by a cooperative effort between the Committee on Public Works and Transportation and the Committee on Foreign Affairs and it incorporates the best features of two bills on aviation terrorism: H.R. 2796, which passed the House unanimously on June 19, and H.R. 2822, which has been reported by the Committee on Foreign Affairs. The amendment will give our Government many new tools to protect our citizens who are traveling by air.

The tragic hijackings and bombings of the last few weeks have brought to the attention of the public what has been known to our Government for years: That there are international airports where security is inadequate. Legislation by the United States cannot force a foreign government to improve security at its airports. But legislation can ensure that the U.S. Government will do everything possible to encourage foreign governments to remedy security deficiencies. Legislation can also ensure that if security remains deficient at a foreign airport our citizens will be warned of the dangers.

The situation at Athens Airport has demonstrated our Government's unwillingness to make adequate use of its authority under existing law. Although we have known for years that there were deficiencies in security at Athens, it took the TWA tragedy to force our Government to call the situation to the public's attention by issuing a travel advisory. It is clear that the travel advisory has been an important factor in spurring the Greek Government to make improvements in security.

The amendment now before us will encourage our Government to take similar action if there are security problems at other foreign airports. The amendment requires the Secretary of Transportation to conduct periodic assessments of the effectiveness of security measures at foreign airports receiving international air service from the United States. If security deficiencies are found, and the foreign government fails to remedy the situation within 120 days, our Government will be required to give various forms of notice to the traveling public, including issuance of a travel advisory, notice in the Federal Register, signs at U.S. airports, and specific notice given with tickets sold for travel between the United States and the foreign airport with security problems.

The amendment also enhances our Government's authority to impose sanctions when a foreign government refuses to remedy security deficiencies at an airport. The sanctions which may be imposed include suspension of air service between the United States and the problem airport; suspension of air service between the United States and third countries which continue to allow service into the problem airport, and a mandatory suspension of foreign aid, subject to waiver on grounds of national security or humanitarian assistance.

Mr. Chairman, these sanctions will give the United States a strong arsenal of mandatory and discretionary sanctions to use against foreign airports at which there are deficiencies in security. The economic pressures which these sanctions will create will provide incentives to foreign governments to improve their security programs. And even if security remains deficient, the amendment will ensure that passengers will be able to make an informed choice as to whether they wish to travel to the airport.

Mr. Chairman, in addition to sanctions the amendment includes other provisions to improve the safety and security of international air travel. The amendment directs our Government to work through the International Civil Aviation Organization and other international negotiations to strengthen security standards and to improve enforcement of these standards. The amendment also authorizes funding for the antiterrorism assistance program, and for research and development on airport security devices and techniques for detecting explosives.

Mr. Chairman, the amendment I am offering can make a major contribution to improving the safety and security of international air travel. I again wish to commend Chairman FASCELL, ranking minority member Mr. BROOMFIELD, and the other members of the Foreign Affairs Committee for their cooperation in developing this amendment. I urge my colleagues to join with me in passing it.

□ 1430

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, 3 weeks ago, this body passed H.R. 2796, the Foreign Air Travel Security Act of 1985, a bill sponsored by the Public Works Committee. This bill directs the Secretary to assess security at foreign airports to determine whether security measures are effectively maintained there. If security at a foreign airport was found to be deficient, and improvements were not forthcoming, the Security would be required to notify the public of the security problem there. The Secretary would also be authorized to suspend air service between the United States and the security-deficient foreign airport.

This legislation was prompted by the recent wave of terrorist acts directed against airports and aircraft. It is needed to better protect Americans traveling abroad.

Since this body acted, the Foreign Affairs Committee has marked up a similar bill also intended to stop airport and aircraft terrorism and to better protect Americans traveling overseas.

Mr. Chairman, there were differences between the bill sponsored by our committee and the one reported by Foreign Affairs. Our bill placed most of the responsibility on the Secretary of Transportation while theirs placed it on the Secretary of State. There were differences in the standards that were to be used in assessing foreign airport security. In addition, the Foreign Affairs bill had provisions concerning travel advisories, multilateral and bilateral agreements, sky marshals, and research and develop-

ment that were absent from the public works' version.

Nevertheless, in a spirit of cooperation and conciliation, our two committees have sat down together and worked out our differences. The bill, which we bring before you today in the form of an amendment to H.R. 1555 is, I believe, a much improved version. It contains important features from both bills as well as provisions from a bill submitted by the administration. This revised version requires the Secretary of Transportation, in consultation with the Secretary of State, to assess security at foreign airports. If an airport is found to be deficient, the foreign government will have time to correct the problem. If it is in an area with a high terrorist threat, however, an immediate travel advisory will be issued. In addition, other sanctions, including termination of air service may be imposed. The revised version also contains provisions on public notice, sky marshals, suspension of foreign aid, bilateral and multilateral agreements, and research and development that were in earlier versions.

Mr. Chairman, I believe this revised version is a great improvement over earlier ones. I commend my colleagues on the Public Works Committee and on Foreign affairs for working out this compromise. I urge all my colleagues to support this amendment.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to the ranking Republican on the full Committee on Public Works and Transportation, the very distinguished gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, I rise in support of the gentleman's amendment and urge my colleagues to do the same.

This amendment represents the combined efforts of the Public Works and Foreign Affairs Committees to develop legislation to effectively address the problem of international terrorism committed against commercial air transportation. As such, it contains provisions which were embodied in H.R. 2796 and adopted by this body on June 19, as well as provisions recently reported by the Foreign Affairs Committee in H.R. 2822.

The amendment requires an assessment of foreign airports to determine whether a particular facility meets internationally approved security standards. This assessment will be made primarily by the Secretary of Transportation in consultation with the Secretary of State as to the nature of the terrorist threat which may exist in that country. Any airport which is determined to be deficient in its security will be so notified and will have 120 days in which to correct the deficiencies. If remedial steps are not taken within that time, a mandatory travel advisory will be issued by the State Department and additional steps will be taken by DOT to advise passengers that the airport does not meet internationally approved security standards. The bill also requires the immediate issuance of a travel advisory in those very special cases where an airport does not meet approved standards, a substantial terrorist threat exists in the nation where the airport is located, and the safety of passengers, crew or aircraft is in danger. If this latter provision had been in effect earlier, it would have required the State Department to issue an immediate travel advisory about the Athens Airport since earlier FAA risk assessment recognized the nature of the terrorist threat in Greece as well as the deficiencies in security procedures at the Athens Airport.

In addition, the amendment expands the authority of DOT to suspend or revoke the operating rights of United States and foreign carriers to serve the problem airport and also broadens the authority of the administration to take similar action against the air carriers of other nations which continue to serve it. It also requires the immediate termination of various forms of foreign aid to any country which does not bring its airport up to standards. All of these sanctions may be imposed 120 days after the foreign government has been notified of any security deficiencies—although immediate action—without notice and hearing—can be taken to suspend the operating rights of any air carrier or foreign air carrier to serve the United States upon a determination by DOT that a condition exists which threatens the safety of passengers and crew.

The amendment also requires a study of an expanded Domestic Sky Marshal Program as well as an inquiry into the establishment of a similar program internationally. It gives DOT the authority, with the approval of the Attorney General to authorize sky marshals to carry weapons and make arrests. The amendment further provides an authorization of $5 million to accelerate the FAA's research and development of more sophisticated devices for the detection of explosives and $5 million in fiscal year 1986 and 1987 for an Antiterrorism Assistance Program. The amendment also contains provisions which require the Department to continue seeking the cooperation of foreign governments on international terrorism through bilateral agreements and through various international forums.

Mr. Chairman, I believe the gentleman's amendment contains some constructive measures to address the continuing problem of international terrorism. It recognizes the legitimate interests of both the State Department and the Transportation Department and the degree of expertise within these agencies relative to terrorism and airport security.

Further, the amendment serves notice to terrorists that the United States will not sit idly by while Americans and law-abiding citizens everywhere are being attacked by these international hooligans.

For the foregoing reasons, I urge my colleagues to support the gentleman's amendment.

Mr. MINETA. Mr. Chairman, I am pleased to yield to my colleague from California [Mr. LAGOMARSINO], a member of the Committee on Foreign Affairs.

Mr. LAGOMARSINO. I commend the gentleman for his statement and for the work that he has done in putting together this amendment. I think it will, as the gentleman has explained, do a great deal in deterring hijacking and terrorism, and I urge my colleagues to vote for it.

(On request of Ms. FIEDLER, and by unanimous consent, Mr. MINETA was allowed to proceed for 5 additional minutes.)

Mr. MINETA. I am pleased to yield to my very distinguished colleague from California, Ms. FIEDLER.

Ms. FIEDLER. Mr. Chairman, I would like to thank the chairman of the Foreign Affairs Committee for incorporating my language into this amendment.

The recent spate of bloody terrorist incidents has galvanized the American people and our Government to take some definitive action to combat the new barbarism of our time, international terrorism.

In June of this year, we had the TWA hijacking in Beirut with one U.S. serviceman, Robert Stethem, killed and 40 Americans held hostage, the bombing of the Air India jet with 329 killed, the murder of four U.S. marines in El Salvador, and two separate bombings at the Frankfurt airport in Germany and the Tokyo airport in Japan.

In the last 5 years—300 Americans have been killed by terrorists.

In the last 10 years—over 30 percent of all terrorist incidents were directed at Americans or American property.

The realization has finally taken hold that the vast majority of terrorist incidents are directed at the industrialized democracies. The fact is that the open and democratic societies of the world are being victimized by a new type of low intensity warfare, called terrorism. It is time that we stop reacting to terrorism in an ad hoc fashion and fashion new policies to deal with this new phenomenon.

My language in the Mineta amendment calls upon the President to establish a process by which, the democratic and open societies of the world can negotiate a viable, and effective

treaty to prevent and respond to international terrorism.

This treaty will incorporate, an operative definition of terrorism, establish effective close intelligence—sharing, joint counterterrorist training, and uniform laws on asylum, extradition, and swift punishment for perpetrators of terrorism.

My language is based upon two key points, the first is that multilateral actions involving the civilized nations of the world will be more effective than unilateral state action, in combating terrorism. Just as the civilized nations of the world banded together to effectively eradicate piracy and slavery, so can we also band together to combat the new barbarism called international terrorism. The second point is that a multilateral agreement is only as good as the compliance sanctions in that agreement. If a country can sign a convention or agreement and then ignore the provisions of that agreement because there is no language in the agreement punishing noncompliance, then the agreement is worthless.

Currently, you have the ridiculous situation where Iran, Libya, and North Korea (countries that have been identified by the State Department as states that actively support terrorists) are all signators of the 1963 Tokyo Convention on aircraft hijacking, the 1970 Hague Convention on aircraft hijacking, and the 1971 Montreal Convention of aircraft sabotage.

My language would help to rectify these problems by urging that those countries that are the victims of terrorism band together in a treaty. This treaty should have tough language punishing noncompliance by any signator. If any nation is found to be sponsoring or supporting terrorism, then the industrialized democracies must be unified in their response, and this response should include strict economic, political, and diplomatic sanctions. Faced with the prospect of damaging sanctions from the democratic societies, many outlaw states, such as Iran and Libya, may think twice about actively supporting terrorists.

As part of the unity of the democracies in fighting terrorism, the signators of such a treaty should share intelligence, and engage in joint counterterrorist training exercises, to take advantage of all of the intelligence and training expertise that is available another critical component of the treaty would be uniform laws on asylum, extradition, and punishment of terrorists.

Terrorists must realize that they will face strict and uniform penalties in any of the signator countries, and that they will not be able to take advantage of differences in laws and sentences.

To close, the open and democratic societies of the world must be united and uniform in their preventative and punitive measures against terrorism. Without unity, we will be condemned to relive again and again the tragic toll of terrorism.

Mr. Chairman, I again express my deep appreciation for Members on both of the committees and the leadership of both committees, for including this important language so that we can take comprehensive actions toward trying to deal in a comprehensive way with the problems of terrorism throughout the world.

Mr. MINETA. Mr. Chairman, the amendment I am offering can make a major contribution to improving the safety and security of international air travel, and I urge my colleagues to join with me in passing it.

Mr. Chairman, I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I offer my support for this important piece of antiterrorism legislation. The amendment before us provides real teeth to our Government's efforts to face up to terrorism. It is the right amendment at the right time. It clearly deserves our support.

Before us today is the opportunity to protect our fellow citizens and all travelers from the ugly specter of terrorism. This amendment, the International Airport Security Cooperation Act, is a crucial element in our Government's fight against terrorism. It directs the Secretary of State to take certain measures to improve security at foreign international airports. He would be required to list deficient airports, warn travelers and take sanctions against those countries whose airports fail to meet U.S. airport security standards.

The amendment retains Presidential flexibility in applying these tough new sanctions. The President may also prohibit U.S. carriers from landing in countries served by airlines which fly to international airports which are not under the control of their governments. The tragic hijacking of the TWA aircraft is a case in point. It is clear to all of us that Beirut airport is no longer controlled by the Lebanese Government.

My language, which is included in the Mineta amendment, encourages the President to take all appropriate steps to carry forward his announced policy of seeking the effective closing of the international airport in Beirut, Lebanon.

Already, the President has taken steps in the direction of shutting down the international airport in Beirut as long as that airport remains uncontrolled and open to hijackers and other terrorists who prey upon the innocent international air traveler.

Thanks to the President's swift action, Lebanese air carriers are prohibited from landing at U.S. airports and American carriers cannot land at Beirut International. The administration has been working closely with our allies around the world in seeking greater international cooperation in the effort to combat terrorism. Improving international airport security is a good point of departure in that effort. Much more, however, remains to be done in this important international effort.

I urge support of this amendment, which is an important step in resolving the issue of airport security.

Mrs. ROUKEMA. Mr. Chairman, I want to commend the distinguished chairman of the Foreign Affairs Committee and the ranking Republican Mr. BROOMFIELD for their fine work on this amendment.

Mr. Chairman, this amendment is a very simple one and one I believe my colleagues will be able to support wholeheartedly.

Last week, as we paused to note Independence Day 1985, we celebrated freedom on two district levels. On the first level, we properly remembered the establishment of the United States as a sovereign nation 209 years ago. On the second level, we joined in celebration of the freedom of 39 of our fellow Americans, released from 17 days of captivity at the hands of radical terrorists in Lebanon.

During those 17 days of terror, all of the hostages, from the first-released to the last-released, displayed an unwavering strength of spirit. They deserve to be commended by this Congress and my amendment seeks to do that. However, I would like to draw the attention of my colleagues to the exemplary performance of the senior flight attendant aboard TWA flight 847.

Mrs. Uli Derickson has been singled out by her fellow hostages as the one person aboard the hijacked jet who prevented a dangerous situation from escalating further in those tense, early hours of the incident. They have publicly noted her calm mediation between the nervous terrorists and the terrified passengers. Mrs. Derickson used her fluent German to act as an intermediary between the hijackers and the cockpit crew. She used her English to keep the passengers informed and calm. According to Capt. John Testrake and Navy Petty Officer Clinton Suggs, among others, lives were saved because of her courageous performance.

Uli Derickson and all the hostages have been a shining inspiration for our Nation and deserve the recognition of this Congress.

We also recognize that an American serviceman was brutally beaten and then murdered by the cowardly terrorists. This amendment asks that those criminals responsible for the senseless slaying of Petty Officer Robbie Stethem be brought to justice quickly.

We also recognize that seven American kidnap victims are still being held hostage in Lebanon. Here, we call for continued intense diplomatic efforts to obtain their release.

Further, this amendment contains a universal condemnation of all acts of terrorism and puts this Congress firmly on record in support of Secretary Shultz's efforts to gain international cooperation to prevent future acts of terrorism.

The United States and, indeed, the entire free world are under siege by those who terrorize innocent people, cruelly use them as their political pawns and wantonly maim or murder them on a whim. All citizens of the world must be allowed to live free of the fear and the scourge of terrorism. I ask my colleagues to support this amendment.

● Mr. HOWARD. Mr. Chairman, I support the amendment and join the gentleman from California in commending the Committee on Foreign Affairs for working with the Committee on Public Works and Transportation to develop this important legislation.

Mr. Chairman, because of the freedom to travel that our citizens enjoy, our Government's responsibilities for their protection do not stop at our borders. We need to do everything possible to ensure that security at foreign airports is adequate and meets international standards. The amendment now before us will give our Government many new tools to encourage foreign airports to improve security. In appropriate cases, we will be able to prohibit air service between the United States and countries which refuse to remedy security deficiences and to encourage other countries to do the same. The amendment further requires that when there are unremedied security problems at foreign airports, passengers will be given notice of the problems so that they can make an informed decision as to whether they wish to travel.

Mr. Chairman, this legislation will make an important contribution toward improving the security of international air travel. I urge my colleagues to join me in support of this measure.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MINETA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MILLER OF WASHINGTON

Mr. MILLER of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Washington: Page 55, after line 17, insert the following new sections 408 and 409 and redesignate existing sections 408 and 409 as sections 410 and 411, respectively:

SEC. 408. COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

(a) PROHIBITION.—Section 620A of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 620A. PROHIBITION ON ASSISTANCE TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

"(a) PROHIBITION.—The United States shall not provide any assistance under this Act, the Agricultural Trade Development and Assistance Act of 1954, the Peace Corps Act, or the Arms Export Control Act, to any country which the President determines—

"(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

"(2) otherwise supports international terrorism.

"(b) PRESIDENTIAL WAIVER.—The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of the waiver (including the justification for the waiver) in accordance with the procedures applicable to reprograming notifications pursuant to section 634A of this Act.

"(c) INTERNATIONAL COOPERATION.—If sanctions are imposed on a country pursuant to subsection (a) because of its support for international terrorism, the President should call upon other countries to impose similar sanctions on that country.".

(b) CONFORMING AMENDMENT.—Section 3(f) of the Arms Export Control Act is amended by striking out ", credits, and guaranties" and ", credits, or guaranties" each place they appear.

SEC. 409. INTERNATIONAL CIVIL AVIATION BOYCOTT AGAINST IRAN AND LIBYA.

It is the sense of the Congress that the President—

(1) should call for an international civil aviation boycott with respect to Iran and Libya, and

(2) should take steps, both bilateral and multilateral, to achieve a total international civil aviation boycott with respect to those countries.

Mr. MILLER of Washington (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MILLER of Washington. Mr. Chairman, I rise today with an amendment to the Foreign Assistance Act, asking the President to urge a civil aviation boycott against countries supporting terrorism and prohibiting aid to such countries.

This amendment concerns international terrorism. When I started work on this proposal last spring, I could not know that it would become so horribly timely, but while we can all still be shocked by terrorist attacks such as the recent TWA hijacking, we should no longer be surprised by these activities.

The sad, simple fact is: terrorism works. Terrorism works because the nations of the world do little to prevent it.

That the 39 hostages aboard TWA flight 847 did not suffer the same grisly fate of their fellow passenger, Robert Stethem, is a testament to President Reagan's superb handling of the crisis. Nothing we have done so far, however, will prevent another hostage crisis. Most of the hostages are now safe at home with their families, but that does not mean that their captors have abandoned terrorist methods. Indeed, unless the United States and other civilized nations take decisive action now to prevent it, before long again we will be shocked but not surprised, by yet another of these barbarous acts.

The amendment I offer for your consideration today is an important part of the effort to prevent future terrorist activity. The heart of this amendment is the recognition that most terrorists are not, let me repeat are not, stateless marauders committing random senseless mayhem in the name of some obscure political cause.

On the contrary, there is certainly a method to their mayhem.

There are nations in the world for which international terrorism is an accepted strategic tool. There are nations in the world which finance, harbor, and train terrorists in their deadly arts. There are nations in the world which help terrorist tacticians select targets, launch attacks, and provide logistical and psycological support to these murderers.

The most obvious and well documented example of a nation sponsoring and organizing terrorist activities is Libya. But there are others. This amendment says to any government with such barbaric tendencies, there will now be a very high price to pay for their support of international terrorism.

First, to at least make it a little more difficult for the rulers of terrorist countries to launch their deadly attacks, this amendment directs the President to call for an international civil aviation boycott against countries determined by the President to be supporting terrorism.

This amendment further prohibits American aid of any kind to any nation which the President finds suports international terrorism. The current prohibition applies only to countries which grant sanctuary from prosecution to terrorists. My proposal broadens this prohibition to include governments which purchase equipment, and provide training, financing, and other support. This proposal also directs the President to encourage other civilized nations to impose the same sanctions on these outlaw governments. Finally, the amendment

provides for a 15-day advance notification to the congressional Foreign Affairs Committees once the President waives this authority and it allows the President, under certain conditions, to suspend this authority.

This amendment alone will not stop the spread of international terrorism. It will not bring back those whose lives have already been lost because of these barbaric practices. Mr. Chairman, by itself this amendment will not assure the future safety of American air travelers. But it will help. The safety of innocent people increases when nations who practice and support international terrorism understand that the consequences of their acts far outweigh the benefits. Passage of this amendment will help bring about this understanding. Nations contemplating the support of terrorism will know that if they go ahead, they will pay a price by forfeiting the chance of U.S. aid and having the United States seek an international civil aviation boycott.

I urge support of this antiterrorist amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. I yield to the gentleman.

Mr. FASCELL. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington [Mr. MILLER]. It complements what the House has just done on airport security. At the outset, I want to commend the gentleman for his initiative on an issue which the Committee on Foreign Affairs has spent a significant amount of time and attention. In my view, this amendment correctly seeks to expand in an appropriate way the President's existing authority to combat the menace of international terrorism.

In addition, the amendment enhances the oversight capability of the Committee on Foreign Affairs by stipulating a 15-day advance notification procedure once the President invokes this authority.

A key element of the amendment calls for international cooperation to combat international terrorism which, in the opinion of the members of the Committee on Foreign Affairs, is essential. The amendment calls for international cooperation in two important areas: one, calling on our friends and allies to invoke similar sanctions as called for by Mr. MILLER's amendment with respect to foreign assistance, and second, calls for an international civil aviation boycott against Iran and Libya, the two worst offenders in the area of state-supported terrorism.

I think it is high time that the United States and its friends and allies invoke a total international civil aviation boycott of the Tehran and the Tripoli airports. As the Members of the House may recall, the recent and tragic incidents involving Iran in last December's hijacking of a Kuwaiti airline resulted in the murder of two American AID officials. As of this date, their killers still remain in Iran and have not been brought to justice.

Again, I want to commend the gentleman for his interest in this critical issue and urge the adoption of the amendment.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. I yield to the gentleman.

Mr. GILMAN. Mr. Chairman, the minority is aware of the amendment and is prepared to accept the amendment.

□ 1440

AMENDMENT OFFERED BY MR. GILMAN TO THE AMENDMENT OFFERED BY MR. MILLER OF WASHINGTON

Mr. GILMAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GILMAN to the amendment offered by Mr. MILLER of Washington: Insert the following new section at the end of the amendment:

SEC. . PROHIBITION ON IMPORTS FROM AND EXPORTS TO COUNTRIES ENGAGED IN TERRORISM.

(a) PROHIBITION ON IMPORTS.—Notwithstanding any other provision of law, the President shall prohibit any article grown, produced, extracted, or manufactured in Libya from being imported into the United States.

(b) PROHIBITION ON EXPORTS.—Notwithstanding any other provision of law, the President shall prohibit any goods or technology, including technical data or other information, subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States, from being exported to Libya.

(c) DEFINITION.—For purposes of this section, the term "United States" includes territories and possessions of the United States.

Mr. GILMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Chairman, I want to commend the gentleman from Washington [Mr. MILLER] for his amendment.

My proposed amendment to the Miller amendment places a total embargo on trade with Libya. Libya is an outlaw state, responsible for countless acts of terror throughout the world. As the New York Times editorialized just this morning, "* * * if Libya's indisputable outrages against many nations so deeply perturb the United States, where is the campaign to close its gun-laden embassies or to boycott its oil-drum war chest?"

Indeed, the time for action is long past. We should not allow one drop of Libyan oil—spot market or otherwise—to pass our shoreline.

The amendment's language on Libya is a counterpart to an amendment offered in the other body by the junior Senator from Pennsylvania [Mr. SPECTER]. That language provides for a discretionary embargo against Libya and provides that trade with other countries supporting terrorism may be cut off on passage of a joint resolution of Congress.

It is my hope that in conference we will be able to work out a mutually agreeable compromise which would lead to heavy sanctions being placed on the pirate government now in power in Tripoli.

Mr. Chairman, I would like to lay before this body a recent article from the Wall Street Journal detailing current cooperation between Libya, Iran, and Syria in terrorist activities, and an analysis by the Library of Congress, quoting the Central Intelligence Agency, on the history of Libya's terrorist activities.

LIBYA, SYRIA AND IRAN COORDINATE SCHEMES TO STRIKE U.S. TARGETS, ARAB SOURCES SAY

BEIRUT, LEBANON.—While attention is focused on the hijacked American jetliner held hostage here, a much broader terrorist network aimed at America and moderate Arabs is taking shape in the Middle East.

The region's radical states of Libya, Syria and Iran all share a desire to strike out at American targets right now. Their motives are different, but their common interest in terrorist action has given rise to a series of troubling moves suggesting that an upsurge in state-sponsored terrorism could be in the offing.

Among the indicators:

The foreign ministers of Libya, Syria and Iran met in January in Tehran and laid the groundwork for a new "anti-American strategy," Arab sources close to the Syrian government say. The countries agreed to escalate terrorism against U.S. interests and personnel on a world-wide scale, the sources say.

More recently, Libyan leader Muammar Qadhafi formally formed and agreed to finance his first pan-Arab terrorist organization, called the Organization of Arab Revolutionary Forces. The organization, with headquarters in Tripoli, pledged to "conduct the Arab struggle for liberating all Arab territories" and "confront American imperialism."

Other organizations aimed at overthrowing Jordan's King Hussein and Iraqi leader Saddam Hussein recently set up operations in Syria.

Several weeks ago, Egypt announced that it had uncovered and foiled a Libyan plot to blow up the U.S. Embassy in Cairo with a truck loaded with explosives smuggled into the country. Egyptian officials said the incident was part of a broader Libyan terrorism campaign.

There isn't any evidence linking the latest hijacking of an American jetliner to these new organizations. But Shiite terrorists—such as those holding the American jet and its passengers hostage—acquire inspiration,

guidance and often material assistance from radical states, particularly Iran.

Unless the U.S. finds some clear link between the current hijacking and terrorist efforts sponsored by radical states, however, it will have a difficult time retaliating. The U.S. has had to refrain from striking back after previous terrorist episodes because it lacked clear evidence that any government or group of governments had sponsored terrorists that hit American targets.

Hard-line states in the Middle East, of course, share a general anti-American sentiment that always makes them eager to undercut American interests. Now, though, they have special reasons to want to lash out at the U.S.

Iran is enraged at the American tilt toward Iraq in the Persian Gulf war. Syria wants to demonstrate that it won't allow the U.S. to engineer an Arab-Israeli peace package that satisfies moderate Arabs and Palestinians but doesn't satisfy the region's hard-liners. Libya wants to encourage radicals to disrupt the new "moderate Arab axis" of Jordan, Egypt and Iraq that the U.S. is fostering.

"There is something in common" among these states, says one knowledgeable Lebanese. "Blackmail the Americans."

Moreover, the Shiite fundamentalist movement that has sprung from the anarchy in Lebanon has given the radicals a new stock of young Moslems willing to carry out terrorist actions.

Perhaps the most ominous of the new movements in the region is the loose agreement apparently struck by Libya, Syria and Iran early this year. Arab sources close to the Syrian government say that Syria and Libya spearheaded the drive. At Iran's urging, the group avoided forming a formal alliance that would appear to put the group on the side of the Soviet Union; Iran doesn't want to appear to be on either side of the superpower struggle.

But the sources say the three countries did agree on a strategy to coordinate policy on Middle East issues and to strengthen relations with Soviet-backed states like South Yemen and Ethiopia.

Syria and Libya also agreed to whip up Palestinian terrorism by radical Palestinian factions opposed to Palestine Liberation Organization leader Yasser Arafat. Mr. Arafat has angered the radicals by his apparent willingness to participate in a peace process led by moderate Arabs and the U.S.

Iran, the sources say, pledged to encourage terrorism by Moslem extremists.

All three countries have agreed to cooperate in the exchange of intelligence information, forging passports for their operatives and providing them with finances and transport facilities, according to the sources. The countries also reportedly ordered their diplomatic missions abroad to cooperate closely.

EXTRACT FROM CRS ISSUE BRIEF IB 81141 INTERNATIONAL TERRORISM, UPDATED JUNE 26, 1985

LIBYA

According to a CIA report, "the government of Colonel Qadhafi is the most prominent state sponsor of and participant in international terrorism. Despite Qadhafi's repeated public pronouncements that he does not support terrorist groups, there has been a clear and consistent pattern of Libyan aid to almost every major international terrorist group, from the Provisional Irish Republican Army (PIRA) to the Popular Front for the Liberation of Palestine (PFLP)." Press reports have linked Libya to the Basque ETA, Japan's Red Army, Italy's Red Brigade, and Moslem insurgents in Thailand, Indonesia, Malaysia, and the Philippines.

Qadhafi provides money, weapons, and training for international terrorists, according to the CIA. Libyan diplomatic offices are used as bases of support for terrorist operations in various countries. Libya has also served as a haven for fleeing terrorists, including some of the slayers of the Israeli Olympic athletes at Munich in 1972. It is alleged that "Carlos" has a Libyan villa, from which he directs his international terrorist operations.

The principal targets of Libyan-supported terrorism are Israel, traditional and moderate Arab regimes, and Libyan exiles critical of the Qadhafi regime. In 1980, the CIA counted 14 attacks by Libyan assassination teams on Libyan citizens living in Europe and the United States, resulting in eleven murders. Qadhafi himself has asserted the right of his revolution to do away with its opponents.

In December 1981, reports surfaced that agents of the Federal Bureau of Investigation and the Secret Service had been put on alert after receiving reports that five terrorists trained in Libya had entered the United States with plans to murder high-ranking officials. Security was substantially strengthened around the President, Vice President, Secretaries of State and Defense, and others. U.S. ambassadors abroad were also reported to be targets. In a television interview, Col. Qadhafi denied that he had plotted to assassinate the President or anyone else. The State Department responded with a statement that this country had strong evidence that Qadhafi had been planning the murder of American officials, both here and overseas.

During 1981, there were many reports that former CIA agents were training terrorists in Libya, using U.S. army personnel for that purpose and otherwise abetting Libyan-sponsored terrorism. It was also reported that a Justice Department meeting had discussed the possibility that the CIA may have encouraged its former agents' Libyan ties. Secretary of State Haig said that the United States was profoundly opposed to Americans working for the Libyan government, but that there was apparently no way to prevent it. In 1982 Edwin P. Wilson, a former CIA employee, was convicted of smuggling guns to Libya, and in 1983 he was convicted of additional charges relating to the illegal export of explosives and munitions to Libya.

Libyan complicity in terrorist attacks was further exposed when the Egyptians tricked the Libyans into claiming they had assassinated a former Prime Minister. In 1984 Libyan supporters of the government fired upon anti-Qadhafi demonstrators from within the Libyan embassy in London, killing a British policewoman on duty outside.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has discussed this amendment on this side. We have examined it. We agree with the gentleman. We are prepared to accept the amendment.

Mr. GILMAN. I thank the gentleman for his kind words.

Mr. Chairman, the minority has no objection to the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GILMAN] to the amendment offered by the gentleman from Washington [Mr. MILLER].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MILLER], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. LOWERY OF CALIFORNIA

Mr. LOWERY of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOWERY of California: Page 52, after line 24, insert the following new section 405 and redesignate subsequent sections accordingly:

SEC. 405. COMMUNIST COUNTRIES.

Chapter 3 of part I of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new section:

"SEC. 309. COMMUNIST COUNTRIES.

"(a) LIMITATION OF FUNDING.—Funds authorized to be appropriated by this chapter may not be made available for the United States proportionate share for programs for communist countries listed in section 620(f) of this Act.

"(b) PRESIDENTIAL WAIVER.—Subsection (a) shall not apply to the extent that the President determines and reports to the Congress that it is in the national interest of the United States to provide funding for the United States proportionate share for programs for a particular Communist country or countries.

"(c) ANNUAL REVIEW.—The Secretary of State—

"(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any such funds; and

"(2) shall report to the appropriate committees of the Congress the amounts of funds expended by each such organization for the purposes described in subsection (a) and the amount contributed by the United States to each such organization.".

Mr. LOWERY of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LOWERY of California. Mr. Chairman, I would like to thank the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida, and my colleague, Mr. YATRON, the chairman of the Subcommittee on Human Rights and International Programs, for working with me on this amendment I am offering today. I would also like to thank the ranking members of the committee

and the subcommittee, Mr. BROOMFIELD and Mr. SOLOMON for their help and support for this amendment.

Mr. Chairman, I sincerely doubt that the taxpayers of the United States realize that in the most recent reporting periods, Vietnam has received more than $41 million in assistance from U.N. agencies to which the United States provides almost one-fourth of the budgets. That translates into $10 million in U.S. aid being funneled through the United Nation to Vietnam. And Vietnam is not the only country to receive such funds: North Korea, Mongolia, Albania, Bulgaria, Poland, Romania, and China are also net recipients.

Clearly, we cannot afford to be subsidizing the governments of Communists even in a time of surplus, much less during our current deficit crisis.

Therefore, I am offering an amendment to H.R. 1555, the International Security and Development Cooperation Act of 1985 closing this loophole whereby U.S. tax dollars are funneled through international organizations to Communist countries otherwise prohibited from receiving U.S. assistance. These organizations are primarily, though not exclusively, U.N. agencies. A total of $284 million is authorized for these organizations in title IV of H.R. 1555.

My amendment does two things: It reduces what is called the "U.S. proportionate share" of contributions to Communist countries listed in section 620(f) of the Foreign Assistance Act and it requires the Secretary of State to report to the Congress on the amount of international organizations' funding of Communist countries and the amount of U.S. contributions being withheld.

As you will recall, in recent years, it was learned that the Palestine Liberation Organization and the South-West African People's Organization [SWAPO] were receiving assistance from U.N. agencies. Although it was clearly not Congress' intent to fund these groups, these organizations place government contributions in central accounts, making it impossible to connect funds which benefit a particular country or group with contributions made by the United States. Since complete withdrawal from these programs would greatly harm U.S. foreign policy interests, for more than 10 years, the Congress has routinely included sections to the Foreign Assistance Act which require a reduction in U.S. voluntary contributions by an amount equal to the American proportionate share of any aid provided by these international organizations to the PLO or SWAPO.

My amendment merely extends that formula to Communist countries which are already prohibited from receiving direct U.S. assistance. Section 620(f) of the Foreign Assistance Act of 1961 prohibits the furnishing of any aid authorized by that act to any Communist country. The section includes a list of Communist nations to which the prohibition applies: the Soviet bloc, North Korea, Vietnam, and Cuba. China is currently on the list but is expected to be removed as soon as the foreign aid authorization bill becomes law.

It is important to remember that my amendment neither requires that any particular Communist country actually receive less than they now get—another country can make up the difference—nor does it in any way renege on any treaty obligation of the United States.

In sum, I agree with the committee report which says,

> These programs serve major U.S. foreign policy interests in these international forums as well as U.S. interests in promoting social and economic development of third world countries.

But I also believe my amendment is consistent with the 20-year ban on aid to the countries listed in section 620(f). By closing a loophole, it is a continuation of current policies, not a departure from them.

Finally, Mr. Chairman, I would like to include at this point in the RECORD, a memorandum that has been prepared by the Congressional Research Service which details the effects of my amendment on the international agencies which will be affected.

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, June 21, 1985.

To: The Honorable Bill Lowery.
From: Marjorie Ann Browne, Specialist in International Relations, and Robert Griffiths, Analyst in Foreign Affairs, Foreign Affairs and National Defense Division.
Subject: The International Organizations and Programs Account of the Foreign Assistance Act.

This is in response to your request for information on U.S. contributions to the international agencies and programs included in the "international organizations and programs" account of the International Security and Development Cooperation Act of 1985 by the House Foreign Affairs Committee (see House Report 99-39, p. 45). In addition, you requested data on the funding or assistance from those programs that goes to the communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended.

We have drawn on a number of sources to collect this data. Attached are copies of the pertinent materials. Generally, if the executive board or governing council of the program has already met this year, documentation providing 1984 program expenditures will be available. Otherwise, we have used 1983 program expenditures. The following list summarizes the status of information on program expenditures in the countries included in Section 620(f) of the Foreign Assistance Act.

SUMMARY OF INFORMATION ON ASSISTANCE TO SECTION 620(F) COUNTRIES

Programs providing assistance to countries on the Section 620(f) list:
United Nations Development Program.
UNICEF.
IAEA.
WMO/VCP.
United Nations Educational and Training Program for Southern Africa (minimal: 1 out of 896 awards).
World Food Program.
World Heritage Fund (Bulgaria, Poland, and Yugoslavia 1981-1984).
United Nations Capital Development Fund (Vietnam in 1984).
United Nations Center on Human Settlements (Hungary and Vietnam 1982-1983).

Programs that do not provide assistance to list countries:
OAS Technical Assistance Programs.
UN Institute for Namibia.
UN Trust Fund for South Africa.
UN Voluntary Fund for Victims of Torture.
UNIDO Investment Promotion Service, New York.
UNDP Trust Fund to Combat Poverty and Hunger in Africa.
UN Voluntary Fund for Decade for Women.

Information not available:
UNEP Fund.
CITES Trust Fund.
International Convention and Scientific Organization Contributions.

United Nations Development Program (UNDP)

The United States contributed $160 million or an estimated 23.6 percent of total governmental contributions of $676,725,319 made or pledged to the UNDP for calendar year 1984. UNDP expenditures in 1984 included assistance to Czechoslovakia (.068%), North Korea (.516%), Hungary (.094%), Mongolia (.138%), Albania (.558%), Bulgaria (.137%), China (2.75%), Cuba (.310%), Yugoslavia (.197%), Romania (.203%), Poland (.189%), and Vietnam (1.82%).

United Nations Children's Fund (UNICEF)

The United States contributed $52,500,000 to UNICEF in 1984. That figure represented 28.4 percent of the total contributions ($185,014,725) received from governments in 1984. UNICEF program expenditures for 1984 included assistance for Mongolia (.006%), China (2.26%), Cuba (.018%), and Vietnam (2.32%).

International Atomic Energy Agency (IAEA)

The United States over-all voluntary contribution to the IAEA in 1984 was $15,814,000. This included a cash contribution to the IAEA Technical Assistance and Cooperation Program of $5,625,000 that represented 25 percent of the total governmental contributions to that Program. We used very preliminary 1984 data from a congressional source for some indication of program expenditure. IAEA documentation for 1984 will probably not be available until mid-summer. Nine of the listed countries received technical assistance from the IAEA: North Korea (2.04%), Albania (.936%), Poland (1.39%), Cuba (.888%), Hungary (2.0%), Yugoslavia (1.94%), Romania (1.52%), Vietnam (1.61%), and Bulgaria (3.46%).

Organization of American States Technical Assistance Programs

The United States contributed $15.5 million or an overall 46 percent of the total contributions received by the four OAS voluntary funds for development—the Special Multilateral Fund, the Special Projects Fund, the Special Development Assistance Fund, and the Special Cultural Fund (see pages from the Congressional Presentation

for details) for 1984. Since the OAS suspended Cuba from participation in 1962, that country does not receive any funding from these programs. Cuba does, however, participate in the PAHO (Pan American Health Organization) Revolving Fund, an account that received U.S. contributions from the Fiscal Year 1984 appropriations but received no funding from Fiscal Year 1985.

United Nations Environment Program Fund (UNEP)

In 1983, the United States contributed $7.8 million, or 27 percent of the governmental contributions of $30 million to the UNEP Fund, while in 1984, the U.S. contributed $9.8 million or an estimated 34 percent of the $28.5 million in governmental contributions to the UNEP Fund. Information showing UNEP Fund expenditures by country is not available from UNEP documentation.

World Meteorological Organization/Voluntary Cooperation Program (WMO/VCP)

The VCP provides training and equipment to less developed countries so that they can, with improved national meteorological and hydrological services, participate in the World Weather Watch. For the year 1983, the United States contributed $87,256 in funds or 27 percent of the $317,942 in total cash contributions.

United Nations Voluntary Fund for Decade for Women

The United States contributed $500,000 to the Fund for 1984; that represented 21.05 percent of the contributions made or pledged for 1984, as of August 20, 1984. According to a U.N. officer handling the Fund, none of the $4.07 million in expenditures in 1984 was used for assistance to the countries listed in section 620(f). The name of this fund was changed in 1985 to the United Nations Development Fund for Women.

Convention on International Trade in Endangered Species (CITES)

The United States contributed $276,000 to the CITES Trust Fund for the 1982-1983 biennium, out of a total $853,978 received from governmental contributions for the same two-year period. The U.S. contribution to the 1984-1985 biennium budget was 24.8 percent of $1.409 million. The Trust Fund finances administrative expenditures in support of the CITES secretariat and the biennial meetings of CITES parties.

World Food Program (WFP)

Overall, the United States has, for the 1983-1984 biennium, pledged $250 million, or 25 percent of the WFP target of $1 billion. This was broken out into $188 million in commodities, $3 million for administrative expenses, and up to $59 million for freight costs. For 1983, the total U.S. contribution was valued at $33,760,000 and represented 26 percent of total contributions. The cash contribution provided under the IO and P account of the Foreign Assistance Act was $2 million. WFP projects as of October 13, 1983 totalled $3.316 billion in worth, including in-kind assistance that is additional to the funding appropriated through the Foreign Assistance Act. Only China (5.17%) and Vietnam (.775%) were included in the State Department's list of WFP projects as of October 1983.

United Nations Fund for Namibia: Institute for Namibia Account

The United States contributed $490,000 to the UNIN Account for 1983, an estimated 15.6 percent of the $3,122,848 in contributions received from governments. In the first six months of 1984, the United States paid $123,712 of its $500,000 pledge for 1984, an estimated 8.5 percent of the $1,452,616 paid by governments on their 1984 pledges of $2,308,838. The UNIN account funds the Institute for Namibian students at Lusaka. Thus, it does not provide assistance or programs for any of the countries on the section 620(f) list.

United Nations Trust Fund for South Africa (UNTFSA)

According to U.N. documentation, the Trust Fund received $1,755,700 in contributions between October 1983 and October 1984, with the United States paying $85,750 or 4.8 percent. Still pending was $448,672 in pledges, including $343,000 pledged by the United States. The UNTFSA is used for legal assistance and relief to persons persecuted in South Africa and Namibia. The countries in the section 620(f) list do not receive assistance through the Fund.

United Nations Voluntary Fund for Victims of Torture

As of May 7, 1985, the United States has not contributed to this Fund. Payment of the $100,000 in the Fiscal Year 1985 Appropriation is being held, pending receipt by the United States of a statement by the United Nations that such funds are not provided to Cuba or for SWAPO or the PLO. Information on the beneficiaries of the Fund is kept confidential to protect the victims of torture assisted by the Fund. The Fund is used (1) to maintain two rehabilitation centers located in Copenhagen and Toronto, (2) to finance training courses and seminars (none in Cuba), and (3) for projects in specific countries. Only in one instance when there was a change in government—Guinea—has a government received funds for the third category of projects. Non-governmental organizations receive Fund assistance to carry out projects related to victims of torture. Thus, the countries included on the Section 620(f) list have not received assistance from the Voluntary Fund for Victims of Torture.

UNIDO Investment Promotion Service, New York

The United States contributed $100,000 in 1983 and the same in 1984, to help operate the New York office of UNIDO's IPS. This contribution was 11.4 percent of the office budget of $875,000. Other contributors to the Service are international intergovernmental organizations rather than governments, except for an additional Agency for International Development contribution of $234,000 through the Caribbean Development Bank. As a footnote, UNIDO has established eight Investment Promotion Service offices around the world, seven of which are fully funded by the host government; this includes an office in Poland. The New York office provides information to the U.S. private sector on investment opportunities in developing Latin American—and especially Caribbean—countries. Countries on the Section 620(f) list do not receive assistance from this program.

United Nations Development Program (UNDP) Trust Fund to Combat Poverty and Hunger in Africa

This fund was just established in November 1984. Since its target is poverty and hunger in Africa, the countries on the Section 620 (f) list would not directly benefit from the fund.

International Convention and Scientific Organization Contributions

This is a new account established to provide a mechanism for U.S. voluntary contributions to activities usually financed from the regular budget of the United Nations Educational, Scientific, and Cultural Organization (UNESCO) from which the United States withdrew at the end of December 1984. The programs include the

Intergovernmental Oceanographic Commission,

Intergovernmental Committee on the Universal Copyright Convention,

International Geological Coordination Program,

Natural Hazards Program,

International Hydrological Program,

Man and the Biosphere Program,

International Libraries, Archives and Science Documentation Program,

Non-governmental research organizations such as the International Council of Scientific Unions and the International Brain Research Organization, and

International cooperative research programs such as the International Biological Collection Centers, International Organization of Biotechnology and Bioengineering.

The international conventions for which this contribution would fund administrative overhead costs include

The 1984 Beirut Agreement and the 1950 Florence Agreement on international transfer of educational, cultural and scientific goods,

The 1958 Convention on the Exchange of Official Publications and Documents,

The 1958 Convention on the Exchange of International Publications, and

The 1970 Convention on the Illicit Import, Export and Transfer of Cultural Property.

Most of the programs cited are of worldwide use and benefit.

United Nations Center on Human Settlement

The United States has not in the past contributed to the Center, either through the United Nations Habitat and Human Settlements Foundation or through the International Year of Shelter for the Homeless. A total of $2,313,615 has been pledged by governments to the International Year of Shelter as of January 31, 1985. A total of $2,395,652 was pledged by governments for the Foundation in 1984, of which $1,333,203 was collected. As of April 5, 1985, pledges in the amount of $2,131,562 has been made for 1985. Expenditures for the 1982-1983 period totalled $2,184,491, from which Hungary received $13,771 (or .63%) and Vietnam received $2,500 (or .114%). None of the 620 (f) listed countries contributed to the Center during the 1982-1983 biennium.

World Heritage Fund (Fund for the Protection of the World Cultural and Natural Heritage of Outstanding Universal Value)

The United States does not now contribute to the World Heritage Fund. When the United States did contribute, the contribution rate was 52.93 percent in 1977, 47.30 percent for 1979 and 1980, and 40.19 percent for 1981 and averaged $300,000 annually. The Fund is used to help Convention parties protect sites on the World Heritage List as well as sites in danger. Bulgaria, Cuba, Poland, and Yugoslavia are among the 83 parties to the 1972 Convention concerning the Protection of the World Cultural and Natural Heritage and each have properties on the World Heritage List (Bulgaria-8, Cuba-1, Poland-5, and Yugoslavia-7) total-

ling 21 of the 186 properties on the List. For the period 1981-1984, Yugoslavia, Bulgaria, and Poland each received technical assistance from the World Heritage Fund. The Fund's resources during that period are estimated at $2.9 million. The United States has not contributed since its 1981 payment of $330,000, estimated then at 40.19 percent of total contributions for 1981 of $900,000.

U.N. DEVELOPMENT PROGRAM (UNDP)

[Program expenditures: 1984]

Countries listed in section 620(f) [1]	Program expenditures received 1984 (est.)	Percent of total program expenditures
Czechoslovakia	$370,000	0.068
North Korea	2,810,000	.516
German Democratic Rep.		
Hungary	512,000	.094
Mongolia	752,000	.138
Albania	3,036,000	.558
Bulgaria	745,000	.137
China (PRC)	14,989,000	2.75
Cuba	1,687,000	.310
Yugoslavia	1,076,000	.197
Poland	1,028,000	.189
Romania	1,105,000	.203
Vietnam	9,921,000	1.82
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the year: $543,598,000.

Source for above information: U.N. document: DP/1985/5/Add.3, p. 20–23.
United States contributions to the program: 1984 pledge: 160,000,000 (Total: 676,725,319).

Source: DP/1985/5/Add.3, p. 3–7.

U.N. CHILDREN'S FUND (UNICEF)

[Program expenditures: 1984]

Countries listed in section 620(f) [1]	Program expenditures received 1984	Percent of total program expenditures
Czechoslovakia		
North Korea		
German Democratic Rep.		
Hungary		
Mongolia	$14,394	0.006
Albania		
Bulgaria		
China (PRC)	5,158,611	2.26
Cuba	40,952	.018
Yugoslavia		
Poland		
Romania		
Vietnam	5,289,718	2.32
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the U.S.S.R. and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the year: $227,437,201.

Source for above information: U.N. document: E/ICEF/1985/AB/L.4, pp. 8–11.
United States contributions to the program: 1984—$52,500,000 (28.4%). Total received from governments: $185,014,725.03.

Source: E/ICEF/1985/AB/L.4, pp. 21–24.

INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)

[Program expenditures: 1984 (estimates of technical assistance to be provided)]

Countries listed in section 620(f) [1]	Program expenditures received 1984	Percent of total program expenditures
Czechoslovakia		
North Korea	$351,400	2.04
German Democratic Rep.		
Hungary	346,600	2.0
Mongolia		
Albania	161,400	.936
Bulgaria	596,400	3.46
China (PRC)		
Cuba	153,200	.888
Yugoslavia	334,400	1.94
Poland	240,000	1.39
Romania	263,000	1.52
Vietnam	277,600	1.61
USSR		

[1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the year: $17,238,000 (estimated to be provided in 1984).

Source for above information: U.S. Congress. Senate. Committee on Appropriations. Foreign Assistance and Related Programs Appropriations, Fiscal Year 1985 (98th Congress, 2d Session). Part 2. Appendixes. p. 172–173.

United States contributions to the program: 1984 estimates: $5,625,000 to the IAEA Technical Assistance and Cooperation Program (25 percent of total governmental contributions to TACP); $2,789,000 for in-kind and extrabudgetary support; $7,400,000 for safeguards support and non-proliferation activities; Total: $15,814,000. (Source: Congressional Presentation).

WORLD METEOROLOGICAL ORGANIZATION/VOLUNTARY COOPERATION PROGRAM (WMO/VCP)

[Program expenditures: 1983]

Countries listed in section 620 (f) [1]	Program expenditures received 1983	Percent of total program expenditures
Czechoslovakia	Yes but no dollar info.	
North Korea	do	
German Democratic Rep.		
Hungary		
Mongolia	Yes but no dollar info.	
Albania		
Bulgaria	Yes but no dollar info.	
China (PRC)	do	
Cuba	do	
Yugoslavia	do	
Romania		
Poland		
Vietnam	Yes but no dollar info.	
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the year: $317,942 in cash contributions and $4,883,400 in value of equipment, training, and services.

Sources for above information: Annual Report of the World Meteorological Organiation, 1983. Geneva, WMO, 1984. p. 139–142, 169–173, as updated by U.S. Department of State. United Contributions to International Organizations, Fiscal Year 1983. p. 60.

United States Contributions to the program: 1983. U.S. pledged $150,000 but contributed only 27 percent of total contributions received or $87,256 in cash contributions. The U.S. provided $2,150,000 in equipment, training, and services, an estimated 44 percent of total in-kind contributions. Total U.S. contributions, 1983: $2,237,256.

WORLD FOOD PROGRAM (WFP)

[Program expenditures: Value of WFP projects as at October 13, 1983]

Countries listed in section 620 (f) [1]	Program expenditures as of Oct. 1983	Percent of total program expenditures
Czechoslovakia		
North Korea		
German Democratic Rep.		
Hungary		
Mongolia		
Albania		
Bulgaria		
China (PRC)	[2] $171,761,800	5.17
Cuba		
Yugoslavia		
Romania		
Poland		
Vietnam	[3] 25,708,300	.775
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the U.S.S.R. and are not included in this list. Similarly, Tibet is part of China and is not listed separately.
[2] Value for 15 projects.
[3] Value for 2 projects.

Note.—Total program expenditures for the year: 414 projects with a value of $3.316 billion ($3,316,566,189).

Source for above information: WFP Projects as of Oct. 13, 1983, provided by the Department of State.

United States contributions to the program: 1983–1984, pledged $250 million (25 %) for the biennium: $188 million—commodities, 3 million—administrative expenses, 59 million—freight costs, 1983 contribution value: $33,760,000 (26 %) includes $2 million cash contribution financed by the Foreign Assistance Act (IO & P account).

WORLD HERITAGE FUND

[Program Expenditures: 1981–84]

Countries listed in section 620(f)	Program expenditures received 1981–84	Percent of total program expenditures
Czechoslovakia		
North Korea		
German Democratic Rep.		
Hungary		
Mongolia		
Albania		
Bulgaria	$60,648	2.09
China (PRC)		
Cuba		
Yugoslavia	65,000	2.24
Romania		
Poland	93,099	3.21
Vietnam		
U.S.S.R.		

* [1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the years 1981–84: $2,900,180 (est.) (expenditures includes spent, approved, obligated, or partly obligated).

Source for above information: World Heritage document from the Department of the Interior.

United States contributions to the program: 1977: $270,000 (52.93%) of total contributions; 1979: $300,000 (47.30%) of total contributions; 1980: $300,000 (47.30%) of total contributions; 1981: $330,000 (40.19%) of total contributions.

Source: U.S. Department of State. United States Contributions to International Organizations. Report to the Congress for Fiscal Year 1981.

U.N. CAPITAL DEVELOPMENT FUND

[Program expenditures: 1984]

Countries listed in section 620 (f) [1]	Program expenditures received 1984	Percent of total program expenditures
Czechoslovakia		
North Korea		
German Democratic Rep.		
Hungary		
Mongolia		
Albania		
Bulgaria		
China (PRC)		
Cuba		
Yugoslavia		
Romania		
Poland		
Vietnam	$46,000	0.148
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the year: $30,893,000.

Source for above information: United Nations document DP/1985/5/Add. 6, p. 8–11.

United States contributions to the program: $2,000,000 or 9.25 percent of an estimated $21,600,000 in governmental contributions for 1984.

U.N. CENTER ON HUMAN SETTLEMENTS

[Program expenditure: 1982–83]

Counties listed in section 620(f) [1]	Program expenditures received 1982–83	Percent of total program expenditures
Czechoslovakia		
North Korea		
German Democratic Rep.		
Hungary	$13,771	0.63
Mongolia		
Albania		
Bulgaria		
China (PRC)		
Cuba		
Yugoslavia		
Romania		
Poland		
Vietnam	2,500	.114
U.S.S.R.		

[1] Estonia, Latvia, and Lithuania are constituent parts of the USSR and are not included in this list. Similarly, Tibet is part of China and is not listed separately.

Note.—Total program expenditures for the years 1982–83: $2,184,491.

Source for above information: Financial Report and Audited Financial Statements for the biennium ended 31 December 1983 and the Report of the Board of Auditors. United Nations document A/39/5/Add. 8, p. 19.

United States contributions to the program: None.

UNITED STATES ASSISTANCE TO COMMUNIST COUNTRIES BY SELECTED UNITED NATIONS SYSTEM PROGRAMS

Program	U.N. total [1]	United States contributions— Percent	Total
U.N. Development Program (for 1984)	$38,031,000	23.6	$8,975,316
U.N. Children's Fund (for 1984)	$10,503,675	28	$2,941,029
International Atomic Energy Agency (for 1984)	$2,724,000	25	$681,000
World Meteorological Organization/Voluntary Cooperation Program	[2]	[3] 27	
U.N. Educational and Training Program for Southern Africa	[2]	32.9	
World Food Program (for 1983)	$197,470,100	26	$51,342,226
World Heritage Fund (1981–1984)	$218,747	[4] 40	$87,499
U.N. Center on Human Settlements (1982–1983)	$16,271		
U.N. Capital Development Fund (for 1984)	$46,000	9.25	$4,255
Totals	$249,009,793		$64,031,325

[1] Countries cited in section 620(f) of the Foreign Assistance Act of 1961, as amended. They are Czechoslovakia, North Korea, German Democratic Republic, Hungary, Mongolia, Albania, Bulgaria, China (PRC), Cuba, Yugoslavia, Poland, Romania, Vietnam, and the U.S.S.R.
[2] Not available.
[3] In 1983.
[4] In 1981.

UNITED STATES ASSISTANCE TO COMMUNIST COUNTRIES BY SELECTED UNITED NATIONS SYSTEM PROGRAMS [1]

Program	U.N. total [2]	United States contributions— Percent	Total
U.N Development Program (for 1984)	$23,042,000	23.6	$5,437,912
U.N. Children's Fund (for 1984)	$5,345,064	28	$1,496,617
International Atomic Energy Agency (for 1984)	$2,724,000	25	[6] $681,000
World Meteorological Organization/Voluntary Cooperation Program	[3]	[4]	
U.N. Education and Training Program for Southern Africa	[3]	32.9	
World Food Program (for 1983)	$25,708,300	26	$6,684,158
World Heritage Fund (1981–1984)	$218,747	[5] 40	[6] $87,499
U.N. Center on Human Settlements (1982–1983)	$16,271		[6]
U.N. Capital Development Fund (for 1984)	$46,000	9.25	[6] $4,255
Totals	$57,100,382		$14,391,441

[1] Excluding China a Communist country.
[2] Countries cited in section 620 (f) of the Foreign Assistance Act of 1961, as amended. They are Czechoslovakia, North Korea, German Democratic Republic, Hungary, Mongolia, Albania, Bulgaria, China (PRC), Cuba, Yugoslavia, Poland, Romania, Vietnam, and the U.S.S.R.
[3] Not available.
[4] In 1983.
[5] In 1981.
[6] No change.

ASSISTANCE TO COMMUNIST COUNTRIES BY SELECTED UNITED NATIONS SYSTEM PROGRAMS

[Country-by-country breakout]

	United Nations— Development Program	Children's Fund	IAEA	WMO/VCP	World Food Program	Human Settlements	Capital Development Fund	World Heritage
Countries listed in section 620 (f):								
Czechoslovakia	$370,000			yes				
North Korea	$2,810,000		$351,400	yes				
German Democratic Republic								
Hungary	$512,000		$346,600				$13,771	
Mongolia	$752,000	$14,394		yes				
Albania	$3,036,000		$161,400					
Bulgaria	$745,000		$596,400	yes				$60,000
China (PRC)	$14,989,000	$5,158,611		yes	$171,761,800			
Cuba	$1,687,000	$40,952	$153,200	yes				
Yugoslavia	$1,076,000		$334,400	yes				$65,000
Poland	$1,028,000		$240,000					$93,099
Romania	$1,105,000		$263,000					
Vietnam	$9,921,000	$5,289,718	$277,600	yes	$25,708,300	$46,000	$2,500	
U.S.S.R.								
Totals	$38,031,000	$10,503,675	$2,724,000	([1])	$197,470,100	$46,000	$16,271	$218,747

[1] Unknown.

Note.—We do not have expenditure figures for the World Meteorological Organization/Voluntary Cooperation Program.

CONTRIBUTIONS BY COMMUNIST COUNTRIES TO SELECTED UNITED NATIONS SYSTEMS PROGRAMS

[Country-by-country breakout]

	United Nations— Development Program	Children's Fund	IAEA	WMO/VCP	World Food Program	Capital Development Fund
Countries listed in section 620(f):						
Czechoslovakia	$575,050	$82,576	$155,763			
North Korea	182,648		9,500			
German Democratic Republic	384,586	107,692	267,900			
Hungary	695,147	21,040	56,211	$72,000	$440,000	
Mongolia	172,880	3,529	1,900			
Albania	5,714		1,900			
Bulgaria	670,000	60,913	30,400			
China (PRC)	1,750,000	350,000		130,000	600,000	$144,928
Cuba	784,000	117,041	20,900		2,500,000	23,068

CONTRIBUTIONS BY COMMUNIST COUNTRIES TO SELECTED UNITED NATIONS SYSTEMS PROGRAMS—Continued

[Country-by-country breakout]

	United Nations—					
	Development Program	Children's Fund	IAEA	WMO/VCP	World Food Program	Capital Development Fund
Yugoslavia	926,000	247,263	81,700		540,000	88,800
Poland	568,907	56,934	218,000			
Romania	550,491	12,244				
Vietnam	12,000	6,000			10,000	1,000
U.S.S.R [1]	2,528,846	969,099	2,677,695	1,444,000		
Totals	9,116,856	2,034,331	3,522,769	1,646,000	4,090,000	257,796

[1] Includes contributions by U.S.S.R., Byelorussian S.S.R., Ukrainian S.S.R.

Note.—These countries did not contribute to the United Nations Center on Human Settlements during the 1982–1983 biennium.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. LOWERY of California. I yield to the chairman of the committee.

Mr. FASCELL. Mr. Chairman, while I personally may have some reservation about the burden being placed on the President, I generally concur with the gentleman's amendment and I am prepared to accept it on this side.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. LOWERY of California. I yield to the gentleman from California.

Mr. LAGOMARSINO. We have examined the amendment on this side, and the minority has no objection to the amendment.

I might say that I strongly support the amendment and I urge my colleagues to vote for it.

Mr. LOWERY of California. I urge my colleagues to vote for this amendment.

If this amendment were in effect in the last fiscal year, we would have saved some $64 million of U.S. taxpayer money that would not flow through these organizations to Eastern bloc countries.

Mr. ARMEY. I rise in strong support of this amendment for both practical and philosophical reasons.

First, Mr. LOWERY's amendment is not intended to realign U.S. foreign policy. Its purpose is simply to close a dangerous and contradictory loophole. We, as a Nation, have already declared our unwillingness to assist the consolidation of Communist regimes by offering low interest loans and favorable trade agreements. In fact, section 620(f) of the Foreign Assistance Act of 1961 already prohibits the appropriation of any aid to Communist countries under the authority of that act.

Although section 620(f) clearly prohibits the direct transfer of aid to Communist countries under the Foreign Assistance Act, we have allowed indirect transfer of funds through international organizations to which the United States is a member. Mr. LOWERY's amendment simply seeks to close this loophole and create a consistent U.S. foreign policy toward Communist countries.

But even more importantly, this amendment reaffirms U.S. commitment to basic human rights. Communist countries systematically violates even the most basic human and political rights such as freedom of speech and the press. If we continue to offer low-interest loans, favorable trade agreements, as well as increased access to Western technology, we send a signal to the world that we no longer care about human rights. We cannot trivialize the human rights violations in Communist countries simply because such violations have been going on for so long.

Clearly, by proportionately reducing our contributions to international organizations to the degree to which U.S. funds are going to Communist countries, we are still not able to assure that, technically, no U.S. funds are going to Communist countries. But we are making an important symbolic statement.

If we are serious about our commitment to freedom across the globe, then we must continue to put pressure on the greatest violators of human rights: the Communist countries. That is why we must approve Mr. LOWERY's amendment. For the sake of freedom and philosophical consistency we must continue to show our disdain for Communist repression. I urge all Members to seriously consider this amendment, and then vote their conscience.

Thank you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LOWERY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: Page 56, after line 7, insert the following new section:

SEC. 410. BAN ON IMPORTING GOODS AND SERVICES FROM COUNTRIES SUPPORTING TERRORISM.

(a) AUTHORITY.—The President may ban the importation into the United States of any good or service from any country which supports terrorism or terrorist organizations or harbors terrorists or terrorist organizations.

(b) DEFINITION.—For the purposes of subsection (a), the terms "terrorist" and "terrorist organizations" mean an individual, group, or any combination thereof which is involved in terrorism.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California,

There was no objection.

Mr. HUNTER. Mr. Chairman, very simply, this tracks what the gentleman from New York [Mr. GILMAN] has just done and extends the capability of the President to ban the importation of goods or services from any country which would support terrorism or terrorist organizations.

I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, we have had an opportunity to examine this amendment, and we are prepared to accept it on this side.

Mr. HUNTER. Mr. Chairman, I yield to the gentleman from Michigan [Mr. BROOMFIELD], the ranking minority Member.

Mr. BROOMFIELD. Mr. Chairman, we have also had a chance to examine the amendment, and we also accept it on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

The Clerk will designate title V.

The text of title V is as follows:

TITLE V—INTERNATIONAL NARCOTICS CONTROL

SEC. 501. AUTHORIZATIONS FOR INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.

Subsection (a)(1) of section 482 of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a)(1) To carry out the purposes of section 481, there are authorized to be appropriated to the President $57,529,000 for fiscal year 1986 and $57,529,000 for fiscal year 1987.".

SEC. 502. DEVELOPMENT AND ILLICIT NARCOTICS PRODUCTION.

Section 126(b) of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "and under chapter 4 of part II" immediately after "this chapter"; and

(2) by inserting "(1)" after "(b)" and by adding at the end thereof the following new paragraph:

"(2) The agency primarily responsible for administering this part may utilize resources for activities aimed at increasing awareness of the effects of production and trafficking of illicit narcotics on source and transit countries.".

SEC. 503. REPORTS ON INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.

Section 481(b) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(b)(1) Not later than 45 days after the end of each calendar quarter, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on the programming and obligation, on a calendar basis, of funds under this chapter prior to the end of that quarter. The last such report for each fiscal year shall include the aggregate obligations and expenditures made, and the types and quantity of equipment provided, on a calendar quarter basis, prior to end of that fiscal year—

"(A) to carry out the purposes of this chapter with respect to each country and each international organization receiving assistance under this chapter, including the cost of the United States personnel engaged in carrying out such purposes in each such country and with each such international organization;

"(B) to carry out each program conducted under this chapter in each country and by each international organization, including the cost of United States personnel engaged in carrying out each such program; and

"(C) for administrative support services within the United States to carry out the purposes of this chapter, including the cost of United States personnel engaged in carrying out such purposes in the United States.

"(2) Not later than August 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed midyear report on the activities and operations carried out under this chapter prior to such date. Such midyear report shall include, but not be limited to, the status of each agreement concluded prior to such date with other countries carry out the purposes of this chapter.".

SEC. 504. EXEMPTION FROM BAN ON INVOLVEMENT OF UNITED STATES PERSONNEL IN ARREST ACTIONS IN NARCOTICS CONTROL EFFORTS ABROAD.

Section 481(c) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(2) Paragraph (1) of this subsection shall not prohibit officers and employees of the United States from being present during direct police arrest actions with respect to narcotic control efforts in a foreign country to the extent that the Secretary of State and the government of that country agree to such an exemption. The Secretary of State shall report any such agreement to the Congress before the agreement takes effect.".

SEC. 505. ANNUAL REPORTS ON INVOLVEMENT OF OTHER COUNTRIES IN ILLICIT DRUG TRAFFIC.

Section 481(e) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(6) Each report pursuant to this subsection shall describe the involvement, during the preceding fiscal year, of any foreign government in illicit drug trafficking, including—

"(A) the direct or indirect involvement of such government (or any official thereof) in the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, and

"(B) any other activities of such government (or any official thereof) which have facilitated illicit drug trafficking.".

SEC. 506. PROCUREMENT OF WEAPONS TO DEFEND AIRCRAFT INVOLVED IN NARCOTICS CONTROL EFFORTS.

Of the funds available to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance), not less than $1,000,000 for each of the fiscal years 1986 and 1987 shall be made available to arm, for defensive purposes, aircraft used in narcotic control eradication or interdiction efforts. The Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall be notified of the use of any such funds for that purpose at least 15 days in advance in accordance with the reprogramming procedures applicable under section 634A of the Foreign Assistance Act of 1961.

SEC. 507. REQUIREMENT FOR COST-SHARING IN INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAMS.

Section 482 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(d) Assistance may be provided under this chapter to a foreign country only if the country provides assurances to the President, and the President is satisfied, that the country will provide at least 25 percent of the costs of any narcotics control program, project, or activity for which such assistance is to be provided. The costs borne by the country may include 'in-kind' contributions.".

SEC. 508. PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROP ERADICATIONS.

Chapter 8 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 483. PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROP ERADICATIONS.

"Funds made available to carry out this Act may not be used to reimburse persons whose illicit drug crops are eradicated.".

SEC. 509. CONDITIONS ON ASSISTANCE TO BOLIVIA.

Assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) may be provided to Bolivia for fiscal years 1986 and 1987 only under the following conditions:

(1) Of the amount of assistance allocated for Bolivia for fiscal year 1986—

(A) up to 25 percent may be provided at any time after the President certifies to the Congress that the Government of Bolivia has enacted legislation which prohibits more than two hectares of coca production per family; and

(B) the remaining 75 percent may be provided at any time subsequent to a certification pursuant to subparagraph (A) if the President certifies to the Congress that the Government of Bolivia achieved the eradication targets for the calendar year 1985 contained in its August 1983 narcotics control agreements with the United States.

(2) Of the amount of assistance allocated for Bolivia for fiscal year 1987—

(A) up to 50 percent may be provided at any time after the President certifies to the Congress that during the first 6 months of calendar year 1986 the Government of Bolivia achieved at least half of the eradication targets for the calendar year 1986 contained in its August 1983 narcotics control agreements with the United States; and

(B) the remaining 50 percent may be provided at any time after the President certifies to the Congress that the Government of Bolivia fully achieved the eradication targets for the calendar year 1986 contained in its August 1983 narcotics control agreements with the United States.

SEC. 510. UPPER HUALLAGA VALLEY PROJECT IN PERU.

Funds authorized to be appropriated for fiscal year 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance) may be made available for the project of the Agency for International Development in the Upper Huallaga Valley of Peru only if the Administrator of that Agency, after consultation with the Congress, determines that a comprehensive review of that project has been completed which establishes the effectiveness of that project in reducing and eradicating coca leaf production, distribution, and marketing in the Upper Huallaga Valley.

SEC. 511. CONDITIONS ON ESF ASSISTANCE TO JAMAICA.

Of the funds allocated for Jamaica for fiscal year 1986 under chapter 4 of part II of the Foreign Assistance Act of 1961, $5,000,000 shall be withheld from obligation until the President certifies to the Congress that the Government of Jamaica has prepared, presented, and committed itself to a comprehensive plan or strategy for the control and reduction of illicit cultivation, production, processing, transportation, and distribution of marijuana within a specifically stated period of time.

SEC. 512. REALLOCATION OF FUNDS IF CONDITIONS NOT MET.

If any of the funds described in sections 509, 510, and 511 are not used for the country for which they were allocated because the conditions specified in those sections are not met, the President shall reprogram those funds in order to provide additional assistance to countries which have taken significant steps to halt illicit drug production or trafficking.

SEC. 513. CONDITIONS ON UNITED STATES CONTRIBUTIONS TO THE UNITED NATIONS FUND FOR DRUG ABUSE CONTROL.

Funds authorized to be appropriated by section 482(a) of the Foreign Assistance Act of 1961 (relating to international narcotics control assistance) for fiscal year 1986 and for fiscal year 1987 may be used for a contribution to the United Nations Fund for Drug Abuse Control only if that organization includes in its crop substitution projects a plan for cooperation with the law enforcement forces of the host country.

SEC. 514. NARCOTICS CONTROL EFFORTS IN BRAZIL.

The Secretary of State shall enter into negotiations with the Government of Brazil in order to establish a bilateral narcotics control agreement. Such agreement shall have as a goal a 10 percent reduction in illicit coca production in Brazil in calendar year 1986.

SEC. 515. LATIN AMERICAN REGIONAL NARCOTICS CONTROL ORGANIZATION.

(a) FEASIBILITY STUDY.—The Secretary of State, acting through the Assistant Secretary of State for International Narcotics Matters, shall conduct a study of the feasibility of establishing a regional organization in Latin America which would combat narcotics production and trafficking through regional in-

formation-sharing and a regional enforcement unit.

(b) REPORT.—No later than six months after the date of enactment of this Act, the Secretary shall report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate on the advisability of encouraging the establishment of such an organization.

SEC. 516. GREATER EFFORT BY UNITED STATES ARMED FORCES TO SUPPORT NARCOTICS CONTROL EFFORTS ABROAD.

No later than 60 days after the date of enactment of this Act, the President shall report to the Congress on why the United States Armed Forces should not exert greater effort in facilitating and supporting interception of narcotics traffickers, and in gathering narcotics-related intelligence, outside the United States.

SEC. 517. CUBAN DRUG TRAFFICKING.

(a) FINDINGS.—The Congress finds that—

(1) the subject of the flow, use, and control of narcotic and psychotropic substances is a matter of great international importance;

(2) the problem of drug abuse and drug trafficking continues to worsen throughout most parts of the world;

(3) the concerns of the governments of many countries have become manifest in several bilateral and multilateral narcotics control projects;

(4) United Nations agencies monitor and apply controls on the flow and use of drugs and coordinate multilateral efforts to control production, trafficking, and abuse of drugs;

(5) the United Nations Fund for Drug Abuse Control funds narcotics projects throughout the world and has been a vehicle since 1971 for multilateral implementation of narcotics control and reduction programs;

(6) the International Narcotics Control Board is charged with monitoring compliance with the Single Convention on Narcotic Drugs, 1961, and the Convention on Psychotropic Substances, and Cuba is a party to both Conventions;

(7) the United Nations Commission on Narcotic Drugs is responsible for formulating policies, coordinating activities, supervising the implementation of international conventions, and making recommendations to governments for international drug control;

(8) the promotion of drug abuse and participation in drug trafficking is universally considered egregious criminal behavior wherever it occurs, whether it occurs locally, nationally, or internationally;

(9) a Federal grand jury of the United States has indicted four prominent Cuban officials on charges of conspiring to smuggle drugs into the United States;

(10) United States Government officials have testified at several congressional hearings that the Government of Cuba is facilitating the flow of illicit drugs into the United States in order to obtain hard currency, support guerrilla/terrorist activities, and undermine United States society; and

(11) such alleged conduct on the part of the Government of Cuba would be injurious to the world community and counter to the general principle of international law that no country has the right to use or permit the use of its territory in such a manner as to injure another country or persons therein.

(b) RECOMMENDED ACTIONS.—It is the sense of the Congress that the President should—

(1) acting through the Permanent Representative of the United States to the United Nations, take such steps as may be necessary to place the question of the involvement by the Government of Cuba in illicit drug trafficking on the agenda of the United Nations;

(2) acting through the Representative of the United States to the Organization of American States, request the Organization of American States to consider this question as soon as possible; and

(3) request other appropriate international organizations and international forums to consider this question.

(c) REPORT.—The President shall report to the Congress on the actions taken pursuant to this section.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. AUCOIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes, had come to no resolution thereon.

MOTION TO INSTRUCT CONFEREES TO INSIST ON PROVISION PROVIDING FOR CERTAIN FULL COST-OF-LIVING ADJUSTMENTS IN HOUSE AMENDMENT TO SENATE CONCURRENT RESOLUTION 32, BUDGET FOR U.S. GOVERNMENT FOR FISCAL YEARS 1986, 1987, AND 1988

Mr. KANJORSKI. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. KANJORSKI moves that, pursuant to the provisions of clause 1(b) of Rule XXVIII, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the bill Senate Concurrent Resolution 32 be instructed to insist on the House provisions providing for full cost-of-living adjustments for Social Security recipients, federal military and civilian retirees, black lung recipients, railroad retirees, and recipients of VA compensation and pensions.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 1 hour.

Mr. KANJORSKI. Mr. Speaker, I present this privileged motion to instruct the House conferees for the sole purpose of establishing, once and for all, the feelings in the House of Representatives as they apply to the COLA's, the cost-of-living adjustments, to not only Social Security, but to such programs as Federal and civilian pensions, to black lung, to veterans' pensions, and to all entitlement programs of the United States.

It seems to me that it is very clear that in these last 6 months this Congress has attempted to reconcile the positions of the House budget with that of the Senate and the administration. As late as yesterday, we were prepared to offer this motion to instruct but withheld the same at the request of the leadership of this party and the leadership of the House for the purposes of seeing whether or not the conferees and the White House and the Senate could work out their differences.

We had a press conference yesterday at 2 o'clock, in which I participated with a former Member of this House, Mr. James Roosevelt of California. He presented to the Members of the House of Representatives over 2 million signatures of senior citizens and others across this country requesting that once and for all they find out whether or not their cost-of-living adjustments will be made a part of this budget.

When I returned to my office yesterday, Mr. Speaker, I read a letter from a 63-year-old lady, and she said in that letter to me:

I feel deeply within that my letter to you will be considered. I am crippled. I cannot walk one step without the aid of a walker. I have had arthritis for 18 years, had to force retirement in 1972. I live alone. I am 63 years of age. I depend on my Social Security, believe me. My Social Security is $396 a month. I became very concerned when I heard about the freeze of Social Security and perhaps cutting Social Security. I pray that you will voice your disapproval of either move.

She further says:

I ask for nothing. But I must say that our President does not feel for the needy in our own country. The veterans and Social Security are being threatened in every breath, and yet millions of dollars can be given away to other countries.

Mr. Speaker, this is not a unique feeling and it is not a unique expression of frustration of the elder Americans and those we promised to help so much over the last 50 years as we move into the celebration of the 50 years of the Social Security Program.

In the late 1970's, this House, this Government, and this country made programs and adjustments to the Social Security Program to adequately provide for our retirees, and they were told that they need not worry until the 21st century.

□ 1450

In 1981, cuts in adjustments were again made and there was a reaction and a question of faith expressed across this country by the senior citizens and the recipients of entitlement programs. In 1983, a commission appointed by the President and ultimately its recommendation adopted by this House and the Senate, and they are now law, did cut and provide for meas-

ures to make Social Security more tenable and supposedly secure through 2020.

Now, in 1985, again the President and the majority party of the U.S. Senate want to revisit the retirees of America. It is reasonable to say that we do have deficit problems. It is reasonable to say that we have differences of opinion on how to balance the budget or to cut the deficit. But, Mr. Speaker, I ask whether or not it is reasonable for this Congress' Representatives of the people not to stand by the people and stand by the pledges made by the Members of this House and the candidates for election in 1984 when we promised we would no longer attack or cut Social Security or the other COLA benefits of the entitlement programs of this Nation.

But here we are again in 1985, and here we are again with frightened Americans throughout this land; 2 million of them petitioned Congress yesterday, and 114,000 that live in my 11th District of Pennsylvania. But it is not only the 114,000 Social Security recipients I am here for, it is the 14,000 railroad retirement recipients; it is the 19,000 black lung recipients; it is the 3,000 Federal pension recipients; it is the 2,000 military recipients that live in my area, and it is the many thousands of veterans that are receiving pension and benefits from this Government that are at risk.

Mr. Speaker, it is time that the U.S. House of Representatives makes it very clear as to where each and every Member stands. In our process of government, we run for office and we represent the people in our districts. We have made representations to these people. It would now be an act of courage if we stand by those representations. It is not an act of courage to run for office in one breath and make promises not to cut entitlement programs, not to balance the budget or cut the deficits on the back of the senior citizens in the entitlement programs, and then to walk down here to Washington 6 months later and be talking about doing the same thing.

Mr. Speaker, I am here on behalf of Pennsylvania, the third highest hit state in Social Security and entitlement programs, second and third only to New York and California.

I am here to say that we need an up-or-down vote in the U.S. House of Representatives today, and we need that vote to express our confidence in the conferees on the Budget Committee on the part of the House, and Chairman BILL GRAY, Majority Leader WRIGHT, and to Speaker O'NEILL, and to all the leadership on this side of the aisle, that we made a promise and that we have abided by the promise, and now we are willing to put that promise in the nature of a rollcall vote up or down on all the COLA's and all the entitlement programs that we are facing in this budget year.

I will, before the expiration of this hour, ask for the previous question, and I will ask for a rollcall vote on this issue.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentleman for debate purposes only.

Mr. LATTA. I thank the gentleman.

Mr. Speaker, let me say, first of all, as one of the conferees I do not think that we have to be instructed on this issue. I think that the House position and now the Senate position is pretty well known. But I am wondering whether or not the gentleman would permit an amendment to his motion to provide further that the conferees be instructed to insist on the House position on the cost-of-living adjustments throughout, not only the ones the gentleman listed, but throughout, and further, in order to achieve the largest possible deficit reduction package and to adopt a budget path that will lead the Nation toward a balanced budget, the managers on the part of the House are instructed to adopt additional domestic savings to guarantee that the $28 billion in savings that are lost by insisting on the House position are realized through additional spending restraints.

Simply put, this would merely say that we are going to go the route that the gentleman is suggesting, go the route that the House has done, but we are going to have the savings from other domestic programs.

Mr. KANJORSKI. I do not wish to confuse the issue. I think that we should have a very clear issue before the House, up or down on the COLA's. The gentleman is perfectly under the rules, able to offer those instructions at another time.

At this point, the maker of this motion wants to hold and contain the issue as specifically set forth in the motion read from the Chair. But I want to answer one thing: I do not want to suggest, to my best knowledge, I have not heard a statement from Senator DOLE any different than I heard this morning on national television that he still believes that the COLA's are on the edge of the table, and the message I am trying to send to him today is that they have fallen clearly off the table, and they are on the floor, and they are no longer to be considered.

Mr. LATTA. If the gentleman would yield further, I do not think there is anything to be debated on that. I believe they are off the table; there is not any question about that or I would not be asking the gentleman to yield at this point.

It is absolutely essential, and certainly the gentleman knows this, that we have at least $50 billion in reductions from the deficit. If we take out this amount of money we have got to make it up someplace else. That is all we are saying. We ought to insist that our conferees take that money out someplace else.

We cannot have our cake and eat it too; we cannot go out across the country and say we are for deficit reduction when we have an opportunity to vote on it right here on instruction to these conferees. Now, I understand the gentleman's position; he does not want to confuse the issue, but we are not confusing the issue by saying when you take it out here, you have got to put it back in here or you do not come up with the $50 billion in reductions.

Mr. KANJORSKI. I have implicit faith that the gentleman being a member of the conferees that he has the ability to accomplish that fact for the House. We do not want to restrict that, but specifically I do not want to confuse this issue. I want the American people to know where each elected Member of the U.S. House of Representatives stands on the COLA problem. I want them to be able to take that record and compare it to their prior pledges in the 1984 election, and I want to be able to say to the American people that when we run for office as the House of the people and we make a commitment, they are entitled to know whether or not we are going to stand by that commitment during our term of office. It is the confusion that has occurred over the last three Congresses on this specific issue that have put the elderly citizens in America in a state of anxiety. I want to remove them from that state so that anyone here that has their opportunity to express their position on the COLA's make it a matter of record today and to be held to that as long as this Congress stands in session. I do not want to confuse by accepting any amendments to this. I specifically drafted the language to have an up or down vote on the COLA's.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. KANJORSKI. I will yield for debate purposes only.

Mr. LATTA. Let me say to the gentleman that we are in perfect agreement with what you are doing, but you are only taking part in half of the problem. The other half is picking up the money that is going to be lost through this procedure that the gentleman is for. So we have got to do that, and if we do not instruct the conferees to do that, we might just come up short.

I notice the chairman of the Budget Committee just came on the floor, and I am sure he will agree that we have got to look for other areas in order to come up with these reductions.

Mr. KANJORSKI. I have implicit faith in BILL GRAY and the conferees

and I am sure he will do that. But on this particular issue, I want a straight up or down vote on the COLA's so that we know where the Members of this House, and that all Americans who are entitled to these programs or are interested in these programs know where we stand today.

Mr. LATTA. If the gentleman will yield further, under the rules of the House, we cannot amend your motion unless you agree to it. So let me inform the House now that we will vote on the gentleman's motion, but then I will offer a subsequent motion to do the whole job. That is to come up with the savings that are needed to be saved in order to come up with at least $50 billion in reductions.

Mr. KANJORSKI. Under the rules, I understand the gentleman has the right to do that.

Mr. KANJORSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON A BILL MAKING APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR THE FISCAL YEAR 1986

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes.

Mr. LEWIS of California reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, it has now been discussed on the floor that the gentleman from Ohio would be entitled to offer an amendment or to offer another motion to instruct.

Mr. Speaker, is it the intention of the Chair to allow the gentleman from Ohio to offer that motion immediately following the disposal of the motion of the gentleman from Pennsylvania?

□ 1500

The SPEAKER pro tempore. Subsequent to the disposition of the motion to instruct by the gentleman from Pennsylvania [Mr. KANJORSKI], the Chair could recognize another Member for the purpose of offering another privileged motion to instruct.

Mr. WALKER. And that would occur immediately after the vote on the Kanjorski motion.

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. I thank the Chair.

Mr. KANJORSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am very glad to be here to discuss one particular thing. I think the House of Representatives should go on record as to what it is going to do and what its intentions are in regard to Social Security and the COLA's at stake.

Last election, most of the Members of this House went out, went before senior citizens' groups, and pledged support. Not only did many Members of this House do that, the President of the country laid to rest any of the doubts of the American people, specifically the senior citizens, that Social Security would not be touched.

I think it has been stated on the floor before the exact quote that the President used. He says, and I quote:

A President should never say never, but I am going to break the rule and I am going to say never. I never would tamper with Social Security.

Or rhetoric along those lines. Well, Members of the House, there seems to have been a change and now we are at a particular point where we are discussing where we are supposedly going to get the money. I think at issue here is what is the Members' position on Social Security and other COLA's. It should be documented, put on the record, so it can be scrutinized by the American public as to what our position really is.

Second, I heard some talk about a balanced budget. As a freshman going through the last campaign, that was one of the most conservative, critical issues that was expounded upon, a balanced budget. History states that Congress in the 98th session passed a Balanced Budget Act here in the House of Representatives. That Balanced Budget Act was voted down in the other body, and certainly if it was voted down in the other body, it had the support of the President.

Ladies and gentleman, if this House right now would, under its circumstances, have a constitutional amendment for a balanced budget, they would raise taxes. We are talking about $50 billion. The best deficit-reduction program we have is $56 billion, and it came from the House.

Let us get serious here. Something is going to have to give. Even with a $56 billion reduction, America will tack on a $144 billion projected to its already staggering national debt.

So, I think the question is here, and I do not mean to denigrate the intentions of the gentleman from Ohio, but the question is: It is not an issue of where the money is going to come from. It is what are the priorities and where that money is going to be developed. Social Security has had a surplus, from what I understand, unless there is some change. That decision to freeze Social Security COLA's will put half a million senior citizens in poverty. The poverty level of this country is reflecting that of the 1960's and we are beginning to read newspaper articles where buildings are getting burned down and there is social unrest. Is there any wonder about it? The rich are getting richer and the poor are getting poorer and America is frustrated and turning at the seams.

My position is quite clear. As far as this particular motion to instruct is concerned, anybody who ran their rhetoric during the last campaign on their position on COLA's and Social Security and the other COLA's that affect so many constituents who have come to us, and so many of us, I am sure, who have stated, "We will do all we can to protect your interests," at election time, I might add, now you have a chance to put your vote on record where they can take a look at the CONGRESSIONAL RECORD or pick up the paper that qualified that vote and say you either did or did not.

That is what the issue is about. I think everyone here is concerned about those deficits. I am concerned about them, too, but let us not put them on the back of people. I am very glad to say I am proud to support this motion. I would hope that Members of the House would come over, vote their conscience, put it down on record, and send a message to these conferees where the House is going to stand, and hopefully that group in the other body will take a look at that military budget, because I am hoping the House says, "We are not going to budget on our priorities; we expect you to budget." I think that can happen.

Mr. KANJORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MANTON].

Mr. MANTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am pleased to rise in support of the motion offered by my colleague, the gentleman from Pennsylvania, to instruct regarding cost-of-living adjustments. It is essential that the House budget conferees are steadfast in their support of providing a cost-of-living adjustment for Social Security beneficiaries, Federal civilian and military retirees, railroad retirement beneficiaries, and black lung programs.

Over the past few weeks, my office has been flooded with calls and letters from my constituents who are concerned with the fate of their COLA's. The cost-of-living adjustment is an essential part of Social Security, as well as other retirement programs. The cost-of-living adjustment has played a key role in reducing the incidence of poverty among the elderly.

The House thoroughly debated the question of COLA's during or consideration of the first budget resolution. The House strongly rejected an attempt to deny Social Security beneficiaries their COLA. I think the House's position on the questions of COLA's is clear, and it is appropriate for the House conferees to remain faithful on this question in light of the strong feeling in this body. We all realize the importance of reducing the Federal deficit. And we recognize that this is a time when sacrifices must be made. However, the House budget resolution contained a sense of fairness that should be maintained in any compromise worked out with the other body. I strongly urge my colleagues to support this motion.

Mr. KANJORSKI. Mr. Speaker, how much time do we have remaining?

The SPEAKER pro tempore. The Chair will advise the gentleman that he has 38 minutes remaining.

Mr. KANJORSKI. Mr. Speaker, I wish to yield to the gentleman from Pennsylvania [Mr. GRAY], the eminent chairman of the Committee on the Budget of the House, but before I yield I want to say that as a Pennsylvanian, a freshman member of that delegation, it was with honor that I saw Mr. GRAY elected by this House and by our caucus as chairman of that great committee. I think he has done a superlative job of which I am proud and I know every Member of the Pennsylvania delegation on both sides of the aisle are extremely proud.

It is in support of the effort that the gentleman from Pennsylvania has made toward resolving the deadlock on the budget that I offered my motion today. It is also for the purpose of strengthening his hand in any future negotiations that we clearly set aside to the other body and to the President the position of the House of Representatives.

Mr. Speaker, I am proud to yield 4 minutes to the gentleman from Pennsylvania [Mr. GRAY] for purposes of debate only.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding this time to me.

Mr. Speaker and distinguished colleagues, I come before the House completely understanding the motives of my colleagues, both my colleague from Pennsylvania [Mr. KANJORSKI], as well as the distinguished ranking member of the Committee on the Budget, the gentleman from Ohio [Mr. LATTA].

□ 1510

What they simply want to do is ask us to go on record and really restate what we have already stated several weeks ago, and that is that the House bipartisanly supports full funding of the cost-of-living adjustments for Social Security and the COLA unit. I would remind the House that the budget that came from the committee which I chair held that position, as well as the Republican leadership in the substitute offered by the gentleman from Ohio [Mr. LATTA], and as well as the Republican substitute offered by the 92d class. Thus, when we look at the vote on the two other propositions during that debate, the Leath amendment and also the Dannemeyer amendment, we see that overwhelmingly the House has already made its will known. We who are conferees and who are involved at this very critical juncture of the conference in negotiating understand clearly that the House has given bipartisan support of Social Security for our elderly and our veterans.

I would simply say to both of my colleagues, the gentleman from Pennsylvania [Mr. KANJORSKI] and the gentleman from Ohio [Mr. LATTA], that after this debate I would hope that neither one of them would call upon the House to vote on these motions to instruct, which are, as I understand it, nonbinding.

Second, let me state at this critical moment that I do not know that Members are aware that this morning we had a 2-hour meeting with the President of the United States, and in that meeting the President suggested a framework under which Senator DOMENICI, as well as myself, agreed to try to work something out. What the President said was exactly this:

First, he maintains his position; he would not support any revenues or taxes.

Second, he was prepared to support the House position on defense outlays if the House would move toward the Senate in defense budget authority.

Third, he was prepared to support the House position on Social Security and, I guess, keep the promise that he made last fall if we in the House were prepared to look for additional domestic cuts.

That was the framework which he outlined that he was prepared to support. I think the meeting was productive. I assured the President that this committee chairman would come back and work with the members of the conference and the Budget Committee and the leadership of the House bipartisanly to see if we could work in that framework.

I believe that the passage of either one of these nonbinding instructions would hurt us at this critical juncture as we are moving forward. So I would say to my friend, the gentleman from Pennsylvania, as well as the ranking member, the gentleman from Ohio, that I would hope that after a debate in which we could express our will and we could reiterate our concerns, we would not have a vote and bind the conference at this particularly critical juncture, because as chairman I want to make it clear again that I support the House position on the House-passed budget, and, second, as chairman, let me say we are going to come back here with a budget deficit reduction package which at the last offer we made to the Senate was $57.75 billion. So already we are $1.5 billion higher than when we left, without touching the COLA's of our seniors or our veterans, and I would hope that the House would allow us to work our will on this matter.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the distinguished gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I ask the distinguished committee chairman, is it not a fact that the House already went on record by a record vote of 372–56 not to cut the COLA on Social Security when the budget was under consideration?

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GRAY] has expired.

Mr. KANJORSKI. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, the distinguished gentleman from Florida, the chairman of the Committee on Rules, is absolutely right. If one were to look at one of those votes as really a vote on COLA's, that would be true, but even if you took that vote that the gentleman from Florida [Mr. PEPPER] has pointed to and combined it with the vote on the Dannemeyer amendment, there was a total of about 95 Members of the House who were willing to freeze, cut, or reduce Social Security in some way.

So, I think it is very clear that we have a bipartisan position, the chairman is ready to support it, and I think at this critical juncture, when the President is coming into the process, it might not be helpful at this time.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the distinguished ranking minority member of the Budget Committee, the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Speaker, I thank my chairman for yielding, and I say that I agree with everything he said.

Let me say that I was not prepared to offer such an amendment had it not been that the motion to instruct was being made by the gentleman from Pennsylvania, which was only half a loaf, I thought. The chairman has assured me that we are going to make up additional reductions in domestic programs for what we lose in Social Security, and I take him at his word. But to only have half a loaf before the House, I thought, was improper, and I

certainly am not going to ask for a record vote. But I cannot tell the gentleman from Pennsylvania what to do.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GRAY] has again expired.

Mr. KANJORSKI. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, I just want to say to the gentleman from Ohio, who was part of the meeting this morning with the President, that certainly I believe he understands this is a critical juncture. I think if we do not break the logjam within the next week and a half, the door of opportunity for a conference report and a budget will be closed.

I want to say to my colleague, the gentleman from Pennsylvania [Mr. KANJORSKI], that I know where he stands on this issue. He is very strongly supportive of the COLA's for our veterans and for our elderly, and I want him to know that this chairman is prepared to defend the House bipartisan position which has been made clear not only by the leadership but also by the conferees and by the Members on the other side of the aisle, particularly the gentleman from Ohio [Mr. LATTA] and the gentleman from New York [Mr. KEMP].

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GRAY] has again expired.

Mr. LATTA. Mr. Speaker, will the gentleman from Pennsylvania yield additional time?

Mr. KANJORSKI. Mr. Speaker, I yield 30 additional seconds to the gentleman from Pennsylvania, for debate purposes only.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the gentleman from Ohio.

Mr. SPEAKER, in order that my intentions are not misinterpreted, if the gentleman from Pennsylvania insists on a record vote on his amendment or his motion, then I will have to insist on one on mine.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would just simply say to my friend and colleague, the gentleman from Ohio [Mr. LATTA], for whom I have great respect, that I would hope that if he does that, that when he offers his amendment, he would change the $28 billion to $23 billion, because actually the last offer from the Senate on Social Security was a $23 billion offer and not a $28 billion offer.

But I would just hope again that we would have this debate and maybe there would be reconsideration because we are at this critical juncture. I want to assure the gentleman from Pennsylvania, who I know is very supportive, that I as chairman will maintain the House position and we will come back with a budget we can all vote for.

Mr. KANJORSKI. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I have no question about the gentleman's integrity in this matter and his forcefulness in ushering through the conference and through this House ultimately the best budget we can get. But did the President of the United States say that he would not ask for the cut in COLA's on black lung?

Mr. GRAY of Pennsylvania. Mr. Speaker, if the gentleman will yield, as I understood our conversation today, I say to the gentleman from Pennsylvania [Mr. KANJORSKI], that what the President said was that he was willing to change his position if we, the Senate and the House, could work out an agreement on the budget that had these four principles: First, no new revenues; the defense figure of the House outlay; moving toward the Senate budget authority; and on Social Security he would come to the House position, and also on the other COLA issues, black lung, veterans, Federal retirees, and military retirees. The question was raised at one point about separating military and Federal civilian retirees from the rest of the package. At no time did anyone suggest that the Black Lung Program would be frozen or diminished. It was felt very clearly that black lung, veterans, and Social Security would remain.

Now, when that question was raised about Federal civilian and military, there was a consensus that nothing should be done; it should be treated as one unit and thus totally removed.

Mr. KANJORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI], for debate purposes only.

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding me this time, and I also would like to take this opportunity to congratulate the gentleman from Pennsylvania for offering this motion because clearly the question on COLA's is a critical issue.

As an original member of the House Select Committee on Aging, together with my illustrious colleague, Senator CLAUDE PEPPER, I have been an advocate of cost-of-living adjustments since the process began. We know that the issue is critical at this point. We know it is a bone of extreme contention. But to ask the seniors once again to assume the responsibility of sacrificing on their cost-of-living increase is, I think, unconscionable. Let us call this issue straight. The Senate budget resolution calls for a freeze. A freeze means simply no COLA in 1986.

If the cost of living as passed by this House in an overwhelming fashion is not provided for the seniors, we will drive some 400,000 seniors into poverty. We called upon the elderly of our Nation once before, in 1983, during the great Social Security reform, to make a sacrifice, and they did because of their concern about the larger picture, which was the preservation of the Social Security system itself.

□ 1520

Happily, we were successful in that effort as a House and as a Congress. Now the Social Security system is secure for another 50 to 75 years, but to attempt to link the budget deficit and the COLA in my mind is a fundamental sham.

Clearly, the issue can be resolved. The House has spoken. There is a $56 billion reduction in the House resolution and the conferees clearly should be mandated to hold their position.

Mr. Speaker, once again I commend the gentleman from Pennsylvania [Mr. KANJORSKI] for his effort.

Mr. KANJORSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. MORRISON].

(Mr. MORRISON of Connecticut asked and was given permission to revise and extend his remarks.)

Mr. MORRISON of Connecticut. Mr. Speaker, first, I would like to commend the gentleman from Pennsylvania [Mr. KANJORSKI] for taking the initiative to get the House to go on record, once again, against a delay in the Social Security COLA. There is always a tendency with respect to instructions to conferees to think that this in some way undermines the committee involved or the conferees. I know that is not the gentleman's intention and would not be the intention of anyone who voted for this amendment.

The singular nature of the Social Security Program requires us to take this vote. The issue is our commitment to senior citizens and others who are dependent on Social Security to keep up with the cost of living. These are people who rely on Social Security month in and month out to pay their expenses. Those expenses go up with the cost of living no matter what else happens in the society.

This is not about a big organization which can absorb cost increases. This is about individuals all around the country who need the cost-of-living increases in order to preserve their standards of living, a fundamental element of the Social Security Program.

When we put the cost-of-living adjustments into the Social Security system we created the security that initial benefits would keep up with inflation, that the beneficiaries of this critical program would not see their benefit levels erode over time, thereby forcing them to choose between the essentials of life—food, shelter, and clothing—as the cost of living rose.

If we believe in the security of Social Security, we need to have the cost-of-living increases.

Now, people will say that for 1 year we can do without them. But it is becoming a habit, this proposal to cut the COLA's. A half-year cut just a few years ago, now the proposal of a full-year's cut. We know that many of the advocates of a freeze or reduction in the COLA's in the other body are looking for a permanent change. They proposed cutting the COLA permanently, so we ought not to be misled into thinking that this is just a 1-year proposal.

Most importantly, a Social Security COLA freeze will not do anything about the budget deficit. All that we would succeed in doing would be to mask a continuing problem in the operating deficit. Social Security revenues do not contribute to the operating budget. They are separate and apart. The Social Security taxes would not be saved, but borrowed and interest would have to be paid to cover whatever is borrowed from the Social Security trust fund.

If adopted, this practice would only get worse. As Social Security starts to run great big surpluses in the 1990's, there will be this temptation to let the operating budget get further and further out of balance because of the availability of these funds.

Let us not make that mistake. The budget-balancing process has to address imbalances between revenues and expenditures in the operating budget and not the trust fund accounts.

Finally, this is just a masked tax increase. In 1983 this Congress raised Social Security taxes on workers and employers to make sure the money would be there to pay Social Security COLA's and benefits into the next century. If we now deny that cost-of-living increase, we will be taking those tax funds, paid for Social Security and dedicated to the Social Security fund, and using them to fight our operating deficit.

The SPEAKER pro tempore. The time of the gentleman from Connecticut [Mr. MORRISON] has expired.

Mr. KANJORSKI. Mr. Chairman, I yield 1 additional minute to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Now, can you imagine how many votes we would get on this floor if we tried to impose a tax like the Social Security tax to resolve the budget deficit. Consider that the Social Security tax applies only to earned income and only to the first $39,600 of earned income. Businesses would pay this tax whether they were making money or losing money. What a terribly regressive way that would be to fight the deficit, and yet that is what a freeze on the COLA would mean.

So for all those reasons, Mr. Speaker, the gentleman's motion to instruct the conferees is a good one and I hope it will be supported by the House.

Mr. KANJORSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. DURBIN], for purposes of debate only.

Mr. DURBIN. Mr. Speaker, I would like to say initially that I am standing here today to salute my colleague from Pennsylvania for what I consider to be a timely and important motion to be brought before the House of Representatives.

I might also say that I join in the tribute paid to our colleague, the gentleman from Pennsylvania, Mr. BILL GRAY, who as chairman fo the House Budget Committee has an extraordinary responsibility and has in a bipartisan fashion dispatched it with the kind of effectiveness which we all hope to see.

The issue before us today is what will become of Social Security in the closing weeks, the closing days, the closing hours of the debate on the 1985 budget resolution for fiscal year 1986. We have seen some major things occur. We have seen a significant debate on the floor of the House of Representatives.

I think what the gentleman from Pennsylvania [Mr. KANJORSKI] does today is to bring this issue squarely where it should be before the membership of the House of Representatives.

It is clear with those of us who have reviewed the Social Security Program that it is running a healthy surplus today, that to cut benefits would only add to that surplus for one reason. Because of our unitary budget, any additional surplus in Social Security will make the rest of our budget deficit look that much better; so we are asking Social Security recipients, those who would vote to cut COLA's, for example, to take a cut in benefits so that our deficit looks better. I think that is irresponsible.

I think we are asking those to pay the price who should not pay at all.

I remember only 2 years ago standing on this floor when we enacted significant Social Security reform and said to the recipients, "Sacrifice for 6 months and we will put the Social Security house in order."

We did and we should not go back to that well.

This is not a partisan issue, not by a long shot. Those who reviewed the rollcalls on all the budget resolutions before the House realize that there is very little sentiment within this House of Representatives on either side of the aisle to make cuts in Social Security. The Democrats here have spoken by an overwhelming majority against cutting Social Security. The Democrats in the other body, save one, said the same thing.

What is significant as well, and I call the attention of the House to this, that on June 27 on the floor of this House the gentleman from Iowa [Mr. LIGHTFOOT] took the floor in a special order to announce a letter which he was sending on behalf of 67 Republican colleagues in the House to the Senator who is chairman of the Senate Budget Committee. He then read that letter, and I will quote from two passages where he said on behalf of himself and other Republican colleagues:

> We believe that Social Security is not part of the deficit problem and are opposed to eliminating, reducing or postponing Social Security cost of living adjustments.

He went on to read the letter and the 67 names of his Republican colleagues who joined him.

What we are doing here today with this motion to instruct conferees is to indicate to the 1976 candidate for Vice President that Social Security should not be left on the edge of the table. With the Kanjorski motion we are tipping the table so that Social Security is clearly off and we can set about the business of reducing the deficit as we should and leave the Social Security horse unflawed.

Mr. BOULTER. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I am happy to yield to the gentleman from Texas.

Mr. BOULTER. Mr. Speaker, the letter that the gentleman refers to correctly states the gentleman from Iowa [Mr. LIGHTFOOT]. I am the author of that letter. I have it in my hand.

I just feel like I am being instructed to stop beating my wife. I do not beat my wife.

This is a bipartisan stand, as the gentleman correctly pointed out, as the gentleman from Pennsylvania [Mr. KANJORSKI] does.

Sure, there are some Republicans who are for freezing COLA's and I know some Democrats who are for freezing Social Security COLA's but most of us do not want to.

I do not think we need instructing on this issue.

Mr. DURBIN. Mr. Speaker, if I may reclaim my time, I think the gentleman will find it not only painless, but purgative, to vote for this motion to instruct conferees. Having read this letter, there is nothing in this motion the gentleman should find objectionable.

Mr. KANJORSKI. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Texas [Mr. BOULTER] for debate purposes only.

Mr. BOULTER. Mr. Speaker, I thank the gentleman for yielding.

The gentleman knows that we worked together closely ever since we both got to this body. I fully agree with the gentleman on what he is saying about Social Security COLA's.

I also agree with Chairman GRAY that the conferees do not need instructing in the matter.

I really think we are wasting a little time and delaying some real necessary business of the House. The gentleman from Pennsylvania [Mr. GRAY] has stated that he wants to look at some of these nondefense domestic programs to get some serious reductions.

□ 1530

To me, I think that that is the most critical issue that is facing us in reducing the deficit, and I take the gentleman at his word. I have observed him. I believe him. I believe it is very, very possible.

We do not want to freeze COLA's for all of the reasons the gentleman has correctly stated, and I just think the motion is superfluous.

Mr. KANJORSKI. Mr. Speaker, will the gentleman yield back to me?

Mr. BOULTER. I yield to the gentleman from Pennsylvania.

Mr. KANJORSKI. I understand we have worked together and I think we have tried to do things in a bipartisan effort. And you know, I am one of those fellows that listened to the debate of the President of the United States in October 1984, and he said "Never." And for 6 months, he has traumatized 150,000 constituents that live in my district, that do not know whether or not they are going to get their lousy 4 percent increase so that next year they could live at the same level that they lived at last year, and that is the reason for this. And it is not in any way to suggest that I do not have faith in the gentleman from Pennsylvania [Mr. GRAY] because I have the utmost faith in him. I have the utmost faith in the system that we are now pursuing

But as late as this morning, Senator DOLE did not suggest that either the Social Security COLA's were off the table or any others.

The CHAIRMAN. The Chair wishes to caution Members that references to Members of the other body and their position are not permitted under the rules.

Mr. KANJORSKI. Mr. Speaker, the speaker takes note.

To the gentleman from Texas, I say I think I would normally say I would not want to take the time of the House. But I have to say something else.

There were at least 2 nights where I stayed in that chair for 4 hours to alleviate the Speaker of this House so that we could listen about an election process in one of the 50 States. And we went on, and on, and on ad infinitum

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. BOULTER] has expired.

Mr. KANJORSKI. Mr. Speaker, I yield myself such time as I may consume.

In response now, I would say that we are taking an hour today, and the only reason we are taking an hour today is once and for all I would like the House of Representatives to tell the senior citizens of America, and all of the other entitlement beneficiaries in America that no longer is the COLA a part of the deficit problem or the balancing of the budget problem in 1985.

Mr. WEBER. Mr. Speaker, will the gentleman yield to me?

Mr. KANJORSKI. I yield to the gentleman from Minnesota for purposes of debate only.

Mr. WEBER. I would just ask the gentleman, the gentleman says he is not doing this to waste the time of the body, but to put this issue to rest once and for all. Is it not true that this is a nonbinding resolution?

Mr. KANJORSKI. Yes, it is.

Mr. WEBER. Then it does not put this to rest once and for all, does it?

Mr. KANJORSKI. You know, perhaps I should say that the gentleman on the other side of the aisle missed the point. I do not think there is a Member in the U.S. House of Representatives that does not know how he is going to vote on this issue.

But I think there are 330 million Americans that question how their individual representative will vote on this issue because of prior statements made by prior individuals indicating that certain things would never be done that have been done for 6 months. And all I am doing is, as a freshman Member of Congress, trying to once and for all close the door to anyone, whether it be the news media in America, or whether it be the Members of the House of Representatives, the Members of the U.S. Senate, or the members of this administration, or any one of the 230 Americans, that the COLA's and the entitlement programs in America in 1985 are not to be considered in the deficit reduction to this budget. It is over.

And where we move from there, and how we will join, I may be a person that participates very heavily with gentlemen on both sides of this aisle to work this problem out, but I do not want the problem worked on the anxiety of the senior citizens or the entitlement beneficiaries in America any more. I have had it, and we are taking 1 hour to send that message today, that no one need consider that problem ever again in 1985.

And I hope, I hope since the late 1970's, since 1981 and 1983, those of us that will seek election to this House have the common courage to say that when we make a pledge, we will stand by that pledge during the term of our office in that particular Congress. And that is what I am going to do, and that is what I did in 1984. And I want to send a message to my constituents, and throughout America, that they can rely on the Members of the U.S. House of Representatives on our individual pledges and know where we are going to stand and we are taking 1 hour to do that.

Mr. AUCOIN. Mr. Speaker, will the gentleman yield to me?

Mr. KANJORSKI. I yield to the gentleman from Oregon for purposes of debate only.

Mr. AUCOIN. I appreciate the gentleman yielding.

The gentleman has just indicated what he is unwilling this year to see happen, and that is the purpose of his motion. What he is unwilling to see happen is any adjustment on COLA's or entitlements.

I assume that the gentleman also is unwilling to see a tax increase this year; is that true? I would ask the gentleman that question.

Mr. KANJORSKI. Quite frankly, I think I am very surprised to have listened to the President's speech when he talks about a neutral tax increase, but, in fact, he recognizes that a large segment of the American successful business community has not paid a minimum tax as they did prior to 1981. And he is willing to raise that tax, but use that tax to soothe the voting spirits of the rest of Americans and make them think they are going to get a tax break on the proposals that he made about a month ago, the President of the United States. And quite frankly, I do not want to get into a debate on the tax issue.

But I am perfectly agreeable, and I will tell the gentleman quite clearly that if we are looking for revenues to offset these deficits, and I am one that is doing it, I am going to support legislation to provide for minimum taxation against 90,000 profitable American corporations that last year did not pay any taxes. And I am going to do that a lot sooner than I am going to ask the recipients of Social Security, and black lung, and veterans' pensions and some other benefits to pay for the burden of this deficit.

Mr. AUCOIN. Will the gentleman yield again?

Mr. KANJORSKI. I yield to the gentleman from Oregon for purposes of debate only.

Mr. AUCOIN. Given the fact we have $200 billion deficits, would the gentleman indicate how much money he would raise in new revenues through that means of taxation?

Mr. KANJORSKI. I think there are two gentlemen in the House that have introducted legislation that indicates that by a minimum tax of 20 percent there would be a raising of approximately $40 billion.

Mr. AUCOIN. That is $40 billion. But the gentleman is taking off the table any consideration of adjustments of COLA's, so where else does the gentleman intend to look to get to the balanced budget which I would assume the gentleman seeks?

Mr. KANJORSKI. I would suggest that we would be insane to think that we are going to balance the budget this year, and I think my colleague recognizes that. We are only attempting to reduce the deficit $50 billion, $55 billion, $60 billion so that we can move toward that over a period of 4 years.

Mr. AuCOIN. Let me ask the gentleman a question.

Mr. KANJORSKI. I must pull back my time. May I have a time check from the Chair, please?

The SPEAKER pro tempore. The gentleman from Pennsylvania has 13 minutes remaining.

Mr. AuCOIN. Mr. Speaker, will the gentleman yield for one last question?

Mr. KANJORSKI. I yield to the gentleman from Oregon for purposes of debate only, for purposes of a question.

Mr. AuCOIN. Mr. Speaker, I guess that I would be considered a liberal, progressive Democrat myself, and I look at the problem the same way that the gentleman does. I look at $200 billion deficits and I know they drive up interest rates. I know when these interest rates go up in my State of Oregon, which is dependent on construction for jobs, that that really spells poison for my State's economy.

I look at $200 billion deficits and I am terrorized. I know the people I represent are.

I think of the people who are mill workers in my district, carpenters, electricians and others who depend on wages, and whose wages, incidentally, are not indexed at all, and they are worried about interest rates throwing them out of work. I look at those $200 billion deficits and I try to figure out how we are going to get about the job of eliminating them over the course of the long term.

We have a long-term structural deficit. It seems to me if each one of the ideological blocs of the House, liberal Democrats, conservative Republicans, whatever the bloc may be, start offering motions saying this is sacrosanct, that is sacrosanct, this is sacrosanct, and that is sacrosanct, we will end up in pretty much the position where we have been so far, and that is the situation in which we have legislative gridlock, where nothing can happen. Defense is not touched because that is sacrosanct. Entitlements are not dealt with because they are sacrosanct. Revenue is not increased because that is sacrosanct.

Mr. KANJORSKI. May I respond to that.

Mr. AuCOIN. We end up with an economy that is in ruins.

Mr. KANJORSKI. I think the gentleman has really zeroed in on the very question I have talked about.

Mr. AuCOIN. Yes, I think I have.

Mr. KANJORSKI. I suggest that every Member of this body realize we have only 1 more year to our term and then we are going back to the people. And if Members want to go back to the people and be honest with their constituents, they should campaign on a pledge to reduce Social Security, to reduce black lung, to reduce veterans' benefits and these other benefits, and that is perfectly fine with me. But in 1984, when I stood for election, and many of my colleagues on both sides of the aisle stood for election, they talked about protecting these programs and so did the President of the United States.

Then no sooner did they get down here, within 6 weeks after that election, and they throw those promises and those pledges to the four winds, and they are now going to do the "statesmanlike" thing to do.

Well I suggest to the gentleman that we can put up with that additional year or year-and-a-half with these deficits, and we are going to have to because of not reducing the COLA's, and then put it back to the people in 1986 and let the American people decide what their Representatives should do on these entitlement programs. And that is the democratic representative fair process to do, not coming down here representing ourselves as providing for their safety, providing for their protection, but turning around and ignoring commitments of never-never and saying now-now.

That is wrong, and I am just merely pointing it out.

Mr. AuCOIN. Mr. Speaker, will the gentleman yield to me?

Mr. KANJORSKI. I yield for one additional moment to the gentleman from Oregon [Mr. AuCOIN].

□ 1540

Mr. AuCOIN. I appreciate the gentleman yielding.

Mr. Speaker, I do not question the gentleman's sincerity and, philosophically, I suppose we are closer in most respects than we are apart. But I have to say to the gentleman, and I have to say to my colleagues, that if we really are serious about dealing with the No. 1 economic problem facing this country, that is the massive amount of red ink that this country, this Government is running up, that what we ought to do in the spirit of honesty with the American people, those same people that the gentleman has talked about, is indicate to them that everything has got to be on the table, that there cannot be any sacred cows and until we eliminate the sacred cows we are going to be in a situation of legislative gridlock, we are fiddling while Rome burns. Rome surely will burn and the economy will be in ashes; my workers are going to be out of work and so are the gentleman from Pennsylvania's.

Mr. KANJORSKI. Mr. Speaker, I reclaim my time to inquire the time remaining.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. KANJORSKI] has 8 minutes remaining.

Mr. KANJORSKI. I will just respond to that by saying that I agree with the gentleman, Mr. AuCOIN. I agree in 1986 we in good conscience should tell our constituents to whom we go to return us to this body, exactly what we are going to do. If they take the idea that all those things are on the table and they elect us, accordingly, to do the right thing, that is what we should do.

Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. OBERSTAR], for debate purposes only.

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the motion of the gentleman from Pennsylvania to instruct conferees not to yield on the issue of Social Security COLA's, to stand fast to the House position on Social Security and other retirement benefits.

I think the President of the United States stated it very well, himself, when he said some months ago that cutting Social Security benefits or freezing COLA's would not result in the transfer of additional revenues to other parts of the budget to result in deficit reduction; that cutting Social Security will not cut the deficit in any tangible way.

That issue was on the table for discussion in this Chamber when, some 2½ months ago we met as the members of the Democratic caucus of the House to discuss the issue of Social Security within the budget process.

As chairman of the Democratic study group, I initiated the call for that special meeting of the Democratic caucus. After a very vigorous hour and one-half or so of debate it was clear there was a consensus within the Democratic Party in the House that there should not be a reduction in COLA's, that full benefits should be paid. The Speaker rose toward the conclusion of debate and said, "I ask the gentleman to withhold a vote at this time in the caucus because it is a clear consensus and we need not put Members on the record," he moved adjournment of the caucus and we did not vote.

We should have had a recorded vote because it was not long after the caucus meeting that a package including a proposal for a freeze on Social Security COLA's was one of the amendments eventually offered on the floor in the course of the budget debate. I do not want to see members of the Democratic caucus backing away from an issue that has been one of our party's fundamental positions since the time when Franklin D. Roo-

sevelt established the Social Security Administration and the Social Security Program.

If there are problems with the Social Security Program, we should deal with them within the context of Social Security, not within the context of the budget. We did that 2 years ago. A special Presidential Commission was assigned to look into the financial problems of the Social Security Administration. The Commission came back with recommendations and the Congress acted on them. We were told, and we believed it at the time we voted, that the Social Security trust fund would be financially sound and secure as a result of enacting those recommendations into the year 2010 and the year 2020 when further adjustments would be made.

There is now indeed a surplus in the Social Security trust fund in excess of $6.5 billion.

Why raid the Social Security trust fund to fix other problems in the budget that have nothing to do with Social Security?

The people on Social Security are not the ones who voted this doubling of the defense budget. They are not the ones who voted all these other programs that we have been chopping and slicing away at, on the social and economic side of the budget, which previously added to our deficit. They paid their taxes into the Social Security trust fund and that fund should stand on its own merit and not be subject to cuts because of other budget problems of the Federal Government.

In fact, the Social Security trust fund ought not to be included in the unified budget. The reason it is in the unified budget goes back to 1968 when Lyndon Johnson was President of the United States and deeply engaged in the Vietnam War and was beginning to run a deficit in that war. He decided, on the advice of the Treasury Department, to cover up the deficit by including the Social Security Administration in the overall unified budget of the Federal Government. Indeed that was the last time we had a budget surplus.

It was a paper surplus. That money from the trust fund cannot be used for any purpose other than paying Social Security benefits.

We are deluding ourselves and we are disserving older Americans if we lower the current threshold on the taxing of their benefits, or freeze COLA's, or delay the COLA's for a period of time. Let us keep faith with America's senior citizens and maintain the integrity of the Social Security System and let us not raid the trust fund to reduce the deficit.

Mr. KANJORSKI. Mr. Speaker, may I inquire how much time remains?

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. KANJORSKI] has 3 minutes remaining.

Mr. KANJORSKI. Mr. Speaker, to wind up I want to say in response to my very good friend, BILL GRAY of Philadelphia, I would not under normal circumstances do something in this House that would in any way conflict with Mr. GRAY's responsibility to get a compromise and to work this problem out with the administration and with the United States.

I wish him the best, but reasonable men differ. On this particular issue the gentleman and I think it is important that we have another motion for instruction vote in the House of Representatives. For that purpose, and before I ask for the vote, Mr. Speaker, I want to recognize two of my freshmen colleagues, Mr. MANTON from New York and Mr. TRAFICANT from Ohio, and I am sure some of the other Members of the freshmen class on both sides of the aisle, from across the country would have joined us in this debate. I know we would have the gentleman from Texas here also.

Mr. Speaker, we feel strongly on this issue. We want the American people in 1985 not to have any more anxiety as they had in 1983, 1981, and in the late 1970's. We feel that by calling for the instructions to the conferees, though not binding, will reassure them that the U.S. House of Representatives will stand by the provisions that they have been negotiating for and that this message be clear to the United States and to the President of the United States.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the motion to instruct the conferees.

● Mr. GRAY of Illinois. Mr. Chairman, I want to commend my friend Congressman PAUL KANJORSKI of Pennsylvania for taking this time to ask our friends on the conference committee to hold to the House position on cost-of-living increases for Social Security recipients. I have joined Chairman PEPPER in sending the following letter:

DEAR HOUSE BUDGET CONFEREES: Today, some 37 million Americans receive Social Security benefits providing the primary source of income to nearly 70 percent of all Americans 65 years of age and over, and dramatically reducing the incidence of poverty among the elderly. Yet, one out of six elderly people of this country still have incomes below the poverty level. A compromise on Social Security would push hundreds of thousands more elderly Americans below the poverty base. Thus, because we do not wish to lower the standard of living of millions who are dependent upon the help from the COLA to feed, shelter and clothe themselves or to allow a departure from the social insurance aspects of the Social Security system, we must not compromise.

To compromise on this issue would be wrong. We understand the extreme presure that you are under to agree to a compromise in order to be able to draft a budget conference resolution. We implore you, nevertheless, to remain stalwart in upholding the House position which was reaffirmed on May 23, 1985 when it overwhelmingly rejected an amendment to freeze the Social Security COLA by a margin of 372-56.

We in the House, Democrats and Republicans alike, must continue to stand between the elderly, the disabled, the survivors and the children who depend so much on their Social Security benefits and the cruelty, pain and hardship which the President and the Senate are determined to force on them. Our bottom line must be that there will be no reduction in Social Security benefits by any compromise which limits present or future Social Security benefits.

Sincerely,

CLAUDE PEPPER.
KEN GRAY.●

Mr. KANJORSKI. Mr. Speaker, I move the previous question on the privileged motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to instruct, offered by the gentleman from Pensylvania [Mr. KANJORSKI].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KANJORSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the privileged motion just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MOTION TO INSTRUCT CONFEREES TO INSIST ON CERTAIN COST-OF-LIVING AND DEFICIT REDUCTION PROVISIONS IN SENATE CONCURRENT RESOLUTION 32, BUDGET FOR U.S. GOVERNMENT FOR FISCAL YEARS 1986, 1987, AND 1988

Mr. LATTA. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

Mr. LATTA moves that the managers on the part of the House at the conference on the disagreeing votes between the two Houses on the concurrent resolution, S. Con. Res. 32, be instructed to insist on the House position on cost of living adjustments; and further in order to achieve the largest possible deficit reduction package, and to adopt a budget path that will lead the nation toward a balanced budget, the managers on the part of the House are instructed to adopt additional domestic savings to guarantee that the dollars in savings that are lost by insisting on the House position are realized through additional spending restraint.

□ 1550

The SPEAKER pro tempore. The gentleman from Ohio [Mr. LATTA] is recognized for 1 hour.

Mr. LATTA. Mr. Speaker, let me say very briefly this is the other half of the motion of the gentleman from Pennsylvania that was just passed that he omitted.

It merely provides that the House conferees be instructed to adopt a budget path that will lead the Nation toward a balanced budget, and the managers on the part of the House are instructed to adopt additional domestic savings that guarantee that the dollars and savings that are lost by insisting on the House position are realized through additional spending restraint.

We have assurances from the chairman of the Budget Committee, and just a few minutes ago he alluded to that fact, that we will be proceeding along these lines, to pick up additional revenue through additional domestic spending restraints to make up for this loss.

Otherwise the motion that has just been adopted to instruct the conferees will call for approximately $28 billion more deficit in 3 years.

So if you are for more deficit, you vote against this motion to instruct; but if you are for less deficit, you vote for the motion to instruct. It is just that simple.

So as I say, this is the other half, and under the peculiar situation that we have, there is no question that we could not offer a motion to amend the gentleman's motion that we just proceeded with, so we have to do it this way.

I would urge that if we want to keep an even keel, if we are taking it one place, we are putting it back in another, on deficit reduction that you adopt this motion to instruct the conferees.

Mr. LATTA. Mr. Speaker, I yield, for purposes of debate only, 5 minutes to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. I would like to commend the gentleman from Ohio for offering this motion to instruct conferees.

Mr. Speaker, I am convinced that we can get a compromise on the budget resolution. The job can be done, and the job can be done without the Social Security COLA freeze, and it can be done going with a higher figure on defense; to the budget authority level that the Senate passed.

We also can find additional savings. There is no question about it. The chairman of the Committee on the Budget has indicated that it can be done; we all know it can be done, and it can be done in the nondefense, discretionary, and domestic programs. There are areas where the House is not making any real savings; we did not in our House resolution have any real eliminations; even though the House did a better job on the general revenue area.

The Senate in other areas had more savings; eliminated some programs, and there are some other programs that we can evaluate and find some programs that we can evaluate and find some savings.

There is no question that the conferees can come up with several billions of dollars more of savings. I do not want to put a dollar figure on it, but I think we ought to work toward coming up with at least the level of savings that we had in the House budget resolution.

We ought to be looking for $53 to $56 billion in savings that can reduce the deficit.

So I would support this motion to instruct conferees; the conferees can do it. Look, all right, we are not going to freeze the Social Security COLA, but that does not mean you can come limping back in here with a budget resolution that only saves, you know, $30 to $35 billion. The deficit is a problem, and the house ought to go on record saying, we know there is a problem and we want these additional savings.

I think that this motion to instruct conferees will help to accomplish that, and I am putting this in a positive vein. I do not mean it critically. You can do it and we are going to support you when you bring it back here.

Mr. LATTA. I thank the gentleman for his comments.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. I want to commend the gentleman from Ohio and also the gentleman from Mississippi [Mr. LOTT] for their remarks and this fine effort.

I think that this is a proper motion to instruct. Today the gentleman from Ohio and I, the majority leader, Mr. WRIGHT, and the chairman of the Committee on the Budget, Mr. GRAY, our leader, Mr. MICHEL, and other Members of the Budget Conference from the Senate on both sides of the aisle were with the President at a leadership meeting on this very important issue.

I think that there is room for a budget compromise and I think this motion will help our position in that budget conference. There is no doubt in my mind that our budget chairman, Mr. GRAY, would like to get a budget. I think he has been very sincere in attempting to work out a compromise.

The gentleman from Ohio [Mr. LATTA] wants a budget. We are close, in my opinion, to the type of a compromise that can result in $53, $54, $55 billion of savings in fiscal year 1986 which can meet the President's requirements on defense without cutting COLAS or Social Security.

The motion of the gentleman from Ohio is sound for this reason: It will remind the conferees that there are nondefense, discretionary domestic nonpoverty programs that can be prudently reformed and reduced to achieve a major deficit-reduction effort.

The gentleman from Mississippi and the gentleman from Ohio have suggested some budget savings. I would like to suggest, as a member of the Committee on the Budget and the conference on the Budget Committee, that we look at a moratorium on filling the strategic petroleum reserve, to achieve $1.5 billion in savings over the next 3 years.

How about synfuels? Does it make any sense to support on budget and off budget to the tune of about $8 billion, a synfuel program that is subsidizing major oil companies to produce synthetic fuel at $60 or $70 a barrel, when the price of oil imported or produced in the United States is somewhere between $25 and $27?

Clearly in the Export-Import Bank, you could find $1.5 billion savings in fiscal year 1986 by eliminating the direct loan subsidy program. Sixty percent of all the Exim subsidized loans go to five or six corporations, and I will name them.

Western Electric, Westinghouse, GE, Boeing, and Lockheed get 60 percent of all the Exim money. Should we be subsidizing exports?

Mr. AUCOIN. Will the gentleman yield to me?

Mr. KEMP. Yes, but I just want to make the point: I am not antibusiness; I am not antiexports.

The issue is getting interest rates down by easing monetary policy.

Mr. AUCOIN. I know the gentleman is interested in the Northwest.

Mr. KEMP. I yield to the gentleman.

Mr. AUCOIN. I know he will yield to me.

People in the Northwest know the gentleman is interested in their welfare and I appreciate him yielding to me.

Mr. KEMP. I do yield.

Mr. AUCOIN. The gentleman knows that our major trading competitors; Japan, even Great Britain, have the equivalence of the Eximbank. The gentleman also knows the Eximbank is a money producer for this country in terms of the revenue, the jobs, the business, and the revenue that comes from the wages as resulting from that commerce.

So the gentleman knows that is a shortsighted cut.

Mr. KEMP. Let me just take my time back long enough to say that I give the gentleman credit for being a sincere advocate of subsidizing U.S. exports. He has a long record of that, and I praise him for his sincerity, and

his honesty, his integrity on the subject.

I happen to think he is wrong. We should not be subsidizing exports.

Mr. AuCOIN. I do not think our trading partners ought to be, either.

Mr. KEMP. Could the gentleman from Oregon allow me to finish my statement?

Mr. AuCOIN. Of course I can.

Mr. KEMP. That is the democratic thing to do.

Mr. AuCOIN. Then will the gentleman yield?

Mr. KEMP. Interest rates can come down for all, not just some, but they ought to come down for everybody. We should not be subsidizing or allocating credit, but I do not now want to debate Exim, I want to find some more budget savings. I think we can find some savings, I would say to my colleague, and we ought not to give up.

I think if we are sincere, on both sides of this aisle and on both sides of the Capitol, we can come up with a good budget; we can come up with one with significant savings; we can get the defense figure up on the authority that the President wants; we can save the COLA for Social Security, which Mr. LOTT, and I, and Mr. LATTA supported in the Latta substitute; and we can also get $55 or $56 billion savings by making some more cuts in nonpoverty programs.

Let us stop talking about a budget compromise; let us do it. While we are having this big debate over interest rates and deficits, we ought to send a signal to the Federal Reserve Open Market Committee, which meets today, to lower the discount rate, and let the Federal funds rate come down to 6 or 6½ because that would have a beneficial impact upon exports and a beneficial impact on the budget deficit as well. They can do it and in fact the Fed has recently eased up somewhat on the discount rate. I sent a telegram to the Fed today urging them to cut the discount rate to 6 or 6½.

I urge my colleagues to do the same if they want to help this economy grow again.

Mr. LATTA. Mr. Speaker, before I yield to the gentleman from Ohio [Mr. KASICH] for debate only, let me just say that that was a nice colloquy we just had, but let me point out that my motion to instruct does not instruct the conferees to go any particular way.

I yield to the gentleman from Ohio.

Mr. KASICH. I appreciate the gentleman, one of the preeminent budget experts in the Congress, yielding to me.

Mr. Speaker, I want to say initially I think that overall the House passed a pretty good budget. What concerns me and a number of people on this side is the fear of smoke and mirrors in this budget. I would like the chairman of the committee to just listen for a second. Many are concerned about the amount of revenue that can be gained in the Outer Continental Shelf area; perhaps some of the revenue that is questioned in the area of contracting out; and that is why I think Mr. LATTA's amendment or proposal is so important, because it encourages us to explore the areas that the Senate has adopted which can mean substantial savings if in fact these things turn out to be smoke and mirrors.

□ 1600

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. I will be glad to respond, because there have been a lot of charges about this issue, and particularly coming from the administration and our colleagues in the Senate, who have been decrying blue smoke and gray mirrors about some of these things, and in fact the President on Saturday pointed to the offshore oil. Well, some of us tried to point out to the President that Mr. Stockman had already sent a letter to one of our colleagues on your side of the aisle, Representative MOORE, on June 20, saying it was real and authentic, and a few weeks ago the Senate had already receded to us on that issue, saying that it was real and it was a significant deficit reduction.

So I just want to simply say to the gentleman that what was last month's gimmick and false bookkeeping is rapidly becoming this week's real deficit reduction.

Mr. KASICH. I think, as the chairman would admit, there is a great concern on this side about real savings totaling $56 billion in the Gray proposal. Because of that and because of the position we have taken here in regard to Social Security, which I supported from the beginning, I think it is important that we look at what the Senate did in terms of a number of domestic programs that are not effective. We should examine the program that Mr. KEMP pointed out, the Import-Export Bank. I do not believe the gentleman from Philadelphia would be a supporter of it. The Synthetic Fuels Corporation, which I think most people in this country and in this House clearly think is a boondoggle, should be eliminated.

So I would like to think that when you go back there to the conference committee, we could take a very good look at the paring the Senate did on a number of areas of domestic spending.

Mr. GRAY of Pennsylvania. If the gentleman will yield for just a second, I would be glad to respond to his comments. I want him to know that, No. 1, we left here with a budget deficit reduction package of $56.2 billion. I am happy to inform the gentleman that the latest offer from the House to the Senate is $57.75 billion. Se we have already cut some more. When we left here we had only one program elimination, revenue sharing in 1987 and 1988. I would like to inform the gentleman and my colleagues that in the spirit of compromise, in trying to reach a budget agreement, we eliminated six other programs. And again the Senate's response was: "Sorry, not enough."

So we have shown flexibility. I have stated over and over again it is my intention that we will come back here with not less than $56.2 billion. We are at $57.75 billion right now. I am hoping to make a new offer that will take us over $58 billion in spending cuts, preserving the COLA's, agreeing with the President, a new framework on defense, our outlays, and some additional VA, and, who knows, I am sure that if the Senate is able to get its act together we will be able to come to a conclusion on these matters. But I want to assure the gentleman that we are making some progress in those areas that he mentioned.

Mr. KASICH. Let me say that when the distinguished chairman of the Budget Committee wants to remain flexible—and I am glad to see that in regards to the paring of programs that the Senate has done—I hope the gentleman will not be flexible in regard to the discussions that he and our distinguished minority Republican whip had on a national program not long after the budget passed the House. The chairman said he did not want any tax increases, and I hope that you will hold firm on that and I think your position on the deficits remains that we ought to do this by reducing spending rather than increasing revenue.

Mr. GRAY of Pennsylvania. I would like to respond to the gentleman by saying that the position of the House Chair is that we are supporting a spending cut package. That has been my consistent position since January. I continue to support that. What I have said publicly is that after we have done a spending cut package of significance, it is my judgment that, looking at the sea of red ink created by the loose fiscal policies of spend, spend, spend, borrow, borrow, it would be incumbent upon the President to look at the question of revenues, perhaps a dedicated source, to give us a larger reduction.

So, therefore, I am in support of a spending cut package, with no revenues, and, of course, I know and you know that this House and the Senate cannot pass revenues without Presidential support. I am very pragmatic about that.

Mr. KASICH. Let me just, in conclusion, say that I am glad to see the gentleman wants to reduce this deficit with spending reductions and not with revenues. And let me just conclude by saying that it was in 1982 I recall that

many people, many liberal people in this House, complained about $31 billion in deficit reduction, and I am glad to see that liberals and conservatives now in this House see the need to reduce deficits by over $50 billion, in fact, $56 billion, and what a revolution we have had in America when now we can really begin to get down to the good business of trying to cut deficits.

I appreciate the gentleman from Ohio yielding.

Mr. LATTA. I want to thank the gentleman from Ohio for his comments and I want to thank the chairman for his comments.

Let me just say, in conclusion, that I believe that of all of the conferences I have served on on this budget, this is the most difficult conference that I have ever served on. We have some very, very, very difficult decisions to make. They are going to be tough decisions, but not as tough as the decision that will be placed on this country if we did nothing. We have got to go forward, we have got to make some reductions, and we have got to touch some of these pet projects, pet projects of mine, perhaps some of the gentleman in the State of Mississippi, perhaps some out in Oregon, or Washington, or New York. These programs have got to be touched. We cannot cut the budget without touching programs. So that is what we have to do. When we come back here with a conference report, we are going to come back with a conference report that we believe is in the best interest of the country, not in the best interest of our district, or our State, but in the best interest of the country. We are going to have to have the support of this House when we come back with that conference report in order to pass it. So, hopefully, between now and then you will be thinking about some of these choices that we have to make as a member of this conference committee on the budget.

Mr. SLATTERY. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, as we talk about the deficit, I am going to use about 30 seconds to put a little bit of this in perspective, and I think it is important for the American public to understand that even if we do agree upon some kind of a significant deficit reduction in 1986 of somewhere in the neighborhood of $55 billion, say, and $250 billion over the next 3 years, which would be a significant achievement, the thing we also need to focus on is that next year, after you make the more realistic economic assumptions, we will come back here January 1, 1986, and we will be facing a $200 billion deficit again, even assuming we are able to agree upon a $55 billion deficit reduction package this year for next year. I think that has to be seen in perspective, and I think that the American public needs to understand that.

So we have not even begun to deal with the problem that faces this country. We have not found the courage yet to make the tough choices that we are all going to have to make. We are sort of dancing around the issue yet, in the bottom line and the final analysis, and I just think that the truth ought to be spoken here today with respect to exactly what we are doing. We are just creaming off the top of this problem. We have not begun yet to address it in a significant way, even assuming the $55 billion package.

Mr. LATTA. I want to thank the gentleman for his contribution.

I just want to point out one thing that perhaps the gentleman failed to state, and that is that even if we take this $50 billion or $55 billion out in the 1986 fiscal year, we still end up with about $175 billion worth of deficit, new deficit, for fiscal year 1986.

Mr. SLATTERY. If the gentleman will yield further, that is assuming the very optimistic economic assumptions. If you assume the more realistic economic assumptions for fiscal year 1986, the fact of the matter is we will be looking at somewhere in the neighborhood of a $200 billion deficit. That is the thing that has to be understood by people across this country. And the fact of the matter is, we have not yet addressed this issue in a responsible way. To do it, we are going to have to deal with entitlements, COLA's, revenues, defense, we are going to have to look for those additional cuts in the other part of the budget. I do not know when this body and when this President is going to find the courage to face the American public with the truth, but, hopefully, the sooner the better.

□ 1610

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. I want to rise and object to the language in the motion to instruct, that additional savings come from domestic spending. I do not particularly believe that the additional savings in this particular motion should come from domestic spending. I think there have been enough cuts in domestic spending.

I think the original budget proposal called for something like $40 billion worth of domestic cuts and to transfer $36 billion more into the military to begin with. I think that that language is too restrictive; that it should not just be from domestic. That the sacred cow, the defense budget, should be a part of it as well. I do not believe the motion to instruct should be limited to domestic spending only.

Mr. LATTA. Let me reclaim my time.

I have heard that sacred cow about the defense budget. Now, if the gentleman had been listening, he would have found that we have adopted the House numbers on outlays for fiscal year 1986. Let us get that straight.

Mr. TRAFICANT. If the gentleman would yield further, that may be the case, but the motion to instruct today was to instruct those conferees that the Social Security COLA's and the other COLA's so listed in that motion would be guaranteed as promised during that last election. What I am saying is that your motion now strictly says domestic spending. That the additional savings should be from domestic. I disagree with the wording in the language in that regard.

Mr. LATTA. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore (Mr. KOSTMAYER). The question is on the motion to instruct offered by the gentleman from Ohio [Mr. LATTA].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 140 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1555.

IN THE COMMITTEE OF THE WHOLE

□ 1612

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes, with Mr. AUCOIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, title V was open for amendment at any point.

There are 4 hours and 5 minutes remaining for debate on the bill and the committee substitute under the 5-minute rule.

Are there any amendments to title V?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 68, after line 9, insert the following new section:

SEC. 518. PROHIBITION ON ASSISTANCE TO COUNTRIES WHICH DO NOT TAKE ADEQUATE STEPS TO HALT DRUG TRAFFICKING.

(a) PROHIBITION.—Section 481(h) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(4)(A) In addition to the requirements applicable to major illicit drug producing countries pursuant to paragraph (1), the President shall not provide any assistance under this Act or the Arms Export Control Act to any other country which the President determines has not taken adequate steps to prevent—

"(i) the processing (in whole or in part) in such country of narcotic and psychotropic drugs or other controlled substances,

"(ii) The transportation through such country of narcotic and psychotropic drugs or other controlled substances, and

"(iii) the use of such country as a refuge for illegal drug traffickers.

"(B) The President may waive the application of this paragraph to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and shall submit each waiver and the justification for the waiver to the Congress.".

(b) ANNUAL REPORTS.—Section 481(e) of such Act, as amended by section 505 of this Act, is further amended by adding at the end thereof the following new paragraph:

"(7) Each report pursuant to this subsection shall also identify the steps being taken by countries, which are not major illicit drug producing countries, to prevent—

"(A) the processing (in whole or in part) in such country of narcotic and psychotropic drugs or other controlled substances,

"(B) the transportation through such country of narcotic and psychotropic drugs or other controlled substances, and

"(C) the use of such country as a refuge for illegal drug traffickers.".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this amendment, which I understand the committee is prepared to take, is an amendment to plug up what I think is a minor loophole in the present law as it relates to drug trafficking.

What this particular amendment does is it says that the President will have the authority to stop foreign assistance to countries where the President determines they have not taken adequate steps to prevent the processing of narcotics, the transportation of products, and the use of a country as a refuge for illegal drug traffickers. It is an amendment that will give the President additional authority to cut down on drug traffic, and I think is something that will enhance present law.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment here and while we have some concerns about a bit of the language, which I think will be cleared up at some point during the conference, we can accept the amendment. I think the gentleman has found a good way to balance what we are trying to do with a continuation of what we ought to be looking at in the future in terms of the way we approve foreign aid and treat bilaterally those countries that we have to deal with, not only in foreign aid, but on the drug problem, especially in South and Central America.

We have examined the amendment and we are prepared to accept it.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his amendment and his effort in fighting narcotics. The gentleman has drafted an excellent amendment and I urge my colleagues to support it.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I want to indicate that we support the amendment, too. We have examined it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before we proceed on title V, which is a title that is of great interest to many people in this body because of the nature of the subject of which it deals, especially the area of the problem of drugs as they are coming into the United States being grown in countries with which we do have some bilateral relationships and to which we do provide some foreign aid, I want to take this opportunity to pay tribute to the chairman of the full committee for something that occurred in title IV, which I think, because of the timeframe we are dealing under, was not able to be spoken of in title IV.

Mr. MINETA offered an amendment that provided for some strong relief in the area of terrorism by virtue of what is going on around the world for the last few years at airports, culminating in this recent tragedy, this recent development, the hijacking of the TWA flight in Athens and winding up in Beirut. This committee, the Foreign Affairs Committee, under the chairmanship of Congressman FASCELL, my good friend from Florida, has been working on this for quite some time with the minority on our committee, with Mr. BROOMFIELD, the fine gentleman from Michigan.

I want to take this time now to allow the colleagues that are not only here on the floor but are watching to make them aware of the fact that there was a great deal of work that went into this. Far beyond what most people would understand. There are a great deal of problems that we have in being able to deal effectively with our allies and those other countries overseas with which we may have relations, but with whom we have difficulty in dealing on the subject of airport security, personal security, and transiting in and out of their airports.

For the last few years, the Public Works and Transportation Committee, the Aviation Subcommittee, the DOT, and a number of other agencies have been looking at the problems relating to airport security. The FAA has, on a number of occasions, done various kinds of studies, bilateral, working with countries like Greece and many others, and have pinpointed significant problems each step in the process.

What has happened, more importantly, is that the Foreign Affairs Committee, under the chairmanship of Congressman FASCELL, has had the foresight to go out in advance of any action taken by agencies, have the staff and Members look periodically at these airports, these transit points, these problem areas around the world, and compile a complete and exhaustive report on what in fact were the problem areas.

I say unfortunately the State Department and the administration were not quick enough to note what our committee had done in that regard. I cannot say that we could have prevented the hijacking, but I can tell you that we could have laid in place various kinds of important precedents, important safety devices and important statutory requirements for American air carriers, at the very least, that might have diminished the possibility of these kinds of terrorist activities occurring.

In any event, we have now put in the foreign aid bill a very important piece of legislation regarding airport security. I want to commend the chairman of the committee, Congressman FASCELL, because it is his foresight, working with Mr. BROOMFIELD and all the members of the committee on a bipartisan basis, who have in fact been so important in the process of finally bringing to fruition the kind of thing that is necessary to begin to make an inroad on the question of airport security and terrorism and the hijackings.

□ 1620

Hopefully, if we pass this bill, put this framework into law, we will have a mechanism for beginning to reduce the possibilities and the tendency for hijacking around the world.

So I commend my chairman, and I know that all the members of the committee are very proud of the work that went into that.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I would be happy to yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I want to thank the gentleman for his very kind remarks, and add my commendation to other committees and other Members who have worked with us. This is in the best traditions of a parliamentary body, with both parties and many committees working together.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to commend the gentleman from New York [Mr. RANGEL], who is chairman of the Select Committee on Narcotics the ranking member on that committee, the gentleman from New York [Mr. GILMAN], who is the ranking member both on that committee and on the Narcotics Task Force, which is chaired now by the gentleman from Florida [Mr. SMITH], the ranking member, of course, the gentleman from Michigan [Mr. BROOMFIELD], who cosponsored the legislation, and also the Committee on Public Works and Transportation.

Suffice it to say that in the language that we are talking about, we have had three committees, a task force, and dozens of Members on both sides of the aisle who are tremendously interested in this problem who have come together to forge this legislation to give us the tools that the administration wanted and the tools that we thought that the administration should have in order to try to cope with this problem.

Mr. Chairman, I will announce that we have reached agreement on the rest of the amendments in title V. I see that the Members are here to propose their various amendments.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I will yield to the distinguished ranking Member, the gentleman from Michigan.

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, I wonder if we could find out the amount of time left for the balance of the bill.

Mr. FASCELL. There are about 4 hours, I will say to the gentleman from Michigan. I would hope that we could go ahead and finish up the debate under the rule tonight. If we move right along, I think we can.

Mr. BROOMFIELD. Fine. I thank the gentleman.

AMENDMENT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANGEL: Page 61, strike out line 13 and all that follows through line 20 on page 62 and insert in lieu thereof the following:

SEC. 509. RESTRICTIONS ON ASSISTANCE TO BOLIVIA AND PERU.

(a) FINDINGS.—The Congress finds that—

(1) cocaine has had a severe negative impact on productivity, public health, education, and the quality of life in the United States and on the national security of the United States;

(2) Bolivia is the source of more than 50 percent of the world's cocaine, and Bolivian production of cocaine continues to rise;

(3) 50 percent of the population of Bolivia is under 19 years of age, and cocaine production has had a severe, negative impact on the youth of Bolivia;

(4) the production of, and trafficking in, cocaine by Bolivia has contributed significantly to Bolivia's 1,000 percent rate of inflation;

(5) the failure of the Government of Bolivia to take steps to curb the production of coca in Bolivia during 1984 was cited in the report of the Department of State entitled "International Narcotics Control Strategy Report" as a major disappointment in its review of drug producing countries;

(6) Bolivia received more than $37,000,000 in United States assistance during fiscal year 1984 and during that fiscal year did not eradicate a single coca bush;

(7) coca leaf produced in Peru is the source of about 45 percent of the cocaine entering the United States;

(8) it is estimated that at least 75 percent of the coca leaf produced in Peru is illegal, and this illicit cultivation continues to expand;

(9) coca leaf, coca paste, and cocaine are used by more than 3.2 million of the 19 million citizens of Peru, undermining the health and welfare of these people;

(10) the uncontrolled production and traffic of coca and cocaine in Peru overwhelms, demoralizes, and corrupts government administrators and institutions, creates political instability, and challenges the ability of the Government of Peru to maintain control over coca-producing areas of the country;

(11) the Government of Peru has failed to develop a comprehensive plan, and has failed to take adequate steps, to prohibit illicit coca production; and

(12) Peru received more than $76,000,000 in United States assistance in fiscal year 1984 and eradicated only an estimated 5 percent of coca cultivation in Peru.

(b) CONDITIONS ON ASSISTANCE FOR BOLIVIA.—

(1) BILATERAL ASSISTANCE.—Beginning with the fiscal year 1986 and for each fiscal year thereafter, no United States assistance may be provided to Bolivia unless the President certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that—

(A) the Government of Bolivia has developed and is implementing a plan, in accordance with the Single Convention on Narcotic Drugs, 1961, that will establish its legal coca requirements, license the number of hectares necessary to produce the legal requirements, and eliminate illicit and unlicensed coca production; and

(B) the amount of coca that was produced in Bolivia during the preceding fiscal year is at least 10 percent less than the amount produced in Bolivia during the fiscal year which preceded such preceding fiscal year.

Whenever the President certifies under subparagraph (B) that the amount of coca that is produced in Bolivia is reduced by more than 10 percent from one fiscal year to the next, the amount of any such additional reduction shall be carried over the counted as if it had occurred in the fiscal year following the year in which it actually occurred.

(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, of the International Development Association, of the International Finance Corporation, and of the Inter-American Development Bank to oppose actively the extension by that international financial institution of any loan or the furnishing of any financial assistance or technical assistance to Bolivia during the fiscal year 1986 or any fiscal year thereafter, unless the certification required under paragraph (1) is made for that fiscal year.

(c) CONDITIONS ON ASSISTANCE TO PERU.—

(1) BILATERAL ASSISTANCE.—Beginning with the fiscal year 1986 and for each fiscal year thereafter, no United States assistance may be provided to Peru unless the President certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that—

(A) the Government of Peru has developed and is implementing a plan, in accordance with the Single Convention on Narcotic Drugs, 1961, that will establish its legal coca requirements, license the number of hectares necessary to produce the legal requirements, and eliminate illicit and unlicensed coca production; and

(B) the amount of coca that was produced in Peru during the preceding fiscal year is at least 10 percent less than the amount produced in Peru during the fiscal year which preceded such preceding fiscal year.

Whenever the President certifies under subparagraph (B) that the amount of coca that is produced in Peru is reduced by more than 10 percent from one fiscal year to the next, the amount of any such additional reduction shall be carried over and counted as if it had occurred in the fiscal year following the year in which it actually occurred.

(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, of the International Development Association, of the International Finance Corporation, and of the Inter-American Development Bank to oppose actively the extension by that international financial institution of any loan or the furnishing of any financial assistance or technical assistance to Peru during the fiscal year 1986 or any fiscal year thereafter, unless the certification required under paragraph (1) is made for that fiscal year.

(d) PHARMACEUTICAL USES.—In carrying out this section, coca produced solely for

pharmaceutical purposes shall not be counted in determining amounts of production.

(e) DEFINITIONS.—As used in this section—

(1) the term "coca" means the coca bush (which is the plant of any species of the genus Erythroxylon) and the coca leaf (which is the leaf of the coca bush); and

(2) the term "United States assistance" has the same meaning as is given that term by section 481(i)(4) of the Foreign Assistance Act of 1961.

On page 63, line 1, insert "the certification required by section 509(c) is made and" after "only if".

Mr. RANGEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RANGEL. Mr. Chairman, first I would like to thank the chairman of the Committee on Foreign Affairs, and the gentleman from Florida [Mr. SMITH].

I have never, in all of the years I have been in Congress, found more understanding, sensitivity and cooperation in the area of trying to do something to get some type of handle on this epidemic that has not only hit our great United States but is adversely affecting the quality of life of people throughout the world.

The gentleman from New York, BEN GILMAN, and I have been struggling with this problem on the Select Committee on Narcotics, and there have been times when some people have considered that the work we are doing is a threat to the legislative committees, but certainly with the gentleman from Florida [Mr. SMITH] and the gentleman from Florida [Mr. FASCELL] being on the committees, we all agree that we are only a partnership and working on behalf of the full Congress and, indeed, the people of the United States to see whether or not we can come up with some possible solutions to the problems that we are facing.

Most of us know that it is not the House of Representatives that has the power to create foreign policy, but there is one thing that bothers all of us, and that is that notwithstanding the millions of dollars that we appropriate in foreign aid, somehow when we ask these countries to come up with some type of a plan, to give us some way to understand what they are doing in eliminating the coca plants and the coca production, all we can get from our Department of State is that things have worked out, that all we have to do is wait until we turn the corner.

Yet we find that 5,000 people each and every day are testing and trying cocaine. And why? Because it is there on our streets in higher quantities than ever before, the quality is there, the prices are low, the kids are trying it, the older people are staying with it, and it is more available than candy around our schools.

What I am suggesting, Mr. Chairman, is that this Congress take a position and say, "Yes, we trust our President, we trust our State Department, but it is this Congress that is appropriating the money, and if they cannot abide by agreements that they have entered into with the Single Narcotic Convention of 1961, if they cannot go along with agreements that they entered into with the United Nations, if they cannot keep up with agreements that were entered into with the United States, if they cannot cut production, not eliminate it completely but just cut back production by some 10 percent and to have some type of a plan that they can present and say not that they are winning, not they are turning the corner, but at least that they are trying to do something about the problem."

I think, Mr. Chairman, that the time has come that we must just stop funding programs in Bolivia, stop funding programs in Peru, and not get any answers from them and not get any answers from the State Department.

My amendment is simple, and supported by the gentleman from New York, BEN GILMAN and other Members in Congress and on the committee. All we do is say that if you cannot cut back 10 percent and cannot come up with a plan, then do not depend on the United States of America to be giving you military and economic assistance.

Mr. Chairman, the amendment I offer relating to assistance to Bolivia and Peru is simple and its message is clear. Our Government, and the American people, will not extend any assistance, except humanitarian assistance, to either country unless they reduce their coca production by 10 percent annually, and develop and implement a coca eradication plan in accordance with the Single Convention on Narcotic Drugs of 1961.

I feel it is imperative that the United States stop talking about effective narcotics control and begin to take actions. The health and welfare of our Nation, particularly of our children, requires no less.

This Nation is in the midst of a cocaine epidemic.

Cocaine is readily available throughout the United States with increasing purity levels and decreasing prices. From 1978 through 1983 cocaine related deaths and emergency room episodes jumped 300 percent nationwide and remain unacceptably high. An estimated 8 to 20 million Americans are now using cocaine, and a Time magazine survey last year disclosed that 5,000 people in the United States try cocaine for the first time each day. Women are using cocaine increasingly, and tempted by lower prices and easy access, an ever growing percentage of American youth is using this dangerously addictive drug.

Hardly a day goes by when we pick up a newspaper and read about a celebrity, sports figure, doctor, lawyer, and yes, even a Federal prosecutor being involved in either the sale or use of cocaine.

Mr. Chairman, the United States is caught in an ever worsening blizzard of cocaine which is undermining our Nation's health, spawning crime and violence, and corrupting the integrity of our public institutions.

Coca production in Bolivia and Peru is responsible for at least 90 percent of the cocaine that ultimately reaches the United States. In the legislation pending before the House, the administration proposes to extend $132 million in economic and military assistance to Peru and $56.8 million in similar assistance to Bolivia. Yet, neither of these nations has made a serious commitment to phase out illicit coca production.

In Peru, for almost 6 years, the government of that nation has been proposing to initiate crop substitution programs and enforce its prohibition against the illicit cultivation of coca carried out in the six coca growing regions of that nation. In five of those regions the Government of Peru has failed to take any steps to eliminate coca cultivation. In the sixth, the Upper Huallaga Valley, despite United States law enforcement and developmental assistance, Peru has failed to effectively undertake the coca eradication and crop substitution program it proposed to implement in 1981.

According to the International Narcotics Control Strategy Report [INCSR] issued by the Department of State on February 14, 1985, of the 60,000 hectares of coca cultivated in Peru in 1984, only 3,000 hectares, or 5 percent, was eradicated.

The situation in Bolivia is worse. Notwithstanding its cultivation of 32,000 hectares of coca, Bolivia has failed to undertake any coca eradication efforts in its seven coca producing regions. Coca production and cocaine processing has been steadily increasing in Bolivia over the past decade despite agreements and commitments with the United States to the contrary. The Government of Bolivia signed four project agreements with the United States on August 11, 1983, committing itself to initiate a program in the Chapare region to reduce coca production to legal requirements and to phase out all other production. The United States allocated $7.5 million to this effort. The INCSR states that not a single coca bush was uprooted in Bolivia in 1984.

It is time for the Congress to take action.

In meetings and discussions I have had with the Department of State on the lack of progress in coca eradication in Peru and Bolivia, I have been consistently told by State Department officials that 1985 will be a significant year for narcotics control in these two nations. In fact, in State's own February 14, 1985 strategy report, the projected amounts of coca reduction for both Peru and Bolivia are greater than the 10-percent target contained in my amendment. If the State Department's projections are accurate, the nations of Peru and Bolivia should have no problems whatsoever in meeting this requirement of this amendment.

What I am proposing, is a provision to ensure that Bolivia and Peru comply with the eradication targets that they have established in agreement with the United States for narcotics control assistance.

I am also proposing a measure to ensure that Bolivia and Peru develop and implement plans to eradicate illicit coca production in all growing areas of their country as required by the Single Convention Narcotic Drugs and section 481(a) of the Foreign Assistance Act of 1961, as amended by the Rangel-Gilman-Hawkins amendment in 1983.

Bolivia and Peru must understand that as a nation we are serious about narcotics control. This is a concern, not only of this Nation, but also the international community. In the 1984 Annual Report of the International Narcotics Control Board, a body not known for being critical of its members, the following comments were made about Bolivia and Peru:

The Board wishes to reiterate that the control of coca leaf production is the key to curtailing cocaine availability in the illicit market and the widespread abuse of this substance. In spite of formidable difficulties, it is essential that Bolivia and Peru, the world's two main producing countries, reduce their vast and uncontrolled production of coca leaves to the modest legitimate medical requirements for cocaine and for the limited industrial use of coca leaves. The Board recognizes that this long and arduous process, which must include the progressive reduction of coca chewing, requires not only the firm and sustained political commitments of the countries concerned, but also energetic efforts supported by assistance from the international community. The Board proposes to continue its dialog with the Governments concerned.

Mr. Chairman, I wish to close on this note. As chairman of the Select Committee on Narcotics Abuse and Control, I hear with increasing frequency from citizens around this great country the comment that if our Government really wanted to stop the drug traffic it could. Some people tell me that because of all the money drug trafficking generates and all the influence it can buy, Government is reluctant to take strong action.

It is time for strong action. The health and welfare of our Nation demands it; and the credibility and integrity of our public institutions require it.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman. I am going to take my time at some future time. There are a number of other gentlemen who would wish to speak on the issue.

I just want to commend the gentleman for his statement, and I will go back into it further when I seek my own time.

Mr. DURBIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, several weeks ago I filed with this House an amendment to be offered to the foreign assistance authorization relative to the question of foreign aid to the country of Bolivia. This matter came to my attention several weeks ago, after reading some accounts in news magazines about the drug traffic that was emanating from Bolivia to the United States. In fact, Bolivia is the source of half of the cocaine that enters the United States of America.

After some research on the subject, it was clear that coca production in Bolivia is not an accident. It is legal in Bolivia, and it is a major cash crop. Andean natives of that country have chewed coca leaves for centuries, and many Bolivians rely on coca to make the difference between subsistence and poverty. Last year coca production in Bolivia accounted for more than $2 billion in unofficial foreign exchange earnings.

Because of this problem, the United States of America entered into an agreement with Bolivia in 1973 to achieve meaningful narcotics control in that country. Bolivia signed the agreement, and then Bolivia ignored the agreement.

All of the drug eradication efforts in Bolivia have been hampered by widespread corruption, inadequate laws that fail to prohibit or regulate cultivation of coca, a lack of conspiracy laws or a meaningful extradition treaty with the United States.

Despite the fact that the Bolivians have failed to live up to the terms of this treaty, despite the fact that Bolivia is the source of half of the cocaine coming into the United States of America today, and despite the impact of this drug traffic on our country, the administration proposed that the United States of America, its citizens and taxpayers, send to the nation of Bolivia in fiscal year 1986, $56 million to help their people.

I do not stand here as a person who opposes foreign assistance. I believe it is necessary, even in times of trouble, that the United States look to help our neighbors and allies.

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But, Mr. Chairman, I cannot stand here in good conscience and ask for all this money to be sent to Bolivia when in fact they are ignoring their treaty with the United States and exporting narcotics and drugs that are ruining the lives of our children and bringing crime to our streets.

My amendment would cut back considerably in the amount of assistance given to Bolivia. We tried to include in that amendment the foreign assistance necessary for narcotics control and for food, development, and emergency disaster assistance to that country. After introducing the amendment, I was visited by the Bolivian Ambassador to the United States. He told me that if that amendment passed cutting foreign aid, it would cause poverty in their country and maybe destabilize their government. Well, let me say to the Members of the House that I hope that does not happen, but I asked him to please be sensitive to what his problem was doing to our country.

The children who are having their lives ruined and the thousands of others who are victimized by crime in the United States because of narcotics deserve at least as much, if not more, sympathy from the Congress of the United States of America. Our responsibility does not end with stemming the flow of drugs into the United States. I believe we all agree that we have to do things domestically to control drug problems as well, but we cannot in good conscience continue to send unconditioned foreign aid to Bolivia while they turn a deaf ear to the very treaty that they signed with the United States to end the export of cocaine.

With the help of the gentleman from Ohio [Mr. FEIGHAN], who gave me assistance in the Committee on Foreign Affairs, the chairman of the committee, the gentleman from Florida [Mr. FASCELL], the gentleman from Maryland [Mr. BARNES], the gentleman from New York [Mr. RANGEL], and the gentleman from Florida [Mr. SMITH], we have crafted a substitute amendment which will be offered in a few minutes by the gentleman from Florida [Mr. SMITH]. I believe it is a substantial step forward and makes it clear to Bolivia and other nations that we are doing more than sending a message. We are saying that a portion of our foreign assistance to their country will dry up unless and until their export of drugs to America also dries up.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. SMITH OF FLORIDA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. RANGEL

Mr. SMITH of Florida. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Florida as a substitute for the amendment offered by Mr. RANGEL: Page 61, strike out line 13 and all that follows through line 20 on page 62 and insert in lieu thereof the following new section:

SEC. 509. RESTRICTIONS ON ASSISTANCE TO BOLIVIA AND PERU.

(a) ASSISTANCE TO BOLIVIA.—Assistance may be provided for Bolivia for fiscal years 1986 and 1987 under chapter 2 (relating to grant military assistance), chapter 4 (relating to the economic support fund), and chapter 5 (relating to international military education and training) of Part II of the Foreign Assistance Act of 1961, and under chapter 2 of the Arms Export Control Act (relating to foreign military sales financing), only under the following conditions:

(1) For fiscal year 1986—

(A) up to 25 percent of the aggregate amount of such assistance allocated for Bolivia may be provided at any time after the President certifies to the Congress that the Government of Bolivia has enacted legislation, consistent with the Single Convention on Narcotic Drugs, 1961, that will establish its legal coca requirements, provide for the licensing of the number of hectares necessary to produce the legal requirement, and make illegal unlicensed coca production; and

(B) the remaining amount of such assistance may be provided at any time subsequent to a certification pursuant to subparagraph (A) if the President certifies to the Congress that the Government of Bolivia has made substantial progress toward achieving the eradication target for the calendar year 1985 contained in its August 1983 narcotics control agreements with the United States.

(2) For fiscal year 1987, such assistance may not be provided unless the President certifies to the Congress that the Government of Bolivia has developed a plan, consistent with the Single Convention on Narcotic Drugs, 1961, to eliminate illicit narcotics production countrywide and is prepared to enter into an agreement with the United States to implement that plan. If that certification is made, then—

(A) up to 50 percent of the aggregate amount of such assistance allocated for Bolivia may be provided at any time after the President certifies to the Congress that the Government of Bolivia has achieved at least half of the eradication target for the calendar year 1986 contained in its August 1983 narcotics control agreements with the United States; and

(B) the remaining amount of such assistance may be provided at any time after the President certifies to the Congress that the Government of Bolivia fully achieved that eradication target.

(b) ASSISTANCE FOR PERU.—United States assistance (as defined by section 481(i)(4) of the Foreign Assistance Act of 1961) may be provided for Peru—

(1) for fiscal year 1986, only if the President reports to the Congress that the Government of Peru has demonstrated substantial progress in developing a plan, consistent with the Single Convention on Narcotic Drugs, 1961, that will establish its legal coca requirements, license the number of hectares necessary to produce the legal requirement, and eliminate illicit and unlicensed coca production; and

(2) for fiscal year 1987, only if the President reports to the Congress that the Government of Peru has developed such a plan and is implementing it. The assistance for Peru described in sections 510 and 708 of this Act may be provided only if the report required by paragraph (1) in the case of assistance for fiscal year 1986, or by paragraph (2) in the case of assistance for fiscal year 1987, has been made.

Mr. SMITH of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SMITH of Florida. Mr. Chairman, before I explain the substitute, I would like to commend the gentleman from New York [Mr. RANGEL] for his leadership on this issue. I know how strongly he feels on the matter. I share his concerns. Both he and I, along with the gentleman from Illinois [Mr. DURBIN] and many others in this body, have been working for years independent of each other to try to bring some sense to the direction in which this country is going at the State, local, and Federal levels on a coordinated approach to fighting the battle against illicit narcotics coming into the United States.

At the outset, let me say that I think the most important single issue that we have finally arrived at in joint belief is that eradication at the source is the single most effective weapon that we have in reducing the flow of drugs. The Government of Bolivia has a record of zero accomplishments in narcotics control, and we have reached the limit of our patience in waiting year after year for some kind of positive action, but seeing only more footdragging and excuses.

Despite millions of dollars in American assistance, Bolivia has failed to eradicate even one coca bush. Nonetheless we recognize that Bolivia, as a bilateral partner of the United States and as a large, important nation of South America, is about to hold elections, hopefully, to bring in a new democratic, nonmilitary Government, and that there may be a window of opportunity to make one final effort on narcotics control with this new Government.

Therefore, on behalf of myself, the gentleman from Illinois [Mr. DURBIN], the gentleman from Ohio [Mr. FEIGHAN], who has worked very hard, and the gentleman from New York [Mr. GILMAN], the cochair of the International Narcotics Task Force which I have the honor of chairing, and after consultation with the gentleman from New York [Mr. RANGEL], I am offering this substitute.

The substitute conditions economic support funds and military assistance to Bolivia on that Government's implementing the narcotics control agreements that it signed with the United States in 1983. Briefly, the substitute requires the following: For fiscal year 1986, Bolivia would receive 25 percent of its economic support funds and military assistance when it enacts a law making at least part of its coca crop illegal, and the remaining 75 percent when it has made substantial progress toward the eradication targets contained in the 1983 agreements. This would allow some flexibility on the part of our State Department, on narcotics control people, and on DEA agents in that country to work with the Government and give them the flexibility to allow for the kinds of things necessary that the Government must do to conquer a longstanding devotion to coca chewing inside its own population.

For fiscal year 1987, Boliva must first adopt a plan for countrywide coca eradication. The 1983 agreement talked about the Chapare region. For 1987, we want the whole country covered under that agreement. If so, it would receive 50 percent of its economic support and military aid when it achieves half the eradication targets and the remaining 50 percent when it fully achieves its eradication targets.

With regard to Peru, the second half of the substitute, the substitute conditions fiscal year 1986 assistance on a Presidential report that Peru has demonstrated substantial progress in developing a plan to end illicit coca production. For fiscal year 1987, the President must report that Peru has developed a plan and is implementing it.

The focal point of the amendment is Bolivia. I think this is a very important amendment. It does not affect some portions of Bolivia's aid, food aid, development assistance, and, most important from our perspective, narcotics control assistance.

The gentleman from Illinois [Mr. DURBIN] was absolutely correct in saying that we do not want to do anything which would force the country further into poverty or put people who are already in jeopardy in terms of food or their ability to support themselves in further jeopardy, but the reality is that we must do something.

This amendment applies to those things that they want as well, economic support funds and military aid. It is a carrot-and-stick approach. If Bolivia lives up to its written commitments, it will get its aid. If it does not, then they are responsible for the loss of their own aid.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, I know that some Members might want to support more drastic measures. Sometimes, I think I would

like to do that as well. But if this new Bolivian Government does not show some progress in this area, then this Congress will enact more severe penalties. But for the time being we all believe this is a more appropriate approach.

I would like to thank my colleagues for their interest and assistance in this matter, the gentleman from Ohio [Mr. FEIGHAN], who chaired the task force in the 98th Congress, the gentleman from Illinois [Mr. DURBIN], who has such an abiding interest in this problem, and my good friend, the gentleman from New York [Mr. GILMAN], who serves as the cochair on the task force and who is on the Select Committee on Narcotics Abuse and Control. And I especially want to commend and thank the gentleman from New York [Mr. RANGEL], the chairman of the Select Committee on Narcotics Abuse and Control, with whom I serve, for his cooperation in working out what I believe is an acceptable and workable compromise.

I would also like to thank the chairman of the Subcommittee on Western Hemisphere, the gentleman from Maryland [Mr. BARNES], who has had such an important part in shaping this, so as to reflect the concerns that we have for those countries and at the same time reflect our own concerns.

Mr. Chairman, I want to yield to the gentleman from New York [Mr. RANGEL] at this time, and I also commend the gentleman for the years that he has spent in fighting this problem of illicit narcotics. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Chairman, let me say to the gentleman from Florida [Mr. SMITH] that we have worked very closely with his subcommittee and with the chairman of the full committee, and at this time, I would like to ask the gentleman to yield to the gentleman who serves on both of those committees, as well as the select committee, the gentleman from New York [Mr. GILMAN].

Mr. SMITH of Florida. I yield to the gentleman from New York [Mr. GILMAN].

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 5 additional minutes.)

Mr. GILMAN. Mr. Chairman, I want to commend our distinguished chairman of our Select Committee on Narcotics Abuse and Control, Mr. RANGEL, for his hard-hitting statement and I rise in strong support of the amendment of the gentleman from Florida [Mr. SMITH]. As colleagues on both the Select Committee on Narcotics Abuse and Control and the Foreign Affairs Committee Task Force on International Nacrcotics, I am very aware of his knowledge of and commitment to reducing the supply and demand for drugs in this country.

Drug abuse is at epidemic proportions in this country and, indeed, worldwide. Heroin, marijuana, and cocaine are flooding our shores with more of each expected to be available during the current year than ever before. While we can and must do all that we can to reduce the supply of all illicit drugs, the amendment before us provides an opportunity to deal directly with one of the fastest-growing epidemics this Nation has experienced—cocaine abuse, an abuse affecting over 5 million Americans. About 75 percent of the cocaine affecting the United States is clandestinely manufactured in Colombia from coca paste smuggled from Peru and Bolivia where it is produced from coca leaf cultivated in those countries.

In 1983, the Congress passed legislation, signed into law by the President, authorizing the President to suspend economic and military assistance to any country that failed to take adequate steps to prevent illicit drugs from entering the United States. The substitute Smith amendment before us provides us with an opportunity to judiciously pursue implementation of this law with reference to Peru and Bolivia.

In the case of Bolivia, the cultivation of coca and the refining and trafficking illicit coca products have been increasing for nearly a decade. Despite the fact that bilateral project agreements were concluded in August 1983, to provide U.S. assistance to Bolivia to reduce coca cultivation and deal with narcotics trafficking, implementation has been extremely slow. In 1984, the United States supplied Bolivia with $37.8 million in economic and military assistance and in 1985, that figure is expected to rise to $48 million. I don't believe that such huge amounts of tax dollars should be provided based simply on promises. It is time for results. Not more words.

A similar situation exists in Peru. In 1981, bilateral coca reduction and regional development assistance agreements for the Upper Huallaga Valley were concluded. Despite the fact that coca reduction operations have been underway since 1983, only 3,000 of the estimated 50,000 to 70,000 hectars of coca under cultivation were eradicated in 1984. During that same year, the United States provided the Government of Peru with $76.2 million in economic and military assistance.

I think my colleagues will agree that the expenditure of American tax dollars must be based on the "reasonable" assumption that we are not indirectly or directly financing the systematic destruction of the minds and morals of our citizens. Without concrete proof that coca production in Bolivia and Peru is being substantially reduced, that is precisely what we are doing.

While I would be more inclined to support an immediate cutoff of U.S. assistance to these nations until substantial progress was made in eradicating coca, our distinguished Ambassadors to Peru and Bolivia, have urged a more moderate approach because of the changing political climate in each nation. The amendment before us affords such an opportunity. It is based on the premise that coca eradication in Bolivia and Peru cannot be achieved without the development and implementation of plans based on Single Convention on Narcotic Drugs of 1961, that establish legal coca requirements, license the number of hectares necessary to produce the legal requirements, and make unlicensed coca production illegal.

During the first half of this year, reports issued by the Select Committee on Narcotics Abuse and Control, the U.S. Department of State, the House Foreign Affairs Committee and the United Nations International Narcotics Control Board were unanimous in their conclusions that much more needs to be done by the Governments of Peru and Bolivia to bring the illicit production of coca under control. Left uncontrolled cocaine will continue to be readily available on our streets at higher levels of purity and at lower prices. To understand the threat, we need look no farther than the fact that cocaine-related deaths and emergency room visits increased by 300 percent from 1978 to 1983. We can no longer afford the luxury of simply urging nations to reduce coca production. It is time to put teeth into our efforts and require that firm commitments be developed, and actions taken. The substitute amendment before us can help us achieve that purpose. Accordingly I urge my colleagues' strong support.

Mr. RANGEL. Mr. Chairman, I join with the gentleman from New York [Mr. GILMAN] in accepting the substitute and also in lauding the full committee chairman for providing us with the vehicle to work out the differences we have had.

It is true that both the Bolivian Government and the Peruvian Government have just had elections. They start with new governments and hopefully with new initiatives in order to do something about this serious problem.

It is an historic statement that is being made by this legislation which shows that at least those of us in the House of Representatives and the Congress are saying, enough is enough. It has to stop somewhere and they have to take some initiatives.

As long as we have taken care of all the humanitarian needs that we were supposed to take care of, I think this

goes a long way to telling the government that they have to move.

So for all those reasons and with the understanding that this House stands ready to implement even harsher and more strict legislation, hopefully we will not need it, but I think that the Foreign Affairs Committee with all its members has gone a long way in at least setting the record straight as to what this country and what this Congress stands for.

Mr. Chairman, I accept the substitute amendment.

Mr. SMITH of Florida. Mr. Chairman, reclaiming my time, I want to thank the gentleman again. As I indicated before, the gentleman from New York [Mr. RANGEL] and the gentleman from New York [Mr. GILMAN] have spent years on this problem. They were the trailblazers in this. The Rangel-Gilman amendment is one of those things that has been the catalyst for doing what we are doing today. We are translating what we did before into action right now because we see the need for it in this body. That is important. This is a turning point, a new era in the way we are going to deal with nations with which we have relations, but at the same time with which we have major problems in drug production.

I thank the gentleman very much and I think the country thanks him as well.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Chairman, I appreciate the gentleman yielding.

I would like to commend the gentleman from Florida for his exceptional work as chairman of the Narcotics Control Task Force on the Foreign Affairs Committee. I join with the gentleman in commending the gentleman from New York [Mr. RANGEL] and the gentleman from New York [Mr. GILMAN] for their untiring work over the past several years on the whole range of issues regarding narcotics control, addressing it both from an international law perspective as well as domestic.

We are very fortunate I think this year to have in our foreign aid bill, as well as to have in our State Department authorization bill very tough, very significant narcotics control language. We have that in the bill on the floor this afternoon. We have had it in the State Department authorization bill. Because of the leadership of our Chairman, the gentleman from Florida [Mr. FASCELL], I think Americans can be extremely grateful for that kind of leadership in the Foreign Affairs Committee and in the Congress.

In spite of all our efforts, we recognize that Bolivia is presenting very unique problems for us. The problem from coca production and the illicit trafficking from Bolivia are increasing in their dimensions rather than decreasing.

We have had, as previous speakers have indicated, various assurances. Over 2 years ago, we negotiated with the Bolivian Government four separate agreements in August 1983, four separate agreements to get their cooperation in reducing the amount of production of cocaine, in reducing the trafficking that is coming from their country.

The amendment that we have before us, the substitute offered by the gentleman from Florida, I think is a very modest, a very sensible one. It addresses the problem that we see with Boliva as the first or second largest producer of coca in the entire world and it says that we would request of that government for them to receive our full level of foreign assistance, both economic and necessary, that they meet the minimal requirements of those agreements. I think that is important for the Members of this body to recognize.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has again expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. FEIGHAN. Mr. Chairman, I thank the gentleman for continuing to yield.

I think it is important, as I was saying, that Members of this body recognize that our total aid request for Bolivia is close to $60 million.

Now, this amendment conditions only a very modest amount of that aid. I think it does it in a way that also ensures that Bolivia will receive every dollar of that economic and military assistance if they only meet the very minimal requirements of the agreements to which they have already become parties to over 2 years ago.

Furthermore, this amendment recognizes Bolivia's economic difficulties and the political difficulties that it faces. I think it can ensure that we will see signficant eradication in a country that has become, if not one of the major producers of coca and therefore one of the major contributors of the cocaine epidemic that we have in this country.

I conclude, Mr. Chairman, again by saluting the efforts of the chairman, the gentleman from Florida [Mr. SMITH] of the Narcotics Control Task Force, and most especially the work of our chairman, the gentleman from Florida [Mr. FASCELL] and the gentleman from the Select Committee, the gentleman from New York [Mr. RANGEL].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for his statement. I want to commend him for the work that he did in the previous Congress.

I also would like to join the gentleman in his remarks with reference to the chairman of this committee. Without the chairman's dedication over the years to this problem, this really would not have been doable in the foreign aid bill and the State Department authorization bill. I think that we all owe a debt of gratitude to the gentleman from Florida [Mr. FASCELL] in that regard.

South Florida is an area where we have grave concerns about the inflow of drugs. All over the United States I think that problem exists today and we want to do something about it. With this substitute we are beginning to make that kind of commitment at the Federal level to do what really needs to be done in the process of eradication in the growing and source countries.

● Mr. RODINO. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Florida [Mr. SMITH] to the amendment of the gentleman from New York [Mr. RANGEL].

Since 1972, I have been urging the State Department to utilize every possible diplomatic leverage to induce the cooperation of drug-producing countries.

In fact, in 1972, I originally authored legislation requiring the President to suspend assistance to any country that did not live up to its international narcotics control responsibilities.

Despite this legislative authority, and the strong congressional commitment to controlling the illicit production and distribution of drugs, I regret to report that the State Department has turned a deaf ear to the clamor for action by both the Congress and the American people.

Because of my deep concern about this problem, I wrote President Reagan in February of this year urging him to consider whether sanctions should be applied immediately to any of the countries that have failed to cooperate with us in stemming the flow of drugs to this country. I particularly noted in my letter to him that Peru and Bolivia had done little to curtail coca production.

I received the usual State Department response that while they were not reluctant to recommend sanctions to the President, they did "not believe suspending assistance would, at this time, enhance narcotics control in any of the countries whose performance we criticized in our annual report" on international narcotics control.

Mr. Chairman, the time for diplomatically induced caution and timid responses to the call for action on drug abuse is over. We must demand concrete action by drug-producing countries if we are ever to attack the

drug problem at its source, which in my view, is the only logical and practical way to proceed.

The gentleman's amendment does exactly that by calling on Peru and Bolivia to take affirmative and effective steps to reduce coca production. Unless we demand specific actions on the part of these countries, I do not believe the American people and the international community will be convinced as to our resolve to eliminate the scourge of drug addiction.

I commend the gentleman from New York [Mr. RANGEL] and the gentleman from Florida [Mr. SMITH] for bringing this important matter to the attention of this body. I urge my colleagues to support this reasonable attempt to utilize the sanctions that have been on our statute books for well over a decade but which, unfortunately, have not been effectively utilized by the State Department.●

Mr. SMITH of Florida. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SMITH] as a substitute for the amendment offered by the gentleman from New York [Mr. RANGEL].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RANGEL], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORNAN of California: Page 68, after line 9, insert the following new section:

SEC. 518. DRUG TRAFFICKING AND THE PROBLEM OF TOTAL CONFIDENTIALITY OF CERTAIN FOREIGN BANK ACCOUNTS.

(a) FINDINGS.—The Congress finds that—

(1) several banks in Latin America and the Caribbean are used by narcotics traffickers as depositories for money obtained in providing illicit drugs to the United States and other countries of the region;

(2) offshore banks which provide total confidentiality provide a service which materially assists the operations of illicit drug traffickers; and

(3) cooperation in gaining access to the bank accounts of such narcotics traffickers would materially assist United States authorities in controlling the activities of such traffickers.

(b) POLICY.—The Congress—

(1) requests the President to seek to negotiate treaties with all countries providing such confidential offshore banking, especially those in the Caribbean region, in order that the United States Government could obtain access to the bank accounts of known drug traffickers for the purpose of recovering illegally acquired funds;

(2) directs the President to include reports on the results of such efforts in the annual International Narcotics Control Strategy Report; and

(3) reaffirms its intention to obtain maximum cooperation on the part of all governments for the purpose of halting international drug trafficking, and constantly to evaluate the cooperation of those governments receiving assistance from the United States.

Mr. SMITH of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. DORNAN of California. Mr. Chairman, as one who has worked for many years against the curse of illicit narcotics trafficking in this country, I have introduced this amendment for the purpose of obtaining cooperation from countries close to the United States which offer confidential offshore banking service in gaining access to illicit narcotics profits. There are several of these, Cayman Islands, Bahamas, Panama, and the Netherlands Antilles among others. No one is opposed to confidentiality of banking. It is an extension of the right of privacy which we all uphold. Yet like any right, it can be used for wrong purposes. In this case, money obtained by selling cocaine, heroin, marijuana, or a myriad of other narcotics is transferred to confidential, perhaps numbered, bank accounts in one or more of these banking havens. Through "false front" business this money is reinvested in additional narcotics trafficking.

My amendment calls on the President to seek treaties with these various banking haven governments which would enable this government to reclaim narcotics profits. As a precedent I refer to the Swiss-American Treaty on Mutual Assistance in Criminal Matters. This agreement was concluded on May 25, 1973, and went into effect 4 years later. It was not easy to obtain, given differences between the civil law of the United States and the common law of Switzerland. Yet this excellent treaty is on the books and has specific provisions dealing with organized crime. For those who wish to research this treaty it can be found in 27 UST, pages 2021 to 2065.

I should point out that negotiations with responsible governments have been underway and in some instances have already met with success. I understand from the Bureau of International Narcotics matters at the State Department that negotiations with Britain on the Cayman Islands were actually completed last winter. But there is no agreement with the Bahamas as yet, nor with Panama.

How much money is involved? We don't know, for obvious reasons. Some estimate that the total domestic take in this country is over $100 billion a year. A substantial portion of this is in confidential accounts, and appropriate agreements could result in the return of much of that illicit take.

This measure is not aimed at nonnarcotics money, and is not designed to provide a fishing license for this Government to rummage through the legitimate accounts of law-abiding citizens. My specific intent is that we press to eliminate a safe haven for the ill-gotten gains of the drug traffickers who prey on this country's citizens. Thousands of Americans have died by overdose and dozens have been shot as innocent bystanders in drug war gun fights.

I believe that President Reagan's administration has demonstrated a keen and significant dedication to the problem of reducing narcotics trafficking in the United States and throughout this hemisphere and elsewhere. The Congress is deeply interested in supporting such an effort. I believe this amendment can demonstrate the Congress' interest in the administration's efforts to obtain treaties which will help make life miserable for narcotics traffickers and regain money which would otherwise be beyond reach, money stained with blood and agony beyond description.

One technical point. Since the Department of State already reports annually to the Congress on narcotics policy developments, I have changed the language in section (b)(2) to include my requested report in the annual international narcotics control strategy report, beginning in 1986.

I urge my colleagues to accept this measure.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Yes, I am delighted to yield to my friend.

Mr. SMITH of Florida. Mr. chairman, I thank the gentleman for yielding. I know the gentleman has a statement prepared. The gentleman understands that we have already discussed this amendment and this side is prepared to take it. We are working under some time constraints and there are others who wish to talk.

If the gentleman would continue to yield, I would be happy on behalf of this side to accept the amendment. We think it is a good amendment. It is well intentioned. We are working that way already with the Cayman Islands.

We would like to see the President urge the negotiation of other kinds of treaties with other areas where we continue to have difficulty.

If the gentleman at this point would yield to the other gentleman, then we will accept the amendment at the appropriate time.

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Mr. DORNAN of California. I thank the gentleman.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I will be happy to yield to my distinguished friend from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the gentleman's amendment. It is an extremely important amendment because the profits from narcotics trafficking, of course, are concealed in these silent bank accounts, and it is extremely important that we open up the confidentiality of these accounts so that we can pursue the profits of trafficking.

I urge my colleagues to support the measure.

Mr. DORNAN of California. I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I yield gladly to the senior Member from the great State of California serving on the Foreign Affairs Committee, Mr. LAGOMARSINO.

Mr. LAGOMARSINO. I want to accept the amendment on behalf of the minority and say that I think it is an extremely important amendment. The laundering of illicit drug profits is one of the biggest problems we have.

Our administration is now working on legislation with regard to laundering within the country. This complements that effort and will complement the effort outside, and we appreciate the amendment.

Mr. DORNAN of California. I appreciate the gentleman's remarks.

Let me say in closing that there are very few Members in this body that command such attention that the House and the gallery quiets down to such an extent that you literally can hear a pin drop. Such attention is given the Speaker, and your majority leader and our Republican leader.

However, I noticed near perfect silence on this House floor the other day, when Members rose to discuss this curse of narcotics. Some told of the agony of drugs tearing up their own children. Some Members of this House spoke so poignantly and painfully that many Members were choked up.

This is truly the fifth horseman of the apocalypse, with war, famine plague and pestilence and all of the other things that mankind has to suffer, this horseman we truly have brought upon ourselves. I am glad to see that we may pass this amendment to go after these secret, hidden bank account havens where these cocaine cowboys stash away their filthy blood money, made off the pain and suffering and death of our fellow Americans.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I am glad to yield to my good friend from Ohio.

Mr. FEIGHAN. Mr. Chairman, I would simply like to compliment the gentleman from California on offering this amendment and underscoring that I believe that he does not at all understate the dimensions of the problem of international narcotics that we are facing in this Nation.

I would further state that I think while we have addressed in this legislation a good deal of important language in dealing with source countries, this amendment goes one step further.

Mr. WORTLEY. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California.

If we are going to be at all successful in our battle against the international drug trade, we have to get at the big guys—the people behind the drug trade—the people who are financing the destruction of human lives. The Dornan amendment recognizes this necessity by calling on the President to negotiate treaties with Latin American and Caribbean countries that would allow access to confidential bank accounts of known drug traffickers.

Mr. Chairman, 50 percent of all crime in the United States is drug related. The estimated street value of drugs imported into this country each year is $75 billion. Eighty billion dollars in cash transactions are generated by the drug trade. Two-thirds of this drug money passes through banks and other financial institutions.

Money is the reason people get into the drug trade. If we take away the lure of easy money, if we increase the costs associated with making that money, we will be much closer to greatly reducing if not totally eliminating the drug trade. To do this we have to get at the financial backers, which means we have to stop money laundering. It is vital to this effort that law enforcement officers have access to known drug traffickers' bank accounts.

Bank secrecy laws in several countries currently make them havens for laundering drug money. These laws shield an account's true owner and transactions. It is easy to see how crucial these laws are to big money laundering operations. We have to negotiate treaties with the countries whose bank secrecy laws make them havens.

We currently have such a treaty with Switzerland. Although it has not been a cure-all, it has been a definite step toward stricter enforcement and closer cooperation. We need to establish similar forms of cooperation with other haven countries.

There are no easy answers to stopping the drug trade. It requires a multipronged attack. We have our currently ongoing efforts. Last week, we approved amendments to the defense authorization bill allowing the Defense Department to help civilian agencies in the interdiction of drug shipments. The Banking and Judiciary Committees are working on efforts to attack the drug trade and its financiers. All of these efforts and more are needed to keep up with the constantly changing evasive tactics of drug traffickers.

We have to get the financiers of the drug trade where it hurts: the pocketbook. The integrity of society is at stake.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DORNAN].

The amendment was agreed to.

Are there further amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—UNITED STATES SCHOLARSHIP PROGRAM FOR DEVELOPING COUNTRIES

SEC. 601. STATEMENT OF PURPOSE.

The purpose of this title is to establish an undergraduate scholarship program designed to bring students of limited financial means from developing countries to the United States for study at United States institutions of higher education.

SEC. 602. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares that—

(1) it is in the national interest for the United States Government to provide a stable source of financial support to give students in developing countries the opportunity to study in the United States, in order to improve the range and quality of educational alternatives, increase mutual understanding, and build lasting links between those countries and the United States;

(2) providing scholarships to foreign students to study in the United States has proven over time to be an effective means of creating strong bonds between the United States and the future leadership of developing countries and, at the same time, assists countries substantially in their development efforts;

(3) study in United States institutions by foreign students enhances trade and economic relationships by providing strong English language skills and establishing professional and business contacts;

(4) students from families of limited financial means have, in the past, largely not had the opportunity to study in the United States, and scholarship programs sponsored by the United States have made no provision for identifying, preparing, or supporting such students for study in the United States;

(5) it is essential that the United States citizenry develop its knowledge and understanding of the developing countries and their languages, cultures, and socioeconomic composition as these areas assume an ever larger role in the world community;

(6) the number of United States Government-sponsored scholarships for students in developing countries has been exceeded as much as twelve times in a given year by the number of scholarships offered by Soviet-bloc governments to students in developing countries, and this disparity entails the serious long-run cost of having so many of the potential future leaders of the developing world educated in Soviet-bloc countries;

(7) an undergraduate scholarship program for students of limited financial means from developing countries to study in the United States would complement current assistance

efforts in the areas of advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities; and

(8) the National Bipartisan Commission on Central America has recommended a program of 10,000 United States Government-sponsored scholarships to bring Central American students to the United States, which program would involve careful targeting to encourage participation by young people from all social and economic classes, would maintain existing admission standards by providing intensive English and other training, and would encourage graduates to return to their home countries after completing their education.

SEC. 603. SCHOLARSHIP PROGRAM AUTHORITY.

(a) IN GENERAL.—The President, acting through the United States Information Agency, shall provide scholarships (including partial assistance) for undergraduate study at United States institutions of higher education by citizens and nationals of developing countries who have completed their secondary education and who would not otherwise have an opportunity to study in the United States due to financial limitations.

(b) FORM OF SCHOLARSHIP; FORGIVENESS OF LOAN REPAYMENT.—Scholarships pursuant to this title shall be in the form of grants and loans. To encourage students to use their training in their countries of origin, half of each payment to a student shall be in the form of a loan with repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States.

(c) CONSULTATION.—Before allocating any of the funds made available to carry out this title, the President shall consult with United States institutions of higher education, educational exchange organizations, United States missions in developing countries, and the governments of participating countries on how to implement the guidelines specified in section 604.

(d) DEFINITION.—For purposes of this title, the term "institution of higher education" has the same meaning as given to such term by section 1201(a) of the Higher Education Act of 1965.

SEC. 604. GUIDELINES.

The scholarship program under this title shall be carried out in accordance with the following guidelines:

(1) Consistent with section 112(b) of the Mutual Educational and Cultural Exchange Act of 1961, all programs created pursuant to this title shall be nonpolitical and balanced, and shall be administered in keeping with the highest standards of academic integrity.

(2) United States missions shall design ways to identify promising students who are in secondary educational institutions, or who have completed their secondary education, for study in the United States. In carrying out this paragraph, the United States mission in a country shall consult with Peace Corps volunteers and staff assigned to that country and with private and voluntary organizations with a proven record of providing development assistance to developing countries.

(3) United States missions shall develop and strictly implement specific economic need criteria. Scholarships under this title may only be provided to students who meet the economic need criteria.

(4) The program shall utilize educational institutions in the United States and in developing countries to help participants in the programs acquire necessary skills in English and other appropriate education training.

(5) Each participant from a developing country shall be selected on the basis of academic and leadership potential and the economic, political, and social development needs of such country. Such needs shall be determined by each United States mission in consultation with the government of the respective country. Scholarship opportunities shall emphasize fields that are critical to the development of the participant's country, including agriculture, civil engineering, communications, social science, education, public and business administration, health, nutrition, environmental studies, population and family planning, and energy.

(6) The program shall be flexible in order to take advantage of different training and educational opportunities offered by universities, postsecondary vocational training schools, and community colleges in the United States.

(7) The program shall be flexible with respect to the number of years of undergraduate education financed but in no case shall students be brought to the United States for a period less than one year.

(8) Adequate allowance shall be made in the scholarship for the purchase of books and related educational material relevant to the program of study.

(9) Further allowance shall be made to provide adequate opportunities for professional, academic, and cultural enrichment for scholarship recipients.

(10) The program shall, to the maximum extent practicable, offer equal opportunities for both male and female students to study in the United States.

SEC. 605. AUTHORITY TO ENTER INTO AGREEMENTS.

The President may enter into agreements with foreign governments in furtherance of the purposes of this title. Such agreements may provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purposes of administering programs under this title.

SEC. 606. POLICY REGARDING OTHER INTERNATIONAL EDUCATIONAL PROGRAMS.

(a) AID-FUNDED PROGRAMS.—The Congress urges the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961, in implementing programs authorized under that part, to increase assistance for undergraduate scholarships for students of limited financial means from developing countries to study in the United States at United States institutions of higher education. To the maximum extent practicable, such scholarship assistance shall be furnished in accordance with the guidelines contained in section 604 of this title.

(b) USIA-FUNDED POSTGRADUATE STUDY IN THE UNITED STATES.—The Congress urges the Director of the United States Information Agency to expand opportunities for students of limited financial means from developing countries to receive financial assistance for postgraduate study at United States institution of higher education.

(c) STUDY BY AMERICANS IN DEVELOPING COUNTRIES.—The Congress urges the President to take such steps as are necessary to expand the opportunities for Americans from all economic classes to study in developing countries.

SEC. 607. ESTABLISHMENT AND MAINTENANCE OF COUNSELING SERVICES.

(a) COUNSELING SERVICES ABROAD.—For the purpose of assisting foreign students in choosing fields of study, selecting appropriate institutions of higher education, and preparing for their stay in the United States, the President may make suitable arrangements for counseling and orientation services abroad.

(b) COUNSELING SERVICES IN THE UNITED STATES.—For the purposes of assisting foreign students in making the best use of their opportunities while attending United States institutions of higher education, and assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements (by contract or otherwise) for the establishment and maintenance of adequate counseling services at United States institutions of higher education which are attended by foreign students.

SEC. 608. BOARD OF FOREIGN SCHOLARSHIPS.

The Board of Foreign Scholarships shall advise and assist the President in the discharge of the scholarship program carried out pursuant to this title, in accordance with the guidelines set forth in section 604. The President may provide for such additional secretarial and staff assistance for the Board as may be required to carry out this title.

SEC. 609. GENERAL AUTHORITIES.

(a) PUBLIC AND PRIVATE SECTOR CONTRIBUTIONS.—The public and private sectors in the United States and in the developing countries shall be encouraged to contribute to the costs of the scholarship program financed under this title.

(b) UTILIZATION OF RETURNING PROGRAM PARTICIPANTS.—The President shall seek to engage the public and private sectors of developing countries in programs to maximize the utilization of recipients of scholarships under this title upon their return to their own countries.

(c) PROMOTION ABROAD OF SCHOLARSHIP PROGRAM.—The President may provide for publicity and promotion abroad of the scholarship program provided for in this title.

(d) INCREASING UNITED STATES UNDERSTANDING OF DEVELOPING COUNTRIES.—The President shall encourage United States institutions of higher education, which are attended by students from developing countries who receive scholarships under this title, to provide opportunities for United States citizens attending those institutions to develop their knowledge and understanding of the developing countries, and the languages and cultures of those countries, represented by those foreign students.

(e) OTHER ACTIVITIES TO PROMOTE IMPROVED UNDERSTANDING.—Funds allocated by the United States Information Agency, or the agency primarily responsible for carrying out part I of the Foreign Assistance Act of 1961, for scholarships in accordance with this title shall be available to enhance the educational training and capabilities of the people of Latin America and the Caribbean and to promote better understanding between the United States and Latin America and the Caribbean through programs of cooperation, study, training, and research. Such funds may be used for program and administrative costs for institutions carrying out such programs.

SEC. 610. ENGLISH TEACHING, TEXTBOOKS, AND OTHER TEACHING MATERIALS.

Wherever adequate facilities or materials are not available to carry out the purposes of paragraph (4) of section 604 in the participant's country and the President determines that the purposes of this title are best served by providing the preliminary training in the participant's country, the President may (by purchase, contract, or other appropriate means) provide the necessary materials and instructors to achieve such purpose.

SEC. 611. REPORTING REQUIREMENT.

Not later than February 1 each year, the President shall submit to the Congress a report on the activities carried on and expenditures made pursuant to this title during the preceding fiscal year.

SEC. 612. FUNDING OF SCHOLARSHIPS FOR FISCAL YEAR 1986 AND FISCAL YEAR 1987.

(a) CENTRAL AMERICAN UNDERGRADUATE SCHOLARSHIP PROGRAM.—The undergraduate scholarship program financed by the United States Information Agency for students from Central America for fiscal year 1986 and fiscal year 1987 shall be conducted in accordance with this title.

(b) SCHOLARSHIPS FOR STUDENTS FROM OTHER DEVELOPING COUNTRIES.—Any funds appropriated to the United States Information Agency for fiscal year 1986 or fiscal year 1987 for any purpose (other than funds appropriated for educational exchange programs under section 102(a)(1) of the Mutual Educational and Cultural Exchange Act of 1961) may be used to carry out this title with respect to students from developing countries outside Central America.

SEC. 613. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT.

Any authority provided by this title to enter into contracts shall be effective only—

(1) to the extent that the budget authority for the obligation to make outlays, which is created by the contract, has been provided in advance by an appropriation Act; or

(2) to the extent or in such amounts as are provided in advance in appropriation Acts.

Mr. YATRON. Mr. Chairman, I move to strike the requisite number of words.

I rise for the purposes of clarifying the legislative history of H.R. 1555.

Mr. Chairman, when the committee report was printed, two noncontroversial paragraphs in the report language concerning the Women's Decade Conference on the U.N. revolving fund were accidentally omitted. I ask that the record reflect this report language which was approved by the full committee, which follows:

The subcommittee recommends that the administration consider requesting a separate line item for the U.N. revolving fund for natural resource exploration for fiscal year 1987. This program serves to promote U.S. private sector interests in the international community.

The subcommittee is encouraged by the decrease of politicization regarding the preparations for the United Nations Conference on the Decade for Women. The subcommittee hopes the improvements made for the upcoming Conference, to be held in Nairobi, Kenya in July of this year, will continue so that this international meeting results in a beneficial and informative exchange between women of all nations.

The CHAIRMAN. Is the gentleman from Pennsylvania [Mr. YATRON] making a unanimous-consent request?

Mr. YATRON. Mr. Chairman, I ask unanimous consent that the record reflect that report language.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYMALLY: Page 70, line 13, strike out "and"; line 24, strike out the period and insert in lieu thereof "; and"; and after line 24, insert the following:

"(9) it is also in the interest of the United States, as well as peaceful cooperation in the Western Hemisphere, that particular attention be given to the students of the Caribbean region".

Mr. DYMALLY. Mr. Chairman, this is a noncontroversial amendment. It simply adds the Caribbean to the scholarship program.

I believe the chairman of the Committee on Foreign Affairs has approved of this amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Chairman, yes, we have examined the amendment on this side. We think it is a good amendment and we are ready to accept it.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from California.

Mr. LAGOMARSINO. I wonder if the gentleman would tell me what the amendment does? I did not hear the gentleman.

Mr. DYMALLY. The amendment simply adds emphasis to the point that attention should be given to students from the Caribbean region. In the Kissinger Report emphasis was placed on Latin America, but there was no mention of the Caribbean region.

Mr. LAGOMARSINO. I thank the gentleman. The minority accepts the amendment.

Mr. DYMALLY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DYMALLY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOLBE: Page 71, strike out lines 10 through 17 and insert in lieu thereof the following:

(b) FORM OF SCHOLARSHIP; FORGIVENESS OF LOAN REPAYMENT.—To encourage students to use their training in their countries of origin, each scholarship pursuant to this section shall be in the form of a loan with all repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States. If the student is granted asylum in the United States pursuant to section 208 of the Immigration and Nationality Act or is admitted to the United States as a refugee pursuant to section 207 of that Act, half of the repayment shall be forgiven.

Mr. KOLBE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. KOLBE. Mr. Chairman, as the issue of the budget deficit takes center stage in this country, many equally pressing problems weigh on the leaders of the Third World. For them, the migration of their educated elite and the lack of qualified personnel to fill even the most important posts raises the most serious questions about the future of their countries. Over the long term, it will be impossible to compete in the furious race for development if they are locked in a tightening spiral of poor economic and political conditions at home and the migration of those who could address these problems abroad.

The Soviet Union has for a long time recognized the opportunity presented by the desire of the Third World to educate its young. In Latin America alone, the Soviets provide over 3,000 full-education scholarships for those who will eventually be leaders of the nations of Latin America. In order to remedy this potentially disastrous disparity, the Foreign Assistance Act contains within it funding for thousands of American scholarships for Latin American students. Yet the act fails to provide adequate incentives for these students, once educated, to return home. The intention of this provision is not to encourage the brain drain and broaden the vacuum of educated leaders in the Third World. Nor is the intention to provide schooling for foreign students to remain in the United States when that Educational assistance could just as well have gone to equally qualified American citizens. Our intention is to render aid to our southern neighbors in the form of education and training to help them compete and develop in a modern world and to establish a foundation on which to build an education for future generations.

My amendment, if accepted, would provide the necessary incentive for foreign students to return home after college. By requiring full, instead of half, repayment of loans for those who remain in the United States, it

gives them no advantage over their countrymen who must pay their own way through school. An allowance should be made for those who are unable to return to their native country due to political persecution, but not for those who are unwilling to accept the gift of education and apply it to the problems confronting their people.

Facing an unmanageable budget deficit in this country, we must ensure that the aid we give is the most effective use of our dollars possible. Facing the dual problems of brain drain and increasing economic strains, Latin American leaders must ensure that their most promising students are given adequate training and, once educated, are given adequate incentives to return home. In light of these needs, therefore, it is our responsiblity to make certain that the American Government is not simply subsidizing foreign students' immigration to the United States. In the final analysis the United States and our neighbors and friends in Latin America will find solutions to our problems only when we work together.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I am glad to yield to the chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Chairman, we have examined the amendment. We think this is a good incentive that the gentleman has provided in this amendment, and we are ready to accept the amendment on this side.

Mr. KOLBE. I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I am glad to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the Kolbe amendment. I believe this amendment will go a long way in making our scholarship program more effective and efficient.

At present, we pay 100 percent of the costs of a foreign student's scholarship here in the United States, if the student returns to his home country. However, if that student chooses to stay here in the United States, for reasons other than becoming a political refugee, the U.S. Government still picks up 50 percent of the costs associated with that student's education here. What the program has evolved into is unfortunately an opportunity for some students to come to the United States, get a good education—for half the cost—and then stay here instead of returning to his or her home nation. What we need to do—and what is embodied in the Kolbe amendment—is to provide an incentive for these students to return to their home countries to enrich the intellectual capabilities of that nation, and rise to become future leaders there.

Simply stated, what the Kolbe amendment does is to provide for full forgiveness of student scholarship loans, if that student returns to his home country. If the student chooses to remain here in the United States and is not considered a political refugee, then he or she will be obliged to pay the entire cost, 100 percent, of the loans which allowed him to study here, instead of having to pay only 50 percent of these costs as in present law.

I think the Kolbe amendment makes good sense. What we need to is to continue to bring qualified students here to the United States to study and learn. But we also need to encourage these same students to return to their home countries following their scholastics. The Kolbe amendment will provide just such an incentive for them to return and make a positive impact on their countries' future. I compliment my colleague on his amendment and urge my colleagues to support it as well.

Mr. SUNIA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 1340, which comes before this body today. I would first like to commend those who introduced this measure, for they have shown great foresight.

In this chamber on February 28, the distinguished Majority Leader, the Honorable JIM WRIGHT of Texas, made a most convincing presentation in support of educational assistance to less fortunate students in developing countries.

The United States territory which I represent sits in the middle of the South Pacific amongst many small developing Third World island nations. American Samoa's closest neighbor, the Independent State of Western Samoa, has but one undergradute student presently receiving financial assistance to study in the United States, and the United Nations Development Program provides this assistance.

This area also includes the Kingdom of Tonga, the newly independent nations of Kiribati, Tuvalu, Fiji, Vanuatu, the Solomons, and a number of territories in the process of acquiring independent status. With the exception of Fiji, home of the University of the South Pacific, and Papua New Guinea, home of the University of Papua New Guinea in Port Moresby and the Papua New Guinea University of Technology in Lae, the South Pacific region has no other institutions of higher learning. Students must go to either New Zealand or Australia or come to our United States.

I speak of very small countries whose financial means are even smaller. For them, to be able to send just a few students to the United States for university education is a budget priority which other more pressing needs crowd out each year. Consider therefore the value of educational assistance offered in this bill.

The findings of the Kissinger Commission on Central America are reflected in the provisions of this legislation, and I would suggest that our present difficulties in Central America may soon be repeated in the Pacific. Two weeks ago, the Soviets were able to obtain a fishing license for a small fleet to operate in the waters of the independent nation of Kiribati. These fishing rights are costing the Soviets less than $2 million in the first year of operation. While the arrangement is strictly a business one—at the moment—I am apprehensive of what the future will bring. How long will they stay out in the cold of the salty seas? With the infusion of a few more rubles, the Soviets can add a small hospital, a school, and eventually train students in Moscow. This pattern of activity is not a new one for the Soviets. This is their mode of entering and establishing presence in countries throughout the world. The smallness of the Pacific island states, combined with the limited nature of economic resources will make Soviet overtures difficult for other island nation leaders to resist.

When this effort begins to bear fruit and the administration sets out to distribute these educational opportunities, I hope their sights will not be limited to our immediate horizon—Central America. While all of the developing countries have access to the moneys allocated in this bill, I am also acutely aware of the preponderance of attention paid to Central America by the administration. Our interests as a nation are as much at stake in the oceans as they are on land. From his recent statements, one can only conclude that President Reagan has come to consider the Pacific Ocean as our "front yard".

Australia and New Zealand form the southern rim of the Pacific Ocean, Japan, China, and Korea is the nortwestern rim, and Southeast Asia is the southeastern rim. My friends, those are only the rims of the Pacific Ocean. The real Pacific is in the center of the basin. They would welcome our attention. They need our help.

I urge every Member of the House to support passage of this higher education assistance legislation. The bright young minds of the developing areas of the world should be given the opportunity to study at our colleges and universities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. KOLBE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COURTER

Mr. COURTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER: Page 7, after line 20, insert the following:

(11) The United States Information Agency shall explicitly recommend to each student, who receives a scholarship under this Act for study at a college or university, that the student enroll in and pass a course which studies the classics of American political thought or which otherwise emphasizes the ideas, principles, and documents upon which the United States was founded.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, we have listened to the amendment and examined it already. It is virtually self-explanatory and it is a good amendment. We thoroughly agree with it, and we are prepared to accept it on this side.

□ 1700

Mr. COURTER. I thank the gentleman for his comment.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, would the gentleman briefly explain his amendment?

Mr. COURTER. I would be glad to.

Mr. Chairman, Mr. WRIGHT and I are proposing this amendment because we believe it will help the bill achieve its stated purposes, especially improving the range and quality of education; increasing mutual understanding; and building lasting links between the United States and other countries.

I might add that the amendment concords well with other statements of American policy, such as those in title 7 of the present foreign assistance bill. Title 7 finds that it is in the American interest to see in Central America the application of equal justice under law, the opening of political processes at all, and the fostering of basic political freedoms. If these things are important to us, we should take the initiative of teaching our guests something about how the founders of our country approached these problems, and implemented the constitutional principles which have been the structure and the guarantor of our own liberties.

We think the American example shows—we think certain Third World democracies show—that democratic political wisdom has as much to teach the citizens of developing countries as do science and medicine. Even one college course, of 3 months duration, could touch upon the rudiments of federalism, and the seperation of powers. It might include a dozen of the Federalist Papers, the debates between Lincoln and Douglas about what popular sovereignty means, and chapters from the astute French observer Alexis de Tocqueville, the author of Democracy in America.

Such specifics, of course, would fall within the purview of our university professors at the host schools. But any such course on the established classics of American political thought would be a good start at revealing to our guests the structure—at once intelligent and intelligible—that has worked smoothly in this country. It would help the student to understand the opinions and arguments of American citizens, editorialists, and legislators. It would aid his comprehension, and reduce his problems of acculturation.

Mr. LAGOMARSINO. I thank the gentleman.

Mr. Chairman, I rise in support of the amendment. I accept it on behalf of the minority. This amendment, together with the one preceding it, does go exactly in the direction with the things we are trying to accomplish with these scholarships in the first place.

Mr. COURTER. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. COURTER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title VI?

The Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—LATIN AMERICA AND THE CARIBBEAN

SEC. 701. STATEMENTS OF POLICY CONCERNING CENTRAL AMERICA.

(a) FINDINGS.—The Congress finds that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States; and

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America.

(b) PRIMARY ROLE OF THE PEOPLE AND GOVERNMENTS OF CENTRAL AMERICA.—The achievement of democracy, respect for human rights, peace, and equitable economic growth depends primarily on the cooperation and the human and economic resources of the people and governments of Central America.

(c) UNITED STATES POLICY.—The Congress recognizes that the United States can make a significant contribution to such peaceful and democratic development through a consistent and coherent policy which includes a long-term commitment of assistance. This policy should be designed to support actively—

(1) democracy and political reform, including opening the political process to all members of society;

(2) full observance of internationally recognized human rights, including free elections, freedom of the press, freedom of association, and the elimination of all human rights abuses;

(3) leadership development, including training and educational programs to improve public administration and the administration of justice;

(4) land reform;

(5) the establishment of the rule of law and an effective judicial system; and

(6) the termination of extremist violence by both the left and the right, as well as vigorous action to prosecute those guilty of crimes and the prosecution to the extent possible of past offenders.

This policy should also promote equitable economic growth and development, including controlling the flight of capital and the effective use of foreign assistance and adhering to approved programs for economic stabilization and fiscal responsibility. Finally, this policy should foster dialogue and negotiations (A) to achieve peace based upon the objectives of democratization, reduction of armament, an end to subversion, and the withdrawal of foreign military forces and advisers, and (B) to provide a security shield against violence and intimidation.

(d) UNITED STATES ASSISTANCE PROGRAMS.—The Congress finds, therefore, that the people of the United States are willing to sustain and expand a program of economic and military assistance in Central America if the recipient countries can demonstrate progress toward and a commitment to these goals.

(e) PEACE PROCESS IN CENTRAL AMERICA.—The Congress—

(1) strongly supports the initiatives taken by the Contadora group and the resulting Document of Objectives which has been agreed to by Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua and which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region;

(2) finds that the United States should provide such assistance and support as may be appropriate in helping to reach comprehensive and verifiable final agreements, based on the Document of Objectives, which will ensure peaceful and enduring solutions to the Central American conflicts;

(3) strongly supports national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful settlement to the Nicaraguan conflict; and

(4) finds that the United States should, in assisting efforts to reach comprehensive and verifiable final agreements based on the Contadora Document of Objectives, encourage the Government of Nicaragua to pursue a dialogue with the armed opposition forces and their political representatives for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections.

SEC. 702. ASSISTANCE FOR EL SALVADOR.

(a) PRESIDENTIAL REPORTS.—The President may provide military assistance for El Salvador in accordance with subsection (c) if he reports to the Congress the following:

(1) The Government of El Salvador is willing to pursue a dialogue with the armed opposition forces and their political representatives for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections.

(2) The elected civilian government is in control of the Salvadoran military and security forces, and those forces are complying with applicable rules of international law and with Presidential directives pertaining to the protection of civilians during combat operations, including Presidential directive C-111-03-984 (relating to aerial fire support).

(3) The Government of El Salvador made demonstrated progress during the preceding 6 months in ending the activities of the death squads.

(4) The Government of El Salvador made demonstrated progress during the preceding 6 months in establishing an effective judicial system. Among the criteria the President shall use in making this determination are—

(A) whether the commission proposed by the President of El Salvador to investigate human rights cases has been established, funded, and given sufficient investigative powers, and whether the evidence that commission collects may be used in the Salvadoran judicial process;

(B) whether those responsible for the Las Hojas massacre are being prosecuted; and

(C) whether the commission proposed by the President of El Salvador to investigate human rights cases has issued a comprehensive report with regard to its investigation of all Americans murdered in El Salvador.

(5) The Government of El Salvador made demonstrated progress during the preceding 6 months in implementing the land reform program.

(b) REPORTING DATES.—The first report pursuant to subsection (a) shall be submitted on or after October 1, 1985, the second on or after April 1, 1986, the third on or after October 1, 1986, and the fourth on or after April 1, 1987. The reporting requirements pursuant to subsection (a) supersede the reporting requirements with respect to El Salvador contained in the last proviso in the paragraph under the heading "Military Assistance" in Public Law 98-332.

(c) ALLOCATIONS OF MILITARY ASSISTANCE.—Of the aggregate amount of military assistance allocated for El Salvador—

(1) half for fiscal year 1986 may be provided only after the first report pursuant to this section;

(2) the other half for the fiscal year 1986 may be provided only after the second such report;

(3) half for fiscal year 1987 may be provided only after the third such report; and

(4) the other half for fiscal year 1987 may be provided only after the fourth such report.

(d) PROVISION OF ASSISTANCE IN AN EMERGENCY.—Notwithstanding subsection (c), in the event of an emergency certified by the President, funds for military assistance for El Salvador for the second half of fiscal year 1986 or 1987 may be provided in the first half of that fiscal year only if the Congress is notified at least 15 days in advance of the proposed obligation of such funds.

(e) AIRCRAFT FOR AERIAL WARFARE.—

(1) NOTIFICATION TO THE CONGRESS.—The authorities of part II of the Foreign Assistance Act of 1961 and the Arms Export Control Act may not be used to make available to El Salvador any helicopters or other aircraft, and licenses may not be issued under section 38 of the Arms Export Control Act for the export to El Salvador of any such aircraft, unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on the date of enactment of this Act and shall remain in effect until October 1, 1987.

(f) ECONOMIC SUPPORT ASSISTANCE.—

(1) CENTRAL RESERVE BANK REFORMS.—Before disbursing any assistance to the Government of El Salvador under chapter 4 of part II of the Foreign Assistance Act of 1961 for balance-of-payments support, the President shall be satisfied that the Central Reserve Bank of El Salvador has implemented or has taken appropriate steps toward implementing the major recommendations which are contained in the study entitled "Foreign Exchange: Policy and Management within the Central Reserve Bank of El Salvador", relating to management, allocation, and controls on the use of official foreign exchange.

(2) BALANCE-OF-PAYMENTS SUPPORT.—Funds authorized to be appropriated for fiscal years 1986 and 1987 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 which are provided to El Salvador for balance-of-payments support—

(A) shall be used solely for the purchase of materials essential for productive economic activity and development, with particular emphasis and priority on the import needs of agrarian reform and the agricultural sector; and

(B) shall be maintained in a separate account in the Central Reserve Bank of El Salvador and not commingled with any other funds.

Those funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the cash transfer nature of the assistance or which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 of the Ninety-eight Congress (House Report 98-1159).

(3) SPECIAL ACCOUNT FOR LOCAL CURRENCIES.—All local currencies generated with the funds described in paragraph (2) shall be deposited in accordance with section 609 of the Foreign Assistance Act of 1961 in a special account established by the Government of El Salvador. Those local currencies shall be used for projects assisting agrarian reform and the agricultural sector (and particular emphasis shall be placed on projects for these purposes); judicial reform; employment generation; health, education, and other social services; infrastructure repair; and credits and other support for the private sector (principally for small and medium sized businesses).

(g) SUSPENSION OF ASSISTANCE IF A MILITARY COUP OCCURS.—All assistance authorized by this Act which is allocated for El Salvador shall be suspended if the elected President of that country is deposed by military coup or decree.

(h) DEFINITIONS.—For purposes of this section—

(1) the term "military assistance" means any assistance under chapter 2 (relating to grant military assistance) or chapter 5 (relating to international military education and training) of part II of the Foreign Assistance Act of 1961 or under the Arms Export Control Act (relating to foreign military sales financing);

(2) the term "agrarian reform" means projects assisting or enhancing the abilities of agencies, cooperatives, and farms to implement land reform decrees in El Salvador, notwithstanding section 620(g) of the Foreign Assistance Act of 1961; and

(3) the term "judicial reform" means projects assisting or enhancing the abilities of agencies of the Salvadoran Government to investigate and prosecute politically motivated violence.

SEC. 703. ASSISTANCE FOR GUATEMALA.

(a) CONDITIONS ON MILITARY ASSISTANCE AND SALES.—For fiscal years 1986 and 1987, assistance may be provided for Guatemala under chapter 2 (relating to grant military assistance) or chapter 5 (relating to international military education and training) of part II of the Foreign Assistance Act of 1961 and sales may be made and financing may be provided for Guatemala under the Arms Export Control Act (relating to foreign military sales) only if the President makes the following certifications to the Congress:

(1) For fiscal year 1986, an elected civilian government is in power in Guatemala and has submitted a formal written request to the United States for the assistance, sales, or financing to be provided.

(2) For both fiscal years 1986 and 1987, the Government of Guatemala made demonstrated progress during the preceding year (A) in achieving control over its military and security forces, and (B) toward eliminating kidnappings and disappearances, forced recruitment into the civil defense patrols, and other abuses by such forces of internationally recognized human rights.

(b) CONTINUATION OF IMET PROGRAMS UPON ELECTION.—Notwithstanding subsection (a), up to 30 percent of the amount allocated for Guatemala for fiscal year 1986 for assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 may be provided, upon the election of a civilian government in Guatemala, for the continuation of existing programs under that chapter.

(c) CONSTRUCTION EQUIPMENT AND MOBILE MEDICAL FACILITIES AND RELATED TRAINING.—If the conditions specified in subsection (a) are met, Guatemala may be provided with the following for fiscal years 1986 and 1987 (in addition to such other assistance, sales, or financing as may be provided for Guatemala):

(1) Sales of construction equipment and mobile medical facilities to assist in development programs that will directly assist the poor in Guatemala.

(2) Sales of training, to be provided outside of Guatemala, which is related to the sales described in paragraph (1).

(3) A total for both fiscal years 1986 and 1987 of no more than $10,000,000 in credits under the Arms Export Control Act for sales described in paragraphs (1) and (2).

Such sales and credits shall be provided only to enable the military forces of Guatemala to obtain equipment and training for civilian engineering and construction projects and mobile medical teams, which would not be used in the rural resettlement program.

(d) PROHIBITION ON FURNISHING WEAPONS.—Funds authorized to be appropriated by title I of this Act may not be used for the procurement by Guatemala of any weapons or ammunition.

(e) SUSPENSION OF ASSISTANCE IF A MILITARY COUP OCCURS.—All assistance authorized by this Act which is allocated for Guatemala shall be suspended if the elected civilian government of that country is deposed by military coup or decree.

(f) RURAL RESETTLEMENT PROGRAM.—Assistance provided for Guatemala for the fiscal year 1986 and fiscal year 1987 under chapter 1 of part I (relating to development assistance) or under chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961—

(1) may not be provided to the Government of Guatemala for use in its rural resettlement program; and

(2) shall be provided through private and voluntary organizations to the maximum extent possible.

(g) INVITATION FOR ICRC TO VISIT GUATEMALA.—The Congress calls upon the Presi-

dent to urge the Government of Guatemala to allow the International Committee of the Red Cross—

(1) to conduct an unimpeded visit to Guatemala in order to investigate humanitarian needs in that country, and

(2) to investigate the possibilities of its providing humanitarian services in that country.

(h) RELATIONS BETWEEN BELIZE AND GUATEMALA.—It is the sense of the Congress that the United States should use its good offices and influence to encourage the Government of Guatemala to recognize the independence of Belize and to enter into a mutual nonaggression treaty with Belize.

SEC. 704. PROHIBITION RELATING TO MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA.

Funds authorized to be appropriated by this Act may not be obligated or expended for the purpose of supporting or if the effect would be to support, directly or indirectly, military or paramilitary operations in Nicaragua by any group, organization, movement, or individual.

SEC. 705. REFUGEES IN HONDURAS.

Funds authorized to be appropriated by this Act or authorized to be appropriated for "Migration and Refugee Assistance" by the Department of State Authorization Act, Fiscal Years 1986 and 1987—

(1) which are to be used for refugee assistance or other assistance for Nicaraguan Indian refugees in Honduras, shall be channeled through the United Nations High Commissioner for Refugees, the International Committee of the Red Cross, the Intergovernmental Committee for Migration, or other established and recognized international refugee relief organizations; and

(2) may not be used to facilitate the involuntary repatriation of Salvadoran refugees who are in Honduras.

To ensure compliance with paragraph (2), any such funds used to assist in the repatriation of Salvadoran refugees in Honduras shall be made available only for voluntary repatriation activities which are administered or supervised by the United Nations High Commissioner for Refugees.

SEC. 706. PROMOTING THE DEVELOPMENT OF THE HAITIAN PEOPLE AND PROVIDING FOR ORDERLY EMIGRATION FROM HAITI.

(a) USE OF PVO'S.—To the maximum extent practicable, assistance for Haiti under chapter 1 of part I (relating to development assistance) and under chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 should be provided through private and voluntary organizations.

(b) CONDITIONS ON ASSISTANCE.—Funds available for fiscal year 1986 and for fiscal year 1987 to carry out chapter 1 of part I (relating to development assistance), chapter 4 of part II (relating to the economic support fund), or chapter 5 of part II (relating to international military education and training) of the Foreign Assistance Act of 1961 may be obligated for Haiti only if the President determines that the Government of Haiti—

(1) is continuing to cooperate with the United States in halting illegal emigration to the United States from Haiti;

(2) is cooperating fully in implementing United States development, food, and other economic assistance programs in Haiti (including programs for prior fiscal years); and

(3) is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, free labor unions, and freedom of the press.

(c) REPORTS TO THE CONGRESS.—Not later than 6 months after the date of the enactment of this Act and each 6 months thereafter through fiscal year 1987, the President shall report to the Congress on the extent to which the actions of the Government of Haiti are consistent with each paragraph of subsection (b).

(d) ASSISTANCE IN HALTING ILLEGAL EMIGRATION FROM HAITI.—Notwithstanding the limitations of section 660 of the Foreign Assistance Act of 1961 (relating to police training), funds made available under such Act may be used for programs with Haiti, which shall be consistent with prevailing United States refugee policies, to assist in halting significant illegal emigration from Haiti to the United States.

(e) LIMITATION ON MAP AND FMS FINANCING.—Assistance may not be provided for Haiti for fiscal year 1986 or fiscal year 1987 under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance) or under the Arms Export Control Act (relating to foreign military sales financing), except for necessary transportation, maintenance, communications, and related articles and services to enable the continuation of migrant and narcotics interdiction operations.

(f) FUNDING FOR LITERACY PROGRAMS.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) which are allocated for Haiti, $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 shall be available only for literacy programs in Haiti.

SEC. 707. CONDITIONS ON MILITARY ASSISTANCE FOR PARAGUAY.

None of the funds authorized to be appropriated by title I of this Act may be used for assistance for Paraguay unless the President certifies to the Congress the following:

(1) The Government of Paraguay has made a good faith effort, in cooperation with other governments, to determine whether Nazi criminal Doctor Joseph Mengele is in Paraguay. Such certification shall include a description of the efforts made by the Government of Paraguay to determine whether Joseph Mengele is in Paraguay.

(2) The Government of Paraguay—

(A) has determined either that—

(i) Joseph Mengele is not in Paraguay, or

(ii) Joseph Mengele was in Paraguay and has been extradited to a country where a warrant is outstanding for his arrest for crimes against humanity,

and the President has determined that such determination is valid; and

(B) has accepted the assistance of the Federal Bureau of Investigation, or such other law enforcement agencies of the United States as may be offered by the President, to reach such determinations.

(3) The Government of Paraguay has ended the practice of torture and abuse of individuals held in detention by its military and security forces and has instituted procedures to ensure that those arrested are promptly charged and brought to trial.

SEC. 708. ASSISTANCE FOR PERU.

(a) REPORTS ON HUMAN RIGHTS CONDITIONS.—Upon obligating any funds for assistance for Peru for fiscal year 1986 and fiscal year 1987 under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance) or the Arms Export Control Act (relating to foreign military sales financing), the President shall report to the Congress on the steps that the Government of Peru has taken to—

(1) curtail killings, torture, and "disappearances" of civilian noncombatants by the the military and security forces of Peru;

(2) strengthen the ability of the judiciary to investigate such killings, torture, and disappearances;

(3) comply with established procedures to ensure that arrests and detentions by the military and security forces of Peru are immediately acknowledged; and

(4) account for "disappeared persons" in Peru.

(b) HUMAN RIGHTS TRAINING IN IMET PROGRAMS.—Respect for internationally recognized human rights shall be an important component of the training provided for Peru under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training) for fiscal year 1986 and for fiscal year 1987.

(c) STRENGTHENING THE PERUVIAN JUDICIAL SYSTEM.—Of the amount authorized to be appropriated by this Act to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 shall be used to strengthen the judicial system in Peru under section 534 of the Foreign Assistance Act of 1961 (relating to administration of justice).

SEC. 709. INTER-AMERICAN FOUNDATION.

The first sentence of section 401(s)(2) of the Foreign Assistance Act of 1969 is amended to read as follows: "There are authorized to be appropriated $12,000,000 for fiscal year 1986 and $12,000,000 for fiscal year 1987 to carry out the purposes of this section.".

SEC. 710. COMPREHENSIVE REPORTS ON ASSISTANCE FOR LATIN AMERICA AND THE CARIBBEAN.

(a) REQUIREMENT FOR COMPREHENSIVE ACCOUNTING OF ASSISTANCE.—In the annual reports required by section 634 of the Foreign Assistance Act of 1961, the President shall provide to the Congress a full, complete, and detailed accounting of all assistance provided during the fiscal years 1986 and 1987 for Latin America and the Caribbean under the Foreign Assistance Act of 1961 and the Arms Export Control Act.

(b) INFORMATION TO BE INCLUDED.—The report provided pursuant to subsection (a) shall include for each fiscal year, among other things, the following with respect to each authorization account:

(1) The specific projects and other activities carried out in each country.

(2) The number of persons from each country who were provided with training, and the types of training provided.

(3) The defense articles and defense services provided for each country.

(4) The types of goods and commodities provided to each country for economic stabilization purposes under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), and a copy of each agreement for the furnishing of any assistance under that chapter.

(5) The amounts of local currency generated by United States assistance to each country, the uses of those currencies, and the total amount of those currency still available for use as of the time of the report.

(6) A report on any transfers or reprogrammings of funds, and a description of how transferred or reprogrammed funds

modified the amounts requested for each account.

(7) A report on the funds which have been obligated but remain unexpended for each country in each account.

(8) An analysis of the amount of funds and programs provided through nongovernmental as contrasted to governmental channels.

SEC. 711. ASSISTANCE FOR LAW ENFORCEMENT AGENCIES.

Section 660 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(c) Subsection (a) shall not apply with respect to a country which has a longstanding democratic tradition, does not have standing armed forces, and does not engage in a consistent pattern of gross violations of internationally recognized human rights.".

SEC. 712. USE OF PRIVATE AND VOLUNTARY ORGANIZATIONS.

To the maximum extent practicable, assistance under chapter 1 of part I (relating to development assistance) and chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 for countries in Latin America and the Caribbean should be provided through private and voluntary organizations which have a proven record of development assistance efforts overseas.

SEC. 713. ADMINISTRATION OF JUSTICE.

Chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), as amended by title II of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 534. ADMINISTRATION OF JUSTICE.

"(a) AUTHORIZATION OF ASSISTANCE.—The President may furnish assistance under this chapter to countries and organizations, including national and regional institutions, in order to strengthen the administration of justice in countries in Latin America and the Caribbean.

"(b) LIMITATIONS ON TYPES OF ASSISTANCE.—Assistance under this section may only include—

"(1) support for specialized professional training, scholarships, and exchanges for continuing legal education;

"(2) programs to enhance prosecutorial and judicial capabilities and protection for participants in judicial cases;

"(3) notwithstanding section 660 of this Act, programs to enhance investigative capabilities, conducted under judicial or prosecutorial control;

"(4) strengthening professional organizations in order to promote services to members and the role of the bar in judicial selection, enforcement of ethical standards, and legal reform;

"(5) increasing the availability of legal materials and publications;

"(6) seminars, conferences, and training and educational programs to improve the administration of justice and to strengthen respect for the rule of law and internationally recognized human rights; and

"(7) revision and modernization of legal codes and procedures.

"(c) AMOUNTS AVAILABLE FOR ASSISTANCE.—Not more than $20,000,000 of the funds made available to carry out this chapter for any fiscal year shall be available to carry out this section, in addition to amounts otherwise available for such purposes.

"(d) NOTIFICATION TO CONGRESS.—Funds may not be obligated for assistance under this section unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified of the amount and nature of the proposed assistance at least 15 days in advance in accordance with the procedures applicable to reprogrammings pursuant to section 634A of this Act.

"(e) EXPIRATION OF AUTHORITIES.—The authority of this section shall expire on September 30, 1987.".

SEC. 714. CENTRAL AMERICAN DEVELOPMENT ORGANIZATION.

(a) FINDINGS.—The Congress finds that participation by Central American countries in an effective forum for dialog on, and the continuous review and advancement of, Central America's political, economic, and social development would foster cooperation between the United States and Central American countries.

(b) ESTABLISHMENT OF CADO.—It is the sense of the Congress that—

(1) the President should enter into negotiations with the countries of Central America to establish a Central American Development Organization (hereafter in this section referred to as the "Organization"); and

(2) the establishment of the Organization should be based upon the following principles:

(A) Participation in the Organization should be open to the United States, other donors, and those Central American countries that commit themselves to, among other things, respecting internationally recognized human rights, building democracy, and encouraging equitable economic growth through policy reforms.

(B) The Organization should be structured to include representatives from both the public and private sectors, including representatives from the labor, agriculture, and business communities.

(C) The Organization should meet periodically to carry out the functions described in subparagraphs (D) and (E) of this paragraph and should be supported by a limited professional secretariat.

(D) The Organization should make recommendations affecting Central American countries on such matters as—

(i) political, economic, and social development objectives, including the strengthening of democratic pluralism and the safeguarding of internationally recognized human rights;

(ii) mobilization of resources and external assistance needs; and

(iii) reform of economic policies and structures.

(E) The Organization should have the capacity for monitoring country performance on the recommendations issued in accordance with subparagraph (D) of this paragraph and for evaluating progress toward meeting such country objectives.

(F) For each fiscal year after that in which the President has completed negotiations and agreed to participate in the Organization, the disbursement of 25 percent of the economic assistance funds allocated by the United States directly for each Central American country should be deferred until the United States and the Organization have both approved disbursement.

(G) The President should encourage other donors similarly to designate a percentage of their direct economic assistance for Central American countries for joint approval with the Organization.

(H) The administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961, or his designee, should be chairman of the Organization and should carry out his functions in that capacity under the continuous supervision and general direction of the Secretary of State.

(c) UNITED STATES PARTICIPATION IN CADO.—Subject to subsection (d)(3), the President is authorized to participate in the Organization.

(d) CONGRESSIONAL OVERSIGHT.—

(1) DEVELOPMENT OF PROPOSAL.—The Administrator of the Agency for International Development, under the supervision and direction of the Secretary of State, shall prepare a detailed proposal to carry out this section and shall keep the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate fully and currently informed concerning the development of the proposal.

(2) FACILITATING CONGRESSIONAL INVOLVEMENT.—To facilitate full congressional involvement in the establishment of the Organization, the chairman of the Committee on Foreign Affairs of the House of Representatives shall designate at least three members of that committee, and the chairman of the Committee on Foreign Relations of the Senate shall designate at least three members of that committee, who shall be kept fully and currently informed by the executive branch of all negotiations or discussions with donor countries and recipient countries concerning the establishment of the Organization.

(3) CONGRESSIONAL REVIEW OF AGREEMENT.—The President shall transmit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a copy of the text of any agreement which he proposes to sign providing for the establishment of and United States participation in the Organization no less than 60 days prior to his signature. The United States shall not participate in the implementation of any such agreement for at least 60 days after such transmittal. During that 60-day period, there shall be full and formal consultations with and review by those committees in accordance with procedures applicable to reprogramming notifications pursuant to section 634A of the Foreign Assistance Act of 1961.

SECTION 715. LIMITATION ON INTRODUCTION OF ARMED FORCES INTO EL SALVADOR AND NICARAGUA FOR COMBAT.

(a) LIMITATION.—During fiscal years 1986 and 1987, the Armed Forces may not be introduced into or over El Salvador or Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of the Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of the Armed Forces into or over El Salvador or Nicaragua for combat if—

(1) the Congress has declared war or has enacted specific authorization for such introduction pursuant to the War Powers Resolution; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States Embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.

SEC. 716. MILITARY EXERCISES IN CENTRAL AMERICA.

For fiscal years 1986 and 1987, the President shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days in advance of assigning or detailing members of the United States Armed Forces to, or otherwise introducing members of the United States Armed Forces into, any country in Central America for the purpose of commencing joint military exercises with the armed forces of any Central American country.

SEC. 717. EXPANDED USE OF EMPLOYEE STOCK OWNERSHIP PLANS.

(a) FINDINGS.—The Congress finds that—

(1) employee stock ownership plans can be an important component in achieving United States goals in Central America and the Caribbean; and

(2) employee stock ownership plans should be used as an instrument in financing growth and transfers of equity in industrial, farming, banking, and other enterprises in the region, in reorganzing state-owned enterprises into viable employee-owned businesses, in expanding political and economic pluralism, and in strengthening democratic institutions in the region.

(b) PLAN FOR EXPANDED USE OF ESOP'S.—The President is urged to develop a plan for the expanded use of employee stock ownership plans in all development efforts of the United States in Central America and the Caribbean, with an emphasis on policy and infrastructural changes needed to encourage voluntary employee stock ownership initiatives by multinational corporations and other private sector enterprises which have investments, are considering making new investments, or are interested in management contracts and joint ventures in the region.

(c) REPORT.—Within six months after the date of enactment of this Act, the President should submit a report to the Congress on the feasibility of expanding employee stock ownership plans in Central America and the Caribbean, with recommendations on how this can best be achieved.

SEC. 718. INTERNATIONAL ADVISORY COMMISSION FOR THE CARIBBEAN REGION.

(a) FINDINGS.—The Congress finds that—

(1) many of the social, agricultural, educational, and economic problems which confront nations in the Caribbean Region result primarily from social and economic injustice and inadequate economic and agricultural development;

(2) such problems are not addressed sufficiently by current United States policies toward that region;

(3) the development of the Caribbean Region is of vital importance to the economic and strategic interests of the United States and its allies; and

(4) for purposes of defining development plans, providing an international forum for Caribbean Region development issues, and providing expert advice to donor-aid countries, an international commission is needed as the prime institution for promoting economic cooperation and development in the Caribbean Region.

(b) INVITATIONS TO PARTICIPATE IN COMMISSION.—

(1) INVITATION TO CARIBBEAN COUNTRIES.—The President is requested to invite the countries which comprise the Caribbean Region to participate with the United States in a commission to be known as the International Advisory Commission for the Caribbean Region (hereafter in this section referred to as the "Commission").

(2) INVITATION TO CERTAIN OTHER COUNTRIES.—The President is also requested to invite the Netherlands, the United Kingdom, France, Canada, the Commonwealth of Puerto Rico, and the Virgin Islands to participate in the Commission.

(c) FUNCTIONS OF COMMISSION.—It is the sense of the Congress that the Commission should—

(1) examine social, agricultural, educational, and economic issues which affect the Caribbean Region; and

(2) consult with leaders of the countries in the Caribbean Region and with representatives from public and private organizations involved in matters related to the Caribbean Region in order to evaluate the problems and needs of such countries.

(d) REQUEST TO CONGRESS RELATING TO UNITED STATES PARTICIPATION IN THE COMMISSION.—After conducting preliminary consultations with countries described in subsection (b), the President should provide costs estimates and request authorization from the Congress in order to—

(1) provide for the participation of the United States in the Commission,

(2) pay reasonable administrative expenses associated with the first meeting of the Commission, and

(3) pay reasonable travel and lodging expenses incurred by commissioners from other participant governments incident to their attendance at the first meeting.

(e) APPOINTMENT OF UNITED STATES REPRESENTATIVE AND OBSERVERS.—Upon the creation of the Commission—

(1) the President shall consider appointing one individual as the United States representative to the Commission;

(2) the Speaker of the House of Representatives shall consider appointing two Members of the House, one from each major political party, as observers at the Commission; and

(3) the majority leader of the Senate shall consider appointing two Members of the Senate, one from each major political party, as observers at the Commission.

SEC. 719. EXEMPTION OF CERTAIN SAFETY-RELATED EQUIPMENT FROM PROHIBITION ON MILITARY SALES TO CHILE.

Section 726 of the International Security and Development Cooperation Act of 1981 is amended by adding at the end thereof the following new subsection:

"(c) The prohibition contained in subsection (b) does not prohibit the sale, or the licensing for export, of cartridge actuated devices, propellant actuated devices, and technical manuals for the F-5E/F and A/T-37 aircraft supplied to the Chilean Air Force by the United States before 1974, so long as the items are provided only for purposes of enhancing the safety of the aircraft crew.".

SEC. 720. RURAL ELECTRIFICATION.

It is the sense of the Congress that funds appropriated for the fiscal years 1986 and 1987 under section 103(a)(2) of the Foreign Assistance Act of 1961 should be used for a comprehensive rural electrification program in Central America in order to establish conditions of stability and a foundation for economic development.

SEC. 721. FACILITATING INTERNATIONAL COMMERCE THROUGH MEXICO.

(a) FINDING.—Recognizing that increased levels of balanced international trade are an essential component in an economic development program for the region and that the United States has traditionally been the most important trading partner for each of the nations of Latin America, it is the sense of the Congress that current procedures and laws of the Government of Mexico, and practices of its officials, constitute a significant impediment to the transit of vehicles carrying the commodities of international trade through Mexican territory.

(b) NEGOTIATIONS AND COOPERATIVE STEPS CONCERNING TRANSIT.—As the Government of Mexico has played a valuable role in assisting and encouraging the economic and political development of the region, and in offering advice to the United States as to constructive policies this nation might pursue with respect to peace and prosperity in the area, the Secretary of State, acting independently or with representatives of other Latin America nations, shall initiate negotiations with the Government of Mexico aimed at eliminating or reducing those impediments to international trade. The agenda for such negotiations should include discussions to encourage the Government of Mexico to accede to existing international custom conventions on international in-transit shipments. Such actions are to be taken in concert with the institution by the United States, and the nations of the region where the transiting shipments originate, of appropriate and cooperative steps to make sealed-truck, no-inspection transit administratively acceptable to the Government of Mexico and other transited countries. Similar bilateral or multilateral negotiations by the Secretary of State with nations respecting the same international customs conventions is also encouraged.

(c) REPORT.—The Secretary of State shall report the status of these negotiations to Congress by January 1, 1986.

AMENDMENT OFFERED BY MR. LAGOMARSINO

Mr. LAGOMARSINO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGOMARSINO: Page 81, line 6, immediately after "land reform" in ert "reform in tax systems, encouragement of private enterprise and individual initiative, creation of favorable investment climates, curbing corruption where it exists, and spurring balanced trade".

Mr. LAGOMARSINO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LAGOMARSINO. Mr. Chairman, this language is taken directly from the Jackson plan. It merely emphasizes the economic factors, particularly supportive of free enterprise which should be considered as the United States develops its policy toward Central America.

I might add that I raised the specific language of the amendment with President Duarte in an interview in my office when he was here in May. He thought the language was an appropriate expression for U.S. objectives in the area as well as for the other nations in Central America.

Right before that I had occasion to consult with some of the private enterprise people from El Salvador and they expressed great interest in and support for this amendment, too. I

think it will have symbolic and real value in the ongoing effort to bring about the kind of society in El Salvador that we all want to have.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the chairman of the Committee on Foreign Affairs.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman is a little modest. I think the amendment will have a substantial effect.

Mr. Chairman, we have examined the amendment on this side. We thoroughly concur with the objectives of the amendment, and we accept it.

Mr. LAGOMARSINO. I thank the gentleman for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LAGOMARSINO].

The amendment was agreed to.

STRIKING OF SECTION 715 OF TITLE VII

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that on pages 108 and 109 of title VII, section 715 of H.R. 1555 be stricken.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. LAGOMARSINO. Reserving the right to object, Mr. Chairman, I do so so that the gentleman from Washington may explain the request.

Mr. FOLEY. Mr. Chairman, as the gentleman from California may recall, in the course of the debate on the Department of Defense authorization bill, the so-called Foley amendment was adopted after a number of amendments were also adopted. The original text of the so-called Foley amendment appears in H.R. 1555. Since we have already adopted it, as amended, in the Department of Defense Authorization Act, it seemed unnecessary and duplicative to repeat it here.

Mr. LAGOMARSINO. Mr. Chairman, further reserving the right to object, I agree with the gentleman from Washington.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDMENT OFFERED BY MR. MC CURDY

Mr. McCURDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCURDY: Page 115, after line 17, insert the following:

SEC. 722. CONFLICT IN NICARAGUA.

(a) HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—Effective upon the enactment of this Act, there is authorized to be appropriated $27,000,000 for humanitarian assistance to the Nicaraguan democratic resistance. Such assistance shall be provided to such department or agency of the United States as the President shall designate except the Central Intelligence Agency or the Department of Defense. The assistance authorized by this subsection is authorized to remain available for obligation until March 31, 1986. One-third of the assistance authorized by this subsection shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by subsection (e), and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this subsection, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

(b) ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT.—Effective upon the enactment of this Act, there is authorized to be appropriated $2,000,000, to remain available until expended, for payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems.

(c) PROHIBITIONS.—

(1) APPLICATION OF PROHIBITIONS.—The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618 shall, without limitation as to fiscal year, apply with respect to funds authorized to be appropriated by subsections (a) and (b).

(2) CONSTRUCTION OF PROHIBITIONS.—Nothing in this section, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of the Public Law 98-473) on section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds authorized to be appropriated by subsections (a) and (b).

(d) POLICIES WITH RESPECT TO NICARAGUA.—The President is urged—

(1) to vigorously pursue the use of diplomatic and economic steps to resolve the conflict in Nicaragua, including negotiations to—

(A) implement the Contadora Document of Objectives of September 9, 1983; and

(B) at the same time, develop trade and economic measures in close consultation and cooperation with other nations which will encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

(2) to suspend military maneuvers in Honduras and off Nicaragua's coast, and to lift the embargo on trade with Nicaragua, if the Government of Nicaragua agrees to a cease-fire, to open a dialog with the Nicaraguan democratic resistance and to suspend the state of emergency; and

(3) to resume bilateral discussions with the Government of Nicaragua with a view to encouraging—

(A) a church-mediated dialog between the Government of Nicaragua and the Nicaraguan democratic resistance in support of internal reconciliation, as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

(e) REPORTS.—

(1) REQUIREMENT.—The President shall submit a report to the Congress every 90 days on the activities carried out in accordance with subsection (d) and on the assistance provided under subsections (a) and (b). Such reports shall describe the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate and the progress of efforts to achieve the objectives set out in paragraph (3) of subsection (d) and shall provide a detailed accounting of the disbursement of any such assistance.

(2) HUMAN RIGHTS ABUSES.—As part of each of the reports submitted pursuant to paragraph (1), the President shall submit to the Congress a report on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua. With respect to the alleged violations the report shall include information on who is responsible for such human rights violations.

(f) SUBMISSION OF REQUEST FOR ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement, or

(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

(g) STATEMENT TO BE INCLUDED.—The President's request pursuant to subsection (f) shall include a detailed statement as to progress made to resolve the conflict in the region.

(h) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (f), the President shall consult with the Congress.

(i) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (f).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (f)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pur-

suant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

(j) SUBMISSION OF REQUEST FOR ADDITIONAL ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

(k) STATEMENT TO BE INCLUDED.—The President's request pursuant to subsection (j) shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(l) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (j), the President shall consult with the Congress.

(m) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (j).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (j)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

Mr. McCURDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCURDY. Mr. Chairman, my amendment tracks the language of the McDade-Michel-McCurdy amendment which passed this House 3 weeks ago and provides $27 million plus $2 million to the Contadora nations in humanitarian assistance to the Nicaraguan democratic resistance through March 31, 1986. The only difference between my amendment and the McDade-Michel-McCurdy provision is that since the former was an appropriation this amendment provides only for authorization. The change was made to avoid having an appropriation in an authorizing bill.

The House has debated the issue of U.S. assistance to the Nicaraguan democratic resistance several times over the past 2 months. Three weeks ago we finally came to a resolution. There is no need to repeat that lengthy debate here today. However, it is useful to provide clear authorizing language for the appropriation which the House has approved.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

This is the exact language that the House has already acted upon, is that correct?

Mr. McCURDY. That is correct, Mr. Chairman.

Mr. FASCELL. In that case, Mr. Chairman, we have no objection and are ready to accept the amendment.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I am glad to yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to indicate my support for the amendment offered by my colleague, the distinguished gentleman from Oklahoma. This is a helpful amendment. It is fully consistent with the House action in adopting the Michel amendment to the recent supplemental appropriations bill. The McCurdy amendment reaffirms the House position in support of humanitarian assistance for the democratic resistance forces opposing the Marxist Sandinista tyranny in Nicaragua.

Mr. McCURDY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McCURDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 115, after line 17, insert the following:

SEC. 722. CONDEMNING HUMAN RIGHTS VIOLATIONS AND THE SUBVERSION OF OTHER GOVERNMENTS BY THE GOVERNMENT OF CUBA.

(a) CONDEMNATION OF CERTAIN ACTION BY THE GOVERNMENT OF CUBA.—The Congress condemns—

(1) the consistent pattern of gross violations of internationally recognized human rights by the Cuban Government, including—

(A) cruel, inhumane, and degrading treatment and punishment of prisoners;

(B) the suppression of free speech, press, and assembly; and

(C) restrictions on religious activity and the freedom to emigrate; and

(2) the provision by the Cuban government of material aid and personnel support for the purposes of subversion.

(b) CALL UPON THE GOVERNMENT OF CUBA.—The Congress calls upon the Government of Cuba to restore civil liberties and cease in the violation of human rights of the Cuban people and cease the subversion of other governments through material and personnel support.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, since Fidel Castro led a revolutionary movement to overthrow the repressive Batista regime in 1959, Cuba has played a major role in international affairs and the promise of democratic rule has turned into a nightmare.

The violations of internationally recognized human rights by the centralized Government of Cuba is well documented and the testimonies by survivors of Castro's prisons are available to us all. Sometime persons are arrested and tried in secret without the knowledge of family and friends. There is no freedom of speech, press, and assembly, and even private criticism of the Castro regime can land a person in prison. There is also a prohibition on all free trade activity. Only the Communist Party can run the unions in Cuba. Some trade unionists have been sentenced to 30 years in prison for their organizing activities. A network of formal and informal restrictions limits religious activity and the official state ideology of atheism is taught in the schools. Freedom to emigrate is severely restricted, and those who apply to emigrate lose their jobs, their ration cards, their housing, and their personal possessions. It is no wonder that more than 100,000 persons fled Cuba in 1980 to seek a better way of life in the United States.

Cuba's continued support for the subversion of other governments is not a matter of mere moral support and solidarity with international communism. There is plenty of evidence that Cuba provides material and personnel support for these activities.

I urge my colleagues on both sides of the aisle to support this amendment and add the concern of Congress on this issue to the other human rights provisions of the State Department authorization bill.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I would be glad to yield to my colleague from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, the gentleman [Mr. RICHARDSON] has discussed this amendment with us. We have had an opportunity to review it. We think it is a good amendment. We are ready to accept it.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has explained the amendment to us. We think it is a good amendment. We accept the amendment on this side.

Mr. RICHARDSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

□ 1710

AMENDMENTS OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. RICHARDSON:

SEC. . CONDITIONS ON HUMANITARIAN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE.

(a) PREVENTING DIVERSION OF ASSISTANCE.—The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.

(b) RESPECT FOR HUMAN RIGHTS.—If the President determines that Nicaraguan democratic resistance forces are engaging in a consistent pattern of human rights violations, the President shall suspend all United States humanitarian assistance to those forces. The Secretary of State shall report to the Congress every six months on the human rights practices of the Nicaraguan democratic resistance forces.

Page 83, after line 4, insert the following new subsection:

(f) UNITED STATES CONCERNS ABOUT NICARAGUAN FOREIGN AND DOMESTIC POLICIES.—The Congress finds and declares the following:

(1) Despite positive actions by the Congress signaling support for negotiated solutions to conflicts in Central America, there are disturbing trends in Nicaragua's foreign and domestic policies, including—

(A) President Daniel Ortega's April 1985 trip to the Soviet Union at a time when the Congress signaled its strong disapproval of increasing Nicaraguan-Soviet ties;

(B) the Sandinista government's close military ties with Cuba, the Soviet Union, and its Warsaw Pact allies; the disappointing and insufficient reduction of the number of Cuban advisors in Nicaragua by only 100 out of an approximately 2500; and the continuing military buildup that Nicaragua's neighbors consider threatening;

(C) the Sandinista government's curtailment of individual liberties, political expression, freedom of worship, and the independence of the media;

(D) the subordination of military, judicial, and internal security functions to the ruling political party; and

(E) the Sandinista government's efforts to export its influence and ideology;

(2) Should Nicaragua not address the concerns described in paragraph (1), the United States has several options to address this challenge to peace and stability in the region, including political, diplomatic, and trade sanctions. In addition, the United States—

(A) should through appropriate regional organizations, such as the Organization of American States, seek to maintain multilateral pressure on Nicaragua to address these concerns; and

(B) should, if called upon to do so, give serious consideration to supporting any sanctions adopted by such an organization.

(3) In assessing whether or not progress is being made in addressing these concerns,

the Congress will expect prompt and significant initiatives by the Government of Nicaragua such as—

(A) the removal of foreign military advisers from Nicaragua;

(B) the end to Sandinista support for insurgencies in other countries in the region, including the cessation of military supplies to the rebel forces fighting the democratically elected government in El Salvador;

(C) restoration of individual liberties, political expression, freedom of worship, and the independence of the media; and

(D) progress toward internal reconciliation and a pluralistic democratic system, including steps to liberalize institutions in order to allow the internal opposition in Nicaragua to become a viable partner in the Nicaraguan political process.

Mr. RICHARDSON (during the reading). Mr. Chariman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, my amendment achieves two key objectives. First, it insures that the Contras cannot use any of the humanitarian assistance for military purposes, for barter, or any type exchange. Specifically, it tightens up the humanitarian aid to the point where it can only be used for food, clothing, and medicine. I was deeply concerned about a statement that Alfonse Robelo, one, the Contra leaders, made in FBIS, June 25, 1985. "That money—the humanitarian aid approved by Congress—would be used to buy arms on the black market and equip the fighters, the FDN." Under this amendment, such a dangerous diversion could not occur.

Second, my amendment reaffirms congressional intent on human rights violations and U.S. assistance. The Contras have systematically violated human rights, and this must stop. Under this amendment, the President can suspend this aid if he finds that the Contras are engaged in gross violations of human rights. I expect the State Department to monitor Contra human rights practices comprehensively, especially since there appear to be some versions serious and significant human rights abuses. This amendment does not intend to legitimize the Contras. Its intent is to place them under the tightest scrutiny possible. The Contras may not be worthy of receiving U.S. humanitarian assistance based on their human rights abuses and their diversion of humanitarian aid for military purposes. This amendment would provide the hook for the U.S. Government to cut off Contras aid if they violate these two conditions.

Mr. Chairman, this amendment simply clarifies congressional intent about our basic policy toward Nicaragua. The goal is not a military solution to conflict in Nicaragua; it is not the overthrow of the Nicaraguan Government. The goal is to promote the Contadora process and pressure Nicaragua to cease the violations of human rights in Nicaragua. It is to put the Nicaraguan Government on notice that the United States is prepared to join in regional initiatives and employ sanctions if there is no progress toward these goals. On the other hand, this amendment makes it clear that we are aiming at negotiation rather than confrontation; and reconciliation rather than destruction.

The current embargo is just the sort of sanction mentioned in my amendment. But not it would be placed in the context not of a drive toward direct U.S. intervention in the area, but a measure which will be lifted as soon as we receive strong signals and see positive measures which address our concerns.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, on the amendments being considered en bloc, the one has the additional language that we discussed?

Mr. RICHARDSON. That is correct. The gentleman is correct.

Mr. FASCELL. Is that the understanding of the gentleman from Michigan [Mr. BROOMFIELD] also?

Mr. BROOMFIELD. It is.

Mr. FASCELL. In that case, Mr. Chairman, we have no objection.

Mr. BROOMFIELD. Mr. Chairman, we have no objection on this side.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague, the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I have examined the amendments and discussed them. I think they are helpful to the bill, and I certainly agree with them and urge their support.

Mr. RICHARDSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendments were agreed to.

AMENDMENT OFFERED BY MRS. BOXER

Mrs. BOXER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BOXER: Page 92, after line 15, insert the following new subsection:

(i) HUMAN RIGHTS GROUPS IN GUATEMALA.—

(1) THE MUTUAL SUPPORT GROUP.—The Congress finds that—

(A) the Group for Mutual Support was formed in 1984 to protest the disappearances of Guatemalan civilians;

(B) the Group for Mutual Support has carried out its work in a peaceful, non-ideological manner, and is the only indigenous human rights group operation in Guatemala; and

(C) two of the Group's six steering committee members, Hector Gomez and Maria Rosario Godyo de Cuevas, were recently killed.

(2) SUPPORT FOR ACTIVITIES OF HUMAN RIGHTS GROUPS.—It is the sense of the Congress that—

(A) human rights groups in Guatemala, particularly the Group for Mutual Support, should be allowed to carry out their work against human rights abuses with the full cooperating, protection, and support of the Government of Guatemala; and

(B) whether the Government of Guatemala allows human rights groups, including the Group for Mutual Support, to carry out their work should be taken into account by the United States in determining whether there is human rights progress in Guatemala.

Mrs. BOXER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewomen from California?

There was no objection.

Mr. FASCELL. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman from the Florida.

Mr. FASCELL. Is this the gentlewoman's amendment on page 92?

Mrs. BOXER. That is correct; regarding Guatemala.

Mr. FASCELL. I thank the gentlewoman.

Mr. Chairman, I am offering a simple, bipartisan amendment to the foreign aid bill which expresses the sense of Congress that the Government of Guatemala should allow that country's only independent human rights group, the Mutual Support Group, to carry out its work against human rights abuses. It also states that the government's treatment of human rights groups, including the Mutual Support Group, should be taken into account by the United States in determining whether there is human rights progress in Guatemala.

The military regime in Guatemala has been condemned by practically every human rights group in existence for its unmatched brutality. The British Parliamentary Human Rights Group recently noted:

In a 30-year war against their own people, the Guatemalan military have created a nation of widows and disappeared (people). Over 100,000 people have been killed and 38,000 disappeared.

Moreover, the State Department recently confirmed that brutal and unspeakable torture is commonplace in Guatemala.

There have, however, been some recent signs of hope. In June 1984, a group of women who met while searching for their husbands' bodies in the Guatemala City morgue decided to

form a nonpartisan human rights group called the Mutual Support Group for the families of the disappeared.

The Mutual Support Group's dignified, nonideological protests have brought then praise and attention from both the international human rights community and the U.S. State Department. Moreover, until last March, the Guatemalan Government did not repress the Mutual Support Group, as it had all previous human rights groups, but instead allowed it to exist.

On March 14 of this year, the Guatemalan Chief of State, Gen. Mejia (Meh-hee-a) Victores, denounced the Mutual Support Group of national television. On March 31, one of the group's leaders, Hector Gomez, a baker, was kidnapped. The next day, his tortured and mutilated body was found. Later that week, the body of the group's vice-president, Maria Rosario Godyo de Cuevas, was found together with the bodies of her 21-year-old brother and her infant son at the bottom of a ravine. Archbishop Prospero Penados called it a triple assassination. No arrests have been made.

If we are to approve the military and economic assistance for Guatemala in the foreign aid bill, we cannot be silent about the disturbing violations against this brave group of people. The amendment I am offering will give the Mutual Support Group the recognition it needs to carry out its work against human rights abuses in Guatemala. Shining the light of day on Guatemala's only active, independent human rights organization should send a clear message to Guatemala's current and future leaders that the United States will not continue to send them aid unless there are specific, concrete improvements in human rights. Without this specific amendment, our promise to look at human rights in Guatemala is too vague. By being specific we strengthen our will.

This amendment will also give the people of Guatemala another type of aid, a kind they desperately need: Hope—hope that their right to live free from fear is being recognized by this Congress and the American people.

I want to thank many members of the committee—in particular the gentleman from Maryland [Mr. BARNES], for being most supportive of this amendment.

Mr. BARNES. Will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman.

Mr. BARNES. I thank the gentlewoman for yielding and I thank her for her comments.

Mr. Chairman, I want to commend her for her leadership on this issue. This is very important, and what the gentlewoman from California [Mrs. BOXER] is doing this afternoon, putting the Congress' imprimatur behind the human rights organizations in Guatemala, can literally save some lives down there, and I commend the gentlewoman for what she is doing, and I look forward to continuing to work with her on what is a crucial issue for the people of that country that has been through such a very, very difficult period.

Mrs. BOXER. I thank the gentleman for his remarks.

Mr. LAGOMARSINO. Will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman.

Mr. LAGOMARSINO. I thank the gentlewoman for yielding.

Mr. Chairman, I think it should be pointed out that although there is a lot of disagreement about what the situation is with regard to human rights in Guatemala, there are those who say that the condition has improved a lot; there are those who say it has not, but it is true that in October there will be elections; a new government is scheduled to be installed shortly thereafter. We are hopeful that advancements toward democracy will continue in that country, and certainly if you have a human rights organization, it should not be attacked, and that is a specific thing we can look at.

I only wish that the Government of Nicaragua would be as tolerant of its official human rights organization that existed during the time of Somoza, as we are asking the Guatemalan Government to be here.

I urge my colleagues to support the gentlewoman's amendment.

Mrs. BOXER. I thank the gentleman, and I can ony state that my feeling on this issue certainly extends to each and every country all over the world.

Mr. Chairman, I yield back the balance of my time.

● Mr. LEVINE of California. Mr. Chairman, as a cosponsor of this amendment I rise in its support.

Mr. Chairman, according to respected human rights groups, the Government of Guatemala is responsible for thousands of disappearances and political killings. A report by Amnesty International concluded, "tortures and murders are part of a deliberate and longstanding program of the Guatemala Government."

A year ago in Guatemala, the group for mutual support was formed by women whose husbands had been murdered or who had disappeared. Its purpose is to provide support for those who have lost a family member, and the number of group members grew rapidly.

According to reports, however, the mere existence of the group for mutual support was too threatening for the government. Last March, Chief of State General Oscar Humberto Mejia denounced the group's efforts. On March 31 one of the six members of the group's steering committee was kidnaped, tortured, and mutilated. His body was discovered the next day. Later that week, the body of another of the group's leaders was found dead, together with the bodies of her infant son and her brother.

Mr. Chairman, as you know, the President has requested both economic and military support funds for Guatemala. The Subcommittee on Western Hemisphere, which has jurisdiction over this area, cut the President's request significantly and, with respect to the military portion of the aid, instituted two requirements. They are: First, that military assistance and sales may be provided to Guatemala only if the President certifies that an elected civilian government has been installed in office, is exercising power in Guatemala, and has submitted a formal written request to the United States for the assistance, sales, or financing to be provided; and second, the Government of Guatemala has made demonstrated progress in achieving control over the military and security forces and in the area of human rights. I totally support these requirements.

The amendment we are offering today is designed to provide a measure of the progress made in the area of human rights. It states that it is the sense of Congress that human rights groups in Guatemala, particularly the group for mutual support, should be allowed to carry out their work against human rights abuses with the full cooperation, protection, and support of the Government of Guatemala, and whether the Government of Guatemala allows human rights groups, including the group for mutual support, to carry out their work should be taken into account by the United States in determining whether there is human rights progress in Guatemala.

I would like to point out that the group for mutual support is the only indigenous human rights group operating in Guatemala. I would also like to point out that the lives of two members of this body who planned to attend a memorial march for the two slain members of the group were threatened with what the U.S. Embassy there called "credible death threats." They stayed away.

No government with the dirty human rights record of Guatemala should get our military aid until they have shown a basic respect for the life and dignity of the human beings who live within its own borders.

Passage of this amendment would be evidence of this country's support for the dignified and important efforts of the group for mutual support in the face of intolerable government abuses,

and support for human rights everywhere.

I urge my colleagues to support it.●

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Mrs. BOXER].

The amendment was agreed to.

The CHAIRMAN. The Chair wishes to announce that there are 3 hours and 11 minutes remaining under the time limitation.

AMENDMENTS OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. DYMALLY: Page 112, strike out lines 9 through 20, and insert in lieu thereof the following new subsections:

(d) FUNDING FOR ORGANIZATIONAL MEETING OF COMMISSION.—Of the funds authorized to be appropriated to carry out section 106 of the Foreign Assistance Act of 1961 (relating to development assistance for energy, private and voluntary organizations, and selected development activities), up to a total of $100,000 for fiscal years 1986 and 1987 shall be available to—

(1) pay reasonable administrative expenses associated with the organizational meeting of the Commission; and

(2) pay reasonable travel and lodging expenses incurred by commissioners from other participant governments incident to their attendance at the organizational meeting of the Commission.

(e) REQUEST TO CONGRESS RELATING TO UNITED STATES PARTICIPATION IN THE COMMISSION.—The President should provide cost estimates and request authorization from the Congress in order to provide for the participation of the United States in the Commission (other than United States participation associated with the organizational meeting).

Page 112, line 21, strike out "(e)" and insert in lieu thereof "(f)".

Page 111, line 12, strike out "is requested to" and insert in lieu thereof "shall"; and line 19, strike out "is also requested to" and insert in lieu thereof "shall also".

Mr. DYMALLY (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DYMALLY. Mr. Chairman, the first amendment simply mandates the formation of the Commission, a demand that the President form the Commission rather than request that he form it.

I understand there is no opposition to this amendment. I introduced it because the folks in the Caribbean thought it was rather weak, and that it did not put any teeth in the Commission, and it is at their request I offer this amendment.

The other amendment, Mr. Chairman, provides $100,000 for the initial meeting of the Commission. This money was found in a cookie jar in the State Department; it does not go beyond the levels mandated by the Fascell freeze amendments yesterday. This is just money that was lying around in the State Department, and they have agreed to let us have $100,000.

Mr. FASCELL. Will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman.

Mr. FASCELL. I want to reaffirm the fact that this is not new money, and this is use of existing funds.

Mr. Chairman, we have examined these amendments and I want to commend the gentleman for his initiative and concern with respect to the Caribbean, and we are prepared to accept the amendment.

Mr. BROOMFIELD. Will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I want to join in commending the gentleman for his work in this area, on the Caribbean, and we do accept both amendments.

Mr. DYMALLY. I thank Mr. FASCELL and Mr. BROOMFIELD for their support of this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. DYMALLY].

The amendments were agreed to.

□ 1720

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana: Page 83, after line 4, insert the following:

(f) RESOLUTION OF THE CONFLICT IN NICARAGUA.—

(1) BASIS FOR POLICY.—The Congress finds that.—

(A) the people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, has thrown the country into a serious political, social, and economic upheaval, and is of serious concern to the nations of the region and to the United States;

(B) this conflict is fundamentally a continuation of efforts of the Nicaraguan people to attain a representative government at peace with its neighbors, efforts which began under the Somoza regime; and

(C) the United States recognized these noble aspirations of the Nicaraguan people in the June 23, 1979, resolution of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States, which reads as follows:

"Whereas:

"The people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, and has thrown the country into a serious political, social, and economic upheaval;

"The inhumane conduct of the dictatorial regime governing the country, as evidenced by the report of the Inter-American Commission on Human Rights, is the fundamental cause of the dramatic situation faced by the Nicaraguan people; and

"The spirit of solidarity that guides Hemisphere relations places an unavoidable obligation on the American countries to exert every effort within their power, to put an end to the bloodshed and to avoid the prolongation of this conflict which is disrupting the peace of the Hemisphere;

"The Seventeenth Meeting of Consultation of Ministers of Foreign Affairs,

"Declares:

"That the solution of the serious problem is exclusively within the jurisdiction of the people of Nicaragua.

"That in the view of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs this solution should be arrived at on the basis of the following:

"1. Immediate and definitive replacement of the Somoza regime.

"2. Installation in Nicaraguan territory of a democratic government, the composition of which should include the principal representative groups which oppose the Somoza regime and which reflects the free will of the people of Nicaragua.

"3. Guarantee of the respect for human rights of all Nicaraguans without exception.

"4. The holding of free elections as soon as possible, that will lead to the establishment of a truly democratic government that guarantees peace, freedom, and justice.

"Resolves:

"1. To urge the member states to take steps that are within their reach to facilitate an enduring and peaceful solution of the Nicaraguan problem on the bases set forth above, scrupulously respecting the principle of nonintervention and abstaining from any action that might be in conflict with the above bases or be incompatible with a peaceful and enduring solution to the problem.

"2. To commit their efforts to promote humanitarian assistance to the people of Nicaragua and to contribute to the social and economic recovery of the country.

"3. To keep the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs open while the present situation continues."

(2) THE GOVERNMENT OF NICARAGUA.—The Congress further finds—

(A) the Government of National Reconstruction of Nicaragua formally accepted the June 23, 1979, resolution as a basis for resolving the Nicaraguan conflict in its "Plan to Achieve Peace" which was submitted to the Organization of American States on July 12, 1979;

(B) the June 23, 1979, resolution and its acceptance by the Government of National Reconstruction of Nicaragua was the formal basis for the removal of the Somoza regime and the installation of the Government of National Reconstruction;

(C) the Government of National Reconstruction, now known as the Government of Nicaragua and controlled by the Frente Sandinista (the FSLN), has flagrantly violated the provisions of the June 23, 1979, resolution, the rights of the Nicaraguan people, and the security of the nations in the region, in that it—

(i) no longer includes the democratic members of the Government of National Reconstruction in the political process;

(ii) is not a government freely elected under conditions of freedom of the press, assembly, and organization, and is not recognized as freely elected by its neighbors, Costa Rica, Honduras, and El Salvador;

(iii) has taken significant steps toward establishing a totalitarian Communist dictatorship, including the formation of FSLN neighborhood watch committees and the enactment of laws that violate human rights and grant undue executive power;

(iv) has committed atrocities against its citizens as documented in reports by the Inter-American Commission on Human Rights of the Organization of American States;

(v) has aligned itself with the Soviet Union and Soviet allies, including the German Democratic Republic, Bulgaria, Libya, and the Palestine Liberation Organization;

(vi) has committed and refuses to cease aggression in the form of armed subversion against its neighbors in violation of the Charter of the United Nations, the Charter of the Organization of American States, the Inter-American Treaty of Reciprocal Assistance, and the 1965 United Nations General Assembly Declaration on Intervention; and

(vii) has built up an army beyond the needs of immediate self-defense, at the expense of the needs of the Nicaraguan people and about which the nations of the region have expressed deepest concern.

(3) THE NICARAGUAN DEMOCRATIC OPPOSITION.—The Congress further finds that—

(A) as a result of these violations, the Government of Nicaragua has lost the support of virtually all independent sectors of Nicaraguan society who initially supported the removal of the Somoza regime (including democratic political parties of the left, center, and right; the leadership of the Church; free unions; and the business, farmer, and professional sectors) and who still seek democracy, reject the rule of the Frente Sandinista, and seek the free elections promised in 1979;

(B) the Nicaraguan political opposition has joined with the armed opposition groups in issuing the San Jose Manifesto of March 1, 1985, calling for a national dialogue under mediation by the Nicaraguan Bishops Conference to peacefully attain the fulfillment of the Government of Nicaragua's commitments to the Organization of American States, including "the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and secure our national identity and sovereignty";

(C) on June 12, 1985, in San Salvador, El Salvador, the political and armed opposition groups representing the entire democratic political spectrum of Nicaragua formed the Unified Nicaraguan Opposition and affirmed their "historical commitment to achieve for Nicaragua the reconciliation of her children, to establish the foundation for democracy and the moral and material reconstruction of the nation"; and

(D) the Unified Nicaraguan Opposition further declared its intention to "give priority at all times to a political solution which will ease the suffering of our people".

(4) CONCERNS IN THE REGION AND UNITED STATES RESPONSIBILITIES.—The Congress further finds that—

(A) Nicaragua's neighbors, Costa Rica, El Salvador, and Honduras, have expressed, individually and through the Contadora process, their belief that their peace and freedom is not safe so long as the Government of Nicaragua excludes from power most of Nicaragua's political leadership and is controlled by a small sectarian party, without regard to the will of the majority of Nicaraguans; and

(B) the United States, given its role in the installation of the current Government of Nicaragua, has a special responsibility regarding the implementation of the commitments made by that Government in 1979, especially to those who fought against Somoza to bring democracy to Nicaragua with United States support.

(5) RESOLUTION OF THE CONFLICT.—The Congress—

(A) condemns the Government of Nicaragua for violating its solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

(B) affirms that the Government of Nicaragua will be regarded as having achieved political legitimacy when it fulfills its 1979 commitment to the Organization of American States to implement genuinely democratic elections, under the supervision of the Organization of American States, in which all elements of the Nicaraguan resistance can peacefully participate under conditions recognized as necessary for free elections by international bodies;

(C) urges the Government of Nicaragua to enter a national dialogue, as proposed by the Nicaraguan democratic resistance in San Jose, Costa Rica, on March 1, 1985, under mediation by the Nicaraguan Bishops Conference in order to peacefully resolve the current crisis through internationally recognized elections in which all elements of Nicaraguan society can freely participate;

(D) supports the Nicaraguan democratic resistance in its efforts to peacefully resolve the Nicaraguan conflict and to achieve the fulfillment of the Government of Nicaragua's solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

(E) supports efforts by the Contadora nations, the Organization of American States, and other appropriate regional organizations to maintain multilateral pressure on Nicaragua to fulfill its commitments; and

(F) requests that the Secretary of State transmit the text of this subsection to the Foreign Ministers of the member states of the Organization of American States.●

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BURTON of Indiana. Mr. Chairman, I have discussed this with both the chairman of the committee and the ranking Republican member, and they both support this amendment.

What the amendment does is it calls on Nicaragua to fulfill its commitment which was made to the Organization of American States in 1979, and it enumerates those items in the OAS agreement that they agreed to live up to.

Very simply stated, they have not lived up to that agreement. It calls upon Nicaragua to respect that agreement and to live up to it.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Florida.

Mr. FASCELL. This is the amendment that the gentleman has discussed with us on this side?

Mr. BURTON of Indiana. Yes, I discussed it with the chairman's staff as well as the chairman and the minority.

Mr. FASCELL. We are prepared to accept it.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, the minority has examined the amendment, and we accept it also.

Mr. BURTON of Indiana. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARCIA: Page 115, after line 17, insert the following new section:

SEC. 722. REPORTS ON FOREIGN DEBT IN LATIN AMERICA.

(a) FINDINGS.—The Congress finds that—

(1) the foreign debt of Latin American countries has soared from $27,000,000,000 in 1970 to over $350,000,000,000 in 1983;

(2) the foreign debt of Latin American countries is a serious obstacle to their economic progress, threatens their stability, and endangers the democratic processes in those nations; and

(3) the economic and political futures of many of the Latin American countries hang in the balance and depend upon a successful resolution of the foreign debt crisis.

(b) REPORT.—Not later than January 1, 1986, the Secretary of State shall prepare and transmit to the Congress a report on—

(1) the magnitude of the foreign debt crisis in this hemisphere;

(2) the impact of the foreign debt crisis on the economies of the countries of Latin America;

(3) the degree to which the national security interests of the United States are implicated in this crisis; and

(4) the steps being taken and the policy being pursued by the United States aimed at dealing with this crisis.

Mr. GARCIA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GARCIA. Mr. Chairman, I will be very brief. Both sides agree.

This amendment is clear in its intention. It recognizes that the debt crisis in Latin America has gotten out of control, and that the effects of that crisis reach far beyond the need for some simple belt tightening or recycled WIN buttons.

The foreign debt of Latin nations was approximately $27 billion in 1970. It increased to over $350 billion in 1983. This crisis has an obvious effect on the economic stability of debtor nations, but it is just as important to remember that their political stability also hangs by a thread as the magnitude of their individual debt forces them to adopt stringent, at times unrealistic, austerity measures.

We all want democracy to become the politics of choice for Latin nations, but we must understand that democracy can be as easily undermined by a bankrupt economy as it can be an insurgent's bullet.

Yet, we have no way of combating this crisis without fully understanding it. I am asking with this amendment for the Secretary of State to transmit to Congress, no later than October 1, 1985, a report on:

First, the magnitude of the foreign debt crisis in this hemisphere;

Second, the impact of the foreign debt crisis on the economies of Latin America;

Third, the degree to which the national security interests of the United States are implicated in the crisis; and

Fourth, steps being taken and the policy being pursued by the United States aimed at dealing with this crisis.

It is my belief that the largest debtor nations in Latin America: Brazil, Mexico, and Argentina are doing their best to live up to their commitment to stabilize their economies. An example is President Alfonsin's recent economic plan in which he makes a substantive effort to address the problems confronting the Argentine economy.

President Alfonsin is to be commended for such a move. In fact, it looks as if he is already being widely applauded for his efforts by the people of Argentina. William D. Rogers, a former Undersecretary of State for International Economic Affairs writes in today's Washington Post that the "public reaction (in Argentina) was wildly enthusiastic * * *" for the President's measures.

I would like to insert Secretary Rogers article in the RECORD as part of my statement. The Secretary's analysis offers cautious optimism on an Argentine "economic miracle." It is my hope that President Alfonsin can avoid the political, social, and economic land mines in order to be able to see his program take hold and improve the prospects for Argentina's future.

It is my hope that this amendment in some small way can aid President Alfonsin, President Sarney, President De la Madrid, and other Latin leaders in their efforts to turn their economies around. It is also my purpose to remind us in this Nation that the crisis affects our interests as well.

MIRACLE? IN ARGENTINA?

(By William D. Rogers)

Miracle? In Argentina? A country headed, straight for economic self-destruction a few weeks ago, where the value of money was going down so fast that by year end it would have been worth less than a tenth of its value at the beginning of 1985? Yes, the Alfonsin shock treatment announced on June 13 may quite possibly prove an authenic modern miracle.

The Argentine president imposed:

Tight price and wage controls. Both wages and prices had been going up 1,000 percent a year the day before the new plan was announced.

Deindexation, in a nation where everything was indexed to the inflation rate.

A new currency pegged to the American dollar. At $1.25, it replaces the old peso that had been worth a tenth of a cent.

A balanced government budget. The deficit had been exploding, paid for by rolling the printing presses.

When it announced the new program, the government held its breath, and closed the banks. When the banks finally reopened a week later, the lines of waiting customers stretched out for blocks. One high official on his way to the office in the early morning thought that the nation was in a financial panic. He came to realize a few hours later that the public reaction was wildly enthusiastic. Instead of withdrawing their money, people were renewing deposits and taking dollars out of the mattress to buy the new Argentine austral.

Reserves began to build. Watch committees were organized by school districts to monitor prices and bring pressure on retail stores to maintain the freeze. Businessmen joined in the support. Trade union leaders welcomed the possibility that the nation might get off the inflation roller coaster. The shock program had the enthusiastic backing of four out of every five Argentines.

I arrived in Argentina the day banks reopened, intent on running my own private opinion poll. The first stranger I talked to was a down-at-the-heels parking lot attendant. He had seen economic reforms come and go. "I believe in this plan," he said. "For the first time, we have a president who wants to lead and a program that could work. All the people of Argentina feel the same way. Of course, in the end, it depends on God. And God has a lot of things on his mind right now."

I found the same sentiments all across the spectrum of Argentine life—political figures, businessmen, trade union leaders, bankers. Women were particularly supportive. They concluded that the program might let them regain control of their household economic destinies.

In short, the shock treatment passed its first test with flying colors. But the next will be difficult—to persuade the people that the government really means to balance the budget. Argentines are financial wizards; they have had to be to survive. And they know that the minute the government begins to print money again, all bets are off and Argentina is on the way once more to world-record inflation.

There is a widespread hope, however, that the Alfonsin administration has done its sums and will be able to finance its reduced expenditures with existing and new revenues. It also looks to be ready to restructure the economy, divesting itself of some of the loss-making public-sector enterprise and offering new and more favorable oil contracts to foreign investors.

Argentina's policies give Alfonsin some running room. His personal popularity has soared since the shock treatment began. The opposition Peronist Party is split. And the mighty General Confederation of Labor, historically Latin America's most militant trade union, now has new leadership committed to democracy and persuaded that democratic institutions and the interest of working people both depend on stopping inflation and starting growth. It is even conceivable that the government, the unions and business can fashion a break-through deal in which organized labor would agree to a freeze in wage demands in exchange for the maintenance of employment during a year or two of adjustment.

Paradoxically, Alfonsin's most serious opposition may be in his own party, the Radicals. The technocrats who stitched the new plan together, and who are responsible for its remarkable initial political acceptance, are not party hacks. The established Radical Party leadership, which has grown old playing traditional Argentine politics, distrusts them and their success. Many Argentines are persuaded that Alfonsin must isolate them if he is to succeed in carrying his program through the next difficult stages.

And the program is in for some rough days ahead. Wage controls and price freezes are difficult enough in the best of circumstances. Capital movements can overwhelm fixed exchange rates. So the technocrats know that they will have to manage a delicate transition and maintain a high level of public confidence at the same time. They also know that that happy day is not yet here when inflationary expectations are squeezed out of the system, new foreign investment rolls in, growth takes off, jobs multiply and a rigid and uncompetitive economy shakes itself into world-class efficiency.

Yet, it would be a mistake to bet against this miracle. So far, not many Argentines are. There is a widespread sense of cautious hope. A nation, tested by a humiliating military defeat in 1982 and an anguishing lurch from authoritarianism to democracy in 1983, and which, by putting its own former military leaders on public trial, is now coming to terms with the human rights atrocities of the past decade, is facing up to yet another national challenge.

If the miracle comes to pass, the consequences will be felt far beyond Argentina. The cause of democracy in the hemisphere will have received a real lift. And Alfonsin will have proved that fighting inflation and turning an economy inside out, even in the midst of an international debt crisis, is good politics in Latin America—if a nation comes to believe that the hardship is fairly shared and that there is hope around the corner.

Mr. Chairman, one last point, I would like to take special note of the economic situation in Ecuador. The government of that nation, led by President Leon Febres Cordero, has made real progress in encouraging new investment. It has also managed to successfully reschedule its foreign debt. In short, Ecuador has managed to avoid many of the pitfalls of other Latin nations by adopting a sound fiscal policy.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Maryland.

Mr. BARNES. Mr. Chairman, I agree with the gentleman that Ecuador has managed to avoid some of the problems that its neighbors have had in trying to handle their economic difficulties, but too often a government will adopt austerity programs that despite all good intentions, will cause social unrest at home. Is that the case with Ecuador?

Mr. GARCIA. The gentleman raises a good point, I recently had an opportunity to speak with the Ecuadoran Finance Minister and Ambassador to the United States. They both assured me that economic stability was not going to be achieved at the expense of the poor in Ecuador. In fact, they said quite the contrary, that the present administration in Ecuador realizes that real prosperity is only possible if it benefits all sectors of society.

Nonetheless, Ecuador resumed economic growth last year at a rate of about 3 percent. The growth rate for this year is expected to be 2.5 percent. Last year, its inflation rate was about 24 percent; it is expected to decrease to about 20 percent this year. This is noteworthy when you compare it to the inflation rate of other Latin nations.

Fortunately, Ecuador has a stable political situation. It has no insurgency problem to speak of; it has a solid human rights record; and it does not have a problem with drug trafficking. Ecuador has been able to revitalize its economy while maintaining a commitment to democracy.

Ecuador, however, needs our help. The committee reported bill includes economic support funds for Ecuador. I believe that figure is $15 million for fiscal years 1986 and 1987. It is my hope that Ecuador can get more ESF either by reprogramming money for fiscal year 1985 or through an outright increase for fiscal years 1986 and 1987. I realize that the distinguished chairman of the committee has tried to keep spending at a manageable level, and I support his efforts. I am, therefore, not suggesting that we increase the total for ESF, only that Ecuador, if possible, be given a larger share. It would certainly be money well spent.

Mr. BARNES. If the gentleman will yield again, the gentleman has made an important point. Ecuador has set itself apart from other Latin nations in its efforts to achieve economic stability. Ecuador does deserve our help. This is an opportunity for us to help turn Ecuador into a Latin American success story.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to my colleague, the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, Ecuador, under its new 10-month-old Presidency of Leon Febres-Cordero, has quickly become a formidable example in the region for responsible development, political stability, and human rights.

Development: Febres Cordero's energetic programs to stimulate private enterprise in Ecuador and lessen the burdensome role of government are unparalleled in the region, and is being called "Reaganomics in Quito" by Forbes Magazine. A U.S.-educated businessman and multimillionaire, Febres has moved swiftly to lower taxes, eliminate production subsidies, agricultural price controls, address their foreign debt by biting the bullet responsibility, and getting government out of the free market in an unprecedented way.

Political Stability: Ecuador has been a functioning multiparty democracy since 1979, when constitutional government was restored after 7 years of military rule. Its 1984 elections were widely accepted as representative of the popular will.

Human Rights: Since its return to democracy, the Government of Ecuador has vigorously upheld the principles of representative rule and respect for civil liberties established in the Constitution and international human rights organizations have praised Ecuador for its achievements. There were no substantiated cases of major human rights violations in 1984, according to the latest State Department reports.

Ecuador must be stimulated to continue on its present course set by President Febres Cordero, for it cannot accomplish its great objectives alone.

The United States must provide more help to Ecuador than originally planned to help promote its development as a shining example of what enlightened and responsible democratic rule can achieve in Latin America.

The CHAIRMAN. The time of the gentleman from New York [Mr. GARCIA] has expired.

(On request of Mr. GILMAN, and by unanimous consent, Mr. GARCIA was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I want to commend the gentleman and I support his amendment.

I want to say that the probusiness conservative administration of President Leon Febres-Cordero inaugurated in August 1984 has moved vigorously to reverse a policy of prior administrations in Ecuador of not placing drug interdiction on a high priority, according to our DEA and State Department reports. We should commend Ecuador for moving in the right direction in trying to stamp out narcotics production and narcotics trafficking in that country.

I thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

Mr. GARCIA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it had been my intention to introduce another amendment praising the Governor of Puerto Rico for his efforts to revitalize the Caribbean Basin Initiative, but I have decided not to do so because there is a question of germaneness.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I am happy to yield to my friend from New York.

Mr. GILMAN. I am curious about the Governor's plan. Would the gentleman explain it further?

Mr. GARCIA. I would be happy to, and I thank the gentleman for asking. In his inaugural address last January, Gov. Rafael Hernandez Colon of Puerto Rico announced an innovative plan that would give the Caribbean Basin Initiative a much needed shot in the arm, as well as help to Puerto Rico's economy.

He intends to achieve this by making available a portion of corporate funds accumulated by utilizing section 936 of the Internal Revenue Code.

Section 936 is a tax break which permits U.S. mainland corporations to earn tax-free profits from their Puerto Rican-based affiliates. In addition, most of these corporations often deposit their 936 earnings in Puerto Rican banks which reduces the tollgate tax that would otherwise be levied on the repatriation of these profits to the mainland.

As of last September, there were $6.7 billion in deposits in Puerto Rican banks as a result of this program. The depository banks under Puerto Rican law are required to redeposit 10 percent of these funds in the Puerto Rican Development Bank. The Governor of Puerto Rico intends to make these funds available on a concessionary basis to Puerto Rican companies willing to set up twin plants in Puerto Rico and Caribbean Basin nations.

The twin-plant concept is fairly simple: A corporation would begin manufacturing a product in a CBI nation—the labor-intensive portion of that product—and complete the process in Puerto Rico—the capital-intensive or more technical part of the manufacturing process. At least 20 percent of the value of the product must come from Puerto Rican plants.

The Governor's plan is not completely new. A similar program is already being used by the Japanese. They have actively develop a manufacturing process that emphasizes capital-intensive or higher-value-added manufacturing. The Japanese farm out the labor-intensive portion of the

process to other nations in the region which are better equipped to produce that part of the product.

The CBI was developed on two basic principles: duty-free access to U.S. markets and tax incentives. While the duty-free access was written into the original legislation—nations get duty-free access to U.S. markets—the tax incentives have never materialized. By using 936 related funds, tax incentives—that is, investment incentives—would finally become a part of the CPI.

The Governor deserves praise for his plan. He rightly considers development of the private sector as being crucial to the stability of the nations of the Caribbean Basin. This is not merely a tax issue or an investment issue. It is a foreign policy concern. I am convinced that if the Governor's plan is put into effect that we would see the beginning of an economic revitalization of the Caribbean.

One final point. I will be sending around a "Dear Colleague" letter shortly asking Members to sign on to a letter to President Reagan, requesting his support for Gov. Hernandez Colon's proposal.

Mr. GILMAN. I commend the gentleman for bringing to our attention this innovative plan from the Governor of Puerto Rico. It is certainly an idea worth considering, and the Governor is worthy of praise for putting forth such an idea.

□ 1730

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, I, too, commend the gentleman for bringing this matter to our attention, and he has done so before through his comments recorded in the CONGRESSIONAL RECORD. I think the gentleman's interest in adding this proposed amendment to this proposed legislation is most commendable. The Governor and other political leadership of Puerto Rico deserve to be commended too for their innovative actions which precipitated the gentleman's draft amendment.

The "twin-plant" or the "paired-plant" concept previously described by the colloquy of the two gentlemen from New York can indeed bring great benefit to the Caribbean Basin and help the United States implement the Caribbean Basin Initiative. It also benefits Puerto Rico and thus makes the CBI more acceptable to Puerto Ricans. I hope that Congress will take a clue on this tax matter from the presentation that the gentleman has made and thus protect the Puerto Rican economy.

The CHAIRMAN. The time of the gentleman from New York [Mr. GARCIA] has expired.

(By unanimous consent, Mr. GARCIA was allowed to proceed for 2 additional minutes.)

Mr. GARCIA. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. I thank the gentleman for yielding, and in closing I would simply reiterate that I do hope the Congress will take a clue from the gentleman's presentation here and from his previous presentation on this vital tax matter. The Congress should commend the Governor of Puerto Rico for his leadership and for implementing a very innovative idea. It should also begin to work this concept into the proper legislative framework. I thank the gentleman from New York for his initiative in bringing this matter to the attention of this body.

Mr. GARCIA. I thank the gentleman.

PERSONAL EXPLANATION

Mrs. ROUKEMA. Mr. Chairman, I was unfortunately delayed during a Banking Committee markup and was not here for the debate on the Mineta amendment, and Mr. FASCELL's and Mr. BROOMFIELD's activities on the terrorist question.

Mr. Chairman, I ask unanimous consent to have my remarks inserted into the RECORD immediately following Mr. BROOMFIELD's statement.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted to commend the gentlewoman for her efforts and her cooperation in working on that legislation which was adopted. We recognize the fact that we are all too busy around here. I am sorry the gentlewoman got tied up in the markup on the other bill and I wish you had been here.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I would say to the gentleman that it was unavoidable but I do appreciate the efforts of the chairman and the ranking member to bring this very important matter to our attention. I thank the gentleman very much.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Page 115, after line 17, insert the following new section:

SEC. 722. ECONOMIC ASSISTANCE FOR URUGUAY.

Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), $15,000,000 for fiscal year 1986 and $15,000,000 for fiscal year 1987 shall be available only for Uruguay.

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Chairman, this amendment would earmark $15 million in economic support funds for fiscal year 1986 and $15 million for fiscal year 1987 for the nation of Uruguay. Democracy is restored at times with difficulty.

Uruguay has returned to its democratic political tradition after more than a decade of military rule. Since then President Julio Sanguinetti has accepted with elan the challenge of governing without a majority in Congress and proving to a brooding military, an economically depressed general populace, and a world class left that democracy works.

DEMOCRACY RESTORED WITH DIFFICULTY

Last August the leftist coalition Broad Front joined Uruguay's traditional governing party, the Colorados, in negotiating with the military a transition accord that paved the way for democratic elections.

DEMOCRACY IS AN ECONOMIC EQUATION

The reconsolidation of democracy in Uruguay depends on President Sanguinetti's ability to reverse the country's downward spiral of economic decline and debt. Since 1982 the economy has contracted 15 percent and real per capita income has fallen 40 percent; unemployment has risen from 6 percent to 15 percent, and inflation is running at more than 70 percent. Recovery efforts are hampered by economic crises in Argentina and Brazil, Uruguay's major trading partners, and by widespread protectionism abroad affecting the country's main exports: Woolen textiles, leather goods, dairy products, and meat. The country's $3.67 billion external debt equals 71 percent of its gross domestic product. President Sanguinetti has called for hard work and patience in order to get Uruguay's economic house in order, but he has also made clear the country needs a little help from its friends—the democratic ones.

ECONOMIC DECLINE

Economy has contracted 15 percent and real income has fallen 40 percent in last 3 years; unemployment is 15 percent, more than double 1981 figure; inflation [CPI] is 66 percent.

DEBT

According to the IMF, external debt burden is $3.67 billion. The debt equals 71 percent of the GDP; debt service ratio is 47 percent. The coun-

try's per capita external debt ($1,300) is among region's highest.

The April 1983 2-year standby agreement with the International Monetary Fund was suspended in February 1984 for failure to meet targets for public sector deficit and inflation. However, in June 1985, Uruguay initiated a draft agreement with the IMF. Adjustment efforts have included depreciation of the peso, reduced government spending, and increased government revenues. Recovery efforts have been hampered by economic crises in Argentina and Brazil, Uruguay's major trading partners, and by widespread protectionism abroad affecting country's main exports: textiles, leather goods, dairy products, meat, sugar.

Now is the time, as Uruguay struggles to permanently return to its long democratic heritage to provide economic support assistance. They ask the United States for trade opportunities and that is an appropriate emphasis, but until the United States is able to make appropriate changes to encourage reciprocal trade. I urge my colleagues to support this amendment and I would also encourage by these comments the Administrator of the Agency for International Development to use all available regional programs to assist Uruguay regardless of whether the agency has personnel assigned to the country.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman.

Mr. BARNES. I just want to commend the gentleman for his amendment and say that on this side we are prepared to accept it and support it.

Mr. BEREUTER. I thank the gentleman from Maryland for his comments and for his continued leadership of the Western Hemisphere Subcommittee.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the distinguished gentleman from California the ranking minority member of the Western Hemisphere Subcommittee.

Mr. LAGOMARSINO. I have discussed the amendment with the gentleman in the well and I strongly support it and urge my colleagues to accept it on behalf of the minority.

Mr. BEREUTER. I thank my colleagues for their support on this amendment and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 83, strike out line 6 and all that follows through line 20 on page 85 and insert in lieu thereof the following:

(a) PROHIBITION ON MILITARY ASSISTANCE.—All military assistance for El Salvador shall be suspended until the President determines and reports to the Congress, and the Congress enacts a joint resolution agreeing, that—

(1) the Government of El Salvador has made sufficient progress in prosecuting those responsible for the more than 45,000 murders that have occurred during the five years preceding the enactment of this Act;

(2) the Government of El Salvador has made sufficient progress in carrying out all titles of the land reform program; and

(3) the Government of El Salvador, and the Salvadoran military, have agreed to pursue a negotiated settlement with the armed opposition based on safe and free elections.

Page 85, line 21, strike out "(e)" and insert in lieu thereof "(b)"; page 86, line 13, strike out "(f)" and insert in lieu thereof "(c)"; page 88, line 9, strike out "(g)" and insert in lieu thereof "(d)"; and page 88, line 14, strike out "(h)" and insert in lieu thereof "(e)".

Mr. SMITH of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CONYERS. Mr. Chairman, this is a very simple and straightforward addition to title VII. I rise to offer an amendment to strike all military aid to the Government of El Salvador, but only until such time as the President determines on the basis of a State Department recommendation, and Congress certifies by a joint congressional resolution, that the following three provisions have been complied with.

First, that sufficient progress has been made in bringing justice to those responsible for the more than 50,000 murders that have occurred in El Salvador over the past 5 years. In particular, that verdicts have been obtained in cases related to murders by the military and death squads.

Second, that sufficient progress has been made in carrying out titles of the agrarian reform which have been put in indefinite abeyance.

Third, the government and military have agreed to pursue a negotiated settlement with the armed opposition based on safe and free elections.

Over the past 5 years, our administration has spent over $1.7 billion to prop up the El Salvadoran Government and military.

□ 1740

The pathetic results are these: First, 50,000 people, mostly civilians, have been brutally murdered, mostly by the military, according to our own intelligence sources, the human rights monitoring agencies of the archdiocese of San Salvador and independent journalists.

Women have been raped and killed and villages have been plundered. Yet in almost none of these instances have there been successful prosecutions, with the single exception of the American nuns.

Additionally, unemployment has climbed by over 40 percent and now there is widespread documentation that the military has resorted to indiscriminate aerial bombings of civilian townships, as well as forced relocation of civilians in contested areas.

The ranks of Salvadoran revolutionaries, the guerrillas, have grown to over 10,000, and who now may control as much as a third of the land. Further, the State Department still cannot point to definitively credible evidence that the Salvadoran revolutionaries are receiving significant outside or external support.

In El Salvador there is no opposition press to censor. In a landmark book on American foreign policy in Central America, Raymond Bonner, the former Central American correspondent for the New York Times, has clearly documented opposition journalists in El Salvador to have been routinely murdered and their newspapers bombed into silence.

The editor-in-chief and photograph of La Cronica were seized midday in a downtown coffee shop. Their bodies, hacked by machetes, were found a few days later.

El Independentia, another newspaper, was closed after repeated bombings of its offices and assassination attempts on the publisher.

Over the past 5 years in El Salvador, at least 16 priests and nuns, including Archbishop Romero, were killed by soldiers or death squads. No justice has ever been brought for any of these.

In 1983 in El Salvador an average of 140 people were killed by military or paramilitary units, and 39 people disappeared each month, according to State Department figures, which are lower than those of many human rights groups. The figures may have dropped a little since then, but not much.

Over the past 5 years in El Salvador, opposition politicians have been tortured and murdered. The main opposition candidate, Guillermo Ungo, was warned by the U.S. Embassy to campaign by videotape from abroad because his safety could not be guaranteed.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CONYERS] has expired.

(By unanimous consent, Mr. CONYERS was allowed to proceed for 5 additional minutes.)

Mr. CONYERS. Today, a secret war is taking place in El Salvador. In U.S.-supplied aircraft, pilots dropped 500-pound bombs, 750-pound antipersonnel bombs, as well as napalm and U.S.-

supplied white phosphorus on the civilian population in the countryside.

The Catholic Archdiocese in San Salvador says that the U.S.-supplied AC-47 gunships, aircraft, the most powerful weaponry in use anywhere in Central America, are in use against civilians in El Salvador.

Last March, America's Watch, the international human rights organization, reported that thousands of noncombatants are being killed by indiscriminate attacks by bombardments in the air, shelling and ground sweeps. Our own American citizens have gone there and made reports.

Despite all of that United States financial military equipment, we are no closer to a negotiated solution to the civil war in El Salvador than we were 5 years ago. President Duarte's inability to bring judicial oversight to the military clearly indicates that the military is still in control, notwithstanding his good intentions, a military which, according to even our own State Department figures, has been far more brutal by any objective standard than the military of any other country in Central America.

So I think it is inappropriate to state that the Salvadoran guerrillas are puppets of a foreign government. But that is not the debate at the moment. They are clearly, in my judgment, from the reports and intelligence that I rely on, an indigenous force fighting a military that has brutally murdered 20,000 of its own people during the 1980 Salvadoran elections, including five top leaders of the opposition.

According to international human rights observers that monitored the 1984 elections in El Salvador, including the International Lawyers Group for Human Rights, those elections, which were administered by the military, were determined to be far less democratic than the elections of Nicaragua. As the primary supporter of the military in El Salvador, the United States is in a critical position to bring about justice for atrocities that have occurred, and prevent future occurrences, by urging a negotiated solution to the civil conflict. Maybe we should continue to urge a negotiated solution.

So I ask that this amendment, which merely provides that all military assistance to El Salvador be suspended until we have a Presidential report and a joint resolution from Congress requiring a finding that the Government of El Salvador has made sufficient progress in prosecuting some of those murders, I would move that we suspend military assistance until that time.

Mr. BARNES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to commend my friend, the distinguished gentleman from Michigan, for his concern about the situation in El Salvador and the terrible tragedy that that country has gone through in recent years.

The gentleman is absolutely correct as he describes the literally tens of thousands of innocent civilians who have died at the hands of the left and the right and the death squads in El Salvador. It is a genuinely terrible situation and the gentleman's concern is eloquently expressed in the speech that he just gave and in the amendment that he brings to the committee.

Let me just say that the Committee on Foreign Affairs, both at the subcommittee level and in the full committee, addressed, as we felt appropriate, the concerns that the gentleman raises this afternoon. Specifically, the gentleman, in his amendment, is concerned about progress in prosecuting those responsible for the tens of thousands of murders that have occurred over the past years in El Salvador. The amendment also expresses the concern about progress in carrying out the land reform program and seeking a negotiated settlement to the armed conflict in that country.

In the committee's bill which we brought to the floor, all three of those issues are addressed. We feel they are addressed in a manner that is more appropriate than a suspension of military assistance at this time. My own personal view is that a suspension of military assistance to El Salvador at this time would be a mistake, recognizing the very legitimate concerns that the gentleman from Michigan has raised about the tragic history of the conflict in El Salvador, both internally and the international elements of it.

□ 1750

So the Committee, Mr. Chairman, would feel constrained to oppose the amendment and urge Members to vote in opposition to this amendment. We feel, as I indicated, that the bill that is on the floor addresses these concerns in the appropriate way and will raise the necessary action by the Reagan administration and by the governmental authorities in El Salvador.

Mr. CONYERS. Mr. Chairman will the gentleman yield?

Mr. BARNES. I am happy to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I want to thank my colleague, the gentleman from Maryland, for yielding.

First of all, this language to which the gentleman refers has been in the foreign aid packages for a number of years, and it is during this time that these unresolved murders continue to pile up. So as one who supported that proposition and that method of solution for a number of years. I really cannot in good faith and in any kind of reality continue to do that on the basis that something is going to happen. I just do not think it has worked thus far, and that is why I am proposing that we make this solution.

Now, this solution is not as draconian as someone might be led to believe. All they have to do is start to do something about it. It is not that we are placing an impossible burden upon them. It is not that we are asking them to do something that would require months of not receiving military aid. All I am saying is that they should show some good-faith evidence of dealing with the resolution of the problem.

Mr. BARNES. Mr. Chairman, I would only say to the gentleman that the langugae that is in the bill has not been in the law or nothing like it has been in the law since the President vetoed the certification process about a year and a half ago. But even in that interim and, I believe, as a result of some of the actions that the Congress took previously, there has been some action on the specific items that the gentleman mentioned. I wish there had been a lot more.

But the gentleman's amendment specifically calls upon the Salvadoran Government to pursue a negotiated settlement with the armed opposition based on safe and free elections. Well, that is the stated policy of the Government of El Salvador, and in fact meetings have taken place to pursue that. Not as much progress has been made as the gentleman would like or that I would like, but in fact we have seen some progress in that area.

The Government of El Salvador is very much committed to the land reform program. I had the opportunity recently, as other Members did, to talk with President Duarte.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. BARNES] has expired.

(By unanimous consent, Mr. BARNES was allowed to proceed for 2 additional minutes.)

Mr. BARNES. Mr. Chairman, as I say, I had the opportunity recently, as others did, to talk to President Duarte, and he reiterated his strong commitment to that program. He has also asked us for assistance in helping with the prosecution of people responsible for the murders, and such assistance is included in the legislation.

So I would say to the gentleman that I share his concerns. I think the committee did, too. I think it is reflected in the bill we have before us, and I unfortunately cannot support the gentleman's amendment on that basis.

Mr. CONYERS. Mr. Chairman, will my colleague, the gentleman from Maryland, yield further?

Mr. BARNES. I am happy to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I have just run out of patience and forbearance. We are talking about 50,000 murders, and we are about to send a quarter of a billion dollars down there, and the only resolution of any of the death squad murders that I know

about—and it really took a lot of us to do it—was on the several nuns for whom they finally had a trial and picked up the military people in that regard.

I am not trying to hurt El Salvador. I am trying to move them out of this barbaric state to which either wittingly or unwittingly our military assistance is being misused. We have an aerial war going on down there right at this moment that is being reported regularly by our State Department in terms of the number of strikes and the number of places and villages hit. We are sustaining a war against their citizens. This is not against the guerrillas, the revolutionaries or whomever; it is against their own citizens, and it is our equipment.

So, Mr. Chairman, I think that that can be repaired, and I can see no way that the language presently in the bill would do that short of this amendment.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. BARNES] has again expired.

(By unanimous consent, Mr. BARNES was allowed to proceed for 30 additional seconds.)

Mr. BARNES. Mr. Chairman, the committee's approach is to require that the President report to the Congress on the actions that are taken, and then consideration would be given to termination of military assistance. The gentleman's approach is to terminate it now, suspend it now, and require that action be taken.

Members can make their own judgment about which approach to support, but the committee believes that the approach we have proposed is the appropriate mechanism to use. It is not supported by some Members who believe it is too strong. So we find ourselves somewhat in the middle.

Mr. Chairman, I urge rejection of the gentleman's amendment.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will not take a lot of time. I think that the gentleman's amendment, while no doubt well intended by him, comes probably 5 years too late and certainly 1 year too late. A lot has happened in the last year in El Salvador.

There have been three elections. I was there for two of them, and contrary to what the gentleman reported, every official observer, including the majority leader, Mr. WRIGHT, who was there and observed those elections came back and reported that they were free and fair and conducted in a proper way. There was another election this year, and the same reports were made about it.

Calling for certification, as the gentleman's amendment does, is a step back from the language in the continuing resolution we are operating under right now. It also implies—in fact, I can use a stronger word than that—it positively states a lack of confidence in President Duarte and also a belief that things have not improved in El Salvador. For the House to act in a way that we are called on to do following another successfully carried out election last March could only be considered a slap in the face for President Duarte and all those who are seeking to carry out the democratic process in that country.

In March the gentleman from Ohio [Mr. DEWINE] and I spoke with President Duarte in El Salvador, and he emphasized that he was just as concerned as the Congress in strengthening democracy in El Salvador and in improving the human rights conditions for his own people; he urged us to give him a chance. He said, "Don't go over my head and tell my generals what to do. Tell me what to do, and I will tell the generals what to do."

When we consider all that he has attempted and what he has accomplished in his first year, it is entirely appropriate to demonstrate our confidence in him by maintaining the reporting requirements contained in the bill.

As the chairman of the subcommittee knows, I think even they go too far, but it is certainly better than what is being proposed in this amendment.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I will yield when I finish my statement.

We talked with the representative of the archbishop when we were in El Salvador, and we asked him about military assistance. He said that as long as the Nicaraguans and the Cubans are furnishing assistance to the guerrillas in El Salvador, we in the United States should do the same thing, that is, furnish military assistance. We asked, "Are they, the Nicaraguans and Cubans furnishing that assistance?" And he said, "Yes, they are."

The gentleman, Mr. CONYERS, said that the elections in Nicaragua were freer and fairer than the elections in El Salvador. There may be a few people who believe that, but not very many.

One of the problems that exists in El Salvador is the question of the economy. It is true throughout Central America and Latin America as well, as we have heard earlier this afternoon. The private enterprise sector in El Salvador is working with the President to bring about economic reform and economic progress in that country, and they seem to be quite well satisfied with what the President is trying to do. He is working with them, and they are working with him.

I think, in short, Mr. Chairman, that the situation has improved dramatically, especially in the last year, and it would be a terrible step backward and we would be turning our backs on one of the true success stories in this hemisphere if we were to accept this amendment.

Mr. Chairman, I urge my colleagues to defeat the amendment.

Mr. CONYERS. Mr. Chairman, will my colleague, the gentleman from California, yield?

Mr. LAGOMARSINO. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, the gentleman was there at the election last year?

Mr. LAGOMARSINO. Yes, I was.

Mr. CONYERS. Then the gentleman must surely know that the main opposition candidate, Ungo, was not even in the country.

Mr. LAGOMARSINO. The main opposition candidate had a chance to compete and chose not to.

Mr. CONYERS. Maybe the gentleman has not been reading the same U.S. State Department briefs that I have been reading. They urged him to campaign by videotape from abroad because his safety could not be guaranteed. Does the gentleman not remember that?

Mr. LAGOMARSINO. Mr. Chairman, if I may reclaim my time, he did not even enter the contest at all. He had been asked to do that.

Mr. Chairman, I urge a "no" vote on the amendment, and I yield back the balance of my time.

● Mrs. BOXER. Mr. Chairman, I rise in support of the Conyers amendment.

Year after year, this body has voted to give military aid to El Salvador only if that country abides by internationally recognized human rights standards, implements meaningful land reforms, and pursues a negotiated settlement with the armed opposition. And year after year, the President has told this body how much things have improved in El Salvador. After 5 years of these alleged improvements, one might be led to think all of El Salvador's troubles are over.

But what has actually happened? The Salvadoran Air Force indiscriminately drops 500- and 750-pound antipersonnel bombs, napalm, and U.S.-supplied white phosphorus on the civilian population in rebel-held areas. How does that protect human rights?

El Salvador today is a broken country. More than 1 million Salvadorans are refugees inside or outside their country. Unemployment hovers at an unbelievable 40 percent.

The time has come to demand that the policies this body has voted for over and over be put into effect. The time has come to insist that the Salvadoran Government bring the notorious death squads to justice. The time

has come to tell the Salvadoran leaders that the United States will no longer bankroll their military unless there is meaningful progress in human rights, land reform, and peace negotiations

The Conyers amendment would not establish a new policy toward El Salvador. Rather, by having Congress join the President in the certification process, it would finally give some meaning to the policies this body has repeatedly voted for year after year. The time has come for this body to have the courage of its convictions and put some teeth into the certification process. I urge you to vote for the Conyers amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 47, noes 375, not voting 11, as follows:

[Roll No. 217]

AYES—47

Addabbo	Evans (IL)	Rangel
Akaka	Ford (TN)	Rodino
AuCoin	Garcia	Roe
Bates	Gonzalez	Roybal
Bonior (MI)	Hawkins	Savage
Boxer	Hayes	Schroeder
Brown (CA)	Jacobs	Seiberling
Clay	Kastenmeier	St Germain
Collins	Levine (CA)	Stark
Conyers	Lowry (WA)	Stokes
Crockett	Markey	Studds
Dellums	Mitchell	Towns
Dixon	Moody	Weaver
Dymally	Oakar	Weiss
Early	Owens	Wheat
Edwards (CA)	Panetta	

NOES—375

Ackerman	Boulter	Crane
Alexander	Breaux	Dannemeyer
Anderson	Brooks	Darden
Andrews	Broomfield	Daschle
Annunzio	Broyhill	Daub
Anthony	Bruce	Davis
Applegate	Bryant	de la Garza
Archer	Burton (CA)	DeLay
Armey	Burton (IN)	Derrick
Aspin	Bustamante	DeWine
Atkins	Byron	Dickinson
Badham	Callahan	Dicks
Barnard	Campbell	Dingell
Barnes	Carney	DioGuardi
Bartlett	Carper	Donnelly
Barton	Carr	Dorgan (ND)
Bateman	Chandler	Dornan (CA)
Bedell	Chappell	Dowdy
Bennett	Chappie	Downey
Bentley	Cheney	Dreier
Bereuter	Clinger	Duncan
Berman	Coats	Durbin
Bevill	Cobey	Dwyer
Biaggi	Coble	Dyson
Bilirakis	Coelho	Eckart (OH)
Bliley	Coleman (MO)	Eckert (NY)
Boehlert	Coleman (TX)	Edgar
Boggs	Combest	Edwards (OK)
Boland	Conte	Emerson
Boner (TN)	Cooper	English
Bonker	Coughlin	Erdreich
Borski	Courter	Evans (IA)
Bosco	Coyne	Fascell
Boucher	Craig	Fawell
Fazio	Lott	Rowland (CT)
Feighan	Lowery (CA)	Rowland (GA)
Fiedler	Lujan	Rudd
Fields	Luken	Russo
Fish	Lundine	Sabo
Flippo	Lungren	Saxton
Florio	Mack	Schaefer
Foglietta	MacKay	Scheuer
Foley	Madigan	Schneider
Ford (MI)	Manton	Schuette
Fowler	Marlenee	Schulze
Frank	Martin (IL)	Schumer
Franklin	Martin (NY)	Sensenbrenner
Frenzel	Martinez	Sharp
Fuqua	Matsui	Shaw
Gallo	Mavroules	Shelby
Gejdenson	Mazzoli	Shumway
Gekas	McCain	Shuster
Gephardt	McCandless	Sikorski
Gibbons	McCloskey	Siljander
Gilman	McCollum	Sisisky
Gingrich	McCurdy	Skeen
Glickman	McDade	Skelton
Goodling	McEwen	Slattery
Gordon	McGrath	Slaughter
Gradison	McHugh	Smith (FL)
Gray (IL)	McKernan	Smith (IA)
Green	McKinney	Smith (NE)
Gregg	McMillan	Smith (NH)
Grotberg	Meyers	Smith (NJ)
Guarini	Mica	Smith, Denny
Gunderson	Michel	Smith, Robert
Hall (OH)	Mikulski	Snowe
Hall, Ralph	Miller (CA)	Snyder
Hamilton	Miller (OH)	Solarz
Hammerschmidt	Miller (WA)	Solomon
Hansen	Mineta	Spence
Hartnett	Moakley	Spratt
Hatcher	Molinari	Staggers
Hendon	Mollohan	Stallings
Henry	Monson	Stangeland
Hertel	Montgomery	Stenholm
Hiler	Moore	Strang
Hillis	Moorhead	Stratton
Holt	Morrison (CT)	Stump
Hopkins	Morrison (WA)	Sundquist
Horton	Mrazek	Sweeney
Howard	Murphy	Swift
Hoyer	Murtha	Swindall
Hubbard	Myers	Synar
Huckaby	Natcher	Tallon
Hughes	Neal	Tauke
Hunter	Nelson	Tauzin
Hutto	Nichols	Taylor
Hyde	Nielson	Thomas (GA)
Ireland	Nowak	Torres
Jeffords	O'Brien	Torricelli
Jenkins	Oberstar	Traficant
Johnson	Obey	Traxler
Jones (OK)	Olin	Udall
Jones (TN)	Ortiz	Valentine
Kanjorski	Oxley	Vander Jagt
Kasich	Packard	Vento
Kemp	Parris	Visclosky
Kennelly	Pashayan	Volkmer
Kildee	Pease	Vucanovich
Kindness	Penny	Walgren
Kleczka	Pepper	Walker
Kolbe	Perkins	Watkins
Kolter	Petri	Waxman
Kostmayer	Pickle	Weber
Kramer	Porter	Whitehurst
LaFalce	Price	Whitley
Lagomarsino	Pursell	Whittaker
Lantos	Quillen	Whitten
Latta	Rahall	Williams
Leach (IA)	Ray	Wilson
Leath (TX)	Regula	Wirth
Lehman (CA)	Reid	Wise
Lehman (FL)	Richardson	Wolf
Leland	Ridge	Wolpe
Lent	Rinaldo	Wortley
Levin (MI)	Ritter	Wright
Lewis (CA)	Roberts	Wyden
Lewis (FL)	Robinson	Wylie
Lightfoot	Roemer	Yates
Lipinski	Rogers	Yatron
Livingston	Rose	Young (AK)
Lloyd	Rostenkowski	Young (FL)
Loeffler	Roth	Young (MO)
Long	Roukema	Zschau

NOT VOTING—11

Beilenson	Gaydos	Jones (NC)
Brown (CO)	Gray (PA)	Kaptur
Daniel	Hefner	Thomas (CA)
Frost	Heftel	

□ 1810

The Clerk announced the following pair:

On this vote:

Mr. Gray of Pennsylvania for, with Ms. Kaptur against.

Mr. PETRI changed his vote from "aye" to "no."

Mr. EARLY and Mr. GONZALEZ changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ATKINS

Mr. ATKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ATKINS: Page 89, line 24, strike out "and" the second place it appears; and page 90, line 2, immediately after "rights" and before the period insert ", and (C) in respecting the internationally recognized human rights of its indigenous Indian population".

Page 92, line 7, immediately after "country" and before the comma insert "and to report on human rights abuses in that country".

□ 1820

Mr. ATKINS. Mr. Chairman, the purpose of this amendment is to make the human rights of Guatemala's indigenous Indian population a central consideration in U.S. policy towards that country. The record of human rights abuses in Guatemala is long and truly dismal. Human rights groups estimate that this country of 8 million has seen more than 100,000 of its people killed and almost 40,000 "disappeared" over the past three decades. Amnesty International titled its February 1985 report on the human rights situation in Guatemala "Little Hope," and stated, "Guatemala remains a nation of prisoners."

Violations of human rights led to the interruption of U.S. military aid, as Congress insisted on making the aid conditional on progress on human rights, and Guatemala rejected aid that came with strings attached. From 1977 until 1983, the United States provided no military assistance to Guatemala. A year ago, the administration requested $10.3 million in military assistance. Congress rejected the request, but agreed to provide $300,000 for training of military officers.

The legislation before us takes a first tentative step toward resuming military assistance. Before the aid could flow, though, the committee would require the President to certify that certain conditions had been met, including the empowerment of a civilian Government and improvements in human rights protections in the country.

Those conditions are essential, because Government-sanctioned violence and repression in Guatemala are not historical relics but daily occurrences.

Since the most brutal days of Lucas Garcia and Rios Montt, there have been reductions in the numbers of murders in the streets of Guatemala City. But two new forms of repression have emerged, targeted at the Highlands Indians and less visible to the international human rights community.

Partly to facilitate its campaign against the guerrillas, and partly more to restrict cultural independence and diversity in the country, the Government has instituted a system of civilian patrols and model villages. The effect has been to crush the freedom of the indigenous Indian population and to force them to live in fear.

There are two provisions of this amendment. The first would simply add a third condition to the provision of military aid, stating that the Government of Guatemala must make demonstrated progress in respecting the internationally recognized human rights of its indigenous Indian population.

The second part of the amendment addresses subsection (g), which calls upon the President to urge the Government of Guatemala to permit the International Red Cross to investigate humanitarian needs in that country. My amendment would add human rights conditions to the scope of the Red Cross investigation.

I believe this amendment is necessary to make the U.S. commitment to human rights in Guatemala complete. I urge its adoption.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. ATKINS. I yield to the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, we have no objection to the amendment on this side.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ATKINS. I yield to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment on this side and have no problem with it. It is interesting to note, I might add, that the majority membership of the Guatemalan Army is Indian. So I think they certainly recognize the problem.

Mr. Chairman, I support the amendment of the gentleman from Massachusetts.

Mr. ATKINS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. ATKINS].

The amendment was agreed to.

Mr. PEASE. Mr. Chairman, I move to strike the last word. Mr. Chairman, Americans have become complacent about energy, but the developing countries are still feeling the effects of the oil price increases of the past decade. These countries were unable to adapt as easily to the oil price shock. What was a period of difficult adjustment in the industrial West shook these weaker economies to their foundations. Since then, a severe worldwide recession, together with steadily worsening terms of trade for LDC's and mounting foreign debt to cover current account deficits, has made the importance of developing indigenous energy supplies and increasing their productive use even more critical now than a decade ago.

World oil prices have moderated in recent months, to be sure. But to most of the countries receiving U.S. development assistance, this temporary respite has provided little relief:

They are still trying to adjust to the last round of price increases. Since 1981, energy prices in local currencies have increased by 40 percent in Sudan and by 140 percent in Peru, a pattern which has been repeated in most of the others during this period, since the crisis ended.

Despite some progress in developing indigenous energy supplies, three-quarters still rely on energy imports to meet 50 percent or more of their commercial energy needs. For Ecuador, Guatemala, and Senegal, to name a few, it is 90 percent or higher.

Oil imports are contributing to growing balance-of-payments problems. In Panama, 88 percent of export earnings in 1981 went to purchasing oil; it was 70 percent for India, and 65 percent for Bangladesh. Over half of all AID recipients have severe trade problems due to energy imports.

When the foreign debt position of some of these countries is taken into account, the issue becomes all the more urgent. In 1981, oil imports and debt service payments accounted for 86 percent of Jamaica's merchandise exports, 102 percent of Morocco's and 232 percent of Panama's. Altogether, 60 percent of the merchandise export earnings of AID countries were devoted to oil imports and debt servicing alone. The problem has worsened since then. In Latin America, for example, two-thirds of the region's export earnings are now going to service foreign debt and this ratio is increasing. Much of this debt is being incurred to finance unmanageable energy import bills. After adding energy import costs for current consumption needs virtually nothing remains to import essential foodstuffs, raw materials, and spare parts to keep industry going.

Studies of developing countries show that for every percentage point increase in national income, energy consumption must grow by 1.3 percent. Without the ability to purchase energy abroad—and these facts indicate that it is a real and growing problem in many—there will be large energy deficits. Without the energy, income growth will not occur.

AID is especially concerned that this growth occur in the agricultural sector. The growing food crisis in Africa heightens awareness of agriculture's importance. However, energy plays a particularly crucial role in agricultural development. To forestall continued famine in sub-Saharan Africa, the FAO has recommended that agricultural growth rates go from the present 2.7 to 3.7 percent. But this implies an increase in commercial energy use in agriculture of over 7 percent, since it has been shown that a 2-percent increase in commercial energy consumption is required for every percentage point increase in agricultural output.

Agriculture requires a great deal of reliable, high-quality energy. Irrigation and fertilizers require energy. Processing and marketing agricultural products require energy. Food preservation and food preparation require energy. These are the typical bottlenecks in LDC food systems. It is pointless spending enormous sums of money developing irrigation systems, for example, if the energy will not be there to operate them. The energy problem must be addressed as well. A strong and continuing effort to promote energy production, distribution, and productive usage as part of AID's agricultural development program should be a priority.

Congress has been clear about the importance that should be assigned to energy production in AID's development assistance program, terming it "vital" to the development process. Yet AID's support for energy development is rapidly declining. The amount allocated to energy in AID's fiscal year 1981 development assistance program was $76 million. In fiscal year 1984, it was down 40 percent, to $47 million. AID has budgeted $32 million in fiscal year 1986, a further reduction of 20 percent from the fiscal year 1981 level. Overall, AID's development assistance support for energy will be cut nearly 60 percent.

Energy programs administered by the Science and Technology Bureau are slated for a drastic cut which will all but eliminate centrally funded activities in renewable energy, and reduce the impact of critically important programs in conventional energy systems, energy conservation, and training programs. These programs are an essential ingredient in a new agency policy to identify critical energy bottlenecks in specific, high-priority country development programs, assist in preparing rational strategies to address these needs, and to leverage capital funding from large

multilateral lenders and private sources to finance the required energy investments. The cuts in these programs will be especially damaging to AID's effectiveness in energy development.

For many AID-assisted countries the fundamental energy problem remains, and the stakes are higher now than a decade ago. Foreign exchange reserves have vanished, and borrowing capacity has reached its limits and beyond. The resource flow has now turned negative in the developing regions such as Latin America, leaving countries with nothing to fall back on when energy prices resume their upward course.

Funding of energy development as proposed in AID's fiscal year 1986 budget plan will sharply quicken a downward trend in AID's energy spending. This not only sends the wrong signal to the developing countries, which should be increasing the rate of energy supply and distribution development, but threatens to render less effective funding of other infrastructure, rural development, and agricultural programs. Without adequate supplies of energy, the return on investments in agricultural production and processing systems, rural industrial development, and social services will be blunted. The economies of many AID-assisted countries are becoming less and less able to purchase energy, while the development of indigenous energy supplies are lagging behind energy consumption growth requirements for these economies to develop.

AID should be pressing foward with programs to redress critical energy bottlenecks, not retreating. It should restore cuts which have been made in recent years. At a minimum, fiscal year 1986 funding for AID's energy development assistance should be at least maintained at fiscal year 1985 levels, with particular emphasis on centrally funded programs and AID mission programs in countries with critically important energy development needs.

Mr. Chairman, I would like to engage in a colloquy with the chairman of the Committee on Foreign Affairs.

Mr. Chairman, when I served on the House Foreign Affairs Committee, I was the author of the legislation to create a functional account at AID for energy work in developing countries. I am quite concerned by the steady decline in funding for energy programs in relation to other areas of the foreign assistance budget in recent years. Does the gentleman agree that this continues to be a very important area for AID to pursue if there is to be much prospect of development in the Third World, especially among those LDC's that have to import oil?

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, let me say, first of all, I commend the gentleman from Ohio for his leadership in this area when he was on the committee and for his continuing interest.

Mr. Chairman, I very definitely concur with the gentleman that AID should be doing more, and I share his interest and concern.

Mr. PEASE. I thank the gentleman very much.

Mr. LEVIN of Michigan. Mr. Chairman, will the gentleman from Ohio yield?

Mr. PEASE. I will be happy to yield to my colleague from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding.

Mr. Chairman, I simply wanted to add my concern to that of the gentleman from Ohio about the need to maintain a strong energy program within AID. Mr. Chairman, I join the gentleman in welcoming the response of the distinguished chairman of the Committee on Foreign Affairs.

Mr. PEASE. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. MC COLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM: Page 101, line 2, strike out the closing quotation marks and the second period; and after line 2, insert the following:

"(d) Notwithstanding the prohibition contained in subsection (a) assistance may be provided to Honduras or El Salvador for fiscal years 1986 and 1987 if, at least 30 days before providing assistance, the President notifies the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, in accordance with the procedures applicable to reprogramming notifications pursuant to section 634A of this Act, that he has determined that the government of the recipient country has made significant progress, during the preceding six months, in eliminating any human rights violations including torture, incommunicado detention, detention of persons solely for the nonviolent expression of their political views, or prolonged detention without trail. Any such notification shall include a desciption of the assistance which is proposed to be provided.".

Mr. McCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Chairman, on June 19 we had six Americans killed in El Salvador. They were killed in an urban area. They were killed in the city of San Salvador.

Those six Americans were not protected by modern, well-equipped or well-trained police because the Salvadoran police are not that. The fact of the matter is that while the military is out fighting a guerrilla war on the outside of the cities, the guerrilla war has not come to the cities and we, the United States, are only allowed under present law to provide assistance to the military and not to the police forces. The amendment that I have offered would allow the United State to provide law enforcement assistance to those Governments of Honduras and El Salvador who so desperately need them for the purpose of properly equipping the law enforcement police officers, security assistance forces, for the purpose of properly training them, training them not only with respect to the carrying out of law enforcement duties, but with respect to the indoctrination necessary so that they may perform a proper arrest or a proper function, as we know it, under the human rights standards that the United States has.

Under present law, section 660 prohibits any kind of U.S. assistance to police or security forces in any country in the world. This bill carves out an exception for the country of Costa Rica and a couple of other small islands in the Caribbean, but it does not address the question of utmost security concern from the standpoint of us and the tremendous concerns that we have for a viable police force to fight the rampant criminal activity in the cities of El Salvador and its neighboring country of Honduras.

□ 1830

Mr. Chairman, the Salvadoran rebels, as I said earlier, have changed their strategy from one of a guerrilla warfare out in the countryside to a guerrilla warfare in the city.

Not only that, but they have announced their intention to continue to target Americans wherever they may be in the cities of El Salvador. In fact, they announced that in an interview in the Washington Post as recently as July 7 of this year, and an article entitled: "Rebels Vow To Extend War"—in which four FMLN leaders indicated that terrorist activities will continue in the cities toward American officials and members of the armed services.

We must refocus the concern that we have in supporting the democracy in El Salvador from strictly supporting a war in the fields with the military that is down there that the Duarte government has, to the guerrilla war that is going on in the cities; not only to promote the democracy in El Salvador, but to protect our own Embassy officials and other American citizens who are down there in that country.

I would submit to my colleagues that the only reasonable way to do that is

by giving the kind of assistance that we are not now allowed to do to the security forces that are better known as the police, in our jargon.

We must provide the assistance necessary to the police forces in the cities if we are going to have any kind of a fight against the guerrillas the way they are now conducting the war down there.

I say that because in the first place, the military does not come into the cities; the police do, by the structure of the organization. Now, you can go and chart it out whatever way you want, but it seems to me that what I say is eminently logical, and we need this exception.

I would like to point out the deficiencies of the police in El Salvador alone, not to mention the deficiencies in Honduras. There are only 22 vehicles that the security police have in El Salvador today. They have no radios to communicate with. They do not have the kind of equipment that the military has, by any stretch of the imagination; not even quality handguns, and they do not have the training which would provide a reasonable degree of understanding of what human rights are all about in the context of the discussions we have so often debated here, and they certainly do not have the training on how to investigate and be good police officers as we would expect them to be.

In short, we do not have law and order in any form in the cities of El Salvador or Honduras unless that law and order is to be provided by the military. We do not have it there because we do not have a trained, understanding police force.

I would urge my colleagues to seriously consider this amendment as one which it is intended to be; one that sets forth the opportunity for the United States to responsibility give assistance to those involved.

(By unanimous consent, Mr. McCOLLUM was allowed to proceed for 2 additional minutes.)

Mr. McCOLLUM. Mr. Chairman, if we are to beef up our forces in terms of making the cities in El Salvador safe, the only responsible way to do that is to pass this amendment and to allow the United States to provide the same kind of technical assistance and training to the police forces in these cities that we provide to the military forces in the fields.

I have provided in this amendment safeguards which I think are an abundance of caution, that require the President to certify, as we have required in the past for military assistance, that progress is being made; significant progress is being made, within the previous 6 months prior to the giving of any assistance on the questions of human rights violations, if any, going on in the two countries involved.

If he certifies that this significant progress has been made, and is being made, then he will be allowed to give the assistance.

Furthermore, the amendment provides that he will notify the appropriate committees of this Congress, that in fact he is giving what assistance he is and spell out the specifics of it.

It seems to me we can do no less than this; because it also seems to me that if we had had a well-trained police force in place in San Salvador on June 19, we might very well today have six Americans still alive who are not alive.

I urge my colleagues in the strongest of terms to vote for this McCollum amendment to allow the appropriate training of the forces in the cities of these two countries.

Mr. Chairman, I yield back the balance of my time.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to ask the gentleman from Florida [Mr. McCOLLUM] a couple of questions, because I wonder if he knows that both the Committee on the Judiciary and the Committee on Appropriations have authorized the FBI to have this program to train United States and foreign police officers from the Caribbean area in basic criminal investigative matters. This is an established program that is in Puerto Rico, and the name of it is the Caribbean Police School.

This has been offered twice during 1982, twice in 1983, and twice in 1984 for 4 weeks each. During the six sessions, more than 80 police from 16 different foreign countries were trained.

I would ask the gentleman from Florida why his amendment is necessary and what does it envisage?

Does the gentleman from Florida envisage hundreds of FBI agents going down there and training people, or do you have in mind increasing the scope of the school that is already established in Puerto Rico?

Mr. McCOLLUM. If the gentleman will yield, I would be glad to explain that this is more than training; but on the training score, I envision that we have the same kind of training being given to the police forces that are in those academies, but then some more training, specifically conducive to the conditions in El Salvador in fighting a guerilla war, which requires, it seems to me, a major thrust in-country, to train those police forces.

Plus, in addition to the training—and by the way, special training on human rights violations so they do not do that—plus the equipping of this police force. As I said earlier, there are only 22 vehicles the police force has down there; they have no radios, no radios in those cars; they cannot communicate. I envision providing some of those. I envision us providing them with better handguns and normal weapons that they need to use, because as I said earlier, we are talking about a war in the cities that is incredible; that is being fought down there now, and unless we want to see the military forces move into the cities down there, we are going to have to have a police force that really knows what it is doing, and some training program in Puerto Rico is simply not good enough; the Embassy and I have been in contact about this; the State Department and I have been in contact about it, and since the June 19 situation they are really upset, and they by no means think that the training that you described is anywhere near adequate, and certainly does not provide any equipment.

Mr. EDWARDS of California. Has President Duarte asked for this kind of aid?

Mr. McCOLLUM. I do not have a formal request from anyone, but I do know that there is cable traffic that came out of our Embassy requesting that, that it is sitting at the Salvadoran desk of the State Department, that those on the Salvadoran desk at the State Department as recently as this afternoon told me that they want this in the bill; that they have not sent up a formal request because it has just recently come to them, but that if it is not put in this bill, they are going to have to send up a formal request for immediate action.

It seems to me this is the appropriate place to put it in right now, Mr. Chairman, instead of waiting until some more servicemen and other people have been killed down there.

Mr. EDWARDS of California. Mr. Chairman, I am not a member of this committee, and I would hope that an important principle like this would be studied in great depth by the Committee on Foreign Affairs, and that hearings should be had and a formal request should really come from President Duarte for something of this magnitude.

We have established this very important school in Puerto Rico for exactly the same purpose that the gentleman from Florida describes, that is the heart of his amendment.

Mr. RITTER. Will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. RITTER. I thank the gentleman from California for yielding.

Mr. Chairman, I and another colleague from California, Representative BROWN, have just returned from the region, and what we have found, not only in El Salvador but in Costa Rica, to some extent in Honduras, that there is a great requirement from assistance of this kind, and a real cross section of the leadership of these

countries feel very, very concerned about this kind of assistance.

(On request of Mr. RITTER and by unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

□ 1840

Mr. RITTER. If the gentleman will continue to yield, particularly, in El Salvador, with the success of the army, what has happened is the guerrilla units are breaking up into units of smaller numbers, and they are also coming into the cities where they can go relatively undetected and operate in smaller numbers. The Revolutionary Party of the Workers of Central America, the PRTC, which was responsible for the deaths of the six Americans and three Salvadorans, I think is just a kind of tip of the iceberg of what the Salvadorans understand as the movement of small units of guerrilla groups into cities. The army, of course, is one possibility, but it would be far more effective to deal with civilian police forces in having some capability to oppose this new waging of war in the cities.

I thank the gentleman for yielding.

Mr. EDWARDS of California. I thank the gentleman.

Mr. Chairman, it seems to me that we have already established a school in Puerto Rico. We have sent FBI agents down there. We will send some more if they are necessary. I do have difficulty in understanding the specifics of this amendment.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from California.

Mr. MILLER of California. I think my colleague, the gentleman from California, makes a good point, and I would hope we would not support this amendment. Clearly, the administration has already provided FBI support in the case of the murder of the marines and the others in El Salvador. In the past, when requested, the FBI has provided assistance in the investigation in the case of the murder of the American church women.

One of the real concerns I have is that conceivably under this amendment, absent a formal request and a formal understanding of which agencies of the Salvadoran Government this money would flow to, and those kinds of protections, we may very well be involved in funding the very agencies that have been accused of the very worst of the human rights abuses in the past in this country.

The CHAIRMAN. The time of the gentleman from California [Mr. EDWARDS] has expired.

(On request of Mr. MILLER of California and by unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. We have President Duarte, who is struggling to get these agencies under control, and at the same time we are providing basically, because of the tragic deaths of the marines, to open the floodgates for this kind of investigation.

I think this committee ought to hold hearings, they ought to find out from the Salvadorans what it is exactly they need, what it is that we are prepared to provide and not provide, and not simply do it under the rush of trying to finish this bill. I think that if we find out that they need this kind of support to improve their investigative talents or to improve their ability to detect in advance these kinds of crimes, we ought to be willing to assist them; but that is not what this amendment does, and I would hope that both the subcommittee and the full committee would be able to have hearings. If the administration sends that bill to this House in that atmosphere, I am sure it will get a timely hearing, it problably will get a favorable review. But given the history of the very police agency and law enforcement agencies in this Government, we ought to be very, very clear what we are doing. I think my colleague from California raises justified concerns that we ought to have before we rush headlong into providing this. We already see that this administration is already funding SWAT-type teams for antiterrorist activities. That is already going on under the current law, and that is directly related to the kinds of activities that spurs the gentleman from Florida to offer this amendment. I do not think it is necessary, and I think it can buy us a great deal of trouble in a short period of time.

I thank the gentleman for yielding.

Mr. EDWARDS of California. I thank the gentleman for his contribution.

Mr. Chairman, I suggest very respectfully that this is not a well-thought-out amendment and it ought to be resisted.

Mr. BARNES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I share some of the concerns of my two friends and colleagues from California with respect to the amendment offered by the gentleman from Florida. We have had a lot of discussions at the staff level with the gentleman from Florida to try to work out an amendment that could be supported, and the gentleman from Florida, I must say, has been extremely cooperative and has come a long way. The amendment we have before us is not the amendment that the gentleman originally intended to present.

In the bill that the committee has brought to the floor there is $20 million authorized for assistance for the administration of justice, some of which goes to precisely the issues that the gentleman from Florida is concerned about.

I think, frankly, that that is what the Reagan administration will want to use, will want to do, is use that $20 million that is in the bill that they requested and they got in the bill for the purposes that the administration has been advocating. The administration, as far as I know, has not requested the repeal of the prohibition, the section 660 prohibition on assistance, that the gentleman proposes for Salvador or Honduras. The committee did propose it for governments that have no record of violating human rights and have not engaged in any violations of human rights nor have a standing army. That would obviously encompass Costa Rica.

I guess what I am saying is the gentleman from California makes a good point, that we have not had specific hearings on this issue in the subcommittee or full committee. We have in the bill accommodated the request of the Reagan administration and provided substantial funding for assistance for investigations. The reasons that section 660 is in the law are well known to the Members. The United States, unfortunately, got into a situation where we were supporting police forces in countries where the police were engaged in activities that we became associated with, torture, murder, a whole range of despicable activities, and the United States became associated with those.

Now, the gentleman's amendment specifically says that we cannot be associated with that and that the President would have to indicate that there have been no such occurrences in any of the countries specified, either Honduras or El Salvador.

What I am wondering is whether, given the fact that in the bill we do accommodate the administration's desire to address this issue and we provide the funding that the administration requests, the gentleman is receptive to what the gentleman from California [Mr. MILLER] was saying about the fact that we have not looked thoroughly at this problem.

I am happy to yield to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. I thank the distinguished chairman of the subcommittee for yielding.

I have reviewed this matter very carefully earlier today because of this, and I did, as the gentleman says, work very carefully with the gentleman's staff, and I have discussed this with State. What has been requested that you did put in the bill and is much appreciated by everybody concerned is the effort to help the judiciary system and the justice system and our plan promoted and proposed back in 1983 that does allow for improved investigations in the area of bringing people to

trial, specifically those under some kind of an indictment, as we understand it, which they did not have the power to do. That is there in the bill. And then there is the provision with respect specifically to Costa Rica. The problem, as I understand it, is that the administration did not face as fully as it does today the reality that their embassy officials are now explaining is there dramatically that we now face since those June 19 killings, and the reality is very simply, if the gentleman would let me express it, we no longer have any control in the city by the local officialdom, and unless we train the police forces there in more than just investigations and provide them with equipment, which my amendment would do, we do not have it. The bill does not make it, is all I am saying, and I think time is of the essence, which hearings would obviate, and we need to go ahead to do it to protect American lives as well as their security.

Mr. BARNES. I thank the gentleman for his additional comments.

Let me say, in response to the gentleman from California who thinks there ought to be hearings on this, the gentleman's amendment does require notification of the appropriate committees in the Congress before funds could be expended, and we do have the opportunity to review this further.

On that basis, I am not going to oppose the gentleman's amendment. I know there are some Members who have opposed it. The gentleman has come a long way. This amendment is a compromise. I certainly recognize that, and I commend the gentleman for his cooperative spirit. It is a very serious issue, and we will be looking at it further and tracking this closely in the Foreign Affairs Committee.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BARNES. I yield to the gentleman from California.

□ 1850

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I think that the gentleman will recall that the administration did request repeal of section 660, so this does sound close to what they requested.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MCCOLLUM].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DONNELLY

Mr. DONNELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DONNELLY: Page 89, after line 6, insert the following new subsection:

(i) DEVELOPMENT ASSISTANCE.—Of the amounts available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, $79,600,000 for fiscal year 1986 and $79,600,000 for fiscal year 1987 shall be available only for El Salvador.

Mr. DONNELLY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONNELLY. Mr. Chairman, in my 7 years of service in the House of Representatives, I have become increasingly concerned about the problems and the activities in Central and Latin America, and especially our response to them. The one ray of shining hope that I see in that region is the courage of the El Salvadoran people participating in election after election after election, many times under the threat of death and assassination, and the election and reelection of President Duarte.

It is my firmly held conviction that President Duarte is doing the best in his abilities to move that war-torn little nation into a centrist mold, to push the process of democratization in El Salvador. So I was somewhat chagrined in reading the Foreign Affairs bill and the subcommittee mark, to see that it seemed as if the aid level recommended for fiscal years 1986 and 1987 had in fact been reduced in real dollars over what had been appropriated in 1985.

Excluding the $15 million in foreign military credits that the President did not request, the subcommittee did not include the $10 million that was reprogrammed in May for additional aid to El Salvador.

What my amendment does, and I think it is fairly noncontroversial, it restores that $10 million to the authorization so that the aid levels in 1986 and 1987 are the same as they were in 1985. I understand very well the problems that the chairman and the ranking members have in terms of keeping costs down in this legislation, but I also think it is very important that in that small, little part of Central America with those very courageous men and women that minimally, this institution make a point of public policy that the aid levels will not be reduced as long as the process of democratization continues, as long as initiatives like the La Palma Peace Initiative continues, and as long as they move toward a judicial system that is equitable and fair.

This amendment very simply restores that $10 million. It is in fact a freeze amendment and restores the $10 million that was recommended to be cut.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. DONNELLY. I yield to the gentleman.

Mr. BARNES. The gentleman has described the situation accurately. This would be $10 million in development assistance and the committee, on this side, is prepared to accept the amendment.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. DONNELLY. I yield to the gentleman.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

The minority accepts the amendment also.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. DONNELLY].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title VII?

If not, the Clerk will designate title VIII.

The text of title VIII is as follows:

TITLE VIII—AFRICA

SEC. 801. BALANCE-OF-PAYMENTS SUPPORT FOR COUNTRIES IN AFRICA.

(a) ESF COMMODITY IMPORT AND SECTOR PROGRAMS.—Agreements with countries in Africa which provide for the use of funds made available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for the fiscal years 1986 and 1987 to finance imports by those countries (under commodity import programs or sector programs) shall require that those imports be used to meet long-term development needs in those countries in accordance with the following criteria:

(1) Spare parts and other imports shall be allocated on the basis of evaluations, by the agency primarily responsible for administering part I of that Act, of the ability of likely recipients to use such spare parts and imports in a maximally productive, employment generating, and cost effective way.

(2) Imports shall be coordinated with investments in accordance with the recipient country's plans for promoting economic development. The agency primarily responsible for administering part I of that Act shall assess such plans to determine whether they will effectively promote economic development.

(3) Emphasis shall be placed on imports for agricultural activities which will expand agricultural production, particularly activities which expand production for export or to reduce reliance on imported agricultural products.

(4) Emphasis shall also be placed on a distribution of imports having a broad development impact in terms of economic sectors and geographic regions.

(5) In order to maximize the likelihood that the imports financed by the United States under such chapter are in addition to imports which would otherwise occur, consideration shall be given to historical patterns of foreign exchange uses.

(6)(A) Foreign currencies generated by the sale of such imports by the government of the country shall be deposited in a special account established by that government and, except as provided in subparagraph (B), shall be available only for use in accordance with the agreement for economic development activities which are consistent with the policy directions of section 102 of the Foreign Assistance Act of 1961 and

which are the types of activities for which assistance may be provided under section 103 through 106 of that Act.

(B) The agreement shall require that the government of the country make available to the United States Government such portion of the amount deposited in the special account as may be determined by the President to be necessary for requirements of the United States Government.

(b) ANNUAL EVALUATIONS.—The agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall conduct annual evaluations of the extent to which the criteria set forth in this subsection have been met.

SEC. 802. ECONOMIC SUPPORT ASSISTANCE FOR SOUTHERN AFRICA.

(a) SOUTHERN AFRICA REGIONAL PROGRAM.—

(1) FUNDS FOR REGIONAL PROGRAMS.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $40,000,000 for fiscal year 1986 and $40,000,000 for fiscal year 1987 shall be available only for regional programs in southern Africa. Not less than 50 percent of each of these amounts shall be allocated to assist sector projects supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the nine member states forming this important regional institution, especially in the following sectors: transportation, agricultural research and training, manpower development, and institutional support for the SADCC secretariat.

(2) STUDIES.—

(A) EVALUATION OF ASSISTANCE.—The administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall conduct a study which evaluates (i) the assistance which that agency provides to the Southern Africa Development Coordination Conference and other African regional institutions and economic development organizations, and (ii) ways to improve such assistance.

(B) COORDINATING MECHANISM IN AID FOR ASSISTANCE.—The administrator shall also conduct a study which assesses what type of bureaucratic mechanism within that agency might be established to coordinate assistance to all African regional institutions.

(C) SUBMISSION TO CONGRESS.—The administrator shall submit the results of the studies conducted pursuant to this paragraph to the Congress within 3 months after the date of enactment of this Act.

(b) SOUTH AFRICA EDUCATIONAL TRAINING PROGRAMS.—Funds available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 and fiscal year 1987 which are used for education or training programs in South Africa may not be used for programs conducted by or through organizations in South Africa which are financed or controlled by the Government of South Africa, such as the "homeland" and "urban council" authorities. Such funds may only be used for programs which in both their character and organizational sponsorship in South Africa clearly reflect the objective of a majority of South Africans for an end to the apartheid system of separate development.

(c) HUMAN RIGHTS FUND FOR SOUTH AFRICA.—Of the amount allocated for the Human Rights Fund for South Africa under chapter 4 of part II of the Foreign Assistance Act of 1961 for each of the fiscal years 1986 and 1987, not less than 50 percent shall be used for direct legal and other assistance to political detainees and prisoners and their families and for support for actions of black-led community organizations to resist the implementation of apartheid policies such as—

(1) removal of black populations from certain geographic areas on account of race or ethnic origin,

(2) denationalization of blacks, including any distinctions between the South African citizenships of blacks and whites,

(3) residence restrictions based on race or ethnic origin,

(4) restrictions on the rights of blacks to seek employment in South Africa and to live wherever they find employment in South Africa, and

(5) restrictions which make it impossible for black employees and their families to be housed in family accommodations near their place of employment.

SEC. 803. ASSISTANCE FOR ZAIRE.

(a) ECONOMIC SUPPORT ASSISTANCE.—Funds allocated for assistance for Zaire under chapter 4 of part II of the Foreign Assistance Act of 1961 for each of the fiscal years 1986 and 1987 shall be used only for assistance which is provided in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961. Such assistance shall be provided, to the maximum extent practicable, through private and voluntary organizations.

(b) MILITARY ASSISTANCE.—For each of the fiscal years 1986 and 1987—

(1) the value of assistance provided under chapter 2 of part II of the Foreign Assistance Act of 1961 for Zaire may not exceed $4,000,000; and

(2) financing may not be provided under the Arms Export Control Act for Zaire.

SEC. 804. ASSISTANCE FOR TUNISIA.

(a) POLICY CONCERNING SECURITY ASSISTANCE.—The United States provides security assistance to Tunisia in recognition of the traditional friendship between the United States and Tunisia and our common interests in the region. The provision of such assistance is also based on the expectation that political stability and development in Tunisia will be best advanced through continued growth of democractic institutions.

(b) EARMARKING OF ESF.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $20,000,000 for fiscal year 1986 and $20,000,000 for fiscal year 1987 shall be available only for Tunisia.

SEC. 805. POLITICAL SETTLEMENT IN SUDAN.

(a) FINDINGS.—The Congress finds that—

(1) friendship and mutual interests bind the United States and Sudan; and

(2) the peace, security, and economic development of Sudan depend in large part on addressing the problems associated with the traditional north-south division in that country through political rather than military means.

(b) UNITED STATES POLICY.—It is, therefore, the policy of the United States that the provision of security assistance to Sudan shall be based on the expectation that the Government of Sudan will make progress toward reaching a political settlement with all parties to the conflict in the south of Sudan.

SEC. 806. ELECTIONS IN LIBERIA.

In recognition of the special relationship that the United States has with Liberia and of the wide variety of interests that the United States has in Liberia, security assistance for Liberia for fiscal years 1986 and 1987 is based on the expectation of a successful completion of free and fair elections, on a multiparty basis, in October 1985 as proposed by the Government of Liberia and on a return to full civilian, constitutional rule as a consequence of those elections.

SEC. 807. WESTERN SAHARA.

(a) UNITED STATES POLICY.—The policy of the United States shall be to support a negotiated political solution to the conflict in the Western Sahara taking into account the principle of self-determination as outlined in the 1981 Nairobi resolution, to encourage a peaceful internationally recognized settlement, and to maintain direct contacts with all the parties to the conflict. As part of this policy, the United States should carefully consider each type of military assistance it furnishes to any of the parties to the conflict and should seek to insure that the furnishing of such military assistance is consistent with United States policy which seeks a negotiated settlement.

(b) FURTHER STATEMENT OF POLICY.—It is the further policy of the United States to support Morocco's legitimate defense needs and to discourage aggression by any country in North Africa against another.

(c) LIMITATION ON ACTIVITIES OF UNITED STATES MILITARY PERSONNEL IN THE WESTERN SAHARA.—Members of the United States Armed Forces may not perform defense services under the Foreign Assistance Act of 1961 or the Arms Export Control Act or conduct international military education and training activities under chapter 5 of part II of the Foreign Assistance Act of 1961 in the Western Sahara so long as there is not an internationally recognized settlement in the Western Sahara.

SEC. 808. SAHEL DEVELOPMENT PROGRAM.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—The third sentence of section 121(c) of the Foreign Assistance Act of 1961 is amended to read as follows: "In addition to the amounts authorized in the preceding sentences and to funds otherwise available for such purposes, there are authorized to be appropriated to the President for purposes of this section $94,500,000 for fiscal year 1986 and $94,500,000 for fiscal year 1987.".

(b) IMPROVING ADMINISTRATIVE CAPABILITIES OF HOST GOVERNMENTS.—Section 121 of such Act is amended by adding at the end thereof the following new subsection:

"(e) Grants shall be made under this section to Sahel Development Program host governments in order to help them enhance their administrative capabilities to meet the administrative requirements resulting from donor country projects and activities.".

SEC. 809. AFRICAN DEVELOPMENT FOUNDATION.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—Section 510 of the African Development Foundation Act is amended to read as follows:

"SEC. 510. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title, in addition to amounts otherwise available for that purpose, $4,000,000 for fiscal year 1986 and $4,000,000 for fiscal year 1987. Funds appropriated under this section are authorized to remain available until expended.".

(b) EXTENSION OF AUTHORITIES.—Section 511 of such Act is amended by striking out "1985" and inserting in lieu thereof "1990".

Mr. BROOMFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, the reason I am smiling, I assume that the gentleman from Michigan is smiling also, Mr. Chairman, is that we are working so rapidly with respect to the matters that are before the Committee that sometimes it gets a little noisy. I appreciate the interest and the cooperation of all those Members who are working so hard even though sometimes it does disturb the Chair, and for that, I apologize.

We will try to do better. We will try to continue our discussions in a softer manner if we can. I would like to ask the Chair though, if the gentleman will yield, and I assume that is the reason he has gotten to his feet, is to find out how much time is left.

The CHAIRMAN. The Chair will state to the gentleman there are 2 hours, 2½ minutes remaining under the limitation.

Mr. FASCELL. Mr. Chairman, it would be my hope and I hope that the gentleman from Michigan would concur, that at least we could conclude the 2 hours remaining in the debate tonight and the amendments that could be considered within that period of time. Barring any votes, that would be roughly 9 o'clock.

Mr. BROOMFIELD. Mr. Chairman, I certainly agree with that. The reason I got to my feet is not only to find the time remaining, but I did want to bring up what I consider one of the most important amendments that we will be considering on this bill which will be the repeal of the Clark amendment.

I wanted to yield to the gentleman from New York [Mr. STRATTON], who will be sponsoring that amendment along with the gentleman from Florida [Mr. PEPPER].

Mr. FASCELL. If the gentleman would yield, I would say we are in title VIII and the amendment is in order. Would the gentleman from Michigan be agreeable to a 1-hour limitation on that debate; 30 minutes to be controlled by the proponent of the amendment and 30 minutes to be controlled by the gentleman from Michigan [Mr. WOLPE].

Mr. BROOMFIELD. That is exactly the request I wanted to make of the chairman; I certainly do agree.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that on the Stratton amendment and all amendments thereto, which is about to be offered, that the debate be limited to 1 hour, 30 minutes of which would be in the charge of the gentleman from Michigan [Mr. BROOMFIELD] and 30 minutes to be controlled by the gentleman from Michigan [Mr. WOLPE].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: Page 125, after line 15, insert the following new section:

SEC. 810. REPEAL OF CLARK AMENDMENT.

Section 118 of the International Security and Development Cooperation Act of 1980 (prohibiting assistance for military or paramilitary operations in Angola) is repealed.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, the amendment that I am offering is a simple amendment. As a matter of fact, the action on the repeal of the Clark amendment was initially a proposal of the distinguished Member from Florida, Mr. PEPPER, the chairman of the Rules Committee, but the gentleman from Florida was, unfortunately, unable to be in the Chamber at this time, therefore, I am assuming his responsibilities on this amendment.

The so-called Clark amendment which some Members may not recognize because it has been 10 years since it was enacted, unfortunately in this body and in the other body, is an amendment which prohibits assistance to organizations conducting military or paramilitary operations in Angola. This is an opportunity for Congress to take a stand on a policy that will promote the interests of the United States in a very vital region of the world; the region of southern Africa.

We are all looking for peace and stability to come to southern Africa. We seek this so that the nations there may get on with the task of meeting the economic and social needs of their people. But there is a problem, a roadblock. There are from 25,000 to 45,000 Cuban troops in Angola currently, and I know that is the thing that disturbed Mr. PEPPER from Florida.

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As long as those Cubans stay in Angola, there will never be any peace there, nor in the entire region. As long as the Cubans are in Angola, the people there will never be free to have their own elections. And as long as the Cubans are in Angola, the democratic forces there will never be able to remove the yoke of communism which is kept in place by Soviet surrogates 10,000 miles from their homeland.

Mr. Chairman, to refresh everyone's memory, this amendment that I am offering is not new. It has been a matter that we have been discussing for a number of years, but I think it is important for us to recognize that the overall strategy for that amendment no longer is current in the United States.

We are providing help to those who are fighting Communist forces in every area of the world. In Afghanistan. We have recently, in this legislation, taken on even Cambodia. Why is it that only in the country of Angola that the military forces of the United States or the provision of aid from the United States should be unable to be carried out?

The pledge that the Alvor agreement that was hammered out by Portugal in 1979 bears a very clear resemblance to the unfulfilled pledges of the OAS made by the Sandinistas without American power backing up the democratic forces. This was true in Nicaragua and it was true in Angola. So the MPLA immediately sought Cuban and Soviet military assistance, and by December 1975 that organization had received $40 million to $60 million from the Soviets, along with 3,500 to 5,000 Cuban troops.

In 1979, in the first manifestation of the so-called Vietnam syndrome, we refused, with timidity, to be involved following the defeat in Vietnam, and as a result we would not even try to help the people in Angola. Later on, the language was changed a little bit, but it has not really changed very, very far.

Mr. Chairman, by repealing the Clark amendment, and we should repeal it, we are asking not that any aid be given to any single Angolan faction. We are only saying that the amendment should be repealed, because by repealing Clark, we will be removing a psychological barrier to all of those who wish to support democratic forces in Angola. By repealing Clark, we will be saying that the President should have the flexibility and the leverage available to respond both to Soviet and to Cuban adventurism in the Third World, especially in an area so rich in economic potential.

Mr. WOLPE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to express the strongest possible opposition to the proposed repeal of the Clark amendment. Rather than strengthening American interests, the repeal of this amendment will directly undermine American interests in southern Africa and throughout the African Continent.

Make no mistake about it, the only real winner, if this amendment were to pass, would be the Government of South Africa, for the repeal of the Clark amendment will be understood not only by all of the peoples of the nations of southern Africa, but throughout the African Continent, as further evidence of America entering into an accommodation with the apartheid regime of South Africa.

Recall the origins of the Clark amendment. It was imposed when Members of Congress discovered that an earlier administration was giving covert support to groups that were receiving their basic logistical assistance

from the Government of South Africa, UNITA in particular.

This amendment is being offered at a time that has just witnessed South Africa's reinvasion of Angola. It was only within about a 2- or 3-week period that the South African commandoes attacked an American installation in Angola, and now what are we proposing to do? To repeal the Clark amendment, that will be understood as an effort to undermine the Angolan Government, to further strengthen the forces that are supporting this dissident movement known as UNITA inside Angola, to further strenthen the South African position within the region.

There are some real ironies in terms of the arguments that are being used in support of repeal of the Clark amendment. We are being told that what we ought to be doing, this country of ours, is to give support to UNITA and to Jonas Savimbi. The radical right wing of this country is apparently operating under the impression that Jonas Savimbi is somehow the embodiment of Western values and supportive of American interests.

Let me quote Jonas Savimbi, who said some time back, that no progressive action is possible, "with men who serve American interests, the notorious agents of imperialism."

Jonas Savimbi was in this country not long ago and happened to spend some time in my office, at which point he acknowledged that contrary to the perceptions of some of those who are espousing his cause in this country, that he, himself, was a Socialist, a Marxist, but he, Jonas Savimbi, was more comfortable with the Chinese model than with the Soviet model.

This is what the gentleman from New York is proposing: that we put ourselves in the position of covertly lending assistance to UNITA and Jonas Savimbi on the theory that this man somehow is really the embodiment of American values and American interests. Nothing could be further from the truth.

The reality is that not only would South Africa be the big winner by the passage of the Clark amendment at this point in time, but so would be the Soviets and the Cubans. It is they who have attempted to portray the United States as having entered into an accommodation with apartheid. The Angolan Government has been negotiating over the past few years with the American administration and has come to the United States not only seeking normal diplomatic relationships, expanded private American investment, it has even gone so far as to make undertakings both publicly and in private diplomacy that they seek to draw down the Cuban combat troops in their country.

I do not know what more a government can do, notwithstanding the presence of 20,000 Cuban troops and 1,000 Soviet and East German advisers, to demonstrate their capacity for an independent course of action.

What are we proposing to do? We are proposing to take a step that can only be understood as threatening to the Angolan Government, enhancing Angolan security concerns, thereby increasing the dependence of the Angolan Government on the Soviets, on the Cubans.

I hardly think that well serves American interests. Let it be clearly understood by people who are undecided at this point on this question that the only understanding that will be conveyed by repeal of the Clark amendment in southern Africa is that the United States and South Africa are in coalition, in alliance. That is craziness. I do not think that there is a Member of this body who intends to support apartheid, but make no mistake, passage of this amendment will be just a cause for rejoicing among the white minority regime in South Africa, it will be a cause for rejoicing among the Soviets and Cubans as well. American interests are not well served.

Mr. Chairman, I urge my colleagues to cast a resounding "no" vote on an amendment that may be well notivated but would have, I think, disastrous consequences for this country.

Mr. Chairman, I reserve the balance of my time.

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Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. FASCELL. Mr. Chairman, will the gentleman yield for an announcement?

Mr. BROOMFIELD. I am happy to yield to the Chairman of the Committee.

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

I simply wanted to announce, Mr. Chairman, that we have reached an agreement that the Committee should rise at the conclusion of the vote on this amendment, and we expect, since the time limitation is 1 hour, that Members can gauge that that will occur in about 1 hour and 15 minutes from now.

Mr. BROOMFIELD. Mr. Chairman, I support the Pepper, Stratton, Broomfield amendment calling for the repeal of the Clark amendment. That amendment was a mistake and we all know it. Now is the time to rid ourselves of this unnecessary restriction on U.S. foreign policy.

Today, there are still 40,000 Cuban military and civilian advisers in Angola. They are making themselves a permanent fixture in Angola. Under the guise of fighting UNITA guerrillas, the Cubans have taken over the government of that country. Their presence is actually undermining U.S. efforts to find a solution to the Namibia question.

While the Cubans and their Soviet backers operate with maximum flexibility around the world, U.S. law ties the President's hands. This self-imposed restriction of U.S. foreign policy cripples our ability to work in the diplomatic arena.

In essence, all we are trying to do is give our Government the same degree of flexibility it already has in dealing with other countries around the world. We are already assisting democratic movements in Cambodia, Afghanistan, and Nicaragua. Why not have the option of extending a helping hand to anti-Communist forces in Angola? A repeal of the Clark amendment would force the Angolan Government to rethink its relationship with their Cuban backers.

The Clark amendment was enacted in 1976, prior to the establishment of the two congressional intelligence committees. At that time, Congress was concerned about its lack of oversight of U.S. intelligence activities overseas. U.S. support of the UNITA democratic forces became the subject of great congressional interest. Now, however, there are two functioning oversight committees and the United States is no longer aiding the democratic forces in Angola. Repeal of the amendment will not result in automatic U.S. assistance to UNITA.

My colleagues, this is an opportunity to confront Cuban and Soviet adventurism head on. Let's give U.S. foreign policy a chance to operate with flexibility. Let's do something which may help to resolve the Namibia problem while the repeal of this amendment is symbolic, it will tell the world that America is like Gulliver in that famous story. We, too, are finally waking up and breaking the thousand cords which bind us.

I urge my colleagues to join me in repealing the Clark amendment.

Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. And so Mr. Chairman, I rise in support of the joint effort by the distinguished gentleman from New York [Mr. STRATTON] and the distinguished chairman of the Rules Committee, the gentleman from Florida [Mr. PEPPER] and myself.

I might make note also of the fact that the chairman of my Subcommittee on Africa made a statement that might suggest that Mr. Savimbi of the UNITA movement is not desirous of seeing the demise of the Clark amendment. Well, the foreign minister of UNITA, Mr. Jeremias Chitunda, was just in the Rayburn Room off the House floor not an hour ago this after-

noon and has visited with many Members here in Washington throughout the last 2 days. He makes it very clear. The forces of freedom in Africa want this Clark amendment dumped in the dustbin of historical gaffes. I will submit, along with my remarks, for the record, Minister Chitunda's article in the Washington Times of June 27, 1985 about the damage to freedom of the Clark amendment.

The article follows:

ANGOLA AND CLARK AMENDMENT

(By Jeremias Chitunda)

For 10 years the Soviet Union has been trying to transform Angola into its most strategic base of expansionism in Africa.

It all started in 1975 when a Cuban expenditionary force was sent to install in power in Angola the MPLA, the long-time Moscow protege, thereby torpedoing completely the orderly decolonization of Angola by Portugal. This decolonization process was already in progress and duly enunciated in the Alvor Agreement, celebrated and signed in January 1975 by the Angolan nationalist movements and the Portuguese government.

According to this agreement, Angola was to become independent in November 1975, and the proclamation of independence would have been preceded by free general elections in October to enable the people to elect their governing institutions in the pluralist democracy that the country naturally needed.

But the preliminary surveys having repeatedly indicated that the MPLA would receive no more than 20 percent of the votes (compared with 45 to 65 percent for UNITA), and the Soviets being naturally averse to pluralist democracy, Moscow decided to put its protege (the MPLA) in power by force.

The Cuban expeditionary force came specifically to crush MPLA's rivals. UNITA had no material means to resist, in conventional warfare, the superior Soviet-Cuban force. For a brief period, however, our appeal was heard and the United States, under President Gerald Ford, gave us assistance; this enabled a temporary parity of forces in the military arena as well as the renewal of hope to drive out all foreign forces and to resume the application of the Alvor Agreement.

Unfortunately, the Congress of the United States shortly introduced the Clark Amendment to cut off and prohibit further U.S. help to UNITA. This happened precisely at a time when such help appeared critical not only militarily but (and especially) also politically and diplomatically. Indeed most friendly countries felt that it was no use to continue their small assistances where the United States had decided to quit.

It was obvious that Moscow was to become the new dominant superpower in southern Africa, so most countries in the region thought it prudent to "join it" since they could not "lick it."

The conflict has been mislabeled "Angola's civil war," when in reality the conflict was triggered and perpetrated by massive outside military intervention. The voices of reason, of freedom and liberty having remained largely passive and disorganized, it was obvious that Moscow would impose its military solution to suit Soviet expansionist ambitions. At any rate it would be unrealistic to think that democracy could prevail worldwide without United States leadership.

Only with U.S. encouragement, help, and leadership can the freedom fighters around the world forge the internationalist democratic solidarity needed to offset the consequences of the ongoing application of the Brezhnev Doctrine in Angola, Ethiopia, Central America, Afghanistan, Indochina, etc.

But even if there were no U.S. material assistance, the United States could still have played a key role, through diplomacy and moral suasion, to avert, in 1975, the Soviet-Cuban take-over in Angola.

Sadly enough, we continue to notice, the struggle for democracy and freedom is generally a lonely cause: the anti-Soviet freedom fighters are lone fighters. Moscow punishes us, for example, in Angola, without apparently offending the so-called "Free World" in general or the United States in particular; but, on the other hand, any sympathy or support to anti-Soviet freedom fighters in Nicaragua, Afghanistan, Kampuchea, or elsewhere is viewed as a direct offense to Moscow.

Despite all the agony and despair caused by the Clark Amendment in 1975, UNITA managed to reorganize its people and its armed forces to continue resistance by guerrilla warfare. While conventional warfare was new to us, UNITA had already successfully employed guerrilla warfare against Portuguese colonialism.

In launching our resistance in early 1976, we had several favorable factors: overwhelming popular support; very competent leadership by Dr. Jonas Savimbi; extensive previous experience in guerrilla warfare; UNITA's popularly acclaimed appeal to dialogue, peace, national unity, and territorial integrity; MPLA's inability to govern and bring prosperity to the country; and the realization by 1977 by all of Angola's neighbors that the presence of the Cubans in Angola would destabilize other countries in the region.

Today UNITA has achieved numerous important victories: our armed force has grown to nearly 50,000 men, well-trained and reasonably well-armed; more than one-third of the country is firmly under our total control, covering 3.7 million of the country's total population of 7 million; the armed struggle has been extended to the whole country, leaving all big cities practically encircled by our forces; we are completely self-sufficient in food, thanks to our well-run agricultural schemes (while the MPLA constantly seeks "humanitarian assistance" on the grounds of imaginary drought); and the number of friendly and helpful countries has increased substantially.

Nevertheless UNITA seeks no military victory, but only a political solution to the conflict. We have been appealing for dialogue and national reconciliation since 1974. We remain firmly committed to national reconciliation, withdrawal of all foreign forces, formation of a government of national unity, holding of free elections, and establishment of durable democratic institutions to preserve individual freedom and national independence.

But, for the time being, the choice is not ours: as long as the MPLA refuses to talk, we must pursue our armed resistance.

Whatever the evolution of the politico-military situation inside Angola, and whatever the prospects of an outright military victory aginst, the Cuban expeditionary force, the attitude of the United States toward the Angolan agony remains a crucial factor.

Today there are, by our estimate, 45,000 Cubans, 1,500 Soviets, 2,500 East Germans, 80,000 MPLA (Angolan) troops, and thousands more internationalists from pro-Soviet Communist regimes around the world. Sophisticated Soviet military hardware continues to be unloaded in large quantities in the country.

It is costing about $4 million a day to fight UNITA in Angola; but this is really not hurting Russia: Gulf Oil Co. in Angola accounts for nearly 100 percent of the MPLA's foreign earnings. Were it not for this U.S. economic help, it is doubtful the Soviets would bear the rising cost of fighting us.

It is indeed this U.S. company that is literally paying for the Soviet-Cuban occupation of Angola. But the United States help to the MPLA regime goes much farther: U.S. Export-Import Bank loans to the Luanda regime have totaled more than $130 million, businessmen have been encouraged to invest in MPLA's Angola; humanitarian assistance to the MPLA has been flowing to the tune of several million dollars a year; while, on the other hand, the Clark Amendment has been in force to prohibit U.S. help to UNITA.

The significance of the Clark Amendment goes far deeper than just barring U.S. assistance to UNITA: the Clark Amendment has been invariably interpreted by our friends in Africa, Europe, Asia and the Middle East as U.S. opposition to Angolans resistance to Soviet imperialism.

The Clark Amendment does not only hamper material support to UNITA but it also effectively isolates us in the international community. The "pro-Western" label pinned on UNITA actually belies the notion of friendship and active solidarity with the West in our struggle for freedom and democracy. The MPLA has been exploiting the Clark Amendment to promote the idea that UNITA's cause actually has been so unworthy that even the greatest democratic nation on Earth refuses to recognize it.

Repeal of the Clark Amendment, however, would not lead to material support UNITA; but it would enormously improve the U.S. diplomatic efforts; it would give the United States negotiators added leverage and strength, with benefits to all parties concerned.

The United States' diplomatic efforts remain the best hope for negotiated solutions to our problems in the region. The repeal of the Clark Amendment would create a balanced posture of the United States in relation to the legitimate aspirations of the parties involved in the conflict; such a balanced, fair posture would allow the United States the conduct of a diplomatic brokerage that would not be perceived as leading to sacrifice some participants against the others.

A successful U.S. diplomatic effort need not threaten anyone (except the Cubans and the Russians).

Mr. WOLPE. Mr. Chairman, will the gentleman yield for a question?

Mr. DORNAN of California. Yes, certainly, I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman may have misunderstood my own observation if it was my remark to which he was referring. I did not say that Mr. Savimbi would oppose repeal of the Clark amendment. Of course, Mr. Savimbi would support repeal of the Clark

amendment so he can receive further assistance, just as he is now receiving it from South Africa.

My point is that Mr. Savimbi, contrary to some impressions in this country, is Marxist, and that the issues that divide him from the government are much more ethnic and involve personality conflicts and have nothing to do with ideology. So I say that by our supporting him we are effectively supporting South Africa.

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman. However, we have seen over the past 20 years many naive African leaders, nationalist leaders, who embrace Marxism initially without understanding that it entails secret police, midnight arrests, kangaroo courts, Gulag concentration camps, and death—killing by the thousands—the iron embrace of the bear, and with it the oppressive embrace of Castro himself. The embrace that chokes off all pluralism and ends for years any chance for freedom to flourish.

I think that Mr. Lew Lehrman of New York in his recent trip to free Angola with other freedom fighters from different parts of the world heard a different and true version of Mr. Savimbi's political beliefs. Lew Lehrman says that Mr. Savimbi has come to realize that President John F. Kennedy was correct in that. There is a twilight struggle that will continue for the rest of our lives between the forces of communism and the forces of freedom.

I would agree with the gentleman that there might be some misguided celebrating in Pretoria, and, frankly, I do not like to do anything that makes them in Pretoria feel smug about their foreign policy. But I will tell the gentleman where the real celebrations will take place if the Clark amendment survives tonight. I know that my good friend, the gentleman from New York [Mr. SOLARZ] is torn on this point of Communist gloating over what we do in this Chamber. Communists will celebrate in Havana, Cuba, tonight if Pepper-Dornan goes down. They will celebrate in Moscow. They will celebrate in many Communist capitals around the world. They will certainly celebrate in Managua if we do not finally, after a decade of watching the forces for freedom lose struggles or cling precariously to freedom, reject this Clark amendment tragedy.

We should do what's right here, tonight and not care where people celebrate. It is time to trust the President of the United States.

I took note that in a "Dear Colleague" letter circulated by my distinguished chairman and my friend, the gentleman from New York [Mr. SOLARZ] and Mr. WOLPE that they said current U.S. policy of our President is improving matters in Angola. I would say, then, let us trust the President. I have spoken to the highest possible person on policy at the Department of Defense other than Secretary Cap Weinberger himself, and Mr. Fred Ikle asked me to pass on to you distinguished gentlemen the following assurances. There are no plans at present—repeat—no plans to send military aid to UNITA. I know your trust factor has gone up exceedingly in recent days for Mr. Reagan given how you have complimented the President for his excellent handling of our hostage crisis last month. Repeat—there are no new plans to give aid to Jonas Savimbi. It is the principle upon which the administration insists on defeat of Clark. This Dornan-Pepper amendment only moves the peace process forward. Vote for freedom. Repeal Clark.

Mr. Chairman, in the dark days of the American spirit following the self-inflicted agony of Watergate, and the abandonment of Southeast Asia to the invading armies of North Vietnam, it was a self-fulfilling prophecy that the United States had become a hamstrung giant. Somehow for this country to use its power was to abuse its power. In the words of an old expression, we threw the baby out with the bathwater.

In the midseventies the Portuguese finally gave up their colonial ghost, and pulled out of Africa and the East Indies. Just prior to that, the officer corps of Portugal became enamored of a late blooming "mystique de la Roche" and was thoroughly infested with marxism. The unfortunate part of this was the visitation of this ideology on some groups in Angola. These left wing or Communist locals were favored with first crack at weapons and equipment left behind by the departing Portuguese. There has been trouble in Angola ever since, with the Soviets gaining an easy strategic foothold. Although there were groups who were not automatically in the Soviet corner in Angola, they were at a disadvantage. In order to even the battle a bit, since the popular movement for the liberation of Angola [MPLA] had substantial Portuguese weapons, we and others in 1974–75 did begin a program of covert assistance. It was this effort to offer the forces of freedom a chance that fell victim to the Vietnam syndrome.

I will digress briefly, for those of you who think the words "Vietnam syndrome" are overworked or imaginary. I recall Maj. Gen. John K. Singlaub returning amid some controversy from his command in Korea at about the same time, that summer of 1975. He was testifying before the Armed Services Committee, and discussing our commitments and some of the dangers to be faced in Korea by this country and our Republic of Korea allies. One of our esteemed colleagues spoke up and said he did not want to see the United States involved in another Vietnam in Korea. That was Mr. DELLUMS of California.

Following the enactment of the Clark amendment in early 1976, the Angolan situation was abandoned to the Soviets and their Cuban surrogates. The South Africans were of course concerned at the presence of 70,000 Cuban troops and their Soviet connections, as they should have been.

The result was an uncomfortable marriage of convenience between the UNITA forces and the South Africans. But, for UNITA, it worked. They are still around stronger than ever. Jonas Savimbi has steadily gained in stature as a leader of the forces of freedom, and has steadily extended his influence.

In a word, UNITA is a force of the future. The MPLA have gone into virtual eclipse, with no credibility beyond that afforded by the support of thousands of Cuban mercenaries. How are we to deal with such a force as UNITA? Send love letters, with regrets that the law keeps us from being more helpful?

I believe that the unconstitutional restriction of the President's power as represented in the Clark amendment, section 118 of the International Security and Development Act of 1980, should end. Simple repeal of that section of law will send a powerful signal that we have not dealt ourselves out of Africa; that we are not terminally ill with the dreaded "Vietnam syndrome."

I note that some of my colleagues argue that UNITA/South African forces attacked the Chevron/Gulf Oil installations in Cabinda, and that this signified that UNITA's advent is antithetical to U.S. interests. In the first place, I am not sure I accept the description of the event circulated in a "Dear Colleague" letter of today's date. I have heard a different version. But, that aside, given this country's deliberate avoidance of any opportunity to build bridges to UNITA, what might one expect? Is it not possible that we are being served notice that we cannot have our cake and eat it? Can you blame UNITA's leaders?

Mr. Chairman, we cannot in conscience drive the Savimbi forces into the arms of the South Africans and at the same time criticize them for that liaison. And we cannot tie the President's hands and expect him to conduct a vigorous foreign policy.

In conclusion, Mr. Chairman, we have all observed that you can tell when you are getting close to a liberal article of faith by the sudden increase in the level of noise, if not the content, of the discourse. Last week, I distributed a "Dear Colleague" on my Dornan amendment which pointed out simply and accurately that this country's dealings with Angola are handi-

capped by the Clark amendment. I noted that this measure was a product of the foreign affairs funk which afflicted the United States after the fall of Saigon, and that only Jonas Savimbi and UNITA had kept Angola from falling completely into the Soviet sphere. I also indicated that my rationale for striking this unnecessary restriction was to free the President's hands. I believe that if the President is able to aid non-Communist resistance in Angola and elsewhere, he won't have to do so. Our self-imposed weaknesses only invite the Soviets to move with impugnity to expand their influence.

Now my esteemed colleagues Mr. WOLPE and Mr. SOLARZ have apparently decided that perhaps you will decide there is no further reason to abandon Angola to the Soviet-dominated MPLA and help repeal the Clark amendment. I thought so or I wouldn't have drafted the repeal amendment.

As for their arguments in this debate, I say only that UNITA since our unilateral withdrawal has had no other source of supply except South Africa, and that the aid has been largely restricted to commercial purchases of nonlethal supplies. Even liberal observers of the African scene are beginning to recognize that Savimbi should have been included in the Government from the outset. Without Cuban terror UNITA would control Luanda in a matter of weeks, probably days.

We have a choice. We can support the forces of black freedom in Africa or we can abandon UNITA to its own devices to survive as best it can. I would rather we had a part in its success—even the small one of perception. Repeal the Clark amendment, my colleagues. It is an ignominious tragedy that it was passed in the first place.

Mr. WOLPE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, the distinguished chairman of the Subcommittee on Africa, the gentleman from Michigan [Mr. WOLPE], laid out the arguments, I think very clearly and very simply and very forcefully. Repeal of the Clark amendment does tremendous harm to the United States of America and plays directly into the hands of the Government of South Africa, the Government of the Soviet Union, and the Government of Cuba.

□ 1920

What it does is to tell the entire African continent that, in spite of all the protests and the many sincere efforts within the American community at large, and within the Congress itself, condemning South Africa for its apartheid policy, that our obsession with communism is such that, in the name of anticommunism we will undertake to do those things which will even hurt the very people within a particular area whom we say we intend to help.

Now, let us put the situation in Angola in context. The Cuban forces were invited into Angola by the Government of Angola because the Government of South Africa was providing direct military support to the people attempting to overthrow the Government of Angola. There was great danger that the Government of the United States would become covertly but directly associated with South Africa in that effort to overthrow the Government of Angola.

Now, why in heaven's name at this stage when there are plans almost completed, a schedule just about agreed upon for the removal of the Cuban forces from Angola, why would we take a step which would create such anxiety in the Government of Angola that they would have to feel that the thing to do is to keep the Cuban forces there whatever the cost?

It just seems to me that that plays against our best interests. It diminishes what we say is our aim, which is to have the Cubans leave Angola and it destroys the credibility of the United States in the eyes of the people and leaders of Africa and around the rest of the world.

Those of us who serve on the Africa Subcommittee and who have had occasion to visit in the southern regions of Africa know that South Africa has been waging war in various ways against the various countries which surround South Africa. They have in the case of Mozambique directly involved themselves in blowing up facilities and pipelines. They have created all kinds of pressures through Namibia and on Angola. They have attempted to undermine the Governments of Zambia, Tanzania, and Zimbabwe.

The CHAIRMAN. The time of the gentleman from New York [Mr. WEISS] has expired.

Mr. WOLPE. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. WEISS. Mr. Chairman, through the great efforts of the U.S. Government, pressures have been brought to try to stabilize conditions in southern Africa.

I know that the Reagan administration nominally supports repeal of the Clark amendment, but there has been no great pressure coming from the administration. Indeed, just recently when the Government of South Africa undertook to support commando attacks into Angola, the Government of the United States, the Reagan administration, recalled the American Ambassador to South Africa as a sign of its disapproval.

For goodness sakes, will those in this body who are burdened, overwhelmed, obsessed, with anticommunism, recognize that there are times their obsession plays against the best interests of the United States of America?

I urge defeat of the amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of the Pepper-Stratton-Broomfield amendment, and urge my colleagues to also support it.

Mr. Chairman, the arguments in favor of repealing the Clark amendment prohibiting U.S. operations in Angola are numerous. First, it was adopted during the hey-day of anti-U.S. and anti-CIA sentiment here in the Congress in the mid-seventies. Hopefully, those days are behind us now. Americans realize that the CIA performs an invaluable service to this country. As a matter of fact we are all too often reminded of how weakening the CIA has hurt our national interest. Most Americans further realize that the days of "America on the decline" are no longer. We are strong again, we are willing and able to defend our interests both here and abroad, and we understand that an effective foreign policy demands that we play an active role in regional issues, in order to bolster the hand of those nations and groups who look to the west for assistance and with admiration, and to promote and protect American interests.

Second, Mr. Chairman, we have a strong interest in not being prohibited from aiding UNITA, the Union for the Total Independence of Angola, in their struggle to free their country from the grip of Marxism-Leninism. The country is presently ruled by the so-called Popular Movement for the Liberation of Angola [MPLA]. Over 30,000 Cuban troops are presently the only buffer preventing the victory of Jonas Savimbi's UNITA which, coincidentally, controls almost half of all Angolan territory and administers food, governmental services, and so forth, to a large percentage of Angola's people. In addition, UNITA, I have been informed, commands the respect and support of a majority of Angolans, including even some of the MPLA's own army.

The United States once supported Mr. Savimbi in his struggle against the Cubans and Marxist MPLA, but because of the adoption of the Clark amendment, we were prevented from seeing through our commitment to UNITA's gaining power and freeing the Angolan people, or from even considering such aid. It is time, Mr. Chairman, that the United States remove this unnecessary and out-dated shackle preventing U.S. flexibility.

Third, the people of Angola are suffering terribly under the present

regime. According to the State Department's country reports on human rights, "The MPLA have established a one-party state with restrictions on freedom of expression and political opposition * * *" where "the citizens do not have the right to change [or participate in] their government." It is a moral imperative for this body to urge change in that nation. We have done that, and the IMPLA government has not—repeat not—responded. It would seem the best avenue available for freeing the Angolan people is the coming to power of Jonas Savimbi and UNITA, with or without MPLA.

Mr. Chairman, it is high time this body removed this unneeded and prohibitively restrictive language which ties the President's ability to pursue an effective foreign policy. There is a growing movement across the globe in opposition to Marxist-Leninist, dictatorial governments that do not hold the support of the people under their yoke. It is now the Soviets and their despotic proxies which are on the decline and on the defensive, not America. Democracy and freedom is on the rise. Let us remove this impediment to furthering freedom in southern Africa. Let us think about the long-term future of the region. Do we wish to see the Marxist MPLA in power for the remainder of the decade? The remainder of the century?

I applaud my friends from New York, Florida, and Michigan offering this amendment and I urge its adoption.

Mr. WOLPE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I thank the chairman and the gentleman for yielding me this time.

I rise to oppose the amendment and to express some frustration with trying to understand the true purpose of this effort, I think this misguided effort, to repeal the Clark amendment.

If in fact it is a way of removing a legal restriction on funding the forces of UNITA, it is done in a way that is inconsistent with the approaches we have taken in recent months and I think in somewhat a backhanded fashion, because would it not be better in that case to come forward as the administration did with the Contra funding, as the gentleman from New York [Mr. SOLARZ] did with the funding of the non-Communist factions of the Khymer forces and debate that issue on the merits, what it means in terms of national interest, what are its justifications in terms of our standards of morality and to debate it head on, instead of to simply repeal the restriction and not confront the issue directly.

The gentleman from California [Mr. DORNAN] who is knowledgeable on these matters says he has talked with the administration and there is no intent to fund UNITA through this mechanism by repealing the Clark amendment.

Well, in that case, if this is simply a conceptual question, an issue of sending a signal, I suggest it is the wrong signal to send. It is a signal at the same time as we are trying to indicate our independence and our disassociation from the conduct of South Africa, both domestically in terms of the enforcement of apartheid and in their own world conduct as they pursue their foreign policy through aggressive and disruptive measures, it is an association with them by repealing the Clark amendment. It is an association with the forces which will set us apart from the rest of Africa and hurt our own foreign policy interests materially. It is an effort which will push even further certain forces into the orbit of the Soviet Union and their satellites like Cuba.

Mr. Chairman, for all these reasons I suggest that if we are going to try to do something with respect to the Angolan Government that is not in the context of this administration's efforts to negotiate a settlement there, let us put it forth directly so Congress can engage in the proper oversight. If it is to send a signal, let us send a good signal, not a destructive signal.

Mr. Chairman, I ask for a no vote on the amendment.

Mr. WOLPE. Mr. Chairman, I yield myself 2 minutes, simply to emphasize the point that was being made just now by the gentleman from California.

The last time we went through this question when the administration 4 or 5 years ago indicated its intention to move to repeal the Clark amendment, there was suddenly a movement among the representatives of all the black States at the United Nations who released a joint statement condemning the apparent drift in the administration's policies toward South Africa and warning of the dangers of lifting the Clark amendment.

During that same period of time, the presidents of the front-line states in the region most directly threatened by South Africa, who were working closely with the United States, with the British, and the French, and the Canadians, and the Germans in attempting to secure the independence of Namibia, all characterized the administration's decision to repeal the Clark amendment as an effort to destabilize Angola and they made the point then, which is still valid today, that that perception of an intention to destabilize Angola would directly undermine American influence throughout the region, indeed throughout the African continent.

There is no way America's interests are being advanced by this initiative.

The point has been made that I will not dispute, that in an ideal world the kind of inhibition on Presidential freedom of action that was imposed by the Clark amendment should not be necessary. In fact, my own subcommittee has taken the position of supporting the eventual repeal of the Clark amendment, but not now, not in the context of South African aggression against Angola and in the context of growing concern throughout the African continent that America has entered into an accommodation with apartheid.

It is simply very harmful to American interests to pursue that at this point.

□ 1930

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to another Michigan man, the gentleman from Michigan [Mr. SILJANDER].

Mr. SILJANDER. Mr. Chairman, I thank the gentleman from Michigan for yielding.

I would like to address several points made by the other gentleman from Michigan and others. It seems like it is all right to aid the Contras with humanitarian aid. It is all right to help the freedom fighters in Cambodia. It seems OK to help the freedom fighters in Afghanistan. But yet there seems to be some question of whether or not Angola is a Marxist country. There seems to be some question of whether or not we should assist UNITA, the freedom fighters there.

So can 40,000 Cubans leave any doubt in anyone's mind, with a contingent of East Germans, North Koreans, Soviets, Bulgarians, and Czechs? Can this possibly lead anyone to have any question that the nation of Angola is embedded, totally embedded as a Marxist-Leninist nation that would fall instantly because of lack of popular support if it were not for those 40,000 Cuban troops, and advisers, and others from the Eastern bloc nations?

The other argument was that this is going to undermine American policy and interests in the region. I certainly think that 40,000 Cuban troops easily influence far more and undermine our policy more than would the President maybe contributing some aid to freedom fighters in UNITA who are within inches of victory today. And there will never be a solution in Namibia, never, until the Cuban troops there leave. And according to Castro that is not any time soon.

So it is an accommodation to the South African apartheid, racist system. So if they support UNITA, therefore we should oppose it.

Well, it was not good not too many hours ago regarding Mozambique. The South African Government does assist Mozambique. The South African Government wants us to assist Mozambique, and yet the same gentleman opposes repealing an amendment that

would repeal aid to Mozambique, an obvious inconsistency.

The funds from South Africa go to Savimbi and UNITA. South Africa, as I said, already gives funds to Mozambique as well.

"Oh, not now, I am for it later." They have been saying that since the 1970's. And the last argument I think is the weakest of them all, that if we somehow assist UNITA it could increase the influence of Eastern bloc countries, Cubans and Soviets in the region.

How ludicrous. That is what they said in 1976. They said if we just engaged the Clark amendment and prohibit any assistance, then the Soviets and the Cubans, the small amount that were there, then would leave.

The amount has grown incredibly, so that false notion has not worked at all since 1976.

Mr. McCAIN. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I will be happy to yield to the gentleman from Arizona.

Mr. McCAIN. I thank the gentleman for yielding.

Just 24 hours ago this body voted $5 million in aid to a valiant group of non-Communists who were struggling to free their nation from the yoke of an invader who also is Marxist-Leninist. It seems inconsistent to me that this particular amendment would be turned down since Angola is a nation which is garrisoned by 40,000 troops from many thousands of miles away, and one which has suffered under the yoke of Marxist-Leninist for a great time.

Defeat of this amendment will reaffirm the Brezhnev doctrine that once one nation becomes a Marxist-Leninist nation it will forever remain so.

Passage, I say to may colleague from Michigan, would send a message throughout the world that this Nation is willing to provide the moral, and if it is in the U.S. vital, national interest and best national interest to do so, the material aid to free those nations that are struggling to throw off the yoke of Marxist-Leninism.

I think we have a clearcut case here, particularly when we talk about eventual repeal and that 9 years is long enough. The original intent of the legislation was that there would be an immediate and short-lived reaction and that very soon the Cuban troops would be removed from Angola if the United States did not become involved.

I urge the passage of the Pepper-Broomfield amendment.

Mr. SILJANDER. I thank the gentleman.

This amendment seems to help black Africans seeking freedom from Marxist-Leninist tyranny which places them in a desperate economic plight with serious human rights violations. It is time that we stand up for UNITA, for the black freedom fighters there, as we have been willing to stand up for Afghanistan, Cambodia, and the Contras in Nicaragua.

Mr. WOLPE. Mr. Chairman, how much time has been consumed?

The CHAIRMAN. The gentleman from Michigan [Mr. WOLPE] has 16 minutes remaining, and the gentleman from Michigan [Mr. BROOMFIELD] has 10 minutes remaining.

Mr. WOLPE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, one of the sad facts of life is that very few of us have had much opportunity to really learn and study the African continent. It is a pretty distant place and there were a number of times when not knowing much about the realities, the history, the nature of the societies, we have responded to labels we think we understand, and sometimes have missed the reality very, very directly.

Originally the United States entered into supporting covertly UNITA because the MPLA was being, in fact, supported by the Soviet Union. And it was our perception, the perception of American policymakers back in the 1970's, that the others who were fighting the MPLA were anti-Communist, pro-American.

Holden Roberto headed up one of those groups, and Jonas Savimbi headed up the other group.

Do you know who assisted America in supporting those two? The North Koreans and the Chinese, because the reality was that the differences among the parties, among the various factions that divided in the course of the nationalist movement in Angola had nothing to do with ideology. They had to do with ethnicity.

Jonas Savimbi based his popular base upon the Ouimbunda people, and Holden Roberto among the Bakonko people, and Mr. Nato among the Mestizo population of the country. Those were the differences, but because we did not understand that a lot of folks got suckered into making a decision that was simply based upon ignorance. I might suggest today a number of people are being suckered in the same way as Mr. Jonas Savimbi is now espousing Western capitalistic values, depending upon the audience he speaks to.

But when he is talking to others he is very much more openly acknowledging his Marxism and indeed his real great affinity for the Chinese model of Marxism.

We are not understanding the complexity of what is happening in Angola. But what we are doing, and the one thing that all of the elements of the Southern African populations do understand is that South Africa represents the greatest source of instability in that country. It is South Africa's retention of the apartheid system, it is South Africa's illegal occupation of Namibia, it is South Africa's invasion and occupation of Angola that gives the opportunity to the Cubans and to the Soviets to expand their influence in that region.

What we ought to be doing is trying to assist those governments and those peoples to extract themselves from that dependence. We are not doing that, to the extent that we now appear to be engaged upon an attempt at subverting the Angolan Government.

Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, we face a very important decision here this evening. It is one that should be thoughtful and carefully decided.

I come before you to urge a no vote on the repeal of the Clark amendment. Let me tell you why.

What the Clark amendment was introduced to do was to prevent covert U.S. military involvement in Southern Africa, in Angola, in the overthrow of a government by the use of U.S aid and assistance to militarily help an insurgency.

□ 1940

The Congress decided then that that was not an appropriate role for the United States. They decided it for a variety of reasons. One, that it was not in our best interest to have a military involvement; two, that those insurgency forces were being supplied by the apartheid South African regime and thus we would be closely connected with that apartheid regime which we supposedly abhor.

Third, we would also exclude and make more difficult the possible solution to the question of Namibian independence by such an action. So we decided that then we would pass an amendment that would say that the United States would be prohibited from covert military action in southern Africa and Angola. Now I know that there are those here tonight who will tell you that: "Look, we got to stand up to Communist expansionism and this really is an attempt to stop Communist expansionism. And even if we have got to provide military assistance like we are doing in Nicaragua we need to do it all over the world even if it is 6,000 miles away in southern Africa."

But that is not the issue, my friends, that is not the issue, because the issue in southern Africa is not Communist expansion, the issue is majority rule, and freedom, and independence for people who are enslaved.

Thus, when you support the repeal of the Clark amendment what you will be doing is supporting the continued oppression of the majority people there and you will therefore provide fertile ground for Communist expansion.

I do not want to see communism expand in southern Africa. I have been there. I have been to each one of those front-line states. Every time the United States of America is perceived as siding with apartheid, what we do is strengthen the possibility of the expansion of communism.

So if you want to stop communism then you must vote "no" and not to repeal the Clark amendment but to maintain the fact that we militarily will not get involved in a partnership with any insurgency campaign that is funded by South Africa and thus be perceived as militarily supporting the apartheid regime's expansionist efforts in southern Africa. That is the issue.

I join my colleagues who are concerned about communism in Africa. But one of the good things that we have seen in the last few years is that communism has been losing its foothold in Africa. The Marxist model has not been working in many places. We have seen a repudiation. The ties that we thought were going to be in some states between Moscow and their leaders are not there today, as the same people who are now supporting this amendment predicted 5 and 6 years ago.

If you want to prevent communism from expanding in that area, vote "no" on the repeal of the Clark amendment and therefore clearly identify ourselves as not willing to provide military aid to the same troops that are being provided military aid by the South African apartheid regime.

I say that with knowledge to this body. Just a few weeks ago we voted 295 to 127 to change our role in that region. If you vote tonight to repeal the Clark amendment, in one sense you will be repudiating what we did just a few weeks ago. You will be saying you do not mind being identified with the military expansionism and the incursions of the apartheid regime.

I say to you I am not in love, or favor, or necessarily support the Angolan Government presently in office, but I submit to you this is the wrong solution, this is the wrong strategy to address the problem.

So, my friends, I urge you to remember why we passed it and ask yourselves and ask your constituents and ask America: Does America want us to be funding military insurgency 6,000 miles away, not even a neighboring country, in support of an insurgency supported by South Africa and Botha regime? I think they would say "no" and it is not a question of tying the hands of the President. It is simply saying that we, the American Nation, do not want that kind of military involvement.

So I urge you to reject the amendment which would repeal the Clark amendment which we passed in 1976.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Rules, the gentleman from Florida [Mr. PEPPER], the principal sponsor of this amendment.

Mr. PEPPER. Mr. Chairman and my colleagues of the House, I wish to thank the distinguished gentleman from New York [Mr. STRATTON] for offering my amendment and I am pleased to be identified with the gentleman from Michigan [Mr. BROOMFIELD].

This is not a complex matter at all unless you wish to make it so. The President of the United States has long favored the repeal of the Clark amendment. The other body only recently, by a large bipartisan majority, voted to repeal the Clark amendment. So the simple question facing this Chamber is whether this House refuses to allow the world to perceive the United States as still interested in freedom and democracy for this tragic part of the world.

We are not advocating that we give any money to anybody for anything. We are not asking that any action whatsoever be taken. We are not seeking to get any kind of aid, military or civilian, or humanitarian. We are simply saying let us remove the perception that the Clark amendment gives the world that we washed our hands of Angola and saying to mankind, "As far as we are concerned, they are off limits. We washed our hands of any concern for their ever enjoying the munificence of freedom and liberty."

So Mr. Castro can boast that he has already sent 200,000 Cuban Communist soldiers to fight for communism and tyranny in Angola, but we say "Hands off, we are not interested, don't count on us for anything; don't expect any help from us."

The Soviet Union has poured military equipment and power and economic funds into that area to support Communists but, America: "We are sorry, we are not having anything to do with that area. You know, we have the Clark amendment."

Now the argument is made and it seems strange to me, it is an emotional appeal by our distinguished colleagues; they say that South Africa is helping the party that is fighting for democracy and freedom and therefore we must not help it.

I do not know whether South Africa is giving anything to help the starving in other parts of Africa or not; I do not remember any of our colleagues raising the question here when we were voting aid to the hungry in that dark continent of Africa saying, "Wait a minute, I do not want to vote for any aid to any of those starving people if South Africa is going to help them."

"I do not want to help any starving people that South Africa is trying to feed."

□ 1950

I am reminded of what Churchill said when Hitler attacked Russia. Nobody had been more aggressive in his fighting against communism than Winston Churchill, but when Hitler, the dastardly Hitler, attacked the great nation of Russia, with its might and power and many people, what did Churchill say? "Oh, no, I do not want to get any help from those Communists against Hitler."

Churchill said, "I think the world knows about my attitude about communism, but I have the same attitude about the devil, but I'd say a few kind words for the devil if I knew he was against Hitler."

And so if for once South Africa happens to have done something right and decent, that is not going to prevent me from doing something right and decent.

It seems to me, therefore, that we have gotten somewhat mixed up in trying to define what the real issues are. All we are saying is, those people in Africa, they have a right to be free; we may not be able to help everybody to the same degree, but do we need to write anybody off? Do we need to tell the world, "No, you're out of bounds when you get to Angola as far as the United States is concerned."

We have in this bill, they tell me here, aid to over 60 nations, but we cannot even deal with this.

Let me say this: The Statue of Liberty invites men all over the earth to come to freedom—that includes Angola. I hope you will adopt this amendment.

Mr. WOLPE. Mr. Chairman, I reserve the balance of my time. We have only one more speaker.

PARLIAMENTARY INQUIRY

Mr. BROOMFIELD. Mr. Chairman, if I may pose a parliamentary inquiry, I thought I had the right to close the debate on this side; is that not right?

The CHAIRMAN. The Chair will state that the gentleman from Michigan [Mr. WOLPE] has the right to close debate.

Mr. BROOMFIELD. It is our amendment, Mr. Chairman.

The CHAIRMAN. It may be the gentleman's amendment, but the committee that is managing the bill has the right to close debate.

Mr. BROOMFIELD. Mr. Chairman, may I ask one further question. Does the gentleman from Michigan have one remaining speaker?

Mr. WOLPE. That is correct, Mr. Chairman.

Mr. BROOMFIELD. Mr. Chairman, following the Chair's instructions, I yield the balance of the time to close debate to a distinguished member of

the Committee on Foreign Affairs, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, the word was given by the gentleman from Pennsylvania that majority rule was important in Angola. You will never get majority rule as long as the MPLA, supported by the Soviet Union stays in power; there will not be elections; there have not been for 10 years. They are the minority party, but supported by the Soviet Union.

The London Times of June 7, 1980, referred to the Clark amendment as one of the most vivid manifestations of the paralysis of American power in the 1970's.

Well, it is 10 years later, and let us take a look and see where we are.

Now we have a letter from Mr. SOLARZ and Mr. WOLPE on this issue, and in this letter, I want to quote:

It should also be pointed out that a repeal of the Clark amendment and the threat of renewed U.S. intervention would likely increase Soviet influence in Angola, as well as the Cuban troop presence, by pushing the Angolans toward greater reliance on Soviet and Cuban assistance.

Well, I harken back to January 27, 1976, to my friend Mr. SOLARZ, who then was in this same debate on this same issue, and here is what he said:

Mr. Speaker, I deplore the involvement of the Soviet Union in Angola, but I do not believe that simply because the Russians are gratuitously—

I like that word, "gratuitously"—

involved in some remote area of the world we necessarily have to be engaged there as well.

The real issue is not whether we withdraw from the world but whether we choose to involve ourselves in what is in essence a tribally based struggle, the outcome of which is ultimately unrelated to our own national security.

We are told that, if the MPLA is triumphant in Angola, it will result in the establishment of a Soviet satellite in that area, but the fact is that the tides of nationalism run far stronger in Africa than the imperatives of ideology. Having just managed to extricate themselves from the clutches of the Portuguese, the Angolans are most unlikely to submit themselves to the domination of the Soviets. Even if the MPLA is triumphant—and that is something nobody can be sure of—the Russians are unlikely to have any more influence in Angola than they now have in Mozambique, in Algeria, or in Egypt

* * * * *

I believe there are areas in the world in which we have a legitimate interest in curbing the spreading of Soviet influence, but I do not believe Angola is among them.

So we write Angola off, and write the whole continent off.

Now we move up to another argument. By the way, they sure have not become a Russian satellite; there are 30,000 Cuban combat troops there today as we talk; 10,000 to 15,000 military and civilian advisers in addition to that; 1,200 Soviet military advisers; 1,500 Soviet civilians—remember what a struggle we had to get 55 advisers in El Salvador—there are 500 East Germans, there are 2,000 to 3,000 Romanian, Czechoslovokian and Bulgarians, and the North Koreans, of all people, 200 of them there.

Now you talk about South Africa. Well, is not our failure to help Savimbi driving UNITA into the arms of South Africa? We talk about driving the Angolans into the arms of the Soviets, but when we are too fastidious to involve ourselves in this remote portion of the world—what was it, 6,000? My God, 6,000 miles away! How far is Cambodia?

But I digress—6,000 miles away, we will not involve ourselves. It is not important. Africa does not count. I am shocked, I am shocked.

Now let me tell you how important Angola is to the Soviet world system. Luanda, which is the important port there, in Luanda, Angola provides a reconaissance base for the Soviet Union. During peacetime, the Soviets maintain a data base on maritime shipping and international trade.

From Luanda, the Soviets monitor 27,000 ships annually, which transit the Cape of Good Hope passing through the South Atlantic; including 60 percent of the oil for West Europe. The Soviets could interdict this source of petroleum, marginally unopposed by allied navies, at least at the onset of conflict, et cetera, et cetera, et cetera.

Now, the Clark amendment protects the Cuban troops that are over there. The Clark amendment protects the East bloc countries and the Soviet Union.

Why is it un-American, why is it indecent to help forces in Nicaragua, in Cambodia, in Afghanistan and yes, in Angola, to resist Marxist-Leninist tyranny? I do not quite understand that. Now, you can go through the record and you hear the geniuses with the gift of prophecy saying, "Don't worry, Angola won't go Communist." Well, you are wrong, you are wrong.

Mr. WOLPE. Mr. Chairman, to close debate, I yield the balance of my time to my distinguished colleague, the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding. I will not comment on the extraordinarily eloquent address of my very good friend from Illinois [Mr. HYDE] inasmuch as it would be presumptively immodest for me to comment on a speech which consisted for the most part of quotations coming from my own address on the floor of this Chamber, but insofar as my very good friend from Florida, our very distinguished chairman of the Rules Committee is concerned, I can only say that, as I listened to his marvelous and very moving address, that I was reminded of the observation that was made about him in the context of one of his campaigns a few decades ago when his opponent was moved to observe that the gentleman's sister was a noted thespian in New York; and I understood, listening to the gentleman from Florida, that great performances obviously run in the family.

□ 2000

Now, if I can return this debate to what should be its fundamental essence, I think we ought to consider the same extent to which the adoption of this amendment would advance the national interest of the United States in southern Africa. Insofar as Angola is concerned, we clearly have two fundamental interests at stake. The first is to secure the withdrawal of Cuban forces which are in that country, and the second is to secure internationally recognized settlement of the conflict in Namibia.

I would submit that insofar as both of these objectives are concerned, the withdrawal of Cuban forces from Angola and an internationally recognized settlement in Namibia, the adoption of this amendment would have completely counterproductive consequences.

What is the truth of the Cuban presence in Angola? There are today, according to the latest intelligence estimates available to our committee, not 40,000 Cuban troops there, not 30,000 Cuban troops there, but 25,000 Cuban troops there. And the fact of the matter is that the Government of Angola has publicly committed itself to withdraw over the course of 3 years in the context of a settlement in Namibia 20,000 of those 25,000 troops to a point in Angola where no Cuban soldier will be within 1,700 kilometers of the South African border.

Furthermore, they have said on more than one occasion that in the context of a South African withdrawal from Namibia there would no longer be any justification or need. In the context of the Namibian settlement they have said there is no need for a continuing Cuban presence in Angola. And I would submit that the repeal of the Clark amendment and the adoption of this amendment would be much more likely to induce the Angolans to keep the Cuban forces that are currently in their country than would the rejection of this amendment and real progress toward a settlement of the conflict in Namibia.

We do not confront the situation where the Government of Angola has said that it wants the Cubans to remain there, come what may. It has said it would like them to go. It has committed itself to withdrawing at least 80 percent of them over the course of the next 3 years, contingent on a willingness on the part of Africa to agree to a settlement in Namibia.

And so what are the implications of this amendment with respect to our second major interest in Angola, a set-

tlement of the conflict in Namibia? If we are going to get a settlement in Namibia, it is going to require the cooperation not only of Angola but of South Africa, and the truth of the matter is that the major obstacle to a settlement in Namibia lies not in Luanda, the capital of Angola, but in Pretoria, the capital of South Africa.

So far, Angola has already agreed, with respect to the Namibian situation, to permit 1,500 South African troops to remain in Namibia up through the elections in that country. It has agreed to the establishment of a demilitarized zone on its side of the Namibian border. It has agreed to international inspection of the SWAPO camps in Angola. In other words, the Government of Angola has made a whole series of concessions in a genuine good-faith effort to reach an agreement in Namibia.

It is the Government of South Africa which has betrayed its promises not to invade Angola, it is the Government of South Africa which continues to illegally occupy Namibia, it is the Government of South Africa which has proceeded with a phoney internal settlement of the situation in Namibia, in opposition to the policy of our own Government and the rest of the international community, which is the major obstacle to a settlement in Namibia.

And if we adopt this amendment, if we repeal the Clark amendment, it will look as if we are endorsing the approach of South Africa and repudiating the approach of Angola, when the truth of the matter is that it has been Angola which has been constructive in the effort to get a Namibian settlement and South Africa which has been obstructive of that effort.

Finally, if we adopt this amendment, we get the worst of all possible worlds. My very good friend from California, [Mr. DORNAN] said that he had it on firm authority from the administration that they had no plans whatsoever to send military assistance to Mr. Savimbi and his forces. So if we adopt this amendment, what happens? We get all of the negatives as a result of an association with South Africa. It will look as though we are about to join forces with South Africa on behalf of UNITA, when in reality we apparently have no intention of doing so. Consequently, I urge, in terms of the interest of our own country, the withdrawal of Cuban troops from Angola and a Nanibian settlement, the rejection of this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. STRATTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 236, noes 185, not voting 12, as follows:

[Roll No. 218]

AYES—236

Anderson	Hall, Ralph	Petri
Andrews	Hamilton	Pickle
Anthony	Hammerschmidt	Porter
Archer	Hansen	Pursell
Armey	Hartnett	Quillen
Badham	Hatcher	Ray
Barnard	Hendon	Regula
Bartlett	Henry	Ridge
Barton	Hiler	Rinaldo
Bateman	Hillis	Ritter
Bentley	Holt	Roberts
Bereuter	Hopkins	Robinson
Bevill	Hubbard	Roemer
Bilirakis	Huckaby	Rogers
Billey	Hunter	Roth
Boehlert	Hutto	Roukema
Boggs	Hyde	Rowland (CT)
Boulter	Ireland	Rowland (GA)
Breaux	Jenkins	Rudd
Broomfield	Johnson	Saxton
Brown (CO)	Jones (OK)	Schaefer
Broyhill	Kasich	Schneider
Burton (IN)	Kemp	Schuette
Byron	Kindness	Schulze
Callahan	Kolbe	Sensenbrenner
Campbell	Kramer	Sharp
Carney	Lagomarsino	Shaw
Carper	Latta	Shelby
Chandler	Leath (TX)	Shumway
Chappell	Lent	Shuster
Chappie	Lewis (CA)	Siljander
Cheney	Lewis (FL)	Skeen
Clinger	Lightfoot	Skelton
Coats	Livingston	Slattery
Cobey	Lloyd	Slaughter
Coble	Loeffler	Smith (FL)
Coleman (MO)	Long	Smith (NE)
Combest	Lott	Smith (NH)
Coughlin	Lowery (CA)	Smith (NJ)
Courter	Lujan	Smith, Denny
Craig	Lungren	Smith, Robert
Crane	Mack	Snowe
Dannemeyer	Madigan	Snyder
Darden	Marlenee	Solomon
Daub	Martin (IL)	Spence
Davis	Martin (NY)	Spratt
DeLay	McCain	Stangeland
DeWine	McCandless	Stenholm
Dickinson	McCloskey	Strang
DioGuardi	McCollum	Stratton
Dornan (CA)	McCurdy	Stump
Dreier	McDade	Sundquist
Duncan	McEwen	Sweeney
Dyson	McGrath	Swindall
Eckert (NY)	McKernan	Tallon
Edwards (OK)	McMillan	Tauke
Emerson	Meyers	Tauzin
English	Mica	Taylor
Erdreich	Michel	Thomas (CA)
Fascell	Miller (OH)	Thomas (GA)
Fawell	Miller (WA)	Valentine
Fiedler	Molinari	Vander Jagt
Fields	Mollohan	Volkmer
Fish	Monson	Vucanovich
Fowler	Montgomery	Walker
Franklin	Moore	Watkins
Frenzel	Moorhead	Weber
Fuqua	Morrison (WA)	Whitehurst
Gallo	Murtha	Whitley
Gekas	Myers	Whittaker
Gilman	Natcher	Whitten
Gingrich	Nichols	Wilson
Glickman	Nielson	Wolf
Goodling	O'Brien	Wortley
Gradison	Oxley	Wylie
Green	Packard	Young (AK)
Gregg	Parris	Young (FL)
Grotberg	Pashayan	Zschau
Gunderson	Pepper	

NOES—185

Ackerman	Akaka	Annunzio
Addabbo	Alexander	Applegate
Aspin	Ford (TN)	Murphy
Atkins	Frank	Neal
AuCoin	Frost	Nowak
Barnes	Garcia	Oakar
Bates	Gaydos	Oberstar
Bedell	Gejdenson	Obey
Bellenson	Gephardt	Olin
Bennett	Gibbons	Ortiz
Berman	Gonzalez	Owens
Biaggi	Gordon	Panetta
Boland	Gray (PA)	Pease
Boner (TN)	Guarini	Penny
Bonior (MI)	Hawkins	Perkins
Bonker	Hayes	Price
Borski	Hertel	Rahall
Bosco	Horton	Rangel
Boucher	Howard	Reid
Boxer	Hoyer	Richardson
Brooks	Hughes	Rodino
Brown (CA)	Jacobs	Rostenkowski
Bruce	Jeffords	Roybal
Bryant	Jones (NC)	Russo
Burton (CA)	Jones (TN)	Sabo
Bustamante	Kanjorski	Savage
Carr	Kaptur	Scheuer
Clay	Kastenmeier	Schroeder
Coelho	Kennelly	Schumer
Coleman (TX)	Kildee	Seiberling
Collins	Kleczka	Sikorski
Conte	Kolter	Sisisky
Conyers	Kostmayer	Smith (IA)
Cooper	LaFalce	Solarz
Coyne	Lantos	St Germain
Crockett	Leach (IA)	Staggers
Daschle	Lehman (CA)	Stallings
de la Garza	Lehman (FL)	Stokes
Dellums	Leland	Studds
Derrick	Levin (MI)	Swift
Dicks	Levine (CA)	Synar
Dingell	Lipinski	Torres
Dixon	Lowry (WA)	Torricelli
Donnelly	Luken	Towns
Dorgan (ND)	Lundine	Traficant
Dowdy	MacKay	Traxler
Downey	Manton	Udall
Durbin	Markey	Vento
Dwyer	Martinez	Visclosky
Dymally	Matsui	Walgren
Early	Mavroules	Weaver
Eckart (OH)	Mazzoli	Weiss
Edgar	McHugh	Wheat
Edwards (CA)	McKinney	Williams
Evans (IA)	Mikulski	Wirth
Evans (IL)	Miller (CA)	Wise
Fazio	Mineta	Wolpe
Feighan	Mitchell	Wyden
Florio	Moakley	Yates
Foglietta	Moody	Yatron
Foley	Morrison (CT)	Young (MO)
Ford (MI)	Mrazek	

NOT VOTING—12

Daniel	Hefner	Rose
Flippo	Heftel	Stark
Gray (IL)	Nelson	Waxman
Hall (OH)	Roe	Wright

□ 2020

The Clerk announced the following pair:

On this vote:

Mr. Nelson of Florida for, with Mr. Gray of Illinois against.

Mr. GONZALEZ changed his vote from "aye" to "no."

Mr. SLATTERY changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HUTTO) having assumed the Chair, Mr. AUCOIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Com-

mittee, having had under consideration the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes had come to no resolution thereon.

□ 2030

CAN WE AFFORD NOT TO PROVIDE FOREIGN AID?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. DIOGUARDI] is recognized for 5 minutes.

Mr. DIOGUARDI. Mr. Speaker, I rise in support of H.R. 1555, the Foreign Assistance Authorization Act for fiscal year 1986. Foreign assistance is a prudent investment that furthers our national security interests, promotes economic and political freedom, and reflects the humanitarian concerns of the American people.

I recognize the overriding importance of reducing the budget deficit and with approval of the Fascell freeze amendment, I believe we have upheld this fiscal responsibility. At the same time, however, we must bear in mind that our foreign assistance programs are vital to the achievement of foreign policy goals that protect Americans and enhance America's standing in the world community. We must be consistent in our devotion to the principles we cherish and proclaim. We must be persistent in our efforts to foster the values embellished in our society for which we have fought and sacrificed.

Virtually all U.S. foreign aid dollars are actually spent here, in the United States. According to the Administrator of the Agency for International Development—every billion dollars of assistance produces 60,000 American jobs. Simply put, it is a mistake to view foreign aid as a handout, providing little or no benefit to the American taxpayer.

Foreign military assistance reduces the need for U.S. military presence and is a cost-effective method of protecting U.S. national security interests. Our security assistance programs are considerably less expensive than the cost of maintaining U.S. forces on a worldwide basis and these programs advance the most basic human goal of freedom.

Economic assistance strengthens the emerging patterns of economic growth in developing countries. This growth enables them to become viable trading partners with the United States and provides important growth opportunities for U.S. exporters as well as new markets for U.S. goods. Our assistance provides those critical resources to help our friends achieve and maintain a healthy economy and advance the most basic human goal of prosperity.

If we are to count on our friends and allies support in facing the dangerous challenges of the world, we must ourselves be a reliable partner. Strengthening our friends is one of the most effective ways of protecting our interests and furthering our goals. It gives them the ability and the confidence to defend themselves and to work for peace. Our willingness to pay the relatively modest cost and make the sacrifices today, prevents greater costs and sacrifices in the future and enhances our role in the shaping world's future.

U.S. aid to Israel, for example, is vital for our foreign policy objectives in the Middle East and is important to Israel's survival as a free and independent ally. According to Jeane Kirkpatrick, former U.S. Representative to the United Nations, Israel voted with the United States 88.5 percent during the U.N.'s 39th session. Israel is providing a model for democratic development, deters Soviet-backed radicalism and combats international terrorism.

Israel's primary need for U.S. assistance is generated by the enormous cost of maintaining the military balance in the world's most volatile region. The people of Israel are determined to be responsible for their own defense—they seek help only in acquiring the means to defend themselves. In return Israel defends American strategic interests and fosters the cultural and political values shared by the American and Israeli people.

A great deal of controversy surrounds this legislation and there are many provisions that I am uncomfortable with. But our allies around the world, and there is a consensus in this body about their importance, deserve our support and depend on U.S. economic and security assistance to develop their free societies. In a world prone to anti-Americanism we must make certain that our friends have the resources to ensure a democratic future.

Many skeptical Americans and legislators continue to ask, "Can we afford to provide foreign aid?" In view of Soviet expansionism and the worldwide threat to democracy, the more pertinent question is, "Can we afford not to?"

CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, next week Americans all over the country will commemorate the 27th annual observance of Captive Nations Week. It is a time for Americans to focus attention on those nations controlled by Communist totalitarianism and to reflect on the freedoms of religion, speech, press, and the right to assemble that we all are able to enjoy but too often take for granted.

Twenty-seven years ago, President Eisenhower first designated the third week in July as Captive Nations Week, and the people of the captive nations have persevered throughout these years despite numerous systematic attempts by the Communists to destroy their culture, religion, and national heritage. Free people, if they are to remain free, must defend the liberty of others, and each year, the people of the United States join the people of these captive nations in reaffirming their commitment to the cause of self-determination and human dignity.

Millions of men, women, and children, enslaved against their will under Communist rule, still maintain their hope for freedom. Although the Communists have attempted to destroy the national identities of the captive nations by torture, exile, and execution, every day we hear countless stories of heroic acts of defiance against their Communist oppressors. These brave individuals have not accepted defeat in their continual fight for the freedoms that are rightfully theirs, and each new action of defiance reinforces a constant source of strength and inspiration for others who are trying to escape from the yoke of oppression.

This year the city of Chicago will commemorate Captive Nations Week in ceremonies sponsored by the Captive Nations Committee of Illinois, under the capable leadership of its Chairman, Ilmars Bergmanis. Observance will begin with a Mass at 12:30 p.m. on Saturday, July 14, at St. Hyacinth Church, 3636 West Wolfram Street, led by the auxiliary bishop of Chicago, Most Reverend Alfred L. Abramowicz. At 1:30 p.m. a human rights rally will be held at the Richard J. Daley Center. The master of ceremonies at this gathering will be the Honorable Roman C. Pucinski, alderman of the 41st Ward, and the speakers will include Ilmars Bergmanis, and Aloysius Mazewski, president of the Polish National Alliance and the Polish American Congress.

Mr. Speaker, millions of Americans who trace their origins to the captive nations of the world, and other nations, join each year during Captive Nations Week to express their hope and their support for policies which will eventually free these nations from tyranny. I am proud to join with my

constituents in the 11th Congressional District of Illinois which I am honored to represent, Chicagoans, and all our citizens in offering prayers that we may continue to be the strongest democracy among world powers, and that we may have the fortitude and strength to combat the Communists, and all forms of totalitarianism, tyranny, and oppression, wherever they appear on the face of the Earth.●

INTRODUCTION OF UNITED STATES-SOVIET UNION EXCHANGE FOR PEACE RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, I rise today to introduce the United States-Soviet Union Student Exchange for Peace Resolution. This is a measure aimed at promoting increased understanding between the United States and the Soviet Union and ultimately at improving the chances for world peace.

The United States-Soviet Union Student Exchange for Peace calls for the creation of a United States-Soviet Union Exchange for Peace Commission to be composed of civic, educational, cultural, and political leaders from both countries. It would be financed by both public and private contributions and would aim at an initial enrollment of at least 2,000 participants between the ages of 15 and 20. The Commission would recruit young people who show leadership potential, including children from families of civic, educational, cultural, and political leaders.

The purpose of the resolution is simple. By having a large number of students exchanged between the United States and the U.S.S.R., we will create a solid base of citizens in both countries who have a better understanding of the other superpower. Soviet students will live and learn about America firsthand. Likewise, U.S. students will have a rare opportunity to get past the Soviet stereotypes that are so prevalent in our society. The associations and experiences which each individual will have during the exchange program will lead to a better understanding of the host country. And most importantly, Soviets and Americans will be looked on as people, not shadowy figures hiding behind nuclear missiles.

All students in the program will qualify as potential leaders. And, by having the children of leaders in the United States and the Soviet Union participate, we can improve the immediate impact of the program. Young people will communicate their impressions of the other country.

The idea of exchanging experience to improve understanding is not new. One of the most important programs initiated in the past quarter century was President Kennedy's Peace Corps. This exciting program has promoted American interests and furthered Third World understanding of the United States more than any other single program. Americans continue to recognize its value and are now joining in record numbers to serve in response to a call for help in promoting long-range agricultural and economic development in Africa.

Today, no single issue is more on the minds of Americans than world peace and the need to halt the nuclear arms race. There has been considerable debate in recent months over arms control, the MX missile, and a nuclear freeze. But we must seek other methods of deterring nuclear war. We need to establish a broader web of relationships with the Soviet people. We can do that through wider commercial, cultural, athletic and educational contacts with the U.S.S.R. We should not be cutting back, but rather encouraging joint space missions, exchanges of artistic and sports groups and sharing of scientific research. But we need more such bridges of understanding.

We are after all sharing this planet with the Soviets and should work together to keep it a safe world. We can start by recognizing our common interests and bonds. I remember Lyndon Johnson found a way to get through to Kosygin at the Glassboro Summit: they talked about their children and grandchildren. And when the talks between Begin and Sadat began to break down at Camp David, Jimmy Carter talked about their children and their stake in peace. It was diplomacy in human terms. And it worked.

The resolution I introduce today is aimed at expanding the awareness between Americans and Soviets as people and at establishing communication that goes deeper than political charges and countercharges. It is a small but important step toward a genuine and lasting peace between the United States and the Soviet Union.

This is not a program that will show dramatic results in 1 or 2 years. Usually an idea like this takes quite a while to take root. But it is apparent that the murky world of United States-Soviet affairs is of prime concern to the average American. From business groups to college students, the response to the exchange for peace idea has been positive and overwhelming.

I was also heartened recently to see a statement by Jacques Cousteau indicating he also is thinking along these lines. He said,

> I would like to see 1 percent of military budgets dedicated to a vast and obligatory exchange of children. Imagine a world where all the children from 7 to 8 have to spend a year on the other side of the fence • • • It would be a formidable barrier against war.

While my resolution would not make such an exchange mandatory, the basic idea is the same. The time for this has clearly come.

When this resolution was introduced in the 98th Congress, 140 of my colleagues became cosponsors. I urge all my colleagues to extend their support at this time so that this resolution will be passed during this session.●

YOU NEVER MISS THE OIL UNTIL THE WELL RUNS DRY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Tennessee [Mrs. LLOYD] is recognized for 5 minutes.

● Mrs. LLOYD. Mr. Speaker, it is perceived that the U.S. public by and large is no longer concerned about energy supplies. The gasoline lines are 10 years behind us. One would almost believe that the world has more oil today than it had 10 years ago. But that's impossible, isn't it? I also want to remind my colleagues that estimates of the U.S. oil reserves made just 4 short years ago were grossly over optimistic.

In 1981, the Department of the Interior estimated that 27 billion barrels of oil and 167.2 trillion cubic feet of natural gas lay buried off the shores of the United States. But on May 9, 1985, the Interior Department released new estimates which indicate 12.2 billion barrels of oil and 90.5 trillion cubic feet of natural gas, a far cry from their previous figures which helped convince the public that the energy crisis was over.

In 1981, the U.S. Geological Survey had estimated 12.2 billion barrels of oil off Alaska alone. The current estimate is a mere 3.3 billion barrels. That is 73 percent less than originally expected. At the same time, the estimated natural gas resources are only 13.8 trillion cubic feet, not the 64.6 trillion cubic feet that had been expected.

The disappointment in the Atlantic coast deposits has been even greater. Four years ago, the U.S. Geological Survey estimated 5.4 million barrels of oil. Now the estimates, which are based on more complete data from the private sector, indicate a somewhat meager 680,000 barrels, or 87 percent less than expected. If you question estimates, as we all do, ask yourself, "how many oil rigs do I see off the Atlantic coast?"

The Office of Technology Assessment recently reported that "exploration in the Atlantic has been disappointing." Two continental offshore stratigraphic test wells and 8 explora-

tory wells turned up dry in the North Atlantic while 2 test wells and 32 exploratory wells found only uneconomic amounts of natural gas in the mid-Atlantic.

The Federal portion of Cook Inlet has had similar disappointing results when one test well and nine exploratory wells failed to reveal any deposits.

Mr. Speaker, isn't it time for the Congress to exercise some wisdom and think long range enough to alleviate future problems? Isn't it time to recognize that we need to maintain a rational and stable long-term energy research program in order to prevent a future energy crisis? Or, is Congress to join forces with those who want the United States to go out of the energy R&D business on the basis that it is cheaper in the short term to sell the store?●

CIVIL RIGHTS: THE NEED FOR A STRONG FEDERAL COMMITMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 60 minutes.

● Mr. PANETTA. Mr. Speaker, as a former Director of the U.S. Office for Civil Rights I have followed the ebbs and flows of civil rights enforcement from administration to administration. It is no secret that this administration has been less than enthusiastic about civil rights enforcement. The confirmation hearings of William Bradford Reynolds in the Senate have now served to focus the serious concerns that many of us have regarding the administration's record on civil rights. Whether Mr. Reynolds failed to challenge redistricting plans in Louisiana and Mississippi, or whether he intentionally or unintentionally misled the Senate Judiciary Committee during his confirmation hearings is really not the issue. The issue is one of commitment—the commitment our Nation must maintain in the area of civil rights if we are to have a society in which equal opportunity and equal justice are available to all.

I stand here today to talk about that commitment; a commitment we have all made to protect and defend our Nation's civil rights. We have gone through much grief and bloodshed to ensure that no American is denied equal justice and opportunity. This Nation has gone through a great transition over its 200 years—from a new country dedicated to equality but with inequality and slavery in its midst to one committed to truly end all discrimination. The path has not been easy. We have seen a nation torn by civil war. Demonstrations and rioting have left bloodshed in our streets. American patriots of all races, color, and religion have fallen defending equal rights. Despite the clear constitutional mandate to equality, it was necessary for our Government to actively pursue civil rights legislation to dismantle the institutions of deliberate discrimination.

Recent administrations, both Democratic and Republican, have been committed to the goal of actively enforcing and preserving these laws aimed at ending a dual society. Though the degree of political commitment has varied, no administration has sought to turn the clock back. This administration is the first in 50 years to deliberately set a course for reversing the gains made in civil rights. When this administration expresses a desire to return greater authority in the area of civil rights back to the States, this implies to those of us familiar with enforcement that the national commitment to Federal laws is eroding. To better appreciate the reality in this situation, a look back at the progress we have made in the past decades can help us better judge the dramatic contrast between past and present Federal commitments to equal justice.

THE ROOSEVELT AND TRUMAN YEARS

It is cited in many readings that President Franklin Roosevelt inaugurated the concern and activist executive policies toward seeking racial equality in the 20th century. FDR strongly upheld the right of every citizen to vote and to enjoy civil equality regardless of race or religion. In 1941, President Roosevelt established a Committee on Fair Employment Practices to eliminate discrimination in Federal employment. In addition, President Roosevelt issued an Executive order which prohibited discrimination by any company holding defense contracts. Following the efforts of President Roosevelt, President Truman also moved to strengthen Federal protection of civil rights. President Truman developed comprehensive legislation which included antilynch, antipoll tax, antisegregation laws, and a National Fair Employment Practices Commission. When this proposal was not enacted, President Truman moved administratively to create a Fair Employment Practices Board in the Civil Service Commisson to review complaints of discrimination. These actions in the early Roosevelt and Truman years established a Federal commitment that discrimination would not be tolerated.

THE EISENHOWER AND KENNEDY YEARS

Following the historic Supreme Court decision of Brown versus Board of Education which ended "separate but equal," each administration since President Eisenhower has pushed through successful civil rights legislation in a bipartisan manner. In his State of the Union message to Congress in January 1956, President Eisenhower stated that:

> We are proud of the progress . . . made in the field of civil rights. . . . We must strive to have each person judged and measured by what he is rather than by his color, race, or religion. There will soon be recommended to the Congress a program further to accomplish these objectives.

Prior to these remarks, President Eisenhower expressed a desire for equality in Federal employment and set up the Committee on Government Employment Policy to study and reinforce the aim of equal employment in the Federal service. President Eisenhower also established the Civil Rights Division in the Department of Justice in 1957 to enforce civil rights laws. More significantly, President Eisenhower established the U.S. Commission on Civil Rights in 1957. The Commission was established as an independent, bipartisan agency which was directed to investigate discrimination complaints, appraise Federal laws and policies, as well as submit reports and recommendations to the President and the Congress. Unfortunately, in 1983, the purpose of the Commission was undermined.

President Kennedy, during his unfortunately brief tenure continued the call and the activism from the Executive office for strong civil rights protections. President Kennedy issued the first Executive order which mentioned affirmative action in equal employment opportunity. Prior orders directed agencies not to discriminate. However, the Kennedy initiative required positive steps be taken to hire minorities. Also, President Kennedy issued an Executive order which prevented Federal agencies from discriminating in the sale, leasing, and rental of Federal housing. Furthermore, during the early stages and throughout the bus boycott in Montgomery and other turbulent racially motivated events in that part of the country, President Kennedy made Federal protection available to protect the lives of those persons fighting for freedom and equal justice under the law. Most of all, President Kennedy laid the ground work for the enactment of the most critical and widespread legislative measures to address the civil rights concerns which had enraged and torn our Nation.

THE JOHNSON YEARS

In 1964 our country finally gained broadbased effective instruments to provide civil rights protections. The Civil Rights Act of 1964, passed during the Johnson administration, and prohibited discrimination on the basis of race, color, or national origin in all federally assisted programs or activities. This gave the Government power to deny funds to discriminatory institutions. This measure was followed by the Voting Rights Act of 1965 which required jurisdictions with histories of voting discrimination to gain approval for voting and election changes from the Federal courts or the Department of Justice before such plans were implemented. This was landmark legislation; minorities were finally provided needed voting rights protections, and the Federal Government had the leverage to enforce the country's mandate for equal protection. Also, the Fair Housing Act of 1968 was adopted which prohibits discrimination in the sale or rental of housing.

THE NIXON, FORD, AND CARTER YEARS

Following the tenure of President Johnson, the Nixon, Ford, and Carter administrations continued the bipartisan efforts to strengthen civil rights protections. These years saw the extension of the Voting Rights Act and the U.S. Civil Rights Commission. Also, President Nixon established a National Program for Minority Business Enterprise to promote minority business opportunities. Other measures during this period included the passage of title IX of the Education Amendments of 1972 which protected women from discrimination in education, and the disabled and the aged were protected by section 504 of the Rehabilitation Act of 1972 and the Age Discrimination Act of 1975, respectively. Additional legislation and Executive orders have periodically beefed up these acts where they are deficient. Also, President Carter achieved an outstanding record in the appointment of a high percentage of blacks, women, and other minorities to judicial and Federal positions.

We have come very far since Brown versus the Board of Education. I have cited the previously mentioned measures to clearly indicate that constructive, effective, and successful affirmative action and equal opportunity programs and policies have been formulated in each administration up to the present one. The programs have been effective only because our leaders joined forces to actively combat injustice. And we have made progress. There have been remarkable gains made in minority voting participation, equal employment opportunity, fair housing, education, and other areas. Many of the blatant forms and institutions of discrimination have been dismantled. Yet so much more remains to be done. The fight against inequality must continue unabated. The forces of law and enforcement are still desperately needed to fight the more subtle forms of discrimination which threaten our way of life. Unfortunately, there is a deep-rooted feeling that we are now faced with a dramatic slow down in the enforcement of civil rights, a dramatic retreat from our basic civil rights protections.

THE REAGAN ADMINISTRATION

The Reagan administration has shattered the bipartisan civil rights coalition by refusing to enforce or by opposing our delicate framework of longstanding civil rights laws. If current protections are to survive, four basic factors are needed. The first factor is the courts. Since the Brown versus the Board of Education decisions, the judiciary has time after time upheld positive Government action to eliminate discrimination. The second factor is the Congress, which has a legacy of commitment to civil rights. Congress has and should continue to strengthen civil rights legislation. The third factor is the will of our citizens, who have undergone revolutionary attitude changes since the 1950's, and who regard civil rights enforcement as a top priority. The fourth and final factor is the executive branch, which is empowered to enforce the dictates of the courts, the Congress, and the people. Without the administration's mandated participation, the laws become ineffective. It is like sawing one leg from a four-legged table; the whole carefully constructed table will come crashing down. The Reagan administration's refusal to enforce the law has caused the American Civil Liberties Union to term the Reagan civil rights record, "In contempt of Congress and the courts." Let us judge the Reagan administration not by its rhetoric, but by its record. It proclaims that it is aiming for a colorblind society, where each individual enjoys equal rights. Yet in a color conscious society, colorblind policies will not work. For every wrong, there must be a remedy.

Government up to now has recognized this fact, and has instituted solutions to the problem through affirmitive action. In an unprecedented and unsettling move, the Reagan administration has lined up philosophically against such solutions by calling them "quotas," and rejecting them. The courts and the Congress have not capriciously set up quotas; they have initiated goals and timetables which are highly sensitive to the possibility of abuse. Nevertheless, the Reagan administration constantly dredges up the bogeyman of reverse discrimination in an attempt to cloud the real issue of equality for women and minorities who have suffered through past discrimination.

The Reagan administration seems to perceive the state of civil rights differently than most people. William Bradford Reynolds, the Assistant Attorney General who heads the Office of Civil Rights in the Department of Justice, has stated that "civil rights enforcement activity has indeed brought us to the brink of victory" against bias and prejudice. You may have a hard time convincing a black teenager that we are on the brink of victory when he knows that unemployment rates for his group is 44 percent. Tell the same thing to the woman who is making 62 cents for every dollar her male colleague make. The truth is, the lackadaisical enforcement attitude of the administration is destroying equal opportunity programs that by any standard are still sorely needed.

CIVIL RIGHTS ENFORCEMENT

The Reagan administration has claimed a "remarkable record" in civil rights enforcement—using Assistant Attoreny General Reynolds' words again, but the claim is specious. Attacks on civil rights under the Reagan administration have taken many forms. Here are the facts:

The percentage of women and minorities appointed by President Reagan has decreased drastically. Under President Carter, the percentage of minority full-time professionals appointed was 12.2 percent. Under President Reagan, that percentage slipped to 4.1 percent. Minority Federal judicial appointees also dropped precipitantly, from 16.1 percent under Carter to 2.5 percent under Reagan. The figures are similar for women appointed; under Carter, 22 percent of appointees were women; under Reagan, the figure in his first term was 8 percent. President Reagan has stated that, "We are committed to appointing outstanding blacks, Hispanics, and women to judicial and top-level policy-making positions in our administration * * *." The facts tell a different story.

The Reagan administration has cut the budget and staff for enforcement agencies. After adjusting for inflation, there is an almost across-the-board reduction for these agencies. The administration either rationalizes the reductions by stating that the need for enforcement has waned due to the great strides made in civil rights, or they quote figures that have not been adjusted for inflation. The damage caused by budget and staff cuts are far-reaching. For example, the Office of Federal Compliance Programs [OFCCP], a key civil rights enforcement agency, has had their budget drastically reduced from $50.6 million in fiscal year 1980 to $42.8 million in 1983. After adjusting for inflation, that becomes almost a 30-percent decrease. The OFCCP staff was reduced in 2 years from approximately 1,350 persons to approximately 940 persons. When enforcement agency's staff and funding are cut to this extent, effec-

tive enforcement becomes impossible. Because these cuts have hit almost every civil rights enforcement agency, the effect is far-reaching and devastating.

Even worse, though, is the extent to which the administration has allowed efforts to enforce the law of the land to languish. Important, broad-based cases brought by enforcement agencies to fight discrimination have slowed to a trickle under Reagan. Yet the administration continues to pat itself on the back. In one instance, the President pointed to the number—114 at that time—of cases filed which charged criminal violation of citizen's civil rights. "This is substantially more than any prior administration during a comparable period," Reagan stated. Criminal cases in the Justice Department had increased 13 percent compared to the similar period in President Carter's term, but what the President forgot to mention was that civil cases decreased in the same time period a whopping 66 percent.

In another instance, the Economic Employment Opportunities Commission [EEOC], due to budget and staff cuts, reduced their rates of successful case settlements from 50 percent in fiscal year 1980 to 38 percent in fiscal year 1983. This is a shocking trend in light of the fact that the administration has been given a mandate by the courts and by Congress to enforce legislation. The Department of Justice's Civil Rights Division under Assistant Attorney General Reynolds has become a partisan instrument. Entrusted to enforce our Nation's laws, the Division has repudiated the programs painstakingly undertaken in previous administrations. The Division's policies have caused seething dissatisfaction within the Division itself. In 1982, 75 attorneys in the Division—over half of the lawyers in the Division—signed a petition opposing Reynolds' policies. There is no consensus for Reynolds' policies, yet the Justice Department and other agencies following their lead continue to attempt to overturn past advances in every facet of civil rights legislation and enforcement.

VOTING RIGHTS

In regard to voting rights, the administration wishes to establish the intent rule, which states that in cases pending, the victims of discrimination must establish that there was an intent to discriminate on the part of the jurisdiction. Because intent is almost impossible to prove, this would effectively curtail voting rights progress. When Congress thought it necessary to strengthen in 1982 the Voting Rights Act of 1965, President Reagan originally opposed the measure. The House overwhelmingly supported the measure by a 289 to 24 margin, and the Senate concurred by a 85 to 8 margin. When the President realized the depth of support for the bill, he did an abrupt about-face. He signed the legislation, then brazenly shared credit for the bill, saying that it "proves our unbending commitment to voting rights." Further shortcoming of this administration in the area of voting rights has been brought to light during the confirmation hearings of William Bradford Reynolds. It is clearly evident that the Justice Department under this administration has slowed down challenges of redistricting plans even though they have been struck down by the courts. On this matter, the record speaks for itself.

EQUAL EMPLOYMENT

The administration is continuing to attempt to sabotage equal employment opportunity. They will only enforce remedies for individuals discriminated against, and have refused to enforce for a discriminated class of persons. These policies have resulted in a virtual standstill in the efforts to combat discrimination in the work force. In an unprecedented move, the administration has urged local governments to modify their affirmative action programs to eliminate numerical goals and timetables. By narrowly interpreting the recent Supreme Court decision in Firefighters Local Union versus Stotts, where the Court protected employees with seniority from being fired, the Justice Department goes against the weight of previous, binding judicial decisions. Local governments are widely opposing the Justice Department, even staunchy Republican communities such as Indianapolis. The attitude expressed in Boston mirrors that of other communities. "We are quite proud of our affirmative action," said a spokesman. "We're ready to meet them head-on in the courts."

FAIR HOUSING

The Fair Housing Act of 1968, title VII of the 1968 Civil Rights Act gave the Attorney General the enforcement authority to prohibit discrimination in the sale and rental of housing. Congress and the Federal courts have historically concluded that a violation of the Fair Housing Act may be proven by showing either that an intentional act of discrimination has been committed or actions complained of have had a discriminatory effect. In housing, where discrimination can be very subtle, the effects test is critical if the fair housing provisions are to be successfully enforced.

In the Reagan administration, the effects test has been dropped from Justice Department briefs. In a suit against the city of Birmingham, MI, the Justice Department pleaded the more difficult standard of intent. Both the House and the Senate in consideration of Fair Housing Act amendment have clearly indicated that the effects test is the law. Every prior administration has utilized the effects test. For this administration to put this policy aside is a clear retreat in efforts to fully enforce fair housing. Up to 1981, between 20 and 32 cases were filed each year to enforce equal opportunity in housing. However, from 1981 to 1983, only three suits were brought.

EQUAL EDUCATION

In the area of education, the Justice Department under Reynolds has once again interpreted a controversial Supreme Court decision to suit its own purposes. In the Grove City College versus Bell decision, the Supreme Court found that the Federal Government could not deny funds to a whole educational institution just because one specific program was found to be discriminatory. The Justice Department is regarding Grove City as a mandate, and is trying to extend the ruling into all programs which receive financial assistance from the Federal Government.

With the Civil Rights Act of 1984 last year, Congress hoped to ensure that the Grove City decision would not endanger the civil rights consensus forged over the years. While the bill had overwhelming bipartisan support, the administration did not lend its support, thus the measure failed to be enacted because of conservative opposition. Congress will debate the Civil Rights Restoration Act this year, which will restore the rights the Reagan administration would have us give up.

Other actions clearly depict the consistent policy of nonenforcement of this administration. One of the gravest fiascos of this administration surrounding civil rights involved the Bob Jones University case. The President came out against the denial of tax exemptions for schools that discriminate. This stirred up a hurricane of criticism against Reagan, and the Supreme Court soundly rejected his position. The administration has also opposed many school desegregation plans, often dragging its feet when it should be forcing schools to comply with the law. It is as if the administration is willing to let us slip back into the ugliness of the human spirit that we saw in Little Rock. In every case, the administration has demonstrated an ignorance of historical and legal precedent, and has pursued its own regressive policies.

HANDICAPPED

Hubert Humphrey once remarked that "the moral test of Government is how it treats those in the dawn of life—the children; those in the twilight of life—the elderly; and those in the shadows of life—the sick, the needy and the handicapped." As early as 1968 with the adoption of the Architectural Barriers Act which helped ensure accessibility for the handicap, Congress and the Federal Government begin to respond to the legitimate de-

mands of the handicapped and that they be given a full share in our society.

Since then, measures have been enacted to protect the rights of the handicapped. Section 504 of the Rehabilitation Act of 1973 provided a broad based congressional mandate prohibiting discrimination against handicapped individuals by recipients of Federal financial assistance and executive agencies. The 1973 Rehabilitation Act, the major piece of legislation guaranteeing the civil rights of the handicapped, was amended in 1978 to extend the prohibition of discrimination to agencies of the Federal Government and to the U.S. Postal Service. It also required affected Federal agencies to develop and issue regulations for both federally assisted programs. Also, in 1975 legislation was approved which required that free appropriate public education be available for all handicapped children ages 3 through 21.

Enforcement in this area has been weakened by the interpretation of the Grove City decision. The narrow interpretation of this decision will prevent a strong legal attack on institutions that selectively discriminate against the handicapped.

In addition, in a case pending before the Supreme Court involving the rights of the mentally retarded, the U.S. Justice Department filed a brief with the Supreme Court supporting the city of Cleburne, TX, in defending the constitutionality of a zoning ordinance prohibiting homes for the retarded in residential neighborhoods without a special permit. The Fifth Circuit Court of Appeals in its decision on the Cleburne case has upheld the right of mentally retarded persons to reside in the community. It is now up to the U.S. Supreme Court, which heard the case on March 17, to uphold the lower court's decision. Although the President's own Committee on Mental Retardation adopted a unanimous resolution supporting the right of mentally retarded persons to live in the community and calling upon the Supreme Court to uphold the appeals court decision, a Justice Department amicus brief supporting the reversal of the appeals court decision has placed yet another obstacle in the road to independence for our Nation's developmentally disabled citizens.

U.S. COMMISSION ON CIVIL RIGHTS

One of the most obvious attacks on our Nation's civil rights framework came with the destruction of the U.S. Commission on Civil Rights. This administration moved to change an impartial, vital civil rights watchdog, into a rubber-stamp organization. By firing Commissioners who had rightly criticized the administration's policies, the President has thrown civil rights into the partisan battlefield.

Since its creation in 1957, the bipartisan Commission has issued more than 700 reports reviewing the various Federal efforts to remove any discriminatory obstacles from Federal statutes and programs. Overall, there is no question that the Commission has been very effective in implementing its mission and purpose. The fact that the life of the Commission was extended on seven occasions further validated the effectiveness and the need for the Commission. However, as a result of the administration's attacks, although the Commission has been reauthorized, its credibility has been taken away by the very nature of its partisan operation.

John Mitchell used to say during the Nixon years, "Watch what we do, not what we say." The rhetoric says one thing, while actions say something else. The promise of civil rights is that this Nation will say and do the same thing—enforce equal rights. This administration has not learned that lesson.

We have made too much progress to allow the dismantling of our good works. We cannot let idealogues trample over our laws and our legacy. This administration has systematically endeavored to retrogress into a murky and shameful past. This has led some to term this period the "second post reconstruction." We cannot close our eyes to injustice. It is our responsibility to throw the full weight of our commitment behind continued, strong civil rights enforcement. The sacrifice, the dedication, the blood of those who have gone before must not be in vain. In rededicating the Statue of Liberty soon, let us also rededicate ourselves to what that statue represents: Equal justice and equal opportunity for all. Let no President, no administration, no bureaucrat deter this Nation from that goal.●

SEVEN AMERICAN CITIZENS STILL IN CAPTIVITY IN LEBANON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, tonight with my colleagues, we want to focus some attention on seven Americans who are held hostage in Lebanon. We want to send a message to their families that we care; but before I proceed, Mr. Speaker, I would like to yield to the gentleman from New York, Mr. TED WEISS.

Mr. WEISS. Mr. Speaker, I want to express my deep appreciation to the gentleman from California [Mr. DYMALLY] for calling this special order to draw attention to the seven American citizens who today remain in captivity in Lebanon.

Our gratitude that the passengers from TWA flight 847 returned home safely, must be tempered by the fact the hostage crisis is far from over. Seven American hostages, who were abducted long before the TWA plane was ever hijacked, remain prisoners somewhere on Lebanese soil, yearning to rejoin their friends and families in the United States.

Because these people disappeared quietly, one at a time, they did not receive the same kind of attention that was given to the TWA hostages. In fact, until the TWA crisis, many Americans were unaware that the seven hostages even existed. It was only the hijacking of TWA flight 847, which forced the issue of terrorism against American citizens abroad into the public spotlight, that brought the plight of the "Forgotten 7" to the Nation's attention.

Through skillful diplomacy by the President, the TWA passengers were brought home a little over a week ago. The other seven hostages were not so fortunate. They remain somewhere in Lebanon, most apparently held captive by the radical group which calls itself "Islamic Jihad." Diplomatic efforts to secure their release continue, but tragically, it seems that the public is on the verge of forgetting them again. In recent days, they have disappeared from the newspapers and nightly newscasts.

We cannot allow this to happen. The hostages are American citizens who as such have the right to every possible effort by the U.S. Government to secure their release. By keeping their plight in the forefront, we send a constant reminder to the administration that the pursuit of freedom for the hostages is of the utmost importance to American citizens. We also send a message to the Lebanese terrorists that Americans are united in their resolve to ensure the safe release of all Americans who continue to be threatened by acts of terror.

These are the seven Americans still being held hostage in Lebanon:

William Buckley, kidnaped on March 16, 1984;

Rev. Benjamin Weir, kidnaped on May 8, 1984;

Peter Kliburn, missing since December 3, 1984;

Father Lawrence Jenco, abducted on January 8, 1985;

Terry Anderson, kidnaped on March 16, 1985;

David Jacobsen, abducted on May 28, 1985; and

Thomas Sutherland, kidnaped on June 9, 1985.

Just as we remembered the TWA passengers, we will remember these hostages until they, too, are back on American soil. Hopefully, the administration, by pursuing the same kind of diplomatic efforts that proved so fruit-

ful less than 2 weeks ago, will be able to secure their release in the not-too-distant future. Until that day, however, we must continue to demonstrate our support for the remaining hostages and their families by keeping them in the public eye. It is our duty to ensure, through efforts such as this special order, that they do not become the "Forgotten 7" again.

Mr. DYMALLY. Mr. Speaker, I thank my friend, the gentleman from New York [Mr. WEISS], for joining me in this very important dialog on the seven hostages who are still left in Lebanon.

Mr. Speaker, our people were overjoyed when, just a few days before the July Fourth celebration of this Nation's freedom, the hostages from TWA flight 847 were freed. During the time the hostages were held, we saw the citizens of this land draw together in spirit. Again, the yellow ribbons that have become at once our symbol of hope and our symbol of welcome, were to be seen everywhere, including the doors of my own offices. I say to my fellow Members and to the citizens of the United States, it is not time to put away the ribbons. It is not yet time to savor the fulfillment of our hopes. All the U.S. citizens held hostage are not home. Seven of our countrymen still long for the day when they will see those yellow ribbons of hope and welcome. We—everyone of us from the President to the Members of Congress to the citizens of this country—must keep the hope for their safe return alive. Let the ribbons again appear, and with them our determination, our consciousness as a people, that we want our brothers to be free.

While the spirit of unity in time of trial shows Americans at their best, I am deeply disturbed by articles which I have read in newspapers over the past week regarding gratuitous attacks on people, especially Americans, who appear Arabic. I am equally disturbed that places of worship have been bombed. Unwarranted attacks on innocent people are precisely what we deplore in other countries. Is it any less terroristic when our citizens behave in the same way toward each other? The United States is the standard of freedom for the world. We must not allow our anger at the terrorism of others to diminish that freedom that is nothing less than the birthright of every American.

Within the past several days, my office has been in contact with the families of those seven Americans still missing in Lebanon. We asked these people what message they wanted to convey to their Representatives, to the President, to the State Department, and, perhaps, to the captors of their loved ones. And I have to tell you that I felt humbled by the messages they asked me to convey. While we have stood here in this well and spoken of our anger and of our desire for retribution, the thoughts these family members offered set a clearheaded and statesmanlike course that we, as their Representatives, would do well to follow. I quickly realized that these people know the problems of Lebanon. They have lived with the groups about whom we have only a dim understanding. They know the Druze, the Christians, the Shiites in their many forms. They know the Syrians.

And while they feel deeply the pain of separation from their loved ones, to a person, they asked not for indiscriminate retribution. Rather, like many of the hostages who were recently returned to us, they asked that we, as a people and a Government, try to understand the people and the problems of the region. They asked that we try to understand that their loved ones are missing in part because the United States has placed U.S. economic and strategic interests over any effort to understand the root causes of a complex factionalism that has shattered a once prosperous country. Our Nation was rightfully embittered when our marines were massacred. But several family members pointed out that our reaction was the wrong reaction. We sent the battleship *New Jersey* to shell the Shiite portion of Beirut. In this nuclear age, our image of destruction is the mushroom cloud. So our shelling may not have seemed as awesome to us as it was to the Lebanese. They were, after all, shells, not bombs. But each of those shells was capable of creating a crator perhaps 100 feet wide. And my point is that we rained those shells on the innocent and the guilty alike. Imagine the force behind a shell weighing more than 1 ton being lofted up to 7 miles through the air before finding its target. It is worth recalling that there was a time when the Shiites were a comparatively docile people, reluctant to fight. Now many of them harbor a hatred for the United States that is as indiscriminate as was our bombing of their homes.

The families of those Americans missing in Lebanon want us to know that if the hostages are to be brought home and if the hostage-taking is to stop, then we must take on the difficult task of understanding the people of Lebanon. As Carol Weir, the wife of hostage Benjamin Weir, pointed out, our efforts thus far to obtain retribution have resulted merely in crystallizing anti-American sentiment among those in the Middle East who were potential friends. Mrs. Weir pointed out that unless we approach the problems of Lebanon with clear heads and a willingness to understand, then there will be a day when we will be worrying about the release not of 39 hostages but of 139.

Again, nearly every family member we talked to pointed out something that also became clear to us after poring over nearly 2 years of press clippings. That is, that several influential people in the Middle East have offered on a number of occasions to help us obtain the release of the hostage. Both President Hafez Assad and Minister Nabih Berri have made those offers as each new hostage has been taken, for example. I think it important that we examine our public official response to those offers. Hafez Assad, once again, offered just several days ago to work for the release of the hostages. What was our public response? Far from showing graciousness toward an offer President Assad need not have made, we acted as though we held him duty-bound to bring about the hostage release. One does not win either support or friends by insulting those who offer a helping hand. There can be no denying that we have great differences with President Assad in many of our views. How remarkable it is, then, that he would offer his aid. We should show to Mr. Assad, to Nabih Berri, and to anyone else who offers help, that our gratefulness is equal to their good intentions. We should be about the business of opening avenues of communications rather than closing off, through an improper response, the avenues that have been opened for us. Our efforts to free the 7 must be just as intense, just as ongoing as were the efforts to free the 39.

I am particularly impressed by what Mrs. Jean Sutherland, the wife of the most recently taken hostage, Thomas Sutherland, said. She said that we are now called on to put aside our rage and to think rationally about where we are to go from here. If one day soon the hostages are released but we, as a Government and a people, have not grown as a result of the challenge, then, in a sense we will have failed. Mrs. Sutherland pointed out that the people who are hostages went to Lebanon to live and work because they care about Lebanon; they care about the people of Lebanon; they care about the problems of Lebanon. Her husband was helping to improve agriculture in Lebanon. Father Jenco's work in Lebanon as head of Catholic Relief Services was a daily effort to ease the suffering of the Lebanese people. Terry Anderson, the Associated Press bureau chief in Beirut, was trying to make the problems of the Lebanese people known to the world. David Jacobsen was administrator of the largest hospital in Beirut. Rev. Benjamin Weir loves Lebanon and its people so much that he has lived there and ministered to its people for 32 years. William Buckley, a U.S. diplomat, could easily have chosen a less dangerous post. He chose to do what he could to maintain relations between our two countries. And Peter Kilburn is a librarian at the American University in

Beirut. He took care of the books that made knowledge including the United States available to the students of Lebanon. Indeed, those books have made knowledge available to students throughout the Middle East during the long and respected history of the American University in Beirut. These are all good people, the best the United States has to offer to the people of Lebanon. What a sadness it is for the United States and Lebanon as well that these people who have given so much to Lebanon, who have set an example of understanding effort to better the lot of the Lebanese people, are now held captive by those very people.

It is just possible that by some means unknown to us, the discussion we are holding today will reach those who are holding our countrymen against their will. To them, I wish to say that the sacred book of Islam, the Koran, begins each chapter with the words, "In the name of God the merciful, the compassionate." If the God that is our common creator set for us an example of mercy and compassion, how can we as His creations not show to each other that same mercy and compassion? Jean Sutherland, whose husband you hold, has heard nothing about his well-being since he was captured. Can you not give her some reassurance? Peter Kilburn is partially paralyzed because of a stroke, and his good health depends on proper medication. We ask you for humanitarian reasons to release him. Those you hold captive are Americans who have worked freely for the good of all Lebanese people. Collectively, they share the undersanding of you and your concerns that could help our country begin to work in a positive way with your country. If understanding is a step in the direction of peace and beneficial growth, then give us the source of that understanding. Let our people go.

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Mr. Speaker, there are a number of Members who have expressed their support of this special order, and with your permission I would like to mention their names: BILL NELSON, BILL ALEXANDER, JOSEPH ADDABBO, DAVID DREIER, NORMAN MINETA, GEORGE O'BRIEN, EDOLPHUS TOWNS, ROBERT DORNAN, ROBERT LAGOMARSINO, HANK BROWN, BARBARA BOXER, DAN GLICKMAN, BEN GILMAN, and PAT WILLIAMS.

I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I was very honored to join the distinguished gentleman [Mr. DYMALLY] in his eloquent, very eloquent plea for mercy for these seven people. With the exception of the newsman, who I am sure was there to seek the truth, the gentleman has very carefully delineated that the two religious men, one of them for 32 years, have given everything they have to offer their fellow man, to help the women, the children, and the men of every denomination in every station of life in Lebanon. The three people at the American University felt the sense of dedication that people have in that great institution for decades, that they were bringing East and West together in one of the most respected places of learning throughout the world. I think that our diplomat, also, as the gentleman mentioned, had the seniority to have chosen safer climes around the world to serve but Mr. Buckley, I know, also believed that Lebanon was a once-beautiful little country and now so torn that deserves to regain its respected place among the pantheon of nations.

I just cannot tell the gentleman how much I respect his eloquent plea tonight to touch the hearts of those people who recognize the same God that we do in this country, that they will, starting with Peter Kilburn, show mercy to these seven American citizens who only wanted to help their brothers and sisters in Lebanon.

Mr. DYMALLY. I thank the gentleman from California for his remarks.

Mr. Speaker, it is my hope to have a copy of this tape sent to the Ambassador of Syria and to the Ambassador of Lebanon with the hope that they could transmit that to both the Syrian and Lebanese people so that they can hear our message.

● Mr. FASCELL. Mr. Speaker, I don't believe any of us will forget watching the relatives of the seven Americans still held hostage in Lebanon pleading on TV for the release of their loved ones. Their poignant appeal served as a graphic reminder that the freeing of the TWA flight 847 passengers did not mean the release of all innocent American hostages in that tumultuous country.

Seven Americans who went to Lebanon out of a sense of public service and out of a love to serve their fellow man are still kidnaped and are being held as pawns in some senseless and savage political intrigue. We share the pain being inflicted on the hostages and their families and friends.

However, they need more than our sympathy—they need our renewed determination to do everything humanly possible to secure their immediate, safe release. The freeing of the airline hostages demonstrates that unrelenting diplomatic and other pressures can succeed.

On the abiding principle that actions speak louder than words, I was delighted to support the Kolbe amendment to the foreign aid authorization conditioning further economic and military aid to Lebanon to the freeing of the seven hostages. In addition, as you know, I have strongly supported legislation to end the use of Beirut Airport as a haven for terrorists and to strengthen security at international airports to help prevent these ruthless murderers from operating at will.

This latter piece of legislation, the International Airport Security Cooperation Act (H.R. 2822) would boycott airports without adequate security and result in cutting off foreign aid to nations which operate them.

While in themselves these actions will not secure the release of our missing seven Americans, they may well prove to be important tools in attaining that goal. And in the long run, they should prove effective weapons in our battle against international terrorism.

Expressions of sympathy, as well-meaning as they are, are no substitute for effective action.●

● Mr. O'BRIEN. Mr. Speaker, the continuing hostage crisis in Lebanon is not a hypothetical or intellectual exercise for me. One of the hostages, held 183 days today, is Father Lawrence Martin Jenco of Joliet, IL, and a personal friend of mine.

Father Jenco was grabbed off the streets of Beirut on January 8 this year, by eight heavily armed gunmen.

Father Martin Jenco is hardly an enemy of the Lebanese people. He was in Beirut as director of Catholic Relief Services. Father Jenco's career has been one of service to the retched and the poor of the world. Before his Beirut assignment, Father Jenco worked with the legendary Mother Thereas to Calcutta.

The seizure of Father Jenco was a purely terrorist act. The United States cannot win the release of Father Jenco and the six other Americans held hostage in Lebanon without addressing the long-term problem of international terrorism.

I am grateful to the gentlemen from California [Mr. DYMALLY], for organizing this opportunity to renew our commitment to the prompt and complete release of Father Jenco and the six other Americans help hostage in Lebanon.

I would like to call the attention of my colleagues to the lead editorial of the Aurora Beacon Journal of July 2, 1985, "Beirut Crisis Is Not at End."

BEIRUT CRISIS IS NOT AT END

There will be temptation, now that the 39 remaining passengers and crewmen from TWA Flight 847 are repatriated, to mark the Beirut hostage crisis "Case Closed."

To do so would be a mistake.

President Reagan recognized this Sunday, when he pledged to continue the same kind of efforts to free seven remaining American citizens—whom friends and families had dubbed "the forgotten seven" prior to the hijacking. That group includes Father Lawrence Jenko, a priest from Joliet, and six others kidnapped in Lebanon one at a time over the past 16 months.

We hope he and the rest of the administration follow through on that promise, even as we hope he carries out his-not-so-

veiled threat of some kind of retaliation against those who kidnap, terrorize and murder innocent Americans.

In the meantime, it is a mistake to read too much too soon into the machinations—specifically those of Syrian President Hafez Assad and Nabih Berri, leader of the Amal sect of Lebanese Shiites—which lead to the release of the 39 TWA hostages and yet may free the remaining seven.

The "deal which is no deal" appears so far to have been just that, for those TWA hostages were freed unconditionally. There was no "prisoner exchange," and any release of some 700 Lebanese including 570 Shiites, held captive by Israel will reflect nothing more than reinstitution of a plan the hijacking delayed.

As for the role of Assad, perhaps one of the best assessments came Monday morning from former U.S. Ambassador to the United Nations Jeane Kirkpatrick.

Speaking in an interview with CBS, Mrs. Kirkpatrick noted the U.S. long has known Assad is the most powerful man in Lebanese affairs. The only thing we now have learned, she said, is that "he is willing to use those powers for us as well as against us" when it suits him.

As for Nabih Berri, the former ambassador cautioned against glowing tributes which seem to cannonize his role. This man who counts among his friends and associates those who willfully hold hostage, torture and kill innocent Americans is no friend of ours, she said.

The fact Assad and Berri came to the aid of the U.S. in freeing 39 illegally held citizens more realistically reflects solemn understanding of the Reagan administration's hardline position than it does any newfound friendship to the U.S. To read more into it, we hope, is a mistake on the part of all observers and particularly, that of worldwide terrorists.

That is why it is incumbent President Reagan maintain his resolve and insist both that all remaining American captives are returned and that those who wantonly attack Americans in Lebanon, El Salvador or anywhere else are punished.

Leaving terrorists any room at all to believe their efforts can succeed merely puts more innocent lives at risk and produces an endless stream of Beirut hostage crises.

Further, Mr. Speaker, the Joliet Herald-News, July 2, 1985, stated the case for the seven American hostages remaining in Lebanon: "Now that the 39 have returned, we must not forget the remaining seven."

GREAT RELIEF FOR EVERYONE

They're safe. The release of the 39 American hostages who had been held in Beirut came Sunday after 17 days in captivity. That was a great relief for their families, for the Reagan administration and for all of us.

Patience and diplomacy did the trick. We can be thankful that President Reagan took no hasty action that would have endangered the lives of the hostages. Just as in the Iran hostage crisis in 1980, we waited them out and got our people out safely. Thankfully, this time we did not have to wait so long.

Nevertheless, there was the same conflict in our desires. We wanted our people out. But we also wanted to teach the hijackers a lesson and prevent further kidnappings in the future. The conflict reached the White House. President Reagan promised retribution in a speech in Chicago Friday. It was a sure applause line. But then, in order to assure the release of the hostages, the State Department had to issue a statement in the middle of the night promising, in effect, that there would be no indiscriminate action taken by the United States against Lebanese targets. It is clear that the less said in high places in a hostage crisis, the better. Quiet diplomacy works best.

Conducting foreign policy in a democracy is never easy, and it becomes most difficult in a crisis such as this one. The people are the government, and the president is their directly elected leader. In other countries, a leader might decide it was worth sacrificing the lives of the hostages in order to teach terrorists a lesson. That is impossible in the United States. The people identify with the individual hostages and refuse to regard them as expendable.

News coverage was criticized because it focused on the hostages and their families. It put the crisis in human terms. That made it harder to treat the hostages like pawns in a power struggle. But the coverage is not responsible for creating the American value system. The American people will reject any suggestion that news coverage should be censored in order to avoid arousing the human sympathies of the citizenry.

Seven American hostages remain in Lebanon, including Rev. Lawrence Martin Jenco of Joliet. Now that the 39 have returned, we must not forget the remaining seven.

There will be time later to think of retribution. Those who killed one American aboard the plane should be made to pay a penalty, if possible. But punitive actions now would make it more difficult to get the remaining seven hostages back.

The larger problem of terrorism is no closer to any solution today than it was before the TWA plane was hijacked, and perhaps it is farther away. The hijackers must feel they succeeded. It appears an indirect arrangement has been made to release the 700 Lebanese detainees held in Israel as a condition of the release of the hostages. Officials all deny it, but if the 700 are released soon, the terrorists can claim success.

The detainees should be released if, as it appears, they are being held only as hostages themselves in order to guarantee the pacification of southern Lebanon, where the Israelis and their surrogatge Christian army continue an illegal occupation.

Terrorism will continue, despite all we can do against it, as long as groups anywhere in the world hold deadly grievances against our foreign policy. We are the world's leading superpower. Our presence is everywhere. Our citizens travel much abroad on business and for pleasure. We will always be a target. It goes with the turf.

The answer is not a new isolationism. We cannot withdraw into a fortress America. Instead, more and more, American citizens must study their nation's foreign policy and seek better understanding of the impact of our policies in every region of the world. Only then will the rhetoric of our leaders come to reflect a larger grasp of reality by the people.

Finally, Mr. Speaker, an article in the Chicago Tribune, July 4, 1985, by Peter Sacopulos, puts the Beirut hostage crisis in the international context. "Terrorism is almost certainly the future mode of international conflict," Mr. Sacopulos writes.

STATISTICS TELL TERRORISM'S STORY

Terrorism is a huge international problem. During the 1972-82 period, the international press reported at least three major terrorist attacks per day. The results of these attacks included well over 10,000 assassinations, property damage estimated at nearly $200,000 per day and collected ransoms of more than $150 million. While these statistics are quite horrifying, there were signs, especially in the late '70s and early '80s, the terrorism was waning. However, the most current figures indicate a reversal in this trend and a new wave of terror beginning.

The most recent statistics for 1984 show nearly a 30 percent increase in the number of terrorist attacks. Records for the five years previous to 1984 show an average of 500 recorded attacks a year. The number rose to nearly 650 last year. It is important to note that this increase was not peculiar to one location but universal in nature. For example, the number of terrorist attacks was up by over a third in Western Europe and had increased by nearly two-thirds in the Middle East in 1984.

Though the total number of fatalities declined in 1984, the viciousness of recorded attacks showed an increase. About half of all recorded attacks last year were bombings, and 20 percent incorporated some type of heavily armed attack. Conversely, the frequency of "less threatening" attacks [e.g. kidnaping and hostage situations] declined.

Of concern, too, is that several established terrorist organizations have collaborated and cooperated with newer such organizations, forming a new terrorist network. This can be seen clearly in Western Europe, where the German Red Army Faction, the French Direct Action and the Belgium Communist Cells organizations joined forces to launch an extensive campaign of terror against NATO facilities. Also independently active, but less of an immediate threat, are the Corsican and Armenian terrorist organizations.

What is particularly worrisome is the thought that all of these terrorist organizations may join forces against a common target such as NATO facilities or U.S. interests in Western Europe. Even more frightening, these groups appear far more organized in their efforts than are the antiterrorist forces throughout Western Europe that are trying to combat them.

For several major reasons, terrorism is almost certainly the future mode of international conflict. Terrorism is cheap to activate and costly to counter. By conducting a war by proxy, a nation may achieve its objectives without becoming directly engaged in confrontational situations. Finally, and especially in the case of liberal democratic administrations and legal protections in the West, terrorism is nearly impossible to counter effectively. If the government of the day fails to respond strongly enough, it appears inept in the public's eyes; if it overreacts, it may well infringe upon basic civil liberties.

The world community and the nations that specialize in terrorist containment must cooperate more and recognize that all forms of terrorism are a common enemy. If a power looks with more favor on one group of terrorists because it causes problems for a hostile power, the battle is lost.

The United States and Western Europe need to ensure that the major antiterrorist forces, such as Germany's GSG9, the United States' Delta Force and the Britain's SAS, work together as never before in the common battle against terrorists.

Mr. Speaker, I close with the words of E.B. White, writing in 1940:

Whenever free men are in chains

We are threatened also.
Whoever is fighting for liberty
Is defending America.●

● Mrs. BOXER. Mr. Speaker, in our elation over the return of the TWA hostages, it is important for us not to forget about the plight of the seven U.S. hostages who remain in Lebanon. As Members of Congress, we must make it clear to the President, to the American public, and to the governments of the world, that we will not rest until all kidnaped U.S. citizens are returned to U.S. soil unharmed.

I have closely followed the case of Rev. Benjamin Weir, who lives in the San Francisco Bay Area, ever since his abduction in Beirut over a year ago. Along with many of my constituents, I was shocked when I learned that this gentle, compassionate man had been violently seized and held by a mysterious extremist group, the Islamic Jihad, which issued no statements, made no demands, and gave no indication of what they were seeking in return for his release.

Last fall, I received information that led me to believe he was still alive, and I initiated a letter to Secretary of State Shultz on Reverend Weir's behalf. Fifty-five of my colleagues joined me in urging the State Department to ensure that the matter receive the attention it deserves. In their reply, the State Department assured me that they are following every possible avenue to secure his safe release.

I would like to take this opportunity to once again ask the State Department to explore every possible diplomatic initiative which might result in the release of Reverend Weir and the six other Americans held in Lebanon. We cannot let these men be forgotten.●

● Mr. LAGOMARSINO. Mr. Speaker, I appreciate my friend from California reserving time today to discuss the fact that seven Americans are still being held against their will in Lebanon by extremists determined to remove any strain of U.S. influence in that nation. Some of these individuals have been held for months now and, in fact, we do not know whether they are today alive or dead. These individuals had committed no crime, infringed on no one's freedoms, performed no deeds that could be considered harmful to anyone. They were simply guilty of being Americans.

Now, we as Americans were greatly relieved when those hijacked aboard TWA flight 847 were returned to American soil, unharmed. Unharmed, I say, except for one—Navyman Robert Stethem—who was tied up, brutally beaten, and shot in cold blood. As President Reagan said, the United States will not forget this despicable act and will continue our efforts to bring to justice the murderous thugs responsible for this heinous crime.

The number of terrorist acts rose from around 500 in 1983 to over 600 last year; there were 305 bombings alone last year—an average of almost one incident per day. Americans have been the prime—although not the exclusive—target of these lawless criminals. What has caused such barbaric behavior? In his speech to the American Bar Association yesterday, President Reagan stated:

> The strategic purpose behind the terrorism * * * is clear: to disorient the United States, to disrupt or alter our foreign policy, to sow discord between ourselves and our allies, to frighten friendly Third World nations working with us for peaceful settlements of regional conflicts and, finally, to remove American influence from those areas of the world where we are working to bring stable and democratic government * * * [T]heir real goal is to expel America from the world.

We cannot and must not allow these bandits and zealots to succeed in their attempt to "rid the world" of Americans and American influences; these "enemies of mankind" must be prevented from carrying out their war against the United States to its ultimate end. I say war, Mr. Speaker and colleagues, because this is precisely how these criminals view their "jihad" or holy war against civilization.

Mr. Speaker, there is much that needs to be done by the civilized nations to address the complex and trying issue of deterring terrorism, and apprehending and bringing to justice those who have performed terrorist actions. The civilized nations have every right to defend ourselves from these criminal acts. Under international law, any state which is the victim of acts of war has the right—and I would add, the obligation—to defend itself. As the President pointed out in his ABA address, we as Americans do frequently disagree on various issues of concern. Such differences of opinion are an integral and cherished component of our heritage of political freedom and free speech. But these disagreements should not be viewed as a lack of unity of purpose or desire. Indeed, the American people, as the American Congress, remain committed to promoting freedom and democracy on every continent, and opposing communism and tyranny, so that others might enjoy the many freedoms we possess here in the United States. Instead, those who are today engaged in these acts of war, and those governments who provide the logistical support, training, arming, and so forth, for the bandits "should reflect on our national character and our history, a history littered with the wreckage of regimes who made the mistake of underestimating the vigor and will of the American people." Americans will not tolerate the continued violation of human rights at the hands of the murderous terrorists. Cries are already heard from one coast of our great land to the other, for reprisals and retaliation.

Mr. Speaker, the American people expect action from this body on bringing our people home from Lebanon, safely and soon. The seven Americans still in captivity deserve our attention, not tomorrow, not next week, but today. Let every American understand: this body is totally committed to assisting in all efforts to bring our people home as rapidly as possible, and to bringing to justice those brutal thugs responsible for the hijacking of TWA flight 847 and murdering Robbie Stethem. We will spare no expense in determining our peoples' whereabouts and in bringing them home. Let us be perfectly clear on that pont.

Rev. Ben Weir, Rev. Lawrence Jenco, William Buckley, Thomas Sutherland, Peter Kilburn, Terry Anderson, and David Jacobsen—you are not forgotten, and you will not be forgotten. Our thoughts and prayers are with you every day. We are working for your safe release and return.

Again, let me thank my colleague for reserving time this evening to discuss this important topic. Those Americans still in captivity deserve our attention, and this effort, I trust, will go a long way in assuring their families and friends—indeed all Americans—that this Congress remains committed to obtaining their immediate release and safe return to the United States. Thank you.●

● Mr. TOWNS. Mr. Speaker, the hostages from flight No. 847 have been returned to the United States and are now able to resume their lives at home. While we deplore the senseless death of Robert Stethem, we rejoice in the safe return of the remaining 39 Americans. As we rejoice, however, let us not forget that seven Americans remain captive in Lebanon.

These men have become pawns. Their lives are being used to stave off retaliation for the seizure of TWA flight No. 847. I join with my colleague from California in asking whether all that can be done is being done to gain the release of these Americans. The issue is clear; we want these men home. We also need to investigate a course of action which will prevent Americans from being the targets of random kidnapings. The entire issue of terrorism is an urgent matter which needs to be discussed at length. We need to encourage all parties involved in Lebanon to assist in the release of our citizens. We also need to work toward initiatives which will end the increasing cycle of terrorism as a solution to political disputes. The sooner we take these steps, the sooner we will end senseless attacks on innocent Americans; and the sooner the seven families of the remaining hostages will be able to have their own homecoming.●

● Mr. GILMAN. Mr. Speaker, I wish to thank the gentleman from California [Mr. DYMALLY] for his concern and for arranging this special order regarding the hostages still held in Lebanon. As the ranking minority member of the Subcommittee on Europe and the Middle East of the Foreign Affairs Committee, I have a special interest in the safety of the American hostages and in all aspects of the tragic situation that has gripped that sad country.

Although we now have the 39 TWA hostages back home, in no way has this improved the situation of the 7 unfortunate Americans who still remain in terrorist hands. We remain extremely concerned over their security and their eventual safe return.

We cannot and must not give in to terrorist demands. Doing so would only encourage further terrorist acts. Instead, we must remain steadfast in our efforts to explore all diplomatic options. We must keep open our lines of communications to the nations and other responsible actors in the area, to underline that terrorist actions are abominable to us. We must stress to them that the efforts they exert, or fail to exert, to pressure other bodies which may be holding hostages will affect their relationship with the United States.

The protection of American citizens overseas is a major responsibility of our government and the release of these seven innocent Americans is a priority concern for our Nation. We must continue to exert all possible efforts which will contribute to this goal.●

● Mr. ROE. Mr. Speaker, the return of our 39 hostages from Beirut gave our Nation extra reason to celebrate over the recent Fourth of July holiday. Millions of us shared the joy of seeing those brave Americans reunited with their families and friends.

The freeing of the hostages gave special meaning to the celebration of our Nation's Independence Day. But that event also should have given us time to pause on the true meaning of that holiday. Far too often, many of us take for granted the basic freedoms of speech, movement and thought that our Founding Fathers fought and died for, some 209 years ago.

With that ideal in mind, we should not let our euphoria over the release of the 39 hostages, whose fate had placed them on TWA flight 847, override the fact that there are still seven Americans being held somewhere in Lebanon. They have been designated by their loved ones as "the Forgotten Seven".

While the passengers on that ill-fated TWA flight were held captive for a little more than 2 weeks, some of the forgotten seven have been hostages for as long as 15 months.

Mr. Speaker, today is the 480th day of captivity for William Buckley, a U.S. Embassy official in Beirut. Rev. William Weir, a Presbyterian minister resident in Lebanon, has been held for 427 days. Father Lawrence Martin Jenco, director of the Catholic Relief Services in Beirut, has been captive for 182 days. Peter Kilburn, a librarian at the American University in Beirut has been missing since December 3, 1984. Associated Press Middle East Bureau Chief Terry Anderson has been a hostage for 115 days.

David P. Jacobsen, director of the American University Hospital in Beirut, was kidnaped on his way to work last May 28. On June 8, Thomas Sutherland, dean of agriculture at the American University in Beirut also joined the list of the missing.

Mr. Speaker, I would like to congratulate my fellow House Members for taking part in this most vital special order that hopefully will both rekindle the White House's efforts to secure the release of those American heroes and remind the American people of their colleagues' continued plight.

Our Nation is faced with a great challenge in the midst of continued attacks against our citizens and our property abroad. There have been an estimated 625 terrorist attacks against America since last year. The question before us is how we respond to these brutal assaults. One thing is abundantly clear; the American people will no longer be satisfied with strong language condemning the attackers. Simply put, our people want something done to both stop the attacks and to punish the attackers.

The seven men being held by their cowardly captors somewhere in Lebanon must represent the starting point of this new diplomacy. Enough is enough. It is time for our Government to use every means at its disposal to secure their freedom.●

● Mr. ADDABBO. Mr. Speaker, I want to join my colleagues in demanding the immediate and unconditional release of not just the seven remaining American hostages in Lebanon, but all foreigners who are being held in that country against their will.

Just because the release of the 39 TWA hostages has removed the spotlight of world attention from this situation does not mean the remaining hostages have been forgotten. While the media may have lost interest in this issue—individual kidnapings do not televise as well as the hijacking of a 727 with dramatic cockpit to control tower dialog, hostage press conferences and farewell parties—Congress must continue to focus attention on the fate of these American citizens.

Since the taking of our Embassy in Tehran in 1979, through two administrations, we have heard a lot of talk about the need to combat terrorism. Six years have passed and countless acts of terror have been perpetrated against our citizens and our country and we still have not formulated a policy to deal with terrorism. A war is being waged against our Nation, our people, and our way of life, and we must be as prepared to defend ourselves against this type of aggression as we are against the more conventional forms of warfare. The time is long past due for the administration and the Congress to formulate an effective policy to combat these international criminals.

The nations that support and provide sanctuary for terrorists are well known to us. While it may not be possible to track down the perpetrator of each individual terrorist act, we can often identify their accomplices. This country must join with the rest of the civilized world in isolating and punishing those states that sanction attacks on innocent civilians.

In response to Syria's role in obtaining the release of the TWA hostages, the President diplomatically omitted Syria from his list of countries that support terror. Until yesterday Syria was on that list—and for good reason. The link between the Shiite groups holding the seven Americans and Damascus is clear. The safe and prompt return of those 7 people is no less important to us than the 39 who were returned last week. We, therefore, expect no less of an effort on the part of the Government of Syria to win their release from the terrorists they support.●

● Mr. NELSON of Florida. Mr. Speaker, on June 30, 1985 the United States celebrated the return of the remaining TWA hostages from Shiite captivity. We celebrated the courage and strength of those Americans who suffered needlessly at the hands of terrorist who know no peace, no morality.

We honor the courage and strength of the 39 captives as they spent endless hours uncertain of their release or their fate. We honor Robert Stethem who brutally lost his life in the terrorists morbib frenzy for international attention.

But this celebration is a reminder of what is left to be accomplished.

As fellow Americans we cannot allow ourselves to become removed from the crisis that prevailed prior to the TWA hijacking. In the last 2 years seven Americans have been taken hostage. Their fate is as yet uncertain. The opportunity is ripe to begin anew the fight for their release. As a Member of this great body, I ask my colleagues to join with me in the call for the release of the remaining seven forgotten hostages.●

● Mr. DWYER of New Jersey. Mr. Speaker, it was with great joy that we viewed the return to America of the 39 hostages from TWA flight 847. The 17

days which these brave men spent in captivity held the attention of the entire world.

That innocent American citizens, traveling in Europe with no apparent connection to the turmoil of the Middle East, should suddenly find themselves front and center in a world-wide drama, being played out in the major capitals of the world, points up the randomness of terror and the difficulty of dealing with it.

This particular case turned out well and, for that, we are all grateful. Not so lucky have been seven other Americans, all of them kidnaped off the streets of Beirut, all held with barely an indication of their fate.

I have been in contact with the State Department concerning the case of Father Lawrence Jenco, who is a close friend and associate of several clergymen in my district. Father Jenco was kidnaped in Beirut on January 8 and, since that time, his family has received one letter from him, that on March 1.

It is 6 months now that Father Jenco has been missing. For some of the other hostages, the time has been much longer. But, for all of them, the time has come and gone and a part of their lives have been taken from them and their loved ones. It can never be recaptured.

Terrorism of this kind represents a pernicious threat to civilized persons every where. It is an evil that needs to be dealt with quickly and effectively, though not necessarily violently. It is essential that we make every effort to fully understand the mentality of the persons that take this kind of course. Clearly, they are criminals but they are much more than that.

They are criminals with a cause and set of beliefs which do not conform on what every one in this Chamber would consider the norms of human behavior. They are incited to violence by violence and have no greater goal than martyrdom.

This being the case, our response to such people must be clearly judged against their motivations. It may be that direct military retaliation is not the appropriate vehicle to effectively curtail this threat.

However, if that is found to be the case, we then must consider what our rhetoric ought to be. In this era of instant global communications, rhetorical excesses designed for political consumption at home, invariably find their way to persons who might not be the intended audience, creating further difficulties in managing the crises which seem to be of a continual nature.

This can lead to far greater complications and make the resolution of these situations more difficult—which brings us back to the seven Americans who continue to be held in Lebanon.

For these brave people, a 17-day ordeal would be a blessing, for they measure their captivity in months, not days. They have remained in secret locations, in communicado, for varying lengths of time. Their captors could be treating them well—or could be subjecting them to the cruelest of physical and psychological torture.

As a nation, we are severely tested by the threat of international terrorism. The challenge before us—seem clearly in the case of the seven Americans in Lebanon—is to protect American interests while protecting Americans. It is a formidable challenge, one which will put our national will to the test. But it is a challenge that we must meet.●

● Mr. DREIER of California. Mr. Speaker, we were all happy and relieved when the 39 hostages from TWA flight 847 returned home. Regrettably, William Buckley, Benjamin Weir, Peter Kilburn, Lawrence Jenco, Terry Anderson, David Jacobsen, and Thomas Sutherland did not come home with them. But we have not forgotten them. Nor have we forgotten Robert Stethem. I believe Mr. Stethem's murder has strengthened our resolve to get the remaining seven hostages home safely.

One of the demands for the return of the seven by the Hizbullah, who are believed to hold the hostages, has been the release of 17 terrorists who have been convicted of blowing up the American and French embassy in Kuwait in December 1983. As a peace-loving and freedom-loving nation, it is unbelievable to see terrorists demand the release of other terrorists—presumably to continue murdering, kidnaping, and terrorizing innocent civilians. We must put a stop to terrorism.

I believe President Reagan is on the right track by calling for a boycott on the Beirut International Airport and by refusing United States landing rights for Lebanon's state-run Middle East Airlines and its private cargo carrier, Trans-Mediterranean Airways.

There is much more that we would like to do, though. Bombing the Bekaa Valley, mounting a blockade of the Lebanese coast, sending hit squads after the hijackers, and forcibly closing the Beirut airport have all been suggested and are under consideration by the administration.

But our first priority is, and should remain, the return of the seven remaining hostages. Perhaps some would see it as a flaw that we place such a high value on human life. But I don't.

That we are such a caring nation is part of what makes us the greatest Nation on Earth. We don't need hijackers with hooded faces to call attention to a cause. We have free speech, a free press, and the right to petition government for our causes. It's all right in our Constitution. It's part of being an American.●

● Mrs. BOXER. Mr. Speaker, in our elation over the return of the TWA hostages, it is important for us not to forget about the plight of the seven U.S. hostages who remain in Lebanon. As Members of Congress, we must make it clear to the President, to the American public, and to the governments of the world, that we will not rest until all kidnaped U.S. citizens are returned to U.S. soil unharmed.

I have closely followed the case of Rev. Benjamin Weir, who lives in the San Francisco Bay area, ever since his abduction in Beirut over a year ago. Along with many of my constituents, I was shocked when I learned that this gentle, compassionate man had been violently seized and held by a mysterious extremist group, the Islamic Jihad, which issued no statements, made no demands, and gave no indication of what they were seeking in return for his release.

Last fall, after I received information that led me to believe he was still alive, and I initiated a letter to Secretary of State Shultz on Reverend Weir's behalf. Fifty-five of my colleagues joined me in urging the State Department to ensure that the matter receive the attention it deserves. In their reply, the State Department assured me that they are following every possible avenue to secure his safe release.

I would like to take this opportunity to once again ask the State Department to explore every possible diplomatic initiative which might result in the release of Reverend Weir and the six other Americans held in Lebanon. We cannot let these men be forgotten.●

● Mr. BROWN of Colorado. Mr. Speaker, I rise this evening to commend our colleague from California [Mr. DYMALLY] for asking for this special order to focus the attention of this body of the continuing plight of seven innocent Americans still held hostage in Lebanon.

This situation has special meaning for me since one of these prisoners, Dr. Thomas Sutherland, is a personal acquaintance as well as being one of my constituents.

Born in Scotland and a naturalized U.S. citizen, Tom is 54 years old. He and his wife, Jean, have three daughters, Joan, Kit, and Ann. For 25 years, Tom and his family lived in Fort Collins, CO, where he is a professor of animal sciences at Colorado State University. An exceptional individual and an outstanding educator, 2 years ago Tom took a 3-year leave of absence from Colorado State and accepted a position at the American University of Beirut as dean of the faculty of agriculture and food sciences.

On June 10, 1985, Tom returned to Beirut after a short visit to Colorado. On his way from the Beirut Airport, Tom's motorcade was stopped by five cars of armed men, who sprayed automatic weapons' fire, shattering the windshield of the car Tom was riding in and flattening its tires. Tom was the only American in his group, and he was the only one kidnaped. Fortunately, he appeared to be uninjured from the attack. Unfortunately, no one has heard from him directly or indirectly during the month since the attack.

We do not know who perpetrated this crime, we do not know the reason, we do not know where Tom is. We do know what kind of man Tom Sutherland is. He is a brave man, a man who stayed in Beirut with the sole purpose of keeping the American University open, to keep a small flame of civilization alive in that war-torn country. He stayed, even though he knew there was danger. But he is not a reckless man.

No one expects to be brutally kidnaped amidst a hail of bullets. No one expects to be held incommunicado, deprived of liberty, isolated from family, friends, colleagues and countrymen. No one expects to be held as a tool of ruthless terrorists engaged in international blackmail.

Tom's wife, Jean, is facing his captivity with remarkable courage. When it became clear recently that the U.S. hostages from the TWA flight would be coming home to celebrate the Fourth of July, Mrs. Sutherland knew her family would not be sharing that joy, that her husband and six other Americans would remain as captives. Mrs. Sutherland has not given into the dispair that others might feel given a similar situation. She has faced this crisis bravely and clear eyed.

We in this House need to ask outselves what can be done to bring our citizens home and to ensure the safety of U.S. citizens throughout the world. We have been assured by the White House and the State Department that everything possible diplomatically is being done. We know that the highest levels of our Government, including the President, are engaged in an effort to bring these last seven hostages home from Lebanon. Let me share with my colleagues a letter I recently received from the White House about these efforts:

THE WHITE HOUSE,
Washington, DC, June 25, 1985.

Hon. HANK BROWN,
House of Representatives,
Washington, DC.

DEAR HANK: The President has asked that I respond to your letter of June 10 in which you expressed your concern regarding the kidnapping of Professor Thomas Sutherland and the continuing captivity of the U.S. citizens in Lebanon.

President Reagan is extremely concerned and has taken a deep personal interest in the terrorist attacks on Americans in Lebanon and the fate of the six Americans who were abducted in Beirut. The protection of American citizens overseas is a major responsibility of our government and the release of these innocent Americans is a priority concern.

I can assure you that the lack of success in gaining the release of these citizens so far does not reflect a lack of effort. The State Department as well as other agencies and our Embassies overseas are following every lead which offers even a remote possibility of contributing to the safe return of the missing Americans. Intense diplomatic contacts are continuing and we are pursuing all possible avenues of inquiry. We have said little publicly about our efforts on behalf of the captive Americans because we strongly believe that their release can best be accomplished through quiet, discreet diplomacy. Publicity simply increases the incentive of the captors to hold on to the hostages.

The President clearly appreciates what an ordeal this is for the families, whose anxiety and frustration we share. We realize that until Professor Sutherland and the other captives are released no explanation will seem adequate. Nevertheless, let me assure you that we will continue our intensive efforts on behalf of Professor Sutherland and the other captive Americans.

With best wishes,

Sincerely,

M.B. OGLESBY, Jr.,
Assistant to the President.

When he welcomed the TWA hostages home last week, President Reagan reminded us all that "there are promises to be kept * * * there will be no forgetting * * * nor will we forget the seven Americans who were taken captive * * * and remain captive still. The homecoming won't be complete until all have come home."

My hope is that my colleagues will heed the President's words and not forget the seven Americans who remain prisoners. Today, the Associated Press is quoting a Lebanese source as saying Syrian President Assad will at the right moment put pressure on those who kidnaped these seven Americans and send them home. Let us add the voice of the Congress to those telling President Assad that the time is right today, that he should act today, so that the remaining seven American prisoners in Lebanon may be set free.●

● Mr. GLICKMAN. Mr. Speaker, I rise today to join my colleagues in stressing the importance of continued resolve in pursuing the release of the remaining American hostages being held in Beirut. Those seven—who have been held longer and in more mystery than the passengers on TWA flight 847—deserve the full commitment of the Congress and the American people in securing their release.

Among the TWA hostages was a family from Hutchinson, KS: Bob and Lou Peel, Bob, Jr., and Kristi. They are home now, and I had the good fortune to spend some time with them while I was in Kansas last week. Obviously, they are all relieved to be home together again, as was their entire community thrilled to have them home. But they have not forgotten the fact that there are other hostages still being held in Beirut, and I know from our conversations that the Peels very deeply want to see the other hostages returned. I share their commitment. After the TWA hostages were taken, I posted a yellow ribbon on my office door as a symbol of my hope and resolve for their release. I intend to keep that ribbon on my door until the remaining seven are returned to us, and I encourage each of my colleagues to do the same with the yellow ribbons I sent them at that time.

Situations like those hostage takings make it abundantly clear that we are not living in ordinary times and that we cannot expect ordinary means to resolve conflicts and problems. Which of us would have thought that it would be the Syrians who would be instrumental in securing the release of the TWA hostages? They certainly were not an obvious choice. That shows that we must pursue innovative and creative diplomatic avenues in the face of such terroristic acts. To do so, I think the President would be well advised to proceed with appointments to the Board of the U.S. Institute of Peace which he was statutorily required to make by this past April 20. The Institute is designed to encourage research and training in the area of conflict resolution. The authorization is not large, but its potential for contributing to resolution of such tense situations—or better yet, their avoidance—could be dramatic. The Institute of Peace would not be a policymaking entity, but it could very well spur creative thinking which would be beneficial to those with policymaking responsibilities.●

● Mr. WILLIAMS. Mr. Speaker, although we rejoiced at the return of the 39 American hostages, overshadowing that celebration was the fact that 7 Americans still remain helpless captives of warring factions of militant Lebanese religious groups. The United States must not tolerate this outrage to its citizens.

President Reagan made note of the seven remaining hostages in his remarks during the recent hijacking crisis and again when the hostages returned home. This President has found, just as his predecessor did, that solutions to the taking of American hostages are difficult. However, unlike President Carter, President Reagan apparently refuses to immerse himself in the day-to-day efforts necessary to secure the safe release of all our hostages. Now that a piece of the crisis is resolved, more than words are needed. The President must continue to press for the immediate and safe return of all hostages, some of whom have been imprisoned for more than a year.

The pain felt by the family and friends of the remaining hostages is compounded every day that they

remain captive, especially in lieu of the fact that scarce attention has been paid to their plight until the hijacking of flight 847. U.S. citizens must not continue to be the targets of terrorist outlaws. Every available channel must be used to see to it that all of the hostages can be welcomed home.●

● Mr. MINETA. Mr. Speaker, not all of our hostages are home. However pleased and thrilled we are about the recent release of 39 hostages, we must not, and cannot, forget that 7 hostages remain in Lebanon.

This is a particularly painful and frustrating situation because some of these hostages have been held captive over 1 year; 1 year, Mr. Speaker.

These are the hostages who have been held in the squalid conditions of Lebanon, wondering for week after week, month after month, whether or not their country has forgotten them. Imagine the hope they felt last month when they learned that negotiations were going on for the release of hostages in Lebanon. And imagine their crushing despair—the hopelessness they felt—when they saw that the TWA 39 were freed, and they, the original 7 remained. After so many months in capitivity—to see others come and then leave in 17 days. They must be asking themselves if their country has forsaken them.

Mr. Speaker, has our Government forgotten these seven men? Those of us familiar with this tragedy over the months remain unconvinced that this administration shared our concern and determination to see the seven released.

The administration said time after time that it was doing all it could. But its claims of activity sounded increasingly hollow. Its lack of activity and concern over these 7 victims was apparent when it was forced to respond to 40 more hostages being kidnaped off of the TWA flight from Athens. High level task forces were formed, the President and Secretary of State became directly and personally involved, the full weight of U.S. attention and pressure was brought to bear. And, thankfully, the 39 surviving hostages from the TWA hijacking were released.

Why do the seven who have been held for so long fail to rate the same level of attention and concern? A level of action, Mr. Speaker, which I point out was successful in resolving that difficult situation. This was what we have been pleading for over several months, yet we have gotten nowhere.

The TWA incident shows that with concentrated attention and high level concern, difficult situation such as this can be resolved without compromising our national principles or our antiterrorist efforts. The families of the original hostages have been pleading for such a U.S. response for months, and the TWA case shows they were right.

The State Department says that discreet, private contacts are the key to resolving this problem. We agree. Our concern is not with a need for publicity, but a concern that these past claims of quiet diplomacy are really a cover for inactivity.

Mr. Speaker, these seven hostages and their families have suffered for far too long. Although I have met all of the hostage families, I have become particularly close to the family of Rev. Benjamin Weir, a Presbyterian minister who was abducted on May 8, 1984. For more than 1 year Reverend Weir has languished in captivity.

During this time, his wife, Carol (whose father is a constituent of mine) his son, John, and his daughter, Susan have struggled to call attention to Reverend Weir's plight. Their calm intelligence and dedication have inspired all of us who have the honor to work with them. No family should have to go through what the Weir's and the other families are facing.

On their behalf, I pray for the release of the seven original hostages.

I am including at the end of this statement an article about the frustration of the hostage families that appeared in the July 6 San Jose Mercury News:

[From the San Jose Mercury, July 6, 1985]

KIDNAP VICTIMS' KIN SEEK SYRIA'S HELP, ACCUSE U.S. OF INACTION

(By Glennda Chui)

Relatives of four of seven American kidnap victims in Lebanon have asked for a meeting with Syrian President Hafez Assad and have accused U.S. government officials of inaction in their efforts to gain freedom for the seven men.

"I believe they're willing to sacrifice these seven men," said Carol Weir, wife of the Rev. Benjamin Weir, a Presbyterian missionary from Oakland who was seized outside his Beirut apartment on May 8, 1984. "It's a slightly harder case (than that of the 39 hostages), but they've had—what is it today?—424 days to work on it.

"What makes me so angry is that the Reagan administration doesn't deal with it themselves. They lean on other people—the Syrians and anybody else they think they could press."

Peggy Say of Batavia, N.Y., said Friday that she hopes to "make a humanitarian plea" for help in winning the release of her brother, newsman Terry Anderson, and the six other Americans kidnapped during the past 18 months.

Assad used his influence to negotiate the release of 39 Americans on a Trans World Airlines flight hiijacked last month by members of a radical Shiite Moslem group known as Hezbollah, or Party God.

A group associated with Hezbollah also is believed to be holding the remaining seven Americans in the Bekaa Valley of Lebanon, which is controlled by Syria.

A State Department spokesman said Friday that Assad is making an effort to win freedom for the seven. However, relatives of other kidnap victims were critical of the government's efforts.

Carol Weir said the U.S. government should negotiate directly with the kidnappers to arrange the release of 17 terrorists being held in Kuwait in return for the release of the Americans.

Benjamin Weir was assistant pastor of Oakland's Park Boulevard Presbyterian church when the couple was assigned to missionary duty in Lebanon 32 years ago. They reared their four children to speak fluent Arabic and helped coordinate relief to Moslem and Christian victims of the civil war.

Carol Weir quit her teaching job in Beirut in March to work full time for her husband's release. She is staying in Berkeley with her daughter.

She said the State Department has failed to keep the families of the hostages informed and has insisted that "quiet diplomacy" is the best way to win their freedom.

"They're been using the same language for 14 months—'We're working on it, and we'll continue to work on it.' ", she said bitterly. "But by their 'quiet' diplomacy,' they have not made Americans safe around the world. There's going to be another hijacking, another kidnaping, unless they deal with the root causes."

Weir said her Lebanese neighbors became increasingly anti-American as a result of U.S. support for Israel, which has occupied parts of the country since 1982. Their hostility increased when the U.S. battleship New Jersey shelled Lebanon, she said.

"I understand them (the terrorists) as angry young men acting in desperation because they are in a desperate situation." Weir said, adding that she believes retaliation by the Reagan administration would make the situation worse.

Mae Mihelich of Joliet, Ill., sister of Beirut kidnap victim Lawrence Martin Jenco, said she believed any retaliation would endanger her brother's life.

"Our hostages have been in captivity for 15 to 16 months, and in that time there hasn't been much happening," she said. "I feel that retaliation is not warranted until all of our Americans are freed."

Say, Anderson's sister, said any talk of retaliation at this point "is very dangerous and it's another indication of their lack of caring for the seven in that they waited for the 39 to come home first."

She said her frustration with the progress of the case led her to ask Monday for a meeting with Assad in Syria. If it takes place, she said, it will include relatives of four kidnap victims, including the Weir and Jenco families, and Jeremy Levin, former Beirut bureau chief for the Cable News Network, who was kidnapped but later escaped.

Say said the group did not consult the State Department about plans for the meeting because "it's none of their business."

Kathleen Lang, a spokeswoman for the State Department, said the department has not taken a position on the meeting.

"As private American citizens, they of course are certainly able to take any action they wish, and they're free to travel there." she said Friday.●

Mr. DYMALLY. Mr. Speaker, in conclusion let me thank my colleagues for joining in this special order, and again may I plead with our friends in Lebanon to assist in the release of these brave and courageous Americans and may God bless them all.

Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. BENTLEY (at the request of Mr. MICHEL) for today, from 1:15 p.m. until 5 p.m., on account of attending a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DIOGUARDI) to revise and extend their remarks and include extraneous material:)

Mr. SWINDALL, for 60 minutes, today.

Mr. DIOGUARDI, for 5 minutes, today.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mrs. LLOYD, for 5 minutes, today.

Mr. DYMALLY, for 60 minutes, today.

Mr. DONNELLY, for 60 minutes, today.

Mr. DYMALLY, for 60 minutes, on July 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SWINDALL, immediately following the vote on the Fascell amendment, rollcall No. 214, in the Committee of the Whole today.

Mr. SWINDALL, immediately following the vote on the Smith amendment, rollcall No. 215, in the Committee of the Whole today.

Mr. HYDE, on section 407 on H.R. 1555, in the Committee of the Whole today.

Mr. WORTLEY, prior to the vote on the Dornan of California amendment to title V of H.R. 1555, in the Committee of the Whole today.

Mrs. ROUKEMA, prior to the vote on the Mineta amendment to H.R. 1555, in the Committee of the Whole, today.

Mr. ARMEY, prior to the vote on the amendment of Mr. LOWRY of Washington in the Committee of the Whole today.

Mr. DORNAN of California, during the debate on the Clark amendment in the Committee of the Whole today.

(The following Members (at the request of Mr. DIOGUARDI) and to include extraneous matter:)

Mr. COURTER, in two instances.
Mr. MOORHEAD.
Mr. CAMPBELL, in two instances.
Mr. GUNDERSON.
Mr. LAGOMARSINO.
Mr. GEKAS.
Mr. GINGRICH.
Mr. KEMP.
Mr. BURTON of Indiana.
Mr. COUGHLIN.
Mr. DANNEMEYER.
Mr. LOWERY of California.
Mr. STUMP.
Mr. MICHEL, in two instances.
Mr. RINALDO.
Mr. LIGHTFOOT.
Mr. WEBER.
Mr. WHITEHURST.
Mr. GALLO.
Mr. HYDE.
Mr. CRANE, in three instances.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. WISE.
Mr. FLORIO.
Ms. KAPTUR.
Mr. TOWNS.
Mr. KASTENMEIER.
Mr. FRANK.
Mr. HUBBARD.
Mr. RODINO.
Mr. OBEY, in five instances.
Mr. ATKINS.
Mr. FORD of Michigan.
Mr. DOWNEY of New York.
Mr. LIPINSKI.
Mr. SKELTON.
Mr. MRAZEK.
Mr. CLAY.
Mr. COYNE.
Mr. BORSKI.
Mr. EDWARDS of California.
Mr. PEASE.
Mr. MARKEY.
Mr. KILDEE
Mr. LELAND.
Mrs. KENNELLY.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 487. An act to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc.; to the Committee on the Judiciary.

S. 953. An act to validate contractual relationships between the United States and various non-Federal entities; to the Committees on Energy and Commerce and Interior and Insular Affairs.

S. 1068. An act to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978; to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the United States Ambassador and United States delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations; to the Committee on Foreign Affairs.

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Thursday, July 11, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of July 9, 1985]

1642. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority dated July 1, 1985, pursuant to 2 U.S.C. 685(e), (H. Doc. No. 99-83); to the Committee on Appropriations and ordered to be printed.

1643. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Concerns Regarding the Use of Tax Exemption Numbers Assigned to the University of the District of Columbia," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1644. A letter from the Secretary of Education, transmitting a report entitled, "Special Study on Terminology," relative to the vernacular used in describing those among us who are seriously emotionally disturbed, pursuant to Public law 98-199, section 17(b)(1); to the Committee on Education and Labor.

1645. A letter from the Secretary of Education, transmitting notification of the reorganization and consolidation of components of the National Institute of Education and the National Center for Educational Statistics, pursuant to 20 U.S.C. 3473(b)(2); to the Committee on Education and Labor.

1646. A letter from the Assistant Secretary of Labor for Occupational Safety and Health, transmitting an annual report on Federal employee occupational injuries and illnesses prepared from data submitted by

Federal agencies, pursuant to section 19 of the Occupational Safety and Health Act; to the Committee on Education and Labor.

1647. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the National School Lunch Act and the Child Nutrition Act of 1966; to the Committee on Education and Labor.

1648. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1649. A letter from the Acting Secretary of the Interior, transmitting notification of a bidding system to be used and tracts offered in an OCS land lease sale, pursuant to the act of August 7, 1953, chapter 345, section 8(a)(8) (92 Stat. 640); to the Committee on Interior and Insular Affairs.

1650. A letter from the Director, National Park Service, transmitting a report of the effect of a hydroelectric project on the Sequoia National Park, pursuant to Public Law 93-522, section 4; to the Committee on Interior and Insular Affairs.

1651. A letter from the Secretary of the Interior, transmitting an analysis of amounts expended by Massachusetts, the city of Lowell, and by other nonprofit entities in furtherance of the Lowell National Historical Park, pursuant to Public Law 95-290, section 103(d)(1); to the Committee on Interior and Insular Affairs.

1652. A letter from the Acting Secretary, Federal Maritime Commission, transmitting notice that a certain feasibility study is in need of congressional review; to the Committee on Merchant Marine and Fisheries.

1653. A letter from the Administrator, Veterans' Administration, transmitting notice that the report, "Report on the Programs of Independent Living Services and Assistance," will be submitted soon, pursuant to 38 U.S.C. 1520 (94 Stat. 2185); to the Committee on Veterans' Affairs.

1654. A letter from the Acting Under Secretary for International Affairs and Commodity Programs, Department of Agriculture, transmitting the fourth quarterly commodity and country allocation table showing current programing plans for food assistance, pursuant to the act of July 10, 1954, chapter 469, section 408(b) (91 Stat. 552; 94 Stat. 2246; Executive Order 11963); jointly, to the Committees on Agriculture and Foreign Affairs.

1655. A letter from the Office of Legislative and Integovernmental Affairs, U.S. Department of Justice, transmitting a letter examining the authorization legislation for the Nuclear Regulatory Commission; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1656. A letter from the Assistant Secretary of the Interior, transmitting notice of a land withdrawal aggregating 325,000 acres, pursuant to Public Law 94-579, section 204(c); jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

1657. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to improve the management of the National Forest System through amendment of certain public laws affecting Federal land purchase, exchange, withdrawals and disposal; jointly, to the Committees on Agriculture, Interior and Insular Affairs, Energy and Commerce, and Public Works and Transportation.

[Submitted July 10, 1985]

1658. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting a report that the Department of the Navy plans to study the conversion from inhouse operation to commercial contract various functions throughout the United States, pursuant to Public Law 98-342, section 1112; to the Committee on Armed Services.

1659. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for Thomas Michael Tolliver Niles as Ambassador to Canada, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

1660. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs transmitting a report of political contributions for Joe M. Roberts as Ambassador to France, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

1661. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to establish a Food for Progress Program to use American food resources to support developing countries which have made commitments to agricultural policy change; to the Committee on Foreign Affairs.

1662. A letter from the Secretary of the Interior, transmitting the sixth annual public lands program report, pursuant to section 311 of the Federal Land Policy and Management Act of 1976; to the Committee on Interior and Insular Affairs.

1663. A letter from the Chairman, National Transportation Safety Board, transmitting the 1984 annual report of the National Transportation Safety Board, pursuant to 49 U.S.C. 1904; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Merchant Marine and Fisheries.

1664. A letter from the Director, Office of Civilian Radioactive Waste Management, transmitting a report entitled, "The Mission Plan for the Civilian Radioactive Waste Management Program," pursuant to Public Law 97-425, section 301 (b)(3); jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FAZIO: Committee on Appropriations. H.R. 2942. A bill making appropriations for the legislature branch for the fiscal year ending September 30, 1986, and for other purposes. (Rept. No. 99-194). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee on Appropriations. H.R. 2959. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes. (Rept. No. 99-195). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PEASE:

H.R. 2941. A bill to improve adjustment assistance for workers and firms under the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. FAZIO:

H.R. 2942. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes.

By Mr. BOUCHER (for himself, Mr. FISH, Mr. GEKAS, and Mr. HYDE):

H.R. 2943. A bill to amend section 1964 of title 18, United States Code, with respect to certain civil remedies for persons injured by racketeering activity; to the Committee on the Judiciary.

By Mr. CAMPBELL (for himself, Mr. FRENZEL, and Mr. GRADISON):

H.R. 2944. A bill to amend the Social Security Act to make certain program and fiscal improvements in the program of aid to families with dependent children, and for other purposes; to the Committee on Ways and Means.

By Mr. DANNEMEYER (for himself, Mr. BADHAM, Mr. DORNAN of California, Mr. BROWN of California, Mr. MCCANDLESS, Mr. PACKARD, and Mr. LEWIS of California):

H.R. 2945. A bill to amend title 28, United States Code, to establish a new judicial district in California to be comprised of Orange, Riverside, and San Bernardino Counties; to the Committee on the Judiciary.

By Mr. DYMALLY (for himself, and Mr. BLILEY):

H.R. 2946. A bill to establish an independent jury system for the Superior Court of the District of Columbia; to the Committee on the District of Columbia.

By Mr. FAUNTROY (for himself, and Mr. DELLUMS):

H.R. 2947. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to facilitate the issuance of bonds and notes by the District of Columbia; to the Committee on the District of Columbia.

By Mr. RALPH M. HALL:

H.R. 2948. A bill entitled the "Superfund Excise Tax Act of 1985"; to the Committee on Ways and Means.

By Mr. MATSUI:

H.R. 2949. A bill to amend title 18, United States Code, to modify certain procedures applicable to parole determinations to require the U.S. Parole Commission to make available to State and local law enforcement agencies certain information regarding parolees, and for other purposes; to the Committee on the Judiciary.

By Mr. SYNAR (for himself, Mr. STRATTON, Mr. ANDREWS, and Mr. DE LUGO):

H.R. 2950. A bill to require labeling for all smokeless tobacco products and advertisements; to the Committee on Energy and Commerce.

By Mr. MOLINARI:

H.R. 2951. A bill to amend the Public Health Service Act to establish a program for the provision of home and community based services to elderly individuals; to the Committee on Energy and Commerce.

By Mr. MRAZEK:

H.R. 2952. A bill to prohibit the importation into the United States of certain kangaroos and products made therefrom; to the Committee on Merchant Marine and Fisheries.

By Mr. TRAFICANT:

H.R. 2953. A bill to amend the Internal Revenue Code of 1954 to allow a refundable tax credit for individuals who purchase a new, domestically manufactured motor vehicle which has at least 85 percent domestic content; to the Committee on Ways and Means.

H.R. 2954. A bill to amend the Controlled Substances Act and Controlled Substances Import and Export Act to modify criminal penalties for certain drug offenses; jointly, to the Committees on Energy and Commerce, and the Judiciary.

By Mr. WISE:

H.R. 2955. A bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WRIGHT:

H.R. 2956. A bill to provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counterterrorist capabilities of the Bureau; to the Committee on the Judiciary.

By Mr. YATRON (for himself, Mr. KOSTMAYER, Mr. GILMAN, Mr. FASCELL, Mr. BONKER, Mr. ZSCHAU, and Mr. UDALL):

H.R. 2957. A bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries; to the Committee on Foreign Affairs.

H.R. 2958. A bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries; to the Committee on Foreign Affairs.

By Mr. BEVILL:

H.R. 2959. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes.

By Mr. CHAPPIE:

H.R. 2960. A bill to authorize the Secretary of the Interior and the Secretary of Energy to enter into an agreement with the city of Redding, CA, regarding the Lake Redding power project; jointly, to the Committees on Interior and Insular Affairs, and Energy and Commerce.

By Mr. EVANS of Iowa:

H.R. 2961. A bill to establish a commission to study the structure of the farm credit system and recommend any appropriate changes, and for other purposes; to the Committee on Agriculture.

By Mr. GRAY of Illinois:

H.R. 2962. A bill to remove certain restrictions on the availability of office space for former Speakers of the House; to the Committee on Public Works and Transportation.

By Mr. WEAVER:

H.R. 2963. A bill to authorize and direct the Secretary of Agriculture to engage in a ten-year research program to monitor, evaluate and identify the causes and effects of atmospheric pollution on the growth, health and productivity of forest ecosystems on forest reserves created from the public domain, on forest areas acquired under authority of the act of March 1, 1911, as amended (16 U.S.C. 515), and on other public and private forest lands, and for other purposes; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Science and Technology.

By Mr. HERTEL of Michigan:

H.J. Res. 335. Joint resolution designating October 6, 1985, as "National Stepparents Day"; to the Committee on Post Office and Civil Service.

By Mr. UDALL:

H.J. Res. 336. Joint resolution requesting the President to begin talks with the Soviet Union to establish a United States-Soviet Union student exchange for peace program; to the Committee on Foreign Affairs.

By Mr. McCANDLESS:

H. Res. 217. Resolution raising a question of the privileges of the House; considered and laid on the table.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

[Omitted from the Record of July 9, 1985]

199. By the SPEAKER: Memorial of the Legislature of the State of California, relative to Philippine Scouts; to the Committee on Armed Services.

200. Also, memorial of the Legislature of the State of Arkansas, relative to prayer in public schools; to the Committee on the Judiciary.

201. Also, memorial of the Legislature of the State of California, relative to shipbuilding; to the Committee on Merchant Marine and Fisheries.

202. Also, memorial of the Legislature of the State of California, relative to the U.S. Customs Service; to the Committee on Ways and Means.

203. Also, memorial of the Legislature of the State of Minnesota, relative to tax reform; to the Committee on Ways and Means.

204. Also, memorial of the Legislature of the State of California, relative to the Outer Continental Shelf; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. RICHARDSON introduced a bill (H.R. 2964) for the relief of Antonio Torres; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 63: Mr. BORSKI.

H.R. 64: Mr. DYMALLY and Mrs. BENTLEY.

H.R. 471: Mr. STUMP.

H.R. 508: Mr. TORRICELLI.

H.R. 585: Mrs. KENNELLY and Mr. ANDREWS.

H.R. 875: Mr. LEHMAN of Florida, Mr. MOODY, Mr. MITCHELL, Mr. WOLPE, Mr. MRAZEK, Mr. EVANS of Illinois, Mr. LEVINE of California, Mr. KASTENMEIER, Mr. DASCHLE, Mr. RANGEL, Mr. TOWNS, Mr. WEISS, Mr. MORRISON of Connecticut, Mr. MARTINEZ, and Mrs. BURTON of California.

H.R. 1099: Mr. MCCLOSKEY.

H.R. 1158: Mr. GRAY of Pennsylvania.

H.R. 1179: Mr. STARK.

H.R. 1207: Mrs. SCHNEIDER and Mr. LEHMAN of California.

H.R. 1232: Mr. BREAUX.

H.R. 1340: Mr. SUNIA.

H.R. 1589: Mr. DELLUMS.

H.R. 1616: Mr. AKAKA, Mr. BATES, Mr. WHEAT, and Mr. GILMAN.

H.R. 1835: Mr. JACOBS, Mr. MARTINEZ, Mr. RAHALL, Mr. SHUMWAY, Ms. MIKULSKI, Mr. LUNDINE, Mr. MORRISON of Washington, Mr. MITCHELL, and Mrs. BENTLEY.

H.R. 1844: Mr. DIXON, Mr. MORRISON of Connecticut, Mr. VENTO, Mr. ACKERMAN, and Mr. RODINO.

H.R. 1965: Mr. FISH, Mr. KILDEE, Mr. KRAMER, Mr. RALPH M. HALL, and Mr. MONSON.

H.R. 1985: Mr. MATSUI, Mr. WHEAT, and Mr. BATES.

H.R. 1992: Mr. BIAGGI, Mr. COURTER, and Mr. LUNDINE.

H.R. 2172: Mr. WALKER.

H.R. 2189: Mr. FUQUA.

H.R. 2205: Mr. CONYERS, Mr. DAVIS, Mr. GEKAS, Mr. MARKEY, Mr. PERKINS, Mr. WILSON, and Mr. YOUNG of Florida.

H.R. 2277: Mr. SHARP.

H.R. 2282: Mr. GILMAN.

H.R. 2361: Mr. HAYES, Mr. VENTO, and Mr. WAXMAN.

H.R. 2365: Mr. MARTINEZ, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Mr. FAZIO, Mr. STAGGERS, Mr. ACKERMAN, and Mr. BORSKI.

H.R. 2383: Mr. GRAY of Illinois.

H.R. 2384: Mr. SAXTON, Mr. YOUNG of Alaska, and Mr. ARMEY.

H.R. 2400: Mr. STUMP.

H.R. 2407: Ms. FIEDLER.

H.R. 2420: Mr. PENNY, Mr. BEVILL, Mr. FRANK, Ms. KAPTUR, Mr. ROSE, Mr. DE LA GARZA, Mr. ROE, Mrs. COLLINS, Mr. VENTO, Mr. ZSCHAU, Mr. SMITH of Florida, Mr. RANGEL, Mr. HENRY, Mr. BATES, Mr. MITCHELL, Mr. DE LUGO, Mr. BATEMAN, Mr. FAZIO, Mr. PEPPER, Mr. MRAZEK, and Mr. MARTINEZ.

H.R. 2422: Ms. KAPTUR, Mr. SEIBERLING, and Mr. WILSON.

H.R. 2522: Mr. GARCIA, Mr. FRANK, and Mrs. BURTON of California.

H.R. 2585: Mrs. BURTON of California, Mr. DYMALLY, Mr. HAWKINS, Mr. CONYERS, Mr. HAYES, Mr. FRANK, Mr. CLAY, Mr. WEISS, Mr. STARK, Mrs. COLLINS, Mr. FAZIO, Mr. ADDABBO, Mr. GONZALEZ, Mr. MITCHELL, Mr. YATES, Mr. DIXON, Mr. CROCKETT, and Mr. OWENS.

H.R. 2602: Mr. APPLEGATE.

H.R. 2635: Mr. TAUKE and Mr. COATS.

H.R. 2671: Mr. LEVINE of California, Mr. WEISS, Mrs. BURTON of California, Mr. WILSON, Mr. RANGEL, and Mr. HEFTEL of Hawaii.

H.R. 2684: Mr. BORSKI and Mr. BOUCHER.

H.R. 2797: Mr. WORTLEY, Mr. OXLEY, Mr. VALENTINE, and Mr. MCGRATH.

H.R. 2851: Mr. MINETA, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mr. HAWKINS, Mrs. COLLINS, Ms. KAPTUR, and Mr. FAUNTROY.

H.J. Res. 60: Ms. OAKAR, Mr. TORRICELLI, Mr. DONNELLY, Mr. LAGOMARSINO, Mr. BERMAN, Mr. WEISS, Mr. LIGHTFOOT, Mr. BARNES, Mr. RICHARDSON, Mr. SAXTON, Mrs. HOLT, Mr. MARTINEZ, Mr. MCCLOSKEY, Mr. MRAZEK, Mrs. KENNELLY, Mr. BOEHLERT, Mr. LEVIN of Michigan, Mr. WORTLEY, Mrs. BOXER, Mrs. BURTON of California, Mr. NIELSON of Utah, Mr. MINETA, Mrs. BENTLEY, Mrs. JOHNSON, Mr. LANTOS, Mr. THOMAS of Georgia, Mr. FEIGHAN, Mr. HEFTEL of Hawaii, Mr. SUNIA, Mr. OWENS, Mr. TOWNS, Mr. HAYES, Mr. LELAND, Mr. VENTO, Mr. FLORIO, Mr. DAUB, Mr. YOUNG of Missouri, Mr. CONYERS, Mr. FAZIO, and Mr. SMITH of Florida.

H.J. Res. 106: Mr. MCCAIN.

H.J. Res. 136: Mr. MONSON and Mr. ATKINS.

H.J. Res. 156: Mr. VALENTINE.

H.J Res. 173: Mr. JACOBS, Mr. BURTON of Indiana, Mr. DASCHLE, Mr. VALENTINE, Mr. DERRICK, Mr. CARNEY, Mr. HOYER, Mrs. LLOYD, Mr. SOLOMON, Mr. YOUNG of Florida, Mr. DE LA GARZA, Mr. COOPER, Mr. CARR, Mr. ALEXANDER, Mr. QUILLEN, Mrs. BENTLEY, Mr. COATS, Mr. FLORIO, Mr. SCHUMER, Ms. MIKULSKI, Mr. MADIGAN, Mr. RUDD, Mr. FROST, Mr. STRATTON, Mr. FAZIO, Mr. UDALL, Mr. ROTH, Mr. SCHEUER, Mr. WHEAT, Mr. ORTIZ, Mr. JONES of Tennessee, Mr. TORRICELLI, Mr. WYDEN, Mr. STOKES, Mr. CAMPBELL, Mr. LEWIS of Florida, Mr. WEAVER, Mr. EDGAR, and Mr. KRAMER.

H.J. Res. 178: Mr. SCHUETTE, Mr. WILSON, Mr. OBERSTAR, Mr. BONER of Tennessee, Mr. TORRICELLI, Mr. DAUB, Mr. ASPIN, Mr. WEBER, Mr. STANGELAND, Mr. HEFNER, Mr. CARNEY, Mr. GARCIA, Mr. SUNDQUIST, Mr. MARKEY, Mr. LEHMAN of Florida, Mr. BARTLETT, Mr. LUJAN, Mr. MAZZOLI, Mr. DANNEMEYER, Mr. GORDON, Mr. FUQUA, Mr. HAYES, Mr. TRAXLER, Mr. PEPPER, Mr. REID, Mr. STALLINGS, and Mr. GREEN.

H.J. Res. 183: Mr. ANDERSON, Mr. BEVILL, Mr. CONYERS, Mr. ERDREICH, Mr. FEIGHAN, Mr. FISH, Mr. FUQUA, Mrs. HOLT, Mr. HOYER, Mr. HUTTO, Mrs. JOHNSON, Mr. NELSON of Florida, Mr. PEPPER, Mrs. ROUKEMA, Mr. SMITH of Florida, Mr. STOKES, Mr. VOLKMER, Mr. SNYDER, and Mr. ROWLAND of Georgia.

H.J. Res. 222: Mr. AKAKA, Mr. ALEXANDER, Mr. BADHAM, Mr. CARPER, Mr. HENRY, Mr. LANTOS, Mr. PASHAYAN, Mr. PEPPER, Mr. SISISKY, Mr. STUMP, and Mr. THOMAS of Georgia.

H.J. Res. 260: Mr. GRAY of Pennsylvania.

H.J. Res. 277: Mrs. JOHNSON, Ms. MIKULSKI, Mr. WYDEN, Mr. SAXTON, Mrs. BENTLEY, Mr. MARTINEZ, Mr. LAFALCE, Mr. WEISS, Mr. BURTON of Indiana, Mr. FAZIO, Mr. MINETA, and Mr. FEIGHAN.

H.J. Res. 279: Mrs. LLOYD, Mr. MOORHEAD, Mr. SHUSTER, Mr. LUNGREN, Mr. SHUMWAY, Mr. BADHAM, Mr. SMITH of New Jersey, Mr. MADIGAN, Mr. SOLOMON, Mr. SCHAEFER, Mr. NIELSON of Utah, Mr. BARTLETT, Mr. LEWIS of California, Mr. SWEENEY, Mr. COBLE, Mr. GINGRICH, Mr. LOEFFLER, Mr. SILJANDER, Mr. SNYDER, Mr. DANIEL, Mr. STRATTON, Mr. HUTTO, Mr. OXLEY, Mr. LUJAN, Mr. CARNEY, Mr. PACKARD, Mr. LOTT, Mr. LIVINGSTON, Mr. MILLER of Ohio, Mr. KOLTER, Mr. MCCAIN, Mr. SPENCE, Mr. COATS, Mrs. VUCANOVICH, Mr. WALKER, Mr. SENSENBRENNER, Mr. CRAIG, Mr. HILLIS, Mr. MARTIN of New York, Mr. EMERSON, Mr. BEVILL, and Mr. MACK.

H.J. Res. 295: Mr. ANTHONY, Mr. ATKINS, Mr. BARNARD, Mr. BATEMAN, Mr. BENNETT, Mr. BEVILL, Mrs. BOGGS, Mr. BOLAND, Mr. BREAUX, Mr. BROWN of California, Mr. BROYHILL, Mrs. BURTON of California, Mr. CALLAHAN, Mr. CAMPBELL, Mr. CARPER, Mr. CHANDLER, Mr. CHAPPIE, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. COYNE, Mr. DARDEN, Mr. DAVIS, Mr. DELLUMS, Mr. DE LUGO, Mr. DICKINSON, Mr. DONNELLY, Mr. DORGAN of North Dakota, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. DYMALLY, Mr. EARLY, Mr. ERDREICH, Mr. FASCELL, Mr. FEIGHAN, Ms. FIEDLER, Mr. FRENZEL, Mr. GEJDENSON, Mr. GEKAS, Mr. GINGRICH, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GUARINI, Mr. RALPH M. HALL, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HARTNETT, Mr. HATCHER, Mr. HEFNER, Mr. HENDON, Mr. HENRY, Mr. HERTEL of Michigan, Mr. HUNTER, Mr. HUTTO, Mr. IRELAND, Mr. JENKINS, Mr. JONES of Tennessee, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LEATH of Texas, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LIPINSKI, Mrs. LLOYD, Mr. LUNDINE, Mr. MCCLOSKEY, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCEWEN, Mr. MACK, Mr. MACKAY, Mr. MANTON, Mr. MARTIN of New York, Mr. MATSUI, Mr. MAVROULES, Mr. MICA, Ms. MIKULSKI, Mr. MITCHELL, Mr. MONSON, Mr. MOODY, Mr. MOORE, Mr. NELSON of Florida, Mr. NICHOLS, Ms. OAKAR, Mr. PACKARD, Mr. QUILLEN, Mr. RAHALL, Mr. RICHARDSON, Mr. RINALDO, Mr. ROBINSON, Mr. RODINO, Mr. ROEMER, Mr. ROSE, Mr. ROWLAND of Connecticut, Mr. SABO, Mr. SAVAGE, Mr. SCHEUER, Mr. KASTENMEIER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SHELBY, Mr. SIKORSKI, Mr. SNYDER, Mr. SPRATT, Mr. STANGELAND, Mr. STARK, Mr. STENHOLM, Mr. STRANG, Mr. STUDDS, Mr. SUNDQUIST, Mr. SWINDALL, Mr. SYNAR, Mr. TALLON, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. TOWNS, Mr. UDALL, Mr. VALENTINE, Mr. VANDER JAGT, Mr. WALGREN, Mr. WATKINS, Mr. WAXMAN, Mr. WEAVER, Mr. WIRTH, Mr. CARR, Mr. HILLIS, Mrs. LONG, Mr. COOPER, Mr. DERRICK, Mr. DOWNEY of New York, Mr. GARCIA, Mr. MILLER of California, Mr. YATRON, Mr. YOUNG of Alaska, Mr. YOUNG of Missouri, Mr. LEWIS of Florida, Mr. GIBBONS, Mr. FOWLER, Mr. FLIPPO, Mr. WOLF, Ms. SNOWE, and Mr. WISE.

H.J. Res. 296: Mr. DANIEL, Mr. EMERSON, Mr. HANSEN, Mr. HUNTER, Mr. ROGERS, Mr. DANNEMEYER, Mr. FAZIO, Mr. CRAIG, and Mr. MACKAY.

H.J. Res. 321: Mr. WHEAT, Mr. BRYANT, Mr. HEFTEL of Hawaii, Mr. WORTLEY, Mr. HAYES, Mr. HUGHES, Mr. OWENS, Mr. FOGLIETTA, Mr. YATRON, and Ms. KAPTUR.

H.J. Res. 325: Mr. AKAKA, Mr. BLAZ, Mr. WILSON, Mr. HUGHES, Mr. CHANDLER, Mr. STENHOLM, Mr. MOODY, Mr. BOEHLERT, Mr. FIELDS, Mrs. BYRON, Mr. SKELTON, Mr. CARNEY, Mr. DINGELL, Mr. SILJANDER, Mr. STANGELAND, Mr. TAUZIN, Mr. BILIRAKIS, Mr. EMERSON, Mr. SIKORSKI, Mr. CARPER, Mr. BONER of Tennessee, Mr. HEFTEL of Hawaii, Mr. ANTHONY, Mrs. KENNELLY, Mr. HARTNETT, Mr. CHAPPIE, Mr. GRADISON, Mr. KOLBE, Mr. VOLKMER, Mr. ROBINSON, Mr. PEPPER, Mr. SAXTON, Mr. CHAPPELL, Mr. BUSTAMANTE, Mr. LAFALCE, Mr. EARLY, Mr. DOWNEY of New York, Mr. RUSSO, Mr. ECKART of Ohio, Mr. HOYER, Mr. LOWRY of Washington, Mr. MILLER of Washington, Mr. DELAY, Mr. GLICKMAN, Mr. APPLEGATE, Mrs. BENTLEY, Mr. EVANS of Iowa, Mr. BARNES, Mr. BROWN of California, Mr. TAUKE, Mr. KASTENMEIER, Mr. ERDREICH, Mr. DICKS, Mr. SHELBY, Mr. RICHARDSON, Mr. ANDREWS, Mr. FOWLER, Mr. HAMILTON, Mrs. HOLT, Mr. ROGERS, Mr. HYDE, Mr. HALL of Ohio, Mr. SISISKY, Mr. MURTHA, Mrs. SCHROEDER, Mr. MOLLOHAN, Mr. SABO, Mr. BREAUX, Mrs. BOGGS, Mr. GEJDENSON, Mr. ROYBAL, Mr. MONTGOMERY, Mr. MICA, Mr. SMITH of New Hampshire, Mr. SOLARZ, Mrs. LONG, Ms. OAKAR, Mr. COBEY, Mr. NEAL, Mr. AUCOIN, Mr. DANIEL, Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. DYSON, Mr. DASCHLE, Mr. GROTBERG, Mr. RALPH M. HALL, Mr. DE LUGO, Mr. OBERSTAR, Mr. HEFNER, Mr. PERKINS, Mrs. LLOYD, Mr. LUNGREN, Mr. TALLON, Mr. GREEN, Mr. HORTON, Mr. SWINDALL, Mr. YOUNG of Alaska, Mr. ROEMER, Mr. PACKARD, Mr. MONSON, Mr. MCDADE, Mr. MCCAIN, Mr. SUNIA, Mr. HAWKINS, Mr. JEFFORDS, Mr. BOSCO, Mr. SCHUMER, Mr. TORRES, Mr. UDALL, Mr. MINETA, Mrs. BOXER, Mr. MORRISON of Connecticut, Mr. WAXMAN, Mr. RANGEL, Mr. JONES of North Carolina, Mr. HERTEL of Michigan, Mr. MARKEY, Mr. DEWINE, Mr. LEACH of Iowa, Mr. BRYANT, Mr. NELSON of Florida, Mr. EVANS of Illinois, Ms. SNOWE, Mr. ANDERSON, Mr. COUGHLIN, Mr. RAY, Mr. LANTOS, Mr. O'BRIEN, Mr. PORTER, Mr. PURSELL, Mr. BEDELL, Mr. KLECZKA, Mr. SMITH of Iowa, Mr. ROWLAND of Georgia, Mr. MCKINNEY, Mr. FRANKLIN, Mr. JENKINS, Mr. PEASE, Mr. SYNAR, Mrs. JOHNSON, Mr. ROSE, Mr. MCCLOSKEY, Mr. WISE, Mr. DARDEN, Mr. ALEXANDER, Mr. LEHMAN of California, Mr. COLEMAN of Texas, Mr. ATKINS, and Mr. LUKEN.

H.J. Res. 327: Mr. FAZIO.

H. Con. Res. 115: Mr. STUMP.

H. Con. Res. 169: Mr. SABO, Mr. ORTIZ, Mr. BEDELL, Mr. DASCHLE, and Mr. FRANK.

H. Res. 132: Mr. BORSKI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2911: Mr. FRANK.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

[Omitted from the Record of July 9, 1985]

159. By the SPEAKER: Petition of the Bloss Memorial Free Will Baptist Church, Arlington, VA, relative to moral fiber; to the Committee on Energy and Commerce.

160. Also, petition of the Wayne County Commission, Wayne, WV, relative to Conrail; to the Committee on Energy and Commerce.

161. Also, petition of the United Electrical, Radio, and Machine Workers of America, Braintree, MA, relative to Pentagon spending and Social Security; to the Committee on Government Operations.

162. Also, petition of the city council of Breese, IL, relative to infrastructure; to the Committee on Public Works and Transportation.

163. Also, petition of the Arlington Structural Steel Co., Arlington Heights, IL, relative to President Reagan's tax reform plan; to the Committee on Ways and Means.

164. Also, petition of the Ambassador of Brazil, Washington, DC, relative to the footwear industry; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555

By Mr. CONYERS:

—Page 125, after line 15, insert the following new section:

SEC. 810. RECOGNITION OF THE AFRICAN NATIONAL CONGRESS.

The Congress—

recognizing that one hundred and sixteen (116) countries have bilateral relations with the African National Congress and that the United Nations General Assembly has passed a resolution declaring the African National Congress as the representative of the black South African people, hereby recognizes the African National Congress as the legitimate representative of the black South African people in their struggle to end apartheid.

By Mr. DORNAN of California:

—Page 68, after line 9, insert the following new section:

SEC. 518. DRUG TRAFFICKING AND THE PROBLEM OF TOTAL CONFIDENTIALITY OF CERTAIN FOREIGN BANK ACCOUNTS.

(a) FINDINGS.—The Congress finds that—

(1) several banks in Latin America and the Caribbean are used by narcotics traffickers as depositories for money obtained in providing illicit drugs to the United States and other countries of the region;

(2) offshore banks which provide total confidentiality provide a service which materially assists the operations of illicit drug traffickers; and

(3) cooperation in gaining access to the bank accounts of such narcotics traffickers would materially assist the United States authorities in controlling the activities of such traffickers.

(b) POLICY.—The Congress—

(1) requests the President to seek to negotiate treaties with all countries providing such confidential offshore banking, especially those in the Caribbean region, in order that the United States Government could obtain access to the bank accounts of known drug traffickers for the purpose of recovering illegally acquired funds;

(2) directs the President to include reports on the results of such efforts in the annual International Narcotics Control Strategy Report; and

(3) reaffirms its intention to obtain maximum cooperation on the part of all governments for the purpose of halting international drug trafficking, and constantly to evaluate the cooperation of those governments receiving assistance from the United States.

By Mr. GEKAS:

—Title V is amended by adding the following new section:

SEC. 518. PROTECTION OF UNITED STATES OFFICIALS ENGAGED IN INTERNATIONAL NARCOTICS CONTROL.

(1) PROTECTION OF OFFICERS AND EMPLOYEES OF THE UNITED STATES.—Whoever kills an official listed in Sec. 1114 of Title 18, United States Code, while such official is engaged in international narcotics control, or on account of such participation, shall be subject to the penalty of death or shall be imprisoned for any term of years.

(2) EXTRATERRITORIAL JURISDICTION.—There is extraterritorial jurisdiction over the conduct prohibited by this section.

(3) SENTENCE OF DEATH.—A sentence of death shall be imposed only in accordance with the following:

"(a) HEARING REQUIRED.—A person shall be subjected to the penalty of death
States only if a hearing is held in accordance with this section.

"(b) NOTICE BY THE GOVERNMENT.—Whenever the Government intends to seek the death penalty the attorney for the Government, a reasonable time before trial or acceptance by the court of a plea of guilty, shall sign and file with the court, and serve upon the defendant, a notice (1) that the Government in the event of conviction will seek the sentence of death, and (2) setting forth the aggravating factor or factors which the Government will seek to prove as the basis for the death penalty. The court may permit the attorney for the Government to amend this notice for good cause shown.

"(c) HEARING BEFORE COURT OR JURY.—When the attorney for the Government has filed a notice as required under subsection (b) and the defendant is found guilty of or pleads guilty, the judge who presided at the trial or before whom the guilty plea was entered, or any other judge if the judge who presided at the trial or before whom the guilty plea was entered is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. The hearing shall be conducted—

"(1) before the jury which determined the defendant's guilt;

"(2) before a jury impaneled for the purpose of the hearing if—

"(A) the defendant was convicted upon a plea of guilty;

"(B) the defendant was convicted after a trial before the court sitting without a jury;

"(C) the jury which determined the defendant's guilt has been discharged for good cause; or

"(D) after initial imposition of a sentence under this section, redetermination of the sentence under this section is necessary; or

"(3) before the court alone, upon the motion of the defendant and with the approval of the Government.

A jury impaneled pursuant to paragraph (2) of this subsection shall consist of twelve members, unless, at any time before the conclusion of the hearing, the parties stipulate with the approval of the court that it shall consist of any number less than twelve.

"(d) PROOF OF AGGRAVATING AND MITIGATING FACTORS.—Notwithstanding rule 32(c) of the Federal Rules of Criminal Procedure, when a defendant is found guilty of or pleads guilty to an offense for which one of the sentences provided is death, no presentence report shall be prepared. In the sentencing hearing, information may be presented as to any matter relevant to the sentence and shall include matters relating to any of the aggravating or mitigating factors set forth in subsections (g) and (h), or any other mitigating factor. Where information is presented relating to any of the aggravating factors set forth in subsection (h) information may be presented relating to any other aggravating factor. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during the trial. Any other information relevant to such mitigating or aggravating factors may be presented by either the Government of the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury. The Government and the defendant shall be permitted to rebut any information received at the hearing and shall be given fair opportunity to present argument as the adequacy of the information to establish the existence of any of the aggravating or mitigating factors, and as to appropriateness in that case of imposing a sentence of death. The Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggravating factor is on the Government, and is not satisfied unless established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless established by a preponderance of the information.

"(e) RETURN OF FINDINGS.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any mitigating factors, and any aggravating factors set forth in subsection (h) found to exist. If one of the aggravating factors set forth in subsection (h)(1) and another of the aggravating factors set forth in subsection (h)(2) through (10) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by a jury shall be made by unanimous vote. If an aggravating factor set forth in subparagraph (h)(1) is not found to exist or an aggravating factor set forth in subparagraph (h)(1) is found to exist but no other aggravating factor set forth in subsection (h) is found to exist, the court shall impose a sentence, other than death, authorized by law. If an aggravating factor set forth in subparagraph (h)(1) and one or more of the other aggravating factors set forth in subsection (h) are found to exist, the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist sufficiently outweigh any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"(f) IMPOSITION OF SENTENCE.—Upon a finding that a sentence of death is justified, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law.

"(g) MITIGATING FACTORS.—In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) the defendant was less than eighteen years of age at the time of the crime;

"(2) the defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge;

"(3) the defendant was under unusual and substantial duress, although not such duress as constitutes a defense to the charge;

"(4) the defendant is punishable as a principal (as defined in section 2(a) of title 18 United States Code) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge; or

"(5) the defendant could not reasonably have foreseen that his conduct in the course of the commission of murder, or other offense resulting in death for which he was convicted, would cause, or would create a grave risk of causing, death to any person.

"(h) AGGRAVATING FACTORS.—If the defendant is found guilty of or pleads guilty, the following aggravating factors shall be considered but are not exclusive:

"(1) the defendant—

"(A) intentionally killed the victim;

"(B) intentionally inflicted serious bodily injury which resulted in the death of the victim; or

"(C) intentionally participated in an act which he knew or reasonably should have known would create a grave risk of death to a person, other than one of the participants in the offense, and the victim did die as a direct result of the act;

"(2) the death or injury resulting in death occurred during the commission or attempted commission of, or during the immediate flight from the commission or attempted commission of, an offense under section 18

U.S.C. 751 (prisoners in custody of institution or officer), section 18 U.S.C. 794 (gathering or delivering defense information to aid foreign government), section 18 U.S.C. 844(d) (transportation of explosives in interstate commerce for certain purposes), section 18 U.S.C. 844(f) (destruction of Government property by explosives), section 18 U.S.C. 844(i) (destruction of property in interstate commerce by explosives), section 18 U.S.C. 1201 (kidnaping), or section 18 U.S.C. 2381 (treason), or section 902 (i) or (n) of the Federal Aviation Act 1958, as amended (49 U.S.C. 1472 (i), (n)) (aircraft piracy);

"(3) the defendant has been convicted of another Federal offense, or a State offense resulting in the death of a person, for which a sentence of life imprisonment or a sentence of death was authorized by statute;

"(4) the defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the infliction of, or attempted infliction of, serious bodily injury upon another person;

"(5) in the commission of the offense the defendant knowingly created a grave risk of death to one or more persons in addition to the victim of the offense;

"(6) the defendant committed the offense in an especially heinous, cruel, or depraved manner;

"(7) the defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value;

"(8) the defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value;

"(9) the defendant committed the offense after substantial planning and premediation to cause the death of a person or commit an act of terrorism;

"(10) the defendant committed the offense against—

"(A) the President of the United States, the President-elect, the Vice President, the Vice-President-elect, the Vice-President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States or any person who is acting as President under the Constitution and laws of the United States;

"(i) INSTRUCTION TO JURY ON RIGHT OF THE DEFENDANT TO JUSTICE WITHOUT DISCRIMINATION.—In any hearing held before a jury under this section, the court shall instruct the jury that in its consideration of whether the sentence of death is justified it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury shall return to the court a certificate signed by each juror that consideration of race, color, national origin, creed, or sex of the defendant was not involved in reaching his or her individual decision.

(4) APPEAL FROM SENTENCE OF DEATH.—

(a) NOTICE OF APPEAL.—"In any case in which the sentence of death is imposed under section 3562A of this title, the sentence of death shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time prescribed for appeal of judgment in section 2107 of title 28 of the United States Code. An appeal under this section may be consolidated with an appeal of the judgment of conviction. Such review shall have priority over all other cases.

(b) REVIEW OF SENTENCE.—"On review of the sentence, the court of appeals shall consider the record, the evidence submitted during the trial, the information submitted during the sentencing hearing, the procedures employed in the sentencing hearing, and the special findings returned under section 3562A(e) of this title.

(c) DISPOSITION.—"The court shall affirm the sentence if it determines that (1) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and (2) the information supports the special finding of the existence of any aggravating factor, or the failure to find any mitigating factors as set forth or allowed in section —— In all other cases the court shall remand the case for reconsideration under section ———— The court of appeals shall state in writing the reasons for its disposition of the review of the sentence.".

(d) PREGNANT WOMAN.—"In no event shall a sentence of death be carried out upon a pregnant woman.".

By Mr. RICHARDSON:

(Charged with Michel-McDade-McCurdy language.)

SEC 722. CONDITIONS OF HUMANITARIAN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE.

(a) PREVENTING DIVERSION OF ASSISTANCE.—The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

(b) RESPECT FOR HUMAN RIGHTS.—If the President determines that Nicaraguan democratic resistance forces are engaging in a consistent pattern of human rights violations, the President shall suspend all United States humanitarian assistance to those forces. The Secretary of State shall report to the Congress every six months on the human rights practices of the Nicaraguan democratic resistance forces.

—Page 154, after line 24, insert the following new section:

SEC. 1208. BAN ON IMPORTING URANIUM AND COAL FROM SOUTH AFRICA AND NAMIBIA.

(a) PROHIBITION.—Notwithstanding any other provision of law, the following products of South Africa and Namibia may not be imported into the customs territory of the United States: coal, uranium ore, and uranium oxide.

(b) EFFECTIVE DATE.—The prohibition contained in subsection (a) shall not apply to a contract or agreement entered into before the date of the enactment of this Act.

By Mr. SILJANDER:

—Page 146, after line 4, insert the following new section:

SEC. 1112. REAFFIRMATION OF UNITED STATES POLICY TOWARDS TAIWAN.

The United States reaffirms the findings and declarations of policy found in Sections 2 and 3 of Public Law 96-8 (Taiwan Relations Act). It is the policy of the United States to implement fully all provisions of Public Law 96-8.

(1) REPORTS.—The Secretary of State shall transmit to both Houses of Congress an annual report on the implementation of Public Law 96-8.

(2) CONGRESSIONAL HEARINGS.—To fulfill the oversight responsibilities given to Congress in Section 14 of Public Law 96-8, the Committee on Foreign Affairs of the House of Representatives, and the Committee on Foreign Relations of the Senate shall conduct annual public oversight hearings on the implementation of the Taiwan Relations Act (Public Law 96-8).

EXTENSIONS OF REMARKS

THE TAX CREDIT FOR HISTORIC PRESERVATION; A COMPONENT PART OF UBRAN REGENERATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. GUNDERSON. Mr. Speaker, for the shared concerns and good intentions of enterprise zone advocates, I offer the following quote by Jane Jacobs, author of "The Death and Life of Great American Cities." Her thoughts, though written some 20 years ago, are more timely today than ever:

> Dull inert cities, it is true, do contain the seeds of their own destruction and little else. But lively diverse intense cities contain the seeds of their own regeneration, with energy enough to carry over for problems and needs outside themselves.

She further describes what she has discerned essential to the continual regeneration of any community. Her frame of reference, New York City's Greenwich Village, is a prime example of an ongoing community and, logically, the prime context from which to draw conclusions.

Among her conclusions, Ms. Jacobs believes that, "cities need old buildings so badly it is probably impossible for vigorous streets and districts to grow without them."

At a time when the economic revitalization of urban areas throughout America is demanding the attention of all people, moreover, the support of policymakers, it is crucial that we outline programs tested for their impact and cost effectiveness. Budget restraints will continue to mandate private sector involvement as the Federal Government cannot afford to finance these efforts. Even if we could accept the initial challenge of regeneration, the ultimate costs of growth for any community, must be borne by members of that community. Regeneration must rely on private sector involvement.

Regeneration or gentrification must also endeavor to protect the inhabitants of the targeted district. Clearly, it makes no sense to rehabilitate an area if the resultant displacement of its former occupants become the creation of another blighted area.

Private sector involvement and minimal displacement of tenants are but two of the advantages of the tax incentive for historic preservation. Private sector participation over the past 4 years has created an estimated 63,000 jobs, 47,000 additional apartments and some $5.3 billion in retail sales. In most cases these rehabilitative efforts have been able to accommodate most of their former occupants.

Nonetheless, the tax incentive for historic preservation is slated for termination. As enthusiasts for enterprise zones continue to discuss the necessity for immediate reform, termination of the incentive seems incongruous with their good intentions. Clearly, if the compelling force behind the concept of enterprise zones is "the economic revitalization of distressed areas and the creation of jobs" for the inhabitants of these areas, our current tax incentive for historic preservation should be evaluated for its shared and established intentions.

WHY MAINTAIN OLD BUILDINGS

Perhaps, the most crucial element of a successful community is the diversity of economic groups the community can accommodate. An economically homogenous environment is a functionally limited environment; too limited to be lively, too limited to be convenient and, in all probability, too limited to withstand the gradual deterioration that accompanies many communities. Jacobs defines flourishing diversity as the mingling of high-yield, middling-yield, low-yield and no-yield enterprises.

Herein lies the fundamental need for older buildings. Unlike new construction, which commands a rental premium, older buildings accommodate a variety of economic groups. In 1981, for example, the average rental cost in new construction per foot was approximately $19. Compare this to the average cost of $14.50 per square foot in renovated older buildings and it becomes obvious that new construction, if comprehensive in any given district, precludes economic diversity:

> Look at it this way. Only operations that are well established, high turnover, standardized or heavily subsidized can afford to carry the cost of new construction. Chain stores, chain restaurants and banks go into new construction. But neighborhood bars, foreign restaurants and pawn shops go into older buildings. Supermarkets and shoe stores often go into new buildings; good book stores and antique dealers seldom do. Well subsidized opera and art museums often go into new buildings. But the unformalized feeders of the arts—studios, galleries, stores for musical instruments and art supplies—backrooms where the low earning power of a seat and table can absorb the uneconomic discussions—these go into old buildings. Perhaps, more significant, hundreds of ordinary enterprises, necessary to the safety and public life of streets and neighborhoods and appreciated for their convenience and personal quality can make out successfuly in older buildings.

This economic homogeneity also precludes inclusion of the former tenants, for in all likelihood, they cannot afford the new space. Let's go back to the concept of enterprise zones. In a letter supporting the concept of enterprise zones, the American Jewish Committee forewarns.

> Enterprise zones should not put companies currently operating in depressed areas at a competitive disadvantage. Firms should not be induced to relocate.

The costs of new construction, or any efforts toward gentrification for that matter can displace businesses, as well as families, if provisions for their retention are not extensively detailed. Without these necessary inclusions, regeneration becomes, at best a euphemism for the effective transformation of one blighted area to another.

WHY SHOULD THE FEDERAL GOVERNMENT GET INVOLVED

Given that older buildings provide for the diversity Jacobs contends essential to urban regeneration, we must then ask ourselves why the Federal Government should subsidize this development. Many contend that despite the tax incentives, historic preservation will continue. Why not advocate a neutral Tax Code?

Simply and perhaps adamantly, I want to point out that a neutral tax toward historic preservation is, in and of itself, a practical impossibility. Neutral implies nonpreferential yet, all things equal, market forces channel investments away from historic preservation toward new construction. Any alleged neutral Tax Code for historic preservation ultimately underwrites the demolition of these buildings.

In this light, it becomes obvious that historic preservation efforts will continue in direct proportion to the degree the Federal Government is willing to make the endeavor financially viable. The past can attest to this causal relationship.

Over the past 10 years, the Federal Government has incrementally increased its economic interest in preservation and not surprisingly, since 1976, the number of rehabilitation projects has increased. Under the Tax Reform Act of 1976, tax relief was provided to owners rehabilitating income producing structures listed on the Historic Register. The number of projects increased from an almost negligible amount to 512 at a total private sector expense of $140 million. As developers became aware of the incentive the amount grew at a moderate rate, although many developers continued to disregard the incentive. Their conten-

tion was that the cost of renovation exceeded the returns on their investment. New construction was preferred.

In 1981, under the tax reform of our present administration, the Economic Recovery Tax Act of 1981 expanded the tax incentive for historic preservation to include a 25-percent tax credit for buildings on the Historic Register, a 20-percent credit for buildings 40 years or older and a 15-percent credit for buildings 30 years or older. The justification for this tax expansion was that the goals of historic preservation, community development and economic growth are compatible. The use of preservation incentives was seen as a tool to revitalize communities.

Returns on the Federal Government's 1981 investment were as anticipated. The economic barriers that once precluded many interested parties from preservation efforts, had evolved into the means by which they could pencil out the endeavor. In that year, some 1,375 projects were approved at a total private sector cost of $738.3 million; 1985 estimates anticipate the number of projects to increase to 3,600 at a projected private sector investment of $2.4 billion.

Although these statistics have led many critics of the incentive to believe that rehabilitation is far too lucrative, do not be misled. A recent poll taken by Peter Hart Associates confirms that big money developers continue to shy away from preservation. The tax incentive cannot compensate for the loss in revenue when a large scale developer considers the alternative of new unrestricted construction. The poll further indicates that, for the most part, individuals with an average yearly income of less than $100,000 per year commit energies to renovation. Larger developers with assets of more than $1 million seldom, if ever, consider preservation.

Let's look at the costs unique to rehabilitation and the inherent limitations to preservation. In the first place, initial cost estimates are more difficult when renovating an existing building. For many small scale developers, this ambiguity either precludes or delays necessary financing. Assuming financing accessible, the developer in many cases discovers latent defects which are impossible to anticipate. Plumbing provisions or structural inadequacies concealed from the onset are frequently exposed once construction begins. There are a host of other problems which may arise and without exception these surprises are costly. Finally, these buildings may be located on prime real estate. The value of the underlying land often makes a decision to demolish the building more economical. In simple terms, if a developer pays for a prime for real estate, he is often compelled to increase the density level in order to offset his cost. This typically necessitates higher buildings. Preservation incentives cannot offset this alternative for increased returns.

Clearly, the tax incentive is not merely a means by which developers and interested individuals finance their luxuries. As Arthur P. Ziegler, president of Cranston Development Corp., in Pittsburgh suggests:

> In many cases, developers think the tax credit is a bonus or icing on the cake. It isn't true. On the bottom line, you won't make extra money with the tax credit. Its purpose is to try to compensate you for the expense of renovation.

Thus far, we have discussed the tax incentive in terms of its impact on preservation. I would be hard pressed, however, to conclude this report without first commenting on the tax incentive's reverse impact. The returns, relative to the degree of revenues forfeited by the Treasury is worth noting.

The U.S. Treasury estimates that the tax credit will forfeit approximately $325 million this year. The National Trust for Historic Preservation suggests, on the other hand that the amount forfeited has directly inspired in excess of $7.7 billion in private sector construction. As stated earlier, this privately funded development has also created an estimated 63,000 jobs, 47,000 additional apartments, and $5.3 billion in increased retail sales. Interestingly enough, in fiscal year 1985 the Federal Government spent $115 million more through direct funding for rural housing. We appropriated $440 million for urban development action grants and $200 million in economic development assist loans. We spent $3.4 billion in community development block grants. Americans are, no doubt, concerned with the economic development of both urban and rural sectors.

Enterprise zones can be the key to this development, provided we address the existing context, those existing buildings in disrepair. Clearly, the tax incentive for historic preservation has proven to be one of the most effective means by which private sector involvement has financed the redevelopment of these blighted areas. We are now faced with the possibility of its termination and as conversation about enterprise zones mount, the termination of a component part makes little sense.●

DEFENSE PROCUREMENT

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. PURSELL. Mr. Speaker, defense procurement is an issue that has received quite a bit of attention lately, both in the press and in our consideration of the defense authorization bill 2 weeks ago.

Recently, in a meeting of the Northeast-Midwest Congressional Coalition, of which I am a member, I asked Army Brig. Gen. Charles R. Henry for some Army successes in increasing competition, to learn if, in fact, the emphasis on procurement reform was on the minds of those in the Pentagon.

In response to that question, the Secretary of the Army, John O. Marsh, Jr., has been kind enough to send me some examples of Army successes in increasing competition, and I ask that they be printed in the CONGRESSIONAL RECORD. The examples provided show that of over a third of a billion dollars in contracts—for such items as ballistic missile defense, air defense training devices; strategic offensive missile, ballistic missile defense and military space program data acquisition and reduction; communications/electronics, laser technology, and missile procurement—that have been or will be put out for competitive bidding, savings through 1991 will be up to $236 million.

If what is being done in the examples provided by the Secretary of the Army becomes the general policy throughout all the Pentagon's procurement as much as possible given national security concerns, we will be on the right track toward getting Federal spending and the deficit under control.

The American taxpayers and we in Congress look forward to more examples for not only the Defense Department but all elements of the Federal government.

Examples provided by Secretary of the Army for inclusion in the RECORD:

GOOD NEWS IN ARMY CONTRACTING

"The Army * * * committed to competition as a foundation for readiness."

Examples of recent Army successes in increasing competition include:

Kiernan reentry measurement site [KREMS].—The KREMS contracts have been awarded previously on a noncompetitive basis to two contractors. In an effort to promote full and open competition, the Ballistic Missile Defense Organization revised their acquisition strategy. This revision accelerated the current modernization effort from 5 to 3 years so that documentation adequate to support competition will be available by mid-FY 87. The solicitation document will be released in mid-FY 87 for the entire KREMS project, with a projected competitive award by 1 Oct 88. This action will result in the Army competing approximately $100 million, which was earmarked previously for sole source.

Air to ground engagement simulation/air defense II (AGES/AD II).—In response to industry concerns over a restrictive provision in the AGES/AD II solicitation, Project Manager, Training Devices (PM TRADE), reviewed the solicitation and with the concurrence of the Deputy Commanding General (Research, Development and Acquisition) of U.S. Army Materiel Command (AMC) extended the due date for receipt of proposals by an additional 60 days. PM TRADE also extended the production prototype leadtime from 10 to 15 months. These

actions satisfy industry concerns and demonstrate AMC's commitment to promote full and open competition. The estimated value of this solicitation is between $120 to $160 million.

Kwajalein missile range.—The Army Competition Advocate reports that the Ballistic Missile Defense Organization awarded a contract on a competitive basis to Kentron International, Inc., for Range Engineering, Data Acquisition and Reduction technical support services at the Kwajalein Missile Range (KMR). The KMR is located within the Kwajalein Atoll and provides technical services supporting strategic offensive, Ballistic Missile Defense, and military space program testing. These services have been provided by Kentron on a noncompetitive basis previously. This effort was competed in 1984 with eight Defense contractors participating. Kentron was awarded the new contract based on the technical superiority of their proposal and the lowest estimated price of $90,358,619 for the period of January 1985 through December 1989. The estimated price to the Government, if the contract had been sole source, was $118 million. Thus the net reduction in price through competition is $27.6 million or 23 percent.

Savings achieved through competition of communications/electronics item.—The Competition Advocate General reports significant savings on an item procured recently on a competitive basis by U.S. Army Communications-Electronics Command. A circuit card assembly procured previously from the prime contractor, Magnavox, on a sole source basis since 1981, was screened for breakout and seven competitive offers were obtained in January 1985. The new unit price is $762.29 versus the previous unit price of $1,357.16. Based on the award quantity of 1,461, savings of $869,105 were realized through the award to the new source, Kimball Electronics.

Phase conjugated laser technology demonstrator.—The U.S. Army Electronic Research and Development Command (ERADCOM) proposed that a phase-conjugated laser technology demonstrator be acquired using full and open competition after exclusion of the source, Hughes Aircraft Company. The exclusion of this source, which maintains a lead in phase conjugated technology, will establish competition in a high-technology field which is critical to advanced Army tactical laser systems. This will result in an estimated reduction of at least 25 percent in acquisition costs for production hardware. This is the first time that the Army has utilized this provision of the Competition in Contracting Act.

Major achievements by the Hellfire/GLD project office.—The FY 85 HELLFIRE Missile procurement was awarded competitively and resulted in a savings of $20.5 million over the sole source projection for FY 85. It is anticipated that competitive procurement will result in a savings of $60-100 million through FY 91.

Options for the FY 85 Navy missile buy were exercised and added to the current FY 85 missile procurement which reduced the unit cost by $420 and resulted in a total savings of $2.5 million.

Component breakout procurement was continued with FY 85 savings on the missile container of $5.3 million with a total savings projected of $40 million by FY 91. FY 85 savings on launcher procurement were $11 million with projected savings of $42 million through FY 87 (last year of launcher procurement). Savings for both the container and launcher are calculated based on Rockwell International Corporation FY 82 actual prices projected in a sole source environment over the procurement program.

By the use of prudent procurement procedures in FY 85, the total savings for both the HF/GLD Project Office in FY 85 procurement awards to date are $39.3 million.●

THE DOGFIGHT OF THE CENTURY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. COURTER. Mr. Speaker, the advantages of a competitive environment in defense procurement has been most starkly illustrated by the competition between General Dynamics and Northrop for the Air Force's buy of fighter planes. The offers and counteroffers are bringing real benefits to the Pentagon and taxpayers.

This success, realized with only the specter of competition, has nothing to do with regulation or oversight. It has been achieved by allowing the right environment to exist, minimizing regulations, and encouraging creative proposals and opportunities through unbridled competition.

The excellent editorial below from the New York Times of July 8 says it all:

DOGFIGHT OF THE DECADE

In the torrid skies above Capitol Hill there rages an extraordinary dogfight. The contenders are the F-20 fighter made by Northrop and the F-16 built by General Dynamics. Spectators can watch with awe as the two planes make maneuvers seldom before seen in Washington. It's an instructive sight.

Zap! Northrop challenges General Dynamics's monopoly in supplying F-16-type fighters to the Air Force by offering its F-20 in competition!! Splat! General Dynamics cuts the program unit price of its F-16 by $6.2 million or 30 percent!!! Bam! Northrop offers a fixed price for spare parts!!! Whoooosh! General Dynamics slims down its plane by jettisoning pounds of costly electronic gadgetry!!!!!

The scrap is an outbreak of genuine competition among defense contractors. How did such a bizarre thing every happen? Unfortunately, the Air Force is in no way to blame. Nor did Congress have anything to do with it. As if by an invisible hand, the fight was sparked by reasons far beyond anyone's control.

Northrop developed the F-20 with $800 million of its own money to sell as an export fighter. The goal was to make the plane as hot as the Air Force's F-16 but much cheaper by avoiding gold-plated extras. Yet Northrop couldn't help adding a few too many frills and the plane came out costing nearly as much as the F-16. Foreign countries wouldn't buy the F-20 when they could follow the Air Force and buy F-16's for only a little more.

Failing to win a single foreign order for the F-20, Northrop's chairman, Thomas Jones, decided in desperation to sell the plane as a competitor to the F-16, by making an offer the Air Force couldn't refuse. This spring, as Congress was surfeited with case after case of thriftless Pentagon spending, Mr. Jones offered the Air Force 396 F-20's for $15 million each, along with spare parts at a guaranteed price of $475 per flying hour—quite low by the standards of military aviation.

Last month, the House Armed Services Committee agreed the offer should be seriously considered, and ordered a fly-off between the F-20 and the F-16. That was enough to get General Dynamics' attention. It has suddenly found new flexibility in its pricing structure. On June 20 it made the Air Force an unsolicited bid of its own: a stripped-down F-16 with a procurement cost of $13 million, and spare parts guaranteed at $554 per flying hour. The budget-priced F-16 lacks many complex avionics and weapons systems and, notes the newsletter Defense Week, has a new quick-start gyroscope to match the quick reaction capability of the F-20.

Before the Air Force has even expressed interest in competition, the rival makers have already made unsolicited bids offering sharp reductions in price, guaranteed ceilings on operating costs and improvements in quality. The lesson is clear. Even if one plane should prove to have the overall edge in quality, the Air Force needs to buy at least some of each so as to keep both contractors competing.

Who knows where that might lead? Perhaps to planes affordable enough to buy in economic quantities, and robust enough to avoid frequent break-downs. That could easily quadruple the planes available for combat. And all because two contractors fell into a dogfight. In its quest to improve military procurement, Congress should not remain blind to the contrails being blazed in the sky above.●

SOCIAL WELFARE AMENDMENTS OF 1985

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CAMPBELL. Mr. Speaker, I am introducing today a bill which would make various amendments to the Federal program of Aid to Families with Dependent Children [AFDC]. These program and fiscal improvements have been recommended by the President in his budget for the next fiscal year.

A major theme of this bill is the promotion of self-reliance among AFDC recipients through emphasis on work activities. This is something the administration has been stressing since 1981. I am in complete agreement with this general thrust of the bill. All Americans want to work to support themselves and their families. Welfare recipients feel this need as strongly as anyone. We in Congress have the responsibility of ensuring that the welfare program helps, not hinders, recipients in achieving their goal of self-sufficiency through employment.

However, I personally happen to believe that a basic level of education is also an important key to long-term financial self-sufficiency. It is unlikely

that a person lacking high school level reading and math skills will be able to obtain or to keep a job that pays enough to support a family in today's economy. Therefore, at the appropriate time, I intend to offer an amendment that would permit full-time attendance in a program of basic education leading to a high school diploma or its equivalent to satisfy the work requirement mandated in this legislation. I am convinced that the return on this investment in human capital will amply repay any costs associated with permitting an AFDC recipient to pursue a high school diploma instead of participating in community work programs.

This legislation emphasizes various approaches to assist AFDC applicants and recipients in seeking employment. For the first time, States will be required to establish various types of work activities for all employable AFDC applicants and recipients. In doing so, States will help employable welfare recipients gain a sense of dignity, self-worth and confidence that they could never achieve as dependents in the welfare system. Moreover, States will have great flexibility in designing the work activities to fit the needs of the individuals in their State. For many States, this will mean that they can continue to offer their current array of work activities.

As an alternative to the current Work Incentive Program, the administration's proposal provides an innovative approach to the problem of long-term dependency. Employable applicants would be required to look for a job while their application is pending. If they are unsuccessful, other work activity would continue while they receive assistance.

Through such programs as the Community Work Experience Program, Grant Diversion and Job Search, and through training programs such as the Job Training Partnership Act, States will have the necessary flexibility to tailor their employment program to local needs, and at the same time maximize help to their AFDC population. To support these activities, the bill would authorize $145 million for fiscal 1986. Additional funding could be authorized in subsequent years as States expand their efforts.

Moreover, during this period of limited Federal resources due to the budget deficit problem, the administration's work opportunities proposal is expected to achieve savings of $52 million in fiscal year 1986. These savings will not be achieved by cutting welfare benefits, but rather as the result of recipients becoming self-sufficient.

In addition, this legislation includes a proposal which will promote administrative efficiency by providing fixed amounts for each State's administrative costs, based on 1984 expenditures. This fixed amount would be adjusted for inflation. Work program costs would be provided through a separate allocation.

Two other provisions would target AFDC benefits to those most in need. First, employable caretakers would be excluded from AFDC once the youngest child in a family reaches age 16. This proposal, which would not affect the benefits of the child, recognizes that these adults are sufficiently free from child care responsibilities to pursue full-time employment. Thus, this proposal encourages families to prepare for the near future when assistance will stop altogether.

Second, minor caretakers who are not married would be required to live with their parents in order to receive assistance, with certain exceptions. The problem of teenage pregnancy has reached appalling proportions. This provision will help address one part of this problem by deterring the use of AFDC as a means for minor unmarried mothers to establish households separate from their parents.

Because this legislation will help needy families achieve self-support, and in the long run help to curb the growth of Federal expenditures, I urge my colleagues to give it their full support.

A brief summary of the bill follows:

BRIEF SUMMARY OF THE SOCIAL WELFARE AMENDMENTS OF 1985

No AFDC when youngest child turns 16: Section 2 would deny AFDC benefits to parents or caretaker relatives whose youngest child has reached age 16. This parent would no longer be considered to be needed to care for the child and would be considered to be employable.

Work requirements for AFDC applicants and recipients:

Section 3 would require all adult AFDC recipients to participate in work programs and activities. Exemptions would be made on the basis of age, illness, pregnancy or care of young children.

Recipients would work off their AFDC benefits at minimum wage rates or 120 hours per month, whichever is less.

Applicants and recipients would be referred for immediate and active participation in various work programs including: job search, Community Work Experience Programs, alternative programs developed by the State, or training activities.

Households headed by minor parents:

Section 4 would pay AFDC benefits to minor parents who do not live at home.

Exceptions will be granted if the minor's parents are dead or missing, if her or her child's health or safety would be jeopardized living at home, or if she has lived away from home more than a year before having her baby.

Grants to States for AFDC administrative costs:

Section 5 would replace open-ended Federal matching for state administrative costs with an indexed block grant allocated on the basis of fiscal year 1984 administrative expenditures.

Additional funds would be authorized for the administrative costs of states' employment-related activities.●

A TRIBUTE TO DR. MAURICE A. DAWKINS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. KEMP. Mr. Speaker, on June 26, 1985, my very dear friend, Maurice Dawkins, was honored at a testimonial dinner in Washington, DC. As a fitting tribute to Dr. Dawkins, the proceeds of this dinner will be donated to Africare, a private, self-help organization dedicated to improving the quality of life in rural Africa.

Many Members of Congress know Maurice Dawkins through his work on Capitol Hill on behalf of the Opportunities Industrialization Centers of America. Rev. Leon Sullivan asked Maurice Dawkins to come to Washington in 1972 to become "the Clarence Mitchell of the OIC." Reverend Sullivan sent a message from Africa to Maurice Dawkins on the occasion of his testimonial dinner, and he was joined by many Members of the House and Senate, as well as President Ronald Reagan in sending a congratulatory message. Civil rights leaders Roy Innis, James Farmer, and Walter Fauntroy were present to honor Dr. Dawkins during the program. The announcement that funding for title III of the Carl Perkins Vocational Education Act was forthcoming as a part of the supplemental appropriations bill was particularly gratifying for Dr. Dawkins, because passage of this legislation—which it was my honor to introduce in the House of Representatives—was Dr. Dawkin's last legislative assignment for OIC.

Dr. Dawkins' 30 years in the civil rights movement and his 40 years in the ministry were fittingly climaxed by his role in organizing the Interracial Conference on Human Life, and his efforts to build a coalition between the races through his campaign for Lieutenant Governor of Virginia.

As a special friend of OIC and the great work they are doing all over this country and indeed in Africa as well, and as a great admirer of Rev. Leon Sullivan, I know all my colleagues will want to read this tribute to Maurice Dawkins on the occasion of this testimonial dinner.

MAURICE A. DAWKINS

Reverend Maurice A. Dawkins was born in the midwest, attended school in Chicago. He received a scholarship to Columbia College, New York City where he majored in Economics. Reverend Dawkins completed his graduate work at Columbia University Teachers' College and Union Theological Seminary, N.Y. where he received the Masters Degree. He served the Community Church of New York and the First Community Church of Los Angeles. He served as President of the International Council of Community Churches and their Consulta-

tive Representative at the World Council of Churches; State Commissioner of Intergovernmental Relations and Urban Policy Development in California under Ronald Reagan. He was the Founding Chairman of the Western Christian Leadership Conference—President of the Los Angeles NAACP—and Chairman of the West Coast NAACP convention.

After 10 years on the West Coast, Rev. Dawkins was appointed to a subcabinet assignment as Assistant Director of the Office of Economic Opportunity, in the Executive Office of the President of the United States. He later served as a professor of Urban Affairs and Domestic Policy at the U.S. Civil Service Commission's Federal Executive Council, the Office of Management and Budget, and the Assistant Secretaries of most Executive Branch Agencies. He brought Senators and Congressmen into a Domestic Policy Capitol Hill Workshop creating interface legislators and bureaucrats.

Dawkins moved from the government to the private sector by joining the Opportunities Industralization Centers of America as Executive Vice Chairman of the Board. He moved to Washington to set up an OIC office. As National Director of Government Relations he helped Rev. Sullivan increase the OIC budget from $25 million through his work on the Hill to $150 million. He organized his own lobbying firm in 1975 and has helped secure passage of Landmark Legislation for Minority Business Job Training and Job Creation for more than a decade.

He is listed in Who's Who in America, Who's Who in Politics and Who's Who in Black America. He is a member of the Council of 100 Black Republicans, Alpha Phi Alpha and the Prince Hall Masons. He was founding chairman of the Virginia Black Republican Council and the First Black candidate for the Republican Nomination for Statewide Office in the History of the State of Virginia, running for the office of Lt. Governor.

Dawkins is married to Dr. Joan S. Wallace, Administrator of the Office of International Cooperation and Development of the United States Department of Agriculture, and they have five children; Maurice, Susan, Mark, Eric and Victor.●

A GRAIN OF SALT PLEASE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. GINGRICH. Mr. Speaker, a recent Washington Post editorial entitled "A Grain of Salt, Please" reminds all of us that polls tend to give you what you ask for.

The phrase "garbage in—garbage out" can apply as much to the construction of a poll as to any other information system.

It is unfortunate that Lou Harris, a pollster of many years experience, has in recent years become peculiarly adept at asking questions in such a manner that he knows in advance the answers he'll get. But, it's a danger all of us face.

While we as representatives of the public should know what the public feels, we should recognize how important it is to be cautious about how public opinion is reported. I think the Washington Post editorial is well worth noticing.

A GRAIN OF SALT, PLEASE

Pollster Lou Harris asked 1,254 adult Americans last January, whether they agreed or disagreed with the following statement: "When [Bernhard] Goetz said in his confession that he used dum-dum bullets, that he was sorry he didn't gouge out the eyes of the four he shot, and that if he could have reloaded his gun fast enough,"—you can pause for breath here—"he would have taken out after them, he looks more like a 'Death Wish' gunman out stalking to kill criminals, not an innocent victim just trying to defend himself."

The wonder is not that a majority agreed with the statement, but that 38 percent of the respondents had the gumption to disagree. Or perhaps they just didn't catch the reference to a years-old Charles Bronson movie.

This is an example of a practice increasingly common in polling—and in particular in Harris polls—of telling respondents things they probably don't know in order to see what they think when they do. Sometimes that's useful. More often it's dangerous, because the results can be easily distorted by the order in which questions are asked or by wording questions in a way that is, inadvertently or not, biased.

As an example of the latter, consider the Harris Survey on Nicaragua last month. After an 89-word introduction, the first question asked was: "How concerned are you that the U.S. will end up sending American troops to fight Nicaragua—highly concerned, somewhat concerned, not very concerned, or not concerned at all?" Mr. Harris reports that 81 percent are concerned, though that includes 31 percent who are "somewhat" concerned. Rep. Michael Barnes (D-Md.) tells colleagues "our constituents clearly recognize where the administration's policies are leading: 81 percent of them say they are concerned that the U.S. will end up sending American troops to fight Nicaragua."

Well, not exactly. More important, Republicans may well be right when they argue that raising the specter of American military involvement early and not mentioning the Sandinistas' communist ties biases all the responses to later, apparently neutrally worded questions.

How can people and politicians protect themselves against biased questions and misleading interpretations? First, they should insist on reading the actual question before they take a poll's word for anything. It's not hard to detect a leading question.

Second, they should look askance at poll results that seem to prove too much. Most ordinary citizens don't have a view on the motion to recommit subsection 6(b)(4). And, even if you tell them what subsection 6(b)(4) says, their response is, literally, off the top of their heads. It may not be a good indicator of what they would think once they've really thought about the issue.

Finally, they shouldn't expect the public through polls to resolve contradictory views. Voters want a balanced budget and no cuts in Social Security, a high level of defense spending and no cuts in aid to the truly needy. They hire politicians to figure out how they can get all these good things—or acceptable levels of each of them—at the same time. Polls provide useful information for politicians and others, but they don't give easy answers.●

AMERICA'S CARIBBEAN IMMIGRANTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. RANGEL. Mr. Speaker, since the early 1900's, many times, New York was the first stop for Caribbean immigrants; my city served as the historical and humble beginning for the enterprising spirit and aspirations of this Nation's Caribbean immigrants. This migration is finally beginning to be recognized in its basic fundamental concept: As the American dream.

One of the most important factors which determine whether Caribbeans would migrate to America was their belief in economic opportunity and continuous upward mobility. Their beliefs are no different from our beliefs. Our Caribbean immigrants want to work and prosper in our system of free enterprise, entreprenuership and self-sufficiency. They too want to be an intricate part of the American dream.

Our Caribbean immigrants have much to be proud of: from their ambitious pursuit of educational opportunities, to their extraordinary strong family and communities, to their extensive lineage of great first-generation Americans of Caribbean descent.

I submit an article from the Los Angeles Times, documenting this remarkable striving for the American dream, for inclusion in the CONGRESSIONAL RECORD.

[From the Los Angeles Times, Apr. 25, 1985]

Caribbeans—Driven Immigrants

(By Edward J. Boyer)

For Roland Yorke, the consuming passion to immigrate to what many of his countrymen still consider "the land of milk and honey" began with Sugar Ray Robinson, Joe Louis and Adam Clayton Powell staring down at him from the pages of Ebony magazine.

Growing up in Belize (then British Honduras). Yorke, 42, recalls that poor people who could not afford wallpaper covered their walls with pages from Ebony.

"You could look on the walls and see all of these pictures," Yorke said "I was tremendously influenced by being able to identify with black Americans. I wanted to leave home and make it in the real world."

Yorke made it to the "real world" in 1961 when he was 18, landing in Harlem with a Belizean friend who was later killed in Vietnam and becoming, by his own assessment, "a very good dishwasher."

COLLEGE DEGREE

Twelve years of struggle later with a sociology degree from Syracuse University in his pocket, Yorke headed for Los Angeles where he helped organize the Concerned Belizean Assn. and now works as director of the county's Willowbrook Senior Citizens Center.

His odyssey duplicates one that tens of thousands of immigrants from the English-speaking Caribbean have been following for generations, making their way to American

cities from island nations stretching east from Jamaica and sweeping south to Trinidad and Tobago, from Guyana on the South American mainland, Belize in Central America, Bermuda and the Bahamas (Atlantic countries with strong cultural ties to the Caribbean).

New York, with this country's largest concentration of Caribbean immigrants, was often their first stop. Since the 1960s, however, increasing numbers have been fleeing the harsh Northeastern winters for California's climate.

BASED ON CLASS

With no language barrier to overcome, and driven by a work ethic characteristic of immigrant groups, they have seized educational and economic opportunities often unavailable to them in their own countries.

"Distinctions in the West Indies are based on class rather than race," said Los Angeles Municipal Judge Alban I. Niles, a native of St. Lucia, a tiny island in the eastern Caribbean with a population of 100,000.

"If you went to school, you could be anything," he said. "That was drilled into you."

By all appearances, the car pulling up to the border checkpoint in Tijuana was filled with black Americans. The American driver had coached the passengers on what to say to the border patrol officer when he asked where they were born, but one nervous and confused passenger blurted out: "Mississippi, Texas."

"There is no such place," the officer said calmly, and motioned the car out of line to a detention area.

Belizeans can laugh telling that story, but the desperate efforts their countrymen make to reach the United States is no laughing matter to them.

Their country of 140,000 is one of the least developed in the Caribbean and is connected to the United States by a land bridge across Guatemala and Mexico. Belizeans' English, albeit heavily accented, allows them to pass as American tourists returning from a shopping trip to Tijuana when American coyotes—smugglers of aliens—pick them up for the drive across the border.

INVISIBLE ILLEGALS

In Los Angeles, they become "invisible illegals" who disappear into the city's black community. If they are stopped and questioned about their accents, they usually answer that they are from New Orleans.

"People who are lucky to earn $600 a year spend their last dime to get to this country," said one Belizean woman who requested anonymity. "They spend hundreds of dollars to get through Mexico, or they walk hundreds of miles just to get to the border."

Once they get to the border, there is no shortage of coyotes willing to drive down from Los Angeles and charge up to $2,000 to bring them into the country.

"The coyotes are mostly blacks—Belizeans and Americans," the woman said. "I know an American woman who was able to send her three daughters to private schools back East and buy two homes from the profits she made smuggling."

Belizeans say that illegal immigrants from other parts of the Caribbean are now beginning to use that same route to this country.

Some of those new arrivals are drifting into crime, primarily drug trafficking, community leaders said. "There is a growing concern about drug activity," said Dellone Pascascio, a registered nurse who heads the Concerned Belizean Assn.

"Most Belizeans involved in drugs are unable to compete here. They become frustrated and look for opportunities to make money in different ways. One way is illicit activity."

NO KNOWLEDGE OF NUMBERS

In general, Caribbean community organizations recognize that illegal immigration is a growing problem, especially among younger immigrants, but neither they nor the Immigration and Naturalization Service has a firm handle on the size of the illegal population.

Like leaders in Los Angeles' Latino community, Caribbean leaders see "a crying need for a solution to the immigration problem," said Edgar Menzies, a native of Guyana who serves as a liaison between Councilman Farrell and his Caribbean constituents.

But they know it will be difficult to keep people waiting for that solution in countries like Belize. Visa or no visa, they will continue to come, inspired by the solid foothold that other Belizeans such as Leo Bradley have legitimately gained in Los Angeles.

Bradley, 38, moved to South-Central Los Angeles 13 years ago "to make a better living and provide a future for my children. I bought my own home, I own an eight-unit apartment building and I own (maintenance) business."

Life in Los Angeles has enabled him to take the first steps toward realizing his biggest dream:

"To become wealthy."●

EL SALVADORAN TERRORISM

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LUKEN. Mr. Speaker, once again Americans learned of the loss of four of our young men who were serving their country in a far off land.

These four young marines were taken from us by a barbaric act carried out by terrorists who do not even have the courage to identify themselves. Their cowardly act resulted in the tragic death of Cpl. Gregory Weber, of my district in Cincinnati, OH.

My heart goes out to Mr. and Mrs. John Weber who have lost their son, and to the relatives and loved ones of all the victims of this crime.

Such acts challenge our country's will and our capacity to protect American citizens in sensitive areas of the world. Following the bombing of our Embassy in Beirut the State Department announced that it was taking steps to meet such attacks.

With acts of terrorism and loss of American life in places like Lebanon and Central America, I am today requesting that the State Department and Navy fully investigate the events surrounding this incident. State Department officials have told me that currently they are not taking any action on the scene to investigate or act to apprehend the perpetrators of the crime. In view of our deep involvement in El Salvador I have demanded that the Department of State and Navy launch an immediate investigation and report their findings to Congress.

We must do all we can to prevent such tragedies from occurring in the future, so Americans will not be awakened to learn of the loss of their children.●

TERROR FROM THE LEFT IN EL SALVADOR

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. BROOMFIELD. Mr. Speaker, yes, there is terrorism from the left in El Salvador in spite of what some critics of that country may say. The recent planned killings of four U.S. marines is proof of the fact that Communist leftwing death squads do exist. Their brutal terrorist activities are increasing, while the terror of the right has declined.

While much has been said and written about rightwing death squads in El Salvador, many of my colleagues in the House have chosen to ignore the death squads of the left. The Salvadoran Army is hurting the leftist guerrillas in the rural areas and the insurgents are shifting their operations to urban areas. Their urban terrorism has taken the lives of many civilians and innocent Salvadorans in recent months. Mayors have been killed as well as simple peasants who just happened to be standing in the way of the terrorists' bullets. Lieutenant Commander Schaufelberger of the U.S. Navy was slain by the leftist Clara Ramirez Front in 1983.

In the most recent terrorist incident, leftist guerrillas, disguised as Salvadoran soldiers, attacked a group of patrons at a row of outdoor cafes in downtown San Salvador. After spraying the crowded cafes with automatic weapons fire, the guerrillas began to methodically execute those who were still alive. A total of 15 people were killed in the cowardly attack. Among the dead were four embassy marine security guards and two other Americans who were employees of Wang Laboratories. Salvadorans and Guatemalans were also killed in the attack. All of the marines were off duty, unarmed, and dressed in civilian clothes.

The American Embassy in San Salvador believes that the attack was planned and that the marines were singled out by the killers who were probably members of the leftist Farabundo Marti National Liberation Front.

Let's call a spade a spade. In spite of what they say about wanting peace and desiring to improve the lives of Salvadoran citizens, the guerrillas of the left are using terrorism against the people they say they are helping.

The guerrillas are destroying the economic infrastructure of that poor country.

With these thoughts in mind, I call the attention of my colleagues to the following article about the tragic murder of the innocent in El Salvador.

[From the Washington Post, June 21, 1985]

GUNMEN SEEN SINGLING OUT U.S. MARINES

(By Robert J. McCartney)

SAN SALVADOR, June 20.—The gunmen who killed 13 persons at a row of sidewalk restaurants last night deliberately sought out the four U.S marines who were among the victims, witnesses said today.

The Salvadoran and U.S. governments said they believed the killers were members or allies of the left-wing Farabundo Marti National Liberation Front, whose guerrillas have been battling the government for more than five years.

No group had claimed responsibility for the attack, in which two American civilians and seven Latin Americans also died, by this evening. But the Farabundo Marti Front's Radio Venceremos welcomed the attack in its evening broadcast and warned that other U.S. military personnel might be targets of future attacks.

"Americans have begun to die," the clandestine radio, based in northeastern Morazan province, said. The broadcast did not discuss who had carried out the attack.

The attack, which was the first in two years in which U.S. military men were killed here, came at a time when the leftist guerrillas have said that they are stepping up urban warfare. The guerrillas consistently have criticized U.S. military and economic support for the government here, saying they would have won the war years ago except for Washington's backing of the Salvadoran armed forces.

The attack at the row of outdoor cafes at 8:35 p.m., the height of the evening rush, was widely repudiated.

"It is to be condemned from every point of view," Roman Catholic Archbishop Arturo Rivera y Damas said.

The four U.S. marines, who were guards at the U.S. Embassy, were off duty, unarmed and in civilian clothes, the embassy said. The two other U.S. citizens killed were employes of Wang Laboratories computer company who were visiting El Salvador. The other dead, all civilians, were five Salvadorans, a Chilean and a Guatemalan, the embassy said.

[The Pentagon in Washington identified the four dead marines as Sgt. Thomas T. Handwork, 24, of Boardman, Ohio; Cpl. Gregory H. Webber, 22, of Cincinnati; Sgt. Bobby J. Dickson, 27, of Tuscaloosa, Ala., and Cpl. Patrick R. Kwiatkowski, 20, Wausau, Wis.

[Wang said its two employes were George Viney, 48, of Miami, Fla., and Robert Alvidrez, of Lexington, Mass.]

Most of those killed appeared to have been victims of indiscriminate firing. A spokesman for the U.S. Embassy said it was not certain that the marines has been the main target, although he noted that the killers' truck had stopped right in front of their table. Salvadoran Deputy Defense Minister Reynaldo Lopez Nuila said he believed the marines were the target.

The two witnesses, Manuel Argueta and Mario Orellana, said the gunmen fired their submachine guns and automatic rifles first at the table where the marines were seated and afterward sprayed bullets indiscriminately. Both witnesses were wounded in the attack and were interviewed in their beds at the Policlinica hospital.

Argueta, a restaurant security guard, said an unidentified young man had approached the marines shortly after they sat down, chatted with them briefly, observed them for a few minutes from a distance, and then bicycled away. Ten minutes later, Argueta said, the killers leaped out of a pickup truck directly in front of the marines' table.

"I already had thought that he [the cyclist] was spying," Argueta said.

Both Argueta and Orellana said the gunmen, dressed mostly in military fatigues, had walked among the overturned tables and cringing bodies at the end of the 10-minute attack and singled out people to shoot again. Orellana, a 22-year-old architecture student and office worker in a construction company, said he thought that he was chosen to be shot because he is light-skinned and the killers mistook him for an American.

"I was lying with four or five friends in a row, but I was the only one picked," he said. A thin, young gunman "looked at me without expression and shot a burst at me," he said.

Argueta, 23, said he believes he was shot twice in the legs because a gunman saw his pistol stuck in his belt as he lay face down on the floor. He also said he heard one of the attackers' leaders shout to another member of the gang, "Give it to him again; he's not dead." The order was followed by the sound of a machine-gun burst from near the marines' table, Argueta said.

Argueta said one of the six marines escaped death because he had left the table and entered the Flashback night club a few minutes before the attack, while another apparently managed to run away.

Six persons, none of them American, were seriously wounded in the attack, the Salvadoran armed forces said. Two of the wounded were released from the hospital after treatment last night.

The leftist guerrillas were considered probably responsible primarily because the marines were killed and because of the Farabundo Marti front's proclaimed desire to escalate its war in the capital. El Salvador's right-wing vigilante groups have killed thousands of persons during the civil war, but the number of killings of suspected leftist sympathizers has declined sharply.

Left-wing killings, mostly of military personnel, have picked up this year in San Salvador as the guerrillas apparently have sought to open a new front in response to the Army's improved performance in the countryside.

"The criminal act . . . confirms the desperation that these groups of killers currently feel because of the military defeat that they are suffering and that they cannot hide," an armed forces communique said.

The embassy spokesman said: "We assume that the perpetrators were members of, or associated with the FMLN," the Spanish initials for the Farabundo Marti front. "It is known from captured documents that the FMLN was moving into the capital," he added.

Interest centered in particular on the Clara Elizabeth Ramirez Front, a hard-line leftist group that formally broke away from the FMLN in December 1983 but whose actions have been praised by the FMLN on occasion.

In the past, however, anonymous callers claiming to represent the Ramirez front have telephoned radio stations to announce that the front had staged an action. No such phone call was reported today.

The People's Revolutionary Army, the most militaristic group in the FMLN, also has stepped up urban killings in recent months. But that group controls the guerrillas' Radio Venceremos, which thus normally is quick to claim any attacks by the rebel organization. The radio's coverage of last night's attack, welcoming the action but not claiming it was typical of its coverage of past attacks staged by the Ramirez front.

Jorge Villacorta, the spokesman in Costa Rica for the civilian organization allied with the FMLN, said that he had consulted with the leftists' offices in Mexico City and that no information was available. "We learned of the attack from the press, Villacorta said this afternoon.

Only one U.S. military man had been assassinated previously in El Salvador, Navy Lt. Cmdr. Albert Schaufelberger III, who was slain by the Ramirez front in May 1983.

The marines, who reportedly visited the restaurant frequently, apparently violated U.S. Embassy rules. The embassy spokesman said that "we're all advised . . . not to frequent the same place on a regular basis."●

YOUNG ALABAMIAN PRAISED FOR DEDICATED SERVICE TO OUR NATION

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. SHELBY. Mr. Speaker, I rise at this time with great sorrow for the family and friends of Sgt. Bobby Joe Dickson, a brave and dedicated marine who has been the victim of a senseless, apparently random murder. We all owe a debt to our soldiers who serve around the world to protect our American families and the freedoms we value so highly.

The young man from Tuscaloosa was not unlike many Alabamians who dedicate their lives in the armed services to protect others. However, Bobby Joe Dickson undertook a uniquely risky assignment at the Embassy in San Salvador, and it is a great tragedy that this life was struck down so violently and senselessly.

In the past week, Americans have been the innocent targets of fanatical terrorists across the globe.

The United States has been successful at offering opportunity and freedom to its people and strives to help other nations, where prudent, toward the same goals. It is unfortunate that this high profile causes radicals to lash out against innocent American citizens.

Most of us have observed a recent wave of terrorism through the news media, with some detachment. However, when our own young people, whom we have known from our hometowns and have watched mature through the years, are the victims we read about in

the newspapers, it brings the tragedy directly to our own lives and families.

We mourn with Joe Dickson and Betty Malone the death of their son, Bobby Joe. But we also praise the young Alabamian for his dedicated and brave service to our Nation.

Thank you.●

SPECIAL TRIBUTE TO SUNBURY GIRL SCOUT GOLD AWARD RECIPIENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. GEKAS. Mr. Speaker, today I would like to recognize the achievement of Ms. Christine Elizabeth Sabol, a constituent of mine from Sunbury, PA. On Sunday, July 21, 1985, family and friends will gather at the Catawissa Avenue United Methodist Church in Sunbury to witness the presentation of the highest achievement in Girl Scouting—the Girl Scout Gold Award—to Ms. Sabol, a member of troop 1520 of the Hemlock Girl Scout Council.

As a young citizen, Ms. Sabol has displayed her energetic capabilities by participating in many different projects and community services which have won her special merits of honor. She taught French in two elementary schools in the Shikellamy School District, completed various interest projects, taught swimming lessons at the Sunbury Community Pool, and served as student representative to the Shikellamy Area High School's Long Range Planning Committee to fulfill the requirements for this very prestigious award.

I am proud to congratulate Ms. Sabol for her outstanding contributions to the community. Her unselfish attitude toward others has set an example for the rest of us to follow. I am honored to have an individual like her in my district.●

VIETNAMESE ANNOUNCEMENT ON 32 AMERICANS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I join my colleagues in noting the recent Vietnamese announcement that it is planning to return the remains of, or can provide information on, 32 Americans listed as missing in action in that Southeast Asian nation. The number allegedly includes 26 sets of remains and information on 6 additional Americans listed as POW-MIA, to be repatriated within 6 to 8 weeks. This is the largest number of MIA's the Vietnamese Communist Government has agreed to comment upon to date. Furthermore, an increase in the number of visits by U.S. teams to search for and indentify MIA remains is underway; there have been three "technical team" meetings so far this year. And, additionally, through the Indonesia Foreign Minister, the Vietnamese have allegedly proposed high-level talks between senior officials from the two countries in order to "resolve" the MIA issue as soon as possible.

Mr. Speaker, the American people should welcome the Vietnamese announcement and these recent developments if they are followed by tangible evidence of the Vietnamese Government's willingness to come to grips with this humanitarian issue and provide us with the fullest possible accounting of the whereabouts of our servicemen. Many times the Vietnamese have indicated their so-called interest in improving relations with the United States by saying they will provide information on our POW-MIA's, only to renege on their promises and continue to harbor this valuable and important data. Such behavior will not and cannot substitute for serious actions on their behalf to resolve this issue. The American people, Mr. Speaker, will not stand for less than a complete accounting, nor will this Congress or this administration.

Furthermore, many believe—and perhaps correctly—that Vietnam is trying to use the POW-MIA issue as part of an overall effort to elicit concessions from the United States, such as the establishment of official or semiofficial diplomatic recognition. Let me say that such a ruse will not work. The United States, and especially the families who have anguished so much, will not be taken in by the mere promises of a Communist regime that has withheld valuable information on our servicemen; terrorized and brutalized its own population, placing several hundreds of thousands in so-called reeducation or slave labor camps and forcing millions of other Vietnamese nationals to flee in rickety boats; invaded and occupied neighboring Cambodia with hundreds of thousands of troops and installed a puppet regime; and made a mockery of efforts to peacefully resolve issues of great importance to the United States and other nations.

Mr. Speaker, Members of Congress have long been interested in obtaining a full and complete accounting of Americans listed as POW-MIA in Southeast Asia. The Asia and Pacific Subcommittee of the House Foreign Affairs Committee, ably led by Representative SOLARZ from New York, and the House Task Force on Missing in Southeast Asia, ably led by Representative SOLOMON and previously by Representatives DORNAN and GILMAN, have spearheaded efforts in this regard. I am pleased to be an active member of the task force, and can assure my colleagues and the American people that my efforts—indeed, our efforts—on this important issue will continue.

So far, Mr. Speaker, only 99 Americans have been returned from Vietnam, a totally unsatisfactory and negligible number, compared to about 1,200 servicemen listed as missing there. The task force has reviewed strong evidence which indicates that Vietnam has in its possession some 400 additional remains, intact, which it has thus far refused to acknowledge. In addition, there is further evidence which leads us to state that we cannot and should not rule the possibility that some Americans may still be held against their will—alive—in Vietnam or elsewhere in Southeast Asia.

The United States will remain in close contact with our ASEAN allies on this matter, as their security is greatly affected by Vietnam's actions. The ASEAN nations also view this as an humanitarian issue, which can only be resolved through good faith efforts on the part of the Vietnamese Government. Unfortunately, to date such an effort has not been forthcoming. Too many times, the anguish of the American families of servicemen listed as POW-MIA has been increased by Vietnamese inaction.

Mr. Speaker, I hope and pray, as I know my colleagues do, that the Vietnamese have in mind a real change of heart on this issue which has caused so much heartache on the part of Americans, and has not permitted better relations between the United States and Vietnamese people. We are looking for significant progress on this issue as a sign that Vietnam is indeed ready to rejoin the civilized nations of the world. We trust their recent announcement and these developments are a positive sign of more and better cooperation in the near future. We want our MIA's returned. Hanoi knows this. It is now up to them to act.●

TERRORIST ACT CAUSES DEATH OF COMMUNITY LEADER, GEORGE VINEY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. FASCELL. Mr. Speaker, terrorism, and the death destruction it leaves, has been testing this Nation and its people severely within the last few days.

The violence shown by the terrorist is always hard to endure; but especially so when it strikes close to home. That is what it did last night in El Salvador. Among the 13 persons killed

were six Americans, one of whom was Mr. George Viney of my home district in Miami.

Mr. Viney, an employee of Wang Computers, was in El Salvador to conduct a training seminar for his company's products. In the highest American tradition he was there to help a developing country. Tragically, that commitment and dedication cost him his life.

To Mr. Viney's family I extend my deepest sympathy. In that I know I am joined by all Americans but especially the good people of Florida.

The death of George Viney and the five other Americans murdered in El Salvador is but another horrible chapter in the madness of hate directed against this Nation. Only a few days earlier we suffered the hijacking of the TWA flight in the Middle East and the resulting killing of a young American sailor and the holding of some 40 American hostages.

In order to combat the growing menace of international terrorism, we in the Congress must ensure that the U.S. Government and our friends and allies have the necessary tools to defeat this shadowy scourge. This means providing our diplomats and their families with adequate security; increasing our intelligence capabilities; improving airport security; and otherwise doing everything possible to protect our citizens abroad. As chairman of the House Foreign Affairs Committee, I have made this effort a top priority.

Mr. Speaker, I urge all of our colleagues to join us in this vital task.●

DAVID PALOMBI ON TELEVISION COVERAGE OF THE HOSTAGES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. COURTER. Mr. Speaker, the recent seizure of the TWA airliner and the heavy press coverage which attended most aspects of the resultant hostage situation led to a number of cases in which reporters criticized other reporters for their handling of the situation in Beirut. One of the most interesting of these was written for the Times of Trenton, NJ, by David Palombi, the newspaper's Washington, DC, correspondent. The essay deserves a wide audience, and I would like to include it in the RECORD for the benefit of my colleagues.

[From the Times (Trenton, NJ), July 7, 1985]

"JUST PLAIN FOLKS" IN LEBANON

(By David Palombi)

WASHINGTON.—Finally, thankfully, and indeed mercifully, the Beirut hostage crisis has come to an end. Mercifully not only for the hostages but also for every New Jerseyan who had the misfortune of following the drama on television.

If there is a lower episode in the history of television journalism than TV's handling of the hijacking of TWA flight 847, it cannot be recalled. In mind-numbing succession, viewers were treated to ABC's David Hartman playing mediator and negotiator with Shiite leader Nabih Berri, TV commentators all but begging the captive to denounce Israel's role in the crisis, terrorists mugging for the cameras as if making home movies and breathless exclusive news breaks like CBS's report that the copilot of the plane was suffering from "an infected spider bite."

Add to that the network's mad scramble to buy up hostage families with first class trans-Atlantic airfare and luxury hotel accommodations in Frankfurt (in return for exclusive interviews, of course), allegations they may also have paid the Amal terrorists for several of their "scoops" and the dizzying feeling gained from watching the hostages freed and it all becomes something akin to nausea.

In fairness to ABC, CBS and NBC, television has and will always have a role in such tragedies. It presents Americans with the day's news more vividly than any other medium.

But while television should not be expected to refrain from covering a hostage situation, some consideration should be given to the effect TV broadcasts may have on people charged with resolving the crisis. The coverage in Beirut went far beyond good journalism, good television or good taste and by the end had degenerated into network mudwrestling.

Doesn't anyone cringe when ABC's overblown "Good Morning America" star David Hartman winds up a pleasant chat with Amal leader Berri by asking, "Mr. Berri, any final words to President Reagan this morning?"? Isn't airing the remarks of a hostage totally under terrorist control the same thing as giving the terrorist himself access to the American people through television?

The Amal leaders have become quite shrewd at using television, and consequently most interviews and press conferences showed exactly what they wanted: terrorists buddying around with the hostages and having Pepsi-and-cake banquets. By the end, terrorism had become almost folksy.

It also helped create a monster of a different sort—the hostage "spokesman." On this occasion is was Allyn Conwell, who bears a striking resemblance both physically and in manner to J.R. Ewing of "Dallas" fame.

Conwell is an oilman who makes his living selling things in the Middle East. He spent most of his time in captivity serving as a mouthpiece for the terrorists, saying he was "sympathetic" to their plight and lecturing viewers on the fine points of Islamic society and Israel's failure to observe international law.

He apparently ran out of sympathy, however, when President Reagan demanded the release of seven other Americans held hostage in Beirut much longer than he was. Conwell called it inappropriate.

In fact, the short memory and narrow self-interests Conwell showed mirrored those of the three big networks. They too have given only passing notice to the seven other Americans.

What would more responsible coverage look like? It would require a sense of perspective. It would not be as breathless and repetitive. Network anchors wouldn't negotiate with terrorists on the morning news and hostages wouldn't hold news conferences to discuss U.S. foreign policy and the "plight" of those holding them.

The Amal terrorists exploited the hijacking to milk it for every minute of air time they could. The networks, sadly, tripped all over each other accommodating them.●

PURCHASE AMERICAN-MADE PRODUCTS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. TRAFICANT. Mr. Speaker, today I have introduced legislation to help our major industries regain their competitive position and provide an incentive to the people of this country to purchase American-made products, specifically motor vehicles.

My proposal would provide a 10-percent tax credit to those individuals who purchase an American-made motor vehicle which contains at least 85 percent domestic content. This tax credit would be distributed over a 4-year period and would be based on the final purchase price of the motor vehicle. In order for the individual to receive the entire tax credit, he must retain ownership for a minimum of 4 years. In the event that the vehicle is sold before the end of the 4-year period, the original owner forefits the remaining tax credit, nor is it transferable to the new owner.

The U.S. automobile industry has made some modest progress in recent years. However, with the lifting of the voluntary auto restraints by the administration, it will remain very difficult for the domestic automobile industry to regain its competitive position. I believe it is unfortunate that these restraints were lifted at this time. Without some type of assistance at the Federal level, the auto industry cannot compete fairly and effectively.

My proposal is not protectionist legislation designed to restrict the number of foreign vehicles allowed into this country. Rather, it provides a positive incentive to the American people to preserve and protect thousands of jobs and purchase a quality American-made product.

American industry is a solid and vital ingredient to the future growth and success of this Nation. We in the Congress cannot continue to allow foreign industry to dominate U.S. markets. American industry is making the effort to produce a higher quality product and we in the Congress should provide positive incentive for the American people to "Buy American." I urge my colleagues to recognize the commitment that is needed by this Nation if we are to preserve our place as a dominate industrial force. By sup-

porting my proposal we can take a step in that direction.●

THE QUALITY OF OUR ECONOMIC STATISTICS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. OBEY. Mr. Speaker, economic policy decisions depend crucially on the accuracy of our statistics on the state of the economy. If this information is incorrect, policies based on it will be misguided, leading to recession, inflation, or both. If key statistics are unavailable or incomplete, we may fail to take appropriate steps to deal with our economic problems.

In recent years the quality of our economic information has deteriorated. Several of the reasons for this decline were discussed in a recent article by Joseph W. Duncan in the New York Times. Mr. Duncan was director of statistical policy for the Office of Management and Budget for 7 years; he is currently corporate economist and chief statistician with the Dun & Bradstreet Corp. He is one of our leading authorities in this field.

The shortcomings cited by Mr. Duncan include:

First, we lack adequate statistics on the services sector of our economy, which now accounts for 70 percent of total employment. Commerce Department data are more heavily weighted toward the more traditional areas of the economy, such as manufacturing.

Second, deregulation and new technology in financial services have led to major changes in this industry. But the additional data needed to gauge the dimensions of these developments is not available.

Third, a number of policies have been adopted to encourage personal saving, including the section 401(k) program, under which employees may defer income. There are no statistics on the size of this program or its impact on reported income. As a result, the personal savings rate is not measured accurately.

Major policy issues involving tax reform, the effects of imports, and the encouragement of saving and investment are currently being discussed. Incorrect decisions will be made unless steps are taken to reverse the deterioration in the quality of our economic statistics.

[From the New York Times, June 30, 1985]

THE ECONOMY HAS LEFT THE DATA BEHIND—ARE GOVERNMENT NUMBERS ACCURATE?

(By Joseph W. Duncan)

It is fashionable today to blame economists for the confusion and contradictions in economic forecasting. But we may be ignoring a more basic source of error: the quality of Federal economic statistics.

A combination of factors is undermining the high-quality statistical procedures and data bases that we have developed over the last 40 years. The decline can be traced to deregulation, which dissolved regulatory agencies that had collected data; to budget cuts, which have reduced the flow of information from Government departments to statistical agencies, and—most important—to a failure to update statistical systems.

For example, the Bureau of Economic Analysis, which provides data used to compile the gross national product, still uses statistics that are heavily weighted toward the manufacturing sector, even though an estimated 70 percent of total employment is in service industries.

This lopsided emphasis also is reflected in the Standard Industrial Classification system, which is crucial for tracking activity in specific industries. The system has 140 classifications for manufacturing companies but only 66 for services.

The lack of detailed information on services has profound implications. The strong dollar has produced a tremendous influx of less expensive foreign goods that compete with domestic products. While this puts strong and well-documented pressure on domestic manufacturers, the benefit of increased imports to domestic service businesses, such as the warehousing, finance, distribution and retailing industries, is unmeasured.

How is Congress supposed to make informed policy decisions on economic and trade issues when it is, at least to some extent, groping in the dark? Without accurate information, decision-making becomes arbitrary.

Statistical policy has not kept pace with the restructuring of the economy. In 1982, the Office of Federal Statistical Policy recommended that Standard Industrial Classification group 7392—management, consulting and public relations services—be divided into six new industries. The revision was never made. Now, it is difficult to confirm evidence that large corporations are using outside technical services rather than rebuilding their staffs.

Such information is crucial to Federal policy makers. Employment regulations are intended to encourage hiring of permanent workers, who usually gain tax-subsidized benefits packages. Yet there is evidence that some companies may be hiring temporary workers solely to avoid Federal employment rules, such as unemployment compensation.

Dated industrial codes for the financial sector inhibit accurate appraisals of the impact of deregulation on banking services. Automated teller machines, for example, are rapidly replacing bank clerks. But without detailed data, the impact of such technological developments on inner-city employment, future demand for skills and other trends is difficult to determine.

The deterioration of Federal statistics has become particularly evident during current efforts to revise the nation's tax code. For example, one of the key features of the Reagan Administration's proposed revision concerns business taxes. Current government statistics show that, in 1984, corporate profits and non-farm proprietors' income totaled $402 billion, or 11.2 percent of total G.N.P., down from 12.2 percent in 1979 and 14.6 percent in 1969. The decrease is especially perplexing because of the recent reduction in corporate taxes.

Interpreting the decrease, however, is not an easy matter. The size of the Internal Revenue Service's corporate sample declined from 105,000 companies in 1969 to 93,000 in 1981. This, coupled with the fact that the I.R.S. estimated that the total universe of companies increased by 75 percent in the same period, means that the actual sample has been cut in half, from 6 percent to 3 percent of the total universe of firms.

While improved sampling design and estimating methodologies may have reduced errors caused by smaller samples, there are no studies that have gauged the effect smaller samples may have on measuring long-term trends or trends by industry or size of company. Both of these factors are crucial for accurately evaluating the potential impact of the proposed new tax laws.

Measures of personal savings also have been clouded by a lack of data on participation in the four-year-old Section 401(k) programs, under which employees may defer income. Although there may be as many as 2 million workers participating in such programs, there are no statistics on either the extent of the coverage or its impact on reported income.

Personal savings, as measured by the B.E.A., is simply the difference between total reported income and calculated personal consumption expenditures. Currently, income deferred under the 401(k) program is not included as reported income. As a result, the nation's overall savings rate is probably understated by between 5 percent and 10 percent.

We are currently faced with a number of major policy challenges, such as evaluating the impact of imports, stimulating savings and investment and revising the tax code. Regrettably, the quality of the statistics on which we will base our decisions on these issues is deteriorating. Unless this potential crisis is addressed, the effectiveness of policy decisions will be severely undercut.

Joseph W. Duncan, director of statistical policy for the Office of Management and Budget from 1974 to 1981, is corporate economist and chief statistician with the Dun & Bradstreet Corporation.●

A CLEAR CHOICE: GUNS OR BUTTER

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. DOWNEY of New York. Mr. Speaker, as the budget conference resumes, once again we will have to make the hard choice between guns and butter. Will our spending priorities be directed toward defense or will we achieve a balance between military and social programs that will enable us to speak in good conscience to those most in need—America's children and elderly—and say that we have responsibly addressed the domestic problem of hunger and malnutrition?

While national security is generally expressed in terms of missiles and bombers, it is my contention that we must expand that definition to include the assurance of adequate food and shelter for the Naion's poor who have fallen through the safety net. The problems of hunger and homelessness

must be included as a matter of concern to the national security.

I would like to introduce into the RECORD an editorial that recently appeared in the Chicago Tribune written by a good friend of mine. Bill Ayres, who cofounded World Hunger Year with the late Harry Chapin in 1975, has an important message that I would like to share with my colleagues.

[From the Chicago Tribune, June 26, 1985]

A CLEAR CHOICE: GUNS OR BUTTER

(By Bill Ayres)

The day after news reports indicated that more than 22 percent of American children are living in poverty, the House of Representatives did something unheard of since the advent of Reaganomics—it voted to increase spending on food and nutrition programs instead of increasing defense spending. The House set the stage for a conference committee battle with the Senate on a budget providing more money for social spending and less for the military. Never has the choice of guns versus butter been so inescapable, even for those supply-siders who claim we can have both.

By providing Social Security recipients with a full cost-of-living raise and by increasing spending on food and nutrition programs, the House has targeted for help the two groups most affected by the recent and rapid rise of hunger in America—the elderly and the very young.

In the last three years, the Reagan administration has cut $12 billion from domestic food programs. In human terms these cuts have adversely affected hundreds of thousands of women, infants and children in child care and feeding programs, children in school lunch programs and elderly Americans who rely on special nutrition programs. After nearly two decades of success in reducing hunger, recent government contempt for social programs designed to eliminate it has made hunger in America a "national health epidemic," as reported by a Harvard University physician task force.

The House's budget resolution is a step in the right direction for offering positive social spending and against leaving our children with Uncle Sam's massive debt. The House has offered a responsible alternative for reducing the federal deficit and for making a down payment toward eliminating hunger in the United States.

A Senate report by the Special Committee on Aging points to an income above the poverty line as key in providing elderly citizens with a nutritionally adequate diet. The Senate budget, by limiting the Social Security cost-of-living adjustment, would force more than 600,000 senior citizens to fall below the poverty line. This, coupled with the additional cuts in food programs the Senate has offered, would make meeting proper nutritional needs an impossibility for millions of seniors.

Children face a greater threat of hunger than any other segment of our population. The money added to food and nutrition programs by the House will directly reach the almost 15 million American children living in poverty. The increases by the House will allow for 120,000 additional people to participate in the successful Special Supplemental Food Program for Women, Infants and Children [WIC], it will improve the quality of the school breakfast program for 3 million low-income children, it will keep thousands of schools in the school lunch program and it will provide a modest increase in benefits to the 20 million poor people who receive food stamps.

By contrast, the Senate's $1.7 billion cuts to food and nutrition programs over the next three years will heighten hunger in America and will do nothing more to eliminate the federal deficit. This money will just be signed over to the Pentagon for continued growth in military spending.

One of the first things a student in economics learns is that you have to make choices about the best way to allocate limited resources. Since we have made drastic spending cuts in food programs, we have seen an equally dramatic rise in hunger. Since 1981, when we embarked on the largest peacetime military build-up in history, we have not seen any real increases in our military strength or our readiness. We have seen $659 ashtrays, however.

You don't have to be a genius to realize where spending tax money will ensure the best allocation of resources. But despite the obvious, the programs some people in Washington want to cut back serve as our first line of defense in combating the advancing forces of hunger and malnutrition.

About two years ago—before campaign promises were made—then-presidential counselor Edwin Meese commented that there was no hunger in America. President Reagan responded, "If even one American child is forced to go to bed hungry at night, or if one senior citizen is denied the dignity of proper nutrition, that is a national tragedy.

He's right. Mr. President, keep your promises. Let's alleviate a national tragedy.●

LONG-TERM OIL PROBLEM

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. WHITEHURST. Mr. Speaker, in the July 10, 1985, issue of the Washington Post, the column by Robert J. Samuelson raised some particularly cogent points, which I am pleased to share with my colleagues at this point in the RECORD.

I fully agree with Mr. Samuelson that now is indeed the time to take steps to ensure a dependable, long-term oil supply for the United States, and I hope that we will act without further delay. Historically, we are an 11th-hour Nation, and so far we have been lucky—as Bismarck said, "There is a special Providence that favors fools, little children, and the United States of America," but I very much fear that this will not always be the case.

The question now is not only, "Are we that wise?", but "Have we the courage and the foresight?"

LONG-TERM OIL PROBLEM

(By Robert J. Samuelson)

Oil is a subject that preys on the national capacity for self-delusion. We are feeling good about it these days. The Organization of Petroleum Exporting Countries is on the ropes. Prices may drop further. It's difficult not to suppress a sense of satisfaction and even spite. OPEC is finally getting its due, and our oil problem is over. Whoopee!

Well, rubbish.

If the Lebanon hostage crisis reminds us of anything, it's our vulnerability to a cutoff of some—or all—Mideast oil. The region's violent politics are largely beyond our control and, therefore, its oil (representing two-thirds of the noncommunist world's known supplies) is inherently insecure. While these realities endure, we have an oil problem. It's measured in decades, not years or months.

Prudent societies protect themselves against plausible dangers. Dropping oil prices will spur economic growth but not ease our long-term problem. By 1995, the Department of Energy projects that oil imports nearly will double. We should be taking steps to minimize future risks: imposing an oil tax (say 25 cents a gallon) to limit oil consumption, enlarging our Strategic Petroleum Reserve as insurance against a cutoff and eliminating tax subsidies for oil production that make us less vulnerable now but more vulnerable later.

We aren't doing these things.

Even now, the world's huge excess of oil production capacity is concentrated heavily in the Persian Gulf. Most other supplier nations are producing all they can. A few OPEC nations (Nigeria, Venezuela, Libya) are significantly below their peak capability. But their combined shortfall wouldn't compensate for a catastrophic loss of Persian Gulf oil. Any disruption to those supplies would quickly change the oil outlook.

And, in the decade ahead, the world's—and America's—dependence on Persian Gulf oil almost certainly will rise. Rapid production elsewhere will exhaust other reserves and mean that future demand will have to be met increasingly from the Mideast. Only large new discoveries or a sharp fall in world oil demand would avert this outcome. Both are possible; neither seems likely.

Why? The 1970s price increases stimulated the discovery of new supplies, more efficient use of oil and the substitution of other fuels for oil. In 1984, noncommunist nations' oil consumption was lower than in 1973. But the recent oil price decline (about one-third since 1981, after adjusting for inflation) is reversing these effects. In 1984, oil consumption rose 3.2 percent in the United States. At the same time, the long-range supply outlook is deteriorating, especially in the United States.

Since 1972, America's proven oil reserves have dropped by more than one quarter, although drilling and inflation-adjusted "real" prices—the incentive to find oil—are triple their 1972 levels. The oil simply may not be there. Geologist Joseph Riva of the Congressional Research Service estimates that our production will drop at least 17 percent by the year 2000. Recent exploration in Alaska and off the Atlantic Coast—two prime areas—has been disappointing; 46 test holes in the Atlantic, drilled at a cost of more than $3 billion, haven't produced a commercial find.

If oil were like other commodities, its price gradually would adjust to shifting supply-and-demand conditions. But oil is different. Mideast strife can change its supply and price radically overnight. Moreover, it's more important than other commodities. Because industrial economies subsist on oil, its scarcity creates the potential for strategic blackmail. By comparison, the TWA hijacking was child's play.

We need to reconcile our long-term strategic interests with our short-term economic interests. The best defense against supply interruptions is limiting our oil consumption. Unfortunately, the drop in real prices

since 1981 is increasing it. We should tax gasoline and other fuels to offset this effect. A 25-cent-a-gallon tax (which would roughly restore 1981 real prices) need not disrupt the economy. It could be imposed gradually—say a penny a month for 25 months.

No tax is painless, but an oil tax has more strategic advantages and fewer economic liabilities than almost any alternative. It would signal consumers to use oil efficiently. Just coincidentally, it would reduce the budget deficit by about $50 billion. If world prices fell further, revenue from a steeper oil tax might even allow income tax reductions. The point is that we shouldn't allow lower prices to flow directly to consumers but should capture the economic benefits elsewhere.

At the same time, artifically stimulating premature production of our limited domestic oil supplies will deepen dependence later. Tax incentives such as the deduction for "intangible drilling expenses" actually erode our long-term energy security. It's true that domestic oil production can't respond instantly to the higher prices caused by shortage. This is the rationale for a Strategic Petroleum Reserve. Freezing the reserve at 1985 levels—one budget-cutting idea—is short-sighted. It should be enlarged from the current 750-million-barrel target to 2 billion by early in the next century.

Niccolo Machiavelli diagnosed our oil problem more than four centuries ago. "The Romans," he wrote, "acted as all wise princes should, having regard not only to present ills but to future ones as well. . . . For if evils are anticipated, they can easily be remedied but if you wait till they come to you the remedy is too late and the sickness is past cure. . . ."

No one knows whether we will face a future oil crisis. We can't necessarily prevent one or even predict what it might be like. But we can take precautions to limit its potential damage. Are we that wise?●

A PROMOTION OF EXCELLENCE: ROSEMONT JUNIOR HIGH SCHOOL

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. MOORHEAD. Mr. Speaker, one way to promote excellence is to recognize it and then applaud it. I would like to do that today in the official record of the House of Representatives by holding up the banner of Rosemont Junior High School of La Crescenta, CA.

The U.S. Department of Education has announced that Rosemont Junior High School has been selected by its Secondary School Recognition Program to receive national recognition for excellence to education.

Initially, 509 schools were nominated for national consideration, a great honor in and of itself. Out of this number 273 schools were selected for site visits by officials from the Department of Education. To have been recommended for a site visit puts a school in very select company. It is a very important comment on the high quality of achievement of the Rosemont students, faculty, and the surrounding supportive community.

In the end, 10 California junior high schools made it to the finals. Of this number, four were selected for national recognition. Rosemont was one of this honored group.

Needless to say, all concerned are delighted with this national tribute. To strive for excellence and to then achieve it is reward enough. To receive special recognition in addition, is certainly a very satisfying situation.

Mr. Speaker, I am proud of Rosemont Junior High School, its students, its administration, its faculty, its parents, and the surrounding community. Few things are more important to the health, vitality, and ultimate good of a society than strong, ethical educational institutions. It is our youth, after all, who will determine our future as a Nation and people. Rosemont Junior High School is playing its role admirably and for this we are grateful.●

NAMIBIAN INDEPENDENCE: PROGRESS IN THE RIGHT DIRECTION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CRANE. Mr. Speaker, on June 17 the Government of South Africa fulfilled its earlier promise and transferred all local self-government powers from its Administrator-General to the Multi-Party Conference of Namibia. This new government of National Unity, made up of internal political leaders, is to govern Namibia until genuine independence is achieved. This transitional government represents a necessary alternative to the SWAPO terrorists who have waged a long and insidious campaign of violence to gain control of Namibia, but strangely, our own State Department has chosen to ignore this interim government. Instead, they favor turning Namibia over to SWAPO, the Marxist-Leninist terrorist organization that operates out of Angola.

In 1976, the United Nations designated SWAPO the "sole and authentic" representative of the Namibian people, appealed to all U.N. member states to help SWAPO as a "national liberation movement" in Namibia, and even granted official permanent observer status to this ruthless terrorist group. One would think that at least the United States and other Western nations would have the courage to stand up and oppose this ludicrous state of events, but even the U.S. State Department condemned this interim government and called it null and void. It seems they won't be satisfied until SWAPO and the Soviets are firmly in control of Namibia.

I believe it would be well for those who have manipulated U.S. policy for Namibia in this direction to remember what the 1984 republican Platform states: "The Reagan-Bush administration will continues its rigorous efforts to achieve Namibian independence and the expulsion of Cubans from occupied Angola." Furthermore, in 1981, U.S. Ambassador to the United Nations Jeane Kirkpatrick declared:

> Our principal goal . . . is independence for Namibia. . . . That is not our only goal. Namibia has the largest known uranium deposits in the world, and a second goal we have is to prevent this mineral-rich territory from being permitted to slide into the Soviet sphere of influence, which has expanded markedly in Africa. A related goal is to keep the vital waterways around Namibia out of hostile hands.

Now, as far as I am concerned, there is only one way in which we can achieve these two goals of gaining independence in Namibia while simultaneously keeping Namibia out of the Soviet sphere of influence—by revoking our previous recognition and support of SWAPO and encouraging the gradual granting of increased autonomy to Namibia. And that is precisely what is occurring today. Unfortunately, we have not supported this initiative, and I'm afraid that unless we turn this wrongheaded policy around we will live to regret it.

When the Transitional Government of National Unity was sworn in on June 17, Mr. Dawid Bezuidenhout, the chairman of the cabinet and head of the Labor Party of Namibia, addressed a crowd of 21,000 who gathered for the event. His speech is a moving account of the way in which this interim government came into being, and an eloquent plea for support and understanding from abroad. But if support is not forthcoming, this government will stand alone and complete its task undaunted. For this man and the government in which he serves are not pawns or puppets, but dedicated nationalists and statesmen. They deserve our support and recognition at this critical time. I hope each of my colleagues will take a few moments to read his statement and ponder the significance of it.

ADDRESS BY MR. DAWID BEZUIDENHOUT, CHAIRMAN OF THE CABINET, TRANSITIONAL GOVERNMENT OF NATIONAL UNITY, MONDAY, 17 JUNE 1985

Cabinet colleagues, deputy ministers, Mr. Speaker and members of the National Assembly, honoured guests from abroad, fellow South Westers, brother Namibians—

The history of our country has been written in too large a measure in blood and frustration; our future lies, we pray, in peace and reconciliation. All of us have contributed to our national past and we have a common duty to build a better tomorrow.

We are a small society, as nations go, both blessed and cursed by diversity: Diversity of language, of culture and of race. Diversity can be, and indeed has often been, source of division, of misunderstanding, of offence

given and taken. It has led, on occasion, to emnity, even bloodshed. But our history has already proved that past emnity can form the basis of present amity, as witness the strong and positive relationship today between our Herero and German-speaking countrymen, who only eighty years ago were locked in brutal struggle.

Diversity is also a source of strength, of the richness available in the many cultures represented in our national society.

This wealth of culture is a national treasure, its range as broad as the Namib, from the technological sophistication of the descendants of European societies to the deep understanding of and affinity with nature of our Kung brothers. Those of us who have adopted the modern culture of the cities are often unaware of the profundity of the religious mysticism which underpins the traditional beliefs of the majority of our countrymen.

The event which we celebrate today, June 17, 1985; the inauguration of a Transitional Government of National Unity, has come to fruition on the basis of our understanding of the richness and value of that diversity. The Multi-Party Conference, out of which this Government of National Unity was born, came into being because of the agreement of the parties that comprise it, that party political struggle and ethnic and sectional competition had to be rendered subservient, to the overwhelming need for national unity. The struggle to which we have committed ourselves is a struggle for peace, for national reconciliation, for political stability and economic and social progress for all in this, our beloved land.

Unity in diversity has become our watchword. Peace and national reconciliation, our battle cry. The most fervent desire of all the people of this country, whatever their political persuasion, is for peace; for the right to be left alone to do what each of them wants to do; to return to their normal daily tasks; to provide for their families; to build a better future for their children.

The people of Namibia are tired of this "armed struggle" waged about them; they are tired of having their children abducted into Angola; they are tired of the death and destruction sown by land-mines, bombs, and fragmentation grenades. They have no interest in foreign ideologies or the struggle forced upon them by those with imperialist designs on Southern Africa. Our people, the people of this country, have now stood up and said: "Leave us alone. Let us determine our own future."

We know a great deal about the involvement of the international community in the "struggle of the liberation of Namibia." We know of the findings of the International Court of Justice and the resolutions of the United Nations General Assembly and the Security Council. We know of settlement proposals, settlement plans, reports of the Secretary-General, amendments, more proposals and more plans. We are tired of all the words, the hollow promises, the meaningless gestures. We are increasingly disillusioned by the hypocrisy of the United Nations, which claims to be working for our liberation, to be committed to securing our right of self-determination, while placing the most fundamental stumbling-blocks in the way of our achieving these goals.

Let there be no doubt: We recognize those of our countrymen who are members of SWAPO, as our brothers and sisters, as persons fashioned in God's likeness, with whom we must build a common future. But we reject with scorn the United Nation's designation of SWAPO as the "sole and authentic representative of the Namibian people."

We react with shock to calls by the United Nations for support for SWAPO in its "armed struggle"—that same "armed struggle" which claims the lives of our children, on whatever side they fight. We deride the hypocrisy of those who provide funds to SWAPO to buy weapons—the landmines, bullets, and bombs that kill our people—not South African soldiers—while refusing to contribute money for schools, clinics and more opportunities for employment for those in this country. We reject the counsel of those who preach the gospel of liberation through destruction, and commit ourselves again to the goal of national reconciliation.

Our programmes in office will spring from these principles. We shall continue to seek an end to the campaign of destruction in the north of our country. We shall continue to encourage those parties which presently stand outside of this government to join with us in our common endeavor. Having assumed responsibility for the South West African Police and the South West Africa Territory Force, some of whose units we see before us today, we shall be able to provide for the protection of our citizens if any other party should refuse the hand of reconciliation which we proffer again today. We seek cooperation, but our desire for peace—the desire of all in this country—should not be misunderstood as a sign of weakness.

We shall seek, through sound development planning, increased application of the principles of preventative health care, adaptation of the structures of our educational system, particularly in the rural areas, and the application of appropriate manpower and community development strategies, to improve the socio-economic circumstances of all our citizens. The reduction of the existing disaggregation of income and opportunity between urban and rural areas wil be a particular priority. We shall strive to promote a sense of national purpose in this regard and to establish a commitment to service to the nation.

In pursuing these strategies, we shall continue to recognise the wealth of diversity characterising our national society. We do not seek an homogenised culture. We respect the cultural traditions of all our people and believe that each has a contribution to make in shaping a new nation. We are, however, committed to making the best possible use of our national resources, both human and financial, in the government and administration of our country.

Believing this to be a demanding, even daunting task, we have already, even before constituting this government, given considerable thought to the constitutional questions which it raises. Several distinguished authorities, both African and European, some of whom are represented in this audience today, have already made important contributions to our deliberations. We have, as you know, determined to create a Constitutional Council, assisted and advised by specialists, but comprising a comprehensive selection of persons representing the people of this country, to address this vital question. The creation of this Council will be one of the first legislative acts which the National Assembly will perform.

We have come a long way in the nineteen months since the Multi-Party Conference came into being on 18 November 1983, and a challenging and demanding path lies ahead for the Government of National Unity. Our committment to justice, decency and respect for the rights of all, is evident from the inclusion of the rights enumerated in the Multi-Party Conference's Bill of Fundamental Rights and Objectives, in the Proclamation which has brought the Transitional Government of National Unity into existence. It is apparent from the provision, inserted at our request, that the National Assembly shall not be competent to pass laws abolishing, diminishing or derogating from any fundamental right.

We call again today on those of our countrymen whose active commitment to violence and revolution prevents the immediate abolition of those laws now in force, which infringe on the fundamental rights to which we have committed ourselves, to set aside their weapons and to join with their brothers and sisters in this land, in building a better future. The hour is late, too much blood has already been spilled. The chance to achieve our goal is within our grasp. Let us seize it now!

I thank you all!●

THE CHURCHES UNDER COMMUNISM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. MICHEL. Mr. Speaker, the next time you hear someone say that Marxism-Leninism is willing to coexist with church groups in Latin America, ask him about the fate of the churches under Fidel Castro. If he does not know the facts, a recent article published in the Wall Street Journal might help educate him.

When I went to Grenada over a year ago, I had the chance to talk with leaders of various churches about life under the Marxist-Leninist New Jewel Movement. Every church leader told of fear and pressure and said that if the Americans had not come to the rescue, the churches would have either become subservient to the Communist regime or eliminated. Anyone who says there can be a mutually satisfactory relationship between those who believe in God and Marxist-Leninist dictators doesn't understand one or the other. But, incredibly enough, even among some clergy, this myth persists. It is one of the great historical tragedies of our time.

At this point I wish to insert in the RECORD, "Nicaragua Eyes Cuba's Resolution of Religious Debate" by Diego A. Abich, the Wall Street Journal, July 5, 1985.

[From the Wall Street Journal, July 5, 1985]

NICARAGUA EYES CUBA'S RESOLUTION OF RELIGIOUS DEBATE

Despite the best efforts of the Nicaraguan government, the popularity of the Roman Catholic Church—and its spiritual leader, the newly anointed Cardinal Miguel Obando y Bravo—endures. Most recently the Sandinistas failed in an attempt to prohibit thousands of Cardinal Obando's supporters from greeting him at the Managua airport upon

his return from a U.S. visit. If the Sandinista leaders are indeed intent on solidifying a Marxist revolution with the help of their friends in Moscow, they will have to "do something" about the popularity of the Roman Catholic church. If or when such a point is reached, we may see a replay of the situation in Cuba when Fidel Castro decided that no faith or authority could be considered higher than that of the state.

The division between the churches and the Cuban state began in 1959 after the provisional government initiated a series of arbitrary and despotic measures, including mass executions of people without due process of law. When religious leaders denounced these injustices and the increasing influence of communists in the government, Mr. Castro reacted by accusing them of being "counterrevolutionaries." In May 1961 the government seized all Catholic and Protestant facilities, including universities, and in September 1961 it expelled 130 priests and the bishop of Havana, Msgr. Boza Mas Vidal.

About 800 priests and 2,225 nuns were in Cuba in 1959 serving 5.5 million people. Today, in a population of 10 million, Cuba has only 215 priests and fewer than 200 nuns. Many members of the Jewish and Protestant clergies also were forced to leave the country as a result of the government's policy.

During subsequent years the government's strategy has remained the same—divide and subvert the churches and keep them in submission to the state. Other tactics have ranged from the establishment of concentration camps, where thousands of religious believers were forced to work under inhumane conditions, to mass imprisonment of religious leaders (such as the case of 50 Baptist preachers sentenced to long prison terms in 1965), to present-day religious persecution as reported by those released from prisons during Jesse Jackson's visit to Cuba last summer.

Cuba's constitution of 1976 defines the country's cultural and educational policy as based on the scientific and materialistic concepts of the universe, a reminder that religious beliefs conflict with the foundations of Cuban society. Under Article 39, parents have a duty to "educate their children in the spirit of communism." Parents who keep their children at home to observe religious holidays are subject to imprisonment. Article 61 makes clear that no freedom may be exercised "contrary to the existence and objectives of the Socialist State." The Holy Week observance has been pro-empted by the weeklong celebration of the defeat of the Bay of Pigs Invasion, and the July 26 Revolution holiday is observed during the Christmas holiday with required civic events that preclude family and religious gatherings.

Churches have to register as "associations." All of their activities are closely monitored and supervised by the Department of Belief, Culture and Teaching of the Central Committee of the Communist Party. The church has no means of communication, no freedom of expression. Radio, television and newspapers are all state owned. No word of proselytism is allowed and all meetings are to be conducted within the church. In 25 years no new churches have been built and construction material for those in need of repair is often denied. While the Church of San Carmen and the Cathedral of Havana have been repaired with money from UNESCO and the Espiscopal Conference in France, others, such as San Francisco de Asis in the town of Trinidad, have each been converted into a National Museum for the Revolution.

Some denominations have been outlawed, their sanctuaries closed and their members incarcerated. Such is the case with the Jehovah's Witnesses, Seventh-day Adventists, Gideons International and others. The Jewish community also has suffered persecution. Prior to 1959 there were about 10,000 Jews in Cuba; now there are about 200. Although the Jews were very active in the life of the nation, they were apolitical—nevertheless, all their properties were seized by the government.

In the midst of this sad situation, there are sectors of the Cuban Roman Catholic and Protestant churches that have desperately compromised with the government. These sectors' theological basis emerged from Vatican II (1962-1965) and from the conclusions reached at the Catholic Conference of Latin American Bishops (CELAM) in 1968. At CELAM the bishops accepted Marxist analysis as a guide for action. They called for the structural transformation of Latin American even if it meant violence. The class struggle, they said, was no longer an option. As Gustavo Gutierrez, a well-known proponent of liberation theology and a key participant of the CELAM conference, concluded after the conference: "The class struggle is a fact and neutrality in this question is not possible."

A year after CELAM the Catholic Church in Cuba issued two pastoral letters, one in April 1969 denouncing the "unjust" American embargo on Cuba, the other in September, asking believers to respect atheistic views. According to the U.S. Catholic Conference, these pastorals caused such an uproar in the churches that many people walked out while the letters were being read.

A sector of the Protestant churches under the control of the Cuban Ecumenical Council (CEC) has also been manipulated by the government. CEC leaders have repeatedly declared that the "Kingdom of God" is to be found in Marxism-Leninism. In declaring the purpose of the CEC, they state: ". . . We feel that Marxism offers an effective methodology to carry out Christ's mandate to feed the hungry and clothe the naked. The only difference between Christians and Marxists is the additional belief on the part of the Christians in an afterlife."

Mr. Castro himself has often talked about the strategic alliance between Marxists and Christians. In 1971, during his visit to Allende's Chile, he called on the churches to join ranks: "We must make an alliance, but not simply a tactical alliance. I would say a strategic alliance between religion and socialism, between religion and revolution." During a visit to Jamaica in 1977 he called again for this alliance, and in 1980, in an interview with the editor of Maryknoll magazine, he said: "We propose an alliance between Christianity and Marxism. The human objectives of Christ and Marx, each with his own philosophy, are the same. . . ."

How similar these statements are to those of Nicaragua's minister of culture, Ernesto Cardinal, in a 1978 interview: "A Christian should embrace Marxism if he wants to be with God and all men." We should know soon if the Sandinistas' actions against religious freedom are as similar to Mr. Castro's as is their rhetoric.●

THE 110TH ANNIVERSARY OF THE WARTBURG LUTHERAN HOME FOR THE AGING

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. TOWNS. Mr. Speaker, this year marks the 110th anniversary of the Wartburg Lutheran Home for the Aging in Brooklyn, NY. In 1875, 82 foresighted Lutheran pastors and laypersons recognized the need of a care facility for the growing number of elderly persons who could not be cared for by their immediate families. The name Wartburg had a special significance for those founders. Centuries before, it was in a German castle named Wartburg that Martin Luther had been given safe refuge, where he found special comfort and care. It is this same atmosphere of compassion that is provided for older persons in a new Wartburg.

Two of Wartburg's original buildings still stand. the chapel has been used for worship since 1890. The other is used to house residents. Wartburg continues to supply quality care for its residents by not only caring for the physical needs of its patients, but also their spiritual well-being. Wartburg's heritage of care and concern for seniors has also reached out to others. In 1977, Wartburg began sponsorship of the North Brooklyn Mobile Meals Programs funded by New York City. Meals are delivered daily to over 150 persons. In addition, a wide range of services to meet personal needs is coordinated through the program.

In 1978, Wartburg's trustees accepted the challenge to assume administration of a second facility in Smithtown, NY. Lutheran Center for Aging now operates independently, but in close cooperation with Wartburg. Wartburg also sponsored the construction of 114 units of subsidized housing for seniors at Kings Park, NY. The Martin Luther Terrace Apartments were dedicated in May of 1984.

The Wartburg Home is a landmark institution which continues in its tradition of excellent health care for the aging. I am pleased to have the honor of saluting the Wartburg Home for its outstanding service, not only to its residents, but to the community at large. A celebration service was held on May 16, 1985, the following is the proclamation given by Howard Golden, president of the Borough of Brooklyn at the service.

I commend the following for my colleagues attention on the occasion of its 110th anniversary celebration May 19, 1985, the following proclamation was received by Wartburg Lutheran Home for the Aging from Brooklyn Borough president Howard Golden:

Whereas, those organizations that are dedicated to achieving and maintaining quality service and care for the elderly are deserving of our highest praise and recognition: and

Whereas, since its founding in 1875, the Wartburg Lutheran Home for the Aging has been providing outstanding social, religious, and health care services to senior citizens throughout the Borough of Brooklyn regardless of their religious, ethnic or economic background: and

Whereas, this truly exceptional institution was founded by eighty-two concerned and visionary Lutheran pastors and laypersons whose commitment to the borough's elderly has endured as well as flourished as Wartburg's heritage of care and concern for the elderly has influenced many such facilities and programs throughout the State of New York: and

Whereas, Wartburg residents receive the best possible care for their emotional, spiritual and physical needs, and they are encouraged to participate in a myriad of daily activities which afford them the opportunity to develop, exhibit and challenge their abilities: and

Whereas, on the occasion of the 110th anniversary of the Wartburg Lutheran Home for the Aging, which will be observed with prayer and celebration on Sunday, May 19th, 1985, the citizens of the Borough of Brooklyn applaud the great success of this institution:

Now, Therefore, I, Howard Golden, president of the Borough of Brooklyn, do hereby proclaim May 19th, 1985 as Wartburg Lutheran Home for the Aging Day.

In Witness Whereof, I have hereunto set my hand and caused the seal of the Borough of Brooklyn to be affixed this 16th day of May, 1985.●

BOSTON HERALD SUPPORTS TOUGH ACTION TO REDUCE DEFENSE WASTE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. FRANK. Mr. Speaker, there ought not to be any partisan or ideological controversy about the need for Congress to mandate tough action to reduce fraud and waste in the Defense Department. A certain amount of wasted effort is inevitable in any large human enterprise. But the amount of unnecessary spending that has occurred in the Defense Department over the past few years far exceeds that irreducible minimum. Support for comprehensive and thoughtful measures to reduce waste and fraud ought to come as much from those who favor an increase in American weaponry as from those who think that we need not press forward quite so vigorously in that area.

I was particularly pleased to see an editorial in the Boston Herald calling for tough action by Congress against fraud and waste. The Boston Herald has, on the whole, supported most of the elements in the President's military budget, and has in general approved his desire to expand weapon systems in several areas. Their strong endorsement of the antifraud and waste measures considered—and by and large adopted—by the House 2 weeks ago demonstrates that support for this issue is not a matter of being pro- or anti-defense. The support for measures to reduce fraud and waste in the Pentagon ought to be noncontroversial.

I congratulate the editors of the Herald for helping to make this point. Their credibility in this area is high and they are to be commended for seeking to bring it to bear in this manner:

HOUSE GETS TOUGH ON DEFENSE FRAUD

At long last, Congress seems ready to get tough with fraud and waste in the military budget. Several amendments to the defense appropriations bill for the next fiscal year, recently approved by the House of Representatives, could go a long way toward reforming the military procurement system.

One measure provides criminal penalties for companies which attempt to charge the government for entertainment costs. Press reports have disclosed that certain contractors have bilked the taxpayers for such exotic items as country club dues, liquor and the upkeep of corporate barbershops, supposedly incurred in the course of defense work.

Under the present law, such practices are prohibited, but occur nonetheless. The absence of criminal penalties makes submitting claims for phony expenses, in the hope they'll be overlooked, practically risk free.

Another problem is the chummy relationship which often develops between firms doing defense work and the federal employees they deal with. In what's been termed a revolving door, former high-ranking Defense Department officials are hired by companies they recently dealt with as government purchasing agents. The lure of future employment may encourage DOD workers to overlook shortcomings in the material purchased, or overcharges for the same.

To address this concern, another amendment would prohibit ex-employees of the Defense Department from taking jobs with military contractors (whose work they had major responsibility for overseeing) for two years after they leave the government's service. The House also approved a similar prohibition for members of Congress who have oversight responsibilities for defense spending.

An equally significant amendment would require more competitive bidding for military contracts. At this time, only 43 percent of all DOD spending goes to firms involved in a bidding process. The House provision mandates gradually raising the portion of work put out to bid, until it reaches the 70 percent level.

We hope the Senate follows the lead of the House in cracking down on the abuses which, by squandering limited defense resources, imperil our national security.●

CHILDREN'S ISSUES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 10, 1985 into the CONGRESSIONAL RECORD:

CHILDREN'S ISSUES

In recent years, more attention has been given to the problems of children. I am impressed by the number of Hoosiers who talk to me about the special problems of children in their communities. The news media have focused attention on child abuse and care. Lawmakers at all levels of government are searching for ways to deal with children's problems.

Attention to these problems comes none too soon. There are more children in poverty today than at any time in the last 20 years. The shortage of child care facilities has left a majority of children, including many preschoolers, without care. As many as 3 million children are abused each year. Teen pregnancies continue to rise. These issues, and others, challenge the nation and the Congress.

CHILD POVERTY

Nearly 40 percent of all poor people are children. In 1983, 1 in 5 children lived in poverty, more than double the rate of the 1960's. Not only has poverty among children increased, it has become more severe. Poverty is found among all groups of children, but the rate varies with household composition, ethnicity and race, and where the child lives.

One wonders how child poverty rose so greatly in the last decade when federal spending for income security increased by an even greater amount. The fact is that overall government support to impoverished children declined even though their population grew. Large increases in social programs offset inflation in programs for the elderly and the disabled, but government help for children decreased. The buying power of the average Social Security check jumped about 25 percent after 1970, but the buying power of aid to dependent children dropped by a third.

Most proposals to reduce poverty combine tax relief and improved social services. These efforts include: creation of a national minimum benefit level; basing two-parent coverage solely on need; expanding the earned income tax credit; extending Medicaid coverage; and improving the earned income tax credit. These proposals carry a hefty price tag, and Congress is thinking about cuts, not increases, in social programs. Still, the plans deserve a fair hearing. The most difficult job of the Congress is always to decide among competing priorities, and poor children should not be left unconsidered. I am uncomfortable with the fact that in America children are the poorest age group.

DAY CARE

The number of working women with children has tripled in the past 30 years. The rapid rise of women in the work force has made good day care a necessity. In a few years, over half of all school-age children will have mothers in the labor force, yet there are far too few good, affordable day care facilities. The lack of affordable child

care limits the ability of low-income parents to look for jobs. The supply of child care is decreasing as more women enter the labor force, and there are fewer relatives and traditional family care providers.

Congress is considering several ways to improve the supply of child care, including: revising federal tax policy to ensure that families raising children are not penalized if they stay at home with their children or seek outside care; upgrading state child care standards; providing more information on referral services to parents; and using tax incentives to encourage employers to provide day-care services (of six million employers in the U.S., fewer than 2000 provide any child care to employees).

CHILD ABUSE

Child abuse and neglect have more than doubled since 1976, and these estimates may be low because it is widely believed that most abuse goes unreported. One of the most inexplicable and reprehensible kinds of misconduct, child abuse crosses social, economic, racial, cultural, and occupational boundaries. Ironically, the repungance of child abuse may be the reason federal and state governments have been slow to act. The idea of abuse is so repulsive that many are reluctant to believe it. In 1974, the federal government adopted child abuse legislation which emphasized identification, research, prevention, and treatment of child abuse and neglect. The key question for the Congress today is the level of funding for these efforts.

OTHER ISSUES

The Congress is also working on other issues affecting children. One million teenagers become parents each year. Teen pregnancies endanger the health of both mother and child, and often impoverish the young mother. Efforts are underway to combat teen pregnancy and to reduce health risks for teenage mothers and their infants, but there are insufficient resources. The federal government has only a modest program to emphasize family involvement and prevention services.

Public outrage has grown with increased awareness of child pornography and prostitution. Since the Supreme Court ruled that states can constitutionally regulate the production and distribution of materials that depict minors in sexual activity, state and federal officials have passed laws with tough penalties to prohibit the sexual exploitation of children. In addition, concern over missing children prompted Congress to establish last year a national information bank of missing children.

While problems confronting children are especially troubling, there are hopeful signs. Both the House and the Senate recently established special committees and caucuses to examine children's issues. National and local media are urging people to be alert to the problems of children in their communities. More local, state, and federal officials, as well as private groups, are responding to the needs of children. Their initiatives provide models for further efforts.

One measure of a nation is how it treats its children. By that measure, the evidence is accumulating that, despite some progress, we have much work to do.●

SAN SALVADORAN TERRORISTS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. BURTON of Indiana. Mr. Speaker, I would like to express my sympathy to the families of the American marines slaughtered in El Salvador, and the strongest possible condemnation of their murderers.

These cowardly murderers make abundantly clear the nature of the Salvadoran guerrillas: They hate America and they hate democracy. They have hated democracy ever since they launched their unpopular war against the Salvadoran Government a few years ago. Why? Because democracy is the enemy of violent minorities who are fighting to impose dictatorships.

In Nicaragua, an armed minority, the Communist Sandinista Party, have not only stolen the democratic revolution in that country, but are supplying and harboring the headquarters of the Communist death squads in El Salvador.

I support President Reagan's call for increased American assistance to El Salvador to help them eradicate these Communist death squads who have killed, and promise to kill more, American citizens. And I hope that we all come to recognize state-supported terrorism when we see it.

[From the New York Times, May 16, 1985]

A GLOBAL ATTACK ON TERROR

(By Benjamin Netanyahu)

The controversy over the United States' alleged involvement with antiterrorist fighters in Lebanon has revived the question of how best to combat international terrorism. It is a sobering reminder of the West's failure to act in concert against terrorists.

Most of the democracies still vacillate in the face of terrorism, and they have been quite unable to arrive at a collective response. It has even been suggested that terrorism, like poverty, is a fact of life. The most we can hope, some say, is to keep it within "manageable" proportions.

But the truth is that much can be done to thwart and even eliminate international terrorism. To begin with, we must recognize that it is seldom the work of individuals or groups, but rather, mainly, a form of warfare used by antidemocratic states, particularly of the Soviet bloc and the Middle East. In a sense, of course, this aggravates the problem, but it also makes it easier to attack it, for governments, unlike criminal hands, are generally susceptable to a sober calculation of costs and benefits.

Once this is understood, the democracies can begin to act effectively and in concert in three broad areas.

First, diplomacy. The abuse of diplomatic privileges has turned Western Europe and other parts of the world into a playing field for terrorists. Weapons, passports, money and safe houses are made available to terrorists by people hiding behind the diplomatic immunity of Syria, Iran, Libya and several Soviet bloc states, among others. When irrefutable proof links particular embassies to acts of terrorism, these fortresses of terror should simply be shut down.

Second, economic measures. Most of the states responsible for terrorism desperately need Western goods, weapons and credit. Such benefits should be denied. The democracies should neither buy oil from Libya nor sell weapons to Southern Yemen. Planes used to ferry terrorists and their weapons must not be allowed to land in the West. If the democracies were to use but a fraction of their economic clout, states sponsoring terrorism would have to rethink their activities—and quickly.

Third, the military option. Coordination among the democracies for military and intelligence purposes is both possible and necessary, especially in emergencies involving hostages. The rescue operation at Entebbe, Uganda, would, for example, have been impossible if Israeli planes had been unable to refuel in a friendly African country. Arrangements for such coordination should be formalized in advance among any democracies wishing to join. In concert, they could deny terrorists the certain military immunity they now so often enjoy. Of course, military action is not always feasible or appropriate, but the more credible it were, the less often it would have to be considered.

What has inhibited the collective action required for these antiterrorist efforts? One impediment has been avarice. Another is timidity—refusing to support an ally victimized by terrorists for fear of provoking their wrath upon oneself. Still another is a paralyzing preoccupation with the sovereignty of even those regimes that routinely violate the sovereign rights of others. None of these obstacles will easily disappear. But once a common policy began to emerge, it would in itself encourage, and shame, many democracies to comply.

Over a long, dark decade, Israelis were the primary target of terrorism, and we bore much of the burden of resisting it. In case after painful case, Israel showed that it was possible to fight back. Italy, West Germany, Britain and others soon did the same but almost always limited their responses to cases involving their own citizens on their own soil.

For some time now, the United States has been seeking to mount a broader effort, a truly international response. It has itself forfeited hundreds of millions of dollars in trade with Libya and has interceded with other democracies to prevent military sales to Syria. It has also promoted several international agreements on terrorism.

But if this effort is to succeed, it must have the determined and sustained cooperation of other democratic governments. Confusion, vacillation and disunity facilitated the rise of terrorism. Common resolve will in sure its ultimate defeat.●

HOW TO DEAL WITH SPIES

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. KASTENMEIER. Mr. Speaker, the Walker case has renewed interest and stimulated debate as to how the U.S. Government should best protect our military secrets.

There are those who believe that by requiring lie-detector tests for all those who have access to classified military information and killing those who act as spies for foreign governments, this problem will be resolved. Such simplistic solutions, however, will not work.

The New York Times has considered this issue, and its July 7, 1985, editorial proposes a far more sensible approach to what is becoming a serious problem. I recommend this editorial to my colleagues.

[From the New York Times, July 7, 1985]

SPIES AND THE TECHNOLOGY EDGE

America's military secrets are poorly protected. The amateur spy ring allegedly run by John Walker is said to have operated for 20 years but was detected only when his wife decided to turn him in. The leakage may have shifted the balance of the critical strategic tussle by which the American and Soviet Navies strive to detect each other's missile-carrying submarines.

The Walker story is not unique. More Americans are on trial for espionage than ever before. A Northrop employee is accused of trying to sell Stealth radar technology for $25,000. A former Army cryptographer sold what he knew for $131,000. A Hughes Aircraft employee traded information on radar systems for $110,000. What is the remedy?

Most of the ideas floating around Washington seem dubious. The House wants to restore the death penalty for spies in the armed forces and to use more lie-detector tests. But death is a barbaric penalty and lie detectors are little better than witch-craft. President Reagan advocates reducing the Soviet bloc's officials in America, as if driving accredited intelligence underground would make them easier to watch. The real solutions lie deeper.

Since security clearances are performed without charge, agencies and contractors request them in excess. The checkers are overburdened and precautions are laxly supervised. According to an internal Pentagon study, spying on 14,000 private contractors to the military is so easy that "a supermarket employee may encounter far more difficulty stealing a loaf of bread."

The first step should be reducing the excessive number of people—4.3 million—who have access to secrets. Navy Secretary John Lehman has found it possible to order a 50 percent reduction in such Navy employees.

Next, reduce the number of secrets to be guarded, by inhibiting government's propensity to overclassify. The method of security checking also needs overhaul, in recognition that agreed, not ideology, is the prevailing motive for espionage. Financial statements, examined annually, might give better clues to spies than intensive investigation of political opinions.

But leakage to spies is only one end of the problem of preserving technological superiority. The other is to insure that the Pentagon makes fast use of the superior technology available to it. Its procurement process is so cumbersome that weapons take a decade or more to reach the battlefield.

Despite its greater spending for defense, the Administration's efforts to preserve superiority have been uneven. It has tried assiduously to keep civilian technology of military value out of Soviet hands. It has even tried to stem a supposed leakage of academic information by demanding that papers be withdrawn from public scientific conferences.

Such controls of university research and foreign trade carry high costs and bring doubtful returns. More direct methods of maintaining technological advantage—improving procurement and modernizing counterespionage—have been neglected. The dismaying reports of the Walker spy ring should give the entire effort a new focus.●

WIMBLEDON DOUBLES CHAMP FROM KING OF PRUSSIA, PA.

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. COUGHLIN. Mr. Speaker, I am proud to call to my colleagues' attention the fact that Kathy Jordan, a 1985 Wimbledon women's doubles champion, is a constituent of mine from Pennsylvania's 13th District.

In the excitement of the men's and women's singles competition, the news media focused little attention, unfortunately, on the doubles matches where talented young athletes displayed their outstanding abilities.

Kathy Jordan, daughter of Mr. and Mrs. Robert Jordan, King of Prussia, and her partner, Liz Smylie, captured the 1985 doubles crown against the world's best. It was, in fact, the second Wimbledon women's doubles championship for Ms. Jordan. In 1980, she and her partner, Anne Smith, took the title.

As a 25-year-old with a relatively brief tennis career, Ms. Jordan has been ranked as high as fifth in the world. She was a semifinalist at Wimbledon in singles play in 1984.

As a doubles player, Ms. Jordan is an accomplished competitor. She has won the U.S. Open, the French Open, and the Australian Open as well as the two Wimbledon crowns. These are the four major tennis championships in global competition.

Ms. Jordan is a graduate of Upper Merion High School. She attended Stanford University before turning professional.

I know I share the joy of her parents, friends, and home community in Ms. Jordan's record on the professional circuit. I offer her my personal congratulations on her second Wimbledon women's doubles championship, and wish her a long, rewarding, and victorious tour in her professional career.●

TRIBUTE TO SHU KUANG HU

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CRANE. Mr. Speaker, on June 24, the Republic of China, the United States, and the free world lost a great champion, Shu Kuang Hu.

I first met S.K., as he was known to most, shortly after I came to Congress. Shortly after meeting S.K. I had the honor of meeting his beloved wife, Liza, too.

They were a supremely happy, warm, and delightful couple who had lived through a remarkable span of world history together.

All the while, S.K. served in a variety of prominent positions with great distinction, devotion, and dedication. But one of his most enduring legacies to me personally was his ability to face adversity with equanimity and humor.

S.K. never lost sight of his commitment to principle, but like bamboo in a hurricane, could bend in the face of destructive winds and yet survive and stand erect in the wake of such buffeting.

In short, S.K. was, as the Honorable David Dean says in his eulogy, a man for all seasons.

Mr. Speaker, I enclose the eulogies also from his good friend and colleague, Dr. Frederick F. Chien, and the Honorable Richard B. Stone, delivered at S.K.'s funeral at the National Presbyterian Church here in Washington, DC, on July 1, 1985.

I commend these remarks to my colleagues.

SHU KUANG HU

(Eulogy by Dr. Fredrick F. Chien, Representative, Coordination Council for North American Affairs)

Friends, we are gathered here this morning to share our fond memory of our beloved friend, S.K. Hu. The departure of S.K. has touched each and every one of us deeply in our heart. Maybe differently to each one of us. To his children, the departure of S.K. deprived them of a very, very wonderful and kindhearted dad. To all his friends, we lost a trustworthy, a very close and intimate personal friend. And to those of us who were privileged to have worked together with him, the departure of S.K. means an irreparable loss for all of us of a warm, knowledgeable, rich in experience colleague, whom we could always turn to for guidance and consolation. To the government that S.K. had served brilliantly for the last four decades, it has lost a most loyal and hard-working servant. To the country that S.K. deeply loved, it has lost a very valuable and patriotic citizen.

Let us now reflect on the life of our beloved friend, S.K. His has been a full, versatile, meaningful and above all, a blessed life. S.K. came from a very illustrious family in China. S.K. received the best possible education one could get in those days, combining the best of Oriental and Occidental education. During the high days of the Second World War, immediately after the Pearl Harbor incident, S.K. went back to the war-torn capital of China, Chungking, to serve his country, and for his government. He was with the Chinese Air Force from 1942 until 1951 when he joined the Ministry of National Defense first as its Protocol Chief and then as head of the Liaison Office, which was eventually elevated to become the Liaison Bureau, and then also concurrently

served as the Military Spokesman of the ROC. He served in the MND for a period of almost one and a half decades. Then in 1965 he returned to the United States, a country he deeply loved and admired. He worked in this country for the last 20 years until his last day.

Throughout the career of S.K. Hu, he had been a most devoted public servant. If there's anything that is known to human being of the hardworking characteristics of the Chinese people, then S.K. Hu could be the personification of that description. He worked day and night. He worked with his heart and soul. I was privileged to have worked together with S.K. on numerous occasions. In 1957 when I finished college and started my first job in the Ministry of National Defense, I was assigned to be one of the aides to S.K. I remember vividly in those days when we had very close cooperation in the military field with the United States of America. And the Liaison Bureau of the Defense Ministry was chiefly responsible for the coordination. It was a very, very tough job that S.K. had as the Director of the Liaison Bureau. But as we say in Chinese, he lifted up very heavy weight as if those were very, very light objects. He handled it so well that everyone who came close to him, be it his superior or his subordinate, all loved and adored him.

After 1971, S.K. left the military service and joined the foreign service of the Republic of China, and it was my privilege to have worked very, very closely with S.K. for the last 15 years. At first I remember S.K. would often come back from the United States to Taipei two or three times a year and whenever he arrived at Taipei I would be the first person he called on and we would discuss for hours and hours about his work in Washington, D.C. And it was only work, nothing else, that we discussed. And he was always full of confidence. It was a great inspiration to me of working closely with S.K. Hu. Then for the last 2½ years we were close colleagues and close friends.

I remember about 21 months ago I lost my beloved father. S.K. tried his very best to console me, urged me to have courage to tide over that critical period of my life. And then three months later he lost his beloved Liza. During those months when Liza was not feeling well, she couldn't speak to S.K., but they were close together. S.K. told me the three words which he considered most important in the relationship between himself and Liza. Those three words were "tender loving care." I don't know how many times S.K. told me that though they couldn't communicate with each other in words, but in spirit the tender loving care S.K. exhibited during the troublesome months was a great source of encouragement and inspiration to Liza. When Liza finally left us, the next morning I went over to Hu's residence. S.K. told me, he said, "You know, Fred, last night before Liza left she took my hand and grabbed it and touched me." He said, "Fred, you know, that means more to me than anything else."

We tried our very best to comfort him on that irreparable loss. But S.K. was such a courageous person. He came back to his office and worked hard again at his desk and at other locations. Immediately after S.K. left us, some of my Chinese friends came and asked me of my impression of S.K. I said, S.K. was many things to me. He was my teacher, he was my boss, he was my mentor, he was my friend, he was my colleague, but I consider him primarily as a most warm-hearted person, a person with a great deal of warmth, a person as he walked close to me, I could feel that warmth. Though, in his later years, S.K. was rather weak physically, he had always been a great man to me, great not only in the sense of his size, but also in the sense of the broadness of his heart.

In the 1970s, I made a number of trips to the United States of America. In one of those trips, I was privileged to visit the Capitol Hill and to be received by a very eminent Member of Congress who is a big man himself. And the first question he asked of me was, "Where is that big fellow?" referring, affectionately, of course, to S.K. In terms of physical size, S.K. was much smaller than that great Congressional leader I spoke to. I believe it was the broadness of his heart that made all the people who came into close contact with him to regard S.K. as a big man, as a great man.

But above all, S.K. impressed me as a person with a lot of tolerance, and forebearance. S.K. could endure hardship, we all know that. He could work long hours without any complaint, but he could forgive people who had either intentionally or unintentionally offended him. He never took offense at anything. It is a characteristic of the highest caliber, something that I respect highly. And I have always used S.K. as a mirror for myself over the years.

When S.K. was with us, he was a jolly fellow. He enjoyed a lot of things in life, above all, American sports. He was a great sports fan. Even when he had his surgical operation in July 1983, right after the operation I went to the hospital to pay a visit and I was so pleased to see S.K. was cheering for the teams that he supported. In my many, many conversations with S.K. during the last two and a half years, and in a number of public remarks S.K. made in his office to his colleagues, he always used American football as an analogy to encourage us. He was always a wonderful, wonderful team player.

We miss him. But, S.K., we will continue the good fight you led us in the past. Please rest in peace.

SHU KUANG HU

(Eulogy by Hon. Richard B. Stone, former U.S. Senator, State of Florida)

We think of S.K. Hu today, a public man, a family man, a friend. And as a public man, one who brought and today whose memory brings, honor to his country, to his family, and to his friends. He consummated a distinguished Air Force career as General. He consummated a distinguished industrial career, supervising both production and procurement, both as military secretary, personal secretary to President Chiang Kai-shek and then for two decades conducted a marvelous and distinguished and honorable diplomatic career as Minister and Deputy Chief of Mission, in both good times and difficult times, here in Washington.

His approach to public service was so needed during the difficult recent years here in Washington. And S.K. Hu added the element of stability, patience and the best in Chinese values and culture to bridge the difficult gap of these last years. It wasn't only how well he did in the offices he discharged, it was the way he embodied the best of Chinese values—innate courtesy, intelligent practicality and thoughtfulness—that we all think of today and in the future.

And as a family man, one who brought his family love not only to his family but to all who came in contact with it, he became well known as a loving husband to Elizabeth and father to his sons and daughter and son-in-law, and his entire family. He did that by example rather than by lecturing. Anyone of us, and so many of us have had the opportunity to share a meal at S.K.'s home, came away with an unforgettable and joyous experience conferred by the affection that all could sense in that home. And it remains a legacy for all of us as friends.

Some in this town think of public service as the game of getting and using power. But not S.K. He lived his life in office as a friend, a friend to his country, a friend to our country, a friend to his colleagues, and to everyone who he touched in his work. He has the genius of being able to listen and he had the heartfulness of being able to help. I found him—and I believe you found him—as much of a caring father to his friends and to his associates as to his own sons and daughter. For example, the pride that he took in the marvelous work of Fred Chien, he expressed in fatherly terms as we all remember. And I felt my relations with him in just that way. S.K. Hu was strong. He overcame his recent surgical operations, just as he overcame the obstacles placed before him in his work, with a genuine smile and an enduring sense of proportion and patience from which all around him drew strength.

We will all miss S.K. Hu, but we will not forget S.K. Hu and we bless and thank God for the memory remembrance of the life of S.K. Hu.

SHU KUANG HU

(Eulogy by David Dean, Chairman, American Institute in Taiwan)

S.K. Hu was truly a man for all seasons. He displayed the cool of Winter in his calm composure, even under difficult conditions; the hope and promise of Spring in his optimism and forward thinking; the heat of Summer through the warmth of his personality; and the flexibility of the transitional season of Fall. Life is a mysterious gift from God. What is done with it is man's gift to posterity. S.K.'s life was important. He left his impact on a wide spectrum of his fellow beings. All of us gathered here to pay tribute to S.K. today have been touched by his uniqueness in some deeply personal way. All of us have fond memories of an elegant, wise and kindly man, a true gentleman.

To me, S.K. was a very special friend. I had frequent, even daily, meetings with S.K. during the past six years. As you all know, that period started out in a very traumatic way and it was a time of considerable anguish and pain. Throughout the many serious crises that ensued, S.K. remained calm and friendly, offering sensible advice, seeking reasonable solutions and doing everything possible to help put our relations back on an even keel.

I can never forget the picture of S.K. in my mind's eye—urbane, smiling, considerate, interested in many things, interested in people and interested in their ideas. S.K. really touched all of us. We talked and visited with him, at luncheons, at banquets, at receptions, at meetings, at his home and at ours. We looked forward to seeing him, to discussing new ideas and ways to solve old problems. When S.K.'s wife, Liza, passed away, his friends sought to comfort him. When he was ill his friends visited with him. He had a magnetic and friendly personality that attracted so many of us. He surely deserves public recognition for his loyal and devoted service to his country. He was tireless in his efforts to help. He was quietly persistent and extremely effective in pro-

moting good ties with Congress. He had an intense feeling of patriotism. His view of the future was optimistic and hopeful. S.K. was very effective in helping to restore mutual trust and confidence. He was successful in winning new friends and in gaining more support. S.K. was an experienced diplomat. He used a combination of charm, logic and calm persuasion to advance his views. Our relationships are much better today because of S.K.'s efforts.

I frequently turned to him for advice and counsel. I was never disappointed. My admiration for S.K. grew with the years. His personality and character and the aura he projected are unforgettable. S.K.'s family, his colleagues and his friends will all miss such a marvelous man. But we can be comforted by a realization that the light which was S.K.'s life was lustrous and cannot be dimmed by his death. We will always remember him with pleasure, with a smile and with respect for a fine man whose life really made a genuine contribution, as well as a deep and lasting impression on all of us.

I think S.K. would have liked the following lines taken from a poem by the famous T'ang Dynasty poet:

So hard it is to bind friendship fast
We have roamed on horseback under the flowering tress
We have walked in the snow
And warmed our hearts with wine.
We have met and parted at the western gate
And neither of us bothered to put on cap or belt.
We did not go up together for examination,
We were not serving in the same department of state
The bond that joined us lay deeper than outward things,
The rivers of our souls spring from the same well.●

INTRODUCTION OF THE TRADE ADJUSTMENT ASSISTANCE RENEWAL ACT OF 1985

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. PEASE. Mr. Speaker, today I have introduced the Trade Adjustment Assistance Renewal Act of 1985. This comprehensive bill would make substantial improvements in the operation of the Trade Adjustment Assistance [TAA] Program for American workers and firms that are bearing the brunt of our disastrous trade policy in lost jobs and markets. The bill extends the authority for TAA for 4 additional years without adding great additional expense.

Soon the Trade Subcommittee of the House Ways and Means Committee will be marking up legislation to extend the TAA Program. My bill reflects what I believe this Congress should do to make TAA an even better program for a growing numbers of American workers and businessmen who urgently need it.

Following is a description of each section of the legislation:

SUMMARY OF TRADE ADJUSTMENT ASSISTANCE RENEWAL ACT OF 1985, AS INTRODUCED

TITLE I—WORKER ADJUSTMENT ASSISTANCE

SECTION 1: GROUP ELIGIBILITY REQUIREMENTS

Section 1 extends for the period of a reauthorized program the existing import causation standard for certification of petitioning groups of workers as eligible to apply for TAA. That standard requires that increased imports "contributed importantly" to significant worker layoffs and sales and/or production declines of the workers' firm or subdivision.

Section 1 also expands the coverage of program certification authority under section 222 of the Trade Act in two respects: (1) to workers in independent firms supplying "essential parts or essential services" to firms or subdivisions producing import-impacted end products; and (2) to workers laid off or threatened with layoff by reason of the relocation of production functions of that firm or subdivision to a foreign country.

The amendments under section 1 would apply to petitions for certification filed on or after October 1, 1985.

SECTION 2: QUALIFYING REQUIREMENTS

Section 2 amends section 231(a)(2) of the Trade Act to increase the maximum number of weeks of employer-authorized leave or leave to serve as a union representative or a disability covered by workmen's compensation that may be weeks counted toward the minimum 26 weeks of employment in the 52 weeks preceding layoff required for individual certified workers to qualify for TRA benefits. Weeks in which a worker is laid off for any reason if he receives back pay would also be included as weeks of disability. This amendment would apply to petitions for certification filed on or after October 1, 1985.

SECTION 3: LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES

Section 3 amends section 233 to authorize a worker to receive his basic 26-week TRA entitlement during a 2-year period instead of the current 1-year period. Delays in the certification process by the Labor Department and in approval of training by state employment agencies are causing some workers to forfeit some of their TRA benefits. In addition, workers recalled temporarily are losing TRA benefits because of the requirement that it be paid within a 52-week period after exhausting regular UI. Furthermore, the Labor Department expects to lose ground on the processing of petitions for certification, especially since voluntary restraints on auto imports were not renewed.

Section 3 also requires that a worker apply for training through the local employment office the first time that he applies for TRA benefits. This provision requires that a worker apply for training upon exhaustion of his basic 26 week of UI. It emphasizes to the worker the importance of training to adjustment and it underscores the need for a worker to seriously consider training rather than treat TRA benefits as extended UI. It would also overcome the arbitrary requirement that a worker sign up for training within 210 days of being certified in order to be eligible for TRA while in training, if that worker subsequently needs training.

Section 3 also authorizes a worker to collect up to 52 additional weeks of TRA benefits beginning with the first week that a worker enters training if that training has not been approved until after the last week of entitlement to basic TRA benefits. Currently some workers are not receiving even half of the TRA benefits to which they are entitled while in approved training. Doubling the period during which a worker could receive TRA benefits, while in approved training, would redress administrative delays that unfairly penalize a worker. More importantly, this provision stresses training and readjustment for workers, while providing some means of financial support while workers are retraining for new lines of work.

SECTION 4: worker training

Section 4 amends worker training provisions under section 236 of the Trade Act in four respects. The Secretary of Labor would be required to approve training if the five statutory conditions under existing law are met, thereby removing lack of sufficient funds as a reason for not approving training. Section 4 adds a clarification to section 236(a)(1) that if funds to pay training costs are not available at the time a worker enters training, such costs shall be paid for as soon as possible from the next appropriation of funds.

Section 4 also amends section 236 to stipulate that the statutory requirement for training approval of a "reasonable expectation of employment" following training does not require the availability of an offer of employment immediately upon training completion.

Finally, section 4 authorizes employers to be reimbursed through the TAA program for costs associated with providing suitable employer-sponsored training regardless of whether a worker uses a voucher or not to secure a training slot. The reimbursement would be at a cost equivalent to the amount paid in the private sector or by the state. This provision moves the TAA program toward rationalizing and maximizing training opportunities, while it recognizes the legitimacy of JTPA emphasis upon on-the-job training.

The amendments to worker training under section 4 would apply to workers covered by certification issued after September 30, 1982.

SECTION 5: TRAINING VOUCHERS

Section 5 further amends the worker training provisions under section 236 of the Trade Act to establish a voucher system as an alternative method to the present program by which a worker may obtain on-the-job or other approved training if certain conditions are met.

SECTION 6: AGREEMENTS WITH STATES REGARDING TRAINING

Section 6 amends section 239 to require state employment agencies to advise a worker to apply for training at the time that he applies for TRA benefits and to interview and review with that worker suitable training opportunities within 60 days of when that worker first applies for training.

SECTION 7: SPECIAL ACCOUNT FOR ADJUSTMENT ASSISTANCE

Section 7 amends section 245 of the Trade Act to establish a Special Account consisting of appropriations from Customs revenues to fund the costs of the TAA programs for both workers and firms. This amendment would take effect on October 1, 1985.

SECTION 8: SENSE OF CONGRESS REGARDING APPROVAL OF PETITIONS FOR ADJUSTMENT ASSISTANCE

This is a free-standing provision that states the sense of the Congress to the effect that whenever there occurs a net in-

crease in the value of total imports in one year in relation to the preceding year, there should be a proportionate increase in the rate at which petitions are approved.

TITLE II—FIRM ADJUSTMENT ASSISTANCE

SECTION 1: PETITIONS

Section 1 amends section 251 to amplify the conditions under which a firm shall be certified eligible for TAA to include:

(a) When a firm experiences a major decline in sales and/or production of a critical product line (in domestic or export sales); or

(b) When a firm or a critical product line of such firm is targetted by foreign producers and is under a threat of harm from increased imports.

Currently a firm must show a decline in production or sales in order to be eligible for TAA. If management of a firm responds to an import challenge by expanding unrelated product lines successfully, TAA is not available. This ignores the problem until the firm is forced by circumstances to cut back. Also, research into injury sustained by American firms and congressional testimony bear out that it is a short time from when a foreign firm/country decides to target a sector of the American market to when real import penetration is felt. This is increasingly apparent in high technology industries. Unfortunately, young American firms cannot get TAA help to stay afloat under current law because many have production histories of two years or less and, therefore, they cannot show a base year of production plus a year of import impact.

SECTION 2: APPROVAL OF ADJUSTMENT PROPOSALS

As currently phrased, section 252 causes confusion when read in conjunction with section 253. Section 252(b) provides that technical assistance may be provided only after a firm has submitted an adjustment proposal. However, section 252(c) authorizes technical assistance to a firm to prepare an adjustment proposal, and section 253(a) authorizes technical assistance to a firm in preparing a petition for certification of eligibility and to a certified firm in developing a proposal for its economic adjustment. But the TAA program has always been administered to provide such technical assistance, which must occur prior to the submission of the adjustment proposal. Section 2 eliminates the inconsistency and redundancy.

Section 2 also amends section 252 in conjunction with sections 254 and 255 to ensure that a guaranteed loan will be available to all certified firms submitting an acceptable adjustment plan, provided the other conditions for assistance are met. To receive a direct loan, a firm would still be required to show that it could not obtain a loan from private sources with a guarantee from OTAA.

SECTION 3: TECHNICAL ASSISTANCE

Section 3 amends section 253 to limit the requirement for matching shares to receive technical assistance to implementation of technical assistance. This change would also avoid the difficult task of drawing the line between "outreach", which has no matching share requirement, and technical assistance. Currently, firms are allowed three days of assistance without a matching share. This rule, as would be any rule other than a case-by-case determination, is arbitrary. Moreover, matching share payments by firms receiving technical assistance in preparation of a petition for certification or for development of an adjustment proposal have created problems when implementation assistance, whether financial or technical, is not approved. Firms tend to view the earlier technical assistance as primarily for the benefit of OTAA. Having paid for help they did not really want, the firms believe they now have an entitlement to implementation assistance.

In addition, section 253 is amended to authorize the Secretary to make grants for the purpose of improving the delivery of TAA to firms and industries eligible under sections 251 and 265. Up to 3% of the appropriation in any given fiscal year may be used for this purpose. With anticipated increased caseloads and limited staff and program resources, this authority is needed to accomplish more effective firm and industry adjustment.

SECTION 4: FINANCIAL ASSISTANCE

Section 4 amends section 254 to make clear that loans or guarantees can be made for mixed uses. Almost the entire financial community utilizes single loans for which the proceeds may be used for either or both of working capital and fixed assets (among other purposes).

It also sets a limit of $500,000 on the size of any direct loan that can be made to a firm if the firm can obtain private financing through utilization of a loan guarantee.

SECTION 5: CONDITIONS FOR FINANCIAL ASSISTANCE

Section 5 amends section 255(b) in two ways regarding interest rates on guaranteed loans. First, current law requires that the interest rate on direct loans be based upon the average maturity for the direct loan portfolio, including those loans serviced by the EDA. The maturity of the individual loan does not affect the rate of interest. It would be fairer to borrowers to require interest rates to reflect the cost to the Treasury for raising money for a comparable maturity. Second, current law forbids approval of any guarantee if the rate of interest on the loan is "excessive when compared with other loans bearing Federal guarantees and subject to similar terms and conditions." Because Federal guarantee programs vary so much in purpose and administration, there really is no basis for comparison of interest rates. As a practical matter, such comparisons have not been made in the past. Instead, the determination has been made that the rate is not "excessive". A change is needed to conform to actual practice.

Section 5 also amends Section 255(c) to allow the maturity of any loan or guarantee to equal the useful life of the collateral, or, if longer, five years. Current law permits fixed asset loans and guarantees to have a maturity equal to the useful life of the fixed assets, up to 25 years, even though the fixed assets will not fully collateralize the loan. On the other hand, the maturity for working capital loans and guarantees may not exceed 10 years, regardless of the useful life of the collateral.

Section 5 further amends section 255(d) to speak to the inefficiency of dealing with very small loans. While the Congress clearly intended to utilize the Trade Act to assist small business in general, experience has shown that the intricacies and safeguards necessary to capably manage a program of predominantly large credits do not translate readily to very small loans. While it would still be possible to make such loans (particularly in overrun situations), firms needing financing within the limits of SBA's direct loan authority under section 7(a) of the Small Business Act ought to look primarily to SBA for assistance.

In addition, section 5 amends section 255(e) to authorize a guarantee of up to 90 percent of principal plus interest on the guaranteed portion of the loan. This change would have minimal, if any, impact on the amount actually paid to lenders by OTAA, but it would simplify and make more attractive to all parties the guarantee agreements. Guarantees are currently limited to 90 percent of the outstanding balance of the unpaid principal and interest on the loan. This causes some difficulties in secondary market transactions in which the guaranteed and unguaranteed portions of the loan frequently have different interest rates, one floating and one fixed. This creates the potential for the rate on the guaranteed portion to exceed the rate on the unguaranteed portion. In such an event, a guarantee of 90% of the princial plus the interest thereon will exceed 90% of the total of the principal plus all interest, violating the statute. To prevent such a violation, guarantee agreements must include a floor on the floating rate (if the floating rate applies to the unguaranteed portion of the loan), thus prohibiting a borrower from benefiting from a drop in interest rates.

Furthermore, section 255(e) is amplified to clarify the meaning of "the holder" for purposes of making the guarantee agreements "incontestable".

Finally, section 5 amends section 255(h) to adjust upward the maximum aggregate amount of outstanding guaranteed or direct loans. Currently, the maximum amounts are $3 million and $1 million on guaranteed and direct loans for any one firm. They have not changed since 1975. Inflation alone justifies a substantial increase in these ceilings. However, a further increase to $5 million and $2 million is called for to reflect the inclusion in the program of a wider variety of industries, some of which require larger injections of capital than the shoe and garment companies that traditionally were the main beneficiaries of the program.

SECTION 6: PROTECTIVE PROVISIONS

Section 6 amends section 258 to clarify that the owners, partners, or officers of a firm must execute an agreement only on behalf of the firm. Subsection (d) of current law states that "(n)o financial assistance shall be provided . . . unless the owners, partners, or officers shall execute an agreement binding them and the firm . . ." not to hire any employee of OTAA for 2 years. This provision is confusing because it does not clearly require all owners, partners, and officers to execute agreements. Yet, those who do so, must bind themselves individually as well as the firm. No guidance is provided as to which individuals must execute agreements.

SECTION 7: ACCOUNT FOR FIRM ASSISTANCE

Section 7 amends section 257(c) of the Trade Act to establish a separate account to be administered by the International Trade Administration in the Department of Commerce consisting of all repayments of loans, interest payments, and other receipts from transactions under the TAA program for firms. These funds shall be used for future loans, loan guarantees, technical assistance or other functions under the program.

SECTION 8: INDUSTRY ADJUSTMENT PLANS

Section 8 amends section 264 to require, within 60 days of when the International Trade Commission makes an affirmative finding under section 2251(b) on behalf of an import-impacted industry, that the affected industry design and submit to the

Secretary of Commerce an adjustment plan to enable such industry to adapt to changing economic conditions substantially caused by imports.

Currently, there is virtually no coordination between ITC determinations of import injury and the provisions of TAA. In fact, TAA centers are now prohibited from conducting any outreach efforts to apprise beleaguered American firms of the availability of TAA and cannot even accept referrals. Moreover, the government asks nothing of American industry and management in the way of adjustment plans in exchange for granting protection and import relief. The proper role of government in aiding endangered American industries could better be determined if the managers of those industries in consultation with their workers were required to submit detailed, thoughtful plans of what they are prepared to do to regain their economic health and competitive position vis a vis international competitors. In short, there has been very little adjustment in the TAA program and it would be more effective if it could be integrated into a more comprehensive approach to resuscitating besieged industries.

SECTION 9: EXTENSION ADJUSTMENT ASSISTANCE FOR WORKERS AND FIRMS

Section 9 amends section 285 to reauthorize both the worker and firm programs for four years until September 30, 1989.

TITLE III—EFFECTIVE DATES

SECTION 1: WORKERS ADJUSTMENT ASSISTANCE

The amendments made by section 1 and 2 shall apply to all petitions for certification filed under section 221 of the Trade Act of 1974 on or after October 1, 1985.

The amendments made by section 4 shall apply with respect to workers covered under certifications issued under section 222 of such Act of 1974 after September 30, 1985. The provisions of section 236 of such Act of 1974, as in effect without regard to such amendments, shall continue to apply in the case of workers covered under certifications issued on or before such date.

The amendments made by section 3, 5, 6, and 7 shall take effect October 1, 1985.

SECTION 2: FIRM ADJUSTMENT ASSISTANCE

The amendments made by sections 1 through 9 shall take effect October 1, 1985.●

ECONOMIC RECOVERY DOES NOT BENEFIT ALL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. FLORIO. Mr. Speaker, I am compelled to enter this article which recently appeared in the Gloucester County Times. I think that it presents a sobering view of the reality which has become endemic to the small business owner. It is indeed a tragic situation when we constantly are reminded of economic "successes" and are faced with the actual reality of the facts.

Very simply, Mr. Speaker, the facts state that business bankruptcies in New Jersey increased by 78 percent between 1983 and 1984. This is an astounding figure in a State generally pointed to as a leader of the national economic recovery. The article quite clearly points out some of the reasons for this interesting anamoly. I commend the article to my colleagues for their review. Hopefully this situation does not prevail on a national level.

BANKRUPTCIES DOUBLE IN GLOUCESTER COUNTY

(By Gerard Shields)

Business bankruptcies in New Jersey increased by 78.1 percent between 1983 and 1984, and more than doubled in Gloucester County, according to a study released by the U.S. Small Business Administration.

Bankruptcies in New Jersey totalled 1,259 in 1984, compared to the 707 for 1983. Susan Walthall, a Washington spokesperson for the SBA, said that New Jersey had one of the highest bankruptcy percentages in the country.

"New Jersey doesn't look good," Walthall said. "The only other state that did that poorly was Arkansas and Kansas."

Locally, Gloucester County had 42 bankruptcies in 1984, over twice as many as their 1983 total which was 19. The area's numbers were not as bad as some of the other counties in the state. Bergen County had the highest number of failures with 192, and neighboring Camden County was second with 144 closings.

Sam Pappalardo, director of the Gloucester County Office of Business and Economic Development, said that one of the reasons for the increases in failures is the recent cutbacks to the SBA by the federal government.

"As far as the numbers go, it's probably coincidental," Pappalardo said. "It may be in relation to the small business assistance cutbacks by the Reagan Administration."

Pappalardo said that another reason for the increase in bankruptcies is the lack of managerial skills by some small business owners.

"Small business men and women start small businesses without the proper knowledge," Pappalardo said.

According to Pappalardo, the country is working on programs that they hope will assist the small business districts in the various townships.

In cooperation with the SBA, the county office of business and economic development is conducting a survey of the small businesses in the townships. Once the survey is completed, county officials will tour each area with architects and planners in an effort to enhance the business districts.

Pappalardo said that area residents shopping patterns have changed and that the new "one stop shopping" has hurt small businesses.

"People were used to going into town to one store then another," Pappalardo said. "Now, how the families evolved, they would rather go to one large area and do all their shopping."

According to Pappalardo, this "mall concept" has affected the business districts in the county. He said that 10 years ago a district would have 10 stores with one-half the population there is now. Today, there are half the number of stores with twice the number of people.

"One supermarket has many different departments, and one department can be a small business," Pappalardo said.

Nationally, the SBA study showed that 63,378 businesses went bankrupt last year. In 1983, the number of nationwide bankruptcies was 61,612. The country experienced a record number of bankruptcies, 68,447, in 1982.

Bruce Phillips, senior economist for the office of economic research for the SBA in Washington, said that the reason for the increase in bankruptcies is the increase in new businesses.

Phillips said that because so many new businesses are started, the percentage that some of them will fail is high. In 1984, New Jersey had 24,880 new businesses, a 3.4 percent increase over the 24,067 of 1983.

According to Phillips, about one-third of all new businesses fail within the first two years, especially businesses with less than 20 employees.

"A company with 20 employees can lay off a few people and still survive," Phillips said.

According to Phillips, the New Jersey figures may be deceiving because companies from New York City or Philadelphia, could legally file for bankruptcy in New Jersey.

"If you have a business and you file for bankruptcy, you can file anywhere you want," Phillips said.

The bankruptcy rate declined in New York by 13 percent, and also dropped in Pennsylvania by 16.2 percent.

Phillips said that the increased number of women and minority groups are opening up businesses, which is both a plus and a minus for small business.

"The good news is that business is opening up to more and more demographic groups," Phillips said. "The bad news is that some of them will fail."

Phillips said that most of the failings are coming in the retail and durable goods areas. Industry such as the fabric and shoe companies have been recently experiencing difficulty.

According to Phillips some industries which usually have high bankruptcy rates, like the building industry, have been experiencing unusual growth. Any business with a fairly high demand, like the service industries, have a consistently low bankruptcy rate, Phillips said.

Phillips said that the business failures should not have an adverse affect on the New Jersey economy since bankruptcies make up one-tenth of one percent of all businesses.

"In terms of absolute numbers—it's peanuts," Phillips said.

Nationally, the study showed that business bankruptcies declined in about half the states. The declines were most widespread here in the Northeast, and also in the Middle Atlantic States and the Far West.

Bankruptcies rose sharply in the Farm Belt, where farm-related businesses face declining prices and sales. Bankruptices also rose in the Pacific Northwest, where the fishing and lumber industries have been having economic troubles.

Pappalardo said that the county will be studying other communities to find programs which may be used to help small businesses in Gloucester County.

"We will try to bring the small business back to prominence in Gloucester County," Pappalardo said.●

THE "JUSTICE" DEPARTMENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. HUBBARD. Mr. Speaker, some of the politicians at the U.S. Justice Department certainly wish the E.F. Hutton & Co. investigation would be forgotten.

Today's Los Angeles Times reports:

A high Department of Justice official at one point authorized the criminal prosecution of three E.F. Hutton & Co. officials for the brokerage house's multimillion-dollar overdrafts, even though the case eventually concluded with no individuals being charged, according to a Hutton legal memorandum.

The memorandum, made available to the Los Angeles Times yesterday, said that the official, Assistant Attorney General Stephen S. Trott, decided to move last March against three persons after a Department of Justice prosecutor suggested that five Hutton officials be charged. None of the potential defendants was identified.

Trott, who has testified before Congress that the Department considered prosecuting only two "mid-level" Hutton officials, said in an interview yesterday that he did not recall authorizing the prosecution of three persons and insisted that the total number was irrelevant.

He said that much more important than the "numbers game" is what the department obtained last May in negotiations with Hutton: a guilty plea by the company to 2,000 criminal counts of fraud, $2.7 million in fines and legal costs, and a sweeping injunction in the case, which arose from Hutton's interest-free use of millions of dollars by intentionally writing checks in excess of its bank deposits.

Actually, the Los Angeles Times is incorrect in saying Mr. Trott has testified before Congress about E.F. Hutton. The testimony of Mr. Trott was submitted to the Subcommittee on Crime of our House Judiciary Committee for a scheduled June 5, 1985, hearing. That hearing was postponed by the subcommittee and rescheduled for June 19. Mr. Trott informed the subcommittee he could not appear June 19 because of a conflict in his schedule.

To read Mr. Trott's prepared testimony, which he hasn't yet given orally or under oath to the House subcommittee, would impress some people unfamiliar with the highly politicized U.S. Justice Department.

Mr. Trott:

I am particularly pleased to have the opportunity to restate for this subcommittee our commitment to a strong white collar crime enforcement effort.

The Justice Department is proud of what they have done to Jack Butcher, a Democrat who twice ran for Governor of Tennessee. Mr. Trott emphasizes:

Almost $700 million in losses resulted from a Tennessee bank fraud scheme that concluded with Jack Butcher's plea of guilty several weeks ago. Just this week Butcher received a sentence of 20 years in prison.

Students of good government would be excited to read this portion of Mr. Trott's "testimony" which he submitted to the subcommittee:

The fine provisions of the Fine Enforcement Act of 1984 will substantially increase the cost of committing crime for the white collar criminal. Maximum fines per violation are now $250,000 for individuals and $500,000 for corporations. Using these weapons we can seek to strip the white collar criminals—both individuals and corporations—of every last penny of their ill-gotten gains.

However, those who know the politics of the Justice Department can fully understand Mr. Trott when later in his "testimony" he writes: "* * * with respect to the subject matter of today's hearing, we are proud of the results achieved in the E.F. Hutton prosecution. By any standard, the Hutton case is a landmark and its law enforcement accomplishments are noteworthy * * *. The Hutton prosecution is without precedent in the Federal system * * *. The perpetrators did not believe they were committing a crime, although in fact their acts now are clearly illegal and many of them were at the time. The investigation covered 3 years and ultimately involved the analysis of 7 million documents. On top of these difficulties, we recognized that many of Hutton's most serious cash management abuses could not be reached by a conventional criminal prosecution.

"Our prosecutors had to choose. The first option: A conventional prosecution of Hutton and two mid level individuals, would have been costly, inefficient, had a questionable prospect of success and could not reach the most widespread abuses of Hutton and the rest of the money management community. The second option: A comprehensive settlement that we judged would address most directly the serious problem of widespread money managment abuses.

"For what amounted to deceiving banks into giving it interest-free unsecured short-term loans, Hutton was required to plead guilty—not nolo contendre but guilty—to an unprecedented 2,000 felony counts of intentional mail and wire fraud. It was fined $2 million, the maximum the law allows for this unparalleled number of counts, and a sum which makes it the steepest fine in the history of our white collar enforcement effort. Hutton was also required to pay the Government $750,000 to cover the costs of the investigation. Those costs are ordinarily not recoverable, even with a jury verdict of guilty."

Students of good government would applaud Mr. Trott when he writes in his "testimony": "We believe there are a number of ingredients to a successful criminal enforcement effort. Certainly the dominant one is the prosecution, conviction and imprisonment of all individuals who perpetrate crime."

However, those who know the politically motivated Justice Department understand Mr. Trott when later, in being specific about the E.F. Hutton investigation, Mr. Trott writes:

As to the individuals primarily responsible in a criminal sense for this activity, there were essentially two key people. Beyond that they cannot be identified—nor can the evidence against them be detailed or characterized—because of rule 6(e) of the Federal Rules of Criminal Procedure that requires continuing secrecy with respect to matters occurring before a grand jury. However, neither individual was a high-level executive of the company.

In assessing the manner in which this case ought to be handled, our prosecutors started from the proposition that individuals ought to be held personally responsible for their criminal misconduct. This is our normal policy from which we deviate only when faced with a compelling reason to make an exception. Pursuing at trial the known individual authors of these abuses would have had some merit, but not at the expense of foregoing the opportunity to dictate the key terms of, and seize without delay, this extraordinary settlement. To prosecute the individuals would have required us to drop the settlement in favor of a protracted court fight that would have taken years to complete. That was the choice. Our career prosecutors opted for the numerous overwhelming benefits of the immediate solution, and we find their judgment to be absolutely sound and above reproach. The benefits derived from the Hutton plea were so substantial that they clearly warranted an exception to our policy of affixing personal responsibility for wrongdoing.

This Member of Congress hopes that someday those inside the Justice Department who are professionals at protecting their political allies and going after with maximum zeal their political enemies will have to account for their actions. Unfortunately, thus far the politicians inside the Justice Department remain unbridled and fearless.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL

RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, July 11, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine, and S. 1208, to convey certain land in the State of Maryland to the Maryland National Capital Park and Planning Commission.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of the Asbestos School Hazard Abatement Act (Title V of P.L. 98-377).
SD-406

2:30 p.m.
Finance
Health Subcommittee
To hold hearings on S. 1323, S. 837, and H.R. 1868, bills to provide protection against fraud and abuse in the nation's health care programs.
SD-215

JULY 15

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills, including S. 205 and S. 376.
SD-215

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-562

Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

2:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries.
SD-215

JULY 16

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

9:45 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold joint hearings with the House Committee on Interior and Insular Affairs' Subcommittee on Energy and the Environment on S. 1004 and H.R. 2236, bills to establish a program to provide for reclamation and other remedial actions with respect to mill tailings at active uranium and thorium processing sites.
Room to be announced

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume oversight hearings on ground-water level and use and on ground-water quality and flow in the United States.
SR-485

Judiciary
To hold oversight hearings on the Department of Justice vertical restraints guidelines.
SD-226

2:00 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1131, to integrate the Hilltop and Gray Goose Irrigation districts, South Dakota into the Pick-Sloan Missouri Basin Program, S. 1157, to provide for a study and to take interim corrective measures for the distribution, drainage, and disposal of drainage water in the San Joaquin Valley of the Central Valley Project, S. 1171, to authorize additional funds for assistance to non-Federal organizations for developing reclamation projects, and S. 1192, to implement the "Agreement Between the United States and the Department of Water Resources of the State of California for Coordinated Operation of the Central Valley Project and the State Water Project."
SD-366

Environment and Public Works
Business meeting, to mark up S. 366, to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States
SD-406

Foreign Relations
To hold hearings on embassy security.
SD-419

JULY 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. Res. 178, to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standards, and S. 1097, to provide for the appropriate treatment of methanol powered automobiles.
SR-253

Energy and Natural Resources
To hold hearings on the nominations of Charles A. Trabandt, of Virginia, to be a Member of the Federal Energy Regulatory Commission, and Russell F. Miller, of Maryland, to be Deputy Inspector General of the U.S. Synthetic Fuels Corporation.
SD-366

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

Foreign Relations
To continue hearings in closed session on embassy security.
S-116, Capitol

Select on Indian Affairs
To hold hearings on S. 1398, to revise certain provisions of Title XI of the Education Amendments of 1978, relating to Indian education programs, and S. 1349, to provide for the use and distribution of certain judgment funds awarded to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux Tribes.
SR-485

2:00 p.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Rebecca G. Range, of the District of Columbia, and Jennifer A. Hillings, of California, each to be an Assistant Secretary of Transportation.
SR-253

Environment and Public Works
To hold hearings to evaluate alternatives for developing land adjacent to Union Station in Washington, D.C. for use of the Administrative Offices of the U.S. Courts.
SD-406

Judiciary
To hold hearings on pending nominations.
SD-226

JULY 18

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the Federal Reserve's second report on the conduct of monetary policy for 1985.
SD-538

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Rules and Administration
To hold hearings on the equities of "pooling" public events of news interest in the Senate, including cost allo-

cation of the pool for the 1985 Presidential Inaugural Ceremonies in the U.S. Capitol.
SR-301

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on present activities and future of the National Park Service.
SD-366

Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on U.S.-Japan service industry trade.
SD-419

Labor and Human Resources
To hold hearings to review childhood vaccination programs.
SD-430

2:00 p.m.
Environment and Public Works
Business meeting, to mark up S. 366, to authorize the U.S. Army Corps of Engineers to construct various projects for improvments to rivers and harbors of the United States.
SD-406

4 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
To hold closed hearings on counter intelligence matters.
SH-219

JULY 19

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Atlantic Striped Bass Conservation Act (P.L. 98-613).
SD-406

Finance
To continue hearings on the President's tax reform proposal.
SD-215

JULY 22

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 522, to prohibit the use of Federal financial assistance to perform abortion except where the life of the mother would be endangered.
SD-226

JULY 23

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to examine problems facing the Nation's electric utility industry, focusing on the prospect of serious shortages of electric power by the early 1990's.
SD-366

Labor and Human Resources
Business meeting, on pending calendar business.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1245 and S. 747, bills authorizing funds for programs of the Magnuson Fishery and Conservation Management Act, and S. 1386, to promote the Americanization of domestic marine fishery resources.
SR-253

Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on the continuation of most-favored-nation (MFN) treatment for Hungary, Romania, China, and Afghanistan, and S. 925, to deny MFN status to Afghanistan.
SD-215

JULY 24

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1310, to improve the effectiveness of the political broadcasting laws.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Rules and Administration
To hold hearings on S. 581, S. 582, S. 583, and S. 1311, bills authorizing funds for certain activities of the Smithsonian Institution.
SR-301

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings to review a report of the General Accounting Office on "Options for Conducting a Pay Equity Study of Federal Pay and Classification Systems."
SD-342

Select on Indian Affairs
Business meeting, to mark up S. 1398, to revise certain provisions of Title XI of the Education Amendments of 1978, relating to Indian education programs, S. 1349, to provide for the use and distribution of certain judgment funds awarded to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux Tribes, and S. 1106, to provide for the use and distribution of judgment funds awarded to the Saginaw Chippewa Tribe of Michigan.
SR-485

JULY 25

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Energy and Natural Resources
To continue oversight hearings to examine problems facing the Nation's electric utility industry, focusing on the prospect of serious shortages of electric power by the early 1990's.
SD-366

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

Foreign Relations
International Economic Policy, Oceans, and Environment Subcommittee
To hold hearings on proposed legislation authorizing funds for activities of the Overseas Private Investment Corporation.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings to review a report of the General Accounting Office on "Options for Conducting a Pay Equity Study of Federal Pay and Classification Systems."
SD-138

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the manufacture of designer drugs.
SD-562

JULY 29

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on competitiveness in the long-distance telephone markets.
SD-106

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 824, authorizing funds for programs of title I of the Marine Protection, Research, and Sanctuaries Act of 1972, and related measures.
SD-406

JULY 30

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on competitiveness in the long-distance telephone markets.
SR-253

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

Foreign Relations
To hold hearings on pending treaties.
SD-419

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

Foreign Relations
To hold hearings to review current U.S. financing of foreign military exports.
SD-419

AUGUST 1

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 177, American Defense Education Act.
SD-430

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

JULY 29

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings to examine the role of tax-exempt bonds in intergovernmental finance and the implications of the Department of Treasury's tax reform proposal to eliminate the tax-exempt status of "private purpose" bonds.
SD-342

JULY 30

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings to examine the role of tax-exempt bonds in intergovernmental finance and the implications of the Department of Treasury's tax reform proposal to eliminate the tax-exempt status of "private purpose" bonds.
SD-342